blue CALIFORNIA

Important information

About changes to your Medicare drug and health plan

Blue Shield 65 Plus (HMO) offered by California Physicians' Service (dba Blue Shield of California)

Annual Notice of Change for 2026

You're enrolled as a member of Blue Shield 65 Plus (HMO).

This material describes changes to our plan's costs and benefits next year.

- **You have during your Plan Sponsor's Open Enrollment to make changes to your Medicare coverage for next year.** If you don't join another plan by the end of your Plan Sponsor's open enrollment period, you'll stay in Blue Shield 65 Plus (HMO).
- To change to a **different plan**, visit www.Medicare.gov or review the list in the back of your *Medicare & You 2026* handbook.
- Note this is only a summary of changes. More information about costs, benefits, and rules is in the *Evidence of Coverage*. Get a copy by logging into your member portal at blueshieldca.com or call Customer Service at **(800) 776-4466** (TTY users call **711**) to get a copy by mail.

More Resources

- Call Customer Service at **(800) 776-4466** (TTY users call **711**) for more information. Hours are 8 a.m. to 8 p.m. PT, seven days a week. This call is free.

- This information may be available in a different format, including Braille, large print, audio cd, and data cd. Please call Customer Service at the number listed above if you need plan information in another format.

About Blue Shield 65 Plus (HMO)

- Blue Shield of California is an HMO plan with a Medicare contract. Enrollment in Blue Shield of California depends on contract renewal.
- Blue Shield of California's pharmacy network includes limited lower-cost, pharmacies with preferred cost sharing in certain counties within California. The lower costs advertised in our plan materials for these pharmacies may not be available at the pharmacy you use. For up-to-date information about our network pharmacies, including whether there are any lower-cost pharmacies with preferred cost sharing in your area, please call Customer Service at **(800) 776-4466**, (TTY: **711**), 8 a.m. to 8 p.m. PT, seven days a week, or consult the online pharmacy directory at **blueshieldca.com/medpharmacy2026**.

- When this material says “we,” “us,” or “our,” it means California Physicians’ Service (dba Blue Shield of California). When it says “plan” or “our plan,” it means Blue Shield 65 Plus (HMO).
- **If you do nothing by the end of your Plan Sponsor’s open enrollment period, you’ll automatically be enrolled in Blue Shield 65 Plus (HMO).** Starting July 1, 2026, you’ll get your medical and drug coverage through Blue Shield 65 Plus (HMO). Go to Section 3 for more information about how to change plans and deadlines for making a change.

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Summary of Important Costs for 2026

	July 1, 2025 – June 30, 2026 (this year)	July 1, 2026 – June 30, 2027 (next year)
Monthly plan premium* * Your premium can be higher or lower than this amount. Go to Section 1.1 for details.	If you are responsible for any contribution to the monthly plan premium and your contributions are changing for 2026, your Plan Sponsor will tell you the amount and where to send payment.	
Maximum out-of-pocket amount This is the most you'll pay out of pocket for covered Part A and Part B services. (Go to Section 1.2 for details.)	$6,700	**$6,700**
Primary care office visits	$20 copayment per visit	**$20 copayment per visit**
Specialist office visits	$20 copayment per visit	**$20 copayment per visit**
Inpatient hospital stays Includes inpatient acute, inpatient rehabilitation, long-term care hospitals, and other types of inpatient hospital services. Inpatient hospital care starts the day you're formally admitted to the hospital with a doctor's order. The day before you're discharged is your last inpatient day.	For each Medicare-covered stay in a network hospital you pay: $250 copayment per admission	**For each Medicare-covered stay in a network hospital you pay: $250 copayment per admission**

