

Special Health Care

Bulletin

OPERS Makes Changes to Health Care Plan for 2011

Dear OPERS Retirees:



Charlie Adkins

The OPERS Board of Trustees recognizes that providing access to quality health care coverage is an important element in providing retirement security to both current and future generations of retirees.

We are faced with significant challenges ahead in the form of rising health care costs, increased longevity, volatile investment

markets, implementation of federal health care reform changes, and a constantly growing retiree population. The OPERS Board and staff search for solutions that will allow us to meet these challenges and continue to provide health care coverage for our retirees and their dependents.

One solution we have identified is to utilize a comprehensive plan to actively manage our health care program. The plan involves continually evaluating plan design elements to make the best possible use of our health care dollars, promoting and investing in the health of plan participants and maximizing revenue through investment returns.

As part of this plan, in 2008, the Board set a goal to achieve a 20 percent retiree cost-share by 2011. Plan participants must share the cost of coverage with OPERS in order to preserve the health care plan. With this goal in mind, we have acted on our commitment to actively manage our health care plan by adopting some changes to the plan for 2011.

inside this bulletin

Medicare-eligible retirees

What you need to know for 2011 2

Non-Medicare-eligible retirees

What you need to know for 2011 3

For all plan participants

2011 Open enrollment changes 4

2011 Dependent eligibility changes 5

Open enrollment education seminars 6

What's next? 8

Important contact information 8

We achieved a 20 percent cost-share for our Medicare-eligible population in 2010. However, federal health care reform legislation capped Medicare Advantage plan subsidy levels for 2011 at 2010 levels. With medical cost trends continuing to rise and subsidy levels remaining flat, it became necessary for us to raise premium rates for those participating in the Humana Medicare Advantage Plan. However, the premium increase allows for the coverage levels and features of the plan to remain virtually unchanged for 2011.

Another important change affecting our Medicare-eligible population in 2011 is the introduction of a Medicare D prescription drug plan offered by Express Scripts. This plan will provide our retirees with enhanced prescription coverage and is projected to save OPERS valuable health care dollars.

In order to achieve a 20 percent participant cost-share with our non-Medicare population in 2011, OPERS has made modifications to our medical and prescription plan coverage. Some annual deductibles, co-pays, co-insurance and annual out-of-pocket maximums will change. However, monthly premium rates will remain the same as in 2010. These plan design changes are projected to save the OPERS health care fund approximately 54 million dollars in 2011.

Please read this bulletin carefully. It provides details on all changes made to the OPERS health care plan for 2011. These modifications were carefully researched and considered by both the Board and OPERS staff. I am proud of the solutions we have implemented and the plan we are able to offer our retirees despite the array of challenges we face.

Sincerely,

Charlie Adkins, Chair, Health Care Committee
OPERS Board of Trustees

Medicare-eligible retirees

What you need to know for 2011

- **Humana Medicare Advantage Plan network access will remain the same as in 2010.**
 - Participants can continue to use the same providers, in or out of the network.
- **Medical coverage, annual deductibles and out-of-pocket costs will remain the same as in 2010.** (with the exception of office visits with specialists paid at 92%)
- **Premiums will increase approximately \$15 per month for most Medicare retirees in 2011.**
 - This premium increase allows us to keep medical and prescription coverage at the same levels as in 2010.
- **Diabetic supplies and medications used to treat diabetes will be covered at 100% in 2011.**
- **Prescription copays will remain the same as in 2010.**
- **Medicare-eligible retirees (regardless of Medical plan administrator) will be automatically transitioned into a Medicare D prescription drug plan administered by Express Scripts in 2011.**
 - The Medicare D plan will enhance your coverage and provide cost-savings to the OPERS health care fund.
 - The plan will include an enhanced formulary suited for the needs of Medicare-eligible participants.
 - You will receive additional information (including a formulary list) and a new identification card from Express Scripts prior to the end of the year.
 - The OPERS Medicare D prescription drug plan will not have a coverage gap ("donut hole").

NEW IN 2011 - Medicare D prescription drug plan

OPERS is pleased to partner with Express Scripts and offer our Medicare-eligible retirees a new Medicare Part D prescription plan beginning Jan. 1, 2011. This plan is geared toward Medicare participants, requires no additional out-of-pocket costs for retirees and will provide OPERS with cost savings.

In December, Express Scripts will send you a new enrollee packet which will include your new ID card, as well as a list of Medicare Part D pharmacies close to you, a Quick Reference Guide, Evidence of Coverage, and a copy of the OPERS Prescription Drug Plan Formulary with commonly prescribed drugs listed alphabetically and by therapy class.

