Program Description

Aetna Rx Savings Card℠
Medicare-Approved
Drug Discount Card

MEDICARE℠ APPROVED

Aetna®
This packet contains information you need to enroll in the Aetna Rx Savings CardSM program, a Medicare-Approved Drug Discount Card designed to help you save money on prescription drugs.

Be sure to review all the materials in this packet for important information.

What is the Aetna Rx Savings Card?

The Aetna Rx Savings Card is a Medicare-Approved Drug Discount Card, but it is not a Medicare benefit.

The Aetna Rx Savings Card is not intended to replace prescription drug benefits obtained through participation in insurance plans, such as a Medicare+Choice Plan, a Medigap policy, Medicaid, or an employer or retiree plan.

If your insurance plan does not offer prescription drug benefits or offers limited drug benefits, or, if you are eligible for an Additional Assistance Credit of up to $600, then you should determine if your prescription drug needs can be met with the Aetna Rx Savings Card.

The Aetna Rx Savings Card allows you to receive discounts on all brand-name and generic prescription drugs approved by the Centers for Medicare & Medicaid Services (CMS). In other words, we have an open drug list. Our card also offers the following services at no additional cost:

- **Vitamin Advantage™**: Allows you to save on over-the-counter vitamins and nutritional supplements when purchased through three vendors: Amerifit, Inc., InterNatural and WebVitamins, Inc.

- **Aetna InteliHealth’s Drug Resource Center**: Provides you with 24-hour, web-based access to important medication information, including an “Ask the Pharmacist” option.

To find out more about discounts available through Medicare-Approved Drug Discount Cards, please visit the Price Comparison Website at [www.medicare.gov](http://www.medicare.gov) or call the Aetna Rx Program Description
Savings Card toll free at 1-866-895-1649 (for the hearing impaired, call TDD: 1-888-339-7322). In order to receive a discount through the Aetna Rx Savings Card, prescriptions must be filled at designated pharmacies. Please see "What pharmacies accept the Aetna Rx Savings Card?" on page 8 for more details. Aetna Rx Savings Card pharmacies will also help you determine if there are prescription alternatives that may result in additional savings, such as therapeutically and bio-equivalent generic drugs.

**Am I eligible for the Aetna Rx Savings Card?**

There are no income restrictions for the Aetna Rx Savings Card. You are eligible to apply:

- if you have Medicare, and
- if you do not have outpatient prescription drug benefits under your State Medicaid program (your state may call this Medical Assistance), and
- if you have not previously enrolled in a Medicare-Approved Drug Discount Card program.

**How do I become a member?**

To become an Aetna Rx Savings Card™ member, you must 1) complete the enclosed Aetna Rx Savings Card Enrollment Form 2) include the $30 annual enrollment fee, payable to Medical Security Card and 3) return the completed form and payment to the address provided on the form.

If you think you may be eligible to receive an Additional Assistance Credit of up to $600 (see "Am I eligible for an Additional Assistance Credit?" below) you must 1) complete the Additional Assistance Credit Enrollment Form (do not include payment for the $30 annual enrollment fee) and 2) complete, sign, and return the form to the address provided on the form.

**Am I eligible for an Additional Assistance Credit?**

Through the Aetna Rx Savings Card, you may qualify for an Additional Assistance Credit of up to $600 and your $30 annual enrollment fee may be waived.
If you are not a resident of Alaska or Hawaii, you may qualify if your annual income, plus your spouse's annual income (if married), is no more than:

**Single:** $12,569  
**Married:** $16,862

To qualify for an Additional Assistance Credit in Alaska or Hawaii, your annual income, plus your spouse's annual income (if married), must be no more than:

**Single:** $15,701 (Alaska)  
**Married:** $21,074 (Alaska)  
**Single:** $14,445 (Hawaii)  
**Married:** $19,386 (Hawaii)

Your income includes money that you or your spouse receive through retirement benefits from 1) Social Security, the Railroad Retirement Board, the federal government, or other sources, 2) benefits you receive for a disability or as a Veteran, and 3) any other sources that you would report for tax purposes.

