

FULLY INSURED EGWP RENEWAL QUOTE FOR STATE OF KANSAS

Provided below is SilverScript's 2012 renewal Quote for State of Kansas. We look forward to continuing our relationship with State of Kansas to effectively manage your Medicare Part D prescription drug plan for your retirees, while helping you to obtain your financial goals.

The proposed quote is based upon continuing your current plan design arrangement.

SilverScript Quoted Medicare Part D EGWP Plan Designs for State of Kansas	
	Custom EGWP Plan
Formulary	Expanded
EGWP Premium ¹	\$163.00 PMPM
a. Deductible	\$0.00
b. Deductible to ICL	
R Generics	25% or \$30 Max
R Preferred Brand	35% or \$100 Max
R Non-Preferred Brand	60% or \$150 Max
R Specialty	35% or \$200 Max
M Generics	25% or \$30 Max
M Preferred Brand	35% or \$100 Max
M Non-Preferred Brand	60% or \$150 Max
M Specialty	N/A
c. ICL to Cat	Once the Initial Coverage Limit (ICL) of \$2,930 has been reached, the Coverage Gap begins. It ends when \$4,700 in true out-of-pocket costs for Covered Part D drugs is incurred.
R Generics	25% or \$30 Max
R Preferred Brand	35% or \$100 Max
R Non-Preferred Brand	60% or \$150 Max
R Specialty	35% or \$200 Max
M Generics	25% or \$30 Max
M Preferred Brand	35% or \$100 Max
M Non-Preferred Brand	60% or \$150 Max
M Specialty	N/A
d. Catastrophic	5% / Min \$2.60 / \$6.50

<<=Due to Healthcare Reform, the members will only pay 50% of the required coinsurance for brands

<<=Due to Healthcare Reform, the members will only pay 50% of the required coinsurance for brands

<<=Due to Healthcare Reform, the members will only pay 50% of the required coinsurance for brands.

<<=Due to Healthcare Reform, the members will only pay 50% of the required coinsurance for brands

<<=Due to Healthcare Reform, the members will only pay 50% of the required coinsurance for brands

¹ Includes Formulary Buy Up Option 1- which includes the following Non Medicare Part D Therapeutic categories: Diabetic supplies, Vitamins, Barbiturates, Benzodiazepine, Cough/Cold.

Note: SilverScript's proposal is based on State of Kansas's selection of a single plan option to be offered to State of Kansas's members and exclusive endorsement of SilverScript required by the group sponsor for all product options. SilverScript used CMS actuary guidelines to develop the SilverScript EGWP premiums. Premiums are based on group enrollment and an assumption that at least 90% of a given group (4700 total lives) will be enrolled. Each group must qualify under CMS guidelines for group enrollment, including at a minimum endorsing the offering and facilitating the communication and enrollment process for the group. Plan designs assume brand cost shares are reduced by 50% in the Gap due to health care reform. The premium shown is based upon the 2012 direct subsidy amount. The quoted plan designs are subject change based on CMS final determinations of the Health Care Reform guidance. SilverScript reserves the right to adjust our guidelines on annual basis. All specialty drugs and all high-cost (>\$600) drugs are limited to monthly quantities.