

CINCINNATI RETIREMENT SYSTEM

HEALTH PLAN CHANGES

EFFECTIVE 1/1/2010

General Changes

- The current BC/BS/MM Traditional Plan, Blue Priority HMO Plan, and Blue Access PPO Plan will be replaced by a Blue Access Modified PPO Plan and a Blue Access Carve Out PPO Plan.
- The current Blue Access 80/20 Plan will remain in effect for those members that retired on or after September 1, 2007. The only change affecting the 80/20 Plan is the change in Coordination of Benefits.
- There are no changes to the dental and vision benefits. (Guardian and Eyemed)

General Changes (Cont.)

- The regular Coordination of Benefits (COB) will change to a Maintenance of Benefits/Medicare Carve Out methodology for all retiree groups.
- This change in COB methodology may result in members incurring some out-of-pocket costs. Under Maintenance of Benefits/Medicare Carve Out, the secondary plan (CRS) calculates the benefit that would be paid as though it were the primary plan, then subtracts the payment of the primary plan (Medicare Part A or B) and pays the difference, if any. No payment will be made if the CRS benefit is equal to or less than the Medicare benefit.

General Changes (Cont.)

- There will be three (3) distinct groups of retirees beginning 1/1/2010.
 1. Blue Access Modified PPO Plan (for pensioned members who retired prior to 9/1/2007)
 2. Blue Access Carve Out Plan (for pensioned members who retired prior to 9/1/2007 and meet special requirements)
 3. Blue Access 80/20 Plan (for pensioned members who retired on or after 9/1/2007)

Blue Access Carve Out PPO Plan

For Members Retired Prior to 9/1/07 Who Meet
Special Requirements

Special Requirements:

NO DOCUMENTATION REQUIRED

- Disability retirees with an *annual pension benefit* of \$30,000 or less.
- Members age 65 or above with 30 or more years of service credit AND an *annual pension benefit* of \$30,000 or less.

Blue Access Carve Out PPO Plan

For Members Retired Prior to 9/1/07 Who Meet
Special Requirements (Cont.)

DOCUMENTATION REQUIRED

- Members age 65 or above with fewer than 30 years of service credit AND whose annual income is less than \$30,000.
- Members with an individual *annual gross income* that is less than \$24,200.

Blue Access Carve Out PPO Plan

For Members Retired Prior to 9/1/07 Who Meet
Special Requirements (Cont.)

DOCUMENTATION REQUIRED

To qualify for the carve out group, eligible retirees must provide a copy of their most recently completed Federal Income Tax Form 1040 (for tax years 2008 or 2009 only) to the Cincinnati Retirement System before February 1, 2010. Members filing a joint tax return may be asked for a copy of their most recent form 1099.

Blue Access Carve Out PPO Plan

In-Network Services:

- No premium contribution
- No individual deductible
- 20% coinsurance up to a \$500 limit
- \$500 maximum annual out-of-pocket limit (\$0 deductible + \$500 coinsurance) (excludes Rx co-pays)

Blue Access Carve Out PPO Plan (Cont.)

In-Network Services:

- Prescription Drug Coverage
 - Retail: \$5 generic/\$15 brand/\$30 non-formulary
 - Mail: \$10 generic/\$30 brand/\$60 non-formulary for a 90 day supply
 - Separate \$500 maximum annual out-of-pocket for prescription drugs
- Routine annual physical covered at 100% with no deductible or coinsurance

Blue Access Carve Out PPO Plan (Cont.)

Out-of-Network Services:

- No premium contribution
- No individual deductible
- 50% coinsurance up to \$1,000
- \$1,000 maximum annual out-of-pocket
- Prescription Drug Coverage
 - Covered at 50% with no out-of-pocket limit
- Routine annual physical covered subject to deductible and coinsurance

Blue Access Modified PPO Plan

Members Retired Prior to 9/1/07

For In-Network Services:

- No premium contribution
- \$100 individual deductible
- 20% coinsurance up to a \$900 limit
- \$1,000 maximum annual out-of-pocket (\$100 deductible + \$900 coinsurance)(excludes Rx co-pays)

Blue Access Modified PPO Plan (Cont.)

