OPERS Health Care

For participants in the OPERS health care plan.

Medicare 101

Throughout 2013, OPERS has provided basic Medicare information via the Medicare 101 article series. Topics covered include an explanation of the different parts of Medicare and also a discussion of how the parts are typically combined for complete coverage. It is important for you to understand how Medicare works as we move toward the implementation of a Medicare Connector in 2016. Our goal in providing this information is to help retirees make an informed plan choice via the Medicare Connector when the time comes.

When the Medicare Connector is implemented, OPERS will no longer sponsor a group Medicare Advantage plan or a Medicare D prescription plan. Instead, participants will be provided with an allowance to purchase a Medicare Advantage or Medicare Supplement plan and a Medicare D prescription plan on the individual market. There are many very affordable plans available on the individual market.

Why a Connector?

The Medicare Connector will allow OPERS retirees more plan choices than ever before. Not everyone has the same needs when it comes to health care coverage and what's affordable for one retiree, may be too expensive for another. With the Connector, you will be able to choose a plan that suits your needs and your budget. Also, participants won't be on their own to find the perfect plan, licensed Medicare counselors will be there to help every step of the way.

For those retirees who have always participated in the OPERS health care plan, choosing a plan from the individual Medicare market will be a completely new experience, but individual Medicare plans are not new. Medicare Advantage and Medicare Supplement plans have been part of the Medicare program for more than 30 years. Medicare Advantage plans have been available for 16 years. In 2013, of the 52 million people enrolled in Medicare, over 10 million enrolled in a Medicare Supplement plan and more than 14 million participated in a Medicare Advantage plan.

Individual Medicare plans are different from the new Health Insurance Marketplace, or "exchanges". The Health Insurance Marketplace is a provision of the Affordable Care Act (ACA) designed as a new way for people not yet eligible for Medicare to find a health care plan that fits their needs and budget. The new plans within the Health Insurance Marketplace will become effective Jan. 1, 2014.

OPERS Medicare Connector Update

When will we know more about the OPERS Medicare Connector?

OPERS is currently involved in an extensive procurement process to locate and secure a contract with an organization to provide you with licensed Medicare counselors. We anticipate being able to provide additional details regarding the search by mid-2014.

Source: *http://www.kff.org*

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OPERS Medicare Connector update

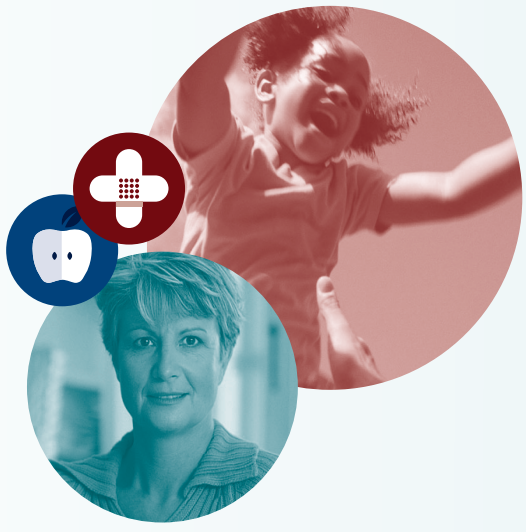
What can a retiree do now to prepare for the Medicare Connector?

Retirees do not need to do anything right now but if you want to learn more, you can educate yourself about Medicare and Medicare plans. Become familiar with plans available in your area, what the plans cover and what they cost. There are countless resources available to help you do this, including:

1. **Visit www.medicare.gov** – This site is a valuable resource for Medicare information. You can read all about Medicare plans and even order additional resources including the Medicare and You Handbook.

2. **Visit www.insurance.ohio.gov** – By clicking on the "Medicare Services" tab, you can find a wealth of Medicare information specific to Ohioans.

3. **Talk to your family, friends and neighbors** – Chances are most of your peers have experience choosing a plan on the individual Medicare market. Talk with them about what plan they chose and why it works for them.



History of Medicare

1965 - Medicare and Medicaid were enacted as part of the Social Security Act, extending health care coverage to almost all Americans aged 65 or older.

1966 - Medicare was implemented and more than 19 million individuals enrolled on July 1.

1970s - Medicare beneficiaries were given the option to receive their Medicare benefits through private health plans, mainly health maintenance organizations (HMOs), as an alternative to the federally administered traditional Medicare program.

