

January 1, 2006

University of California Addendum to the 2006 SecureHorizons[®] Group Retiree Medicare Advantage Plan Pharmacy Program and Drug Formulary Booklet

Dear SecureHorizons® Group Retiree Medicare Advantage Plan Member,

This addendum updates your 2006 SecureHorizons Group Retiree Medicare Advantage Plan Pharmacy Program and Drug Formulary booklet and the Secure Horizons Drug Formulary. Please keep this addendum with your other SecureHorizons Group Retiree Medicare Advantage Plan member materials.

Your SecureHorizons Group Retiree Medicare Advantage Plan Prescription Drug Benefit

Beginning January 1, 2006, PacifiCare will offer SecureHorizons Group Retiree Medicare Advantage benefit plans that include a Medicare-approved Part D drug benefit. As a member of the SecureHorizons Group Retiree Medicare Advantage Plan, you will automatically receive Medicare Part D prescription drug coverage as a part of your benefit plan. Only members of the SecureHorizons Group Retiree Medicare Advantage Plan may access the Medicare-approved Part D drug benefit offered through PacifiCare.

Members enrolled in a Secure Horizons Group Retiree benefit plan which offers Medicare Part D drug coverage may not enroll in any other Medicare Part D drug plan. If you enroll in any other Medicare Part D drug plan, you will be disenrolled from the SecureHorizons Group Retiree Medicare Advantage Plan.

In addition to the prescription drug coverage offered under Medicare Part D, your SecureHorizons Group Retiree Medicare Advantage benefit plan allows you to access hundreds of prescription drugs on the Formulary that are not available under Medicare Part D. This additional drug coverage provides you and your doctor with more choices in treating your particular medical conditions.

You pay a Copayment at network retail pharmacies or Participating UC Medical Center Pharmacies^{*} for Formulary and Covered Drugs. You may also pay a Copayment and receive a 90-day supply of your prescription drugs through Prescription Solutions,[®] PacifiCare's contracting mail service pharmacy provider. The PacifiCare retail network pharmacy or Participating UC Medical Center Pharmacy^{*} that you choose may allow you to receive a 90-day supply for the applicable Copayments (for example, 3 Copayments at PacifiCare network retail pharmacies or 2 Copayments at Participating UC Medical Center Pharmacies^{*}) for your Formulary and Covered Drugs. (To find out if your PacifiCare network retail pharmacy will fill a prescription for a 90-day supply, please call Customer Service or visit our Web site at *www.securehorizons.com*)

The Copayment amounts that you pay for drugs on the Formulary are listed in the Retiree Benefits Summary Insert or the Schedule of Benefits. If you have special needs, this document may be available in other formats.

* Participating UC Medical Center Pharmacies

Medical Partners of Davis UC Davis Medical Center UCI Family Health Center UCI Medical Center Specialty UCLA Pharmacy Med Plaza (1st & 4th floor) UCSD Ambulatory Care UCSD Cancer Center UCSD Medical Center



Where to Have Your Prescriptions Filled

You must use network pharmacies. PacifiCare contracts with many of the largest retail pharmacy chains nationwide, as well as many local independent pharmacies. You can have your prescription filled at any of PacifiCare's network pharmacies nationwide or at Participating UC Medical Center Pharmacies.^{*} Also included in the PacifiCare network of contracted pharmacies are long-term care pharmacies, Indian Health Service/Tribal/Urban Indian Health Program (I/T/U) pharmacies and home infusion pharmacies. Sometimes a particular pharmacy may leave the PacifiCare contracting network. In that situation, have your prescriptions filled at another network pharmacy.

If you are away from home and have an urgent or emergency situation which requires a prescription, and you do not have access to a PacifiCare network pharmacy, you may have your prescription filled at any pharmacy. You may also have your prescriptions filled at a non-network pharmacy, in either of the following situations: 1) you are unable to get a covered drug in a timely manner, because there are no 24-hour network pharmacies within a reasonable driving distance, or 2) your covered drug is not carried at a network pharmacy or through mail service (e.g., orphan drugs). PacifiCare will reimburse you for the cost of the prescription, minus the applicable copayment or coinsurance.

How to Fill a Prescription at a Network Pharmacy or Participating UC Medical Center Pharmacy*

- 1. Take your prescription, written by your doctor, to a PacifiCare network pharmacy or Participating UC Medical Center Pharmacy.*
- 2. Present your Secure Horizons Group Retiree membership card at the network pharmacy or Participating UC Medical Center Pharmacy.*
- 3. Once your order is filled, pay your pharmacy Copayment for up to a 30-day supply of the prescription drug.
- 4. The PacifiCare retail network pharmacy or Participating UC Medical Center Pharmacy* that you choose may allow you to receive a 90-day supply for the applicable Copayments (for example, 3 Copayments at PacifiCare retail network pharmacies or 2 Copayments at Participating UC Medical Center Pharmacies*) for your Formulary or Covered Drug.

SecureHorizons Group Retiree Medicare Advantage Plan Offers a Two-Part Prescription Drug Benefit

Part 1 – Medicare Part D Prescription Drug Coverage

Definitions

Covered Drugs - Drugs included on the Formulary.

Out-of-Pocket Costs – The amounts you pay in Copayments while the plan is paying a portion of your drug costs.



How Your Medicare Part D Prescription Drug Coverage Works

You pay the Copayment amounts listed in the Retiree Benefits Summary Insert for Covered Drugs at retail network pharmacies, Participating UC Medical Center Pharmacies* and/or through the mail service pharmacy.

You continue to pay the applicable Copayments until your Out-of-Pocket Costs reach \$2,000.

After your Out-of-Pocket Costs reach \$2,000 in a calendar year for Covered Drugs, you pay a \$0 Copayment for Covered Drugs.

How Your Additional Formulary Drug Coverage Works

You pay the Copayments listed in the Retiree Benefits Summary Insert. The Copayments that you pay for these additional Formulary drugs do apply to your Out-of-Pocket Costs.

Changes to the Secure Horizons Drug Formulary

The following drugs are listed on the Secure Horizons Drug Formulary with a limit of 6 tablets every 30 days. The limit for these drugs has been increased. The limit is 8 tablets every 30 days for the following drugs:

- Viagra
- Cialis
- Levitra

Please note that if you have filled a prescription for 8 tablets of any one of the drugs listed above, you will not be able to fill a prescription for any other medication prescribed for the treatment of sexual dysfunction.