

2014

Health Care

Bulletin

OPERS announces changes to health care plan for 2014

The OPERS Board of Trustees recognizes that providing access to meaningful health care coverage is an important element in providing retirement security. Though providing health care coverage is not required by law, the Board and OPERS staff continually search for solutions to meet the challenges of funding retiree health care coverage in today's marketplace.

In 2014, OPERS health care plan participants, both Medicare-eligible and non-Medicare, will not see increases to their medical or pharmacy coverage. Copays, co-insurance, out-of-pocket costs and deductibles will all remain the same as in 2013.

Plan participants will see an increase in their monthly premium in 2014. Retirees enrolled in Medicare Parts A and B will see an average monthly increase of \$10 to \$12. Non-Medicare retirees will see a monthly premium increase of approximately \$45. The increase will vary for enrolled dependents so please refer to your open enrollment statement for specific details.

Multiple factors are behind the need for premium increases in 2014. First, usage of the plan by participants has increased, thus driving up the overall

cost of the plan. Also, health care inflation at the national level has increased. This means the cost of care at hospitals, from doctors and for medications has increased.

In recent years, instead of raising premiums to account for inflation, we have substantially increased copays, out-of-pocket costs and deductibles for medical and pharmacy coverage. In light of the major changes to the OPERS health care plan being implemented in the next few years, we've opted to increase premiums and leave medical and pharmacy coverage unchanged for 2014.

Also, over the last several years, we have been able to use more than \$180 million dollars from the Early Retiree Reinsurance Program (ERRP), which is a provision of the Affordable Care Act (ACA), to help offset premium increases. Without the dollars from ERRP, many retirees would have seen substantial premium increases in 2011, 2012 and 2013.

Retirees may 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 new health care plan 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.

Please read this bulletin carefully. It provides details on the OPERS health care plan for 2014. 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,



Ken Thomas, Chair
Health Care Committee
OPERS Board of Trustees



For Medicare-eligible retirees in 2014

Humana Medicare Advantage Plan

- Monthly premiums will increase in 2014.
- Medical coverage, annual deductibles and out-of-pocket costs will remain the same as in 2013.
- Humana Medicare Advantage Plan network access will not change in 2014.

2014 Humana Medicare Advantage Plan	% = Plan Pays
Lifetime Maximum	Unlimited
Annual Deductible	\$250 (not included in out-of-pocket maximum)
Annual Out-of-Pocket	\$850 (excluding deductible)
Office Visit Copay - Primary Care Physician (PCP)	96%
Office Visit Copay - Specialist	92%
Preventive services (billed as routine)	100%
Emergency Room (copay waived if admitted)	\$50 copay
Diabetic testing supplies	100%
Inpatient Charges	96%
Skilled Nursing Facility	100%
Hospice (Respite Care)	95% (by Medicare at a certified hospice agency)

OPERS Medicare Part D Prescription Plan

- The annual out-of-pocket maximum will be decreased from \$4,750 to \$4,550 for 2014. Once the out-of-pocket maximum has been met, the plan pays 100 percent.
- There will be changes to the auto-refill program for participants in the OPERS Medicare Part D Prescription Plan. Details will be provided within your open enrollment materials.
- Beginning in 2014, if your doctor prescribes less than a full month's supply of certain drugs, you will no longer have to pay for an entire month's supply. Instead, you will pay a daily cost-sharing rate. Daily cost-sharing allows you to make sure a drug works for you before you have to pay for an entire month's supply.

2014 OPERS Medicare Part D Prescription Plan

Deductible (Calendar year)	\$50 annual deductible for brand medications
Generic	\$4 Retail copay \$10 Mail copay
Formulary Brand	30% Retail co-insurance (\$20 min/\$30 max) 30% Mail co-insurance (\$50 min/\$75 max)
Non-Formulary Brand	40% Retail co-insurance (\$55 min/\$70 max) 40% Mail co-insurance (\$137.50 min/\$175 max)
Annual Out-of-Pocket Maximum (100% coverage after \$4,550 has been spent in copays/co-insurance)	\$4,550 per participant
Diabetic medications*	\$0 copay for generic or formulary brand Co-insurance as listed above for non-formulary

2014 Proton Pump Inhibitor (PPI) Coverage

OTC Prilosec, OTC Omeprazole	25% Retail co-insurance (\$15 min) 25% Mail co-insurance (\$40 min)
Generic Omeprazole, Pantoprazole, Lansoprazole	25% Retail co-insurance (\$15 min) 25% Mail co-insurance (\$40 min)
Nexium, Prevacid, Aciphex, Prilosec, Protonix, Zegerid, Kapidex	50% Retail co-insurance

"Retail" is a 30-day supply at a retail pharmacy. "Mail" is a 90-day supply via Home Delivery.