	July 1, 2025 – June 30, 2026 (this year)	July 1, 2026 – June 30, 2027 (next year)
Part D drug coverage deductible (Go to Section 1.7 for details.)	$0	**$0**
Part D drug coverage (Go to Section 1.7 for details, including Yearly Deductible, Initial Coverage, and Catastrophic Coverage Stages.)	Cost sharing during the Initial Coverage Stage: Drug Tier 1: $10 Drug Tier 2: $20 Drug Tier 3: $40 Drug Tier 4: 20% coinsurance (up to a $100 copay maximum) You pay $35 per month supply of each covered insulin product on this tier. Drug Tier 5: 20% coinsurance (up to a $100 copay maximum) Catastrophic Coverage: During this payment stage, you pay nothing for your covered Part D drugs. You can have cost sharing for drugs that are covered under our enhanced benefit.	**Cost sharing during the Initial Coverage Stage:** **Drug Tier 1: $10** **Drug Tier 2: $20** **Drug Tier 3: $40** **Drug Tier 4: 20% coinsurance (up to a $100 copay maximum)** **You pay the lesser of $35 or 20% coinsurance per month supply of each covered insulin product on this tier.** **Drug Tier 5: 20% coinsurance (up to a $100 copay maximum)** **Catastrophic Coverage:** **During this payment stage, you pay nothing for your covered Part D drugs.** **You can have cost sharing for drugs that are covered under our enhanced benefit.**

SECTION 1 Changes to Benefits & Costs for Next Year

Section 1.1 Changes to the Monthly Plan Premium

	July 1, 2025 – June 30, 2026 (this year)	July 1, 2026 – June 30, 2027 (next year)
Monthly plan premium (You must also continue to pay your Medicare Part B premium.)	If you are responsible for any contribution to the monthly plan premium and your contributions are changing effective July 1, 2026, your Plan Sponsor will tell you the amount and where to send payment.	

Factors that could change your Part D Premium Amount

- Late Enrollment Penalty - Your monthly plan premium will be *more* if you're required to pay a lifetime Part D late enrollment penalty for going without other drug coverage that's at least as good as Medicare drug coverage (also referred to as creditable coverage) for 63 days or more.

- Higher Income Surcharge - If you have a higher income, you may have to pay an additional amount each month directly to the government for Medicare drug coverage.

- Extra Help - Your monthly plan premium will be *less* if you get Extra Help with your drug costs. Go to Section 1 for more information about Extra Help from Medicare.

Section 1.2 Changes to Your Maximum Out-of-Pocket Amount

Medicare requires all health plans to limit how much you pay out of pocket for the year. This limit is called the maximum out-of-pocket amount. Once you've paid this amount, you generally pay nothing for covered Part A and Part B services for the rest of the plan year.

	July 1, 2025 – June 30, 2026 (this year)	July 1, 2026 – June 30, 2027 (next year)
Maximum out-of-pocket amount Your costs for covered medical services (such as copayments) **count** toward your maximum out-of-pocket amount. Our plan premium and your costs for prescription drugs **don't count** toward your maximum out-of-pocket amount for medical services.	$6,700	**$6,700** **Once you've paid $6,700 out of pocket for covered Part A and Part B services, you'll pay nothing for your covered Part A and Part B services for the rest of the plan year.**

Section 1.3 Changes to the Provider Network

Our network of providers has changed for next year. Review the 2026 *Provider Directory* **blueshieldca.com/medicare/providerdirectory** to see if your providers (primary care provider, specialists, hospitals, etc.) are in our network. Here's how to get an updated *Provider Directory*:

- Visit our website at **blueshieldca.com/medicare/providerdirectory**.
- Call Customer Service at **(800) 776-4466** (TTY users call **711**) to get current provider information or to ask us to mail you a *Provider Directory*.

We can make changes to the hospitals, doctors, and specialists (providers) that are part of our plan during the year. If a mid-year change in our providers affects you, call Customer Service at **(800) 776-4466** (TTY users call **711**) for help. For more information on your rights when a network provider leaves our plan, go to Chapter 3, Section 2.3 of your *Evidence of Coverage*.

Section 1.4 Changes to the Pharmacy Network

Amounts you pay for your prescription drugs can depend on which pharmacy you use. Medicare drug plans have a network of pharmacies. In most cases, your prescriptions are covered *only* if they are filled at one of our network pharmacies. Our network includes pharmacies with preferred cost sharing, which may offer you lower cost sharing than the standard cost sharing offered by other network pharmacies for some drugs.