Members Retired Prior to 9/1/07

For In-Network Services:

- Prescription Drug Coverage
 - Retail: \$5 generic/\$15 brand/\$30 non-formulary
 - Mail: \$10 generic/\$30 brand/\$60 non-formulary for a 90 day supply
 - Separate \$1,000 maximum annual out-of-pocket for prescription drugs
- Routine annual physical covered at 100% with no deductible or coinsurance

Blue Access Modified PPO Plan (Cont.)

Members Retired Prior to 9/1/07

For Out-of-Network Services:

- No premium contribution
- \$200 individual deductible
- 50% coinsurance up to \$1,800
- \$2,000 maximum annual out-of-pocket
- Prescription Drug Coverage
 - Covered at 50% with no out-of-pocket limit
- Routine annual physical covered subject to deductible and coinsurance

Blue Access 80/20 PPO Plan

For Members Retired On or After 9/1/07

In-Network Services:

- 5% premium contribution
- \$300 individual deductible
- 20% coinsurance up to a \$1,200 limit
- \$1,500 maximum annual out-of-pocket (\$300 deductible + \$1,200 coinsurance) (excludes Rx co-pays)

Blue Access 80/20 PPO Plan (Cont.)

For Members Retired On or After 9/1/07

In-Network Services:

- Prescription Drug Coverage
 - Retail: \$10 generic/\$20 brand/\$30 non-formulary
 - Mail: \$20 generic/\$40 brand/\$60 non-formulary for a 90 day supply
 - No maximum annual out-of-pocket for prescription drugs
- Routine annual physical covered at 100% with no deductible or coinsurance

Blue Access 80/20 PPO Plan (Cont.)

For Members Retired On or After 9/1/07

Out-of-Network Services:

- 5% premium contribution
- \$600 individual deductible
- 50% coinsurance up to \$2,400
- \$3,000 maximum annual out-of-pocket
- Prescription Drug Coverage
 - Covered at 50% with no out-of-pocket limit
- Routine annual physical covered subject to deductible and coinsurance

Coordination of Benefits

Maintenance of Benefits/Medicare Carve Out

The current methodology used for the Coordination of Benefits (COB) with Medicare payments results in the Retirement System paying 100% of the retired members Medicare out-of-pocket liability (members cost).

The change in methodology may result in members incurring some out-of-pocket cost. Under the new COB, the secondary plan (CRS) will only pay the difference between what CRS would have paid, if primary, and what the primary plan (Medicare) has paid.

Coordination of Benefits / Medicare Part B

Example 1 – Carve Out PPO Plan

Total charge	\$1,000	
Medicare allowed	\$ 700	
Member's cost	\$ 264	(\$155 ded. + \$109 coin.)
Medicare pays	\$ 436	
Anthem allowed	\$ 800	
Member's cost	\$ 160	(\$160 coin.)
Anthem Pays	\$ 640	

Coordination of Benefits / Medicare Part B

Example 1 – Carve Out PPO Plan (Cont.)

Anthem pays if primary	\$640
Medicare paid	\$436
Difference	\$204
Member's Medicare cost	\$264
Anthem pays difference	\$204
Member's cost	\$ 60

Coordination of Benefits / Medicare Part A

Example 2 – Carve Out PPO Plan

Total charge	\$30,000	
Medicare allowed	\$15,000	
Member's cost	\$ 1,100	(\$1,100 ded.)
Medicare pays	\$13,900	
Anthem allowed	\$16,000	
Member's cost	\$ 500	(\$500 max. oop)
Anthem pays	\$15,500	

Coordination of Benefits / Medicare Part A

Example 2 – Carve Out PPO Plan (Cont.)

