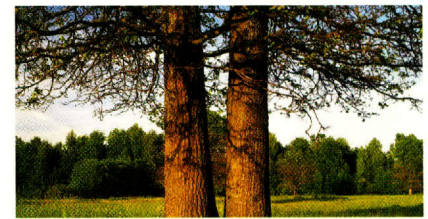


# CONNECTION

DISCUSSING RETIREE BENEFITS AND OTHER NEWS

Fall 2011 • Volume 16 • Number 3

Inside: P2 Director's Message P3 Health Plan Comparison  
P4 Deductibles Start Over



A PUBLICATION OF  
**ERS**  
EMPLOYEES RETIREMENT  
SYSTEM OF TEXAS

## DON'T FORGET: REVIEW YOUR COVERAGE

Mark your calendars—a critical ERS Coverage Review Period deadline is coming up. From November 7 to December 9, 2011, you will have the opportunity to do two things that could affect your health coverage.

### Medicare Advantage

First, if you are currently enrolled in Medicare, you should review the material sent to you explaining the Humana Medicare Advantage Plan, which starts for you on January 1. This new plan lowers your premium contributions for dependents, eliminates deductibles, gives you the same prescription care as HealthSelect<sup>SM</sup> of Texas, lets you see any doctor who accepts Medicare, and offers other extra benefits. It should also significantly reduce your medical paperwork.

The Humana Medicare Advantage Plan will be the health plan for retirees, survivors, and their eligible dependents if they are enrolled in Medicare Parts A and B. If there is some reason why you don't want to remain enrolled in the Humana Medicare Advantage Plan, you can opt-out during the Coverage Review Period by signing in to your account at [www.state.tx.us](http://www.state.tx.us) or by calling (866) 399-6908 from November 7 to December 9. You and your spouse can be in different health plans if both of you are not enrolled in Medicare. If one of you is in Medicare and the other is not, the person in Medicare will be enrolled in the Humana Medicare Advantage Plan, and the person who is not will stay in his or her existing coverage.

### Tobacco User Premium

Second, if you or anyone you cover under the GBP is a tobacco user, you will have to certify that you or your dependents use tobacco. Tobacco users will pay higher health insurance premiums starting January 1. The higher premium is \$30 per tobacco user, up to a maximum of \$90. To help you quit using tobacco and avoid paying the higher premiums, tobacco cessation prescription drugs were added to the GBP prescription drug program on September 1, 2011. Go to your account at [www.ers.state.tx.us](http://www.ers.state.tx.us) or call ERS toll-free at (866) 399-6908 and tell us if you or any of your covered dependents use tobacco. If you and your dependents do not use tobacco, or if you aren't covered by a GBP health plan, you do not have to contact ERS.

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### New Dental Discount Program

#### Humana Medicare Advantage

Plan coverage includes a Dental Discount program.

This discount program is designed for those who do not have dental insurance.

The Dental Discount can't be combined with a GBP Humana-Dental plan, either the DHMO or State of Texas Dental Choice Plan<sup>SM</sup>.

Tobacco User(s)	Monthly fee
You only	\$30
Spouse only	\$30
Child* (if member or spouse do not use tobacco)	\$30
You + spouse	\$60
You + child*	\$60
Spouse + child*	\$60
You + spouse + child*	\$90

\*Note: The charge for a child is the same regardless of how many children in the household use tobacco



## EXECUTIVE DIRECTOR'S MESSAGE

While we're certainly excited about adding the Humana Medicare Advantage Plan to your list of health care options, we understand that many retirees and their spouses have questions about how the plan works and what the benefits will be when you are enrolled.

One common question we hear is "Will my doctor accept the Humana Medicare Advantage Plan?" You should be able to see any doctor who accepts Medicare. And no referrals are necessary to see a specialist. We are in constant communication with our providers, working to make sure they understand how the plan works and that they will be accommodating to our members. We'll keep you up to date on any changes.

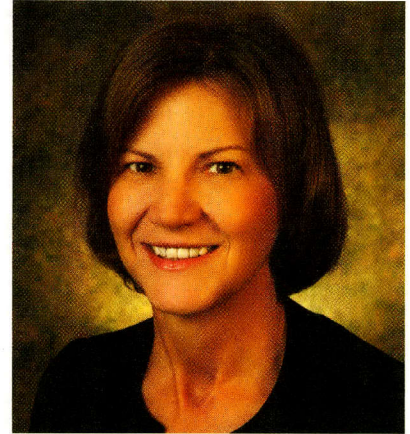
Keep in mind that if you are in the Humana Medicare Advantage Plan, you will still have to pay your Medicare Part B premiums, as you do with HealthSelect. All of your claims will be paid by Humana, meaning you will have a lot less paperwork to keep up with. Instead of showing your red, white, and blue Medicare card, you will now show only your Humana Medicare Advantage Medical ID card at the doctor's office. You will continue to use your Caremark Drug ID card at the pharmacy. Members joining the Humana Medicare Advantage Plan from an HMO will receive a Caremark Drug ID card before January 1.

The best part about the Humana Medicare Advantage Plan is that it will save you money. If you cover a dependent, your premiums will be much lower. Even if you don't cover any dependents, you'll still see lower costs because you no longer have to pay a Medicare deductible. A lot of retirees have asked us how the cost can be lower—if they will be sacrificing quality care to get a lower price. The answer is that you will not. Medicare Advantage Plans are partially subsidized by the Federal Government, which allows Humana and ERS to offer you coverage for less. See for yourself by reading the plan's **Summary of Benefits** included in your Welcome Kit.

