

HealthMatters



April 2019

Number 32

Retiree Health Plan Advisory Board

The Retiree Health Plan Advisory Board (RHPAB) was created through Administrative Order No. 288 on September 29, 2017 to facilitate engagement and coordination between the State of Alaska's retirement systems' members, the Alaska Retirement Management Board, and the Commissioner of Administration regarding the administration of the retiree health plans.

Retiree health plan benefits are protected under Alaska's constitution, and it's the Division of Retirement and Benefits' job to ensure those benefits remain protected and sustained. The AlaskaCare Defined Benefit retiree health plan went into effect in 1975 and provides valuable benefits for retirees and their dependents necessary for the diagnosis and treatment of an injury or disease. While the Defined Benefit retiree health plan has evolved over the years to adopt some mainstream health benefits, the current plan contains many dated plan provisions that have been phased out of most health plans available today, such as limited coverage preventive care and a lifetime benefit maximum. Many members have expressed a desire to see the inclusion of more modern provisions in the Defined Benefit retiree health plan. Together with the RHPAB, the Division is working to develop and evaluate new proposals

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Enhanced Group Waiver Program

The Employer Group Waiver Program, known as an EGWP or "Egg Whip," is a program offered by the Centers for Medicare & Medicaid Services (also known as CMS, or Medicare) that supplies increased federal subsidies for prescription drugs to employers as an incentive to provide prescription drug coverage to retirees. On January 1, 2019, AlaskaCare implemented an enhanced EGWP in the retiree health plans. An enhanced EGWP (like the AlaskaCare EGWP) includes medications covered under Medicare Part D as well as any medications covered under the AlaskaCare retiree health plan that are not typically covered by Medicare. The additional enhanced coverage is also called a "wrap" and ensures that the prescription drugs covered under the AlaskaCare plan before EGWP, remain covered today.



As a result of the adoption of the enhanced EGWP, the Division expanded coverage of vaccines covered by Medicare Part D to both Medicare-eligible and non-Medicare eligible retirees. Common vaccines that have been added to the AlaskaCare retiree pharmacy benefit include shingles, diphtheria, tetanus, measles-mumps-rubella (MMR), polio, hepatitis, and human papillomavirus (HPV).

Implementing the enhanced EGWP was an administrative change to how pharmacy benefits were previously managed for Medicare-eligible retirees and dependents. The Division must manage the health plan to ensure retirees can access their earned benefits throughout the entire course of their life, and the AlaskaCare EGWP allows the State to keep existing pharmacy benefits for Medicare-eligible retirees and beneficiaries, while increasing federal reimbursement of existing costs, reducing the State's direct costs for these benefits in the long-term. The AlaskaCare EGWP is just one way the Division has reduced the cost of health care while maintaining or improving benefits for retirees. Our goal is to improve, protect, and sustain the health plan as it continues to offer high-quality benefits for current and future generations of retirees.

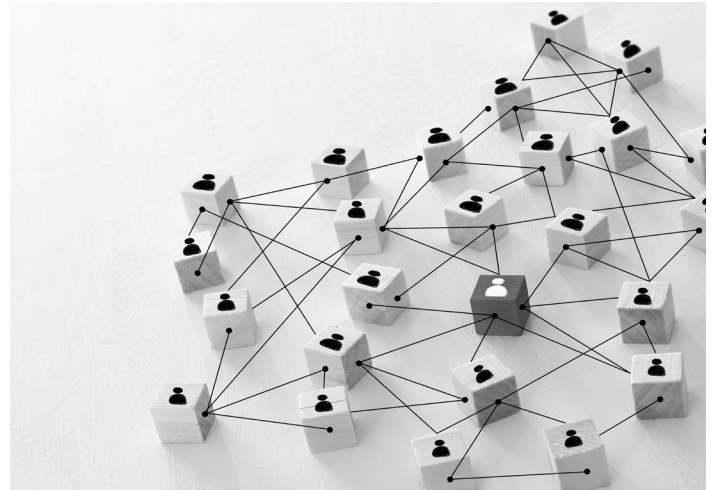
Keyword of the Month: Coordination of Benefits

The world of health care is complex and uses a lot of jargon. You don't need to be a health care specialist to get the most out of your benefits, but knowing some of the technical terms makes it a little less mysterious. This month's keyword is Coordination of Benefits.

