

opersHealthCare

For participants in the OPERS health care plan.

OPERS approves additional deposit for retirees selecting a plan through the Connector

OPERS knows the transition to the OPERS Medicare Connector is a huge change for our Medicare retirees. We recognize there will likely be some out-of-pocket expenses incurred as you move to a new medical and prescription drug plan and that you will need to pay for expenses before being reimbursed. These qualified medical expenses could include premium payments, premiums for your spouse or prescription drug costs.

In order to ease this transition and offset any out-of-pocket costs, OPERS will furnish each enrolled Medicare retiree with an additional \$300 Health Reimbursement Arrangement (HRA) deposit. These deposits will be made once annually for the next three years beginning Jan. 8, 2016 and each year after in 2017 and 2018. If you become Medicare eligible later in the year, you will receive this additional deposit once OPERS has established your HRA.

An HRA allows OPERS to provide tax-free reimbursement funds for eligible health care expenses to Medicare retirees and/or their spouses enrolled in a Medicare plan through the Connector.

Spouses and surviving spouses will not receive this additional deposit.



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OPERS to mail second Connector Readiness Kit

Earlier this year, OPERS sent eligible retirees a Connector Readiness Kit filled with information about the Connector. We hope you found this information useful and are well on your way to becoming “Connector Ready.” The information contained within the first Connector Readiness Kit, with the exception of your personal HRA information, is available online at www.opers.org/connector.

In preparation for your enrollment call with a OneExchange Licensed Benefit Advisor, OPERS has created a second Connector Readiness Kit which includes the following items:

Get Ready with OneExchange: Brochure covering a variety of topics including a complete list of optional in-person and online education sessions and information about Licensed Benefit Advisors.

Ready. Set. Enroll: Outlines a timeline of communications materials you will receive from OneExchange as well as any action steps to take as the enrollment season nears.

Get HRA Ready: Provides details about the HRA and illustrates the step-by-step process for how reimbursements will work.

Re-employment and Health Care Coverage Fact Sheet: Details what your health care options are if you return to work in an OPERS-covered position.

Get Medication Ready: Offers advice for organizing medications prior to your enrollment call with a Licensed Benefit Advisor.

Stickers: Includes seminar, webinar and enrollment specific sticker reminders to place on your Connector Readiness calendar (provided in your first Connector Readiness Kit) in anticipation of these important events.

Eligible OPERS retirees enrolled in Medicare Parts A and B must work with OneExchange during the enrollment period (October-December 2015) to select an individual medical plan. If you do not enroll in a plan during this time, you will have no other OPERS health care coverage effective Jan. 1, 2016. Eligible retirees who currently have only Medicare Part B will enroll early next year and will receive separate mailings detailing the enrollment process.

Please look for this envelope in your mailbox beginning in mid-June. Open and read your kit immediately. Some information is time sensitive.





Enrolling in a plan through the OPERS Medicare Connector may impact retirees with other coverage

As you know, OPERS will introduce the OPERS Medicare Connector (administered by OneExchange) in 2016 for eligible OPERS retirees and dependents enrolled in Medicare Parts A and B. If you have health care coverage outside of OPERS, you are eligible to select a plan through the Connector; however, selecting a plan could have an impact on your other coverage. Before deciding to enroll, you will need to contact your current plan administrator to determine what effect enrolling in an individual Medicare plan (Medigap, Medicare Advantage Plan, Medicare Part D Plan) through the Connector may have on your current plan.

Below is a list of the most common coverage scenarios for OPERS retirees and their Medicare-eligible dependents:

- 1 No coverage outside of the OPERS health care plan – eligible participants who are currently enrolled in the OPERS health care plan, have no other coverage and are enrolled in Medicare Parts A and B. These retirees will select a Medicare plan through the OPERS Medicare Connector and receive a monthly Health Reimbursement Arrangement (HRA) deposit.
- 2 Waived OPERS coverage – eligible retirees who have currently decided to waive coverage in the OPERS health care plan for themselves and eligible dependents. These retirees can choose to select a plan through the OPERS Medicare Connector and receive a monthly Health Reimbursement Arrangement (HRA) deposit beginning in 2016. These retirees may have only Medicare Parts A and B or also may have other coverage and fall into scenario #3 below.
- 3 Other coverage outside of OPERS – Common examples of other coverage include:
 - a. Covered by a current employer
 - b. Covered by a spouse’s employer
 - c. Covered by another employer’s retiree plan

- d. Enrolled in an individual Medicare Plan (Medigap, Medicare Advantage Plan or Medicare Part D Plan)
- e. Primary coverage with another Ohio Retirement System
- f. Tricare coverage
- g. Enrolled in Medicaid and Medicare

Retirees and dependents with other coverage (scenario 3) have a choice to make for 2016.

