
SHARP Health Plan

Sharp Direct Advantage®

2027 Annual Notice of Change

Sharp Direct Advantage CalPERS with Dental (HMO)

Exclusively for CalPERS Medicare-eligible retirees and dependents, sponsored by CalPERS



Sharp Direct Advantage (HMO) offered by Sharp Health Plan

Annual Notice of Change for 2027

You're enrolled as a member of Sharp Direct Advantage CalPERS (HMO).

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

- **You have from Sept. 14 – Oct. 9 to make changes to your Medicare coverage for next year.** If you don't join another plan by Oct. 9, 2026, you'll stay in Sharp Direct Advantage CalPERS (HMO).
- To change to a **different plan**, visit [Medicare.gov](https://www.Medicare.gov) or review the list in the back of your *Medicare & You 2027* 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 at calpers.sharphealthplan.com or call Customer Care at 1-833-346-4322 (TTY users call 711) to get a copy by mail.

More Resources

- This material is available for free in Spanish.
- Call Customer Care at 1-833-346-4322 (TTY/TDD users call 711) for additional information. Hours are 7 a.m. to 8 p.m., 7 days per week. If you reach us outside of our business hours, your call will be handled by our voicemail system. A Customer Care Representative will return your phone call the next business day. This call is free.
- Alguien que hable español le podrá ayudar. Este es un servicio gratuito.
- This information is available in large print.

About Sharp Direct Advantage CalPERS (HMO)

- Sharp Direct Advantage CalPERS (HMO) is an HMO plan with a Medicare contract. Enrollment in Sharp Direct Advantage CalPERS (HMO) depends on contract renewal.
- When this material says “we,” “us,” or “our,” it means Sharp Health Plan. When it says “plan” or “our plan,” it means Sharp Direct Advantage CalPERS (HMO).
- **If you do nothing by Oct. 9, 2026, you'll automatically be enrolled in Sharp Direct Advantage CalPERS (HMO).** Starting Jan. 1, 2027, you'll get your medical and drug coverage through *Sharp Direct Advantage CalPERS (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 2027

	2026 (this year)	2027 (next year)
Monthly plan premium* * Your premium can be higher or lower than this amount. Go to Section 1 for details.	\$291.38	\$320.22
Maximum out-of-pocket amount This is the <u>most</u> you'll pay out of pocket for covered Part A and Part B services (Go to Section 1 for details.)	\$1,500	\$1,500
Primary care office visits	\$0 per visit	\$0 per visit
Specialist office visits	\$0 per visit	\$0 per visit
Inpatient hospital stays Includes various inpatient hospital stays such as acute care, rehabilitation and long-term care. An inpatient hospital stay starts the day you're formally admitted with a doctor's order and ends the day before you're discharged.	Inpatient hospital \$0 copayment per stay Inpatient mental health (in general hospital) \$0 copayment per stay Our plan only covers 90 days for an inpatient mental health hospital stay per benefit period. Days 91 and beyond: \$0 copay per each "lifetime reserve day" after day 90 for each benefit period (up to 60 days over your lifetime). Beyond lifetime reserve days: You pay all costs.	Inpatient hospital \$0 copayment per stay Inpatient mental health (in general hospital) \$0 copayment per stay Our plan only covers 90 days for an inpatient mental health hospital stay per benefit period. Days 91 and beyond: \$0 copay per each "lifetime reserve day" after day 90 for each benefit period (up to 60 days over your lifetime). Beyond lifetime reserve days: You pay all costs.
Part D drug coverage (Go to Section 1 for details, including Yearly Deductible, Initial Coverage, and Catastrophic Coverage Stages.)	Part D drug coverage deductible \$0	Part D drug coverage deductible \$0

	2026 (this year)	2027 (next year)
	Copayment/Coinsurance as applicable during the Initial Coverage Stage: Drug Tier 1: \$5 for a 1-month supply at retail Drug Tier 2: \$5 for a 1-month supply at retail Drug Tier 3: \$20 for a 1-month supply at retail Drug Tier 4: \$50 for a 1-month supply at retail Drug Tier 5: \$20 for a 1-month supply at retail Drug Tier 6: \$0 for a 1-month supply at retail There is no Part D deductible for this plan. Catastrophic Coverage Stage: During this payment stage, you pay nothing for your covered Part D drugs.	Copayment/Coinsurance as applicable during the Initial Coverage Stage: Drug Tier 1: \$5 for a 1-month supply at retail Drug Tier 2: \$5 for a 1-month supply at retail Drug Tier 3: \$20 for a 1-month supply at retail Drug Tier 4: \$50 for a 1-month supply at retail Drug Tier 5: \$20 for a 1-month supply at retail Drug Tier 6: \$0 for a 1-month supply at retail There is no Part D deductible for this plan. Catastrophic Coverage Stage: During this payment stage, you pay nothing for your covered Part D drugs.

