

## BCBSTX HMO and PPO plans

In FY11, the City expects to spend in excess of \$300 million to preserve healthcare for employees, retirees and their dependents. This comes at the same time that the economic downturn has triggered major revenue losses, causing budget shortfalls. Now, active and retired employees will share a greater portion of premiums to keep healthcare for when we need it most. HMO city and employee/retirees rates are calculated, and then across all tiers, the City contributes the same amount to the PPO.

### Retirees under age 65

Year over year, medical claims are higher for retirees under age 65 than they are for active employees and Medicare-covered retirees. Therefore, this group will share a higher percentage of the costs than the other groups.

- May 1, HMO rates will increase 49.2 percent across all tiers. This group will pay 48 percent of the total premium, up from 36 percent.
- May 1, PPO rates will increase 26.4 percent on average. In addition to higher claims costs, this group's medical care is outside limits that help manage plan costs.

### Retirees over age 65

Medicare and the Medicare Advantage Plans help to mitigate retirees' costs to the health plans, annually saving premiums of more than \$10 million for the City and \$4 million for retirees and claims costs to the plans.

- May 1, HMO rates will increase 6.6 percent on average for retirees with Medicare. Rates will increase 6 percent for retirees without Medicare.
- May 1, PPO rates will increase 16.2 percent on average for retirees with Medicare. Rates will increase 13 percent for retirees without Medicare.

Your prudent use of healthcare, timely enrollment in Medicare, and enrollment in city-sponsored Medicare Advantage plans all play a major role in helping the City maintain healthcare for all of us.

## New Copayments

Copayments for doctors' office visits and brand-name drugs have been increased. The chart below reflects these plan modifications.

Plan	From	To
<b>HMO:</b>		
PCP visit	\$20	\$25
Specialist visit	\$45	\$50
<b>PPO:</b>		
PCP visit	\$30	\$35
Specialist visit	\$50	\$55
<b>Retail Prescriptions:</b>		
Generic	\$10	\$10
Preferred brand	\$30	\$35
Non-preferred brand	\$45	\$50
<b>Mail Order Prescriptions</b>		
Generic	\$20	\$20
Preferred brand	\$60	\$70
Non-preferred brand	\$90	\$100

For more information about open enrollment, visit [www.houstontx.gov/hr/oe10](http://www.houstontx.gov/hr/oe10).

If there exists a conflict between this Enrollment Guide and the official plan documents for each plan, the official plans documents will prevail. The city of Houston reserves the right to change, modify, increase or terminate any benefits.

## Meetings

Learn more about these money-saving Medicare plans by attending one of the four meetings below:

### Medicare plans and BCBSTX HMO & PPO

**Friday, March 26** | 10 a.m. and 2 p.m.  
E B Cape Center  
4501 Leeland, Houston, TX 77023  
713-837-9400

**Friday, April 2** | 2 p.m.  
Sugar Land Community Center  
226 Matlage Way, Sugar Land, TX 77478  
713-837-9400

**Tuesday, April 6** | 10 a.m. and 2 p.m.  
E B Cape Center  
4501 Leeland, Houston, TX 77023  
713-837-9400

**Friday, April 9** | 10 a.m. and 2 p.m.  
E B Cape Center  
4501 Leeland, Houston, TX 77023  
713-837-9400

## Contacts

We don't want to overload your mailbox, so we let you request the information you want. Feel free to call all five.



800-545-1797-AARP plan F  
888-556-6648 - drug plan  
[www.uhc.com](http://www.uhc.com)



800-307-4830  
[www.aetnamedicare.com](http://www.aetnamedicare.com)



866-534-0554  
[www.kelseycareadvantage.com](http://www.kelseycareadvantage.com)



866-556-4614  
[www.sctexas.com](http://www.sctexas.com)



Texas HealthSpring  
800-846-2098  
[www.texashealthspring.com](http://www.texashealthspring.com)

**Human Resources Benefits**  
713-837-9400  
888-205-9266  
[www.houstonhumanresources.org](http://www.houstonhumanresources.org)

**HMO Blue Texas**  
713-837-9377  
713-837-9448  
713-837-9376

# Win for Life



Expect enrollment packets within 15 days.

## Retirees - with and without Medicare

This **Medical Plans Fact Sheet** is your shortcut to the most important details about enrolling in the city's Medicare plans and the BlueCross BlueShield HMO and PPO — contribution rates, feature summaries, eligibility and a few rules.

