



**Tennessee Valley Authority Medicare Prescription Drug Plan  
(Employer PDP), administered by Catamaran**

**Annual Notice of Changes for 2015**

You are currently enrolled as a member of *Tennessee Valley Authority*. Next year, there may be some changes to the plan's costs and benefits. *This booklet tells about the changes, which will take effect January 1, 2015.*

**Tennessee Valley Authority Medicare Prescription Drug Plan (Employer PDP)  
Catamaran Member Services:**

For help or information, please call the Catamaran Member Services or go to our plan's website [www.myCatamaranRx.com](http://www.myCatamaranRx.com).

**Catamaran Member Services** (Calls to these numbers are free):

1-855-207-5871

TTY users call: 711

**Hours of Operation:**

24 hours a day, 7 days a week

Visit our website at [www.myCatamaranRx.com](http://www.myCatamaranRx.com)

Catamaran is a Medicare approved Part D sponsor and administers this plan on behalf of your employer, union or trustees of a fund. If you need this information in another language or alternate format (Braille, large print, audio), please contact Catamaran Member Services at the number located on the back of your ID card.

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***Annual Notice of Changes for 2015***  
**Table of Contents**

<b>Think about Your Medicare Coverage for Next Year.....</b>	<b>3</b>
<b>Summary of Important Costs for 2015 .....</b>	<b>4</b>
<b>SECTION 1 Changes to Benefits and Costs for Next Year.....</b>	<b>5</b>
Section 1.1 – Changes to the Monthly Premium .....	5
Section 1.2 – Changes to the Pharmacy Network.....	5
Section 1.3 – Changes to Part D Prescription Drug Coverage .....	5
<b>SECTION 2 Deciding Which Plan to Choose.....</b>	<b>9</b>
Section 2.1 – If you want to stay in Tennessee Valley Authority.....	9
Section 2.2 – If you want to change plans .....	10
<b>SECTION 3 Deadline for Changing Plans .....</b>	<b>10</b>
<b>SECTION 4 Programs That Help Pay for Prescription Drugs .....</b>	<b>10</b>
<b>SECTION 5 Questions? .....</b>	<b>11</b>
Section 5.1 – Getting Help from Tennessee Valley Authority .....	11
Section 5.2 – Getting Help from Medicare.....	11

## Think about Your Medicare Coverage for Next Year

Each fall, Medicare allows you to change your Medicare health and drug coverage during the Annual Enrollment Period. It's important to review your coverage now to make sure it will meet your needs next year.

Important things to do:

- Check the changes to our benefits and costs to see if they affect you.** It is important to review benefit and cost changes to make sure they will work for you next year. Look in Section 1 for information about benefit and cost changes for our plan.
- Check the changes to our prescription drug coverage to see if they affect you.** Will your drugs be covered? Are they in a different tier? Can you continue to use the same pharmacies? It is important to review the changes to make sure our drug coverage will work for you next year. Look in Section 1 for information about changes to our drug coverage.
- Think about your overall costs in the plan.** How much will you spend out-of-pocket for the services and prescription drugs you use regularly? How much will you spend on your premium? How do the total costs compare to other Medicare coverage options?
- Think about whether you are happy with our plan.**

### **If you decide to stay with *Tennessee Valley Authority:***

If you want to stay with us next year, it's easy - you don't need to do anything. You will automatically stay enrolled in our plan.

### **If you decide to change plans:**

If you decide other coverage will better meet your needs, you can switch plans anytime during the year. If you enroll in another prescription drug plan other than Tennessee Valley Authority, it may impact other benefits, such as medical coverage. Your new coverage will begin on January 1, 2015.

## Summary of Important Costs for 2015

The table below compares the 2014 costs and 2015 costs for Tennessee Valley Authority in several important areas. **Please note this is only a summary of changes. It is important to read the rest of this *Annual Notice of Changes*** and review the enclosed *Evidence of Coverage* to see if other benefit or cost changes affect you.

