

Anthem Blue Cross

## Changing 2013 Individual Medicare Advantage Plans

We want you to know about changes to Anthem Blue Cross Medicare Advantage Individual plan service areas. These changes will take effect Jan. 1, 2013. Some plan service areas will be eliminated or reduced.

**These changes have no impact on your participation in the Medicare Advantage network.** Employer or union sponsored Medicare Advantage plan members are not affected by these changes.

We will introduce a new Medicare Advantage HMO in Kern, Los Angeles, Orange and Riverside counties. This new Medicare Advantage HMO plan – with an enhanced benefit structure – will be offered along with the existing Medicare Advantage HMO plan in those counties. San Bernardino and San Diego members will continue to have the existing Medicare Advantage HMO plan.

New Medicare Advantage Local PPO plans will be launched in Fresno and Tulare counties. We also will continue to offer Medicare Advantage Local PPO plans in Los Angeles, Orange, Riverside, Sacramento, San Francisco, San Diego, San Mateo, Sonoma and Ventura counties

We will eliminate the Medicare Advantage individual Local PPO plans in Alameda, San Bernardino, Santa Clara and Stanislaus counties as of Dec. 31, 2012. An affiliated plan will be available in all of Stanislaus and parts of Alameda and Santa Clara counties. Medicare Supplement plans are available throughout our entire licensed service area in California.

Prior to Oct. 1, 2012, members affected by these changes will receive a letter from us that explains their Medicare coverage options. Members will continue to have coverage through their current plans until December 31, 2012. It's important to note that members may have a different network of providers and/or different benefit structure when switching from previous plans.

We are working with Centers for Medicare & Medicaid Services (CMS) to help ensure our members understand options for continuing their Medicare health insurance coverage, including:

- Joining an Anthem Medicare Advantage plan in our service area or other Medicare Advantage plans in cities or counties where an Anthem plan is not available. Members must complete a new application to enroll in a new Anthem Medicare Advantage plan. Members may have a different network of providers and/or different benefit structure when switching to a new Anthem plans.
- Changing to original Medicare and joining a Prescription Drug Plan
- Changing to original Medicare with or without a Medicare Supplement plan. Members who choose to return to original Medicare with a Medicare Supplement plan can do so under a provision known as guaranteed issue, which means they cannot be denied coverage. Guaranteed issue means that these members, for a fixed period of time, cannot be declined certain Medicare Supplement plans during the application process. Further, under

this provision, the Medicare beneficiaries' health plan pricing cannot be impacted by their health status, claims experience, receipt of health care or medical condition. Guaranteed issue coverage ensures that Medicare beneficiaries cannot be denied certain Medicare Supplement coverage based on a preexisting medical condition. A Medicare Supplement policy (also called Medigap) is designed to supplement original fee-for-service Medicare.

- Changing to original Medicare and using other health care and prescription drug coverage, such as employer or union plan, or VA benefits, if applicable.

In addition to the Annual Election Period (AEP), which begins Oct. 15, 2012, the nonrenewal triggers a "special election period" from Oct. 15, 2012 to Feb. 28, 2013 to choose a new Medicare Advantage or Prescription Drug Plan. Additionally, members will have "guaranteed issue" into a Medicare Supplement plan as that lasts no longer than 123 calendar days after their health care coverage ends.

We understand our members may contact their doctors' offices with questions about their plan. Members can call the customer service telephone number in the letter they receive from us. Members may also contact our customer service through the number provided on the back of their member ID cards. Our Customer Service representatives will be able to assist them.

Again, the status of your Medicare Advantage provider agreement is not affected. We are always evaluating our Medicare Advantage products to ensure that they meet our member needs for access, cost and quality.

If you have any questions, please contact your provider network manager.