

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Administration

Office of Employee Benefits

One Capitol Hill

Providence, RI 02908-5860

Office: (401) 222-3160

Fax: (401) 222-2964



To: Retirees Eligible for the State of Rhode Island “Early Retiree” Medical Plan

Date: November 5, 2008

Re: **Open Enrollment and Co-pay Changes for the “Early Retiree” Medical Plan**

The annual retiree medical open enrollment will take place from November 17, 2008 – December 15, 2008. Please see the attached pages for details regarding the open enrollment period and upcoming informational meetings.

Effective January 1, 2009, the following co-pays will change in the Early Retiree plan:

- Urgent Care co-pay will increase from \$10 to \$35.
- Emergency room co-pay will increase from \$25 to \$100 (Co-pay is waived if you are admitted to the hospital.)
- Specialist office visit co-pay will increase from \$10 to \$20 (includes all physicians other than primary care physicians) Note: Primary Care office visit co-pay will remain at \$10 (includes internal medicine, family practice, pediatrics and geriatrics)
- The prescription drug co-pay for a 31-day supply will change from 20% to a 3-tier structure as follows:

| Tier 1 | Tier 2 | Tier 3 |
|--------|---------|---------|
| \$5.00 | \$20.00 | \$40.00 |
- Mail-order network pharmacies: A three-month supply of a prescription drug may be obtained with payment of two co-payments. The maximum fill is a three-month supply. (Mail order forms are on-line at www.employeebenefits.ri.gov. or by calling UHC at 1-877-842-6048)

Please read the *Frequently Asked Questions* on the reverse side for additional details on the plan changes.

Contact UnitedHealthcare Customer Service at 1-866-202-0434 if you have additional questions about the benefit plan.

Frequently Asked Questions: “Early Retiree” Plan Changes

Q. Will I see any change in my medical premiums due to the changes?

A. Yes. You will see a slight reduction because the subsidized premium cost decreased from \$497.51 to \$481.28 for an individual plan.

Q. Will I receive a new card?

A. Yes. The new card will list the new Office Visit, Urgent Care, and Emergency Services co-payments.

Q. What should I do if I do not receive a new card, or if I need additional cards?

A. It is expected that you will receive your new card by December 30, 2008. If you do not receive your new ID card by January 1st, you may print a temporary card from www.myuhc.com and order a new one, or you may call Customer Service at 1-866-202-0434 to order. This also applies if you need additional cards.

Q. Will my Subscriber Identification number change?

A. No. Your Subscriber ID number will not change.

Q. Should I throw my old Identification Card away?

A. Yes. After you receive your new ID card, cut up your old card and discard it.

Q. What happens if I use my old card after I am on the new plan?

A. Your physician might charge you the old co-payments at the time of service and then bill you the remainder once the claim is processed and the new co-payments are assessed. For example, if you use your old card and pay a \$10 co-payment to a Specialist, you may receive a bill at a later date for the remaining \$10.

Q. Since there will be a split co-payment structure for Primary Care Physicians (\$10) and Specialists (\$20), which providers are considered to be Primary Care Physicians (PCP's)?

A. Internal Medicine, Family Practice, Pediatrics, and Geriatrics fall under Primary Care. All other disciplines are considered Specialists, including Behavioral Health, Neurology, Obstetrics/Gynecology, Allergy, Endocrinology, Chiropractic, Podiatry, Nutrition, Oncology, etc. . .

Q. Do I have to pay \$20 when I go for my annual OB/GYN appointment?

A. No. There is no co-payment for an annual OB/GYN routine care visit. If you go to your OB/GYN for a “sick visit” you will be required to pay the \$20 co-payment for a specialist visit.

Q. If I take a maintenance medication I can save money by going through Mail Order. How do I obtain a Mail Order Form? How do I set this up?

