

Medicare.  
What it is. What it covers. How it works.

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# Understanding Medicare.

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If you are enrolled in Medicare (or are about to be), you probably have 2 things in common with the 64 million others who are on it—you're 65 or older, and you have a number of questions about how Medicare works.

Medicare is a large government program with a maze of rules and regulations. This brochure has been designed to give you a better understanding of Medicare, including:

- ▶ **The different parts of Medicare and what they cover**
- ▶ **An in-depth look at Medicare Part D—the part that provides your prescription drug coverage**
- ▶ **Some programs that may help people who can't afford their prescriptions**

*Questions? We're here to help.*

Even after you've read this brochure, you may still have questions. Call **1.800.448.6472** and one of our Insurance Specialists will help answer them for you.

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*For complete Medicare information.*

This brochure is designed to give you a high-level understanding of Medicare. More detailed information can be found on [Medicare.gov](https://www.medicare.gov)

# What is Medicare?

Medicare is a federal health insurance program for people 65 and older. In certain cases, it also provides health benefits for younger people with disabilities, and for people with end-stage kidney disease.

## What does Medicare cover?

Medicare provides insurance coverage for many health-related services and products, such as:

- ✓ Hospitalization
- ✓ Medical services (such as doctor visits, lab tests, X-rays, etc.)
- ✓ Prescription drugs

## Questions about what Medicare covers?

Call **1.800.448.6472** and one of our Insurance Specialists will help answer them for you.  
Or visit [www.medicare.gov/what-medicare-covers](http://www.medicare.gov/what-medicare-covers)



# The different parts of Medicare coverage.

Medicare's coverage for hospitalization, medical services, and prescriptions is provided by several different Medicare parts or insurance plans:

## Part A

## Part B

## Part C Medicare Advantage Plans

## Part D

Type of Insurance  
What It Covers  
Prescription Drug Coverage  
Enrollment

	Part A	Part B	Part C Medicare Advantage Plans	Part D
Type of Insurance	Hospitalization	Medical	Not a separate insurance benefit; a coverage option to Medicare Parts A and B.	A separate coverage option that you can add to Medicare Parts A and B.
What It Covers	Includes hospital, skilled nursing facility, home health, and hospice care.	Includes doctors' services, preventive care, durable medical equipment, hospital outpatient services, laboratory tests, X-rays, mental health care, and some home health and ambulance services.	Allows private health insurance companies to provide your Medicare benefits through what are called "Medicare Advantage Plans."	Prescription medications.
Prescription Drug Coverage	No	No*	Sometimes	Yes
Enrollment	Usually automatic if you receive Social Security benefits.	Typically, you must enroll.	Optional	You must enroll.

\*Drugs administered by a health care professional in the doctor's office may be covered.

While all health benefits of Medicare are essential, the **focus of this brochure will be Medicare Part D**, the part that provides coverage for prescription drugs, including your biologic medicine.

### Questions about Medicare Parts A, B, C, or D?

Call **1.800.448.6472** and one of our Insurance Specialists will help answer them for you.



## Understanding Part D. Medicare's prescription drug coverage.

Medicare Parts A and B do not cover most prescriptions. However, drug coverage is available to everyone in Medicare by enrolling separately in either:

**A Medicare Advantage Plan (Part C, which includes drug coverage)**

OR

**A Medicare Part D prescription drug plan, a stand-alone prescription drug plan that adds drug coverage to your Medicare Parts A and B benefits**

### Limits on the coverage of prescription drug plans.

Over 48 million Medicare beneficiaries are enrolled in Part D prescription drug plans. Even with the coverage these plans provide, there are certain limits, including:

#### ▶ **What drugs are covered**

Each plan has a list of the specific drugs it will cover. This list is called the plan's "formulary."

#### ▶ **What you pay for a drug that is covered**

Many plans classify the drugs they cover by levels of cost, called "tiers." Generally, the lower the tier a drug is in, the lower your cost will be. Drugs in a higher tier will have a higher cost to you.

# There are different phases of Medicare Part D coverage.

Your cost of prescriptions changes as you move through the various phases of coverage.



① You pay until your deductible is reached.

### Deductible

This is the period before your coverage begins when you are still satisfying Medicare Part D's yearly deductible.

② You pay a co-pay amount and your plan pays the rest.