If you qualify, you will pay coinsurance at the pharmacy for each prescription drug you purchase until your Additional Assistance Credit is used. Your coinsurance will be based on your income level as outlined below:

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Annual Income</th>
<th>Pharmacy Coinsurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single (except in Alaska, Hawaii)</td>
<td>no more than $12,569</td>
<td>10%</td>
</tr>
<tr>
<td>Single (resident of Alaska)</td>
<td>no more than $15,701</td>
<td>10%</td>
</tr>
<tr>
<td>Single (resident of Hawaii)</td>
<td>no more than $14,445</td>
<td>10%</td>
</tr>
<tr>
<td>Single (except in Alaska, Hawaii)</td>
<td>no more than $8,980</td>
<td>5%</td>
</tr>
<tr>
<td>Single (resident of Alaska)</td>
<td>no more than $11,630</td>
<td>5%</td>
</tr>
<tr>
<td>Single (resident of Hawaii)</td>
<td>no more than $10,700</td>
<td>5%</td>
</tr>
<tr>
<td>Married (except in Alaska, Hawaii)</td>
<td>no more than $16,862</td>
<td>10%</td>
</tr>
<tr>
<td>Married (resident of Alaska)</td>
<td>no more than $21,074</td>
<td>10%</td>
</tr>
</tbody>
</table>
Important note: If your state helps pay your Medicare Part A or Part B premiums, you may still qualify for an Additional Assistance Credit if your income is more than $12,569 if single or $16,862 if married, (or, in Alaska, more than $15,701 if single, $21,074 if married; in Hawaii, more than $14,445 if single, $19,386 if married). Your pharmacy coinsurance would be 10 percent.

You are not eligible for additional assistance dollars if you have any of the following:

• outpatient prescription drug benefits under your State Medicaid Program

• TRICARE (military health insurance)

• FEHBP (health insurance for federal employees or retirees)

• other health coverage that includes outpatient prescription drugs, such as employer or retiree plans

Important note: If you have health coverage through a Medicare+Choice plan, a Medigap plan, or if you are enrolled in a state pharmacy assistance program (not Medicaid) you may still be eligible.

Does the amount of an Additional Assistance Credit vary?

If you enroll in 2004 and qualify for an Additional Assistance Credit, you will receive a $600 credit. If you enroll for the first time in 2005 and qualify for an Additional Assistance Credit, the Centers for Medicare & Medicaid Services (CMS) will apply the following prorated schedule:

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Annual Income</th>
<th>Pharmacy Coinsurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married (resident of Hawaii)</td>
<td>no more than $19,386</td>
<td>10%</td>
</tr>
<tr>
<td>Married (except in Alaska, Hawaii)</td>
<td>no more than $12,569</td>
<td>5%</td>
</tr>
<tr>
<td>Married (resident of Alaska)</td>
<td>no more than $15,610</td>
<td>5%</td>
</tr>
<tr>
<td>Married (resident of Hawaii)</td>
<td>no more than $14,360</td>
<td>5%</td>
</tr>
</tbody>
</table>
Any unused Additional Assistance Credit amount will roll over each year that you are an Aetna Rx Savings Card™ member.

When can I enroll in the Aetna Rx Savings Card?

Enrollment in the Aetna Rx Savings Card may begin as early as May 3, 2004 for a June 1, 2004, effective date. The program will continue through December 31, 2005. It is anticipated that the prescription drug benefit (Part D) will be added to the Original Medicare plan, effective January 1, 2006. You will receive information about how you can transition into Part D before the Part D enrollment period begins.

If you enroll in the Aetna Rx Savings Card in 2004, you do not need to re-enroll for 2005. If you have not previously enrolled in a Medicare-Approved Drug Discount Card, you may do so at any time during the course of the program.

When can I begin using the Aetna Rx Savings Card?

You can access opportunities to save on prescription drugs as soon as you become effective in our program. Your Aetna Rx Savings Card membership will become effective:

- the first of the month following Aetna’s receipt of 1) a completed enrollment form and payment (payment is not required for those applying for an Additional Assistance Credit) and 2) determination from CMS that you are eligible, or
- on January 1, 2005, should you enroll during the Annual Coordination Election Period of November 15 - December 31, 2004, and meet the above requirements.

<table>
<thead>
<tr>
<th>Application Date</th>
<th>Amount CMS Pays</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan. 1 - March 31, 2005</td>
<td>$600</td>
</tr>
<tr>
<td>April 1 - June 30, 2005</td>
<td>$450</td>
</tr>
<tr>
<td>July 1 - Sept. 30, 2005</td>
<td>$300</td>
</tr>
<tr>
<td>Oct. 1 - Dec. 31, 2005</td>
<td>$150</td>
</tr>
</tbody>
</table>
What pharmacies accept the Aetna Rx Savings Card?