<b>2014 (this year)</b>			
<b>Covered Prescription Drugs</b>	<b>Retail Pharmacy (up to a 31-day supply)</b>	<b>Retail Pharmacy (up to a 90-day supply)</b>	<b>Mail Order Pharmacy (up to a 90-day supply)</b>
Tier 1 (Generic Drugs)	\$10	\$30	\$20
Tier 2 (Preferred Brand Drugs)	\$40	\$120	\$80
Tier 3 (Non-Preferred Brand Drugs)	\$80	\$240	\$120
Tier 4 (Specialty Drugs)	\$80	\$240	\$120
<b>2015 (next year)</b>			
<b>Covered Prescription Drugs</b>	<b>Retail Pharmacy (up to a 31-day supply)</b>	<b>Retail Pharmacy (up to a 90-day supply)</b>	<b>Mail Order Pharmacy (up to a 90-day supply)</b>
Tier 1 (Generic Drugs)	\$15	\$45	\$30
Tier 2 (Preferred Brand Drugs)	\$40	\$120	\$80
Tier 3 (Non-Preferred Brand Drugs)	\$80	\$240	\$160
Tier 4 (Specialty Drugs)	\$80	\$240	\$160

## SECTION 1 Changes to Benefits and Costs for Next Year

### Section 1.1 – Changes to the Monthly Premium

	2014 (this year)	2015 (next year)
<b>Monthly premium</b>	Tennessee Valley Authority sent you a letter with your 2014 Medicare premium.	Tennessee Valley Authority will send you a letter in the fall with your 2015 Medicare premium.

- Your monthly plan premium will be *more* if you are required to pay a late enrollment penalty.
- If you have a higher income, you may have to pay an additional amount each month directly to the government for your Medicare prescription drug coverage.
- Your monthly premium will be *less* if you are receiving “Extra Help” with your prescription drug costs.

### Section 1.2 – Changes to the Pharmacy Network

Amounts you pay for your prescription drugs may depend on which pharmacy you use. Medicare drug plans have a network of pharmacies. In most cases, your prescriptions are covered *only* if they are filled at one of our network pharmacies.

There are changes to our network of pharmacies for next year.

An up to date Pharmacy Locator tool can be found on our Website at [www.myCatamaranRx.com](http://www.myCatamaranRx.com). You may also call Catamaran Member Services for updated pharmacy information.

### Section 1.3 – Changes to Part D Prescription Drug Coverage

#### Changes to Our Drug List

Our list of covered drugs is called a Formulary or “Drug List.” We sent you a copy of our Drug List in this envelope.

We made changes to our Drug List, including changes to the drugs we cover and changes to the restrictions that apply to our coverage for certain drugs. **Review the Drug List to make sure your drugs will be covered next year and to see if there will be any restrictions.** The Drug List we included in this envelope includes many – *but not all* – of the drugs that we will cover next year. If you don’t see your drug on this list, it might still be covered. **You can get the complete Drug List** by calling Catamaran Member Services (see the back cover) or visiting our website ([www.myCatamaranRx.com](http://www.myCatamaranRx.com)).

If you are affected by a change in drug coverage you can:

- **Work with your doctor (or other prescriber) and ask the plan to make an exception** to cover the drug. You can ask for an exception before next year and we will give you an answer before the change takes effect. To learn what you must do to ask for an exception, see Chapter 7 of your *Evidence of Coverage (What to do if you have a problem or complaint (coverage decisions, appeals, complaints))* or call Catamaran Member Services.
- **Find a different drug** that we cover. You can call Catamaran Member Services to ask for a list of covered drugs that treat the same medical condition.

In some situations, we will cover a **one-time**, temporary supply. (To learn more about when you can get a temporary supply and how to ask for one, see Chapter 3 of the *Evidence of Coverage*.) During the time when you are getting a temporary supply of a drug, you should talk with your doctor to decide what to do when your temporary supply runs out. You can either switch to a different drug covered by the plan or ask the plan to make an exception for you and cover your current drug.

If you currently have a formulary exception on file for the 2014 plan year, you may need to submit a new request for an exception for 2015. The approval letter you received contains a start and end date for the approval. Please refer to this letter to determine if a request for a new exception is needed.