1980 - Medicare supplemental insurance, also called "Medigap," was brought under Federal oversight. These plans were designed to fill in the gaps by covering costs not covered by Medicare.

1997 - The Balanced Budget Act (BBA) of 1997 named Medicare's managed care program "Medicare+Choice."

1998 - The Internet site www.medicare.gov was launched to provide up-to-date information about Medicare.

1999 - The toll-free number, 1-800-MEDICARE (1-800-633-4227), was available nationwide. The first annual Medicare & You Handbook was mailed to all Medicare beneficiary households.

2003 - The Medicare Prescription Drug, Improvement, and Modernization Act (MMA) made the most significant changes to Medicare since the program began, including renaming Medicare+Choice plans Medicare Advantage Plans.

Upcoming OPERS health care plan changes

Rule for re-enrolling in OPERS health care coverage
Members in the Ohio Public Employees Retirement System health care plan may be permitted to stop and restart coverage under certain circumstances, according to a recent rule adopted by the OPERS Board.

The voluntary withdrawal rule, adopted by the Board in concept in Sept. 2012 will be administered as follows:

- Retirees and eligible dependents who voluntarily elect to withdraw from the OPERS health care plan on or after Jan. 1, 2014 may re-enroll, but only if they provide "proof of creditable coverage" in another health care plan. Proof of creditable coverage simply means that the retiree must provide evidence that he or she had health care coverage during the time he or she left the OPERS health care plan. By maintaining coverage under another plan, retirees may re-enroll during the annual open enrollment period or within sixty days of involuntary termination of health care coverage under that other plan. This rule does not apply to retirees and their dependents who are required to enroll in an employer sponsored health care plan during public reemployment.

For more information on this rule change and other changes effective Jan. 1, 2014, you can visit the OPERS website, www.opers.org, and watch a video featuring OPERS Health Care Director Marianne Steger.

As a reminder, here are some additional changes to the OPERS health care plan on the horizon:

Medicare Part B reimbursement: The Medicare Part B premium reimbursement will transition to a $0 reimbursement in 2017 with the first reduction occurring in 2015. Listed below is the monthly amount eligible retirees will receive.

2014 reimbursement: $96.40
2015 reimbursement: $63.62
2016 reimbursement: $31.81
2017 and after: $0

- *Allowance transition:* Retirees - Beginning Jan. 1, 2016, the allowance given to current retirees for their monthly premiums will be based on age and service. Current retirees will have a three-year transition (2016-2018) until their new allowance percentage (51% to 90%) is reached effective Jan. 1, 2018, although most retirees' allowance will not fall below 75%.

- Spouses – Beginning Jan. 1, 2016, current spouses will have a three-year transition (2016-2018) to a zero allowance effective Jan. 1, 2018.

- *OPERS Medicare Connector:* OPERS plans to implement a connector model for Medicare-eligible participants in 2016. With this model, a Licensed Medicare Counselor will help participants choose a Medicare plan on the individual market. Retirees who enroll in an individual plan via the Medicare connector will receive an allowance to be used toward the purchase of the plan.

There are additional changes effective in 2014 and 2015 that do not impact current OPERS retirees. More information is available on the OPERS website.

Open enrollment changes effective Jan. 1, 2014

The open enrollment period for the OPERS health care plan came to a close on Oct. 31, 2013. Any changes you made to your coverage, new premiums and the program changes outlined in open enrollment materials will become effective on Jan. 1, 2014.

Program changes include:

- The annual out-of-pocket maximum for prescription drugs will decrease from $4,750 to $4,550 in 2014. Once the out-of-pocket maximum has been met, the plan pays 100 percent.

- Both the OPERS high and low dental plans (administered by MetLife) are being upgraded as follows:

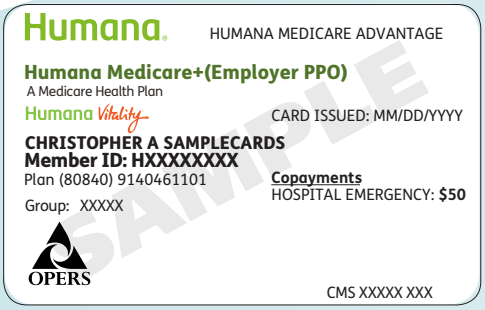
  1) Add coverage for implants, 2) cover composite fillings (in addition to amalgams), 3) change full mouth and panorex X-ray frequency (from every 36 months to every 60 months), 4) increase frequency of periodontal maintenance (from twice/year to four times/year), 5) raise the age up to which sealants are covered (from age 16 to 19) and 6) decrease out-of-network coverage/ coinsurance from 80% to 70% UCR.

