

University of Maine System

Retiree Benefits
New Medical Plan for 2008

Informational Meetings:

October 15th – Augusta Campus at Jewett Hall Auditorium

*October 17th – Portland Campus in Southern Maine,
University Events Room, Glickman Family Library*

October 25th – Orono Campus at Corbett Hall, Room 220



Agenda for Today's Meeting

- Introductions
- Review WHY the System is Changing the Plan
- Review WHO is Eligible for the New Plan
- Review WHAT the New Plan Is & WHAT the New Plan Covers
- Review HOW the New Plan Works
- Questions & Answers : NOW and LATER

Why the System is Changing the Plan

- **Federal Governmental Accounting Standards Board (GASB) Issued New Accounting Rules**
 - Affects all employers, including University of Maine System
 - Effective July 1, 2007
 - Costs for all current and future retirees must be immediately reflected on System financial statements
 - Affects System's ability to fund University operations and/or require large tuition increases
- **Chancellor Established Retiree Health Plan Task Force (RHPTF)**
 - Comprised of Board, Presidents, Faculty, CFO, Represented & Non-Represented Employees, Retirees & Liaison to State of Maine
 - Charged with identifying most suitable alternatives
 - Goal to maintain financial integrity of UMS, meet GASB requirements and maintain a meaningful retiree health program for the future

Why the System is Changing the Plan (cont.)

- Retiree Health Plan Task Force (RHPTF) Results
 - Recommendations based on findings from six (6) meetings
 - Complete data on www.maine.edu/system/hr/RHPTF.php
 - Recommendations included:
 1. **No changes to contribution levels or basic plan design at this time**
 2. **Change current health plan offering from CompCare “wrap” plan to comprehensive Anthem “SmartValue” Plan**


Who is Eligible for the New Plan?

- All Medicare-eligible University of Maine System
 - Retirees
 - Spouses/Domestic Partners
 - Widows/Widowers
 - Former Employees receiving Long Term Disability (LTD) benefits
 - Disabled dependents receiving SSDI Medicare benefits
- Retirees who are NOT Medicare-eligible remain on Current Plan
- Anyone who IS ELIGIBLE will become their own policy holder, with their own ID number and their own individual contract
 - There are no longer any “Two Party” or “Family” contracts
 - “Over/Under” contracts will be split
 - “Over” individual will be enrolled on SmartValue
 - “Under” individual will remain on existing plan
- You must remain enrolled in Medicare Part A and Part B and continue to pay those premiums as you do today. Store your Medicare card in a safe place.

What is the Anthem SmartValue Plan?

- The Anthem SmartValue Plan is a Medicare Advantage Private Fee for Service (PFFS) Plan
 - Approved by and heavily regulated by Centers For Medicare & Medicaid Services (CMS)
 - The SmartValue plan pays instead of Medicare
- Beginning 1/1/2008 you will use your SmartValue ID card for both Medical & Prescription services instead of your Medicare card and the CompCare card.
(See a sample ID card on the next page.)

Anthem SmartValue ID Card - Sample

	
SmartValueSM A Medicare Advantage Private Fee For Service Plan	
ID Number: XXXXXXXXX Group: TBD Effective Date: 4/1/2008 Issuer ID: 80840 RxBin#: 610575	PROVIDERS: DO NOT BILL MEDICARE. Submit claims directly to Anthem.
Copay: \$XX ER: \$XX	MedicareRx Prescription Drug Coverage

<p>Customer Service/Pre Notification: (877) 326-2201 TDD: (800) 425-5705 7 days a week, between the hours of : 8am – 8pm</p> <p>Nurse Phone Line: (800) 700-0197 Pharmacist Inquiry: (800) 281-8172</p> <p>Medicare charge limitations may apply.</p> <p>Medical Claims: P.O. Box 795180 San Antonio, TX 78279 Pharmacy Claims: P.O. Box 145433 Cincinnati, OH 45250-5433</p> <p><small>Coverage provided by Anthem Life & Health Insurance Company. © Registered mark and SM service mark of WellPoint, Inc.</small></p>

What Does the SmartValue Plan Cover?

- Comprehensive Replacement to Current CompCare Program
 - Plan design is specific to University System
 - Covers all benefits that are currently provided by Medicare Part A and Medicare Part B
 - Covers all Medicare Part A and Part B deductibles
 - Your SmartValue plan is designed to provide the coverage offered by the Medicare Card and similar coverage to the CompCare card
 - Prescription Drug benefits

What Does the SmartValue Plan Cover? (cont.)