A. You can print a Mail Order form from the Employee Benefits website www.employeebenefits.ri.gov. Additionally, you can request a Mail Order form be mailed to you by calling the UnitedHealthcare Prescription Drug Program at 1-877-842-6048. Say, “Representative”, and you will be transferred to a Customer Service Representative who can order forms for you, assist you with completing one, and answer any other pharmacy related questions.

Q. How can I find out what Tier my medication is on?

A. Log onto www.myuhc.com. Select “Refill a Prescription” on the Home Page. Select “Price a medication” to enter the name of your medication. The Tier placement and cost of the medication will be displayed. You can also call the UnitedHealthcare Prescription Drug Program at 1-877-842-6048.

Q. How do I determine if there are any generic/lower cost alternative drug options available for my prescription drugs?

A. It is recommended that you discuss generic/lower cost alternative drug options with your physician. To obtain a Prescription Drug List (PDL) to take to your physician go to www.myuhc.com. DO NOT log on with your username and password. See “Links and Tools” on the upper right. Click onto “Prescription Drug Information;” then select “Prescription Drug List.” This is UnitedHealthcare’s general PDL. While it is not specific to the State of RI it is a good reference for a discussion with your physician.



STATE OF RHODE ISLAND RETIREE HEALTH CARE

OPEN ENROLLMENT 2009

**INFORMATIONAL SESSIONS for those retirees under age 65 or
not eligible for Medicare**

November 17, 2008

**Madeira Restaurant
288 Warren Ave.
East Providence**

November 18, 2008

**Jacky's Galaxie
383 Metacom Ave.
Bristol**

November 19, 2008

**Crowne Plaza
801 Greenwich Ave.
Warwick**

November 20, 2008

**Holiday Inn Express
194 Fortin St.
Woonsocket**

November 21, 2008

**Ivy Garden / Formerly
Evelyn's Villa Restaurant
272 Cowesett Ave.
West Warwick**

November 24, 2008

**Holiday Inn
3009 Tower Hill Rd.
South Kingstown**

Presentations will be at 1:30 p.m. at each location.

**Representatives, enrollment forms, and plan information available
from 1:00 p.m. – 3:00 p.m.**

Reasonable accommodations are provided for individuals with disabilities, upon request, by calling (401) 222-3160 or TYY via 711, *at least 72 hours prior to the event.*

NOTE: If you and/or your spouse currently have a state retiree health plan and do not want to change plans, you do not need to do anything. Your current coverage will continue without interruption.

IMPORTANT ENROLLMENT INFORMATION:

- Enroll at any of the meetings. If you have questions after reading the enclosed information, attend a meeting and ask the UnitedHealthcare representatives your questions regarding medical benefit coverage.
- If you wish to make changes to your current medical election, you may call 222-3160 and leave your name, address, phone number, and request that an “Open Enrollment” form be mailed to you. Each person enrolled (for example, you and your spouse) must complete a separate form, and family enrollment requires a family form. Please leave your phone number so we can call you if we have questions. We will promptly mail you the appropriate enrollment forms.
- Health plan changes will NOT be accepted over the telephone.

IMPORTANT DATES:

- You may choose a plan for 2009 only during this Open Enrollment period from 11/17/08 to 12/15/08. This is the only time to change or enroll in a health plan for 2009. Coverage will be effective January 1, 2009.
- Enrollment forms must be received at the Office of Employee Benefits by December 15, 2008:

Department of Administration
Office of Employee Benefits
One Capitol Hill
Providence, RI 02908-5864
- Your pension benefit for the month ending December 31, 2008, will reflect the deduction for your health plan’s January premium.

ADDITIONAL INFORMATION:

For Medical Plan Information:

UnitedHealthcare

Toll free: 1-866-202-0434

For Enrollment Forms:

401-222-3160

For additional information on the State’s Retiree Health coverage go to www.ersri.org.

STATE SUBSIDIES FOR RETIREE MEDICAL:

Some state retirees - and only state retirees - are eligible for state-paid medical coverage based on their date of retirement and their age.

