

2016

Retiree Health Insurance Program

Open Enrollment

Introductions

- Anthem – Jim Mueller
- Willis – Karen Kuxhaus & Clare Ott
- Allied Senior Services – Team Blawat

- City of West Allis Representatives...
Jane Barwick & Audrey Key

Agenda

- General Points of Interest
 - Beneficiaries
 - Eligibility for Medicaid/Title 19/Medicare Parts A &/or B
 - Change in Status
 - Protective Service Retirees – payment of insurance premiums from pension
- Health Care Reform
- City's Plan Offerings & Monthly Premium Rates
 - PPO Plan
 - High Deductible Health Plan (HDHP)
 - HSA (Health Savings Account)
- Alternatives to the City's Plan Offerings

Are Your Beneficiaries Up to Date?

- **WRS** – contact the WI Department of Employee Trust Funds (ETF)
- **Life Insurance through the City** – contact the WI Department of Employee Trust Funds (ETF)
- **Deferred Compensation** – contact appropriate provider (ICMA, Metlife, or WI Deferred Comp [ETF])

Eligibility for...

Medicaid, Title 19, or Medicare Parts A &/or B

When you and/or your spouse/eligible dependent(s) become eligible for one of these programs, it is imperative you notify HR as soon as you receive your card/plan number.

Change in Status...

Notify HR within 30 days of a change in status:

- ✓ Address ("summer" or "winter")
- ✓ Telephone Number
- ✓ Attaining Medicare qualifying age (65)
- ✓ Spouse/Dependent no longer eligible
- ✓ POA handling your affairs – HR needs copy of legal document supporting POA

Protective Service Retirees

Per the federal Pension Protection Act, if paying health insurance premiums from your pension:

- ✓ may exclude up to \$3,000 annually from gross taxable income for payment of health insurance premiums
- ✓ Tax exclusion applies to federal and WI income taxes
- ✓ Apply for tax exclusion on IRS form 1040 or Form 1040A income tax return

*federal law dictates eligibility

Health Care Reform - 2016

➤ Effective for tax year 2015:

- IRS requires issuance of **1095-C** Forms, *Employer-Provided Health Insurance Offer and Coverage Information*
- Purpose: must provide proof of employer sponsored coverage to all non-Medicare individuals who were enrolled in the City's health insurance program for one or more months during the 2015 calendar year
- **1095-C** Forms to be issued in February, 2016
- You *may* be required to provide this Form when filing 2015 income taxes
- Questions/concerns, contact the Finance Department

Looking Forward on HCR...

- Cadillac Tax
 - 40% tax on the amount of premiums above a predetermined threshold amount set by the federal government
 - Delayed implementation from 2018 to 2020

City's Health Insurance Plan Offerings



March 1, 2016 Plan Year

➤ **NEW** Medical Administrator:



➤ 2 Plan Options:

▪ Continuation of the PPO Plan

- Benefit levels remain dependent upon date of retirement
- **Attention retirees on or after 3-1-13!** Review the out-of-network benefits carefully as they have been adjusted

▪ Implementation of a High Deductible Health Plan (HDHP)...

- ...in conjunction with a Health Savings Account (HSA)
- Benefit levels are the same for all retirees, no matter when you retired

Monthly Premiums

PLAN TYPE	CURRENT PPO PLAN	PPO PLAN effective 3-1-16		HDHP effective 3-1-16	
		Retired Prior to 3-1-13	Retired On or After 3-1-13	Retired Prior to 3-1-13	Retired On or After 3-1-13
Individual Plan (not on Medicare)	\$ 819	\$ 768	\$ 625	\$ 768	\$ 805
2 Person Plan (not on Medicare)	\$1606	\$1506	\$1226	\$1506	\$1578
3 or more Person Plan (not on Medicare)	\$2350	\$2204	\$1795	\$2204	\$2310
Medicare Single	\$ 664	\$ 623	\$ 623	\$ 623	\$ 623
Medicare Family (2 on Medicare)	\$1359	\$1274	\$1274	\$1274	\$1274
Medicare Split (1 on Medicare/1 not on Medicare)	\$1468	\$1377	\$1377	\$1377	\$1377
Medicare Split with Dependents	\$2169	\$2034	\$2034	\$2034	\$2034
Medicare Family with Dependents	\$2083	\$1954	\$1954	\$1954	\$1954

NOTE: There is no change in the way your monthly premium is calculated.

Individual Rate Letters

- Letters prepared by Finance Department and were included in your Open Enrollment Packets
- Calculations based on capped rate and premium share at time of retirement OR if you &/or your spouse/dependent is on Medicare, then payable at 50%
- Premium payments are made by the 10th of the month for the following month's coverage

Both Plans Offer...