SECTION 1 Changes to Benefits & Costs for Next Year

Section 1.1 Changes to the Monthly Plan Premium

	2026 (this year)	2027 (next year)
Monthly plan premium (You must also continue to pay your Medicare Part B premium.)	\$291.38	\$320.22
Additional premium for optional supplemental benefits If you've enrolled in an optional supplemental benefit package, you'll pay this premium in addition to the monthly plan premium above. (You must also continue to pay your Medicare Part B premium.)	Delta Dental Medicare Advantage DHMO \$13.00 additional monthly premium.	Delta Dental Medicare Advantage DHMO \$14.00 additional monthly premium.

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 Part D or 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 3 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 calendar year.

	2026 (this year)	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 costs for prescription drugs don't count toward your maximum out-of-pocket amount.	\$1,500 Once you've paid \$1,500 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 calendar year.	\$1,500 Once you've paid \$1,500 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 calendar year.

Section 1.3 Changes to the Provider Network

Our network of providers has changed for next year. Review the 2027 Provider and Pharmacy Directory calpers.sharphealthplan.com/SDAfindaprovider 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 calpers.sharphealthplan.com/SDAfindaprovider
- Call Customer Care at 1-833-346-4322 (TTY users call 711) to get current provider information or to ask us to mail you a *Provider and Pharmacy 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 Care at 1-833-346-4322 (TTY users call 711) for help. You may have a special enrollment period if your provider leaves the plan network.

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 of pharmacies has changed for next year. Review the 2027 Provider and Pharmacy Directory calpers.sharphealthplan.com/SDApharmacysearch to see which pharmacies are in our network. Here's how to get an updated *Provider and Pharmacy Directory*:

- Visit our website at calpers.sharphealthplan.com/SDApharmacysearch
- Call Customer Care at 1-833-346-4322 (TTY users call 711) to get current pharmacy information or to ask us to mail you a *Provider and 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 Care at 1-833-346-4322 (TTY users call 711) for help.

Section 1.5 Changes to Benefits & Costs for Medical Services

Cost	2026 (this year)	2027 (next year)
Delta Dental Medicare Advantage DHMO Optional Supplemental benefit offered through Delta Dental	\$13.00 additional monthly premium.	\$14.00 additional monthly premium.
Hearing Aids	\$1,000 allowance for Prescription Hearing Aids every 3 years. \$1,000 allowance for OTC Hearing Aids every 3 years.	\$1,000 combined allowance for Prescription Hearing Aids and OTC Hearing Aids every 3 years.
Medicare-covered Eye Exams	\$10 copayment for Medicare-covered eye screenings to diagnose and treat diseases and conditions of the eye. \$10 copayment for Medicare-covered	\$10 copayment for Medicare-covered eye screenings to diagnose and treat diseases and conditions of the eye. \$10 copayment for Medicare-covered

Cost	2026 (this year)	2027 (next year)
	specialist office visits to diagnose and treat diseases and conditions of the eye. This is usually for non-routine eye care rendered by a specialist, such as an ophthalmologist. There is no coinsurance, copayment, or deductible for Medicare-covered eyeglasses or contact lenses after cataract surgery.	specialist office visits to diagnose and treat diseases and conditions of the eye. This is usually for non-routine eye care rendered by a specialist, such as an ophthalmologist. \$20 copayment for Medicare-covered specialist office visits to diagnose and treat diseases and conditions of the eye. This is usually for non-routine eye care rendered by a VSP provider, such as an ophthalmologist. There is no coinsurance, copayment, or deductible for Medicare-covered eyeglasses or contact lenses after cataract surgery.

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 posted online at calpers.sharphealthplan.com/SDAdruglist. **You can also get a copy of our Drug List** mailed to you by calling Customer Care at 1-833-346-4322 (TTY users call 711).

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 Care at 1-833-346-4322 (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 have 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 you don't get this material, call Customer Care at 1-833-346-4322 (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.

- **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 \$2,400.

- **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 calendar year.

Drug Costs in Stage 1: Yearly Deductible

The table shows your cost per prescription during this stage.

	2026 (this year)	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

Your cost-sharing in the Initial Coverage Stage may be changing from a copayment to coinsurance or coinsurance to a copayment. Go to the following table for the changes from 2026 to 2027.

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 mail-order prescriptions, go to Chapter 6 of your *Evidence of Coverage*.

Once you've paid \$2,400 out of pocket for covered Part D drugs, you'll move to the next stage (the Catastrophic Coverage Stage).

