2017 ANNUAL Notice of Changes

UnitedHealthcare® Group Medicare Advantage (PPO).

Group Name: North Carolina State Health Plan for Teachers and State Employees

Base Plan

Group Numbers: 12309, 12310, 12311, 12312

Toll-Free **1-866-747-1014**, TTY **711**
8 a.m. – 8 p.m. ET, Monday – Friday

www.UHCRetiree.com/ncshp

Do we have the right address for you?
If not, please let us know so we can keep you informed about your plan.

UnitedHealthcare®

Y0066_H2001_827_2017

UnitedHealthcare® Group Medicare Advantage (PPO)
offered by UnitedHealthcare®

Annual Notice of Changes for 2017 Plan Year

You are currently enrolled as a member of UnitedHealthcare® Group Medicare Advantage (PPO).

Next year, there will be some changes to the plan's costs and benefits. **This booklet tells about the changes.**

Members enrolled in our plan through a former employer, union group or trust administrator (plan sponsor) can make plan changes at times designated by your plan sponsor.

Additional Resources

- Customer Service has free language interpreter services available for non-English speakers (phone numbers are in Section 6.1 of this booklet).
- This document may be available in an alternate format such as Braille, larger print or audio. Please contact our Customer Service number at 1-866-747-1014, TTY: 711, 8 a.m. – 8 p.m. ET, Monday – Friday for additional information.
- Minimum essential coverage (MEC): Coverage under this Plan qualifies as minimum essential coverage (MEC) and satisfies the Patient Protection and Affordable Care Act's (ACA) individual shared responsibility requirement. Please visit the Internal Revenue Service (IRS) website at https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families for more information on the individual requirement for MEC.

About UnitedHealthcare® Group Medicare Advantage (PPO)

- Plans are insured through UnitedHealthcare Insurance Company or one of its affiliated companies, a Medicare Advantage organization with a Medicare contract. Enrollment in the plan depends on the plan's contract renewal with Medicare.
- When this booklet says "we," "us," or "our," it means UnitedHealthcare Insurance Company or one of its affiliated companies. When it says "plan" or "our plan," it means UnitedHealthcare® Group Medicare Advantage (PPO).

Y0066_H2001_827_2017
Form CMS 10260-ANOC/EOC
(Approved 03/2014)

OMB Approval 0938-1051

Think about Your Medicare Coverage for Next Plan Year

Medicare allows you to change your Medicare health and drug coverage. It's important to review your coverage now to make sure it will meet your needs next plan year.

Important things to do:

- ☐ **Check the changes to our benefits and costs to see if they affect you.** Do the changes affect the services you use? It is important to review benefit and cost changes to make sure they will work for you next plan 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 1.6 for information about changes to our drug coverage.
- ☐ **Check to see if your doctors and other providers will be in our network next plan year.** Are your doctors in our network? What about the hospitals or other providers you use? Look in Section 1.3 for information about our Provider Directory.
- ☐ **Think about your overall health care costs.** 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 UnitedHealthcare® Group Medicare Advantage (PPO):

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

Members enrolled in our plan through a plan sponsor should follow their plan sponsors instructions to remain enrolled in our plan.

If you decide to change plans:

If you decide other coverage will better meet your needs, you can switch plans. Members enrolled in our plan through a plan sponsor can make plan changes at times designated by your plan sponsor.

Summary of Important Costs for 2017

The table below compares the 2016 costs and 2017 costs for UnitedHealthcare® Group Medicare Advantage (PPO) 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.

Cost	2016 (this plan year)	2017 (next plan year)
Maximum out-of-pocket amounts This is the most you will pay out-of-pocket for your covered Part A and Part B services. (See Section 1.2 for details.)	From in-network and out-of-network providers combined. $4,000	From in-network and out-of-network providers combined. $4,000
Doctor office visits	Primary care visits: You pay $20 copayment per visit (in-network). You pay $20 copayment per visit (out-of-network). Specialist visits: You pay $40 copayment per visit (in-network). You pay $40 copayment per visit (out-of-network).	Primary care visits: You pay $20 copayment per visit (in-network). You pay $20 copayment per visit (out-of-network). Specialist visits: You pay $40 copayment per visit (in-network). You pay $40 copayment per visit (out-of-network).
Inpatient hospital stays Includes inpatient acute, inpatient rehabilitation, long-term care hospitals and other types of inpatient hospital services. Inpatient hospital care starts the day you are formally admitted to the hospital with a doctor's order. The day before you are discharged is your last inpatient day.	You pay a $160 copayment each day for days 1 to 10 $0 for additional Medicare covered days (in-network). You pay a $160 copayment each day for days 1 to 10 $0 for additional Medicare covered days (out-of-network).	You pay a $160 copayment each day for days 1 to 10 $0 for additional Medicare covered days (in-network). You pay a $160 copayment each day for days 1 to 10 $0 for additional Medicare covered days (out-of-network).