- 24/7 Nurseline (no cost)
- LiveHealth Online (PPO – office visit copay; HDHP - \$49)
- Discounts for various services
- Access to Anthem plan offerings via computer or mobile device ([anthem.com](https://www.anthem.com))
- New ID Cards
- Prescription Drug Program utilizing *Express Scripts* network

24/7 NurseLine

- Receive instant health care information
- Consult with registered nurses
- Available by phone 24 hours a day, toll-free



**With LiveHealth Online,
there's always a doctor in
the house. Or anywhere
you need care.**

- Interactions via video, chat or phone
- Accessibility anytime, anywhere
- No appointments or waiting rooms
- Providers can write prescriptions online
- A smart way to avoid costly ER or urgent care center visits for non-serious conditions
- Maximizes time, productivity for everyone
- It's a covered benefit, paid "in-network."



Live life to the fullest —
without paying full price

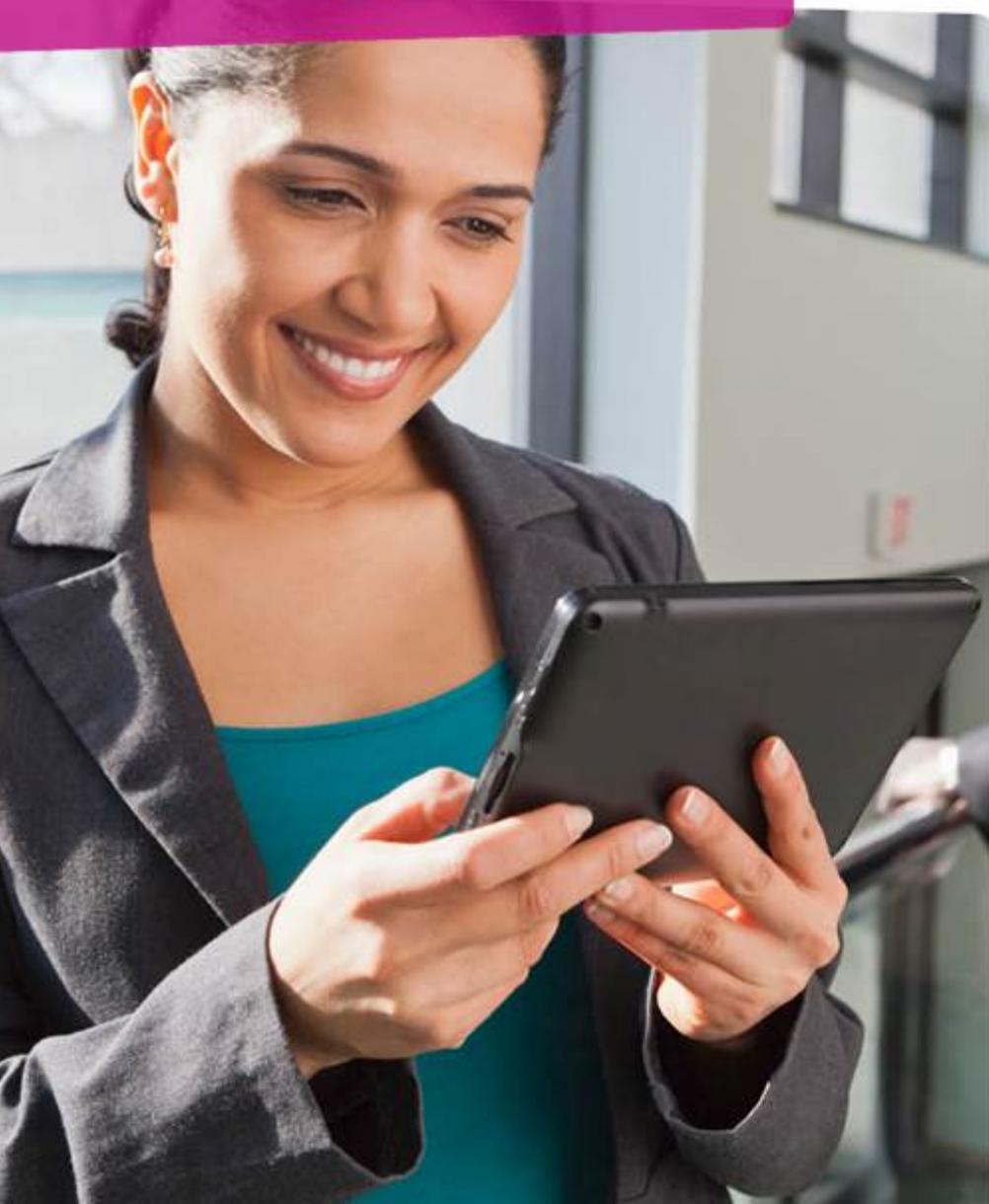


Save money with discounts at [anthem.com](https://www.anthem.com)

Saving money is good. Saving money on things that are good for you — that's even better. With SpecialOffers, you can access over 50 discounts on products and services that help promote better health and well-being. It's just one of the perks of being a member. Check out how much you can save:

1-800-Contacts, Glasses.com, Lasik, Hearing, Fitness & Health, Family & Home, Medicine, and More!