The Aetna Rx Savings Card allows members to access prescription drug discounts, and, if they qualify, apply the Additional Assistance Credit of up to $600 when using Aetna Rx Savings CardSM pharmacies. Aetna Rx Savings Card pharmacies are located in all 50 states as well as Washington D.C., and include major chains, supermarkets, retailers and independent pharmacies. Additionally, the Aetna Rx Savings Card mail-order pharmacy is available for ordering discounted prescription drugs through the mail.

To determine if your local pharmacy accepts the Aetna Rx Savings Card, please call the Aetna Rx Savings Card toll free at 1-866-895-1649 (TDD: 1-888-339-7322).

Can I disenroll from one Medicare-Approved Drug Discount Card to join another?

CMS only allows beneficiaries to be enrolled in one Medicare-Approved Drug Discount Card at a time.

You may disenroll from your selected card at any time. However, you will only be able to enroll in a new Medicare-Approved Drug Discount Card during one of the following periods:

- **Special Election Period (SEP)** when you 1) move outside of your current Medicare-Approved Drug Discount Card service area, 2) change your residence to or from a Skilled Nursing Facility and/or Nursing Facility, 3) enroll or disenroll from a Medicare+Choice plan, private fee-for-service plan, medical savings account or a Medicare cost plan, or 4) you have been enrolled in a Medicare-Approved Drug Discount Card that terminates.

- **Annual Coordination Election Period (ACEP)**, November 15 - December 31, 2004.

**Important note:** If you have received an Additional Assistance Credit from your selected Medicare-Approved Drug Discount Card, you will forfeit any and all remaining balances when you disenroll **unless** special circumstances apply, such as those under a Special Election Period.
Additionally, if you disenroll in 2004, you will not be able to enroll in a new Medicare-Approved Drug Discount Card until the Annual Coordination Election Period. You must also reapply for the Additional Assistance Credit of up to $600, if you qualify, during this period to receive the credit in 2005.

You must submit your request to disenroll in writing. If you are disenrolling from the Aetna Rx Savings Card, you can do so by sending a short letter via mail that provides the following information:

- your name
- your member ID number
- your reason for disenrollment

If you feel that you qualify to disenroll from the Aetna Rx Savings Card due to special circumstances, such as those under a Special Election Period, it is important that you specify the reason on your request. This will ensure proper processing of your request and maintain your eligibility for another Medicare-Approved Drug Discount Card.

Your disenrollment will be effective the last day of the month in which we receive your request.

**Important note:** You will be automatically disenrolled from the program if:

- you do not pay your $30 annual enrollment fee (if applicable), or
- you join a Medicare+Choice plan that offers an exclusive card program, or
- you enroll in a new card during the 2005 open enrollment period.

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**What is the Aetna Rx Savings Card™ grievance policy?**

Should you ever have a need to file a complaint or grievance with us, please do so by contacting the Aetna Rx Savings Card toll free at **1-866-895-1649** (for the hearing impaired, call **TDD: 1-888-339-7322**), or via mail at Aetna Rx Savings Card, Aetna Administrator, 333 E. Wetmore Rd., 4th Floor, Tucson, AZ, 85705.
How can I learn about changes in drug pricing?

Drugs discounts are subject to change. We will report our pricing information on a weekly basis. For updated pricing information, please call the Aetna Rx Savings Card toll free at 1-866-895-1649 (for the hearing impaired, call TDD: 1-888-339-7322). Pricing may vary by geography, pharmacy and/or enrollee.

How can I get more information?

• For help applying for the Aetna Rx Savings Card, call the Aetna Rx Savings Card toll free at 1-866-895-1649 (for the hearing impaired, call TDD: 1-888-339-7322), Monday through Friday, 8 a.m. to 4:30 p.m., or write to: Aetna Rx Savings Card, Aetna Administrator, 333 E. Wetmore Rd., 4th Floor, Tucson, AZ 85705.

• Visit www.medicare.gov on the Web and select "Prescription Drug and Other Assistance Programs."

• Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

• Call your State Health Insurance Assistance Program (SHIP) counselor. To find the telephone number for your SHIP, call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. Or visit www.medicare.gov on the Web and select "Helpful Contacts."
Medical Security Card Company is the Aetna Rx Savings Card Administrator.

"Aetna" is the brand name used for products and services provided by one or more of the Aetna group of subsidiary companies.