- You can remain in your current plan and decide not to select a plan through the Connector and not receive a monthly HRA deposit. You will receive enrollment materials from OneExchange this fall and we encourage you to schedule an appointment to speak to a OneExchange Licensed Benefit Advisor over the phone to understand your options. Benefit advisors will ask questions about your other coverage and know which plans may work best for your individual situation. – OR –
- You can elect a plan through the Connector and receive a monthly HRA deposit. However, doing so may have an impact on your other coverage. In most instances, if you select a plan through the Connector in the fall of 2015, you will have guaranteed issue into the plan you select. Having guaranteed issue means you cannot be denied coverage.

If you decide to enroll in an individual medical plan through the Connector, your eligible spouse will be able to select a plan through the Connector as well. Spouses will receive an allowance through 2017. Spouses not eligible for an allowance include spouses and surviving spouses who have primary coverage through another Ohio retirement system. OPERS will contact you this fall with more information regarding your coverage options. If you have any questions, please contact OneExchange toll-free at 1-844-287-9945 (phone line operational on July 13, 2015) or OPERS at 1-800-222-7377.



New health care rules for re-employed retirees

OPERS recently approved changes to health care coverage for re-employed retirees, and the new rules will go into effect Jan. 1, 2016.

The new rules apply to retirees who receive an OPERS pension and also work for an OPERS-covered employer. They will not apply to retirees receiving pensions who work in the private sector or to those who work for a public employer that does not participate in OPERS.

Based on federal rules, re-employed retirees are classified as active public employees when they go back to work, regardless of the duration or amount of compensation. That status precludes Medicare-eligible, re-employed retirees who join the Connector next year from accessing funds through a Health Reimbursement Arrangement, which we will use to reimburse participants for premiums and out-of-pocket qualified medical expenses. Permitting re-employed retirees who work in an OPERS-covered position to participate in the HRA would subject the entire plan to financial penalty.

Thus, OPERS will create separate plans for non-Medicare re-employed retirees and for Medicare-eligible re-employed retirees, both effective Jan. 1, 2016. Re-employed retirees 65 and over will be limited in the number of times they can move in and out of OPERS re-employed retiree coverage in a calendar year. We'll provide additional details this summer within open enrollment materials.

About 8,400 re-employed retirees participate in OPERS health care coverage, and they generally fit into one of three categories:

- Intermittent workers, such as judges, librarians and seasonal employees, who cycle in and out of re-employment or who work limited hours
- Part-time workers, who work continually but for limited hours weekly
- Full-time workers, who go back to a full-time position upon retirement

OPERS will maintain a separate re-employed retiree plan for these Medicare participants. This will make it possible for members to switch from the Connector to the new group plan should they

become re-employed, subject to certain limitations on the number of times they can change plans.

Connector participants who become re-employed will have the following choices:

- Enroll in the employer's coverage. If a re-employed retiree's employer offers health care coverage to other employees performing comparable work or in a comparable position, the employer must offer the coverage to the re-employed retiree. If the retiree waives the employer's coverage, the retiree is not eligible for any coverage or HRA allowance from OPERS during re-employment.
- Remain enrolled in the plan they selected through the Connector but without receiving their HRA allowance or receiving reimbursement for claims incurred while re-employed. (There are plans available that offer premiums as low as zero dollars per month that could make this option more attractive.)
- Disenroll in the plan they selected through the Connector and enroll in the OPERS re-employed retiree plan. OPERS will provide the appropriate allowance similar to our current health care plan, based on age and service. If the allowance doesn't cover the full premium, we would deduct the remaining amount from retirees' pension benefits.

Eligible spouses and dependents would be included in the re-employed retiree plan if the retiree opts for that coverage.

Like Connector participants, re-employed retirees under 65 will have a separate plan made available to them. The plan will be similar to the retiree-only, non-Medicare plan for 2016.