### Your plan choices



#### Medicare plans

- Aetna PFFS
- Aetna PPO
- KelseyCare Advantage HMO
- KelseyCare Advantage POS
- Medicare Supplement Plan F
- Texas HealthSpring HMO
- TexanPlus HMO

#### BlueCross BlueShield plans (for all retirees)

- HMO
- PPO

#### Dental plans

- DHMO
- Indemnity



### What's happening May 1?

- Rates for the seven Medicare plans remain the same.
- BCBSTX HMO and PPO rates are increasing.
- Some BCBSTX HMO and PPO copayments are increasing by \$5. (See chart on back page.)
- Prescription copayments in the BCBSTX HMO and PPO are increasing \$5 for brand name drugs. Copayments remain \$10 or \$20 (90-day supply) for generic prescriptions.
- Retirees may opt out of the city health plans, and re-enroll in the future.
- Dental DHMO rates remain the same. Indemnity rates increase 9 percent.

To enroll in a Medicare plan, the enrollee must be covered by Medicare.

Visit [www.houstontx.gov/hr/oe10](http://www.houstontx.gov/hr/oe10) for more information

### May 1 Monthly Contributions - BCBSTX Plans

	HMO		PPO	
	From	To	From	To
<b>Retiree Under Age 65</b>				
1). Retiree Only	\$171.82	\$256.38	\$580.58	\$730.40
2). Retiree + 1	\$507.04	\$756.60	\$1,492.57	\$1,899.48
3). Retiree + Family	\$790.72	\$1,179.90	\$2,086.75	\$2,682.90
<b>Retirees Over Age 65*</b>				
4). Retiree Only - without Medicare	\$492.54	\$522.14	\$817.07	\$923.52
5). Retiree Only - with Medicare	\$153.64	\$163.82	\$507.90	\$600.20
6). Retiree + 1 - without Medicare	\$1,034.34	\$1,096.50	\$1,732.80	\$1,958.58
7). Retiree + 1 - 1 with Medicare	\$307.36	\$327.74	\$1,090.70	\$1,232.82
8). Retiree + 1 - both with Medicare	\$299.64	\$319.50	\$714.10	\$807.14
9). Retiree + Family - without Medicare	\$1,773.16	\$1,879.74	\$2,156.80	\$2,437.82
10). Retiree + Family - 1 with Medicare	\$522.48	\$557.12	\$1,435.48	\$1,682.04
11). Retiree + Family - 2 with Medicare	\$476.38	\$507.96	\$1,298.41	\$1,523.72

Add \$25 to BCBSTX contributions for tobacco users.

\*and under 65 disabled with Medicare

### May 1 Monthly Contributions - Medicare Plans

12). Aetna PFFS	\$70.98 per person
13). Aetna PPO	\$54.84 per person
14). KelseyCare Advantage HMO	\$3.50 per person
15). KelseyCare Advantage POS	\$17.24 per person
16). Medicare supplement plan F with prescription drug plan**	\$91.74 per person
17). Texas HealthSpring	\$26.24 per person
18). TexanPlus	\$32.00 per person

\*\* Excludes disabled members under age 65

See inside for information about the changes, the new Opt out, Opt in feature and more.



# Open Enrollment 2010 Fact Sheet

## New plays for 2010



- In January, we added four new plans from which to choose if you are covered by Medicare:
  - KelseyCare Advantage HMO, with low copayments. Your contribution is just \$3.50 a month.
  - KelseyCare Advantage Plus Choice POS, which has the same Kelsey-Seybold network as the HMO but allows you to see out-of-network specialists.
  - Aetna PPO covers 24 counties in Texas, and allows you to see a doctor or specialist outside the network.
  - Medicare supplement plan F is a “medigap” plan that pays for most services not covered by Medicare, leaving you with virtually no out-of-pocket expenses.
  - Plus - UnitedHealthcare Prescription Drug Plan is a companion plan for the Medicare supplement plan F. This Medicare prescription drug plan allows you to pay lower copayments than you will pay in a BCBSTX plan.
- New Opt-out Opt-in feature allows you to opt out of the city’s medical plans and opt back in at a future date.
- Monthly contributions in the BCBSTX HMO and PPO are increasing effective May 1.
- Copayments in the BCBSTX HMO, PPO and prescription drug plans are changing.

## New Opt-out, Opt-in feature for retirees

As a city retiree, you have medical and dental benefits. In the past, if you waived these benefits, you could never get them back. Now, you can opt out of your city benefits plans and re-enroll at a future date. When you no longer have coverage through another source, such as a second job, you and your dependents can return to the city’s benefits plans. Even if you are enrolled in a city Medicare plan, you can opt out and come back later. Since the Centers for Medicare and Medicaid Services makes the rules for Medicare plans, check with your Medicare plan administrator before you opt out to learn how Medicare’s rules will affect you.