Cost	2016 (this plan year)	2017 (next plan year)
Part D prescription drug coverage (See Section 1.6 for details.)	**Annual Drug Out-of-Pocket Maximum** After your yearly out-of-pocket drug costs reach $2,500, you pay $0 copay for covered drugs. **Retail Pharmacy (up to a 31-day supply)** Tier 1: $10 copayment Tier 2: $40 copayment Tier 3: $64 copayment Tier 4: 25% coinsurance or a $100 copayment maximum **Retail and Mail Order Pharmacy (up to a 90-day supply)** Tier 1: $24 copayment Tier 2: $80 copayment Tier 3: $128 copayment Tier 4: 25% coinsurance or a $300 copayment maximum	**Annual Drug Out-of-Pocket Maximum** After your yearly out-of-pocket drug costs reach $2,500, you pay $0 copay for covered drugs. **Retail Pharmacy (up to a 31-day supply)** Tier 1: $10 copayment Tier 2: $40 copayment Tier 3: $64 copayment Tier 4: 25% coinsurance or a $100 copayment maximum **Retail and Mail Order Pharmacy (up to a 90-day supply)** Tier 1: $24 copayment Tier 2: $80 copayment Tier 3: $128 copayment Tier 4: 25% coinsurance or a $300 copayment maximum

Annual Notice of Changes for 2017

Table of Contents

Think about Your Medicare Coverage for Next Plan Year **1**

Summary of Important Costs for 2017 ..... **2**

SECTION 1: Changes to Benefits and Costs for Next Plan Year **5**

Section 1.1 Changes to the Monthly Premium 5

Section 1.2 There are no Changes to Your Maximum Out-of-Pocket Amounts 5

Section 1.3 Changes to the Provider Network 5

Section 1.4 Changes to the Pharmacy Network 5

Section 1.5 Changes to Benefits and Costs for Medical Services 6

Section 1.6 Changes to Part D Prescription Drug Coverages 7

SECTION 2: Deciding Which Plan to Choose **8**

Section 2.1 If you want to stay in UnitedHealthcare® Group Medicare Advantage (PPO) 8

Section 2.2 If you want to change plans 8

SECTION 3: Deadline for Changing Plans **9**

SECTION 4: Programs That Offer Free Counseling about Medicare **9**

SECTION 5: Programs That Help Pay for Prescription Drugs **10**

SECTION 6: Questions? **11**

Section 6.1 Getting Help from UnitedHealthcare® Group Medicare Advantage (PPO) 11

Section 6.2 Getting Help from Medicare 11

Section 1: Changes to Benefits and Costs for Next Plan Year

SECTION 1.1 Changes to the Monthly Premium

Your plan sponsor will notify you of any changes to your plan premium amount, if applicable.

SECTION 1.2 There are no Changes to Your Maximum Out-of-Pocket Amounts

To protect you, Medicare requires all health plans to limit how much you pay "out-of-pocket" during the year. These limits are called the "maximum out-of-pocket amounts." Once you reach this amount, you generally pay nothing for covered Part A and Part B services for the rest of the plan year.

SECTION 1.3 Changes to the Provider Network

Because you are a member of the UnitedHealthcare® Group Medicare Advantage (PPO) plan, **you can see any provider (in-network or out-of-network) that participates in Medicare and accepts the plan at the same cost share. Your copayments or coinsurance stay the same.**

There are changes to our network of providers for next plan year. An updated Provider Directory is located on our website at www.UHCRetiree.com/ncshp. You may also call Customer Service for updated provider information or to ask us to mail you a Provider Directory. **Please review the 2017 Provider Directory to see if your providers (primary care provider, specialists, hospitals, etc.) are in our network.**

There are a number of reasons why your network provider might leave your plan. If this happens, you may continue to see the provider as long as he/she continues to participate in Medicare and the care you receive is a covered service and is medically necessary. Even though our network of providers may change during the plan year, Medicare requires that we furnish you with uninterrupted access to qualified doctors and specialists. When possible we will provide you with at least 30 days' notice that your network provider is leaving our plan. You may call Customer Service at the number listed in Section 6.1 of this booklet if you have questions.