*All diabetic testing supplies will be covered at 100% under Medicare Part B

Medicare plans are subject to change based on the Centers for Medicare and Medicaid (CMS) guidelines.

Medicare Part D Annual Notification

Express Scripts will provide detailed coverage information regarding the OPERS Medicare Part D Prescription Plan to you by mail in late September. You will receive an *Annual Notice of Change* and an *Evidence of Coverage* document. **This notification does not require any action on your part.**

For non-Medicare retirees in 2014

OPERS Retiree Health Plan administered by Medical Mutual

- Monthly premiums will increase in 2014.
- Medical coverage, annual deductibles and out-of-pocket costs will remain the same as in 2013.
- Enhancements to the OPERS optional Dental Plan will be made for 2014. Please see page 8 for more details.

This chart is a basic overview of medical coverage for non-Medicare retirees participating in the OPERS Retiree Health Plan in 2014. More detail will be available in your open enrollment packet which will be mailed to your home in September.

2014 OPERS Retiree Health Plan	In-Network	Out-of-Network
Lifetime Maximum	Unlimited	Unlimited
Annual Deductible	\$850	\$1,500
Annual Out-of-Pocket	\$2,500	\$4,500
Office Visit Copay - Primary Care Physician (PCP)	\$20	60%
Office Visit Copay - Specialist	\$35	60%
Office Visit Copay - Patient Centered Medical Home	\$10	60%
Office Visit Copay - *Chronic conditions PCP/Specialist	\$10 / \$20	60%
Annual Physical/Preventive Services (Plan Pays)	100%	60%
Emergency Room (for emergency conditions)	\$150 copay	\$150 copay
Emergency Room (for non-emergency conditions)	\$250 copay	\$250 copay
Urgent Care	\$45 copay	60%
Inpatient Charges (Plan Pays)	80% (After \$150 deductible)	70% (After \$250 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

*Specific chronic conditions as detailed on page 5

Please see page 4 for information on prescription drug coverage for non-Medicare plan participants in 2014.

For non-Medicare retirees in 2014

OPERS Retiree Health Plan Prescription Drug Coverage

The chart on this page is a basic overview of prescription drug coverage for non-Medicare retirees participating in the OPERS Retiree Health Plan in 2014. More detail will be available in your open enrollment packet which will be mailed to your home in September.

- The annual out-of-pocket maximum will be decreased from \$4,750 to \$4,550 for 2014. Once the out-of-pocket maximum has been met, the plan pays 100 percent.

2014 Non-Medicare Prescription Plan	Retail - Preferred Network Home Delivery	Retail - Non-Preferred Network
Deductible (Calendar year) Including OTC PPIs	\$50 annual deductible for brand medications	\$50 annual deductible for brand medications
Generic Copay (\$)	\$4 Retail \$10 Home Delivery	\$7
Formulary Brand Co-insurance (%)	30% Retail (\$30 min/\$60 max) 30% Home Delivery (\$75 min/\$150 max)	35% (\$35 min/\$65 max)
Non-Formulary Brand Co-insurance (%)	40% Retail (\$75 min/\$150 max) 40% Home Delivery (\$187.50 min/\$375 max)	45% (\$80 min/\$155 max)
Diabetic medications and testing supplies for those participating in a Disease Management (DM) program. <i>Standard co-insurance applies for those not participating in a DM program.</i>	Generic or Formulary Brand = \$0 copay Non-formulary Brand - co-insurance as listed above	Generic or All Brand = copay or co-insurance as listed above
Annual Out-of-Pocket Maximum (100% coverage after \$4550 has been spent in copays/co-insurance)	\$4,550 per participant	\$4,550 per participant
Value-based coverage - Medications treating certain chronic conditions*	Generic (Retail or Home Delivery) = \$0 copay All Brand = co-insurance as listed above	Generic or All Brand = copay or co-insurance as listed above
2014 Proton Pump Inhibitor (PPI) Coverage (Medications treating acid-reflux and heartburn)		
OTC - Prilosec, Omeprazole, Prevacid, Zegerid Generic - Omeprazole, Pantoprazole and Lansoprazole	50% Retail (\$15 minimum) 50% Home Delivery (\$40 minimum)	60% Retail (\$15 minimum)
Nexium, Prevacid, Aciphex, Prilosec, Protonix, Zegerid and Kapidex	Participant pays full cost - Available only at a retail pharmacy	Participant pays full cost - Available only at a retail pharmacy

