



The County of Orange | **Employee Benefits**

Retiree Medical Program Year 2009

Human Resources Employee Benefits Division

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Today's Agenda

- ▶ Benefits Overview
- ▶ The County of Orange Retiree Medical Plan
- ▶ Who is eligible
- ▶ Things to Consider
- ▶ Health plan options
- ▶ Enrollment process
- ▶ Grant Guidelines
- ▶ Retirees and Medicare
- ▶ Resources for help and more information
- ▶ Questions and Answers

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Benefits Overview

- ▶ This presentation is an overview of the benefits available to you. The plan documents and insurance policies for each plan provide the detailed, legal information about your coverage. If there is any difference between this presentation and the plan documents or insurance policies, the plan documents and insurance policies will govern.

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Who is Eligible?

- ▶ Current County of Orange employees who
 - ▷ Are covered by a County Health Plan
 - ▷ Are at least age 50, with 10 years of **eligible** County **service hours** on day employment ends
 - ▷ Have no breaks in County service since **August 1, 1993**
 - ▷ Will receive a monthly retirement check from OCERS during retirement

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Buyback Provisions

- ▶ Differs from OCERS
 - ▷ Maximum one-year buyback of extra help time to qualify for the 10-year minimum service requirement; Grant based on 9 years
 - ▷ Grant based on actual eligible service hours
 - ▷ Buyback for service after August 1, 1993 not applied to eligibility for grant

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Types of Health Plan Choices

- ▶ Types of coverage
 - ▷ Offer seven different Retiree Health Plans
 - ▷ Service area/residence
 - HMO: Defined by zip code **within the state of California**
 - ▷ No Service area/residence limitations
 - PPO
 - Private Fee for Service (PFFS)

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Things to Consider

- ▶ Your 2009 Health Plan options depend on your and your dependent's Medicare Status and/or your address.
- ▶ Coverage — how much you pay for services
- ▶ Premiums — how much you pay each month
- ▶ Choice of providers
 - HMO, PPO, Private Fee for Service (PFFS)
 - Access to HMO, PPO, or PFFS providers while traveling

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Things to Consider

- ▶ Deferred retirement — Must enroll in Retiree Medical Program within 30 Days of Activating Pension Check
- ▶ Keep your address current with the Benefits Center
- ▶ Annual Open Enrollment is held during the Fall each year

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Health Plan Options

▶ **Your 2009 Health Plan options for Non-Medicare Eligible (Subscriber and/or dependents):**

1. Premier Wellwise PPO
2. Premier Sharewell PPO
3. Exclusive Care Select PPO
4. CIGNA HMO
5. Kaiser HMO
6. Blue Cross Traditional HMO
7. Blue Cross Select HMO

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Health Plan Options

- ▶ **Your 2009 Health Plan options if all are Medicare A & B Eligible (subscriber and dependents):**
 1. Premier Wellwise PPO
 2. Premier Sharewell PPO
 3. Exclusive Care Select PPO
 4. CIGNA HMO
 5. Kaiser Senior Advantage HMO
 6. Blue Cross SmartValue Custom PFFS
 7. Blue Cross SmartValue Standard PFFS



Health Plan Options

- ▶ **For 2009 Mixed Medicare A&B Health Plan options (one participant is Medicare A & B Eligible and one is not Medicare Eligible):**
 1. Premier Wellwise PPO
 2. Premier Sharewell PPO
 3. Exclusive Care Select PPO
 4. CIGNA HMO
 5. Kaiser HMO & Sr. Advantage HMO
 6. Blue Cross SmartValue Custom PFFS & Traditional HMO
 7. Blue Cross SmartValue Custom PFFS & Select HMO