#### **Changes to basic rules for the plan's Part D drug coverage**

Effective June 1, 2015, before your drugs can be covered under the Part D benefit, CMS will require your doctors and other prescribers to either accept Medicare or to file documentation with CMS showing that they are qualified to write prescriptions.

#### **Changes to Prescription Drug Costs**

**There are four drug payment stages. How much you pay for a Part D drug depends on which drug payment stage you are in.**

The information below shows the four drug payment stages. You can also look in Chapter 4 of your *Evidence of Coverage* for more information about the stages.

There is a change to daily cost sharing that might affect your costs in the Initial Coverage Stage. When your doctor first prescribes less than a full month's supply of certain drugs, you may no longer need to pay the copay for a full month.

Typically, you pay a copay to cover a full month's supply of a covered drug. However your doctor can prescribe less than a month's supply of drugs. There may be times when you want to ask your doctor about prescribing less than a month's supply of a drug (for example, when you are trying a medication for the first time that is known to have serious side effects). If your doctor agrees, you will not have to pay for the full month's supply for certain drugs.

The amount you pay when you get less than a full month's supply will depend on whether you are responsible for paying coinsurance (a percentage of the total cost) or a copayment (a flat dollar amount).

- If you are responsible for coinsurance, you pay a *percentage* of the total cost of the drug. You pay the same percentage regardless of whether the prescription is for a full month's supply or for fewer days. However, because the entire drug cost will be lower if you get less than a full month's supply, the *amount* you pay will be less.
- If you are responsible for a copayment for the drug, your copay will be based on the number of days of the drug that you receive. We will calculate the amount you pay per day for your drug (the "daily cost-sharing rate") and multiply it by the number of days of the drug you receive.
  - Here's an example: Let's say the copay for your drug for a full month's supply (a 30-day supply) is \$30. This means that the amount you pay per day for your drug is \$1. If you receive a 7 days' supply of the drug, your payment will be \$1 per day multiplied by 7 days, for a total payment of \$7.
  - You should not have to pay more per day just because you begin with less than a month's supply. Let's go back to the example above. Let's say you and your doctor agree that the drug is working well and that you should continue taking the drug after your 7 days' supply runs out. If you receive a second prescription for the rest of the month, or 23 days more of the drug, you will still pay \$1 per day, or \$23. Your total cost for the month will be \$7 for your first prescription and \$23 for your second prescription, for a total of \$30 – the same as your copay would be for a full month's supply.

Daily cost-sharing allows you to make sure a drug works for you before you have to pay for an entire month's supply.

Note: If you are in a program that helps pay for your drugs ("Extra Help"), **the information about costs for Part D prescription drugs may not apply to you.** We will send you a separate insert, called the "Low Income Subsidy Rider" or the "LIS Rider", which tells you about your drug coverage. If you receive this insert, please call Catamaran Member Services at 1-855-207-5871, 24 hours a day, 7 days a week. (TTY users call 711)

### Changes to the Deductible Stage

During this stage, you pay the full cost of your drugs until you reach the yearly deductible amount.

	2014 (this year)	2015 (next year)
<b>Stage 1: Yearly Deductible Stage</b>	Because we have no deductible, this payment stage does not apply to you.	You pay a \$100 deductible for this plan.