*Participants will have \$0 copays for generic medications treating certain chronic conditions under Value-Based coverage. please see page 5 for details. "Retail" is a 30-day supply. "Mail" is a 90-day supply.

For non-Medicare retirees in 2014

Patient-Centered Medical Homes

In 2013, OPERS introduced a new health care model called the Patient-Centered Medical Home (PCMH). 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 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 copays:

- 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.

OPERS continues value-based copays in 2014

In 2014, OPERS will continue the value-based copay 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 blood pressure): 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.

Important contact information for all participants

Aetna Vision

1-866-591-1913
www.aetnavision.com

Express Scripts

1-866-727-5873 (Non-Medicare)
1-800-789-7416 (Medicare)
www.express-scripts.com

Humana

1-877-890-4777
www.humana.com/opers

Kaiser Permanente

1-800-686-7100 (Non-Medicare)
1-800-493-6004 (Medicare)
www.kp.org

Medical Mutual

1-877-520-6728
www.medmutual.com

MetLife Dental

1-888-262-4874
www.metlife.com/dental

Open enrollment education seminars for 2014

The OPERS education team will be holding seminars around the state to help retirees learn about their health care coverage for 2014. Representatives from Humana, Medical Mutual, Express Scripts, Kaiser, Aetna and MetLife will be in attendance.

Dates and locations are listed below and also on page 7. For those unable to attend, webinars will be held every Tuesday (1 p.m.) and every Thursday (10 a.m.) between Sept. 17 and Oct. 15. Please visit www.opers.org and click

on the “*Seminar Options*” section under the heading of “*Retirees*” for more information. The open enrollment seminar presentation (slideshow with audio) will be available on the OPERS website, www.opers.org, in September.

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

Registration for live seminars is required and space is limited! You can register by signing in to your online account at www.opers.org or by calling OPERS at 1-800-222-7377. You must be registered for an online account to make a reservation online.

Open enrollment seminars

Akron

Holiday Inn Akron West
4073 Medina Rd.
Akron, Oh 44333

Oct. 10

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

Athens

Ohio University Inn
331 Richland Ave.
Athens, Oh 45701

Oct. 3

10:00 a.m.-12:00 p.m.

Bellville

Quality Inn
1000 Comfort Plaza Drive
Bellville, Oh 44813

Sept. 19

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

Bellville

Der Dutchman
720 St. Rt. 97 West
Bellville Ohio 44813

Oct. 9

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

Bowling Green State University

BGSU Firelands
1 University Dr.
Huron, Oh 44839

Oct. 15

10:00 a.m.-12:00 p.m.

Cambridge

Pritchard Laughlin Center
7033 Glenn Highway
Cambridge, Oh 43725

Oct. 8

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

Canton

Courtyard by Marriott Canton
4375 Metro Circle NW
Canton, Oh 44720

Sept. 16

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

Chillicothe

The Christopher Conference Center
20 N. Plaza Blvd.
Chillicothe, Oh 45601

Sept. 24

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

Cincinnati

Holiday Inn Eastgate
4501 Eastgate Blvd.
Cincinnati, Oh 45245

Oct. 10

10:00 a.m.-12:00 p.m.

Cincinnati

Holiday Inn North
3855 Hauck Rd
Cincinnati, Oh 45241

Sept. 19

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

Columbus

Courtyard Columbus West
2350 Westbelt Dr.
Columbus, Oh 43228

Oct. 7

10:00 a.m.-12:00 p.m.

Columbus/Worthington

Holiday Inn Worthington
7007 N. High St.
Worthington, Oh 43085

Oct. 9

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

Coshocton

Coshocton Village Inn and Suites
115 N. Water St.
Coshocton Oh. 43812

Sept. 16

10:00 a.m.-12:00 p.m.