Tools to help you choose



Anthem.com

It's easy, convenient! Manage your health care simply online

Find a Doctor

Search for information about doctors in your area

Interactive Videos

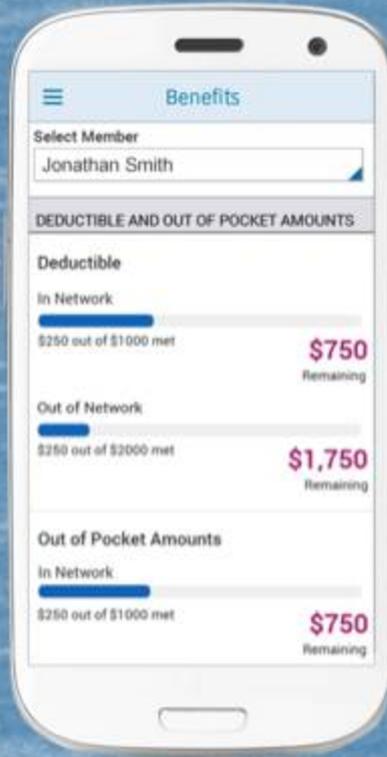
Learn more about your health plan and how to effectively use it

Health care you can carry in your pocket

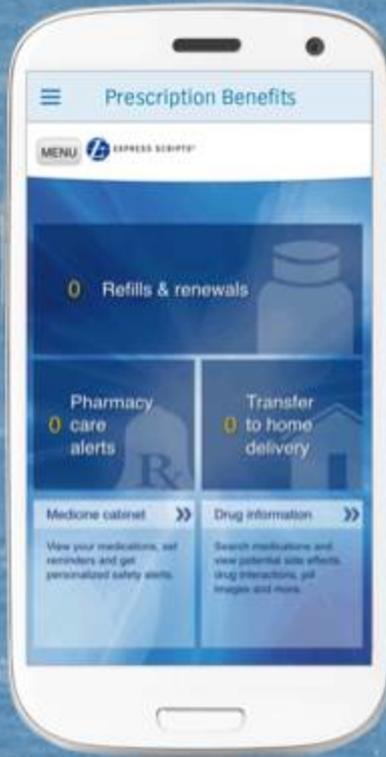
Manage your coverage, right from your smartphone.



VIEW YOUR ID CARDS



BENEFITS

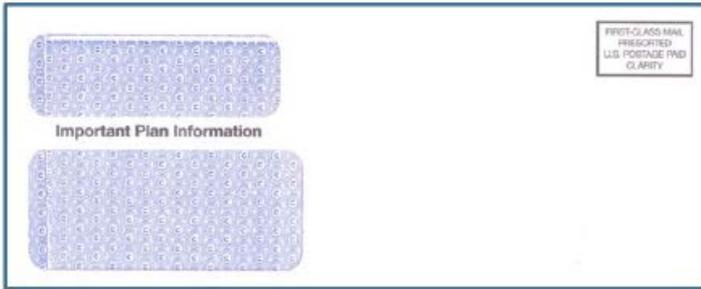


PRESCRIPTION BENEFITS



CLAIMS

ID Cards



ID Cards will arrive in your mail in an unmarked envelope; please watch for these!

Access your online services by registering at
[anthem.com/register](https://www.anthem.com/register)
 anytime after your coverage begins.

J10000001

CARD STOCK DETERMINED
BY STATE OF RESIDENCE

**John Q.
Member**
Identification Number
HXEAN0123456

Group:	004009922	Office Visit	\$25
Plan Codes:	834/332	Specialist	\$50
BIN#:	003858	Emergency Room	\$200
PCN:	A4	Urgent Care	\$75
RxGroup:	WL6A		

Issue Date:

CARD STOCK DETERMINED
BY STATE OF RESIDENCE

anthem.com

Member Services	1-844-409-7512
24/7 NurseLine	1-866-647-6120
Pre Certification	1-866-643-7087
Pharmacist Questions	1-800-824-0898
Coverage While Traveling	1-800-810-2583

Providers: If Medicare is primary, pre certification is not required.

Please file medical claims with the Blue Cross and Blue Shield plan in the state where the services are rendered. If Medicare is primary, file claims to Medicare.

View provider listings, benefits, claims, and health and wellness information 24 hours a day 7 days a week by visiting [anthem.com](https://www.anthem.com).

Possession of this card does not guarantee eligibility for benefits.

Benefits administered by Blue Cross Blue Shield of Wisconsin (BCBSWI). An independent licensee of the Blue Cross Blue Shield Association. BCBSWI provides administrative claims payment services only and does not assume any financial risk or obligation with respect to claims.

Additional ID Cards can be ordered on Anthem.com or requested through customer service once you receive your initial card. You may also print a temporary card online or access a 'virtual card' with Anthem's Mobile App.