### Your Initial Coverage

After you have satisfied your deductible, Medicare covers 75% of the drug cost. You pay the remaining 25% up to a maximum amount, called the "initial coverage limit." This may vary from year to year.

③ You pay a significant amount of your prescription costs until reaching your out-of-pocket drug expense limit.

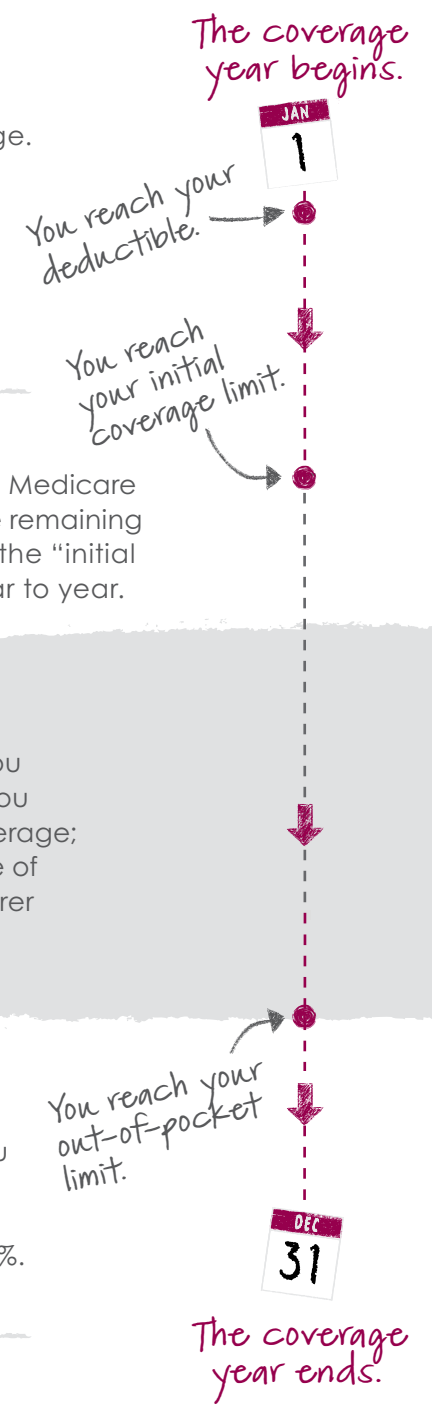
### The Coverage Gap or "Donut Hole"

This is a coverage gap you enter after you reach your initial coverage limit. Once you enter this gap, Part D does not offer coverage; you are responsible for significantly more of the drug costs. However, the manufacturer offsets some of the drug costs as well.

④ Your co-pay is reduced.

### Catastrophic Coverage

This is the coverage that begins after you reach your out-of-pocket limit. For the rest of the year, Part D pays 95% of your drug costs and you pay the remaining 5%.



# Enrolling in a Medicare drug plan.

## Choosing a Medicare Part D drug plan.

There are hundreds you can choose from. Deciding on the right one depends on your individual circumstances and needs. To help you decide, here are some things to think about:

### ✓ Enrollment Checklist and Notes

- Does the plan serve the area in which I live?
- Does the plan's monthly premium provide a good value for my needs?
- Does the plan cover the drugs I take?

Compare the plans for premium, deductible, drug cost sharing, coverage gap, and out-of-pocket limit.

### Notes:

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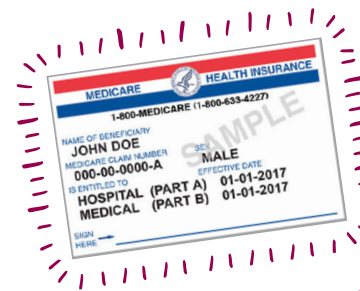
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# How to enroll in a Medicare prescription drug plan.

Once you decide on a plan that works best for you, you may be able to enroll through any of the following:

- ▶ Visit [medicare.gov/find-a-plan/questions/home.aspx](https://www.medicare.gov/find-a-plan/questions/home.aspx) or enroll on the plan's website
- ▶ Complete a paper enrollment form
- ▶ Call the plan
- ▶ Call Medicare at 1.800.MEDICARE (1.800.633.4227)



### What you'll need.

When you join a Medicare drug plan, you'll need to provide information from your Medicare Part A and/or Part B card. So keep it handy when you are ready to enroll.

