It is time for the University of Maine System’s annual open enrollment for retirees, widows/widowers, and former employees on Long Term Disability (hereafter referred to as retirees) who participate in the University’s Group Health Insurance Plans through Anthem Blue Cross and Blue Shield CompCare, POS, or SmartValue (Anthem BCBS) and/or the Cigna Dental Plan.

Open enrollment allows you to make changes to your group health or dental insurance coverage by adding or removing eligible dependents. However, if a Medicare eligible retiree cancels his or her own health or dental coverage, it may never be reinstated in the future. There is a one-time exception to this rule for non-Medicare eligible retirees for health coverage only. The non-Medicare eligible retiree may opt out of the retiree medical program once and opt back in once, but no later than within 90 days of becoming eligible for Medicare. In addition, at the time the retiree chooses to opt back in, they must prove that there was uninterrupted coverage during the time they opted out of the University retiree medical program. The Point-of-Service (POS) health plan is available only if you and your spouse are under age 65, you live in Maine, and you do not have Government Medicare A (hospitalization) and B (physician/out-patient).

Once you become eligible for Government Medicare A (hospitalization) and B (physician/out-patient), the University of Maine System requires that you enroll in both if you wish to retain your group health coverage through the University. At that time, you must enroll in the SmartValue Medicare Advantage Private Fee For Service (PFFS) Plan, which is currently the plan offered to Medicare eligible University of Maine System retirees. You will then receive information regarding the SmartValue Medicare Advantage plan from Anthem Blue Cross and Blue Shield. If you have questions regarding the SmartValue program, please contact Anthem Customer Service using the toll-free number on the back of your health plan identification card. If you and your spouse are both
Medicare eligible, you will each have your own SmartValue Plan. If you are Medicare eligible but your spouse is not or vice versa, the person who is Medicare eligible will be enrolled in the SmartValue Plan and the other will continue in their own Comp-Care or POS plan with Anthem.

If you add or remove eligible dependents from your coverage, it may result in premium changes. Please contact EBPA at 1-888-232-3203 for details regarding premium rates or to request the appropriate form if you are contemplating making any changes during this open enrollment. Completed change forms must be received by EBPA by December 15, 2009. All changes are effective January 1, 2010.

Following are very important items relating to this year’s open enrollment:

1. Retiree Health and/or Dental Premium Payments - You continue to have the option of sending a check to EBPA or having the monthly premium withheld from a checking or savings account. EBPA will mail premium coupons for calendar 2010 in December 2009 along with information that will enable you to have your health and/or dental premiums deducted from your checking or savings account if you wish. If you already have your health and/or dental premiums withheld from a checking or savings account, no additional action on your part is necessary.

If you pay your monthly premium by check, the University and EBPA take protecting your payments very seriously. EBPA uses a lock box at TD Banknorth to receive all premium payments by check. Checks should be mailed to: EBPA, P. O. Box 1316, Williston, VT 05495.

2. Dental Premium Change – As a result of the dental plan’s experience, CIGNA Dental premiums for UMS retirees with dental coverage will increase approximately 15%, effective January 1, 2010. The new single monthly premium will be $47.90; two-person monthly premium will be $88.14; and family monthly premium will be $150.88.

3. Health Premium and Plan Changes – Retiree SmartValue (Medicare eligible) health premiums will increase by approximately 79%; non-Medicare eligible retiree health premiums will increase by approximately 10%. There are several reasons why the SmartValue premium is increasing by this amount – (1) the amount Anthem estimated would be received for this type of plan from the federal government as Medicare reimbursement was underestimated; (2) the federal government will reduce funding for this type of plan for 2010; (3) increased
medical care inflation trend; and (4) the overall health plan experience of Medicare eligible retirees. As a result of these factors, certain changes to the SmartValue plan will be implemented effective January 1, 2010. The SmartValue plan will require a 10% copayment for certain services, subject to the maximum out-of-pocket cost noted above. Please note, however, that the SmartValue plan will continue to maintain a $300 calendar year deductible and the maximum out-of-pocket expense for covered medical services will remain the same at $1,100 per person ($300 deductible plus 10% co-insurance to a maximum of $800). Also, many services will continue to be provided with no copayment after the deductible. Anthem will be sending you a side-by-side comparison of the SmartValue plan’s current plan and changes noted above in early November, 2009. Please note that the prescription drug portion of the SmartValue plan remains unchanged as well.

It is important to note that while the calendar 2010 premium increase is significant, the resulting amount is still less than UMS retirees were paying prior to the adoption of the SmartValue Medicare Advantage Private Fee for Service plan in calendar 2008. In calendar 2007, the portion of the dependent premium paid by retirees was $183.00/month. With the change to SmartValue in calendar 2008, the portion of the dependent premium paid by retirees reduced to $62.00/month, rose to $77.00/month in calendar 2009, and will rise to $138.00/month in calendar 2010.

4. Prescription Mail Order Option: Under the SmartValue program, Medicare eligible retirees may still use their local Maine pharmacy to purchase their medications; however, the option to receive a 3 month supply for only 2 copays will be available only through Anthem National Accounts Mail Order program.

If you are a non-Medicare eligible retiree, you will have the option to use Anthem’s mail order program or obtain the 3 month supply for 2 copays from your local participating pharmacy until you become eligible for Medicare A & B and enroll in the SmartValue Medicare Advantage Plan.

5. Notice of Privacy Practices – Federal law requires that the University of Maine System annually send you the enclosed copy of its Notice of Privacy Practices. Because the Notice is written to cover a number of groups (employee, student, and retiree) and situations, much of it may not pertain specifically to you. Also, please note that the Notice date of September, 2003 is correct, since that was the last revision date. If you have any questions, please contact the System Office.
6. Select Generic Medications – The Anthem Select Generic Medications program continues to be available to you. This means that your drug coverage includes a $0 (zero) copayment for prescription purchases that come under the category of “select generic” medications. Your prescription coverage already includes a reduced copayment for generic drugs because they contain all of the same active ingredients as brand name, and undergo the same scrutiny by the Food and Drug Administration, but cost less to manufacture. This new category of “select generic” drugs have such a proven track record for effectiveness and value that we can offer them to you at no charge. Anthem will be sending you the most current list of “select generic” medications in early November, 2009.

7. Dedicated Online Tools and Features for SmartValue Participants – The University of Maine System wants you to have immediate access to information about your plan benefits in order to be as informed as possible about your coverage. Anthem Blue Cross and Blue Shield has a dedicated website specifically for University of Maine System retirees. This site includes links to your benefits information as well as an array of online tools and resources that can help you take your health to the next level and get the most out of your health care coverage. Be sure to visit your dedicated website at www.anthem.com/umsretiree

The University of Maine System REQUIREs all retirees, spouses of retirees, former employees receiving Long Term Disability benefits, and widows/widowers who are eligible for Government Medicare A (hospitalization) & B (physician/out-patient) to enroll in both parts of Medicare if they wish to participate in the University’s SmartValue Medicare Advantage retiree group health plan.

Please note that if you do not wish to make any changes in your group health or dental coverage, you do not need to respond to this notice.

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