



COMMONWEALTH OF VIRGINIA
DEPARTMENT OF HUMAN RESOURCE MANAGEMENT

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To: LODA Health Benefits Plan – Medicare Primary Participants

Following is your annual update of LODA health benefits coverage and information for your new plan year that begins on January 1, 2025.

NOTE: Annual updates for LODA Health Benefits Plan participants who are not eligible for Medicare will be provided before their new plan year, beginning July 1, 2025.

Annual Benefits Notification for 2025 Benefits

▪ **Medical Benefits**

There will be no change in your **LODA Plan – Medicare Primary** supplemental benefits or other covered medical benefits for 2025.

Consult your “*Medicare and You – 2025*” publication regarding any changes to your primary Medicare coverage for 2025.

▪ **Dental and Vision Benefits**

The following are the dental benefit changes effective January 1, 2025.

- Major Dental Services moving from member pay of 95% of allowable charge to 50% of allowable charge, when visiting an in-network dentist.
- Bitewing x-rays: from twice per calendar year to once per calendar year.
- Full-mouth and panoramic x-rays: from once every 3 years to once every 5 years.
- Crowns, implants, & prosthodontics: once per tooth every five years to once per tooth every 7 years.

- Eligible members with one of the following conditions are eligible for an additional cleaning & exam:
 - Diabetes
 - Pregnancy (eligible for a maximum of two coverage years)
 - Certain cardiac conditions
 - Cancer with chemotherapy treatment o Head and neck cancer with chemotherapy and/or radiation treatment
 - Organ or bone marrow transplantation
 - End-Stage Renal Disease (ESRD)
 - Suppressed/weakened immune system (HIV/AIDS)

See the enclosed Dental brochure for more information.

▪ **Prescription Drug Benefits**

Changes in Drug Payment Stages

For 2025, there will be three drug payment stages: the Yearly Deductible stage, the Initial Coverage stage, and the Catastrophic Coverage stage. The Coverage Gap stage and the Coverage Gap Discount Program will no longer exist in the Part D benefit. The Coverage Gap Discount Program will also be replaced by the Manufacturer Discount Program. Under the Manufacturer Discount Program, drug manufacturers pay a portion of the plan's full cost for covered Part D brand name drugs and biologics during the Initial Coverage stage and the Catastrophic Coverage stage. Discounts paid by manufacturers under the Manufacturer Discount Program do not count toward out-of-pocket costs.

There will be no changes in your prescription drug copayment or coinsurance levels based on the tier of covered drugs. Coverage stage updates are provided later in this section.

Medicare Prescription Payment Plan

The Medicare Prescription Payment Plan is a new payment option that works with your current drug coverage, and it can help you manage your drug costs by spreading them across **monthly payments that vary throughout the year** (January – December). To learn more about this payment option, please contact Express Script at **1-866-845-1803** or visit **<https://www.medicare.gov>**.

Important Message About What You Pay for Insulin

You won't pay more than \$35 for a one-month supply for each insulin product covered by our plan, no matter its cost-sharing tier. If the plan covers insulin at a lower cost-sharing amount, you will pay the lower amount. If the plan has a deductible, there is no deductible for covered insulins.

Evidence of Coverage (EOC): For more information about your Medicare Part D prescription drug benefits, you may access your Express Scripts Medicare Evidence of Coverage at **www.express-scripts.com/documents** or you can request a copy by contacting Customer Service at 1-800-572-4098. TTY users can contact 1-800-716-3231.

This document is a resource for rights and rules you will need to follow for covered services and drugs under this plan.

Formulary (Drug List): You will not receive a printed formulary booklet in your Annual Notice of Changes package from Express Scripts Medicare. However, you may obtain formulary information by logging in at www.express-scripts.com/documents or by calling Customer Service at 1-800- 572-4098. TTY users can call 1-800-716-3231.

You are encouraged to use this resource to check the status of maintenance drugs that you are currently taking to be sure that there are no changes. However, anyone who is taking a drug that will experience a formulary change effective January 1, 2025 (e.g., higher out-of-pocket cost, no longer included on the formulary, new coverage restrictions, changes approved by Medicare), will receive individual notification from Express Scripts Medicare in December. Your Annual Notice of Changes has additional information about your options should you experience a formulary change.

Three Coverage Stages

The following is a summary of the 2025 coverage stages. Be sure to review the limits and benefits of each stage for specific information about your costs in these stages and to understand your coverage.