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Premier Wellwise - PPO

- ▶ Freedom of Choice
- ▶ “Network”- Blue Shield PPO Network (90% / 10%)
- ▶ Network Providers can be verified by calling Blue Shield 1-888-235-1767 or logging on the their Website at www.blueshieldca.com/oc , click on doctor directory
- ▶ “Non-Network” (70% / 30%)
- ▶ Prescription Drug Program through Walgreens (WHI)
- ▶ Calendar year deductibles (in-network/out-of-network)
- ▶ Individual Lifetime maximum of \$3 million
- ▶ Required to submit claim forms for reimbursement of medical expenses

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Premier Sharewell - PPO

- ▶ Freedom of Choice
- ▶ Annual \$5,000 Deductible per family
- ▶ “Network”- Blue Shield PPO Network (90% / 10%)
- ▶ Network Providers -verify by calling Blue Shield 1-888-235-1767 or at web site at www.blueshieldca.com/oc, click on doctor directory
- ▶ “Non-Network” (80% / 20%)
- ▶ Individual Lifetime maximum \$1 million
- ▶ Required to submit claim forms for medical expenses
- ▶ HSA Compliant (Non-Medicare eligible)
- ▶ No Prescription Drug Program; must pay/file claim form

presentations



Health Maintenance Organizations - HMO

- ▶ Managed Care Programs
- ▶ Preventative, diagnostic & comprehensive major medical coverage included
- ▶ Co-pays for health services & prescriptions
- ▶ No claim form
- ▶ No annual deductible to satisfy
- ▶ No lifetime maximums
- ▶ You must receive all health care services from HMO provider

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CIGNA HMO

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- ▶ CIGNA has contractual arrangements with medical groups, private practice physicians and hospitals
- ▶ Select a Primary Care Physician to coordinate care
- ▶ Prescription co-payments:
 - ▶ Tier 1 Level: Co-pay \$10 for generic drugs
 - ▶ Tier 2 Level: Co-pay \$20 for brand name drugs
 - ▶ Tier 3 Level: Co-pay \$40 for prescriptions not covered under Tier 1 or Tier 2



Kaiser HMO

- ▶ Health facilities are Kaiser-owned and physicians and specialist are Kaiser employees
- ▶ Prescription co-payments:
 - Tier 1 Level: Co-pay \$10 for generic drugs
 - Tier 2 Level: Co-pay \$20 for brand name drugs

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Blue Cross - Traditional HMO

- ▶ Office Visit Copay- \$15 Per Visit
- ▶ Emergency Room Copay- \$100 Per Visit
- ▶ Hospitalization Copay- \$100 Per Admission
- ▶ Prescription Drug Coverage, 30 Days/90 Days

Generic Drug	\$10	\$20
Brand-Name Drug	\$20	\$40
Non-Formulary Drug	\$40	\$80

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Blue Cross – Select HMO

- ▶ Office Visit Copay- \$15 Per Visit
 - ▶ Office Visit Copay Specialist- \$30 Per Visit
 - ▶ Emergency Room Copay- \$100 Per Visit
 - ▶ Hospitalization Copay- 100% Coverage
 - ▶ Prescription Drug Coverage, 30 Days/90 Days
 - ▶ Deductible- \$100 Applicable to Brand Name Drug
- | | | |
|--------------------|------|------|
| Generic Drug | \$10 | \$20 |
| Brand-Name Drug | \$25 | \$50 |
| Non-Formulary Drug | \$40 | \$80 |

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Blue Cross - Private Fee For Service Plans

- What is a Medicare Advantage PFFS Plan?
 - It is a plan offered to retirees, over age 65 who are eligible for Medicare Parts A & B
- Blue Cross has a contract with the Centers for Medicare and Medicaid (CMS) to provide health care for its members
- The PFFS program does not use a contracted network

presentations



Blue Cross - Private Fee For Service Plans

- ▶ You may receive care services from any licensed doctor you choose as long as your doctor participates in Original Medicare and is willing to accept the terms and conditions of Blue Cross.
- ▶ Additional benefits and services not traditionally covered by Original Medicare
- ▶ Freedom to travel and have comprehensive benefits world-wide

