

2009 Summary of Benefits

Alliance Medicare Rx

S3440

Plan 001

Plan 002

Plan 003

January 1, 2009 – December 31, 2009



Summary of Benefits For Alliance Medicare Rx January 1, 2009 – December 31, 2009 ALLIANCE MEDICARE RX - Michigan

Thank you for your interest in Alliance Medicare Rx. Our plan is offered by ALLIANCE HEALTH AND LIFE INSURANCE, CO/ Alliance Medicare Rx, a Medicare Prescription Drug Plan that contracts with the Federal government. This Summary of Benefits tells you some features of our plan. It doesn't list every drug that we cover, every limitation or exclusion. To get a complete list of our benefits, please call Alliance Medicare Rx and ask for the "Evidence of Coverage."

YOU HAVE CHOICES IN YOUR HEALTH CARE

As a Medicare beneficiary, you can choose from different Medicare prescription drug coverage options. One option is to get prescription drug coverage through a Medicare Prescription Drug Plan, like Alliance Medicare Rx. Another option is to get your prescription drug coverage through a Medicare Advantage Plan that offers prescription drug coverage. You make the choice.

HOW CAN I COMPARE MY OPTIONS?

The charts in this booklet list some important drug benefits. You can use this Summary of Benefits to compare the benefits offered by Alliance Medicare Rx to the benefits offered by other Medicare Prescription Drug Plans or Medicare Advantage Plans with prescription drug coverage.

There is more than one plan listed in this Summary of Benefits. If you are enrolled in one plan and wish to switch to another plan, you may do so only during certain times of the year. Please call Customer Service for more information.

WHERE IS ALLIANCE MEDICARE Rx AVAILABLE?

The service area for this plan includes: Michigan. You must live in Michigan to join this plan.

WHO IS ELIGIBLE TO JOIN?

You can join this plan if you are entitled to Medicare Part A and/or enrolled in Medicare Part B and live in the service area. Eligible individuals may only enroll in one Medicare Prescription Drug Plan at a time and may not be enrolled in a Medicare Advantage Plan (HMO, PPO), unless they are a member of Medicare Private-Fee-For-Services plan or are enrolled in an 1876 Cost Plan.

DOES MY PLAN COVER MEDICARE PART B OR PART D DRUGS?

Alliance Medicare Rx does not cover drugs that are covered under Medicare Part B as prescribed and dispensed. Generally, we only cover drugs, vaccines, biological products and medical supplies that are covered under the Medicare Prescription Drug Benefit (Part D) and that are on our formulary.

WHERE CAN I GET MY PRESCRIPTIONS?

Alliance Medicare Rx has formed a network of pharmacies. You must use a network pharmacy to receive plan benefits. We may not pay for your prescriptions if you use an out-of-network pharmacy, except in certain cases.

The pharmacies in our network can change at any time. You can ask for a Pharmacy Directory or visit us at www.hap.org/medicare. Our Customer Service number is listed at the end of this introduction.

WHAT IS A PRESCRIPTION DRUG FORMULARY?

Alliance Medicare Rx uses a formulary. A formulary is list of drugs covered by your plan to meet patient needs. We may periodically add, remove, or make changes to coverage limitations on certain drugs or change how much you pay for a drug. If we make any formulary change that limits our members' ability to fill their prescriptions, we will notify the affected enrollees before the change is made. We will send a formulary to you and you can see our complete formulary on our Web site at www.hap.org/medicare.

If you are currently taking a drug that is not on our formulary or subject to additional requirements or limits, you may be able to get a temporary supply of the drug. You can contact us to request an exception or switch to an alternative drug listed on our formulary with your physician's help. Call us to see if you can get a temporary supply of the drug or for more details about our drug transition policy.

(Introduction continued on page 2)

Summary of Benefits For Alliance Medicare Rx (continued)

WHAT SHOULD I DO IF I HAVE OTHER INSURANCE IN ADDITION TO MEDICARE?

If you have a Medigap (Medicare Supplement) policy that includes prescription drug coverage, you must contact your Medigap Issuer to let them know that you have joined a Medicare Prescription Drug Plan. If you decide to keep your current Medigap supplement policy, your Medicare Issuer will remove the prescription drug coverage portion of your policy. This will occur as of the effective date of your coverage in the Medicare Prescription Drug Plan and they will adjust your premium. Call your Medigap Issuer for details.

If you or your spouse has, or is able to get, employer group coverage, you should talk to your employer to find out how your benefits will be affected if you join Alliance Medicare Rx. Get this information before you decide to enroll in this plan.

