



City of Seattle

Seattle City Employees' Retirement System
Board of Administration

Kenneth J. Nakatsu, Interim Executive Director

October 24, 2014

Subject: City of Seattle Retiree Medical Annual Enrollment

Dear City of Seattle Retiree:

I hope this letter finds you well and enjoying the fall. The City of Seattle is pleased to continue to offer medical plans to retirees. This letter contains information about the City's Annual Enrollment for retiree medical plans. Annual Enrollment runs Monday, November 3 through Wednesday, November 26, 2014; changes you make will go into effect on January 1, 2015.

If you want to **stay** in your current medical plan, **no action is necessary**. The new premium deduction amount will start with your December 31, 2014 pension check, and you will remain on your current medical plan.

If you want to **change** medical coverage effective January 1, 2015, **here's what you need to do**:

- **If you are changing medical plans offered through the City**, you must fill out an enrollment form and submit it to the Retirement Office postmarked no later than **Wednesday, November 26, 2014**. Call our office at (206) 386-1293 or toll free at 1-877-865-0079 to request an enrollment form to be emailed or mailed to you (any customer service representative will be able to assist you). Your new coverage will go into effect January 1, 2015.
- **If you want to drop/cancel your City retiree medical plan coverage**, please contact us so that we may help ensure that your future needs for medical coverage from another provider is met.

Please read this letter and the enclosed information to understand your options and upcoming plan changes. The 2015 benefit comparisons and rate sheets and the detailed plan booklets are also available online at seattle.gov/retirement/medical_info.htm

Re-Enrollment Option Reminder

All retirees who are currently enrolled in a City medical plan have a drop/re-enroll option available to them. Enrollees may drop their City retiree medical coverage and have the option of re-enrolling in a City plan at a future date as long as they meet these conditions:

- **They must maintain continuous coverage under another group medical plan** for the entire time they are not enrolled in a City plan. This means a plan offered through another employer, either their own employer or the employer of their spouse or domestic partner. Individual medical plans -- whether obtained through a broker, insurer, HMO, Medicaid, the State High Risk Pool, Health Insurance Exchanges or other entities -- DO NOT qualify as continuous group coverage, and DO NOT meet the requirements for re-enrollment.
- **They may re-enroll in a City plan only if they lose eligibility for the other employer group coverage**, such as due to their or spouse's job loss or retirement, or aging out of coverage (as documented by the Human Resources staff of the other employer.)
- **They must re-enroll in a City Plan within 31 days** of losing their other coverage.

Retirees enrolled in a City-sponsored retiree plan may drop City retiree coverage any time, as long as they have immediate access to other employer medical coverage. (This option does NOT provide a re-enrollment opportunity for retirees who dropped City retiree medical coverage prior to November 1, 2013, or for individuals who previously declined or who were not otherwise eligible for retiree medical coverage.)

Other Retiree Medical Insurance Options

- **Retirees Under Age 65** – You may have options available to you through the state Health Insurance Exchange at <http://wahealthplanfinder.org>. These plans are “guaranteed issue”: they cannot deny you coverage. The standard plan designs make it easy to compare pricing, and may better meet your financial requirements than City plans. Their next Open Enrollment starts November 15.
- **Retirees Age 65 and Over** (Medicare eligible retirees) – Health Care Reform does NOT change your access to Medicare or to the Medicare Advantage plans the City offers. While there are NO Medicare options available on the state Health Insurance Exchange, remember that you have access to many other Medicare plans that may be more suitable for your financial situation than the City's plan. We encourage you to explore these other options directly with the providers of those plans. Contact the Retirement Office before making any changes, to ensure continued coverage for your spouse and/or dependents.

We encourage retirees to explore all options available to them to ensure they have medical coverage that best meets their health and financial needs. **Remember:** if you purchase medical coverage through a Health Insurance Exchange or obtain an individual Medicare Supplement or Medicare Advantage plan, **you will not be able to return to City coverage** in the future, because these plans are not group/employer health plans.

Medical Plans for Retirees and Dependents Under Age 65

The City will offer the same four medical plans as last year to retirees and dependents under age 65. See the enclosed rates and comparison charts for more information. The following are changes to the Aetna and Group Health plans.

All Medical Plans

- **Services for Developmental Disorders:** Add coverage of Applied Behavioral Analysis (ABA) services. Remove age and dollar limits on Neuro-Developmental Therapy coverage.

Aetna Preventive and Traditional Plans

- **Migraine Medication Education Program:** Add new, mail-based education program to help individuals create a personal plan to reduce or prevent headaches.
- **Rx Auto Refill Home Delivery Program:** Add automatic refill pharmacy home delivery option to simplify the reorder process and help individuals receive their maintenance medications regularly.

Please call the medical plans directly with your specific questions:

- City of Seattle Preventive or Traditional (Aetna): 1-877-292-2480
- Group Health Deductible: 1-888-901-4636 (Group #0961100)
- Group Health Standard: 1-888-901-4636 (Group # 1004400)

Medicare Advantage Medical Plans: Retirees and Dependents Age 65 and Over

The City will offer the same three Medicare Advantage plans to Medicare-eligible retirees and dependents. Other than the annual drug plan changes required by Medicare, Aetna has not identified any changes to their plans for 2015.

Group Health and United Healthcare have outlined the following changes to their Medicare plans for 2015:

Group Health Plan Changes

- **Pharmacy Copay:** Change from a 3-tier RX copay to a 5-tier copay
- **Silver Sneakers:** YMCA is no longer participating in the Silver Sneakers plan

United Healthcare Plan Changes

- **Skilled Nursing Facility:** Cost sharing maximums decrease for days 1-20 and increase for days 21 and over.
- **Inpatient Hospital and Mental Health Inpatient:** Cost sharing limits increase
- **Health and Wellness Benefits:** Treatment Decision Support will no longer be offered
- **Occupational Therapy, Physical Therapy and Speech-Language Pathology:** New copay maximum of \$40 for these services

Again, if you are over age 65, you may wish to explore other options to the City's plans directly with the providers of those other plans – Medicare Supplement and Individual Medicare Advantage plans. If you are considering a switch to a **non-City plan**, contact the Retirement Office to ensure continued coverage for your spouse and/or dependents.

See the enclosed rate sheet and comparison charts for more information.

Note: The "Health Insurance Providers Fee" required by Health Care Reform makes up \$24-\$26 of the rate increase for each plan.

Please call the medical plans directly with your questions:

- Aetna Medicare Plan (PPO): 1-800-307-4830 (AE #430517)
- Group Health Clear Care: 1-888-901-4636 (Group # 0335500)
- United Healthcare Medicare Complete HMO: 1-866-622-8055 (Group # 801855)

Medical Plan Enrollment

If you want to change your medical plan, please call us at **(206) 386-1293** or at our toll free number: **1-877-865-0079** to request an enrollment form for the new plan you want to change to for 2015. ***If you do not want to make a change, no action is necessary.*** Please note: Benefits Unit and Retirement Office staff cannot compare the plans or counsel you on your medical coverage choice. We are not licensed insurance agents; we cannot offer financial advice.

Note: Annual Enrollment ends Wednesday, November 26, 2014. Your completed enrollment form must be postmarked on or before November 26. You will remain on your current plan if your forms are postmarked after November 26, 2014. If you have Annual Enrollment questions, call: (206) 386-1293 (toll free 1-877-865-0079).

We appreciate you taking the time to look at your coverage needs and making any necessary changes by the end of Annual Enrollment.

Sincerely,



Kenneth J. Nakatsu
Interim Executive Director