SECTION 1.4 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 updated Pharmacy Directory is located on our website at www.UHCRetiree.com/ncshp. You may also call Customer Service for updated provider information or to ask us to mail you a Pharmacy Directory. **Please review the 2017 Pharmacy Directory to see which pharmacies are in our network.**

SECTION 1.5 Changes to Benefits and Costs for Medical Services

We are changing our coverage for certain medical services next plan year. The information below describes these changes. For details about the coverage and costs for these services, see Chapter 4, **Medical Benefits Chart (what is covered and what you pay)**, in your 2017 **Evidence of Coverage**.

Cost	2016 (this plan year)	2017 (next plan year)
Diabetes Monitoring Services	You pay a $0 copayment (in-network). You pay a $0 copayment (out-of-network). We only cover blood glucose monitors and test strips from the following brands: OneTouch® Ultra® 2 System, OneTouch® Ultra Mini®, OneTouch® Verio® Sync, OneTouch® Verio® IQ, ACCU-CHEK® Nano SmartView, ACCU-CHEK® Aviva Plus. Other brands are not covered by our plan. If you use a brand of supplies that is not covered by our plan, you should speak with your doctor to get a new prescription for a covered brand or you or your doctor can request an exception.	You pay a $0 copayment (in-network). You pay a $0 copayment (out-of-network). We only cover blood glucose monitors and test strips from the following brands: OneTouch Ultra® 2 System, OneTouch UltraMini,® OneTouch Verio®, OneTouch Verio® Sync, OneTouch Verio® IQ, OneTouch Verio® Flex System Kit, ACCU-CHEK® Nano SmartView, and ACCU-CHEK® Aviva Plus. Other brands are not covered by our plan. If you use a brand of supplies that is not covered by our plan, you should speak with your doctor to get a new prescription for a covered brand or you or your doctor can request an exception.

Cost	2016 (this plan year)	2017 (next plan year)
Virtual Doctor Visits	Not covered.	In-Network – $0 copayment using Doctors on Demand or AmWell Out-of-Network – $0 copayment Speak to specific doctors using your computer or mobile device. Find participating doctors online at www.UHCRetiree.com/ncshp

SECTION 1.6 Changes to Part D Prescription Drug Coverage

Changes to Our Drug List

Our list of covered drugs is called a Formulary or "Drug List." A copy of our Drug List is in this booklet. The Drug List we included in this booklet includes many — **but not all** — of the drugs that we will cover next plan 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 Customer Service (1-866-747-1014) or visiting our website (www.UHCRetiree.com/ncshp).

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 plan year and to see if there will be any restrictions.**

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. **We encourage current members** to ask for an exception before next year.
  - To learn what you must do to ask for an exception, see Chapter 9 of your Evidence of Coverage (What to do if you have a problem or complaint (coverage decisions, appeals, complaints)) or call Customer Service.
- **Work with your doctor (or other prescriber) to find a different drug** that we cover. You can call Customer Service to ask for a list of covered drugs that treat the same medical condition.

In some situations, we are required to cover a one-time, temporary supply of a non-formulary drug in the first 90 days of coverage of the plan year or coverage. (To learn more about when you can get a temporary supply and how to ask for one, see Chapter 5, Section 5.2 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 have obtained approval for a formulary exception this year, please refer to the approved through date provided on your approval letter to determine when your approval expires. After the date of expiration on your approval letter, you will need to obtain a new approval in order for the plan to continue to cover the drug, if the drug still requires an exception and you and your doctor feel it is needed.

There Are No Changes to Prescription Drug Tier Copayments or to the $2,500 Annual Drug Out-of-Pocket Maximum for Plan Year 2017

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 sent you a separate insert, called the "Evidence of Coverage Rider for People Who Get Extra Help Paying for Prescription Drugs" (also called the "Low Income Subsidy Rider" or the "LIS Rider"), which tells you about your drug costs. If you get "Extra Help" and haven't received this insert, please call Customer Service and ask for the "LIS Rider." Phone numbers for Customer Service are in Section 6.1 of this booklet.

To learn how co-payments and coinsurance work, look at Chapter 6, Section 1.2, **Types of out-of-pocket costs you may pay for covered drugs in your Evidence of Coverage**.

Section 2: Deciding Which Plan to Choose

SECTION 2.1 If you want stay in UnitedHealthcare® Group Medicare Advantage (PPO)

To stay in our plan you don't need to do anything. If you do not sign up for a different plan or change to Original Medicare, you will automatically stay enrolled as a member for the 2017 plan year.