Our network of pharmacies has changed for next year. Review the 2026 *Pharmacy Directory* **blueshieldca.com/medpharmacy2026** to see which pharmacies are in our network. Here's how to get an updated *Pharmacy Directory*:

- Visit our website at **blueshieldca.com/medpharmacy2026**.
- Call Customer Service at **(800) 776-4466** (TTY users call **711**) to get current pharmacy information or to ask us to mail you a *Pharmacy Directory*.

We can make changes to the pharmacies that are part of our plan during the year. If a mid-year change in our pharmacies affects you, call Customer Service at **(800) 776-4466** (TTY users call **711**) for help.

Section 1.5 Changes to Benefits & Costs for Medical Services

	July 1, 2025 – June 30, 2026 (this year)	July 1, 2026 – June 30, 2027 (next year)
Durable medical equipment (DME) and related supplies	Continuous glucose monitors: $0 copayment. We do not have a preferred manufacturer	**Continuous glucose monitors: Dexcom and Freestyle Libre are our preferred manufacturers. $0 copayment for Dexcom and Freestyle Libre continuous glucose monitors and 20% of the total cost for continuous glucose monitors from all other manufacturers.**

Section 1.6 Changes to Part D Drug Coverage

Changes to Our Drug List

Our list of covered drugs is called a formulary or Drug List. A copy of our Drug List is provided electronically.

We made changes to our Drug List, which could include removing or adding drugs, changing the restrictions that apply to our coverage for certain drugs, or moving them to a different

cost-sharing tier. **Review the Drug List to make sure your drugs will be covered next year and to see if there will be any restrictions, or if your drug has been moved to a different cost-sharing tier.**

Most of the changes in the Drug List are new for the beginning of each year. However, we might make other changes that are allowed by Medicare rules that will affect you during the calendar year. We update our online Drug List at least monthly to provide the most up-to-date list of drugs. If we make a change that will affect your access to a drug you're taking, we'll send you a notice about the change.

If you're affected by a change in drug coverage at the beginning of the year or during the year, review Chapter 9 of your *Evidence of Coverage* and talk to your prescriber to find out your options, such as asking for a temporary supply, applying for an exception, and/or working to find a new drug. Call Customer Service at **(800) 776-4466** (TTY users call **711**) for more information.

Section 1.7 Changes to Prescription Drug Benefits & Costs

Do you get Extra Help to pay for your drug coverage costs?

If you're in a program that helps pay for your drugs (Extra Help), **the information about costs for Part D drugs may not apply to you.** We sent you a separate material, called the *Evidence of Coverage Rider for People Who Get Extra Help Paying for Prescription Drugs*, which tells you about your drug costs. If you get Extra Help and don't get this material by September 30, 2025, call Customer Service at **(800) 776-4466** (TTY users call **711**) and ask for the *LIS Rider*.

Drug Payment Stages

There are **3 drug payment stages:** the Yearly Deductible Stage, the Initial Coverage Stage, and the Catastrophic Coverage Stage. The Coverage Gap Stage and the Coverage Gap Discount Program no longer exist in the Part D benefit.

- ***Stage 1: Yearly Deductible***

  We have no deductible, so this payment stage doesn't apply to you.

- ***Stage 2: Initial Coverage***

  In this stage, our plan pays its share of the cost of your drugs, and you pay your share of the cost. You generally stay in this stage until your year-to-date total drug costs reach $2,100.

- ***Stage 3: Catastrophic Coverage***

This is the third and final drug payment stage. In this stage, you pay nothing for your covered Part D drugs. You generally stay in this stage for the rest of the plan year.

The Coverage Gap Discount Program has been replaced by the Manufacturer Discount Program. Under the Manufacturer Discount Program, drug manufacturers pay a portion of our plan's full cost for covered Part D brand name drugs and biologics during the Initial Coverage Stage and the Catastrophic Coverage Stage. Discounts paid by manufacturers under the Manufacturer Discount Program don't count toward out-of-pocket costs.

Drug Costs in Stage 1: Yearly Deductible

The table shows your cost per prescription during this stage.

