

2014 premium information

Why are my premiums increasing?

Costs have increased for several reasons:

- Health care inflation – the cost of care (hospitals, doctors, medication) is increasing
- Early Retiree Reinsurance Program (ERRP) funds used in recent years are exhausted. OPERS used more than 180 million of these federal dollars to keep costs lower in the past three years.
- Utilization – The level of use by participants in our plan has caused an increase in expense. The Good news is that plan design is staying virtually the same for 2014, which means, same copays, deductibles, out-of-pocket maximums, etc. for both medical and pharmacy coverage.

Are costs increasing in 2014 due to the Health Care Preservation Plan?

Participants could draw the conclusion that the cost increases in 2014 are due to the recently adopted health care preservation plan. Actually, cost increases for 2014 are unrelated to the health care plan changes which will be launched incrementally over the next few years. The preservation plan changes are designed to allow us to provide coverage to career employees for the long term. However, we continue to face many current threats to the solvency of the plan. These include rapid retiree population growth, longer life expectancies and volatile investment returns. The majority of funding revenue for health care comes from investment returns. It only takes one bad investment return year to drastically hurt the plan's solvency.

What is the Early Retiree Reinsurance Program (ERRP)?

The Early Retiree Reinsurance Program (ERRP) was a federal program established by the Affordable Health Care Act. Through this program, the federal government reimbursed plan sponsors for qualifying claims for retirees between the ages of 55-64. OPERS secured over \$180 million through this program, and used these funds to offset increases in premium costs for 2012 and 2013. OPERS has exhausted these ERRP funds so we could not use any ERRP funds to offset premium increases for 2014. More information can be found at <http://www.errp.gov/>.

Medical Plan Design

Will my medical co-pays, deductibles and out-of-pockets change for 2014?

There will be no changes to medical co-pays, deductibles, and out-of-pocket maximums.

Why does my medical/pharmacy coverage appear unchanged when I know provisions of the Affordable Care Act have been implemented?

OPERS has made changes recommended by the Affordable Care Act (ACA) including paying 100 percent for a variety of preventive services. We have also developed and distributed Summary of Benefits and Coverage (SBC) documents. Many of the changes apply to employer-based plans and so we have not had to make adjustments. We will continue to monitor the guidelines of the ACA to remain compliant.

Will network access for the Humana Medicare Advantage Plan remain the same for 2014?

Yes. We will continue to offer a passive PPO network for those enrolled in Humana. A passive PPO network allows participants to receive medical services from any provider that accepts Medicare assignment with the same cost sharing (coinsurance, deductible) for services rendered by a network or out-of-network provider. We do recommend using Humana network providers, as this saves OPERS health care dollars.

In 2014, will the Kaiser Permanente plan include dental and vision coverage? Do I have to sign up for dental and vision with Aetna and MetLife?

Kaiser chose to no longer offer vision and dental for the OPERS plan beginning in 2012. Kaiser participants have the option of enrolling in our optional dental (MetLife) and vision (Aetna) plans during open enrollment. Participants must complete and return the open enrollment form to OPERS by October 31, 2013 in order to have dental and vision coverage in 2014.

What is the coverage for Medicare-eligible participants in the Medical Mutual plan in 2014?

Please see page 5 of the 2014 Open Enrollment Guide.

Will I have access to Patient Centered Medical Home (PCMH) coverage in 2014?

In 2013, OPERS introduced a new health care model called the Patient-Centered Medical Home (PCMH) for our non-Medicare participants enrolled in Medical Mutual. It's not a home or a building in the classic sense, but rather a team of health care professionals led by a primary care provider (PCP), all working together to give you comprehensive and coordinated care covering all of your health and wellness needs. This team can include your PCP, specialists, hospitals, home health care agencies, community services and other resources—even your own family members. OPERS and Medical Mutual believe this new care model is so important that we've cut your office copays in half—from \$20 to \$10—if you receive your care from a SuperMed Network provider who is part of a PCMH recognized by the National Committee for Quality Assurance (NCQA).

To take advantage of these lower co-pays:

- Find out if your current PCP is part of an NCQA Recognized PCMH by using the online provider search tool on MedMutual.com, and look for the designation: "NCQA—Patient-Centered Medical Home" under the Awards and Recognition section. Or, call a Medical Mutual Customer Care Specialist at 1-877-520-6728 and ask if your PCP participates. - If you don't have a PCP, consider selecting one who is part of an NCQA recognized Patient-Centered Medical Home. If you do, you'll be eligible for the reduced copay for any office visit.

Will non-Medicare participants with chronic conditions receive lower office visit costs?

In 2014, OPERS will continue the value-based co-pay program introduced in 2013. Your office visit copay will be reduced if you have been or are diagnosed with one or more of the following common chronic conditions. The lower copay is applicable for both primary care providers (PCPs) and the select specialists listed below:

Asthma: PCP, pulmonologist;

Chronic Obstructive Pulmonary

Disease (COPD): PCP, pulmonologist

Congestive Heart Failure (CHF): PCP, cardiologist

Coronary Artery Disease (CAD): PCP, cardiologist

Depression: PCP, psychiatrist, psychologist, licensed professional clinical counselor, licensed independent social worker

Diabetes: PCP, endocrinologist, ophthalmologist, optometrist

High Cholesterol: PCP, cardiologist

Hypertension (high bloodpressure): PCP, cardiologist.