Deductible Stage – Your annual outpatient prescription drug deductible will increase to **\$590** in 2025. This means that you will pay the full cost of any covered brand-name drug until you have paid \$590 out-of-pocket. Covered generics continue to be excluded from any deductible.

The deductible doesn't apply to covered insulin products and most adult Part D vaccines, including shingles, tetanus and travel vaccines. Once you meet your deductible, you move on to the Initial Coverage stage.

Initial Coverage Stage – There are no changes in copayments and coinsurance for each cost-sharing tier for 2025. Once your deductible has been met for covered brand drugs (and immediately for covered generics), your copayments/coinsurance will remain as follows until your total covered drug cost reaches **\$2,000**. Once you reach this limit, you move on to the Catastrophic Coverage stage.

Initial Coverage Stage - Covered Tier 1 (generic) Drugs *(deductible does not apply)*

	2025 Copayment
Per one-month (up to 34-day) supply at a retail network pharmacy	\$7
Per up to a 90-day supply through the home delivery service	\$7

Initial Coverage Stage - Covered Tier 2 (preferred brand) Drugs	2025 Copayment
Per one-month (up to 34-day) supply at a retail network pharmacy	\$25
Per up to a 90-day supply through the home delivery service	\$50

Initial Coverage Stage - Covered Tier 3 (non-preferred brand) Drugs	2025 Coinsurance
Per one-month (up to 34-day) supply at a retail network pharmacy	You pay 75%
Per up to a 90-day supply through the home delivery service	You pay 75%

Initial Coverage Stage - Covered Tier 4 (specialty) Drugs	2025 Coinsurance
Per one-month (up to 34-day) supply at a retail network pharmacy	You pay 25%
Per up to a 90-day supply through the home delivery service	You pay 25%

Coverage Gap Stage – For 2025, the Coverage Gap stage will be eliminated. This plan does not have a coverage gap.

Catastrophic Coverage Stage – In 2025, drug manufacturers pay a portion of the plan’s full cost for covered Part D brand name drugs and biologics during the Catastrophic Coverage stage. Discounts paid by manufacturers under the Manufacturer Discount Program do not count toward out-of-pocket costs. **If your annual true out-of-pocket drug expense (including deductible, copayments, and coinsurance but not including the cost of non-covered or excluded drugs) reaches \$2,000, the plan will pay the full cost for your covered Part D drugs. If the plan covers additional drugs not normally covered by Medicare, you may have a cost share for such drugs under an enhanced benefit.**

Express Scripts Mobile App – You can manage your prescriptions using your mobile device by registering for the Express Scripts Mobile App. Go to www.express-scripts.com or your mobile device’s app store to register.

Your Medicare Explanation of Benefits (EOB) – To help you track your coverage stages, you will receive an EOB directly from Express Scripts for any months during which you use your benefit. You may also obtain a copy electronically by accessing the website at www.express-scripts.com or by contacting Express Scripts Medicare Customer Service at 1-800-572-4098. TTY callers contact 1-800-716-3231.

Notice of Creditable Coverage – The outpatient prescription drug coverage that is available through the LODA Health Benefits Plans to its Medicare-eligible retiree group participants is a Medicare Part D plan and, therefore, creditable coverage. As such, a Notice of Creditable Coverage is not required. However, beneficiaries will not have to pay a higher premium for any period during which they are enrolled in this plan if they decide later to enroll in other Medicare Part D coverage, as long as there is not a break in creditable coverage of 63 or more days.

Enrolling in Part D Plans Outside of the LODA Program – If you enroll in a Medicare Part D plan other than the ***LODA Plan – Medicare Primary*** in which you are enrolled, it will generally result in termination of your LODA Plan coverage since Medicare does not allow enrollment in more than one Medicare Part D plan, and the LODA Health Benefits Plans do not offer a Medicare-coordinating plan that does not include prescription drug coverage.

General Information

Will I get new ID Cards for 2025?

New ID cards will not be distributed in 2025. You may continue to use your existing ID cards.

Will I get a new Member Handbook/Summary Plan Description for 2025?

A new Medicare-Coordinating Plans Member Handbook is being finalized for printing. Until the new handbook is available, continue to use your existing handbook, applicable inserts, amendments, and this notice as your description of coverage. Following is a link to all of the existing materials online:

<https://www.dhrm.virginia.gov/healthcoverage/loda-health-benefits>

Can I enroll in additional Medicare Part D prescription drug coverage?