	July 1, 2025 – June 30, 2026 (this year)	**July 1, 2026 – June 30, 2027 (next year)**
Yearly Deductible	Because we have no deductible, this payment stage doesn't apply to you.	**Because we have no deductible, this payment stage doesn't apply to you.**

Drug Costs in Stage 2: Initial Coverage

The table shows your cost per prescription for a one-month (30-day) supply filled at a network pharmacy with standard and preferred cost sharing.

We changed the tier for some of the drugs on our Drug List. To see if your drugs will be in a different tier, look them up on the Drug List. Most adult Part D vaccines are covered at no cost to you. For more information about the costs of vaccines, or information about the costs for a long-term supply; or for home delivery prescriptions, go to Chapter 6 of your *Evidence of Coverage*.

Once you've paid $2,100 out of pocket for covered Part D drugs, you'll move to the next stage (the Catastrophic Coverage Stage).

	July 1, 2025 – June 30, 2026 (this year)	July 1, 2026 – June 30, 2027 (next year)
Tier 1 Generic Drugs:	*Standard cost sharing:* You pay $10 *Preferred cost sharing:* You pay $10	***Standard cost sharing:*** **You pay $10** ***Preferred cost sharing:*** **You pay $10**
Tier 2 Preferred Brand Drugs:	*Standard cost sharing:* You pay $20 *Preferred cost sharing:* You pay $20	***Standard cost sharing:*** **You pay $20** ***Preferred cost sharing:*** **You pay $20**
Tier 3 Non-Preferred Drugs:	*Standard cost sharing:* You pay $40 *Preferred cost sharing:* You pay $40	***Standard cost sharing:*** **You pay $40** ***Preferred cost sharing:*** **You pay $40**
Tier 4 Injectable Drugs:	*Standard cost sharing:* You pay 20% of the total cost (up to a $100 copay maximum) *Preferred cost sharing:* You pay 20% of the total cost (up to a $100 copay maximum) You pay $35 per month supply of each covered insulin product on this tier.	***Standard cost sharing:*** **You pay 20% of the total cost (up to a $100 copay maximum)** ***Preferred cost sharing:*** **You pay 20% of the total cost (up to a $100 copay maximum)** **You pay the lesser of $35 or 20% of the total cost per month supply of each covered insulin product on this tier.**
Tier 5 Specialty Drugs:	*Standard cost sharing:* You pay 20% of the total	***Standard cost sharing:*** **You pay 20% of the total**

	July 1, 2025 – June 30, 2026 (this year)	July 1, 2026 – June 30, 2027 (next year)
Tier 5 Specialty Drugs (cont'd):	cost (up to a $100 copay maximum) *Preferred cost sharing:* You pay 20% of the total cost (up to a $100 copay maximum)	**cost (up to a $100 copay maximum)** ***Preferred cost sharing:*** **You pay 20% of the total cost (up to a $100 copay maximum)**

Changes to the Catastrophic Coverage Stage

If you reach the Catastrophic Coverage Stage, you pay nothing for your covered Part D drugs. You can have cost sharing for excluded drugs that are covered under our enhanced benefit.

For specific information about your costs in the Catastrophic Coverage Stage, go to Chapter 6, Section 6 in your *Evidence of Coverage*.

SECTION 2 Administrative Changes

	July 1, 2025 – June 30, 2026 (this year)	July 1, 2026 – June 30, 2027 (next year)
Additional telehealth services: Change to vendor name and URL	Teladoc blueshieldca.com/Teladoc	**Teladoc Health** **blueshieldca.com/teladochealth**
Medicare Prescription Payment Plan	The Medicare Prescription Payment Plan is a payment option that began this year and can help you manage your out-of-pocket costs for drugs covered by our plan by spreading them across the calendar year	**If you're participating in the Medicare Prescription Payment Plan and stay in the same Part D plan, your participation will be automatically renewed for 2026.** **To learn more about this payment option, call us at (833)**

	July 1, 2025 – June 30, 2026 (this year)	July 1, 2026 – June 30, 2027 (next year)
Medicare Prescription Payment Plan (cont'd)	(January-December). You may be participating in this payment option.	**696-2087 (TTY users call 711) or visit www.Medicare.gov.**

SECTION 3 How to Change Plans

To stay in Blue Shield 65 Plus (HMO), you don't need to do anything. If you do not sign up for a different plan or change to Original Medicare during your Plan Sponsor's open enrollment period, you will automatically stay enrolled as a member of our plan for 2026. You may want to contact your Plan Sponsor to verify whether you are required to complete any paperwork for your Plan Sponsor.