HOW CAN I GET EXTRA HELP WITH PRESCRIPTION DRUG PLAN COSTS?

If you qualify for extra help with your Medicare prescription drug plan costs, your premium and costs at the pharmacy will be lower. When you join Alliance Medicare Rx, Medicare will tell us how much extra help you are getting. Then we will let you know the amount you will pay. If you are not getting this extra help you can see if you qualify by calling 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

WHAT ARE MY PROTECTIONS IN THIS PLAN?

All Medicare Prescription Drug Plans agree to stay in the program for a full year at a time. Each year, the plans decide whether to continue for another year. Even if a Medicare Prescription Drug Plan leaves the program, you will not lose Medicare prescription drug coverage. If a plan decides not to continue, it must send you a letter at least 90 days before your coverage will end. The letter will explain your options for Medicare coverage in your area.

As a member of Alliance Medicare Rx, you have the right to request a coverage determination, which includes the right to request an exception, the right to file an appeal if we deny coverage for a prescription drug, and the right to file a grievance. You have the right to request a coverage determination if you want us to cover a Part D drug that you believe should be covered. An exception is a type of coverage determination. You may ask us for an exception if you believe you need a drug that is not on our list of covered drugs or believe you should get a non-preferred drug at a lower out-of-pocket cost. You can also ask for an exception to cost utilization rules, such as a limit on the quantity of a drug. If you think you need an exception, you should contact us before you try to fill your prescription at the pharmacy. Your doctor must provide a statement to support your exception request. If we deny coverage for your prescription drug(s), you have the right to appeal and ask us to review our decision. Finally, you have the right to file a grievance if you have any type of problem with us or one of our network pharmacies that does not involve coverage for a prescription drug.

WHAT IS A MEDICATION THERAPY MANAGEMENT (MTM) PROGRAM?

A Medication Therapy Management (MTM) Program is a free service we may offer. You may be invited to participate in a program designed for your specific health and pharmacy needs. You may decide not to participate but it is recommended that you take full advantage of this covered service if you are selected. Contact Alliance Medicare Rx for more details.

**Summary of Benefits
For Alliance Medicare Rx
(continued)**

**Please call Alliance Medicare Rx
for more information about Alliance Medicare Rx.**

Visit us at www.hap.org or call us:

Customer Service Hours:

Sunday, Monday, Tuesday, Wednesday, Thursday, Friday, Saturday
8:00 a.m. - 9:00 p.m. Eastern

Current members should call toll-free **(800) 765-3436**.

Prospective members should call toll-free **(800) 868-3153**.

Current members should call locally **(313) 664-9064**. (TTY/TDD **(313) 664-8000**)

Prospective members should call locally **(800) 868-3153**. (TTY/TDD **(313) 664-8000**)

For more information about Medicare, call **1-800-MEDICARE** (1-800-633-4227).

TTY users should call **1-877-486-2048**. You can call 24 hours a day, 7 days a week.

Or, visit www.medicare.gov on the Web.

If you have special needs, this document may be available in other formats.

SUMMARY OF BENEFITS

Benefit	Original Medicare	Alliance Medicare Rx Plan ID 001
<p>Prescription Drugs</p>	<p>Most drugs are not covered under Original Medicare. You can add prescription drug coverage to Original Medicare by joining a Medicare Prescription Drug Plan, or you can get all your Medicare coverage, including prescription drug coverage, by joining a Medicare Advantage Plan or a Medicare Cost Plan that offers prescription drug coverage.</p>	<p>Drugs Covered under Medicare Part D</p> <p>General This plan uses a formulary. The plan will send you the formulary. You can also see the formulary at www.hap.org/medicare on the web.</p> <p>Different out-of-pocket costs may apply for people who</p> <ul style="list-style-type: none"> - have limited incomes, - live in long term care facilities, or - have access to Indian/Tribal/Urban (Indian Health Service). <p>\$35 monthly plan premium</p> <p>The plan offers national in-network prescription coverage (i.e., this would include 50 states and DC). This means that you will pay the same cost-sharing amount for your prescription drugs if you get them at an in-network pharmacy outside of the plan's service area (for instance when you travel).</p> <p>Total yearly drug costs are the total drug costs paid by both you and the plan.</p> <p>The plan may require you to first try one drug to treat your condition before it will cover another drug for that condition.</p> <p>Some drugs have quantity limits.</p> <p>Your provider must get prior authorization from Alliance Medicare Rx for certain drugs.</p> <p>The plan will pay for certain over-the-counter drugs as part of its utilization management program. Some over-the-counter drugs are less expensive than prescription drugs and work just as well. Contact the plan for details.</p> <p>You must go to certain pharmacies for a very limited number of drugs, due to the special handling, provider coordination, or patient education requirements of these drugs that cannot be met by most pharmacies in your network. These drugs are listed on the plan's website, formulary, and printed materials, as well as on the Medicare Prescription Drug Plan Finder on Medicare.gov.</p> <p>If the actual cost of a drug is less than the normal cost-sharing amount for that drug, you will pay the actual cost, not the higher cost-sharing amount.</p>