The thought behind value-based copays is that lower out-of-pocket costs will encourage you to see doctors and specialists who will help ensure you're receiving the care you need to manage your condition. To take advantage of the program, simply show your 2014 Medical Mutual ID card each time you visit your SuperMed Network primary care physician or eligible specialist for one of the chronic conditions listed above.

Will Medicare participants with chronic conditions receive lower office visit costs?

No. Medicare guidelines do not permit different costs for visits based upon disease type (also known as differentials).

Will dental and vision coverage change for 2014?

Vision coverage will not be changing. There are some changes to dental coverage. You can find a list of what is changing on page 10 of the open enrollment guide. These changes include adding coverage for implants, covering composite fillings (in addition to amalgams), changing full mouth and Panorex X-ray frequency (from every 36 months to every 60 months), increasing frequency of periodontal maintenance (from twice/year to four times/year), increasing coverage for sealants (from age 16 to 19), and decreasing out-of-network coverage/coinsurance from 80% to 70% UCR.

I will turn 65 at some point in 2014 and begin participating in the Humana Medicare Advantage Plan. What are some of the plan design changes/differences between Humana and MMO?

Humana can answer any question you have regarding the plan. Please call them at 1-877-890-4777. You can also review the plan features in your Open Enrollment Guide.

Pharmacy

How will daily cost sharing work in 2014?

Participants enrolled in the OPERS Medicare D Prescription Drug plan will have reduced copays for beginning January 1, 2014 if they receive less than a 31-day supply at a retail pharmacy or ESI home delivery. Sometimes providers may prescribe a lesser day supply, a 14-day supply as an example, when a patient is first trying a medication for the first time to see if it works. Other medications, such as antibiotics, are prescribed only for a short amount of time. In these situations, our participant will be charged a lesser copay because the amount is less than 31-days. Any detailed questions regarding this need to be referred directly to ESI.

If I opted out of the Express Scripts Medicare Part D Prescription Plan (PDP) in the past, do I need to opt out again, or does the opt-out stay in place for future years?

The opt-out will remain in place until you wish to enroll in the program and contact OPERS to enroll.

In the past, I was offered an opportunity to opt-out of the OPERS Medicare Part D prescription plan. Will I receive that opportunity again in 2014?

Recipients and dependents who were enrolled in the plan in 2013 will not be given the opportunity to *opt-out* of the plan for 2013. However, they may choose to *dis-enroll* from the plan at any time.

How will the \$50 Express Scripts prescription deductible work in 2014?

This will be a \$50 one-time deductible that will apply to all brand name medications purchased at a retail pharmacy or Express scripts mail order. This deductible is not per medication. Example: Jane gets a brand name medication filled at the retail pharmacy on January 1st and the medication costs \$100. The \$50 deductible will be applied first, then the co-insurance will be charged to the participant. Jane has now satisfied her deductible for the entire year of 2014. Detailed questions should be referred to Express Scripts at 1-800-789-7416.

Why are brand name Proton Pump Inhibitor (PPI) medications covered for Medicare participants but not for non-Medicare participants?

Medicare guidelines require coverage for these medications for those with Medicare. However, there are several over-the-counter (OTC) and generic PPI options available that are more cost effective for both you and OPERS. These generic and OTC options are on pg. 7 of the 2014 Open Enrollment Guide.

Does the \$50 deductible apply to OTC PPI medications?

Yes. They are considered a brand name medication, so the deductible does apply.

How will the pharmacy co-insurance work with my brand name prescription drugs (OPERS Medicare Part D Prescription Plan)?

After the \$50 deductible is met, retirees will be charged 30 percent of the cost for a formulary brand name prescription, with a \$20 min and a \$30 max at retail pharmacy & \$50 min and \$75 max via Express Scripts Home Delivery. Detailed questions should be referred to Express Scripts at 1-800-789-7416.

Miscellaneous

Will I get new ID cards in 2014?

Medical Mutual participants will receive new ID cards for 2014. Medical Mutual ID cards will be in each participant's name (retiree *and* dependents). New enrollees in other plans for 2014 will, of course, receive new ID cards.

Will the 2014 OE Guide be sent to benefit recipients who are not eligible for open enrollment along with the cost chart and confirmation letter?

We will send the Open Enrollment Guide, a cost chart, and a confirmation letter to those who would not qualify for making a change based on their enrollment date (after 8/20/2013). We will transition to the 2014 Coverage Guide in early November.

My coverage was terminated because of direct bill non-payment. Can I re-enroll? If so, how?

If terminated for late/non-payment, a retiree can only re-enroll during open enrollment as long as all outstanding balance is paid in full by December 1 of that year. If terminated for late/non-payment a second time, the retiree can never re-enroll in the OPERS health care plan on any OPERS account, whether on his own account (including as a survivor) or as a dependent on his spouse's account.

What is the deadline for submitting my *Health Care Open Enrollment Change Form*?

OPERS must receive your completed *Health Care Open Enrollment Change Form* no later than Oct. 31, 2013. Some changes can also be made by phone. Please see page 15 of your 2014 Open Enrollment Guide for details.

Will OPERS accept a *Health Care Open Enrollment Change Form* if it is postmarked by 10/31 or does it have to be received by OPERS on that day?

The form will need to be at OPERS no later than Wednesday, October 31.

Are there any changes to the Retiree Medical Account (RMA) or wellness incentives for 2014?

There are no changes scheduled. Both the wellness activities and the incentive programs will remain unchanged. Remember that health assessments with Medical Mutual and Humana are available online and completing one will earn you a \$50 incentive.