Aetna Rx Savings Card is a prescription drug discount card that is approved by Medicare but it is not a Medicare benefit. Aetna Rx Savings Card is not intended to replace prescription drug benefits obtained through participation in insurance plans, including a Medicare+Choice plan, a Medigap policy, Medicaid, or an employer or retiree plan. Discounts vary by drug. Contact the Aetna Rx Savings Card to find out if your prescription drug is covered and the discounted price.
This Notice of Privacy Practices applies to Aetna’s insured health benefits plan, the Aetna Rx Savings Card\textsuperscript{SM}, and its mail-order pharmacy. It does not apply to any plans that are self-funded by an employer. Your employer will be able to tell you if your plan is insured or self-funded. If your plan is self-funded, you may want to ask for a copy of your employer’s privacy notice.

This notice describes how medical information about you may be used and disclosed and how you can get access to this information. Please review it carefully.

Aetna\textsuperscript{1} considers personal information to be confidential. We protect the privacy of that information in accordance with federal and state privacy laws, as well as our own company privacy policies.

This notice describes how we may use and disclose information about you in administering your benefits, and it explains your legal rights regarding the information.

When we use the term "personal information," we mean financial, health and other information about you that is nonpublic, and that we obtain so we can provide you with insurance coverage or discount programs. By "health information," we mean information that identifies you and relates to your medical history (i.e., the health care you receive or the amounts paid for that care).

This notice will become effective on May 3, 2004.

\textsuperscript{1}For purposes of this notice, “Aetna” and the pronouns “we,” “us” and “our” refer to all of the HMO and licensed insurer subsidiaries of Aetna Inc., including the entities listed on the last page of this notice, as well as our mail-order pharmacy. These entities have been designated as a single affiliated covered entity for federal privacy purposes.
How Aetna Uses and Discloses Personal Information

In order to provide you with insurance coverage or discount programs, we need personal information about you, and we obtain that information from many different sources – particularly your employer or benefits plan sponsor, other insurers, HMOs or third-party administrators (TPAs), and health care providers. If you are enrolled in the Aetna Rx Savings Card, Aetna may not use or disclose personal information about you to market other products or services that are not related to the Aetna Rx Savings Card.

In administering your health benefits and providing mail-order pharmacy services, we may use and disclose personal information about you in various ways, including:

Health Care Operations: We may use and disclose personal information during the course of running our health business – that is, during operational activities such as quality assessment and improvement; licensing; accreditation by independent organizations; performance measurement and outcomes assessment; health services research; and preventive health, disease management, case management and care coordination. For example, we may use the information to provide disease management programs for members with specific conditions, such as diabetes, asthma or heart failure. Other operational activities requiring use and disclosure include administration of reinsurance and stop loss; underwriting and rating; detection and investigation of fraud; administration of pharmaceutical programs and payments; transfer of policies or contracts from and to other health plans; facilitation of a sale, transfer, merger or consolidation of all or part of Aetna with another entity (including due diligence related to such activity); and other general administrative activities, including data and information systems management, and customer service.

Payment: To help pay for your covered services, we may use and disclose personal information in a number of ways – in conducting utilization and medical necessity reviews; coordinating care; determining eligibility; determining
formulary compliance; collecting premiums; calculating cost-sharing amounts; and responding to complaints, appeals and requests for external review. For example, we may use your medical history and other health information about you to decide whether a particular treatment is medically necessary and what the payment should be – and during the process, we may disclose information to your provider. We also mail Explanation of Benefits forms and other information to the address we have on record for the subscriber (i.e., the primary insured). In addition, we make claims information contained on our Aetna Navigator™ health site and telephonic claims status sites available to the subscriber and all covered dependents. We also use personal information to obtain payment for any mail-order pharmacy services provided to you.

**Treatment:** We may disclose information to doctors, dentists, pharmacies, hospitals and other health care providers who take care of you. For example, doctors may request medical information from us to supplement their own records. We also may use personal information in providing mail-order pharmacy services and by sending certain information to doctors for patient safety or other treatment-related reasons.

**Disclosures to Other Covered Entities:** We may disclose personal information to other covered entities, or business associates of those entities for treatment, payment and certain health care operations purposes. For example, we may disclose personal information to other health plans maintained by your employer if it has been arranged for us to do so in order to have certain expenses reimbursed.

**Additional Reasons for Disclosure**

We may use or disclose health information about you in providing you with treatment alternatives, treatment reminders, or other health-related benefits and services. We also may disclose such information in support of:

- **Plan Administration** – to your employer, when we have been informed that appropriate language has been included in your plan documents, or when summary data is disclosed to assist in bidding or amending a group health plan.
• **Research** – to researchers, provided measures are taken to protect your privacy.