**Alliance Medicare Rx
Plan ID 002**

Drugs Covered under Medicare Part D

General

This plan uses a formulary. The plan will send you the formulary. You can also see the formulary at www.hap.org/medicare on the web.

Different out-of-pocket costs may apply for people who

- have limited incomes,
- live in long term care facilities, or
- have access to Indian/Tribal/Urban (Indian Health Service).

\$64 monthly plan premium

The plan offers national in-network prescription coverage (i.e., this would include 50 states and DC). This means that you will pay the same cost-sharing amount for your prescription drugs if you get them at an in-network pharmacy outside of the plan's service area (for instance when you travel).

Total yearly drug costs are the total drug costs paid by both you and the plan.

The plan may require you to first try one drug to treat your condition before it will cover another drug for that condition.

Some drugs have quantity limits.

Your provider must get prior authorization from Alliance Medicare Rx for certain drugs.

The plan will pay for certain over-the-counter drugs as part of its utilization management program. Some over-the-counter drugs are less expensive than prescription drugs and work just as well. Contact the plan for details.

You must go to certain pharmacies for a very limited number of drugs, due to the special handling, provider coordination, or patient education requirements of these drugs that cannot be met by most pharmacies in your network. These drugs are listed on the plan's website, formulary, and printed materials, as well as on the Medicare Prescription Drug Plan Finder on Medicare.gov.

If the actual cost of a drug is less than the normal cost-sharing amount for that drug, you will pay the actual cost, not the higher cost-sharing amount.

**Alliance Medicare Rx
Plan ID 003**

Drugs Covered under Medicare Part D

General

This plan uses a formulary. The plan will send you the formulary. You can also see the formulary at www.hap.org/medicare on the web.

Different out-of-pocket costs may apply for people who

- have limited incomes,
- live in long term care facilities, or
- have access to Indian/Tribal/Urban (Indian Health Service).

\$50 monthly plan premium

The plan offers national in-network prescription coverage (i.e., this would include 50 states and DC). This means that you will pay the same cost-sharing amount for your prescription drugs if you get them at an in-network pharmacy outside of the plan's service area (for instance when you travel).

Total yearly drug costs are the total drug costs paid by both you and the plan.

The plan may require you to first try one drug to treat your condition before it will cover another drug for that condition.

Some drugs have quantity limits.

Your provider must get prior authorization from Alliance Medicare Rx for certain drugs.

The plan will pay for certain over-the-counter drugs as part of its utilization management program. Some over-the-counter drugs are less expensive than prescription drugs and work just as well. Contact the plan for details.

You must go to certain pharmacies for a very limited number of drugs, due to the special handling, provider coordination, or patient education requirements of these drugs that cannot be met by most pharmacies in your network. These drugs are listed on the plan's website, formulary, and printed materials, as well as on the Medicare Prescription Drug Plan Finder on Medicare.gov.

If the actual cost of a drug is less than the normal cost-sharing amount for that drug, you will pay the actual cost, not the higher cost-sharing amount.

SUMMARY OF BENEFITS

Benefit	Original Medicare	Alliance Medicare Rx Plan ID 001
		<p>In-Network \$0 deductible.</p> <p>INITIAL COVERAGE You pay the following until total yearly drug costs reach \$2,700:</p> <p>Retail Pharmacy</p> <p>Tier 1</p> <ul style="list-style-type: none"> - \$8 copay for a one-month (30-day) supply of drugs in this tier - \$20 copay for a three-month (90-day) supply of drugs in this tier <p>Tier 2</p> <ul style="list-style-type: none"> - \$40 copay for a one-month (30-day) supply of drugs in this tier - \$100 copay for a three-month (90-day) supply of drugs in this tier <p>Tier 3</p> <ul style="list-style-type: none"> - \$60 copay for a one-month (30-day) supply of drugs in this tier - \$150 copay for a three-month (90-day) supply of drugs in this tier <p>Tier 4</p> <ul style="list-style-type: none"> - \$60 copay for a one-month (30-day) supply of drugs in this tier - \$150 copay for a three-month (90-day) supply of drugs in this tier <p>LONG-TERM CARE PHARMACY</p> <p>Tier 1</p> <ul style="list-style-type: none"> - \$8 copay for a one-month (31-day) supply of drugs <p>Tier 2</p> <ul style="list-style-type: none"> - \$40 copay for a one-month (31-day) supply of drugs <p>Tier 3</p> <ul style="list-style-type: none"> - \$60 copay for a one-month (31-day) supply of drugs <p>Tier 4</p> <ul style="list-style-type: none"> - \$60 copay for a one-month (31-day) supply of drugs