## What can you do during enrollment?

- Enroll in a Medicare plan for yourself only.
- Enroll in a Medicare plan for yourself and your Medicare-covered dependents.
- Enroll in a Medicare plan for a Medicare-covered family member and leave another Medicare or non-Medicare covered family member in the BCBSTX HMO or PPO plan.
- Return to the BCBSTX HMO or PPO within 90 days of Medicare-plan enrollment if you are not satisfied.
- After 90 days, your next opportunity to return to the BCBSTX HMO or PPO will be Jan. 1, 2011.
- Do nothing and remain in the plan you are in now.
- Add or drop dependents.

## Who can join a Medicare plan?

Here are the FOUR requirements to enroll in one of these Medicare plans. You must:

- Be a city retiree, dependent or survivor covered under a city medical plan
- Pay the required premium to the city
- Be enrolled in Medicare Part A, hospital insurance, and Medicare Part B, medical insurance
- Not have end-stage renal disease, except for the Aetna PFFS plan and Medicare Supplement Plan F

There are no waiting periods, and you cannot be turned down for coverage for a pre-existing health condition.

## Eligibility

You are eligible for coverage as a retiree under the benefits plans if:

- you are covered by a city health plan
- you were covered by a city medical plan on January 1, 2010, and filed paperwork to opt out of a city plan. You may elect to re-enroll (opt back in) during this enrollment period.

## Eligible dependents

If both you and your spouse retired from the city, you may be covered as a retiree or as a dependent — but not both. Dependents may be enrolled under only one parent or guardian. The eligibility criteria remain the same. Your eligible dependents are defined as one of the following:

- Your legal spouse
- Unmarried natural or adopted children to age 25, if they qualify as dependents for federal income-tax purposes
- Children to age 25 over whom you have legal guardianship or legal foster care if they qualify as dependents for federal income-tax purposes
- Grandchildren and stepchildren to age 25 if they qualify as your dependents for federal income-tax purposes and live with you
- Disabled dependents over age 25 who are incapable of self-sustaining employment because of mental or physical handicap. The dependent must be primarily dependent on you for more than 50 percent of financial support and covered before age 25
- Dependents for whom a court order has been received requiring the employee / retiree to provide city health care coverage, if Benefits receives the court order and election forms within 31 days after its issuance
- Unmarried dependent children who lose Medicaid coverage may be enrolled under the retiree's medical plan within 31 days after Medicaid coverage is lost. They may be covered to age 25 if they qualify as your dependents for federal income-tax purposes.



- You must also complete the city of Houston Medicare plan enrollment form. This form will keep your dependents' coverage in the HMO or PPO in place, and it will help ensure you pay the correct health-care premium. Keep the last page for your records.
- Use the city of Houston postage-paid return envelope to return all of your forms to Benefits before April 30 for coverage to be effective May 1, 2010. If you don't use the envelope, mail forms to the address at the bottom of this page.

### Disenrolling from a Medicare plan

You may choose to disenroll from a Medicare plan on the last day of any month and enroll in a new plan on the first day of the next month. Here's what you need to do:

- Decide if your dependent or you want to elect a different city-sponsored Medicare plan. Or, if you want to re-enroll in the HMO or PPO plan, you can do so within 90 days of Medicare plan enrollment or on Jan. 1, 2011.
- Each person who wants to disenroll from a Medicare plan must complete a city of Houston Medicare plan disenrollment form. The retiree must complete a city of Houston retiree medical election form to reinstate HMO, PPO or another Medicare plan coverage for any dependents or themselves. Request these forms from Benefits, 888-205-9266 or 713-837-9400. If a person wants to elect another Medicare plan, request the enrollment application from Benefits or request the new plan send an enrollment packet for each person who wants to enroll.

### Electing a Medicare plan

**You may change plans during the Medicare-plan annual enrollment in December (for Jan. 1), or annual open enrollment in the spring (for May 1), or you may elect to join a Medicare plan on the first of any month.** For coverage to be effective on the first of the next month, Benefits must receive your application before the end of the previous month. Here's how it works:

- Request an enrollment packet from Aetna, TexanPlus, Texas HealthSpring, KelseyCare or UnitedHealthcare.
- Enrollment forms will be in the packet.
- Each person must complete, sign, date and return all copies of an enrollment application and statement of understanding for the plan you elected. If you elect Medicare supplement plan F, you must also complete the UnitedHealthcare Part D prescription-drug enrollment form.

### Send all completed forms to:

City of Houston  
Human Resources Department, Benefits Division  
P.O. Box 248  
Houston, TX 77001

Benefits must receive your forms by the end of the month for coverage to be effective on the first of the next month.

*Contact information for the Health plans is on the back of this brochure.*