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Health Plan Effective Dates

- ▶ Active employee coverage ends on the last day of the month in which you remain an active employee
- ▶ Retiree coverage starts on the first day of the month following your separation date
- ▶ Example
 - ▷ Last day of work: June 15
 - ▷ Active coverage ends June 30
 - ▷ Retiree coverage starts July 1

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Enrollment Process

- ▶ **Step 2: Elect your retiree health plan coverage** within 30 days from the date on your Benefits Enrollment Summary
- ▶ To enroll
 - ▷ Use the Benefits Center Web Site, or
 - ▷ Call the Benefits Resources Line
- ▶ If you make no new elections, you receive automatic coverage as shown on your Benefits Enrollment Summary

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Enrollment Process

- ▶ **Step 3: Review your *two* confirmation statements and report any errors to elections you've made within 10 business days**
 - ▷ First statement follows health plan selection
 - Coverage changes are *pending until you actually retire*
 - ▷ Second statement follows separation/retirement date
 - Coverage changes are *activated*

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Enrollment Process

▶ **Step 4: Pay your share of the premiums**

- ▶ Initially you are billed directly for your retiree health plan premium (if applicable)
- ▶ Between 60 – 90 days after you retire automatic pension deductions will occur on your monthly pension check.

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Enrollment Process

▶ Immediate Retirement

- ▶ Benefits Center may not recognize you as an “Intent to Retire”; will only see termination notification from agency
- ▶ Inform Benefits Center of late notification to OCERS
- ▶ May have appearance of lapse in coverage
- ▶ If you need immediate services or a prescription drug filled, work with Specialist at Benefits Center
- ▶ Note: If you switch to an HMO plan upon retirement, you may be required to use Primary Care Physician

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Health Plan ID Cards

- ▶ If you switch to a different health plan
 - ▷ New health plan ID cards are mailed within 30 days of second confirmation statement
 - ▷ If you do not receive your ID cards, contact the health plan
 - ▷ If you need to use your medical or prescription drug benefits before your ID card arrives, call the Benefit Resource Line to have your coverage verified with your provider or pharmacy

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Call: To Enroll by Phone

- ▶ **1-866-325-2345 toll-free**
- ▶ Use the automated phone system 24 hours a day, 7 days a week to
 - ▷ Change your PIN
 - ▷ Transfer to Health Plan Administrators
- ▶ Speak with a Benefits Specialist (weekdays, 7:30 a.m.-5:30 p.m.):
 - ▷ To add/change dependents
 - ▷ Ask questions about benefits or enrollment



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2009 Retiree Medical Grant

- ▶ Retiree and dependent spouse must enroll in Medicare Part A (if eligible at no cost) and **must** be enrolled in Part B to receive the Grant
- ▶ Must self-identify if Part B only
- ▶ For 2009, \$17.69 per month for each year of County service to a maximum of 25 years. The amount of your monthly grant will depend upon a variety of factors
- ▶ 50% reduction in monthly grant when you become eligible for Medicare Parts A & B
- ▶ **Everyone** is eligible for Medicare Part B

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Monthly Grant

- ▶ For County health plan premiums
- ▶ For retiree and spouse Medicare premiums (if not reimbursed elsewhere)
- ▶ Medicare reimbursement only option
- ▶ Tax-free benefit, therefore cannot exceed health plan and Medicare premiums

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Monthly Grant Amount

- ▶ Employees retiring before age 60 will have a 7.5% reduction in the monthly grant for each year retiring before age 60.
- ▶ Employees retiring at age 60, no grant adjustment
- ▶ Employees retiring at age 61 or later will have a 7.5% increase in the monthly grant for each year retiring at age 61 through age 70.
- ▶ Maximum annual grant adjustment: capped at 3%.
- ▶ 50% reduction in monthly grant when you become eligible for Medicare Parts A & B.
 - ▷ Health plan premiums will be reduced when you become Medicare eligible.