• **Business Associates** – to persons who provide services to us and assure us they will protect the information.

• **Industry Regulation** – to state insurance departments, boards of pharmacy, U.S. Food and Drug Administration, U.S. Department of Labor and other government agencies that regulate us.

• **Law Enforcement** – to federal, state and local law enforcement officials.

• **Legal Proceedings** – in response to a court order or other lawful process.

• **Public Welfare** – to address matters of public interest as required or permitted by law (e.g., child abuse and neglect, threats to public health and safety, and national security).

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**Disclosure to Others Involved in Your Health Care**

We may disclose health information about you to a relative, a friend, the subscriber of your health benefits plan or any other person you identify, provided the information is directly relevant to that person’s involvement with your health care or payment for that care. For example, if a family member or a caregiver calls us with prior knowledge of a claim, we may confirm whether or not the claim has been received and paid. You have the right to stop or limit this kind of disclosure by calling the toll-free Member Services number on your ID card.

If you are a minor, you also may have the right to block parental access to your health information in certain circumstances, if permitted by state law. You can contact us using the toll-free Member Services number on your ID card – or have your provider contact us.

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**Uses and Disclosures Requiring Your Written Authorization**

In all situations other than those described above, we will ask for your written authorization before using or disclosing personal information about you. If you have given us an
authorization, you may revoke it at any time, if we have not already acted on it. If you have questions regarding authorizations, please call the toll-free Member Services number on your ID card.

Your Legal Rights

The federal privacy regulations give you the right to make certain requests regarding health information about you. You may ask us to:

- Communicate with you in a certain way or at a certain location. For example, if you are covered as an adult dependent, you might want us to send health information to a different address from that of your subscriber. We will accommodate reasonable requests.

- Restrict the way we use or disclose health information about you in connection with health care operations, payment and treatment. We will consider, but may not agree to, such requests. You also have the right to ask us to restrict disclosures to persons involved in your health care.

- Obtain a copy of health information that is contained in a "designated record set" – medical records and other records maintained and used in making enrollment, payment, claims adjudication, medical management and other decisions. We may ask you to make your request in writing, may charge a reasonable fee for producing and mailing the copies and, in certain cases, may deny the request.

- Amend health information that is in a "designated record set." Your request must be in writing and must include the reason for the request. If we deny the request, you may file a written statement of disagreement.

- Provide a list of certain disclosures we have made about you, such as disclosures of health information to government agencies that license us. Your request must be in writing. If you request such an accounting more than once in a 12-month period, we may charge a reasonable fee.

You may make any of the requests described herein, or may
request a paper copy of this notice, by calling the toll-free Member Services number on your ID card.

You also have the right to file a complaint if you think your privacy rights have been violated. To do so, please follow the complaint procedures described in your plan documents or on our Web site at www.aetna.com. You also may write to the Secretary of the U.S. Department of Health and Human Services. You will not be penalized for filing a complaint.

Aetna’s Legal Obligations

The federal privacy regulations require us to keep personal information about you private, to give you notice of our legal duties and privacy practices, and to follow the terms of the notice currently in effect.

This Notice is Subject to Change

We may change the terms of this notice and our privacy policies at any time. If we do, the new terms and policies will be effective for all of the information that we already have about you, as well as any information that we may receive or hold in the future.

Please note that we do not destroy personal information about you when you terminate your coverage with us. It may be necessary to use and disclose this information for the purposes described above even after your coverage terminates, although policies and procedures will remain in place to protect against inappropriate use or disclosure.

If you have questions regarding this notice, please contact Aetna’s Legal Support Services Department by mail at 151 Farmington Avenue, W121; Hartford, CT 06156; by phone at 1-860-952-8600; or by fax at 1-860-907-3017. Include your name, phone and fax number.
Coverage may be underwritten or administered by one or more of the following companies: Aetna Health Inc.; Aetna Health of California Inc.; Aetna Dental of California Inc.; Aetna Health of the Carolinas Inc.; Aetna Health of Illinois Inc.; Aetna Dental Inc.; Aetna Health of Washington Inc.; Aetna Life Insurance Company; Aetna Insurance Company of Connecticut; Aetna Health Insurance Company of Connecticut; Aetna Health Insurance Company of New York; and Corporate Health Insurance Company. Services for the Aetna Rx Savings Card℠ are administered by the Medical Security Card Company.