Your open enrollment materials and also future mailings from Express Scripts will contain more detailed information.

Below is a basic overview of medical and prescription coverage for Medicare-eligible retirees participating in the Humana Medicare Advantage Plan in 2011. Items highlighted in blue will change in 2011. More detail will be available in your open enrollment packet which will be mailed to your home in September.

2011 Humana Medicare Advantage Plan

Lifetime Maximum	Unlimited
Annual Deductible	\$250*
Annual Out-of-Pocket	\$850*
Office Visit (Plan Pays)	96% (92% for a specialist)
Annual Physical/Preventive Services (Plan Pays)	100%
Home Health Care - 100 visits (Plan pays)	100%
Emergency Room and Urgent Care	\$50 co-pay
Skilled Nursing Facility (Plan Pays)	100%
Hospice (Plan Pays)	100%
Most Other Charges (Plan Pays)	96%

All charges subject to medical necessity. *Annual out-of-pocket maximum equals \$1100.

2011 OPERS Medicare D Prescription Drug Plan

Generic	\$4 Retail co-pay \$10 Mail co-pay
Formulary Brand	\$20 Retail co-pay \$50 Mail co-pay
Non-Formulary Brand	\$50 Retail co-pay \$125 Mail co-pay
Annual Out-of-Pocket Maximum (100% coverage after \$4300 has been spent in pharmacy co-pays)	\$4300

Retail = 30 day supply of medication, Mail = 90 day supply

Non-Medicare-eligible retirees

What you need to know for 2011

- Monthly premiums for non-Medicare retirees will remain the same as in 2010.
- Medical coverage plan changes have been made for 2011 (see chart below)
 - These changes have achieved the Board mandated 20 percent retiree cost share while allowing monthly premiums to remain unchanged.
- There will no longer be a medical coverage lifetime maximum for non-Medicare retirees in 2011. The lifetime maximum will continue at \$3 million in 2010.
- Diabetic supplies and medications used to treat diabetes will be covered at 100 percent for non-Medicare retirees if they participate in a diabetes Disease Management program through Medical Mutual in 2011.
- Formulary and non-formulary brand name prescription drugs (retail and mail) will be subject to an annual \$50 deductible in 2011.
- Brand name prescription drugs purchased at a retail pharmacy will be subject to a co-insurance in 2011.
 - Participants in the Enhanced Plan will be charged 30 percent of the cost for a formulary brand name prescription. (\$30 minimum, \$60 maximum per prescription)
 - Participants in the Enhanced Plan will be charged 40 percent of the cost for a non-formulary brand name prescription. (\$75 minimum, \$150 maximum per prescription)
- The OPERS prescription drug plan will only cover over-the-counter and generic medications in the Proton Pump Inhibitor (PPI) class (drugs used to treat acid reflux disease and heartburn).
 - Participants will pay the full cost for any brand name PPIs.
 - Please see your open enrollment guide for a list of covered PPIs and the PPI copay structure.

The chart on this page is a basic overview of medical and prescription coverage for non-Medicare retirees participating in the Medical Mutual PPO Enhanced Plan in 2011. Items highlighted in blue will change in 2011. More detail, including coverage under the Intermediate and Basic Plans, will be available in your open enrollment packet which will be mailed to your home in September.

2011 Medical Mutual PPO Plan (Enhanced level)	In-Network	Out-of-Network
Lifetime Maximum	Unlimited	Unlimited
Annual Deductible	\$700	\$1400
Annual Out-of-Pocket	\$1500	\$3000
Office Visit Co-Pay	\$20	60%
Office Visit Co-Pay (Specialist)	\$35	60%
Annual Physical/Preventive Services (Plan Pays)	\$150/100%	\$100/100%
Emergency Room (for non-emergency conditions)	\$200 co-pay	\$200 co-pay
Urgent Care	\$35	60%
Inpatient Charges (Plan Pays)	80% (After \$100 deductible)	70% (After \$200 deductible)
Skilled Nursing Facility (Plan Pays)	100%	70%
Hospice (Plan Pays)	100%	70%
Most Other Charges (Plan Pays)	80%	60%