- The Plan Design is customized for UMS and provides comprehensive coverage (*refer to Plan Design grids*)
- Continuation of Annual \$300 Deductible
- After Deductible is met, most medical services (ie. office visits, outpatient hospital services, surgery) are covered with \$0 copayment (no additional cost to you)
- Some services have a copayment (ie. inpatient hospital, durable medical equipment, skilled nursing, home health care), which is waived if you call to pre-notify the care

What Does the SmartValue Plan Cover? (cont.)

- Emergency Room visits have a \$50 copay which is waived if admitted
- Preventive health (colorectal screening, immunizations, mammography, pap/pelvic smears, prostate screening and cardiovascular disease testing) is covered at 100% with no deductible
- Your annual out-of-pocket expense maximum for Deductibles, Copays and Coinsurance is \$1,100
 - Pharmacy copays accumulate separately

What Does the SmartValue Plan Cover? (cont.)

- Pharmacy Benefit Differs Slightly from Current CompCare Program
 - Copays are the same for initial expenses (\$10/\$25/\$40 copays)
 - After you have paid \$4,050 in out-of-pocket expenses, you will pay the greater of:
 - \$2.25 for generic drugs & \$5.60 for brand drugs or 5% coinsurance
 - List of covered drugs is based on Anthem's Premier formulary, and is NOT a restrictive listing
 - List of drugs requiring "Prior Authorization" is slightly different
 - Mail order program remains (2 copays for 3 month supply)
 - Local "mail match" program is NOT available

What Does the SmartValue Plan Cover? (cont.)

- SmartValue Plan is NOT a “network-based” HMO program
 - You continue to have a choice of providers who agree to our conditions and terms of payment.
- Providers must accept Medicare and know before furnishing services that:
 - The patient is a SmartValue plan member
 - The provider must accept the terms and conditions of plan payment
 - These conditions can be met by showing your SmartValue ID Card
- If a provider does not agree to the above terms, they may only treat patients for Emergency Care
- Your participant package contains a convenient information section that you can take to your provider

How Does the Plan Work?

- **The Anthem SmartValue Plan is EASIER for Retirees**
 - Show your new Anthem ID card to your provider
 - The provider will submit the claim to Anthem
 - Anthem will pay the provider directly
- **The Anthem SmartValue Plan is EASIER for Providers**
 - Providers only need to submit claims to Anthem (currently, they need to submit claims to Medicare first, and then submit the balance to Anthem)
 - Providers will receive reimbursement more quickly and efficiently
 - Providers will receive the same level of reimbursement from Anthem as they receive today from the combination of Medicare and Anthem

Value Added Features

- **Care Management Program**
 - Completing a Health Risk Assessment will help Anthem SmartValue understand your health needs
 - Members who have chronic medical conditions will be proactively contacted by phone and by mail
 - Nurses help members to manage their conditions
 - 24/7 Nurse Information Line
- **“Silver & Fit”**
 - Gym membership discounts and other wellness programs
- **“SeniorLink”**
 - Elder Care Advisory program to help Seniors to live independent lives

Questions??

- Call the Anthem SmartValue Customer Service Team:
 - **Before January 1, 2008**, call your First Impressions Welcome Center toll-free at 866-657-4970. Monday – Friday, 8:00am to 9:00pm EST
 - **After January 1, 2008**, call the toll-free number on your ID Card. Monday – Friday, 8:00am to 9:00pm EST

Things to Remember:

1. Effective January 1, 2008: Always use your new Anthem SmartValue Member ID card!
2. Store your Medicare card in a safe place.
3. You must remain enrolled in Medicare Part A and Part B and continue to pay those premiums as you do today.
4. Do NOT enroll in another Part D prescription plan
5. If you elect to “opt out” of this Plan change, you will lose your UMS provided health coverage on January 1, 2008. **(This is not a change.)**
6. If you elect to cancel your coverage, you may NOT enroll in the UMS medical plan at any future date.
7. You will still send your payments to EBPA (via check, direct deposit or ACH). Withholding from pension payments will no longer be available.
8. You will be receiving a statement from EBPA regarding your 2008 contribution in January.

QUESTIONS?

Thank You for Coming!