Anthem pays if primary	\$15,500
Medicare paid	\$13,900
Difference	\$ 1,600
Member's Medicare cost	\$ 1,100
Anthem pays difference	\$ 1,100
Member's cost	\$ 0

Coordination of Benefits / Medicare Part B

Example 3 – Modified PPO Plan

Total charge	\$1,000	
Medicare allowed	\$700	
Member's cost	\$264	(\$155 ded. + \$109 coin.)
Medicare pays	\$436	
Anthem allowed	\$800	
Member's cost	\$240	(\$100 ded. + \$140 coin.)
Anthem pays	\$560	

Coordination of Benefits / Medicare Part B

Example 3 – Modified PPO Plan (Cont.)

Anthem pays if primary	\$560
Medicare paid	\$436
Difference	\$124
Member's Medicare cost	\$264
Anthem Pays Difference	\$124
Member's Cost	\$140

Coordination of Benefits / Medicare Part A

Example 4 – Modified PPO Plan

Total Charge	\$30,000	
Medicare Allowed	\$15,000	
Member's Cost	\$1,100	(\$1,100 ded.)
Medicare Pays	\$13,900	
Anthem Allowed	\$16,000	
Member's Cost	\$1,000	(\$1,000 max. oop)
Anthem Pays	\$15,000	

Coordination of Benefits / Medicare Part A

Example 4 – Modified PPO Plan (Cont.)

Anthem pays if primary	\$15,000
Medicare paid	\$13,900
Difference	\$ 1,100
Member's Medicare cost	\$ 1,100
Anthem Pays Difference	\$ 1,100
Member's Cost	\$ 0

Coordination of Benefits / Medicare Part B

Example 5 – 80/20 PPO Plan

Total charge	\$1,000	
Medicare allowed	\$ 700	
Member's cost	\$ 264	(\$155 ded. + \$109 coin.)
Medicare pays	\$ 436	
Anthem allowed	\$ 800	
Member's cost	\$ 400	(\$300 ded. + \$100 coin.)
Anthem pays	\$ 400	

Coordination of Benefits / Medicare Part B

Example 5 – 80/20 PPO Plan (Cont.)

Anthem pays if primary	\$400
Medicare paid	\$436
Difference	\$ 0
Member Medicare cost	\$264
Anthem pays difference	\$ 0
Member's cost	\$264

Coordination of Benefits / Medicare Part A

Example 6 – 80/20 PPO Plan

Total charge	\$30,000	
Medicare allowed	\$15,000	
Member's cost	\$ 1,100	(\$1,100 ded.)
Medicare pays	\$13,900	
Anthem allowed	\$16,000	
Member's cost	\$ 1,500	(\$1,500 max. oop)
Anthem pays	\$14,500	

Coordination of Benefits / Medicare Part A

Example 6 – 80/20 PPO Plan (Cont.)

Anthem pays if primary	\$14,500
Medicare paid	\$13,900
Difference	\$ 600
Member's Medicare cost	\$ 1,100
Anthem pays difference	\$ 600
Member's cost	\$ 500

Network Information

- All retiree groups will utilize the **Anthem Blue Access** network of physicians and hospitals. The terms “Carve Out”, “Modified”, and “80/20” are Group Identifiers. The actual network is **Anthem Blue Access**.
- To check for providers in your network:
 - Call Anthem Member Services at (800) 887 – 6055 (number on the back of ID Cards)
 - Ask your physician’s office if they are in the Anthem Blue Access Network,
 - Go to www.anthem.com, or if out of the area go to www.bluecares.com. For out-of-area provider search, type in the first 3 letters of your member ID#... “YRP”.

Network Information (Cont.)

- Members should utilize network providers in order to receive the highest benefit coverage.
- Utilization of Non-Network providers may result in the member paying higher out-of-pocket costs.
- Emergency care is always covered as In-Network.

Network Information (Cont.)

- In-Network and Out-of-Network deductibles, coinsurance and out-of-pocket limits are separate thresholds. Expenses incurred out-of-network do not apply to the in-network limits and vice versa.
- Care provided by physicians, specialists and other care givers during an in-network hospital stay, is covered as an in-network service.