**Alliance Medicare Rx
Plan ID 002**

In-Network
\$0 deductible.

INITIAL COVERAGE

You pay the following until total yearly drug costs reach \$2,700:

Retail Pharmacy

Tier 1

- \$2 copay for a one-month (30-day) supply of drugs in this tier
- \$5 copay for a three-month (90-day) supply of drugs in this tier

Tier 2

- \$35 copay for a one-month (30-day) supply of drugs in this tier
- \$87.50 copay for a three-month (90-day) supply of drugs in this tier

Tier 3

- \$55 copay for a one-month (30-day) supply of drugs in this tier
- \$137.50 copay for a three-month (90-day) supply of drugs in this tier

Tier 4

- \$55 copay for a one-month (30-day) supply of drugs in this tier
- \$137.50 copay for a three-month (90-day) supply of drugs in this tier

LONG-TERM CARE PHARMACY

Tier 1

- \$2 copay for a one-month (31-day) supply of drugs

Tier 2

- \$35 copay for a one-month (31-day) supply of drugs

Tier 3

- \$55 copay for a one-month (31-day) supply of drugs

Tier 4

- \$55 copay for a one-month (31-day) supply of drugs

**Alliance Medicare Rx
Plan ID 003**

In-Network
\$150 deductible.

INITIAL COVERAGE

After you pay your yearly deductible, you pay the following until total yearly drug costs reach \$2,700:

Retail Pharmacy

Tier 1

- \$3 copay for a one-month (30-day) supply of drugs in this tier
- \$7.50 copay for a three-month (90-day) supply of drugs in this tier

Tier 2

- \$17 copay for a one-month (30-day) supply of drugs in this tier
- \$50 copay for a three-month (90-day) supply of drugs in this tier

Tier 3

- \$55 copay for a one-month (30-day) supply of drugs in this tier
- \$137.50 copay for a three-month (90-day) supply of drugs in this tier

Tier 4

- \$55 copay for a one-month (30-day) supply of drugs in this tier
- \$137.50 copay for a three-month (90-day) supply of drugs in this tier

LONG-TERM CARE PHARMACY

Tier 1

- \$3 copay for a one-month (31-day) supply of drugs

Tier 2

- \$17 copay for a one-month (31-day) supply of drugs

Tier 3

- \$55 copay for a one-month (31-day) supply of drugs

Tier 4

- \$55 copay for a one-month (31-day) supply of drugs

SUMMARY OF BENEFITS

Benefit	Original Medicare	Alliance Medicare Rx Plan ID 001
		<p>INITIAL COVERAGE, cont'd</p> <p>MAIL ORDER</p> <p>Tier 1 \$20 copay for a three-month (90-day) supply of drugs in this tier</p> <p>Tier 2 \$100 copay for a three-month (90-day) supply of drugs in this tier</p> <p>Tier 3 \$150 copay for a three-month (90-day) supply of drugs in this tier</p> <p>Tier 4 \$150 copay for a three-month (90-day) supply of drugs in this tier</p> <p>COVERAGE GAP After your total yearly drug costs reach \$2,700, you pay 100% until your yearly out-of-pocket drug costs reach \$4,350.</p>

**Alliance Medicare Rx
Plan ID 002**

**Alliance Medicare Rx
Plan ID 003**

INITIAL COVERAGE, cont'd

MAIL ORDER

Tier 1

\$5 copay for a three-month (90-day) supply of drugs in this tier

Tier 2

\$87.50 copay for a three-month (90-day) supply of drugs in this tier

Tier 3

\$137.50 copay for a three-month (90-day) supply of drugs in this tier

Tier 4

\$137.50 copay for a three-month (90-day) supply of drugs in this tier

COVERAGE GAP

This plan covers all preferred generics, some brands through the coverage gap

You pay the following:

Retail Pharmacy

Tier 1

- \$2 copay for a one-month (30-day) supply of all drugs covered in this tier
- \$5 copay for a three-month (90-day) supply of all drugs covered in this tier

Long Term Care Pharmacy

Tier 1

- \$2 copay for a one-month (31-day) supply of all drugs

Mail Order

Tier 1

- \$5 copay for a three-month (90-day) supply of all drugs covered in this tier

For all other covered drugs, after your total yearly drug costs reach \$2,700, you pay 100% until your yearly out-of-pocket drug costs reach \$4,350.