All charges subject to medical necessity

2011 OPERS Non-Medicare Prescription Drug Plan (Enhanced level)		
Generic	\$4 Retail copay (30 day supply) \$10 Mail copay (90 day supply)	
Formulary Brand	30% (\$30 min/\$60 max) Retail copay* \$75 Mail copay*	*After \$50 annual deductible
Non-Formulary Brand	40% (\$75 min/\$150 max) Retail copay* \$187.50 Mail copay*	*After \$50 annual deductible
Annual Out-of-Pocket Maximum (100% coverage after \$4300 has been spent in co-pays/co-insurance)	\$4300	

2011 open enrollment changes

For all plan participants

- **Effective Jan. 1, 2011, OPERS will no longer offer AultCare as a medical plan administrator.**
 - OPERS retirees enrolled in AultCare in 2010 will be placed in the Humana Medicare Advantage Plan for 2011 if they are Medicare-eligible. Non-Medicare eligible participants will be placed in the Medical Mutual PPO plan.
 - AultCare will send participants detailed information regarding transitional care and guidelines.
- **MetLife will replace Aetna as the administrator for OPERS dental coverage in 2011.**
 - Dental coverage will remain the same and monthly coverage costs will be slightly lower under the MetLife plan. (see related article below)
- **Aetna will continue to administer the OPERS vision coverage program.**
 - All vision plan participants will receive a new identification card for 2011.
- **Your open enrollment packet will include notification of COBRA continuation coverage.**
 - COBRA continuation coverage allows for coverage to continue when it would otherwise end because of a qualifying event such as a divorce or a dependent child reaching the age they no longer qualify for coverage.

More detailed information on all of these changes will be available within the open enrollment packet which will be mailed to your home in September.

NEW IN 2011 - MetLife will administer the OPERS dental coverage plan

MetLife will administer the OPERS dental coverage plan effective Jan. 1, 2011. MetLife has more than 45 years of experience in offering dental coverage.

MetLife provides the following to retirees participating in the OPERS dental plan:

1. The MetLife Preferred Dentist Program has one of the largest dental networks in the industry. With more than 135,000 participating Preferred Dentist Program dentist* locations nationwide, including more than 35,000 specialist locations, it's easy to find a participating dentist near you.
2. Preferred Dentist Program fees typically range from 15-45 percent** below the average fees charged in a dentist's community for the same or similar services.

3. You are always free to select the dentist of your choice. However, if you choose a dentist who does not participate in the MetLife Preferred Dentist Program, your out-of-pocket expenses may be more.
4. You will have access to pre-treatment estimates, real-time claims processing*** and 24-hour customer service by phone, fax or online.
5. You will have access to the MetLife Oral Health Library which provides you with information and tools that support you in making better choices about your oral health. Visit the MetLife Oral Health Library at www.metlife.com/dental and click on the "Oral Health Library" link.

Call MetLife at 1-888-262-4874 or visit www.metlife.com/dental for more information about the MetLife Dental Program and to find a participating dentist.

* A participating dentist is a general dentist or specialist who has agreed to accept MetLife's negotiated fees as payment in-full for services provided to plan participants. MetLife's negotiated or Preferred Dentist Program (PDP) fees refer to the fees that dentists participating in MetLife's Preferred Dentist Program have agreed to accept as payment in full, for services rendered by them. MetLife's negotiated fees are subject to change. Negotiated fees for non-covered services may not apply in all states. ** Based on internal analysis by MetLife. ***Transactions are in real-time except when systems are undergoing scheduled or unscheduled maintenance or interruption.

Like most group insurance policies, MetLife group policies contain certain exclusions, limitations, exceptions, reductions, waiting periods and terms for keeping them in force. Please contact MetLife for details about costs and coverage. Dental coverage underwritten by Metropolitan Life Insurance Company, New York, NY 10166

2011 dependent eligibility changes For all plan participants

- **Effective Jan. 1, 2011, OPERS will no longer subsidize the monthly health care premium costs for your spouse if he or she is under the age of 55.**
 - This rule does not apply to children, spouses of disability recipients, spouses with early Medicare or any spouse who is receiving a benefit as the surviving spouse of an age and service retiree (joint and survivor annuity) or as the surviving spouse of a deceased working member (receiving a survivor benefit).
 - You may continue to cover your spouse under your plan; however, you will be responsible for the full health care premium.
 - The month your spouse reaches age 55, OPERS will again subsidize a portion of his or her health care premium.
 - If you are currently covering a spouse under the age of 55 who will be impacted by this change, the new cost for their coverage in 2011 will be reflected on your open enrollment cost statement.
 - If you wish to discontinue coverage for your spouse as of Jan. 1, 2011, you will need to inform OPERS of your choice. If you choose to discontinue coverage, you will not be able to re-enroll your spouse until the next open enrollment period.
- **Effective Jan. 1, 2011, OPERS will comply with federal health care reform legislation by allowing adult children up to age 26 to be covered under the OPERS health care plan regardless of marital status or enrollment as a full-time student.**
 - Children turning 18 (22 if full-time student) prior to Jan. 1, 2011 will lose their OPERS coverage under the current eligibility rules. These children have the option to re-enroll during open enrollment for coverage effective Jan. 1, 2011.
 - Any eligible child under the age of 26 may enroll for coverage effective Jan. 1, 2011 during the open enrollment period.
 - Please follow the instructions within your open enrollment materials to enroll or re-enroll an eligible child in the plan.