Pharmacy Benefits



Pharmacy Benefits

- Both Plans utilize the *Express Scripts* network for retail and mail order pharmacy
- *Express Scripts* is a nationwide network
- Members currently using Rightsource's mail order and specialty pharmacy will be required to obtain all new prescriptions; retail prescriptions will transfer to Anthem
- Fill prescriptions at a retail pharmacy in the *Express Scripts* network or through *Express Scripts* mail order service in order to have prescriptions paid at the "in-network" benefit level (Note: the physician prescribing the medication does not have to be an in-network PPO or HDHP provider)

Pharmacy Benefits

➤ PPO PLAN

- Filled by *Express Script* network: subject to applicable copays
- Filled by non-*Express Script* network: subject to applicable deductible and coins
- Benefits:
 - Retirees prior to 3-1-13: RX paid according to pharmacy benefit levels in place at time of retirement
 - Retirees on or after 3-1-13: RX paid according to pharmacy benefit levels in place currently

➤ HDHP

- No copays; select pharmacy in *Express Scripts* network for greatest discounts
- Member pays (in- or out-of-network) applicable cost of medication until deductible is satisfied; thereafter, 20% (in-network) or 40% (out-of-network) up to the applicable out-of-pocket maximums

Pharmacy & Tools

Place mail order requests online, check your benefits online, find a pharmacy, check your claims, & check drug lists

Pharmacy

 **EXPRESS SCRIPTS®** Anthem Blue Cross Blue Shield works with Express Scripts to administer some parts of your prescription drug plan. Some of the links below will redirect you to pages on the Express Scripts website.

Pharmacy Self Service	Pharmacy Benefits	Other Pharmacy Resources
Place an Order Order a Refill Renew a Prescription Start a New Prescription Switch to Mail Delivery	Benefit Highlights Price a Medication Locate a Pharmacy Claims & Balances Additional Pharmacy Services	Printable Drug Lists Request Prior Authorization Drugs Requiring Authorization Drug Alerts Drug Interaction Information
Check Status Check Order Status		Specialty Drugs Specialty Drug List Specialty Pharmacy Resources



Price your drugs & find generic equivalents

- > My Prescriptions
- > My Prescription Plan
 - Price a Drug
 - Coverage & Copayments
 - Find a Pharmacy
 - Request Prior Authorization for Coverage
 - For Your Doctor Visit
- > Drug & Health Guide
- > My Profile & Settings
- My Notifications (0)

S Save on My Prescriptions

Rx Price a Drug Compare and save.

Price a Drug

Price Results

[Print this page](#)

Your overall cost for a 30-day supply of LIPITOR 20 MG TABLET is \$192.30, deducted from your Health Reimbursement Arrangement (HRA).

	My Retail Pharmacy	Home Delivery
	30-Day Supply	90-Day Supply
LIPITOR 20 MG TABLET, brand	\$192.30	\$502.01
Other Drugs that May Cost Less Explain This		
ATORVASTATIN 20 MG TABLET, generic equivalent	\$21.95	\$55.22

[Start Home Delivery Now](#)

Talk With Your Doctor About Other Drugs that May Cost Less

- Print this page and bring it to your doctor, or
- Take the printout to your pharmacy and ask your pharmacist to contact your doctor.

If your doctor thinks an alternative drug would work well for you, he or she should write you a new prescription. You can then fill the prescription at a retail pharmacy. If the prescription is for a maintenance medication, you can fill it through Home Delivery. To print a Home Delivery order form, use our [Fill a New Prescription](#) feature.

Home Delivery

To get started call the Home Delivery Pharmacy at 877-536-4320

Enjoy convenience. With home delivery, medicines are sent to your home — using free, standard shipping — within two weeks from the time the pharmacy receives your order. And you can get up to a 90-day supply of medicine, which means fewer refills and trips to the pharmacy!



Have this information handy: your prescription, doctor's name, phone number, drug names and strengths, and credit card.



Choose from a variety of payment options. The pharmacy accepts many payment methods. Use the one that's best for you. You can pay with a check, eCheck, money order, FSA or HSA card, major credit card, or debit card.³ You can also use the extended payment plan. This option lets you spread your payment over three installments.

PPO PLAN

- Like the prescription drug benefits, the PPO Plan's medical benefit levels remain dependent upon date of retirement.
- Provider network options are dependent upon date of retirement and location of primary residence.
- The PPO Plan qualifies as a Medicare Part D Creditable Plan (i.e., RX coverage is expected to pay out at least as much, or greater than, a Medicare Part D RX plan will pay).

Health Care Providers – PPO Plan

Retired BEFORE 3-1-13

- If your primary residence is located within Anthem's *Blue Priority* service area:
 - In-Network: select "*Blue Priority*" network to verify provider participation; when traveling outside of Wisconsin, select "*National PPO (Blue Card PPO)*".
 - Out of Network: any non- "*Blue Priority*" or "*National PPO (Blue Card PPO)*" provider.