INITIAL COVERAGE, cont'd

MAIL ORDER

Tier 1

\$7.50 copay for a three-month (90-day) supply of drugs in this tier

Tier 2

\$50 copay for a three-month (90-day) supply of drugs in this tier

Tier 3

\$137.50 copay for a three-month (90-day) supply of drugs in this tier

Tier 4

\$137.50 copay for a three-month (90-day) supply of drugs in this tier

COVERAGE GAP

After your total yearly drug costs reach \$2,700, you pay 100% until your yearly out-of-pocket drug costs reach \$4,350.

SUMMARY OF BENEFITS

Benefit	Original Medicare	Alliance Medicare Rx Plan ID 001
		<p>CATASTROPHIC COVERAGE After your total yearly out-of-pocket drug costs reach \$4,350, you pay the greater of:</p> <ul style="list-style-type: none"> - \$2.40 copay for generic (including brand drugs treated as generic) and \$6.00 copay for all other drugs, or - 5% co-insurance. <p>OUT-OF-NETWORK Plan drugs may be covered in special circumstances, for instance, illness while traveling outside of the plan's service area where there is no network pharmacy. You may have to pay more than your normal cost-sharing amount if you get your drugs at an out-of-network pharmacy. In addition, you will likely have to pay the pharmacy's full charge for the drug and submit documentation to receive reimbursement from Alliance Medicare Rx.</p> <p>OUT-OF-NETWORK INITIAL COVERAGE You will be reimbursed up to the full cost of the drug minus the following for drugs purchased out-of-network until total yearly drug costs reach \$2,700:</p> <p>Out-of-Network Pharmacy</p> <p>Tier 1</p> <ul style="list-style-type: none"> - \$8 copay for a one-month (30-day) supply of drugs in this tier <p>Tier 2</p> <ul style="list-style-type: none"> - \$40 copay for a one-month (30-day) supply of drugs in this tier <p>Tier 3</p> <ul style="list-style-type: none"> - \$60 copay for a one-month (30-day) supply of drugs in this tier <p>Tier 4</p> <ul style="list-style-type: none"> - \$60 copay for a one-month (30-day) supply of drugs in this tier

**Alliance Medicare Rx
Plan ID 002**

**Alliance Medicare Rx
Plan ID 003**

CATASTROPHIC COVERAGE

After your total yearly out-of-pocket drug costs reach \$4,350, you pay the greater of:

- \$2.40 copay for generic (including brand drugs treated as generic) and \$6.00 copay for all other drugs, or
- 5% co-insurance.

OUT-OF-NETWORK

Plan drugs may be covered in special circumstances, for instance, illness while traveling outside of the plan's service area where there is no network pharmacy. You may have to pay more than your normal cost-sharing amount if you get your drugs at an out-of-network pharmacy. In addition, you will likely have to pay the pharmacy's full charge for the drug and submit documentation to receive reimbursement from Alliance Medicare Rx.

OUT-OF-NETWORK INITIAL COVERAGE

You will be reimbursed up to the full cost of the drug minus the following for drugs purchased out-of-network until total yearly drug costs reach \$2,700:

Out-of-Network Pharmacy

Tier 1

- \$2 copay for a one-month (30-day) supply of drugs in this tier

Tier 2

- \$35 copay for a one-month (30-day) supply of drugs in this tier

Tier 3

- \$55 copay for a one-month (30-day) supply of drugs in this tier

Tier 4

- \$55 copay for a one-month (30-day) supply of drugs in this tier

CATASTROPHIC COVERAGE

After your total yearly out-of-pocket drug costs reach \$4,350, you pay the greater of:

- \$2.40 copay for generic (including brand drugs treated as generic) and \$6.00 copay for all other drugs, or
- 5% co-insurance.

OUT-OF-NETWORK

Plan drugs may be covered in special circumstances, for instance, illness while traveling outside of the plan's service area where there is no network pharmacy. You may have to pay more than your normal cost-sharing amount if you get your drugs at an out-of-network pharmacy. In addition, you will likely have to pay the pharmacy's full charge for the drug and submit documentation to receive reimbursement from Alliance Medicare Rx.