### Note:

You have a chance to review and change your coverage each year during the annual Medicare Open Enrollment period (October 15 to December 7).

## Extra help paying for your medications.

People on Medicare who need help paying for their prescription drug costs may be eligible to receive a low-income subsidy (also known as LIS or Extra Help). About 1 in 4 people on Medicare currently receive this subsidy.

### The benefits of "Extra Help"

- Currently pay \$9.85 per prescription
- Have no "donut hole" in their Part D coverage
- May receive full or partial subsidies\*

### Are you eligible for Extra Help?

To find out, apply at your local Social Security office. There are 3 ways to apply:



Online at  
[www.socialsecurity.gov/extrahelp](http://www.socialsecurity.gov/extrahelp)



Call Social Security at  
**1.800.772.1213** (TTY 1.800.325.0778)



At your local  
**Social Security Office**

\*For definitions, go to [SSA.gov](http://SSA.gov)

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## Other resources that may help reduce your medication costs.



### State Pharmaceutical Assistance Programs (SPAPs)

Some states offer state pharmaceutical assistance programs to help their residents pay for prescription drugs. These states coordinate their programs with Medicare's Part D drug benefit, but each state works differently. Check with your local state's program to learn how it works and if you are eligible.



### Patient Assistance Foundations (PAFs)

Financial assistance may be available from independent charitable foundations for qualified patients who are unable to afford their co-pay costs. Visit [www.pparx.org](http://www.pparx.org) for more information.



### The Resources of HUMIRA Complete

Call **1.800.448.6472** to speak with an Insurance Specialist, who can help you identify available resources to save on your prescription. Your Ambassador can also help navigate your options.

Please see **Important Safety Information** on pages 11-12, including **Boxed Warning**. Please see full **Prescribing Information**, including **Medication Guide**, at [www.rxabbvie.com/pdf/humira.pdf](http://www.rxabbvie.com/pdf/humira.pdf) and discuss with your doctor.

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# Common Medicare terms.

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**Catastrophic Coverage:**

The stage of Medicare Part D coverage that begins after you reach your out-of-pocket limit. For the rest of the year, Part D pays almost all of your drug costs.

**Drug Coverage Tier:**

A way prescription drug plans categorize different medications according to the cost the patient will be expected to pay.

**Formulary:**

List of medicines that your health insurance plan will cover or pay for.

**Hospitalization:**

Care in a hospital that requires admission as an inpatient and usually requires an overnight stay.

**Low Income Subsidy (LIS or Extra Help):**

A government program that helps pay for Medicare Part D prescription drug costs.

**Medicare:**

A federal government insurance plan that provides health care coverage options and drug benefits for people over 65 and younger people with disabilities.

**Medicare Advantage Plan:**

A type of Medicare health plan offered by a private company that contracts with Medicare to provide you with all your Part A and Part B benefits. Also known as Medicare Part C.

**Medicare Part A:**

The part of Medicare that covers hospitalization including most medically necessary hospital, skilled nursing facility, home health, and hospice care.

**Medicare Part B:**

The part of Medicare that covers medical services including most medically necessary doctors' services, preventive care, durable medical equipment, hospital outpatient services, laboratory tests, X-rays, and mental health care.

**Medicare Part C:**

Not a separate benefit. It is the part of Medicare policy that allows private health insurance companies to provide Medicare benefits. Also known as a Medicare Advantage Plan.

**Medicare Part D:**

The part of Medicare that adds prescription drug coverage to your Part A and B benefits.

**Medicare Supplemental Insurance (Medigap):**

An insurance policy, sold by private companies, that can help pay some of the health care costs that Medicare Part A and Part B do not cover.

**Out-of-Pocket (OOP) Costs:** The share of Medicare prescription drug costs that you are responsible to pay.

**• Co-Insurance:**

The percentage of cost you will have to pay for a medical service or prescription. For example, you may pay 25% and the insurance pays 75%.

# Common Medicare terms.

- **Co-Pay:**  
Your share of the cost for a medical service or prescriptions that is a fixed amount. For example, you may pay \$25.
- **Coverage Gap (“Donut Hole”):**  
The Medicare Part D stage that begins once your total drug costs reach your initial coverage limit. From then on, you pay a higher percentage of drug costs until you reach the plan’s catastrophic coverage phase.
- **Initial Coverage Phase:**  
The Medicare Part D coverage stage that begins after you’ve reached the deductible, where you will pay only the plan’s co-pay for covered medications.
- **Initial Coverage Limit:**  
The amount you and your plan have spent before you reach the Coverage Gap (“Donut Hole”).