Blue Priority Network for PPO Plan

MERITER

 **Aurora Health Care®**

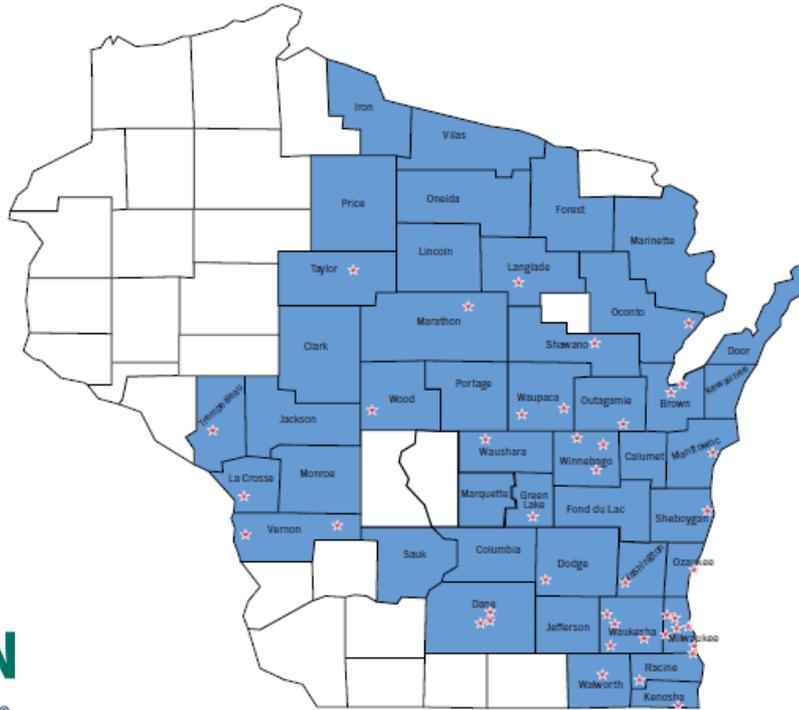
belinhealth

UWHealth

 **Children's
Hospital of Wisconsin**

Kids deserve the best.

UWHealth Partners
Watertown Regional
Medical Center



THEDA CARE

 **CHN**
Community Health Network

 **ASPIRUS™**
Passion for excellence. Compassion for people.

**BAY AREA
MEDICAL CENTER**

**GUNDERSEN
HEALTH SYSTEM®**
Where Caring Meets Excellence

Anthem  
BlueCross BlueShield

 **PROHEALTH CARE**

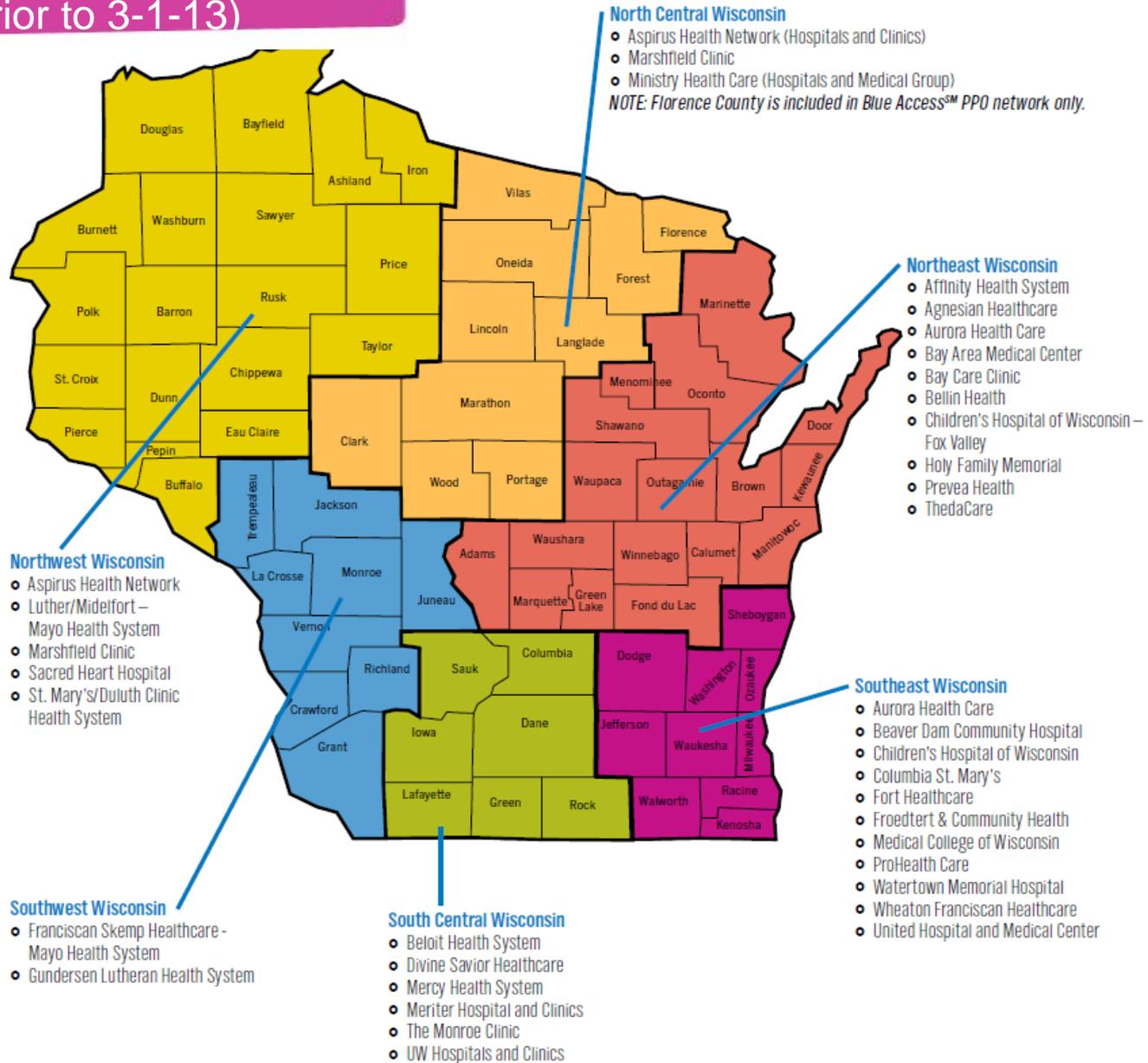
 **Wild Rose**
Community Memorial Hospital, Inc.