OUT-OF-NETWORK INITIAL COVERAGE

After you pay your yearly deductible, you will be reimbursed up to the full cost of the drug minus the following for drugs purchased out-of-network until total yearly drug costs reach \$2,700:

Out-of-Network Pharmacy

Tier 1

- \$3 copay for a one-month (30-day) supply of drugs in this tier

Tier 2

- \$17 copay for a one-month (30-day) supply of drugs in this tier

Tier 3

- \$55 copay for a one-month (30-day) supply of drugs in this tier

Tier 4

- \$55 copay for a one-month (30-day) supply of drugs in this tier

SUMMARY OF BENEFITS

Benefit	Original Medicare	Alliance Medicare Rx Plan ID 001
		<p>OUT-OF-NETWORK COVERAGE GAP After your total yearly drug costs reach \$2,700, you pay 100% of the pharmacy's full charge until your yearly out-of-pocket drug costs reach \$4,350. You will not be reimbursed by Alliance Medicare Rx for out-of-network purchases when you are in the coverage gap. However, you should still submit documentation to Alliance Medicare Rx so we can add the amounts you spent out-of-network to your total out-of-pocket costs for the year.</p> <p>OUT-OF-NETWORK CATASTROPHIC COVERAGE After your total yearly out-of-pocket drug costs reach \$4,350, you will be reimbursed for drugs purchased out-of-network up to the full cost of the drug minus the following:</p> <ul style="list-style-type: none"> - a \$2.40 copay for generic (including brand drugs treated as generic) and \$6.00 copay for all other drugs, or - 5% coinsurance.

**Alliance Medicare Rx
Plan ID 002**

OUT-OF-NETWORK COVERAGE GAP

The plan covers all preferred generics, some brands through the gap.

You will be reimbursed for these drugs purchased out-of-network up to the full cost of the drug minus the following:

Tier 1

\$2 copay for a one-month (30-day) supply of all drugs covered in this tier

Tier 2

After your total yearly drug costs reach \$2,700, you pay 100% of the pharmacy's full charge for drugs purchased out-of-network until your yearly out-of-pocket drug costs reach \$4,350. You will not be reimbursed by Alliance Medicare Rx for out-of-network purchases when you are in the coverage gap. However, you should still submit documentation to Alliance Medicare Rx so we can add the amounts you spent out-of-network to your total out-of-pocket costs for the year.

Tier 3

After your total yearly drug costs reach \$2,700, you pay 100% of the pharmacy's full charge for drugs purchased out-of-network until your yearly out-of-pocket drug costs reach \$4,350. You will not be reimbursed by Alliance Medicare Rx for out-of-network purchases when you are in the coverage gap. However, you should still submit documentation to Alliance Medicare Rx so we can add the amounts you spent out-of-network to your total out-of-pocket costs for the year.

Tier 4

After your total yearly drug costs reach \$2,700, you pay 100% of the pharmacy's full charge for drugs purchased out-of-network until your yearly out-of-pocket drug costs reach \$4,350. You will not be reimbursed by Alliance Medicare Rx for out-of-network purchases when you are in the coverage gap. However, you should still submit documentation to Alliance Medicare Rx so we can add the amounts you spent out-of-network to your total out-of-pocket costs for the year.

OUT-OF-NETWORK CATASTROPHIC COVERAGE

After your total yearly out-of-pocket drug costs reach \$4,350, you will be reimbursed for drugs purchased out-of-network up to the full cost of the drug minus the following:

- a \$2.40 copay for generic (including brand drugs treated as generic) and a \$6.00 copay for all other drugs, or
- 5% coinsurance

**Alliance Medicare Rx
Plan ID 003**

OUT-OF-NETWORK COVERAGE GAP

After your total yearly drug costs reach \$2,700, you pay 100% of the pharmacy's full charge until your yearly out-of-pocket drug costs reach \$4,350. You will not be reimbursed by Alliance Medicare Rx for out-of-network purchases when you are in the coverage gap. However, you should still submit documentation to Alliance Medicare Rx so we can add the amounts you spent out-of-network to your total out-of-pocket costs for the year.

OUT-OF-NETWORK CATASTROPHIC COVERAGE

After your total yearly out-of-pocket drug costs reach \$4,350, you will be reimbursed for drugs purchased out-of-network up to the full cost of the drug minus the following:

- a \$2.40 copay for generic (including brand drugs treated as generic) and \$6.00 copay for all other drugs, or
- 5% coinsurance.