- Monthly premiums increased for the majority of OPERS health plan participants.

  Humana, Medical Mutual and HealthSpan (formerly Kaiser Permanente) plan coverage will remain the same (deductibles, copays, coinsurance, etc.) for 2014 and they will be mailing new 2014 identification cards to participants in December.

- 2014 Express Scripts Home Delivery Program – Medicare Part D participants

  Beginning Jan. 1, 2014 all new prescriptions submitted to the Express Scripts Home Delivery Pharmacy, either electronically or telephonically by your provider, will remain pending in the Express Scripts system until the Medicare participant provides consent by phone or via the website for the initial filling of the prescription. Impacted participants will be notified by automated phone call or by mail. This change will not impact new prescriptions that are mailed by Medicare participants to the Express Scripts Home Delivery Pharmacy or new prescriptions requested by Express Scripts pharmacists on behalf of participants.



Medical and prescription plan updates

Free "House Call" Available to Some Humana Participants

Earlier this year, Humana partnered with CenseoHealth to provide a no-cost Health and Well-Being Assessment to qualifying Medicare Advantage plan participants. CenseoHealth coordinates all aspects of the in-home assessment, including providing the licensed physicians who perform the assessment. The assessment is very similar to the old-fashioned "house calls" doctors made years ago. To date, more than 12,000 OPERS participants in the Medicare Advantage plan have taken advantage of the voluntary in-home assessment.

Participants who are eligible for the in-home assessment receive a letter from Humana and follow-up phone call to schedule an appointment. The assessment is conducted by a fully licensed physician in the comfort of your home. Participants can invite a friend or family member to be present for the assessment.

What Does the Doctor Do During the in-home assessment?

- Listens to your heart and lungs
- Checks your blood pressure
- Takes your temperature
- Reviews your medications
- Takes a brief medical history
- Talks with you about your health risks
- Answers any questions you may have about your health

The assessment does not take the place of any existing doctor appointments, and is in no way meant to replace the care that is received through your regular doctors. However, the information collected can help supplement the information your doctor(s) already have.

OPERS encourages Medicare Advantage plan participants who receive an invitation from Humana to take advantage of the in-home assessment program. Doing so will help them get the most out of their Humana Medicare Advantage plan, and also may provide them with valuable information to discuss with their doctor during their next appointment. If you receive an invitation and have questions, please contact Humana at 1-877-890-4777.

Express Scripts makes changes to 2014 Non-Medicare National Preferred Formulary

Effective Jan. 1, 2014, Express Scripts is removing 48 medications and prescription supplies from the Non-Medicare National Preferred Formulary. By completely removing these medication products from the formulary, the products *will be NOT be covered*, and participants who continue to use them *will be responsible for the full cost* of the medications. Manufacturer coupons, if used when obtaining a non-covered medication from a retail pharmacy in the past, will not be able to be used at retail pharmacies, and Express Scripts Home Delivery will not fill prescriptions for these medications after Dec. 31, 2013.

Express Script's Pharmacy and Therapeutics Committee, a national panel of physicians and pharmacists, continually reviews and compares prescription medications to ensure the formulary includes proven medications to treat every condition. While some medications may meet this criteria, because they are more expensive overall than comparable alternatives, they are being removed from the formulary.

Medical and prescription plan updates
(continued)

Express Scripts has sent a personalized letter to impacted participants. The letter will contain a list of preferred brand medication alternatives and recommended actions that can be taken, such as talking with the doctor who prescribed the medication. Participants may reach out to Express Scripts customer service at 1-866-727-5873 with any specific questions, such as the pricing of those medications being removed from the formulary and their medication alternatives.

For more information on the 2014 National Preferred Formulary, including a list of the medications being removed from the formulary and their corresponding alternatives, please visit the OPERS Non-Medicare Prescription Drug Plan located at https://www.opers.org/healthcare/prescription/nonmcr/or call Express Scripts at 1-866-727-5873.

Express Scripts makes changes to 2014 Medicare National Preferred Formulary

Effective Jan. 1, 2014, Express Scripts is moving approximately 30 prescription drugs from preferred to non-preferred status on the Medicare National Preferred Formulary. These medication products *will continue to be covered*; however, participants who choose to continue taking these medications *will pay the higher non-preferred copay*.

