SRNS/SRR
Incumbent Retiree Benefits Update

Presented by Kelly Sanders,
SRNS Benefits Manager

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
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

Benefits Solutions Service Center
(803) 725-7772 or (800) 368-7333
Service-Center@srs.gov