## Changes to Your Copayments in the Initial Coverage Stage

	2014 (this year)	2015 (next year)
<p><b>Stage 2: Initial Coverage Stage</b></p> <p>During this stage, the plan pays its share of the cost of your drugs and <b>you pay your share of the cost.</b></p>	<p><b>Generic Drugs:</b></p> <p><i>Retail:</i> You pay \$10 per prescription (31-day supply); \$30 per prescription (90-day supply)</p> <p><i>Mail:</i> You pay \$20 per prescription (90-day supply)</p> <p><b>Preferred Brand:</b></p> <p><i>Retail:</i> You pay \$40 per prescription (31-day supply); \$120 per prescription (90-day supply)</p> <p><i>Mail:</i> You pay \$80 per prescription (90-day supply)</p> <p><b>Non-Preferred Brand:</b></p> <p><i>Retail:</i> You pay \$80 per prescription (31-day supply); \$240 per prescription (90-day supply)</p> <p><i>Mail:</i> You pay \$120 per prescription (90-day supply)</p> <p><b>Specialty:</b></p> <p><i>Retail:</i> You pay \$80 per prescription (31-day supply); \$240 per prescription (90-day supply)</p> <p><i>Mail:</i> You pay \$120 per prescription (90-day supply)</p> <hr/> <p>Once your total drugs costs have reached \$2,960, you will move to the next stage (the Coverage Gap Stage).</p>	<p><b>Generic Drugs:</b></p> <p><i>Retail:</i> You pay \$15 per prescription (31-day supply); \$45 per prescription (90-day supply)</p> <p><i>Mail:</i> You pay \$30 per prescription (90-day supply)</p> <p><b>Preferred Brand:</b></p> <p><i>Retail:</i> You pay \$40 per prescription (31-day supply); \$120 per prescription (90-day supply)</p> <p><i>Mail:</i> You pay \$80 per prescription (90-day supply)</p> <p><b>Non-Preferred Brand:</b></p> <p><i>Retail:</i> You pay \$80 per prescription (31-day supply); \$240 per prescription (90-day supply)</p> <p><i>Mail:</i> You pay \$160 per prescription (90-day supply)</p> <p><b>Specialty:</b></p> <p><i>Retail:</i> You pay \$80 per prescription (31-day supply); \$240 per prescription (90-day supply)</p> <p><i>Mail:</i> You pay \$160 per prescription (90-day supply)</p> <hr/> <p>Once your total drugs costs have reached \$2,960, you will move to the next stage (the Coverage Gap Stage).</p>

**Changes to the Coverage Gap and Catastrophic Coverage Stages**

	<b>2014 (this year)</b>	<b>2015 (next year)</b>
<b>Stage 3: Coverage Gap Stage</b>	<p><b>Generic Drugs:</b> You pay the same copayment as in the Initial Coverage stage for all covered generic drugs.</p> <p><b>Brand Drugs:</b> You pay 50% of the copayment in the Initial Coverage stage for covered Medicare Part D brand-name drugs.</p> <hr/> <p>Once your total drugs costs have reached \$4,550, you will move to the next stage (the Catastrophic Stage).</p>	<p><b>Generic Drugs:</b> You pay the same copayment as in the Initial Coverage stage for all covered generic drugs.</p> <p><b>Brand Drugs:</b> You pay 50% of the copayment in the Initial Coverage stage for covered Medicare Part D brand-name drugs.</p> <hr/> <p>Once your total drugs costs have reached \$4,700, you will move to the next stage (the Catastrophic Stage).</p>
<b>Stage 4: Catastrophic Coverage Stage</b>	<p>You pay the greater of:                      \$2.55 for a generic or preferred brand drug that is a multi-source drug and \$6.35 for all other drugs.                      OR                      5% of the total cost with a maximum not to exceed the standard copayment amount during the Initial Coverage stage.</p>	<p>You pay the greater of:                      \$2.65 for a generic or preferred brand drug that is a multi-source drug and \$6.60 for all other drugs.                      OR                      5% of the total cost with a maximum not to exceed the standard copayment amount during the Initial Coverage stage.</p>

**SECTION 2 Deciding Which Plan to Choose**

**Section 2.1 – If you want to stay in *Tennessee Valley Authority***

**To stay in our plan you don’t need to do anything.** If you do not sign up for a different plan, you will automatically stay enrolled as a member of our plan for 2015.

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## Section 2.2 – If you want to change plans

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We hope to keep you as a member next year but if you want to change for 2015 follow these steps:

### Step 1: Learn about and compare your choices

- You can join a different Medicare prescription drug plan,
- -- OR-- You can change to a Medicare health plan. Some Medicare health plans also include Part D prescription drug coverage,
- -- OR-- You can keep Original Medicare *without* a separate Medicare prescription drug plan.

To learn more about Original Medicare and the different types of Medicare plans, read *Medicare & You 2015*, call your State Health Insurance Assistance Program, or call Medicare.

You can also find information about plans in your area by using the Medicare Plan Finder on the Medicare website. Go to <http://www.medicare.gov> and click “Compare Drug and Health Plans.”

