



City of Seattle

Seattle City Employees' Retirement System
Board of Administration

Kenneth J. Nakatsu, Interim Executive Director

October 23, 2015

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 2 through Wednesday, November 25, 2015; changes you make will go into effect on January 1, 2016.

If you want to **stay** in your current medical plan, **no action is necessary unless you have reached age 65 (see information below)**. The new premium deduction amount will start with your December 31, 2015 pension check, and you will remain on your current medical plan.

If you want to **change** medical coverage effective January 1, 2016, **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 25, 2015**. 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. If you need to speak with someone in a language other than English, we will help you access Language Line services. Your new coverage will go into effect January 1, 2016.
- **If you want to drop/cancel your City retiree medical plan coverage effective January 1, 2016**, you must notify the Retirement Office **in writing** by Friday, December 11, 2015.

Please read this letter and the enclosed information to understand your options and upcoming plan changes. The 2016 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, which they may exercise at any time. 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. "Continuous coverage" means there are NO gaps in medical coverage. "Another group medical plan" 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 30 days** of losing their other 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 Open Enrollment is November 1, 2015 – January 31, 2016.
- **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 individual 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.

Changes to the 2016 Medical Plans

Medical Plans for Retirees and Dependents Under Age 65

There are no fundamental plan changes for 2016. 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.

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 in 2016. See below for notable changes to the plan designs. Changes to a plan's drug formulary, annual drug plan design changes required by Medicare, and design changes across all plans as required by health care reform are not listed here. To find out further information to any applicable changes required by Medicare and/or the Health Care Reform please contact the medical plan directly.

Please call the medical plans directly with your questions:

- Aetna Medicare Plan (PPO): 1-800-307-4830 (AE #430517)
 - <https://www.aetna.com/>
- Group Health Clear Care: 1-888-901-4636 (Group # 0335500)
 - <http://www.ghc.org/>
- United Healthcare Medicare Complete HMO: 1-866-622-8055 (Group # 801855)
 - <http://www.uhc.com/>

2016 notable Medicare Advantage Plan changes:

United Healthcare Plan:

- **Diabetic Supplies Vendors:** diabetic testing supplies coverage will be limited to products manufactured by Lifescan and Roche, with \$0 copay.

As mentioned earlier, if you are age 65 or older, 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 comparison charts for more information. The rates are on page 4 of the charts.

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 25, 2015. Your completed enrollment form must be postmarked on or before November 25. If your forms are postmarked after November 25, 2015, changes will not be made and you will remain on your current plan in 2016. If you have Annual Enrollment questions, call: (206) 386-1293 (toll free 1-877-865-0079). If you need to speak with someone in a language other than English, we will help you access Language Line services.

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