If you enroll in a Medicare Part D plan other than the ***LODA Plan – Medicare Primary*** in which you are enrolled, it will generally result in termination of your LODA Plan coverage since Medicare does not allow enrollment in more than one Medicare Part D plan, and the LODA Health Benefits Plans do not offer a Medicare-coordinating plan that does not include prescription drug coverage.

Can I Enroll in a Medicare Advantage Plan?

If you are enrolled in Medicare Advantage (HMO, PPO, Special Needs, Private Fee-for-Service) rather than Original Medicare, medical services you receive will not be covered by this Plan.

Are there fitness benefits available under the Advantage 65 Plans?

The LODA program's Medicare-coordinating plan currently doesn't provide any fitness benefits such as fitness programs, memberships or general exercise equipment. In response to some participants who have asked about adding this type of benefit to the program, the Department of Human Resource Management's Office of Health Benefits (the Department) investigated programs that are offered under other plans and found the following:

- The provider network for the program is not fully developed in all areas where participants reside, so not all participants in the LODA program would have convenient access to a participating provider.

At this time, the network deficiencies in some areas, suggested that this was not a good enhancement for all participants.

Anthem does offer some fitness program discounts that are available to ALL members, regardless of plan or product. To view available discounts, login to [anthem.com](https://www.anthem.com) and select "Discounts" to get to the Special Offers and Discounts page. Members can only redeem the discounts by logging into the member portal first, then clicking on the link for the discount they want to use. This is especially important because if a member does not click the link on the Discounts page, they will not be recognized as eligible for the discount. This is not a reimbursement program so members cannot purchase a service or goods on their own, outside of the links on the Discounts page, and then submit to Anthem for reimbursement.

As a reminder, be sure to notify DHRM if the following eligibility events occur:

- Surviving spouses who remarry will lose eligibility for the LODA Program. You must report this to DHRM immediately, and coverage will be terminated at the end of the month in which the marriage occurs. This will not result in loss of coverage for eligible surviving children. (Remarriages prior to July 1, 2017, did not affect eligibility.)
- The disabled person must report if they return to work in a LODA-covered position. This will result in loss of eligibility for the LODA Plans, including their covered family members.
- Report any changes in your Medicare eligibility status.
- LODA-disabled participants must report divorce from their covered spouse. This will result in the former spouse's loss of eligibility at the end of the month in which the final divorce occurs. Members who fail to remove ineligible persons within the 60-day window, will be responsible for all claims paid in error, including any claims paid for prescription drugs.
- Any participant has a change in address or other contact information.

Medicare premium reimbursement

As a LODA recipient, you and your eligible spouse/dependents who maintain eligibility for coverage in this plan upon eligibility for Medicare qualify for reimbursement of any Medicare premium that is being paid directly. (See your Summary Plan Description for more information.) To be reimbursed you must provide documentation of your 2025 Medicare Part B premium and, if applicable, your Part D income-related adjustment amount (IRMAA). Documentation may be submitted by:

- Fax to 804-371-0231, or
- Email to **LODA@dhrm.virginia.gov** or
- Mail to Department of Human Resource Management
LODA Health Benefits Plans
101 North 14th St, 13th Floor
Richmond, VA 23219-3684

Reimbursements are processed quarterly on the 25th of March, June, September and December for the prospective three months. For example, upon receipt of required documentation, the December payment would include reimbursement for January, February and March. Required documentation will be requested on an annual basis to confirm the reimbursement amount of your Medicare Part B premium.

What are my resources for assistance?

Benefit	Contact for Assistance:
<ul style="list-style-type: none"> • LODA Plan – Medicare Primary Medicare Supplement • Routine Vision Coverage • Routine Hearing 	Anthem Blue Cross and Blue Shield 800-552-2682
Dental Coverage	Anthem Dental 855-648-1411
Medicare Part D Outpatient Prescription Drugs	Express Scripts Medicare 800-572-4098
Eligibility Questions (including address changes)	DHRM <ul style="list-style-type: none"> • Call 888-642-4414 (indicate you are calling regarding LODA) • Email at LODA@dhrm.virginia.gov • General information can be found at <u>https://www.dhrm.virginia.gov/healthcoverage/loda-health-benefits</u>

Enclosures: Dental Brochure
 Language Assistance Services