**Here, you can find information about costs, coverage, and quality ratings for Medicare plans.**

### Step 2: Change your coverage

- To change to a different Medicare prescription drug plan, enroll in the new plan. You will automatically be disenrolled from *Tennessee Valley Authority*.
- To change to a Medicare health plan, enroll in the new plan. You will automatically be disenrolled from *Tennessee Valley Authority*.
- To change to Original Medicare without a prescription drug plan, you can either:
  - Send us a written request to disenroll. Contact Catamaran Member Services if you need more information on how to do this (phone numbers are located on the front page of this booklet).
  - -- OR-- Contact Medicare, at 1-800-MEDICARE (1-800-633-4227), 24 hours a day, 7 days a week, and ask to be disenrolled. TTY users should call 1-877-486-2048.

## SECTION 3 Deadline for Changing Plans

If you want to change to a different prescription drug plan or to a Medicare health plan for next year, you can do it anytime of the year. The change will take effect on first day of the following month.

## SECTION 4 Programs That Help Pay for Prescription Drugs

You may qualify for help paying for prescription drugs. There are two basic kinds of help:

- **“Extra Help” from Medicare.** People with limited incomes may qualify for Extra Help to pay for their prescription drug costs. If you qualify, Medicare could pay up to seventy-five (75) percent or more of your drug costs including monthly prescription drug premiums, annual deductibles, and coinsurance. Additionally, those who qualify will not have a coverage gap or late enrollment penalty. Many people are eligible and don’t even know it. To see if you qualify, call:
  - 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048, 24 hours a day/7 days a week;
  - The Social Security Office at 1-800-772-1213 between 7 a.m. and 7 p.m., Monday through Friday. TTY users should call, 1-800-325-0778; or
  - Your State Medicaid Office.

- **Help from your state’s pharmaceutical assistance program.** There are programs that help people pay for prescription drugs based on their financial need, age, or medical condition. To learn more about the program, check with your State Health Insurance Assistance Program.

## SECTION 5 Questions?

### Section 5.1 – Getting Help from *Tennessee Valley Authority*

Questions? We’re here to help. Please call Catamaran Member Services at 1-855-207-5871. (TTY only, call 711.) We are available for phone calls 24 hours a day, 7 days a week. Calls to these numbers are free.

#### **Read your 2015 *Evidence of Coverage* (it has details about next year's benefits and costs)**

This *Annual Notice of Changes* gives you a summary of changes in your benefits and costs for 2015. For details, look in the 2015 *Evidence of Coverage* for *Tennessee Valley Authority*. The *Evidence of Coverage* is the legal, detailed description of your plan benefits. It explains your rights and the rules you need to follow to get covered services and prescription drugs. A copy of the *Evidence of Coverage* was included in this envelope.

#### **Visit our Website**

You can also visit our website at [www.myCatamaranRx.com](http://www.myCatamaranRx.com). As a reminder, our website has the most up-to-date information about our pharmacy network and our list of covered drugs (Formulary/Drug List).

### Section 5.2 – Getting Help from Medicare

To get information directly from Medicare:

#### **Call 1-800-MEDICARE (1-800-633-4227)**

You can call 1-800-MEDICARE (1-800-633-4227), 24 hours a day, 7 days a week. TTY users should call 1-877-486-2048.

#### **Visit the Medicare Website**

You can visit the Medicare Website (<http://www.medicare.gov>). It has information about cost, coverage, and quality ratings to help you compare Medicare prescription drug plans. You can find information about plans available in your area by using the Medicare Plan Finder on the Medicare Website. (To view the information about plans, go to <http://www.medicare.gov> and click on “Compare Drug and Health Plans.”)

#### **Read Medicare & You 2015**

You can read *Medicare & You 2015 Handbook*. Every year in the fall, this booklet is mailed to people with Medicare. It has a summary of Medicare benefits, rights and protections, and answers to the most frequently asked questions about Medicare. If you don’t have a copy of this booklet, you can get it at the Medicare Website (<http://www.medicare.gov>) or by calling 1-800-MEDICARE (1-800-633-4227), 24 hours a day, 7 days a week. TTY users should call 1-877-486-2048.