Important Information About Your Prescription Drug Plan



Why choose Alliance Medicare Rx?

Alliance Medicare Rx is a stand-alone Prescription Drug Plan (PDP) offered by Alliance Health and Life Insurance Company (Alliance). Alliance is a wholly owned subsidiary of Health Alliance Plan (HAP), a non-profit Michigan-based company that's been serving Medicare beneficiaries for over 20 years. With Alliance Medicare Rx you'll have the peace of mind that comes from knowing you have a committed partner in your community.

Value

Are you looking for a drug plan with low copays, no deductible, or coverage to fill the "donut hole"?

With Alliance Medicare Rx, you can choose one of three Medicare-approved plans designed to address each of these needs and to help lower your prescription drug costs. With every plan, you'll be able to take full advantage of savings from our negotiated rates on the price of your prescription drugs.

Peace of mind

Even if you don't use prescription drugs now, you'll have protection from unexpected drug expenses in the future by joining Alliance Medicare Rx. Should your health needs change, you will enjoy peace of mind, knowing that you have the coverage you need to help pay for brand-name and generic prescription drugs.

Added safeguards

Some Medicare beneficiaries have multiple chronic conditions with an array of prescriptions to treat them. For members taking multiple prescriptions or specialty drugs we have created a special Medication Management Program. Developed by a team of doctors and pharmacists, our program is designed to:

- Identify potential drug interactions and determine effective alternatives to help avoid them
- Pay special attention to using appropriate drugs for the complexity of multiple medical conditions
- Identify ways to reduce prescription drug costs while still providing safe, effective, quality coverage

Convenience

You choose a pharmacy that's convenient for you. Alliance Medicare Rx covers both brand-name and generic prescription drugs at any pharmacy in our broad network of more than 2,000 pharmacies including retail, mail-order, medical center, long-term care and Indian Health, Tribal and Urban pharmacies.

If you travel, you can get your prescription drugs at any Alliance-contracted pharmacy with nationwide locations (like Walgreens or Kmart). And you are always covered throughout the U.S. for emergency prescriptions when you're out of the plan service area. So whether you're at home or traveling, you can get the medications you need, when and where you need them.

Personal, responsive service

Whenever you call with a question or concern, you'll speak with someone knowledgeable about Medicare Part D and Medicare prescription drug benefits. We're here, ready to provide whatever information or assistance you need.

Important Information About Your Prescription Drug Plan



What Medicare Part D prescription drug coverage do you need?

Alliance Medicare Rx offers three affordable plans, so you can choose the level of protection that's right for you.

	Basic Plan 001	Enhanced Plan 002	Value Plan 003
Premium	\$35	\$64	\$50
Deductible	\$0	\$0	\$150 annually
Initial Coverage Limit	\$2,700 limit	\$2,700 limit	\$2,700 limit
Copay for 30-day supply	\$8 / \$40 / \$60	\$2 / \$35 / \$55	\$3 / \$17 / \$55
Coverage Gap (Donut hole)	HAP negotiated prices	\$2 generics HAP negotiated prices on all other drugs	HAP negotiated prices
Catastrophic Coverage:	\$2.40/\$6.00 or 5% (whichever is greater)	\$2.40/\$6.00 or 5% (whichever is greater)	\$2.40/\$6.00 or 5% (whichever is greater)

Important Information About Your Prescription Drug Plan



How do I qualify to enroll in a stand-alone Prescription Drug Plan (PDP)

Anyone who is entitled to Medicare Part A *or* enrolled in Medicare Part B, and lives within the service area of a plan, is eligible to join a PDP during the specified enrollment periods. To be eligible for Alliance Medicare Rx, you must reside in the state of Michigan. (Note: some special rules may apply to retirees covered through a former employer).

To get Medicare prescription drug coverage, you have several choices. You can:

- Join a Medicare Prescription Drug Plan like Alliance Medicare Rx
- or*
- Enroll in a Medicare Advantage Plan with drug coverage like HAP Senior Plus or Alliance Medicare PPO. Generally, you cannot be enrolled in both types of plans at the same time.

If you select a Medicare Prescription Drug Plan, you may also add a Medicare Supplement Plan like Alliance Medicare Supplement

When is the best time to join?

The Annual Enrollment Period for 2009 coverage runs from November 15 through December 31, 2008. During this time, you can change plans, enroll in or disenroll from Part D, or return to Original Medicare. If you want to switch to Alliance Medicare Rx from a Medicare Advantage Prescription Drug plan, you can make that switch during the first three months of 2009. In certain situations, there are additional periods during which you might be able to enroll.