SECTION 2.2 If you want to change plans

You should consult with your plan sponsor regarding the availability of other employer- sponsored coverage before you enroll in a plan not offered by your plan sponsor, or before ending your membership in our plan outside of your plan sponsor's Annual Enrollment Period. It is important to understand your plan sponsor's eligibility policies, and the possible impact to your retiree health care coverage.

To learn more about Original Medicare and the different types of Medicare plans, read **Medicare & You 2017**, call your State Health Insurance Assistance Program (see Section 4), or call Medicare (see Section 6.2).

Section 3: Deadline for Changing Plans

Because you are enrolled in our plan through your plan sponsor, you are only allowed to make plan changes at times designated by your plan sponsor.

Important Note: You may join or leave a plan only at certain times designated by your plan sponsor. If you choose to enroll in a Medicare health plan or Medicare prescription drug plan that is not offered by your plan sponsor, you may lose the option to enroll in a plan offered by your plan sponsor in the future. You could also lose coverage for other employer-sponsored retirement benefits you may currently have. Once enrolled in our plan, if you choose to end your membership outside of your plan sponsor's Annual Enrollment Period, re-enrollment in any plan your plan sponsor offers may not be permitted, or you may have to wait until their next Annual Enrollment Period.

You should consult with your plan sponsor regarding the availability of other employer sponsored coverage before you enroll in a plan not offered by your plan sponsor, or before ending your membership in our plan outside of your plan sponsor's Annual Enrollment Period. It is important to understand your plan sponsor's eligibility policies, and the possible impact to your retiree health care coverage options and other retirement benefits before submitting a request to enroll in a plan not offered by your plan sponsor, or a request to end your membership in our plan.

Section 4: Programs That Offer Free Counseling about Medicare

The State Health Insurance Assistance Program (SHIP) is a government program with trained counselors in every state.

State Health Insurance Assistance Program is independent (not connected with any insurance company or health plan). It is a state program that gets money from the Federal government to give **free** local health insurance counseling to people with Medicare. State Health Insurance Assistance Program counselors can help you with your Medicare questions or problems. They can help you understand your Medicare plan choices and answer questions about switching plans. You can find your SHIP number and address in **Exhibit A** of the **Evidence of Coverage**.

Section 5: Programs That Help Pay for Prescription Drugs

You may qualify for help paying for prescription drugs. Below we list different 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 75% 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 (applications);
  - Your State Medicaid Office (applications).
- **Help from your state's pharmaceutical assistance program.** State Pharmaceutical Assistance Program helps 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 (the name and phone numbers for this organization are in **Exhibit E** of the **Evidence of Coverage)**.
- **Prescription Cost-sharing Assistance for Persons with HIV/AIDS.** The AIDS Drug Assistance Program (ADAP) helps ensure that ADAP-eligible individuals living with HIV/AIDS have access to life-saving HIV medications. Individuals must meet certain criteria, including proof of State residence and HIV status, low income as defined by the State, and uninsured/under-insured status. Medicare Part D prescription drugs that are also covered by ADAP qualify for prescription cost-sharing assistance through the ADAP in your State. For information on eligibility criteria, covered drugs, or how to enroll in the program, please contact the ADAP in your State. You can find your State's ADAP contact information in in **Exhibit D** of the **Evidence of Coverage**.

Section 6: Questions?

SECTION 6.1 Getting Help from UnitedHealthcare® Group Medicare Advantage (PPO)

Questions? We're here to help. Please call Customer Service at **1-866-747-1014**, (TTY only, call **711**.) We are available for phone calls 8 a.m. – 8 p.m. ET, Monday – Friday. Calls to these numbers are free.

Read your 2017 Evidence of Coverage (it has details about next plan year's benefits and costs)

This **Annual Notice of Changes** gives you a summary of changes in your benefits and costs for 2017. For details, look in the 2017 **Evidence of Coverage** for UnitedHealthcare® Group Medicare Advantage (PPO). 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** is included in this booklet.

Visit our Website

You can also visit our website at www.UHCRetiree.com/ncshp. As a reminder, our website has the most up-to-date information about our provider network (Provider Directory).

SECTION 6.2 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 health 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 "Find health & drug plans.")

Read Medicare & You 2017

You can read Medicare & You 2017 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.

UnitedHealthcare® Group Medicare Advantage (PPO) Customer Service:

Call **1-866-747-1014**
Calls to this number are free. 8 a.m. – 8 p.m. ET, Monday – Friday. Customer Service also has free language interpreter services available for non-English speakers.

TTY **711**

Website **www.UHCRetiree.com/ncshp**

UHEX17PP3882484_000