We hope you will join us for an information session about the new Humana Medicare Advantage Plan during the 2011 Coverage Review Period. Check the schedule on the Events page at [www.ers.state.tx.us](http://www.ers.state.tx.us) or call (866) 399-6908 to find the location nearest you. We hope to see you there.

By the way, you might notice a change in the signature below. I recently married, and as a result you will begin seeing the name Ann S. Bishop on ERS materials and correspondence.

*Ann S Bishop*



Ann S. Bishop

### New Discounts For Fall

Visit [www.discountprogramERS.com](http://www.discountprogramERS.com) to see what's new for fall, including discounts from Barnes & Noble of up to 45%, \$500 savings from Carperks, 40% on identity theft protection services from LifeLock, and up to 15% from IBM.



Continued from page 1

If you would like more information on the Coverage Review Period, or would like to ask a question, please attend one of our upcoming fairs.

The table below contains selections from a set of tables comparing all plans and services. To see all services please visit the charts at [www.ers.state.tx.us](http://www.ers.state.tx.us). Note that partici-

pants in all plans must pay the Medicare Part B premium. Regardless of what health coverage you choose, if you decline Medicare Part B, you will have to pay the amount that would have been paid by Medicare Part B. This means you are responsible for the amount that Medicare would have paid, usually 80% of the allowable charges.

### Retiree Health Plans Comparison Chart Office Visits and Tests

Benefit	You pay with Original Medicare	You pay with Humana Medicare Advantage (effective January 1, 2012)	You pay with HealthSelect Secondary and Medicare (HealthSelect and Medicare coordinate benefits for you)	You pay with a GBP HMO and Medicare (Both Community First and Scott & White coordinate benefits with Medicare for you)	You pay with KelseyCare Medicare Advantage HMO
Calendar year deductible	\$162	None	\$200 per individual \$600 per family	None	None
Office visits in conjunction with an illness or injury	20% <sup>2</sup>	\$0	\$0 <sup>2</sup> – 30% <sup>4</sup>	\$0-\$25	\$0
Specialty physician office visit	20% <sup>2</sup>	\$0	\$0 <sup>2</sup> – 30% <sup>4</sup>	\$0-\$40	\$0
Diagnostic tests and x-rays, including allergy testing	20% <sup>2</sup>	\$0	\$0 <sup>2</sup> – 30% <sup>4</sup>	\$0 – 20% <sup>4</sup>	\$0
Diagnostic lab services	\$0	\$0	\$0 <sup>2</sup>	\$0 – 20% <sup>4</sup>	\$0
Physical	\$0 for one exam every 12 months Does not cover lab tests	\$0 <sup>1</sup> Covers screening lab tests	\$0 <sup>1,2</sup>	\$0-\$25/\$40 <sup>3</sup>	\$0 <sup>1</sup>
Office surgery and diagnostic procedures	20% <sup>2</sup>	\$0	\$0 <sup>2</sup>	\$0- 20% <sup>4</sup>	\$0
Allergy injections and serum	20% <sup>2</sup>	\$0	\$0 <sup>2</sup> – 30% <sup>4</sup>	\$0 – 20% <sup>4</sup>	\$0
Chiropractic care	20% <sup>2</sup> for Medicare-covered chiropractic services	\$0 for Medicare-covered chiropractic services	\$0 <sup>2</sup> – 30% <sup>4</sup>	Does not cover	\$0 for each Medicare-covered visit

<sup>1</sup> One per calendar year.

<sup>2</sup> After payment of deductible. HealthSelect note: Medicare and HealthSelect deductibles run concurrently. Member may be responsible for some charges when the provider does not accept Medicare assignment, or does not have a Par Plan contract with BCBSTX.

<sup>3</sup> Copayment amount depends on whether treatment is provided by a PCP or specialist.

<sup>4</sup> Payment amount is dependent upon the coordination of benefits (COB) between your carrier (HealthSelect, Community First, Scott & White, KelseyCare MA HMO) and Original Medicare. Sometimes this means your expense is \$0, but charges will vary depending upon COB. Please reference your Summary of Benefits for more information.





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## THE FUTURE OF STATE BENEFITS: A SERIES OF EDUCATIONAL FORUMS

The Texas Legislature charged ERS with conducting an interim study of the best options for providing sustainable and competitive benefits for state employees and retirees. Because transparency matters in government, ERS is taking an inclusive approach to the study. In the coming year you will have many opportunities to participate in the research process.

The study kicked off with educational forums in November. Recordings of the forums are available at [www.ers.state.tx.us](http://www.ers.state.tx.us).

ERS will continue the study by opening up multiple sessions to hear from anyone interested in presenting a cost-saving solution for consideration. Next spring, ERS will review the proposals and begin drafting the report. We will share study findings with retirees and employees before presenting the report to the Legislature.

## HEALTHSELECT MEDICAL DEDUCTIBLES START OVER JANUARY 1

If you have HealthSelect<sup>SM</sup> of Texas insurance, the deductible and coinsurance maximums for you and your family will restart on January 1, 2012. If you are enrolled in the Humana Medicare Advantage Plan, you will not have an annual deductible.

A medical deductible is the amount that you must pay before your insurance starts to pay a share of the cost. The medical deductible that starts on January 1 is not the same as your prescription drug deductible, which started on September 1.