Coordination of Benefits (COB) is a method of paying claims when you or your covered dependents have more than one health coverage plan. The AlaskaCare health plans coordinate benefits with other group health care plans to which you or your covered dependents belong. Coordination of benefits can be very confusing, even for people who work at a physician's office.

With COB, if you are covered by more than one health care plan, the plans work together to provide benefits. One plan is considered "primary," and pays your covered expenses first. The other plan is "secondary," and, depending on the plan's COB provisions, may pay a portion or may pay any remaining covered expenses up to 100% of the recognized charge. In some cases, there may be a third or fourth plan coordinating to cover your costs.

The AlaskaCare plan is supplemental to Medicare. This means that once members become Medicare-eligible and enroll in Medicare, Medicare will pay first and AlaskaCare will



coordinate to pay up to 100% of the recognized charge, less any deductible not yet met. If a Medicare-eligible member chooses not to enroll in Medicare, the AlaskaCare plan will estimate what Medicare would have paid and deduct that amount before paying covered expenses.

It is important to remember that not all expenses are covered expenses. In addition, each plan may have its own separate deductibles that may have to be satisfied independent of each other. The plans will likely also have independent and different copayments, coinsurance rates, and annual out-of-pocket limits. 🍇

EGWP Enrollees: What Do You Need to Know About IRMAA?

Certain high-income retirees who are Medicare-eligible and enrolled in the AlaskaCare enhanced Employer Group Waiver Program (EGWP) pharmacy plan are required to pay a premium surcharge associated with Medicare Part D plans, known as an Income Related Monthly Adjustment Amount, or IRMAA. This is required by Medicare and is the same type of surcharge that high-income enrollees already pay for a Medicare Part B plan. If you are an individual earning more than \$85,000 per year or a married couple who earns more than \$170,000 per year, you will be required to pay the IRMAA; retirees enrolled in EGWP and whose household income is below this threshold will not be subject to the IRMAA premium surcharge. If you are required to pay the Medicare Part D IRMAA premium surcharge, the Division will reimburse you for the amount you are charged each month through a tax-advantaged health reimbursement arrangement (HRA) account, so the EGWP plan has no additional cost to you!

Each November, Medicare-eligible individuals receive a letter from Social Security that outlines your Medicare premiums. Please submit the most recent letter you've received from Social Security that states you are subject to IRMAA surcharge for 2019, and at what amount, to the Division.

You can provide a copy of your letter to the Division by:

- Emailing a copy or a photo of the letter to: doa.drb.irmaa@alaska.gov
- Faxing a copy to: (907) 465-3086
- Mailing a copy to: Alaska Department of Administration
Division of Retirement and Benefits
P.O. Box 110203
Juneau, AK 99811-0203

Once the Division receives a copy of your annual letter sent from Social Security, we will establish an HRA for you through PayFlex, Aetna's subsidiary that administers the HRA on behalf of AlaskaCare. PayFlex will send you a letter that outlines how to access your HRA account information and how to set up claims for reimbursement. We encourage you to set up reimbursement on an automatic recurring basis. Reimbursement can be made by check or through electronic funds transfer.

New enrollments are processed weekly after they are received by PayFlex, with a follow-up to the member within 10 business days. If you submitted your information more than two weeks ago, but have not yet received a welcome kit, please contact PayFlex at (888) 678-8242. You can also email the Division at doa.drb.irmaa@alaska.gov to check on your paperwork. 🍇

Teladoc: An Easy-to-Use and Low-Cost Option for Receiving Care

AlaskaCare Employee Health Plan members have easy access to Teladoc Telehealth Services.

Not Feeling Well?

You can connect with a doctor via phone or video call 24 hours a day, 365 days a year. Teladoc doctors can diagnose many health issues like sinus problems, respiratory infection, allergies, flu symptoms, and many other non-emergency illnesses.

Visit

Schedule a consult through Teladoc and a doctor will call you back in minutes. Talk to the doctor, take as much time as you need...there's no limit. The fee to the member is a \$5.00 copay for General Medical Consultations.