Net Health Plan Premium

- ▶ Full health plan premium less grant amount determines your monthly net premium cost
- ▶ Premium rates and grants may change (annually and upon reaching age 65 or becoming Medicare eligible)
- ▶ All retirees will have split pool rates
 - ▷ Split pool rates are rates for retirees as an individual group and not combined with active employee rates
- ▶ The County maintains the discretion to set the rates and make changes to the plans in the future.

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Grant and Survivors

- ▶ Benefits for survivors of covered retirees
 - ▷ Must contact Benefits Center to activate survivor benefits
 - ▷ Continued coverage for dependents covered by retiree's health plan at the time of death
 - ▷ Survivor's grant equal to 50% of retiree's grant
 - ▷ Must receive an OCERS pension check

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Retirees and Medicare

- ▶ Medicare enrollment **required** for retiree and covered spouse age 65 and older
 - ▷ Medicare Part A: Required if you are eligible for it at no cost
 - ▷ Medicare Part B: Required; everyone is eligible for Part B
- ▶ Medicare enrollment is required if you are employed and covered by your employer's health plan
- ▶ Enroll in Medicare
 - ▷ 90 days prior to retirement (if already age 65), or
 - ▷ 90 days prior to 65th birthday
 - ▷ Provide Medicare documentation to Benefits Center

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Retirees and Medicare

▶ If you don't enroll in Medicare:

▶ Medical grant suspended

▶ You pay higher premiums, Non-Medicare Premium rate, until proof of Medicare enrollment is received by the Benefits Center

▶ May be responsible for any adjustments related to health plan premiums and Grant if you lose Medicare Part B eligibility or if you do not self-identify as Part B only

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Retirees and Medicare

- ▶ It is your responsibility to enroll, maintain and continue payment for your Medicare Part B. If you neglect to enroll in, maintain or continue payment for your Medicare Part B, this will impact your enrollment in the Retiree Medical Program.
 - ▷ Grant will be suspended
 - ▷ Non-Medicare rates will apply (Higher Premiums)

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Medicare Part D Prescription Drug Coverage

- ▶ If you or any of your dependents are eligible for Medicare, you have probably received information from Medicare and various prescription drug plans about enrolling in the Medicare prescription drug coverage
 - ▶ **▶ Creditable Coverage letters will be mailed to eligible participants by the Benefits Center to your home address.**
 - ▶ Premier Wellwise, CIGNA, Exclusive Care Select, Blue Cross HMO plan members should not enroll in a Medicare prescription drug plan because their County prescription drug coverage is better than Medicare's

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Medicare Part D Prescription Drug Coverage

- ▶ Kaiser Senior Advantage or Blue Cross Private Fee for Service (PFFS) plan members do not have to enroll in a Medicare prescription drug plan because the health plan will automatically enroll you in these benefits. Enrollment in Medicare Part D may make you ineligible for these health plans
- ▶ Medicare-eligible Premier Sharewell members *should consider enrolling* in a Medicare prescription drug plan because Medicare Part D provides additional prescription drug benefits and to avoid potential late enrollment penalties

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Medicare

- ▶ Medicare is primary
 - ▷ Claims must be submitted to Medicare first

- ▶ County of Orange Health Plan is secondary
 - ▷ Send Medicare “Explanation of Benefits” and itemized bill to Claims Administrator

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Medicare and Retiree Health Plans

- ▶ Medicare is primary with all health plans but not assigned to these health plans:
 - Premier Wellwise PPO
 - Premier Sharewell PPO
 - Exclusive Care Select PPO
 - CIGNA HMO
- ▶ Medicare must be assigned to:
 - Kaiser Senior Advantage HMO
 - Blue Cross SmartValue Custom PFFS
 - Blue Cross SmartValue Standard PFFS