Does Alliance Medicare Rx offer a mail-order service?

Yes. Mail order is available and can help you save time and money on medications you take on a regular basis. Contact Member Services at the number in the first part of this Summary of Benefits booklet for more information.

Where can I get my prescriptions filled?

You are free to use any pharmacy within our extensive network of some 2,000 pharmacies, including many neighborhood pharmacies, medical centers, and long-term care pharmacies as well as mail order and national pharmacy chains like Walgreens and Kmart. Some of our retail pharmacies are contracted to provide 90-day fills for the mail order copay.

Prescriptions filled out-of-network will be covered only in limited situations, such as an emergency. Cost sharing for drugs purchased out-of-network in an emergency may be higher. You can call us for details on how to submit a claim for out-of-network pharmacy services.

We cannot pay for any prescriptions that are filled by pharmacies outside the United States, even for a medical emergency.

Important Information About Your Prescription Drug Plan



Is extra financial help available to pay my premiums or help with the out-of-pocket costs associated with prescription drugs?

You may be able to get extra help to pay for your prescription drug premiums and costs. To see if you qualify for extra help, you can call any one of three government resources:

- Medicare at 1-800-Medicare (1-800-633-4227). Calls to this number are free.
TDD users should call (877) 486-2048. 24 hours a day, 7 days a week
- The Social Security Administration at 1-800-772-1213. Calls to this number are free. Monday through Friday 7:00 a.m. to 7:00 p.m.
- Your state Medicaid office

If you qualify for extra financial help and join a Medicare Prescription Drug Plan, your plan premiums and out-of-pocket costs to fill a prescription will be lower.

For example, these are the monthly premiums for Alliance Medicare Rx plans based on the level of extra help you qualify for:

Your level of extra help	Monthly Premium for Basic Plan 001	Monthly Premium for Enhanced Plan 002	Monthly Premium for Value Plan 003
100%	\$2.92	\$31.92	\$17.92
75%	\$10.94	\$39.94	\$25.94
50%	\$18.96	\$47.96	\$33.96
25%	\$26.98	\$55.98	\$41.98

Important Information About Your Prescription Drug Plan



I take several prescription drugs. Can I find out if Alliance Medicare Rx covers them?

Yes. You can call us at:

toll-free at (800) 868-3153

TDD (313) 664-8000

Monday through Friday, 8 a.m. to 5 p.m.

Or log onto our Web site at www.hap.org/medicare to find out whether your current medications are in our formulary. All approved PDP's must offer at least two alternative drugs for every class and category. If any of your drugs are not covered, your physician may be able to prescribe an effective alternative that is covered. If not, your physician can speak with us about whether an exception should be made to cover your current prescription.

What is the coverage gap ("donut hole")?

Each Alliance Medicare Rx plan has an Initial Coverage Limit of \$2,700. This limit is the total of what you pay (excluding premiums) plus what the plan pays for your covered drugs. Once the total drug cost exceeds the Initial Coverage Limit, you enter the Coverage Gap for your drug benefit.

- In our Enhanced Plan, you have coverage for generic drugs in the Coverage Gap with a low \$2.00 copay. You pay 100% for all other drugs.
- In our Value and Basic Plans, you are responsible for 100% of your drug costs in the Coverage Gap

For all three plans, after you have paid \$4,350 out of your pocket (not including premiums or costs for drugs not covered under our program), Catastrophic Coverage begins. (See page 10 of the Summary of Benefits for more detailed coverage information.)

If You Are Not Already a Member, Call Today

To enroll in Alliance Medicare Rx, you can use one of the following five options:

1. Call a HAP Medicare sales representative:

toll-free at (800) 868-3153

TDD (313) 664-8000

Monday through Friday, 8 a.m. to 5 p.m.

2. Mail a completed enrollment form to HAP Medicare Division, 2850 W. Grand Boulevard, Detroit, MI 48202

3. Enroll online at the HAP Web site at www.hap.org/medicare

4. Enroll online through the Centers for Medicare & Medicaid Services Online Enrollment Center, located at www.medicare.gov

5. Come to a HAP Medicare workshop where you can talk with other Medicare beneficiaries. A Medicare sales representative will be available to assist you. Call us for dates and locations near you. For accommodations of persons with special needs, call (800) 449-1515 Monday through Friday, 8:00 a.m. to 6:00 p.m.

**We look forward to welcoming you as
a member of Alliance Medicare Rx.**