EXPRESS SCRIPTS®

Express Scripts has sent a personalized letter to the impacted participants. The letter will contain a list of preferred brand medication alternatives and recommended actions that can be taken, such as talking with the doctor who prescribed the medication. Participants may reach out to Express Scripts customer service at 1-800-789-7416 with any specific questions, such as the pricing of non-preferred medications and their corresponding medication alternatives.

For more information on the 2014 National Preferred Formulary, please visit the OPERS Medicare Prescription Drug Plan located at https://www.opers.org/healthcare/prescription/mcr/ or call Express Scripts at 1-800-789-7416.

Healthy U

Are you sick and tired of feeling sick and tired? Healthy lifestyle programs can help you take control of your life and manage your health conditions. OPERS has partnered with the Ohio Association of Area Agencies on Aging to offer participants the opportunity to participate in Healthy U, a program that teaches healthy ways to manage a chronic condition and get more pleasure from life.

There are two different types of workshops, Healthy U Chronic and Healthy U Diabetes. The Healthy U Chronic workshops help participants manage several different chronic conditions (e.g., diabetes, heart disease, arthritis, asthma, and depression). The Healthy U Diabetes workshops cover the same subjects, but are specifically designed for people with Type 2 diabetes. Caregivers or other loved ones wanting to learn more about chronic conditions also can benefit from the information.

Participants will participate in an interactive workshop 2 1/2 hours a week for six weeks. Each workshop is facilitated by a pair of leaders, one or both of whom are non-health professionals with a chronic disease themselves. While the Healthy U workshops are open to the public, OPERS Non-Medicare Medical Mutual participants will receive a free workbook for participation in this program.

We have received the following testimonial from an OPERS retiree who recently participated in the Healthy U Chronic workshops.

Sandra S. said, ***"As a result of participating in the workshop sessions, I feel more empowered to make improvements in my self-care and I believe these classes will help all attendees take the appropriate steps to improve their health. Each week, the course content was valuable and relevant and the free workbook I received is absolutely phenomenal."***

Keep an eye out for more information on how to participate in Healthy U in 2014! For more information, please visit www.aging.ohio.gov or contact your local Area Agency on Aging.

Have you gotten your flu shot?

Influenza, or the flu, is a respiratory infection caused by a variety of flu viruses. The U.S. Centers for Disease Control and Prevention (CDC) estimates that 35-50 million Americans come down with the flu each flu season. Older adults, young children, and people with specific health conditions are at higher risk for serious flu complications.

When is the Flu Contagious?
A person can spread the flu a day before he or she feels sick. Adults can continue to the pass the flu virus to others for another 3-7 days after symptoms start. Children can pass the virus for longer than seven days.

What Can You Do to Prevent the Flu?
The best way to prevent the flu is to get vaccinated each fall with a flu shot. Aside from getting your flu shot, you also can take the following steps:

- **Avoid close contact with people who are sick.**
- **Wash your hands frequently to help protect yourself from germs.**
- **Avoid touching your eyes, nose and mouth as germs are often spread when people touch something that is contaminated, and then touch their eyes, nose, or mouth.**

New in 2014 - HumanaVitality®

Effective Jan. 1, 2014, Humana will be offering HumanaVitality®, a new wellness program exclusively for Humana participants.

HumanaVitality® is designed to help you get, and stay, on a healthier path – one small step at a time.

It is a fun and engaging program that will help you find out more about your health. This will make it easier to find healthy options that work best for you!

HumanaVitality® is an online and telephone-based program based on a comprehensive lifestyle approach to wellness. It will provide tips and activities to help you improve your health and will focus on the following:

- Physical activity
- Education
- Preventive screenings
- Tobacco cessation
- Nutrition

Will participation in this program qualify me for an OPERS Retiree Medical Account (RMA) incentive?

Participation in HumanaVitality® will not qualify you for an incentive (RMA deposit). However, Humana Medicare Advantage Plan participants will still be eligible to participate in the OPERS wellness programs and activities that currently qualify for an RMA incentive, such as completing the Humana online health assessment and getting an annual physical.

What to expect

HumanaVitality® will be available to OPERS Humana Medicare Advantage Plan participants beginning Jan. 1, 2014. You will receive an informational packet with more detail on this exciting program in January.

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