



Michigan Department of Civil Service

RETIREE BENEFITS BULLETIN

DATE: August 2004	NUMBER: GIS 03-2004R
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SUBJECT: IMPORTANT INSURANCE INFORMATION FOR RETIREES	

OCTOBER 2004 INSURANCE RATES

Rates for the State Health Plan PPO administered by BCBSM and the State Health Plan administered by Aetna have either remained the same or have been reduced from current year rates. Most HMO rates will increase substantially. Enclosed for your information are insurance rate charts effective October 1, 2004.

Insurance rates for dental and vision will remain the same.

Rates shown on the attached chart will be reflected in your October pension check.

RETIREE HEALTH PLAN CHANGES EFFECTIVE NOVEMBER 1, 2004

- 1) Durable Medical Equipment (DME): A DME network will be established. There will be no co-pays or deductibles applied to equipment obtained within the network and a 20% co-pay will be applied to equipment obtained out-of-network. Most durable equipment will be delivered directly to retirees in their homes. This DME benefit will apply to those retirees enrolled in the State of Michigan Health Plan PPO and will not apply to retirees enrolled in HMOs or Aetna.
- 2) Blue Health Connection: Retirees are currently offered the Coordinated Care Management (CCM) program. This program will be changed to Blue Health Connection, which includes all of the elements of the current CCM program, as well as an expanded disease management program, 24-hour nurse help line, and educational material available through audio tapes, VCR tapes, and web sites. This benefit will be available only to those retirees enrolled in the State Health Plan PPO and will not apply to those retirees enrolled in HMOs or Aetna.

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3) The following two changes will be made to the Retiree Prescription Drug Program:

a) 3-tier Drug Plan: The Retiree Drug Program currently has a \$7 co-pay on generic drugs and a \$15 co-pay on brand name drugs. A 3-tier drug plan with a \$7 co-pay for generic drugs, a \$15 co-pay for preferred brand name drugs, and a \$30 co-pay for non-preferred brand name drugs for both the retail and mail order drug plans will be implemented. All drugs in the non-preferred brand name tier (\$30 co-pay) have a generic equivalent drug (\$7 co-pay) or therapeutically or chemically equivalent preferred brand name drug (\$15 co-pay) available. For more information on the 3-tier drug plan, visit our web site at www.michigan.gov/mdcs or Express Scripts web site at www.express-scripts.com. This will apply only to those retirees enrolled in the State Health Plan PPO or Aetna. This change does not apply to retirees enrolled in an HMO.

b) Maintenance Drugs at Retail Pharmacy: The drug benefit currently allows retirees to obtain a 90-day supply at a retail pharmacy by paying a one month co-pay for many maintenance drugs. This option will be eliminated. Retirees can continue to obtain a 30-day supply at a retail pharmacy by paying a one month co-pay. Retirees may also obtain a 90-day supply of maintenance drugs through the current mail order program by paying a one month co-pay. This applies only to those retirees enrolled in the State Health Plan PPO or Aetna. This does not apply to retirees enrolled in an HMO.

ADDITIONAL INFORMATION REGARDING HEALTH PLAN CHANGES

More information about these health care plan changes will be provided as it becomes available.

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. Click on Employee Benefits, Employee Benefit Booklets, Health, Retirees State Health Plan. To view information about an HMO, go to www.michigan.gov/mdcs. Click Employee Benefits, Employee Benefit Booklets, Health, Health Maintenance Organizations Plan and then choose an HMO site to view.

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. Aetna's Customer Service number is (800) 544-5443.