More detailed information will be available within your open enrollment packet which will be mailed to your home in September.

OPERS will conduct a spouse eligibility audit in 2011

During the first quarter of 2011, OPERS plans to begin conducting an audit of the eligibility of spouses currently covered by the OPERS health care plan. Retirees will receive documentation requesting proof of their spouse's current eligibility for coverage.

Retirees are responsible for notifying OPERS when a spouse becomes ineligible due to a qualifying event such

as divorce. If a covered spouse is found to be ineligible for coverage under the OPERS health care plan, penalties for overpaid health care claims may apply.

If you have questions regarding your dependents' eligibility for coverage, please contact OPERS.

Open enrollment education seminars

The OPERS health care education team will be holding seminars around the state to help retirees learn about their health care coverage for 2011. Representatives from Humana, Medical Mutual, Express Scripts, Kaiser, Aetna and MetLife will be in attendance.

Dates, locations and times are listed below and also on page 7. Separate seminars will be held for Medicare and non-Medicare retirees at each location. Each date will feature a seminar for retirees not yet eligible for Medicare at 10:00 a.m. Medicare-eligible retirees can choose from two different sessions beginning at 1:00 p.m. and 3:00 p.m. For those unable to attend, a video of the Medicare and non-Medicare open enrollment seminars will be available on the OPERS website, www.opers.org, in September.

Registration for seminars is required and space is limited!

You can register via My Benefits System (MBS) at www.opers.org or by calling OPERS at 1-800-222-7377. You must be a registered user of MBS to make a reservation online.

Please do not contact the meeting facilities directly except to obtain directions. Contact OPERS with any questions regarding the seminar or your reservation.

Please bring your open enrollment cost statement and guide to the seminar.

Open enrollment seminars

For each of the dates and locations listed below and on page 7, open enrollment seminars will be held for the following groups at the following times:

Non-Medicare eligible retirees	10:00 a.m.
Medicare eligible retirees	1:00 p.m.
Medicare eligible retirees	3:00 p.m.

Akron

Holiday Inn Akron - Fairlawn
4073 Medina Road
Akron, Ohio 44333
Wednesday, 9/29/2010

Canton

Courtyard by Marriott - Canton
4375 Metro Circle NW
Canton, Ohio 44720
Thursday, 9/30/2010

Cincinnati

Holiday Inn 1-275 North
3855 Hauck Road
Cincinnati, Ohio 45241
Tuesday, 10/12/2010

Athens

Ohio University Inn
331 Richland Avenue
Athens, OH 45701
Friday, 10/8/2010

Chillicothe

Christopher Conference Center
20 North Plaza Blvd.
Chillicothe, Ohio 45601
Tuesday, 10/19/2010

Columbus

OPERS Auditorium
277 East Town Street
Columbus, Ohio 43215
Friday, 10/8/2010
Friday, 10/15/2010

Cambridge

Pritchard Laughlin Civic Center
7033 Glenn Highway
Cambridge, Ohio 43725
Tuesday, 10/5/2010

Cincinnati (East)

Holiday Inn Eastgate
4501 Eastgate Blvd.
Cincinnati, Ohio 45245
Thursday, 9/30/2010

Dayton (North)

Ramada Plaza Dayton
I-75 and Wagner Ford Road
Dayton, Ohio 45414
Friday, 10/1/2010

Open enrollment seminars (continued)

Dayton (South)

Holiday Inn Dayton Mall
31 Prestige Plaza Drive
Miamisburg, Ohio 45342
Thursday, 9/23/2010

Findlay

Findlay Inn &
Conference Center
200 East Main Street
Findlay, OH 45840
Monday, 10/4/2010