	2026 (this year)	2027 (next year)
Tier 1 – Preferred Generic Drugs: 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.	\$5 copay	\$5 copay
Tier 2 – Generic Drugs: 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.	\$5 copay	\$5 copay
Tier 3 – Preferred Brand Drugs: 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.	\$20 copay	\$20 copay

	2026 (this year)	2027 (next year)
<i>Tier 4 – Non-Preferred Drugs:</i> 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.	\$50 copay	\$50 copay
<i>Tier 5 – Specialty Tier Drugs:</i> 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.	\$20 copay	\$20 copay
<i>Tier 6 – Select Care Drugs:</i> 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.	\$0 copay	\$0 copay

SECTION 2 How to Change Plan

To stay in Sharp Direct Advantage CalPERS (HMO), you don't need to do anything. Unless you sign up for a different type of Medicare health plan or change to Original Medicare by Oct. 9, you'll automatically be enrolled in Sharp Direct Advantage CalPERS (HMO) for 2027.

If you want to change plans for 2027, follow these steps:

- **To change to a different Medicare health plan,** enroll in the new plan. You'll be automatically disenrolled from Sharp Direct Advantage CalPERS (HMO). Remember, not all Medicare health plans cover prescription drugs. Also, be aware that for many plans, you can't join a Medicare health plan and simultaneously purchase a prescription drug plan.
- **To change to Original Medicare with Medicare separate drug coverage,** you can enroll in a Part D plan, and you'll automatically be disenrolled from Sharp Direct Advantage CalPERS (HMO).
- **To change to Original Medicare without a drug plan,** you can send us a written request to disenroll. Call Customer Care at 1-833-346-4322 (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 [Medicare.gov](https://www.medicare.gov), check the *Medicare & You 2027* handbook, call the California Health Insurance Counseling and Advocacy Program (go to Section 5), or call 1-800-MEDICARE (1-800-633-4227). As a reminder, Sharp Health Plan offers other Medicare health plans. These other plans can have different coverage, monthly plan premiums, and cost-sharing amounts.

You should consult with your plan sponsor regarding the availability of other “employer sponsored” coverage before you enroll in a plan not offered by your plan sponsor, or before ending your membership in our plan outside of your plan sponsor’s open enrollment period. It is important to understand your plan sponsor’s eligibility policies, and the possible impact to your retiree health care coverage options and other retirement benefits before submitting a request to enroll in a plan not offered by your plan sponsor, or a request to end your membership in our plan.

Section 2.1 Deadlines for Changing Plans

If you want to change to a different plan or to Original Medicare for next year, you can do it from **Sept. 14 – Oct. 9**. The change will take effect on Jan. 1, 2027.

If you enrolled in a Medicare Advantage plan for Jan. 1, 2027, and don’t like your plan choice, you can switch to another Medicare health plan (with or without separate Medicare drug coverage) or switch to Original Medicare (with or without separate Medicare drug coverage) between Jan. 1 – March 31, 2027.

Section 2.2 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 Medi-Cal
- 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 separate 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.

SECTION 3 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/TDD 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.
- **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 AIDS Drug Assistance Program. 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 ADAP at 1-844-421-7050. 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. 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 2027 you do not need to submit a new election request to continue participating in 2027. **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. To learn more about this payment option, call us at 833-346-4322 (TTY users call 711) or visit [Medicare.gov](https://www.Medicare.gov).

SECTION 4 Questions?

Get Help from Sharp Direct Advantage CalPERS (HMO)

- **Call Customer Care at 1-833-346-4322. (TTY/TDD users call 711.)**
We're available for phone calls from 7 a.m. to 8 p.m., 7 days per week. If you reach us outside of our business hours, your call will be handled by our voicemail system. A Customer Care Representative will return your phone call the next business day. Calls to these numbers are free.
- **Read your 2027 Evidence of Coverage**
This *Annual Notice of Change* gives you a summary of changes in your benefits and costs for 2027. For details, go to the *2027 Evidence of Coverage* for Sharp Direct Advantage CalPERS (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. Get the *Evidence of Coverage* on our website at calpers.sharphealthplan.com/SDAeoc or call Customer Care at 1-833-346-4322 (TTY users call 711) to ask us to mail you a copy.
- **Visit calpers.sharphealthplan.com**
Our website has the most up-to-date information about our provider network (*Provider and 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 the 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 1-858-565-1392. You can learn more about HICAP by visiting <https://elaca.org/medicare-health-insurance-support/>.

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/TDD users can call 1-877-486-2048.
- **Chat live with [Medicare.gov](https://www.medicare.gov)**
You can chat live at [Medicare.gov/talk-to-someone](https://www.medicare.gov/talk-to-someone).
- **Write to Medicare**
You can write to Medicare at PO Box 1270, Lawrence, KS 66044.

- **Visit 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 2027***

The *Medicare & You 2027* 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 Medicare.gov or by calling 1-800-MEDICARE (1-800-633-4227). TTY/TDD users can call 1-877-486-2048.

SHARP Health Plan

Consider us your personal health care assistant®

calpers.sharphealthplan.com

1-833-346-4322, TTY/TDD users call 711