Network Information (Cont.)

- If a care provider (whether in-network or out-of-network) refers you to an out-of-network provider, and you choose to be treated by the out-of-network provider, those services will be covered at the out-of-network level of benefits.
- Group Health Associates (GHA) physicians and other care providers are included in the Blue Access Network.

Network Information (Cont.)

- An analysis of current retiree physician and hospital utilization revealed that approximately 85% of current retiree utilization is within the Blue Access network.
- All members will receive new ID Cards in the mail by January 1, 2010. If you do not have your card and need medical care, have the provider contact Anthem Member Services and they will confirm your coverage with the provider.

In-Network Hospitals

- Bethesda Hospital
- Children's Hospital
- Christ Hospital
- Deaconess Hospital
- Evendale Medical Center
- Good Samaritan Hospital
- Jewish Hospital

In-Network Hospitals (Cont.)

- Mercy Hospitals (Anderson, Clermont, Fairfield, Mt. Airy, Western Hills)
- St. Elizabeth Medical Center (Edgewood & Covington)
- St. Luke Hospital (East & West)
- University Hospital
- Ft. Hamilton Hughes Hospital
- Dearborn County Hospital

Medicare Premiums in 2010

- Beneficiaries who currently receive a check from the Social Security Administration (SSA), have their Part B premiums withheld, and have incomes of \$85,000 or less (or \$170,000 or less for joint filers) *will not* have an increase in their Part B premium for 2010. It will remain \$96.40.
- Beneficiaries who do not currently have the Part B premium withheld from a Social Security benefit will pay \$110.50.

Medicare Premiums in 2010 (Cont.)

- New beneficiaries who begin Part B coverage in 2010 will pay \$110.50.
- Higher-income beneficiaries will pay \$110.50 plus an additional amount, based on the income-related monthly adjustment amount .

Medicare Premiums in 2010 (Cont.)

- CRS will continue to reimburse eligible pensioners for Medicare Part B base premiums.
- If your Part B base premium increases from \$96.40 to \$110.50, you will need to provide documentation to receive the higher reimbursement amount.
 - Copy of Social Security check stub, OR
 - Copy of “Notice of Medicare Premium Payment Due” form (Sent quarterly by the Social Security Administration)
- CRS does not reimburse premium amounts above the applicable base premium amounts.

Medicare Premiums for 2010 (Cont.)

- All CRS pensioners that participate in a medical plan provided through CRS are required to purchase Medicare Part B coverage.
- If you choose not to purchase Medicare Part B coverage, you will be responsible for the healthcare costs that Part B would have paid.

Diabetes & Hypertension Coaching Program

- The Diabetes and Hypertension Coaching Program encourages retirees and their dependents to seek counseling from Kroger pharmacists in regards to the management of these conditions.
- Coaching services are provided by Kroger pharmacists that have received specialized training in diabetes and hypertension patient self-management services.
- Once enrolled in the Coaching Program you do not need to re-enroll each year.

Diabetes & Hypertension Coaching Program

- The program is entirely voluntary, however members participating in the program will receive the following benefits:
 - Diabetes and Hypertension classes provided by a Kroger pharmacist at no cost to the member.
 - Follow-up visits with the pharmacist at no cost.
 - No member drug co-pay for medications related to diabetes, hypertension and cholesterol. (You do not have to obtain Rx's from Kroger.)
- To enroll call 1-877-695-7643 (1-877-MYKROGER)

Contacts & Resources

- Anthem Member Services at (800) 887 – 6055 (number on the back of ID Cards)
- To locate In-network providers, go to: www.anthem.com, or if out of the area go to www.bluecares.com. For out-of-area provider search, type in the first 3 letters of your member ID#... “YRP”.
- City of Cincinnati Risk Management
 - 513-352-2418
- Cincinnati Retirement System
 - 513-352-3227
 - Retirement@cincinnati-oh.gov
- CRS Website: www.cincinnati-oh.gov
Go to: Department > Finance > Divisions > Retirement