The OPERS website, www.opers.org, features a video with OPERS Health Care Director Marianne Steger explaining the changes. Also on the website, you will find a fact sheet regarding the changes for re-employed retirees. If you have questions regarding your re-employment status, please contact OPERS at 1-800-222-7377.



Living with Chronic Conditions: *You Are Not Alone*

Healthy U Ohio

One of the common side effects of a chronic illness like diabetes, asthma, heart disease, etc., is a feeling of isolation. As supportive as your friends and family may be, they often do not understand the struggle to cope with the symptoms of these conditions.

Chances are, however, that there are others who know firsthand what it is like to live with a chronic condition like yours. By interacting with others who have similar experiences to yours, you can reduce that feeling of isolation and gain new perspectives on your condition and your ability to improve your health and well-being.

The HEALTHY U Ohio initiative, administered by the Ohio Department of Aging, gives Ohioans tools and resources they can use to live well. It also provides opportunities to interact with and learn from others with similar challenges. HEALTHY U provides three main ways to connect with others who, like you, want to learn how to live a healthy life with chronic conditions:

- *HEALTHY U community-based workshops* – Developed by researchers at Stanford University, HEALTHY U is a program that helps adults gain confidence in their ability to manage symptoms and understand how their health problems affect their lives. Individuals participate in six weekly interactive group sessions facilitated by a pair of leaders, one or both of whom live with a chronic disease themselves. Call your area agency on aging at 1-866-243-5678 to find a workshop near you.

- *Better Choices, Better Health* – The online version of HEALTHY U is available to anyone with a computer and Internet access. Participants log on at their convenience for about two hours per week and join other participants on a dedicated, secure website. Visit www.aging.ohio.gov/services/evidencebasedhealthyagingprograms/ to get started.
- *HEALTHY U on Facebook* – The new HEALTHY U Ohio Facebook page (www.facebook.com/HealthyUOhio) is your source for daily information, resources and tips to effectively manage chronic health conditions and take an active role in maintaining and improving their health.

For maximum benefit, try a combination of the community workshop, online workshop and the Facebook page to expand and reinforce the management strategies you will learn. With a little help and support, you have the power to live well.

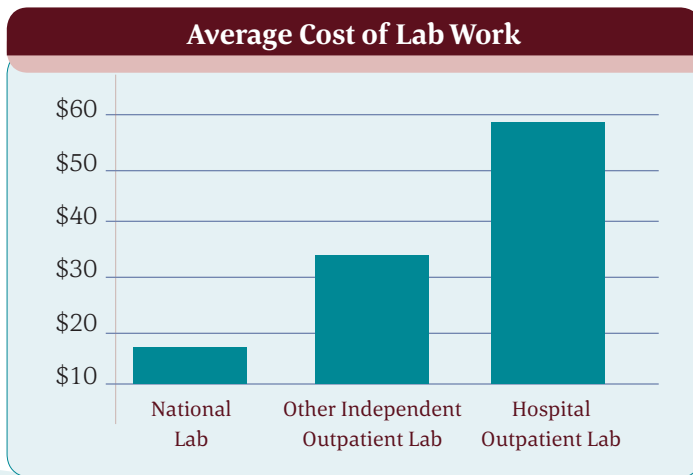
*Please don't hesitate to call
1-866-243-5678 now to enroll in
a Healthy U workshop near you!*



Save on Lab Costs with My Care Compare
Non-Medicare participants can lower costs by using this tool

Did you know the cost of many common lab tests, like a cholesterol screening or complete blood count, can vary significantly depending on where you have your blood drawn? Even though the quality of the test varies little, using a hospital lab might cost you significantly more than using a national independent lab.

Using a national independent lab like Labcorp or Quest Diagnostics can help keep costs lower than if you use a hospital or most other independent outpatient lab facilities.



It's a simple way to save money. When you need to have lab work done, talk to your provider and ask them to send it to Labcorp or Quest Diagnostics. Many doctors' offices already have agreements with these labs. If your provider is unable to send it to these labs, you can ask for a prescription so you can take it to a LabCorp or Quest Diagnostics location near you.

You can find the nearest locations of LabCorp and Quest Diagnostics by using Medical Mutual's new online tool, My Care Compare or by calling Customer Care at 1-877-520-6728. The My Care Compare tool provides you with an estimate of your cost for common lab tests and other care you receive from a SuperMed® Network provider. Log into your secure My Health Plan account at member.medmutual.com and click My Care Compare to start saving today.