If you want to change plans for 2026, follow these steps:

- **To change to a different Medicare health plan**, enroll in the new plan. You'll be automatically disenrolled from Blue Shield 65 Plus (HMO).
- **To change to Original Medicare with Medicare drug coverage,** enroll in the new Medicare drug plan. You'll be automatically disenrolled from Blue Shield 65 Plus (HMO).
- **To change to Original Medicare without a drug plan,** you can send us a written request to disenroll. Call Customer Service at **(800) 776-4466** (TTY users call **711**) for more information on how to do this. Or call **Medicare** at 1-800-MEDICARE (1-800-633-4227) and ask to be disenrolled. TTY users can call 1-877-486-2048. If you don't enroll in a Medicare drug plan, you may pay a Part D late enrollment penalty (go to Section 1.1).
- **To learn more about Original Medicare and the different types of Medicare plans**, visit www.Medicare.gov, check the *Medicare & You 2026* handbook, call your State Health Insurance Assistance Program (go to Section 5), or call 1-800-MEDICARE (1-800-633-4227).

Please speak to your Plan Sponsor before making a change, as doing so may cause you to lose coverage through your Plan Sponsor.

Section 3.1 Deadlines for Changing Plans

If you want to change to a different plan for next year, you can do it during your **Plan Sponsor's open enrollment period**. The change will take effect on July 1, 2026.

If you enrolled in a Medicare Advantage plan for January 1, 2026, and don't like your plan choice, you can switch to another Medicare health plan (with or without Medicare drug coverage) or switch to Original Medicare (with or without Medicare drug coverage) between January 1 – March 31, 2026.

Please speak to your Plan Sponsor before making a change, as doing so may cause you to lose coverage through your Plan Sponsor.

Section 3.2 Are there other times of the year to make a change?

In certain situations, people may have other chances to change their coverage during the year. Examples include people who:

- Have Medicaid
- Get Extra Help paying for their drugs
- Have or are leaving employer coverage
- Move out of our plan's service area

If you recently moved into, or currently live in, an institution (like a skilled nursing facility or long-term care hospital), you can change your Medicare coverage **at any time**. You can change to any other Medicare health plan (with or without Medicare drug coverage) or switch to Original Medicare (with or without Medicare drug coverage) at any time. If you recently moved out of an institution, you have an opportunity to switch plans or switch to Original Medicare for 2 full months after the month you move out.

Please speak to your Plan Sponsor before making a change, as doing so may cause you to lose coverage through your Plan Sponsor.

SECTION 4 Get Help Paying for Prescription Drugs

You may qualify for help paying for prescription drugs. Different kinds of help are available:

- **Extra Help from Medicare.** People with limited incomes may qualify for Extra Help to pay for their prescription drug costs. If you qualify, Medicare could pay up to 75% or more of your drug costs including monthly drug plan premiums, yearly deductibles, and coinsurance. Also, people who qualify won't have a late enrollment penalty. To see if you qualify, call:

- 1-800-MEDICARE (1-800-633-4227). TTY users can call 1-877-486-2048, 24 hours a day, 7 days a week.
- Social Security at 1-800-772-1213 between 8 a.m. and 7 p.m., Monday – Friday for a representative. Automated messages are available 24 hours a day. TTY users can call 1-800-325-0778.
- Your State Medicaid Office.