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Medicare and Kaiser

- ▶ A Kaiser Permanente Senior Advantage (KPSA) Enrollment form is sent with 1st benefits confirmation statement; complete the form and return it to the address on the form
- ▶ For more forms, contact Benefits Resource Line
- ▶ Failure to complete/return enrollment form - default to Premier Wellwise PPO Health Plan
- ▶ Pending status – You will remain in your current plan and pay applicable premiums until approved based upon your Medicare status
- ▶ Benefits Center will inform you of approval or denial with confirmation statement

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Medicare and Private Fee for Service Plans (PFFS)

- ▶ Your election via the Web Site or speaking to a Benefits Specialist will enroll you into this plan.
- ▶ If Blue Cross contacts you by phone in regards to your enrollment, please respond timely.
- ▶ No enrollment form is necessary, done electronically

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Medicare Advantage Plan Process

- ▶ The Centers for Medicare and Medicaid (CMS) must approve enrollment in a Medicare assignment plan. If not approved timely, you will either remain in your current plan or be defaulted into the Premier Wellwise PPO, based on the reason for the CMS denial. Denials due to non-payment of Medicare Part B may result in suspension of your Grant and/or late enrollment penalties. You may also be responsible for payment of services accessed.

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County of Orange Benefits Center

▶ www.benefitsweb.com/countyoforange.html

▶ Benefits Resource Line: 1-866-325-2345

▶ FAX: 1-973-837-3330

▶ Mailing address:

PO Box 436

Little Falls, NJ 07424

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Benefits Billing Services

▶ www.ceridian-benefits.com

▶ Phone: 1-800-995-9935

▶ Mailing address:

P. O. Box 534011

St. Petersburg, FL 33747-4011

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Premier Wellwise & Premier Sharewell Plans

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- ▶ Blue Shield of California Plan Administrators
 - ▷ Benefits, preferred providers, hospital information
 - ▷ www.blueshieldca.com/oc
 - ▷ Phone: 1-888-235-1767
- ▶ Walgreens (WHI) – Premier Wellwise Plan Participants
 - ▷ Prescription drug information
 - ▷ www.mywhi.com
 - ▷ Phone: 1-800-573-3583



Exclusive Care Select PPO Plan

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▶ www.exclusivecare.com

▶ Phone: 1-800-962-1133



Private-Fee-For-Service Plan (PFFS)

- ▶ Blue Cross (SmartValue Custom Plan & SmartValue Standard Plan)

- ▷ www.anthem.com/ca/countyoforange

- ▷ Phone: 1-877-326-2201

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HMO Plans

- ▶ CIGNA: www.cigna.com/countyoforange
Phone: 1-800-244-6224
- ▶ Kaiser: www.kaiserpermanente.org
Phone: 1-800-464-4000
- ▶ VSP (Vision Plan): www.vsp.com
Phone: 1-800-877-7195
- ▶ ASHP (Chiropractic): www.ashcompanies.com
Phone: 1-800-678-9133



HMO Plans

- ▶ Blue Cross HMO Health Plans (Traditional & Select)

▶ www.anthem.com/ca/countyoforange

Phone: 1-800-700-2541

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OCERS

(Orange County Employee Retirement System)

- ▲ Phone: 1-714-558-6200 or
- ▲ 1-888-570-6277

REAOC

(Retired Employees Assoc of Orange County)

Phone: 1-714-840-3995

Social Security Administration

Phone: 1-800-772-1213

AOCDS

(Assoc of Orange County Deputy Sheriffs)

Phone: 1-714-285-2800

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Employee Benefits Web Site

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www.oc.ca.gov/hr/employeebenefits

- ▶ For general information about your County of Orange benefits



Summary

Enrollment Process

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Enrollment Process

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- ▶ **Step 1:** Meet with OCERS 60 days before your last day at work
- ▶ **Step 2:** Elect your retiree health plan coverage within 30 days from the date on your Benefits Enrollment Summary
- ▶ **Step 3:** Review your *two* confirmation statements and report any errors to elections you've made within 10 business days
- ▶ **Step 4:** Pay your share of the premiums (if applicable)



Questions?

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