### **Patient Assistance Foundations (PAFs):**

Independent charitable foundations that provide financial assistance to qualified patients who are unable to afford their co-pay costs.

### **Premium:**

The amount you pay for your health insurance every month.

### **State Pharmaceutical Assistance Programs (SPAPs):**

State programs that coordinate with Medicare’s Part D drug benefit to help their residents pay for prescription drugs.



# HUMIRA Uses<sup>1</sup>

HUMIRA is a prescription medicine used:

- **To reduce the signs and symptoms of:**
  - **Moderate to severe rheumatoid arthritis (RA) in adults.** HUMIRA can be used alone, with methotrexate, or with certain other medicines. HUMIRA may prevent further damage to your bones and joints and may help your ability to perform daily activities.
  - **Moderate to severe polyarticular juvenile idiopathic arthritis (JIA) in children 2 years of age and older.** HUMIRA can be used alone or with methotrexate.
  - **Psoriatic arthritis (PsA) in adults.** HUMIRA can be used alone or with certain other medicines. HUMIRA may prevent further damage to your bones and joints and may help your ability to perform daily activities.
  - **Ankylosing spondylitis (AS) in adults.**
  - **Moderate to severe hidradenitis suppurativa (HS) in people 12 years and older.**
- **To treat moderate to severe Crohn's disease (CD) in adults and children 6 years of age and older.**
- **To treat moderate to severe ulcerative colitis (UC) in adults and children 5 years of age and older.** It is not known if HUMIRA is effective in people who stopped responding to or could not tolerate anti-TNF medicines.
- **To treat moderate to severe chronic plaque psoriasis (Ps) in adults** who are ready for systemic therapy or phototherapy, and are under the care of a doctor who will decide if other systemic therapies are less appropriate.
- **To treat non-infectious intermediate** (middle part of the eye), **posterior** (back of the eye), and **panuveitis** (all parts of the eye) **in adults and children 2 years of age and older.**

Please see Important Safety Information on pages 11-12, including Boxed Warning.

Please see full Prescribing Information, including Medication Guide, at [www.rxabbvie.com/pdf/humira.pdf](http://www.rxabbvie.com/pdf/humira.pdf) and discuss with your doctor.

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adalimumab

# Important Safety Information About HUMIRA<sup>®</sup> (adalimumab)<sup>1</sup>

## What is the most important information I should know about HUMIRA?

You should discuss the potential benefits and risks of HUMIRA with your doctor. HUMIRA is a TNF blocker medicine that can lower the ability of your immune system to fight infections. You should not start taking HUMIRA if you have any kind of infection unless your doctor says it is okay.

- **Serious infections have happened in people taking HUMIRA. These serious infections include tuberculosis (TB) and infections caused by viruses, fungi, or bacteria that have spread throughout the body. Some people have died from these infections.** Your doctor should test you for TB before starting HUMIRA, and check you closely for signs and symptoms of TB during treatment with HUMIRA, even if your TB test was negative. If your doctor feels you are at risk, you may be treated with medicine for TB.
- **Cancer.** For children and adults taking TNF blockers, including HUMIRA, the chance of getting lymphoma or other cancers may increase. There have been cases of unusual cancers in children, teenagers, and young adults using TNF blockers. Some people have developed a rare type of cancer called hepatosplenic T-cell lymphoma. This type of cancer often results in death. If using TNF blockers including HUMIRA, your chance of getting two types of skin cancer (basal cell and squamous cell) may increase. These types are generally not life-threatening if treated; tell your doctor if you have a bump or open sore that doesn't heal.