Subsidy for Retirees with a Date of Retirement on or after 10/01/08

State pays 80% of the cost of the selected plan for those state retirees with 20+ years of creditable service provided the retiree is at least 59 years old.

| <u>Service</u> | <u>Age</u> | <u>State</u> | <u>Retiree</u> |
|----------------|------------|--------------|----------------|
| 20+ | 59 | 80% | 20% |

Retirement Dates 7/1/89-09/30/08

| <u>Service</u> | <u>Age</u> | <u>State</u> | <u>Retiree</u> |
|----------------|------------|--------------|----------------|
| 10-15 | 60 | 50% | 50% |
| 16-22 | 60 | 70% | 30% |
| 23-27 | 60 | 80% | 20% |
| 28+ | <60 | 90% | 10% |
| 28+ | 60 | 100% | 0% |
| 35+ | Any | 100% | 0% |

At Age 65

| <u>Service</u> | <u>Age</u> | <u>State</u> | <u>Retiree</u> |
|----------------|------------|--------------|----------------|
| 10-15 | 65 | 50% | 50% |
| 16-19 | 65 | 70% | 30% |
| 20-27 | 65 | 90% | 10% |
| 28+ | 65 | 100% | 0% |
| | | | |
| | | | |

Retirement Dates 1/1/89-6/30/89

| <u>Service</u> | <u>Age</u> | <u>State</u> | <u>Retiree</u> |
|----------------|------------|--------------|----------------|
| 10-15 | 60 | 50% | 50% |
| 16-22 | 60 | 70% | 30% |
| 23-29 | 60 | 80% | 20% |
| 30+ | <60 | 90% | 10% |
| 30+ | 60 | 100% | 0% |
| 35 | Any | 100% | 0% |

At Age 65

| <u>Service</u> | <u>Age</u> | <u>State</u> | <u>Retiree</u> |
|----------------|------------|--------------|----------------|
| 10-15 | 65 | 50% | 50% |
| 16-19 | 65 | 70% | 30% |
| 20-29 | 65 | 90% | 10% |
| 30+ | 65 | 100% | 0% |
| | | | |
| | | | |

Retirement Dates 1/1/87-12/31/88 (applicable only to members of certain unions)

State pays 50% of plan until age 65 and 50% of Medigap plan at age 65

Retirement Dates 7/6/86 - 12/31/86

State pays 100% of plan until age 65 and 100% of Medigap plan at age 65

2009 MONTHLY PREMIUMS: United “Early Retiree Plan”

(Only applicable for eligible retirees with a retirement date prior to 10/01/08)

Cost Per Month (1/1/09 - 6/30/09)

Rates will change 7/1/09

Individual ... Subsidized Premium \$481.28

Family Subsidized Premium \$1,349.19

How much of the plan cost will I pay?

If you are a State Retiree (not a teacher) and the State pays toward your health coverage, you will pay a percentage of the state subsidized premium above. See the chart on the back of this page to determine your share of the state subsidized premium.

Can my spouse and I have different coverage?

Yes. A Retiree and his/her spouse can select different health plans, if they so choose. If one is Medicare eligible and the other is not, one person may be in an “over 65” plan and the other in an “under 65” plan. A spouse may be covered individually even if the retiree does not opt for coverage.

Can retired teachers join the state retiree health plan during Open Enrollment?

Yes. Teachers pay 100% of the subsidized premium above.

Can I get Family Coverage? Yes. You must fill out a family application if you wish to cover children. It is the retiree’s responsibility to notify the Office of Employee Benefits in writing when children are no longer eligible.

What if I will turn age 65 during 2009 and I am currently covered by a State retirement plan or have State COBRA medical coverage? You will be sent an informational/enrollment packet 60 days prior to your 65th birthday. You cannot make an age 65 enrollment election in advance of your 65th birthday during the current open enrollment period.