

## **EXHIBIT E. Example of Section 4 (changes to the formulary)**

The pages that follow show an example of Section 4 in the model Part D EOB. Section 4 gives updates to the formulary.

This example is for a fictional MA-PD plan called “Birchwood Medicare Plus.” The Part D sponsor has met all requirements and has the option to immediately replace brand name drugs with their generic equivalents. The example has been designed to illustrate model language for six different types of changes. It uses placeholders for the names of the drugs. To help show how this section would look in an actual Part D EOB, the example includes fictional information for the rest of the drug-related text. To help members scan quickly through the list, the drug names are accented with boxes.

To minimize burden on the readers and keep a consistent layout, the model Part D EOB maintains a landscape orientation (the cover is the only exception; it can be formatted either in landscape or portrait). To keep line lengths short enough to be easy to read, pages in landscape orientation generally use two columns. As shown in the example that follows, for Section 4 these two columns are of equal size.

## **SECTION 4. Updates to the plan’s Drug List that affect drugs you take**

### **About the Drug List and our updates**

Birchwood Medicare Plus has a “*List of Covered Drugs (Formulary)*” – or “Drug List” for short. If you need a copy, the Drug List on our website (<http://www.birchwood.com>) is always the most current. Or call Birchwood Member Services (phone numbers are on the cover of this summary).

The Drug List tells which Part D prescription drugs are covered by the plan. It also tells which of the four “cost-sharing tiers” each drug is in and whether there are any restrictions on coverage for a drug.

During the year, following Medicare rules, we may make changes to our Drug List.

- We may add new drugs, remove drugs, and add or remove restrictions on coverage for drugs. We are also allowed to change drugs from one cost-sharing tier to another.
- Some changes to the Drug List may happen immediately:
  - We may immediately replace a brand name drug with a new generic that will appear on the same or lower cost-sharing tier and with the same or lower restrictions. Or we may immediately add the new generic and add new restrictions to the brand name drug or move it to a different-cost sharing tier or both.
  - We will immediately remove drugs from our Drug List for safety reasons or when manufacturers remove them from the market.
- For all other changes to drugs that you take, you will have at least 30 days’ notice before any changes take effect.

### **Updates that affect drugs you take**

The list that follows tells *only* about updates to the Drug List that change the coverage or cost of **drugs you take**.

(For purposes of this update list, “drugs you take” means any plan-covered drugs for which you filled prescriptions in 2022 as a member of our plan.)

**{Drug-name-A}**

- **Date and type of change:** Beginning June 1, 2022 “step therapy” will be required for this drug. This means you will be required to try a different drug first before we will cover {Drug-name-A}. This requirement encourages you to try another drug that is less costly, yet just as safe and effective as {Drug-name-A}. If this other drug does not work for you, the plan will then cover {Drug-name-A}.
- **Note:** See the information later in this section that tells “What you and your doctor can do.” (You and your doctor may want to consider trying {alternate-drug-1} or {alternate drug-2}. Both are on our Drug List and have no restrictions on coverage. They are used in similar ways as {Drug-name-A} and they are in a lower cost-sharing tier.)

**{Drug-name-B}**

- **Date and type of change:** Beginning October 1, 2022 there will be a new limit on the amount of the drug you can have: no more than 60 tablets (extended release 80 mg tablets) for a 30 day supply will be covered.
- **Note:** See the information below that tells “What you and your doctor can do.”

**{Drug-name-C}**

- **Date and type of change:** Beginning June 1, 2022, “prior authorization” will be required for this drug. This means you or your doctor need to get approval from the plan before we will agree to cover the drug for you.

- **Note:** See the information below that tells, “What you and your doctor can do.” Your choices include asking for prior authorization in order to continue having this drug be covered for you, or changing to a different drug.

**{Brand-name-D}**

- **Date and type of change:** Effective June 1, 2022, the brand-name drug {Brand-name-D} was removed from our Drug List. We added a new generic version of {Brand-name-D} to the Drug List (it is called {Generic-Drug-D}).
- **Note:** We replaced {Brand-name-D} because {Generic-Drug-D}, a new generic version of {Brand-name-D}, is now available. This change can save you money because {Generic-Drug-D} (tier 1) is in a lower cost-sharing tier than {Brand-name-D} (tier 3). The amount you will pay for {Generic-Drug-D} depends on which drug payment stage you are in when you fill the prescription. To find out how much you will pay for {Generic-Drug-D}, please call us at Birchwood Member Services (our phone numbers and calling hours are on the cover).
- **Note:** If your prescriber believes this generic drug is not right for you due to your medical condition, you or your prescriber can ask us to make an exception. See the information later in this section that tells “What you and your doctor can do.”

**{Brand-name-E}**

- **Date and type of change:** Effective July 1, 2022, the brand-name drug {Brand-name-E} will move from tier 2 to a higher cost-sharing tier (tier 3). The amount you will pay for this drug depends on which drug payment stage you are in when you fill the prescription. To find out how much you

will pay, please call us at Birchwood Member Services (our phone numbers are on the cover).

- **Note:** See the information below that tells “What you and your doctor can do.” (You and your doctor may want to consider trying a lower cost generic drug, {Alternate-generic-1}, which is in cost-sharing tier 1.)

### {Brand-name-F}

- **Date and type of change:** Effective October 1, 2022, the brand-name drug {Brand-name-F} will be removed from our Drug List. If you are currently taking this drug, this change will not affect your coverage for this drug for the rest of the plan year. We will add {Brand-name-G} to our Drug List, which is less costly, yet just as safe and effective as {Brand-name-F}.
- **Note:** See the information below that tells “What you and your doctor can do.”

### What you and your doctor can do

Depending on the type of change, there may be different options to consider. For example:

- **Perhaps you can find a different drug** covered by the plan that might work just as well for you.
  - You can call us at Birchwood Member Services to ask for a list of covered drugs that treat the same medical condition.
  - This list can help your doctor to find a covered drug that might work for you and have fewer restrictions or a lower cost.
- **You and your doctor can ask the plan to make an exception for you.** This means asking us to agree that the change in coverage or cost-sharing tier of a drug does not apply to you.
  - Your doctor will need to tell us why making an exception is medically necessary for you.
  - To learn what you must do to ask for an exception, see the *Evidence of Coverage* that we sent to you or is posted on our website at <insert website address>. Look for Chapter 7, *What to do if you have a problem or complaint*.
  - (Section 6 of this monthly summary tells how to get a copy of the *Evidence of Coverage* if you need one.)

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