## What should I tell my doctor BEFORE starting HUMIRA?

**Tell your doctor about all of your health conditions,** including if you:

- Have an infection, are being treated for infection, or have symptoms of an infection
- Get a lot of infections or infections that keep coming back
- Have diabetes
- Have TB or have been in close contact with someone with TB, or were born in, lived in, or traveled where there is more risk for getting TB
- Live or have lived in an area (such as the Ohio and Mississippi River valleys) where there is an increased risk for getting certain kinds of fungal infections, such as histoplasmosis, coccidioidomycosis, or blastomycosis. These infections may happen or become more severe if you use HUMIRA. Ask your doctor if you are unsure if you have lived in these areas
- Have or have had hepatitis B

# Important Safety Information

## About HUMIRA® (adalimumab)<sup>1</sup> (Continued)

- Are scheduled for major surgery
- Have or have had cancer
- Have numbness or tingling or a nervous system disease such as multiple sclerosis or Guillain-Barré syndrome
- Have or had heart failure
- Have recently received or are scheduled to receive a vaccine. HUMIRA patients may receive vaccines, except for live vaccines. Children should be brought up to date on all vaccines before starting HUMIRA
- Are allergic to rubber, latex, or any HUMIRA ingredients
- Are pregnant, planning to become pregnant, breastfeeding, or planning to breastfeed
- Have a baby and you were using HUMIRA during your pregnancy. Tell your baby's doctor before your baby receives any vaccines

**Also tell your doctor about all the medicines you take.** You should not take HUMIRA with ORENCIA® (abatacept), KINERET® (anakinra), REMICADE® (infliximab), ENBREL® (etanercept), CIMZIA® (certolizumab pegol), or SIMPONI® (golimumab). Tell your doctor if you have ever used RITUXAN® (rituximab), IMURAN® (azathioprine), or PURINETHOL® (mercaptopurine, 6-MP).

### What should I watch for AFTER starting HUMIRA?

HUMIRA can cause serious side effects, including:

- **Serious infections.** These include TB and infections caused by viruses, fungi, or bacteria. Symptoms related to TB include a cough, low-grade fever, weight loss, or loss of body fat and muscle.
- **Hepatitis B infection in carriers of the virus.** Symptoms include muscle aches, feeling very tired, dark urine, skin or eyes that look yellow, little or no appetite, vomiting, clay-colored bowel movements, fever, chills, stomach discomfort, and skin rash.
- **Allergic reactions.** Symptoms of a serious allergic reaction include hives, trouble breathing, and swelling of your face, eyes, lips, or mouth.
- **Nervous system problems.** Signs and symptoms include numbness or tingling, problems with your vision, weakness in your arms or legs, and dizziness.
- **Blood problems** (decreased blood cells that help fight infections or stop bleeding). Symptoms include a fever that does not go away, bruising or bleeding very easily, or looking very pale.

- **Heart failure** (new or worsening). Symptoms include shortness of breath, swelling of your ankles or feet, and sudden weight gain.
- **Immune reactions including a lupus-like syndrome.** Symptoms include chest discomfort or pain that does not go away, shortness of breath, joint pain, or rash on your cheeks or arms that gets worse in the sun.
- **Liver problems.** Symptoms include feeling very tired, skin or eyes that look yellow, poor appetite or vomiting, and pain on the right side of your stomach (abdomen). These problems can lead to liver failure and death.
- **Psoriasis** (new or worsening). Symptoms include red scaly patches or raised bumps that are filled with pus.

**Call your doctor or get medical care right away if you develop any of the above symptoms.**

**Common side effects of HUMIRA include injection site reactions** (pain, redness, rash, swelling, itching, or bruising), **upper respiratory infections** (sinus infections), **headaches, rash, and nausea.** These are not all of the possible side effects with HUMIRA. Tell your doctor if you have any side effect that bothers you or that does not go away.

**Remember, tell your doctor right away if you have an infection or symptoms of an infection, including:**

- Fever, sweats, or chills
- Muscle aches
- Cough
- Shortness of breath
- Blood in phlegm
- Weight loss
- Warm, red, or painful skin or sores on your body
- Diarrhea or stomach pain
- Burning when you urinate
- Urinating more often than normal
- Feeling very tired

HUMIRA is given by injection under the skin.

**This is the most important information to know about HUMIRA. For more information, talk to your health care provider.**

You are encouraged to report negative side effects of prescription drugs to the FDA. Visit [www.fda.gov/medwatch](http://www.fda.gov/medwatch), or call 1-800-FDA-1088.

If you are having difficulty paying for your medicine, AbbVie may be able to help. Visit [AbbVie.com/myAbbVieAssist](http://AbbVie.com/myAbbVieAssist) to learn more.

Reference: 1. HUMIRA Injection [package insert]. North Chicago, IL: AbbVie Inc.