

SRS Retiree Association

SRNS/SRR Incumbent Retiree Benefits Update

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Tuesday, April 10, 2012

Agenda – Incumbent Retirees

- Medicare Eligible Retiree Medical Plan
 - Timeline
 - Overview of Changes / Vendor Selection
 - My Medicare Advocate / Health Reimbursement Account (HRA)

- Pre-Medicare Eligible Retiree Medical Plan
 - Timeline
 - Overview of Changes / Vendor Selection
 - Health Savings Accounts (HSA)

Medicare Eligible Retiree Timeline

- April = SRS Retiree Association Meeting
- June = Communication of My Medicare Advocacy Services, Stipend & Town Hall Meeting Dates
- July / August 2012 = CSRA Town Hall Meetings
- September 2012 = My Medicare Advocate calls you to introduce their services
- October 2012 = Open Enrollment Materials
- November 2012 = Open Enrollment
- January 1, 2013 = New Plan Year

Medicare Eligible Retiree Medical Plan

➤ Plan Design Overview

➤ Medicare Eligible Retirees;

- Transition provided with annual stipend paid into a Health Reimbursement Account (HRA) to buy your own Plan
 - Medicare Supplement = Medigap Plans
 - Medicare Replacement = Medicare Advantage
 - Prescription Drug Coverage = Medicare D
- Health Reimbursement Account (HRA) established in Participant's name – funded by SRNS/SRR annually
 - Premium Assistance (through My Medicare Advocate)
 - Medical Expenses (copays / coinsurance / expenses)
- Dependents / Retirees not eligible for Medicare remain in SRNS/SRR Incumbent Retiree Medical Plan

Medicare Eligible Retiree Medical Plan

- 2013 Vendor Selection Completed
- Medicare Eligible Retirees;
 - *ACS/Buck = My Medicare Advocate*
 - *Wage Works = Health Reimbursement Account (HRA); an ACS/Buck Partner*

What is My Medicare Advocate

- My Medicare Advocate (MMA) is a service that helps retirees evaluate meaningful Medicare plan choices through an integrated solution including:
 - A domestic call center staffed with licensed advocates
 - A Web portal with modeling tools and enrollment function
 - Medicare eligibility verification with CMS (Medicare)
 - A network of carrier affiliates that provide Medicare coverage on a national basis
 - Communication / education

MMA: Retiree Advantages

- No cost to use the tool
- Screened insurance affiliate carriers
- Fewer choices are easier than too many choices or no choice
- Decision Support tools factor in premiums and out-of-pocket costs
 - High correlation between retiree's specific needs and the plan selected
- Reduce cost and/or improve benefits for special needs retirees
- Better benefits and lower premium rates than available in individual market
- HRA Administration
 - Simplified premium and out-of-pocket expense submissions and reimbursements
 - Payment of health plan premiums

Health Reimbursement Account (HRA)

- Bank account established under IRS rules for allowed medical expenses
 - Premiums
 - Copays / coinsurance
 - Dental / Vision expenses
- May roll over year-to-year
- Funded solely by Employer / Company
 - Frequency and amount of funding not yet determined
- Joint account for Medicare Eligible Spouses
- Prorated funding for the year you become Medicare eligible, if after 01/01/2013
- Managed by “Wage Works”

Pre-Medicare Retiree Plan Eligibility

- Retiree, Survivor, Spouse and/or Dependent Child not eligible for Medicare will remain eligible for the SRNS/SRR Incumbent Retiree Medical Plan
- Those reaching Medicare eligibility after January 1, 2013 will be transitioned month following Medicare eligibility

Pre-Medicare Retiree Plan - Timeline

- April = SRS Retiree Association Meeting
- June = Communication of Plan Design and Rates
- October 2012 = Open Enrollment Materials mailed to homes
- November 2012 = Open Enrollment
- January 1, 2013 = New Plan Year

Pre-Medicare Retiree Medical Plan

- Plan Design Overview
 - Pre-Medicare Eligible Incumbent Retirees;
 - *Same 3 Options (Prime, Standard, Basic),*
 - *Health Savings Account partnered with Basic plan,*
 - *Wellness Initiatives,*
 - *Minor Plan Design changes,*
 - *Separate Plans; New ID cards, and*
 - *Increased rates*

Pre-Medicare Retiree Medical Plan

- 2013 Vendor Selection Completed
 - Pre-Medicare Eligible Incumbent Retirees;
 - *BCBS of SC = Medical / RX / Dental*
 - *HSA Bank = Health Savings Account (BCBS partner); this account is partnered with Basic Medical Plan Option*

Health Savings Account (HSA)

- Option for Active and pre-Medicare eligible Incumbent retirees when electing the Basic Medical Plan Option
- Bank account established under IRS rules – to be used for allowed medical expenses
 - Premiums (when not actively employed)
 - Copays / coinsurance
 - Dental / Vision expenses
- Must not be participating in any other medical plan
- Balances roll over year-to-year
- Funded by Employer and Participant
- Triple Tax Benefits (limited contributions; unlimited balance)
- Balances may be invested in the Stock Market (Mutual Funds)
- Managed by “HSA Bank”

Questions & Answers



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