Retired BEFORE 3-1-13

- **If your primary residence is in Wisconsin but located outside of Anthem's *Blue Priority* service area:**
 - In-Network: select "*Blue Preferred*" network to verify provider participation; when traveling outside of Wisconsin, select "*National PPO (Blue Card PPO)*".
 - Out of Network: any non- "*Blue Preferred*" or "*National PPO (Blue Card PPO)*" provider.

Blue Preferred POS for PPO Plan

(available only to retirees prior to 3-1-13)



Retired BEFORE 3-1-13

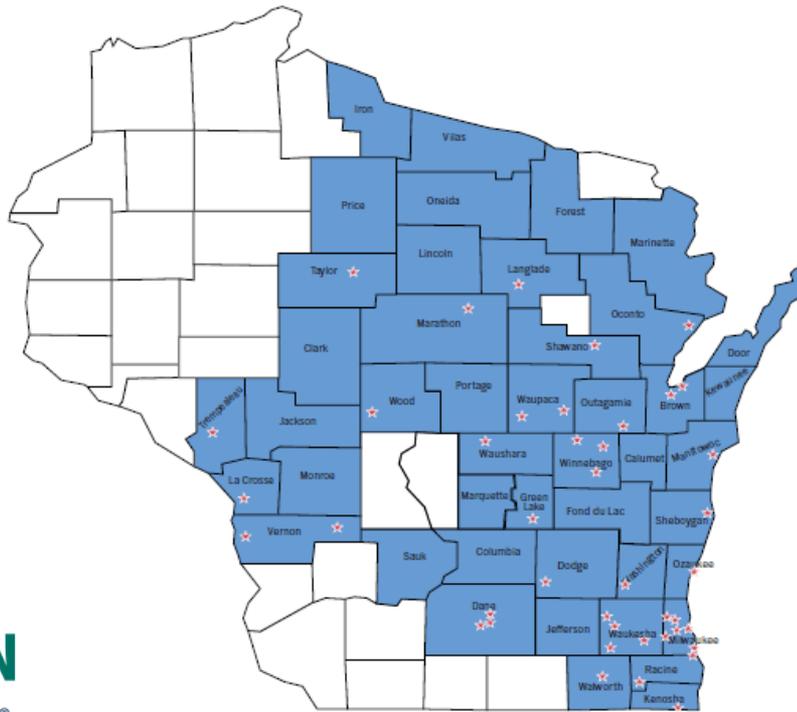
- **If your primary residence is outside of Wisconsin:**
 - In-Network: select "*National PPO (Blue Card PPO)*" network to verify provider participation.
 - Out of Network: any non- "*National PPO (Blue Card PPO)*" provider.

Health Care Providers – PPO Plan

Retired ON or AFTER 3-1-13

- *Blue Preferred* network is NOT available to you
- **If your primary residence is located anywhere in Wisconsin:**
 - In-Network: when seeking care in *Blue Priority* service area, select "*Blue Priority*" network to verify provider participation (NOTE: when seeking care outside *Blue Priority* service area in Wisconsin, services will be subject to out-of-network benefit levels); when seeking care outside of Wisconsin, select "*National PPO (Blue Card PPO)*" network to verify provider participation;
 - Out-of-Network: any non- "*Blue Priority*" or "*National PPO (Blue Card PPO)*" provider.
- **If your primary residence is located outside of Wisconsin:**
 - In-Network: when seeking care, select "*National PPO (Blue Card PPO)*" to verify provider participation;
 - Out-of-Network: any non- "*National PPO (Blue Card PPO)*" provider.

