

**Office of the State Employer**  
EMPLOYEE BENEFITS DIVISION  
PO Box 30026, LANSING, MI 48909  
**RETIREE BENEFITS BULLETIN**

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**SUBJECT:**

**IMPORTANT INSURANCE INFORMATION**

**CHANGES IN YOUR HEALTH PLAN**

**For Troopers And Sergeants Who  
Retired On And After October 1, 1987**

Advisories are issued from time to time to retirees and others to communicate benefits information.

As you may be aware, a 1997 arbitration decision requires that health insurance benefits for Troopers and Sergeants who retired on and after October 1, 1987 be the same as those of actively employed Troopers and Sergeants.

**HMO Plan Changes**

To reduce premium increases, the Office of the State Employer and the MSPTA recently signed a Letter of Understanding agreeing to certain changes in the HMO benefit design. Those same changes will apply to you and your survivor. Effective October 1, 2002, the following changes will occur:

- There will be a drug co-pay increase from \$2 for all drugs to \$5 for generic drugs and \$10 for brand name drugs.
- There will be a \$10 fee for office visits or visits to urgent care facilities.
- A \$50 fee will be imposed if one's visit to an emergency room does not result in an admission to the hospital.

**State Health Plan Changes**

Effective January 1, 2003, the State Health Plan will become a PPO (Preferred Provider Organization) for members of all bargaining units **except the State Police Enlisted Unit represented by the Michigan State Police Troopers Association**, unless agreed to during the upcoming negotiations.

However, there are some plan design changes that will occur. The MSPTA has signed a Letter of Understanding confirming these changes:

- The Health Screening Unit (HSU) clinics will no longer be open. The health screening benefit that was previously provided in HSU clinics around the state will now be conducted in your doctor's office. Retirees and their covered dependents all over the United States will be able to take advantage of this benefit, not just retirees and spouses in Michigan. You will be able to make your own appointment with your doctor every 12 months.
- If you are currently covered by Aetna, you will be required to switch insurance carriers at any time before December 1, 2002. You will be required to either switch to Blue Cross-Blue Shield of Michigan (BCBSM) or to one of the HMOs offered to retirees (if one is available in your area). If you do not make the change yourself, you will automatically be switched to BCBSM effective January 1, 2003. You will still have the same coverage under the State Health Plan; the only change will be that BCBSM will process your health claims rather than Aetna.
- Your deductible will remain \$150/\$300, and your drug co-pays will temporarily remain at \$2 for generic drugs and \$7 for brand name drugs. Co-pays will increase to \$5 for generic and \$10 for brand name drugs following a decision in the 312 Arbitration.