Dayton (South)

Beavercreek Golf Club
2800 New Germany-Trebein Rd.
Beavercreek, Oh 45431

Oct. 7

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

Dayton

Wyndham Garden Dayton South
31 Prestige Plaza Dr.
Miamisburg, Oh 45342

Oct. 8

10:00 a.m.-12:00 p.m.

Open enrollment seminars *(continued)*

Findlay

The Findlay Inn
200 E. Main St.
Findlay, Oh 45840

Sept. 17

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

Granville

The Granville Inn
314 Broadway
Granville, Oh 43023

Oct. 14

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

Lima

Howard Johnson Lima
1920 Roschman Ave.
Lima, Oh 45804

Oct. 2

10:00 a.m.-12:00 p.m.

Mentor

LaMalfa
5783 Heisley Rd.
Mentor, Oh 44060

Oct. 3

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

Oberlin

The Oberlin Inn
7 N. Main St.
Oberlin, Oh 44074

Oct. 3

10:00 a.m.-12:00 p.m.

Portsmouth

Friends Center of Southern Ohio Medical Center
1202 18th St
Portsmouth, Oh 45662

Oct. 15

10:00 a.m.-12:00 p.m.

Reynoldsburg

Department of Agriculture
8995 E. Main St.
Reynoldsburg, Oh 43068

Sept. 26

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

Strongsville

Holiday Inn Strongsville
15471 Royalton Rd.
Strongsville, Oh 44136

Oct. 8

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

Toledo

The University of Toledo
3100 Glendale Ave.
Toledo, Oh 43614

Sept. 17

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

West Chester

Wingate by Wyndham
7500 Tylers Place Blvd.
West Chester, Oh 45069

Sept. 26

10:00 a.m.-12:00 p.m.

West Lake

Holiday Inn Cleveland West
1100 Crocker Rd.
Westlake, Oh 44145

Oct. 14

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

Youngstown

(Boardman)
Holiday Inn Boardman
7410 South Ave.
Boardman, Oh 44512

Sept. 25

10:00 a.m.-12:00 p.m.
1:00 p.m.-3:00 p.m.

2014 OPERS health care open enrollment

Oct. 1 - 31, 2013

Open enrollment for the OPERS health care plan will be held from Oct. 1 – Oct. 31, 2013. During this time, eligible 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, 2014. To help participants make informed decisions regarding their health care coverage in 2014, OPERS will be sending the following communications within the open enrollment packet:

Open enrollment packet: the guide will provide in-depth coverage details for 2014 and will also contain a personalized Health Care Cost Statement, a personalized

Health Care Open Enrollment Change Form and a brochure containing documents OPERS is required to send annually.

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 Sept. 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.

For all OPERS health care plan participants in 2014

Changes to optional Dental Coverage

For the first time in several years, OPERS will be making coverage changes to our optional dental plan for 2014. The changes will modernize the plan and reflect upgrades that are consistent with current standards of care.

Coverage changes to both the OPERS high and low dental plans are as follows:

- Add coverage for implants
- Cover composite fillings (in addition to amalgams)
- Change full mouth and panorex X-ray frequency (from every 36 months to every 60 months)
- Increase frequency of periodontal maintenance (from twice/year to four times/year)
- Increase coverage for sealants (from age 16 to 19)
- Decrease out-of-network coverage/coinsurance from 80% to 70% UCR

Participants in the OPERS optional dental coverage plan, administered by MetLife, will see a minimal premium increase (less than \$1 per month) for both the high and low coverage dental plans in 2014.

OPERS optional Vision Coverage

There will be no changes to the coverage provided under the optional OPERS Vision Plan for 2014.

Participants in the vision plan, administered by Aetna, will see a minimal premium increase in 2014.

Kaiser Permanente and Catholic Health Partners

In May, Kaiser Permanente reached an initial agreement to transfer their Ohio health plan and health care delivery operations in the Ohio region to Catholic Health Partners (CHP). As the largest health system in Ohio, CHP has stated they are well-positioned to provide high-quality, affordable care and to maintain the continuity of care for current Kaiser

Permanente Ohio members and patients. CHP expects to maintain current product offerings in northeast Ohio and expand and grow offerings in the future.

The transaction is expected to take several months to complete. There will be no disruptions in care or service during this process. Members

will continue to be treated by the same physicians and staff, in the same facilities, with access to the same advanced electronic health record system.

Kaiser Permanente members with questions can visit www.ohiocaretransitions.org or call 1-800-686-7100.