Blue Priority Network for PPO Plan



Kids deserve the best.



High Deductible Health Plan (HDHP)

What Is A High Deductible Health Plan?

A High Deductible Health Plan (HDHP) is a plan with a minimum annual deductible and a maximum out-of-pocket limit as listed below. These minimums and maximums are determined annually by the Internal Revenue Service (IRS) and are subject to change.

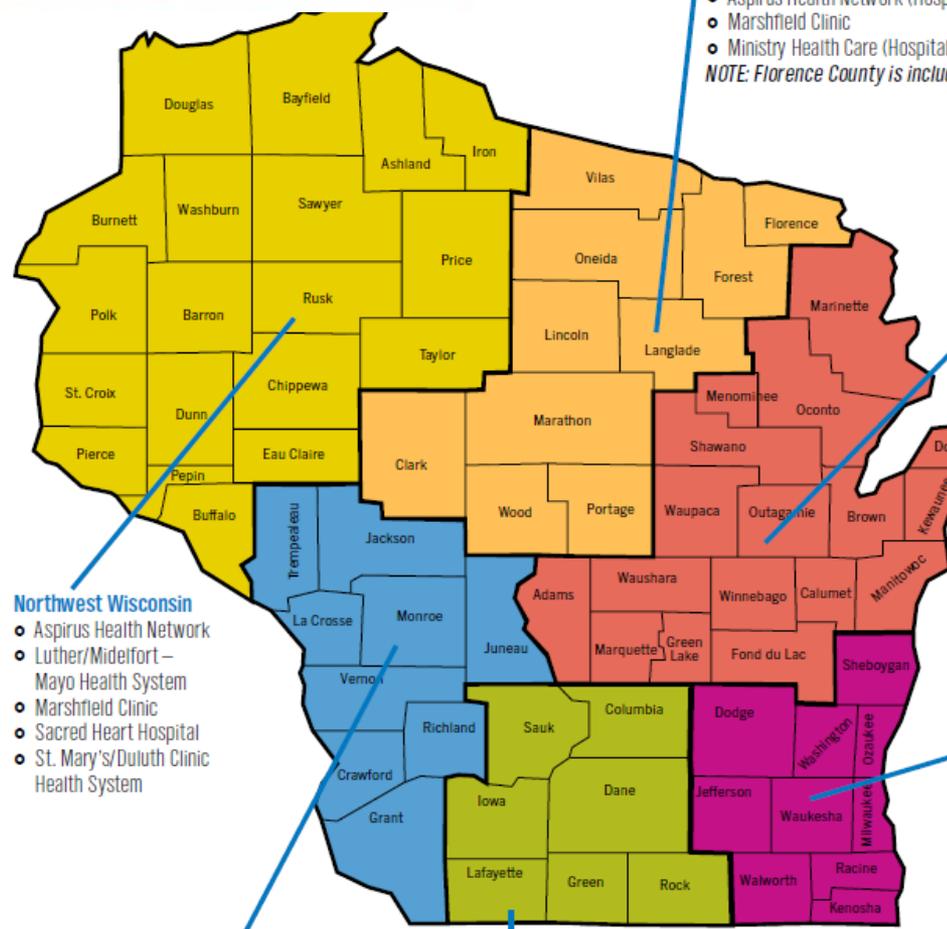
HDHP	Individual	Family
Minimum Annual Deductible	\$1,300	\$2,600
Maximum Annual Out of Pocket	\$6,550	\$13,100

NOTE: A HDHP does NOT qualify as a Medicare Part D Creditable Plan (i.e., RX coverage is NOT expected to pay out as much as a Medicare Part D RX plan will pay); refer to your Open Enrollment guide for important information on how this may affect you.

HDHP Continued...

- In-network benefit levels
 - Medical/Prescription Drug combined Deductible of \$1500 for a single plan participant or \$3000 for a couple or family plan participant (preventative services covered at 100%, not subject to deductible);
 - 20% coinsurance after deductible;
 - Maximum out-of-pocket coinsurance (includes deductible) of \$3,000 for a single plan participant or \$6,000 for a couple or family plan participant.
- Out-of-network benefit levels (routine services not covered)
 - Medical/Prescription Drug combined Deductible of \$15,000 for a single plan participant or \$30,000 for a couple or family plan participant;
 - 40% coinsurance after deductible;
 - Maximum out-of-pocket coinsurance (includes deductible) of \$30,000 for a single plan participant or \$60,000 for a couple or family plan participant.
- Optional participation (if eligible) in a medical reimbursement program through a Health Savings Account (HSA)
- The City's HDHP will utilize Anthem's *Blue Preferred* provider network

Blue Preferred POS for HDHP Plan



North Central Wisconsin

- Aspirus Health Network (Hospitals and Clinics)
 - Marshfield Clinic
 - Ministry Health Care (Hospitals and Medical Group)
- NOTE: Florence County is included in Blue AccessSM PPO network only.*

