

**Michigan Department of Civil Service  
RETIREE BENEFITS BULLETIN**

<b>DATE: October 2005</b>	<b>NUMBER: GIS 02-2005R</b>
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<b>SUBJECT: IMPORTANT INSURANCE INFORMATION FOR RETIREES</b>	

**OCTOBER 2005 INSURANCE RATES**

Premium rates for the State Health Plan PPO, administered by BCBSM, and most HMO rates will increase effective October 1, 2005. Medicare Retirees will continue to have 100% of the State Health Plan PPO rates paid by the State. Insurance rates for dental and vision insurance will also increase slightly. Enclosed for your information is an insurance rate chart, which is effective October 1, 2005. Rates shown on the attached chart will be reflected in your October pension check.

**BENEFIT CHANGES EFFECTIVE NOVEMBER 1, 2005**

Several benefit changes are being implemented effective November 1, 2005, for those enrolled in the State Health Plan PPO and State Dental Plan.

- Drug Quantity Management: This program will ensure that the quantity of units supplied in each prescription remain consistent with the clinical dosing guidelines from the FDA and the drug manufacturer. This program is also designed to prevent waste and help ensure patient safety. Excess drug supplies are frequently stored for long periods and some drugs break down when they are not used within their expiration dates. If you have a current prescription that will be affected by this program, you and your doctor **will** receive a notice from Express Scripts before the end of October with more information.
- Brush Biopsy: This coverage has been added to the State Dental Plan and covers the cost of a supplemental diagnostic test that detects oral cancer.
- Voluntary Zero Dollar Co-Pay Program: If you are currently taking a non-formulary brand name drug to treat depression, GERD, high cholesterol or high blood pressure, you will be offered an opportunity to try the therapeutically equivalent generic and have the co-pay waived for up to six months. If you are eligible for this voluntary program, you will receive a letter from Express Scripts with information you can share with your doctor. If you and your doctor decide that the generic may work for you, an automatic co-pay waiver will be entered for the first six months, resulting in a zero co-pay for you.

- CuraScript for Specialty Drugs: CuraScript is the new pharmacy for Express Scripts that provides oral and injectable *specialty* medications. CuraScript offers its members an experienced and knowledgeable clinical-support team, patient-care coordination, compliance monitoring, coordination of home-care services, and clinical pharmacy management of disease-specific programs. Each patient will have a dedicated Patient Care Coordinator to make sure the patient receives optimum care. Drugs can also be delivered directly to the patient or to the patient's physician's office.

If you have a current prescription that will be affected by this program, you and your doctor **will** receive a notice from Express Scripts before the end of October with more information on how the program works. If you do not have a current prescription, but receive a new prescription for an oral or injectable specialty medication in the future, you be allowed to have it filled one time at the pharmacy and then the drugs will be available exclusively through the CuraScript mail-order program.

Express Scripts Mail Service Pharmacy will continue as a mail order provider for your health plan for non-specialty prescription drugs.

### **BENEFIT CHANGES EFFECTIVE JANUARY 1, 2006**

Effective January 1, 2006 for those enrolled in the State Health Plan PPO.

- Preventive Services Enhancement: The annual maximum for preventive services will double. The annual maximum cap will increase from \$750 to \$1,500. Colonoscopy examinations will continue to be covered, but will not be applied towards the annual maximum cap.
- Physical, Occupational, and Speech Therapy visits will increase from 60 visits to 90 visits, annually.

The State Employees Retirees' Association (SERA) has made arrangements with BCBSM and Express Scripts to attend many of the upcoming SERA Chapter meetings. Contact your local SERA Chapter for a schedule of these meetings in your area.

### **MEDICARE PART D PRESCRIPTION DRUG COVERAGE FOR MEDICARE ELIGIBLE RETIREES**

#### **What should I do?**

Medicare Part D - the prescription drug portion of Medicare, becomes effective January 1, 2006. If you or your spouse are eligible for Medicare and are enrolled in the State Health Plan PPO, you are strongly urged **not** to enroll in a Medicare Part D program. If you enroll in a Medicare Part D program, your State Health Plan PPO health and drug coverage could be negatively affected. The State Health Plan PPO will continue to provide coverage for prescription drugs. You should continue to use your Express Scripts Rx card for prescription drug coverage.

### **What is “Creditable Coverage”?**

Since the State Health Plan PPO has prescription coverage that is equal to or exceeds the standard prescription drug coverage under Medicare Part D, called “Creditable Coverage”, you will be receiving your official Creditable Coverage notice from the State of Michigan by November 15, 2005. Please keep this notice in a safe place as this is your verification that you have Creditable Coverage and will prevent you from paying a higher premium for Part D, if needed in the future.

### **I was told I might be eligible for extra help in paying for my prescriptions.**

The Social Security Administration (SSA) mailed an application entitled “Help with Medicare Prescription Drug Plan Costs” to a limited number of retirees who are eligible for assistance in paying for prescription drugs. This **is not** an enrollment form for Medicare Part D. If you received this application, it is best to complete and return the application directly to the SSA. If you have both Medicare and Medicaid, you automatically qualify for the extra assistance.

### **ADDITIONAL INFORMATION REGARDING HEALTH PLAN CHANGES**

As a retiree, you are no longer restricted to an open enrollment window for making changes to your Health Insurance Plan. Instead, changes are subject to a rolling enrollment window with some changes subject to a six-month waiting period and others effective immediately upon notifying the Office of Retirement Services (ORS). See below for examples.

There is a six-month wait when:

- A. The retiree is enrolled in an HMO and wants to enroll in the State Health Plan PPO
- B. The retiree does not notify ORS within 30 days of the date of event (marriage, death, divorce)
- C. The retiree is currently not enrolled in any insurance plan

The six-month wait is waived when:

- A. The retiree is enrolled in the State Health Plan PPO and wants to enroll in an HMO
- B. The retiree is currently in an HMO and wants to transfer to a different HMO
- C. The retiree is enrolled in an HMO and is moving out of the service area
- D. The retiree notifies ORS within 30 days of the date of event (marriage, death, divorce or involuntary loss of coverage)

Information about the health care plans is available on-line. To view the Benefit Guide for the State of Michigan Retirees State Health Plan PPO on-line, go to [www.michigan.gov/mdcs](http://www.michigan.gov/mdcs). Click on Employee Benefits, Employee Benefit Booklets, Health, then Retirees State Health Plan. If you wish to receive a copy of the State Health Plan PPO Benefit Guide, please contact the State of Michigan BCBS Customer Service Center at (800) 843-4876.

To view information about an HMO, go to [www.michigan.gov/mdcs](http://www.michigan.gov/mdcs). Click on Employee Benefits, Employee Benefit Booklets, Health, and then choose an HMO site to view.

Questions concerning the information in this bulletin can be directed to the Department of Civil Service toll-free at (877) 766-6447 or Lansing area at (517) 335-0529.