- **Help from your state's pharmaceutical assistance program (SPAP).** California has a program called Health Insurance Counseling and Advocacy Program (HICAP) that helps people pay for prescription drugs based on their financial need, age, or medical condition. To learn more about the program, check with your State Health Insurance Assistance Program (SHIP). To get the phone number for your state, visit shiphelp.org, or call 1-800-MEDICARE.
- **Prescription Cost-sharing Assistance for Persons with HIV/AIDS.** The AIDS Drug Assistance Program (ADAP) helps ensure that ADAP-eligible people living with HIV/AIDS have access to life-saving HIV medications. To be eligible for the ADAP operating in your state, you must meet certain criteria, including proof of state residence and HIV status, low income as defined by the state, and uninsured/under-insured status. Medicare Part D drugs that are also covered by ADAP qualify for prescription cost-sharing help through the ADAP in California. For information on eligibility criteria, covered drugs, how to enroll in the program, or, if you're currently enrolled, how to continue getting help, call the California ADAP Call Center at (844) 421-7050, 8 a.m. to 5 p.m., Monday through Friday (excluding holidays), or visit their website at https://www.cdph.ca.gov/Programs/CID/DOA/Pages/OA_adap_eligibility.aspx. Be sure, when calling, to inform them of your Medicare Part D plan name or policy number.
- **The Medicare Prescription Payment Plan.** The Medicare Prescription Payment Plan is a payment option that works with your current drug coverage to help you manage your out-of-pocket costs for drugs covered by our plan by spreading them across the calendar year (January – December). Anyone with a Medicare drug plan or Medicare health plan with drug coverage (like a Medicare Advantage plan with drug coverage) can use this payment option. **This payment option might help you manage your expenses, but it doesn't save you money or lower your drug costs.**

  Extra Help from Medicare and help from your SPAP and ADAP, for those who qualify, is more advantageous than participation in the Medicare Prescription Payment Plan. All members are eligible to participate in the Medicare Prescription Payment Plan. To learn more about this payment option, call us at **(800) 776-4466** (TTY users should call **711**) or visit www.Medicare.gov.

SECTION 5 Questions?

Get Help from Blue Shield 65 Plus (HMO)

- **Call Customer Service at (800) 776-4466 (TTY users call 711.)**

  We're available for phone calls 8 a.m. to 8 p.m. PT, seven days a week. Calls to these numbers are free.

- **Read your 2026 *Evidence of Coverage***

  This *Annual Notice of Change* gives you a summary of changes in your benefits and costs for 2026. For details, go to the 2026 *Evidence of Coverage* for Blue Shield 65 Plus (HMO). The *Evidence of Coverage* is the legal, detailed description of our plan benefits. It explains your rights and the rules you need to follow to get covered services and prescription drugs. You may call Customer Service to ask us to mail you an *Evidence of Coverage*.

- **Visit blueshieldca.com/sausd**

  Our website has the most up-to-date information about our provider network (*Provider Directory/Pharmacy Directory*) and our *List of Covered Drugs* (formulary/Drug List).

Get Free Counseling about Medicare

The State Health Insurance Assistance Program (SHIP) is an independent government program with trained counselors in every state. In California, the SHIP is called Health Insurance Counseling and Advocacy Program (HICAP).

Call HICAP to get free personalized health insurance counseling. They can help you understand your Medicare plan choices and answer questions about switching plans. Call HICAP at (800) 434-0222. Learn more about HICAP by visiting http://www.cahealthadvocates.org/hicap/.

Get Help from Medicare

- **Call 1-800-MEDICARE (1-800-633-4227)**

  You can call 1-800-MEDICARE (1-800-633-4227), 24 hours a day, 7 days a week. TTY users can call 1-877-486-2048.

- **Chat live with www.Medicare.gov**

  You can chat live at www.Medicare.gov/talk-to-someone.

- **Write to Medicare**

  You can write to Medicare at PO Box 1270, Lawrence, KS 66044

- **Visit www.Medicare.gov**

  The official Medicare website has information about cost, coverage, and quality Star Ratings to help you compare Medicare health plans in your area.

- **Read *Medicare & You 2026***

  The *Medicare & You 2026* handbook is mailed to people with Medicare every fall. It has a summary of Medicare benefits, rights and protections, and answers to the most frequently asked questions about Medicare. Get a copy at www.Medicare.gov or by calling 1-800-MEDICARE (1-800-633-4227). TTY users can call 1-877-486-2048.

blueshieldca.com/medicare

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