Northeast Wisconsin

- Affinity Health System
- Agnesian Healthcare
- Aurora Health Care
- Bay Area Medical Center
- Bay Care Clinic
- Bellin Health
- Children's Hospital of Wisconsin – Fox Valley
- Holy Family Memorial
- Prevea Health
- ThedaCare

Northwest Wisconsin

- Aspirus Health Network
- Luther/Midelfort – Mayo Health System
- Marshfield Clinic
- Sacred Heart Hospital
- St. Mary's/Duluth Clinic Health System

Southwest Wisconsin

- Franciscan Skemp Healthcare - Mayo Health System
- Gundersen Lutheran Health System

South Central Wisconsin

- Beloit Health System
- Divine Savior Healthcare
- Mercy Health System
- Meriter Hospital and Clinics
- The Monroe Clinic
- UW Hospitals and Clinics

Southeast Wisconsin

- Aurora Health Care
- Beaver Dam Community Hospital
- Children's Hospital of Wisconsin
- Columbia St. Mary's
- Fort Healthcare
- Froedtert & Community Health
- Medical College of Wisconsin
- ProHealth Care
- Watertown Memorial Hospital
- Wheaton Franciscan Healthcare
- United Hospital and Medical Center

What is a Health Savings Account (HSA)?

An HSA combines health insurance with a tax-favored savings account.

This savings account can be funded by your employer, you, or both, to help pay for eligible medical expenses not covered by your insurance plan such as deductibles and coinsurance.



Who is eligible for an HSA?

- Those enrolled in a qualified high-deductible health plan (HDHP); City's plan is qualified
- Is not enrolled in Medicare
- Is not claimed as a dependent on another's tax return
- Is not covered under another medical plan that is not an HDHP (includes MEDICAL flexible spending account or spouse's MEDICAL flexible spending account (FSA) unless it is a "limited purpose" FSA).
- If spouse is working and participates in an FSA through his/her employer, the FSA balance must be ZERO by 2-29-16 in order to open your Health Savings Account

HSA Features

- Deposit money into account up to annual contribution maximum
- Interest is earned **tax-free**
- If used for qualified medical expenses (including dental and vision), HSA funds are **tax-free**
- HSA balances carry over from year to year
- ***it's your money!***

Qualified HSA Expenses

- Distribution is tax-free if taken for “qualified medical expenses”
 - Including qualified dental and vision expenses

- Cannot be used to pay for other health insurance costs except:
 - COBRA premiums
 - Qualified long-term care insurance premiums
 - Health coverage while receiving unemployment
 - Medicare Parts A & B premiums (excludes supplement and advantage plan premiums)

How much can I contribute?

2016 IRS Guidelines	Maximum Annual Contribution
Individual	\$3,350*
Couple/Family	\$6,750*

- Persons over age 55 are entitled to an additional annual catch up contribution of \$1,000
- City of West Allis will contribute **\$500.00** for Individual coverage, and **\$1,000** for Couple or Family coverage.

* Amounts include any company contribution.



How does an HSA work?

1. Must enroll in the HDHP plan to participate
2. Medical services are paid by the HDHP, subject to the deductible and coinsurance
3. Seek reimbursement for qualified out-of-pocket medical, dental and vision costs (deductibles and coinsurance) from HSA account
 - HSA debit card or checks
4. Unused funds remain in account and roll from year to year
5. Individuals are responsible for maintaining a record of eligible expenses in the event of an IRS audit

Please note: If money is withdrawn from Health Savings Account for other than “qualified medical expenses” you will be subject to taxes and penalties (much like an IRA).

- Non-medical distribution prior to age 65 subject to Ordinary Tax + 20% penalty
- Non-medical distribution after age 65 subject to Ordinary Tax

Opening your HSA

Health Savings Account

For City of West Allis Participants

Benefits

- No Account Opening Fee
- First Box of Checks Free
- Free Debit Card with No Inactivity Period
- Free Online Banking to Review Your Account Activity
- Unlimited Debit Card Transactions
- 10 Checks Per Month
 - \$1 Per Check Written Over 10



Opening your HSA



Tiered Interest Rates

- \$0 - \$9,999
- \$10,000 - \$24,999
- \$25,000+

**Ask us for our current rates*

No Minimum Balance Requirements for Retirees

Retirees with Medicare

Alternatives to the City's Plan Offerings
provided by *Allied Senior Services Insurance
and Investments LTD*

Enrollment Procedures



- Every retiree is required to return an application form even if you choose not to participate in the City's Retiree Health Insurance Program plan offerings.

- **Deadline for submittal:**

5 pm, Wednesday February 10

Reminders...

- Enrollment representatives will be available on a first-come, first-served basis to assist with any questions – refer to your Open Enrollment guide for the schedule.
- This presentation was recorded and will be available on City's website.
- Open Enrollment materials also available on City's website.

QUESTIONS?