Resolve

If medically necessary, a prescription will be sent to the pharmacy of your choice. Teladoc is a convenient and affordable way to receive care wherever you are and whenever you need it.

Feel Better

It's that easy! Register today.

- Online: [Teladoc.com/Aetna](https://teladoc.com/Aetna)
- Mobile App: [Teladoc.com/mobile](https://teladoc.com/mobile)
- Phone: (855) TELADOC (835-2362)

Employee Assistance Program

For AlaskaCare Employee Health Plan members, the Employee Assistance Program (EAP) offers a confidential counseling service that is free of charge to you and your dependents, administered by Aetna.

This service provides assessment, treatment, and referral services and covers up to eight counseling sessions per problem, per benefit year. The program is geared to provide assistance with difficulties that you may encounter at work, stress, emotional, family or relationship problems, and drug and alcohol abuse.

Some of the areas the EAP can help with include:

- Personal balance
- Emotional wellness
- Relationship issues
- Family issues
- Communication skills
- Stress management
- Alcohol and drug issues
- Work-related issues
- Grief issues
- Financial and legal concern

Your call or visit to an EAP counselor is completely confidential. Unless you choose to tell others, no one needs to know about your EAP counseling sessions. Discussions with an EAP counselor are confidential except as required by law.

EAP staff is available 24 hours a day, 7 days a week, 365 days a year. Call the AlaskaCare EAP at (855) 417-2493 or visit AlaskaCare.gov for more information. 🍇

SurgeryPlus Medical Travel Benefit

Are you planning for an upcoming surgical procedure? Consider using SurgeryPlus to access top-quality providers and reduce your costs.

AlaskaCare Employee Health Plan members and their eligible dependents have access to SurgeryPlus: a convenient and cost-effective travel benefit for non-emergent surgeries. SurgeryPlus offers a network of premier, high-quality medical providers across 40 states with experience in 350+ procedure types. SurgeryPlus' dedicated Care Advocates provide enhanced concierge services designed to save members time and money by assisting with all aspects of the procedure from locating a provider, to scheduling appointments and coordinating medical

record transfers, to arranging and booking your travel. Not only does SurgeryPlus keep your costs down by paying for your travel and accommodations up front and providing you with a pre-loaded debit card to cover your meals, but 100% of coinsurance is waived for covered eligible procedures. Once you meet your deductible, you receive care and travel through SurgeryPlus at no additional cost to you!



To get started, call SurgeryPlus directly at (855) 715-1680. 🍇

Retiree Health Plan Advisory Board

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that would help modernize the plan while sustaining the overall benefit level and implement standard cost saving mechanisms lacking in the plan today. The partnership between RHPAB and the Division will help align the plan with the current healthcare environment.

The collaboration between the RHPAB and the Division has

already produced favorable results. An example of a recent change is the roll-out of the enhanced Employee Group Waiver Program (EGWP) in the AlaskaCare retiree prescription drug plans. After extensive evaluation and consideration of the impacts, the board voted in favor of implementing EGWP effective January 1, 2019, bringing significant savings to the health trust while maintaining and in some cases enhancing pre-EGWP pharmacy benefit levels. 🍇



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Published by

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The Alaska Department of Administration complies with Title II of the 1990 Americans with Disabilities Act (ADA). This health newsletter is available in alternative communication formats upon request. To make necessary arrangements, contact the ADA Coordinator for the Division of Retirement and Benefits at (907) 465-4460 or contact the TDD for the hearing impaired at (907) 465-2805.

Disclaimer: Information in this newsletter summarizes the plan provisions, is supplemental only, and does not supersede the applicable Information Booklet's provisions. The Division is unable to unsubscribe members from our mailing list at this time.

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Health Benefit Contact Information

Division of Retirement and Benefits

Member Services Contact Center: (907) 465-4460 | Toll Free: (800) 821-2251

Medical Benefits: Aetna Concierge

Member Services: (855) 784-8646

Dental Benefits: Moda/Delta Dental

Member Services: (855) 718-1768

Pharmacy Benefits: OptumRx

Member Services: (855) 409-6999

Specialty Pharmacy: BriovaRx

Enrollment Services: (855) 427-4682

Long Term Care Benefits: CHCS Services, Inc.

Member Services: (888) 287-7116