Huron

BGSU Firelands
Cedar Point Center
One University Drive
Huron, Ohio 44839
Monday, 10/18/2010

Independence

Holiday Inn Independence
6001 Rockside Road
Independence, Ohio 44131
Thursday, 10/21/2010
Friday, 10/22/2010

Lima

Howard Johnson Lima
1920 Roschman Avenue
Lima, Ohio 45804
Wednesday, 10/20/2010

Mansfield (Bellville)

Troyer's Dutch Heritage
720 State Route 97 West
Bellville, Ohio 44813
Tuesday, 9/28/2010

Marion (Waldo)

All Occasions Banquet Facility
6989 Waldo-Delaware Road
Waldo, Ohio 43356
Thursday, 10/7/2010

Mentor

Holiday Inn Express LaMalfa
5783 Heisley Road
Mentor, Ohio 44060
Thursday, 10/7/2010

Newark

Cherry Valley Lodge
2299 Cherry Valley Road
Newark, OH 43055
Monday, 10/18/2010

Perrysburg

Holiday Inn French Quarter
10630 Fremont Pike
Perrysburg, Ohio 43551
Tuesday, 9/28/2010
Wednesday, 9/29/2010

Plain City

Der Dutchman - Plain City
445 S. Jefferson, Route 42
Plain City, Ohio 43064
Wednesday, 10/20/2010

Portsmouth

Southern Ohio Medical Center
Friends Community Center
1202 18th Street
Portsmouth, Ohio 45662
Wednesday, 10/6/2010

Ravenna (Rootstown)

NEOUCOM - Northeast Ohio Universities
Colleges of Medicine & Pharmacy
4209 State Route 44
Rootstown, Ohio 44272
Wednesday, 10/13/2010

Strongsville

Holiday Inn Strongsville
15471 Royalton Road
Strongsville, Ohio 44136
Wednesday, 10/13/2010

Steubenville

University Inn Steubenville
1401 University Blvd.
Steubenville, Ohio 43952
Wednesday, 10/6/2010

Toledo

Dana Conference Center
(Connected to Hilton Toledo)
3110 Glendale Avenue
Toledo, Ohio 43614
Thursday, 10/14/2010

Westlake

Holiday Inn
1100 Crocker Road
Westlake, OH 44145
Thursday, 10/14/2010

Youngstown

(Boardman)
Holiday Inn Boardman
7410 South Avenue
Boardman, Ohio 44512
Friday, 9/24/2010
Friday, 10/1/2010

2011 OPERS health care open enrollment

October 1 - October 31

Open enrollment for the OPERS health care plan will be held from Oct. 1 – Oct. 31, 2010. During this time, retirees may add or change coverage for themselves and/or their eligible dependents. Changes made during the open enrollment period will become effective Jan. 1, 2011. To help current participants make informed decisions regarding their health care coverage in 2011, OPERS will be sending the following communications within the open enrollment packet:

Open enrollment guide: the guide will provide in-depth coverage details for 2011 and will also contain a personalized cost statement and a personalized Health Care Open Enrollment Change Form.

Open enrollment cost statement: personalized cost statements will be mailed within the open enrollment packets in early September. The statements advise plan participants of the cost for their current coverage in 2011 and also the cost for any alternate coverage options.

Supplemental health care documents booklet: in order to provide plan participants with a clear and concise open enrollment guide, we have separated the 2011 coverage information from the supplemental health care documentation that OPERS is required to send annually. The supplemental documentation has previously been included in the back of the guide. These documents include the Medicare Part D Notice of Creditable Coverage, the Notice of Medical Privacy Practices and official notice of COBRA continuation coverage.

Open enrollment packets will be sent to plan participants beginning the first week in September. Mailing of the packets will continue over two weeks. All participants should receive their packet by September 20.

If you are eligible to participate in the OPERS health care plan but waived coverage at retirement, you will receive a letter, a cost chart and an open enrollment guide during the month of September.

The OPERS website, www.opers.org, will also be an excellent source of open enrollment information. Publications, forms, answers to frequently asked questions and even a video of an open enrollment seminar will be available on the site in early September.

Important Contact information

Humana

1-877-890-4777

www.humana.com/opers**Express Scripts**

1-866-727-5873

www.express-scripts.com**MetLife Dental**

1-888-262-4874

www.metlife.com/dental**Medical Mutual**

1-877-520-6728

www.medmutual.com**Kaiser Permanente**

1-800-686-7100

www.kp.org**Aetna Vision**

1-866-591-1913

www.aetnavision.com