Need to register for My Health Plan?

Go to MedMutual.com and click Get Started in the My Health Plan section on the home page. You will need your identification number from your ID card and your date of birth to enroll. Then follow the instructions on the screen.

The estimates provided by My Care Compare do not guarantee actual cost, services, coverage or payment and are subject to your cost sharing responsibilities.





Specialty drugs and what they mean to patients

Specialty drugs are high cost medications used to treat serious medical conditions such as multiple sclerosis, rheumatoid arthritis, hepatitis C and cancer. Specialty medications involve close monitoring and frequent dosage adjustments and typically require special storage and handling.

Specialty drugs – now and into the future

Specialty drugs push the boundaries of science to relieve serious symptoms, slow down chronic conditions and, in some cases, cure diseases that were previously incurable. Specialty drugs are significantly more expensive than traditional medications due to expensive manufacturing costs, small numbers of patients treated and lack of competition. The average cost of a specialty medication is currently \$4,100 per month (versus \$41 for a traditional medication). Overall, costs for specialty drugs are expected to continue to grow – upwards of 20 to 30 percent per year for the next few years.

Impact to OPERS participants using specialty drugs

While the average cost of a specialty medication given to an OPERS enrollee is \$4,100 per month, OPERS participants using these specialty medications pay less than 2 percent of this cost. Beginning in 2016, OPERS participants taking specialty medications will pay a larger portion of the cost for specialty medications.

- Medicare participants will pay, on average, between 25 and 31 percent co-insurance for specialty drugs, and
- Non-Medicare participants will pay up to \$150 per 30-day supply of a specialty medication.

While the cost-share will be going up for specialty medications in 2016, both Medicare and non-Medicare participants using specialty medications will be protected by the annual out-of-pocket maximum of their prescription drug plan. After reaching the annual out-of-pocket maximum, non-Medicare participants will pay

no additional costs and Medicare participants will pay only 5 percent co-insurance for their specialty medication(s) as well as all their other medications.

Actions specialty drug patients can take now

Maximize the effectiveness of your specialty medication(s).

Take advantage of individualized counseling and education sessions provided by specialty pharmacies such as Accredo, Express Scripts' specialty pharmacy. Participants will discuss with a pharmacist the importance of following their drug plan, how to remain adherent to their medication(s) and any necessary clinical interventions such as how to manage side effects. For more information on this service, call Accredo at 1-800-803-2523 or visit www.accredo.com.

Save money now for future specialty drug expenses.

Beginning next year, OPERS Medicare participants taking specialty drugs will experience higher monthly out-of-pocket expenses in the beginning of the year. This will drop significantly in subsequent months after the out-of-pocket maximum is reached. Consider how you may save for this additional expense.

Take advantage of manufacturer coupons, if available to you.

Non-Medicare participants can utilize coupons provided by pharmaceutical companies to help reduce their cost share for specialty drugs. Coupons are available for many specialty drugs and can be found in various places such as your provider's office, pharmacy or online. Note that per CMS rules, coupons cannot be utilized by Medicare participants.

Sources: Kaiser Family Foundation; 2014 Express Scripts Drug Trend Report



Upcoming OPERS health care mailings and publications

With open enrollment periods for the OPERS Medicare Connector and the OPERS health care plan coming in the next few months, you can expect to receive a variety of publications in the mail this summer. Please read each item you receive carefully and note important dates, specific instructions and deadlines.

Mid-June – Connect Readiness Kit 2

This will be sent to all Medicare retirees eligible to select a plan through the Connector this fall.

July – OPERS Announcement letter and OneExchange Getting Started Guide

This will be sent to all Medicare retirees eligible to select a plan through the Connector this fall.

August – OPERS Open Enrollment Bulletin

This will be sent to all retirees with the Summer OPERS retiree newsletter.

September – OPERS Open Enrollment Statement and Guide

This will be sent to all retirees eligible to participate in the OPERS health care plan.

October – OneExchange Enrollment Guide

This will be sent to all Medicare retirees eligible to select a plan through the Connector this fall.



opersHealthCare



**Ohio Public
Employees
Retirement
System**

277 East Town Street
Columbus, Ohio
43215-4642
1.800.222.7377

Web
opers.org
Blog
perspective.opers.org

Facebook
facebook.com/ohiopers
Twitter
twitter.com/ohiopers