

**CT TRB Health Plan  
and the  
Impact of Health Reform on Medicare**

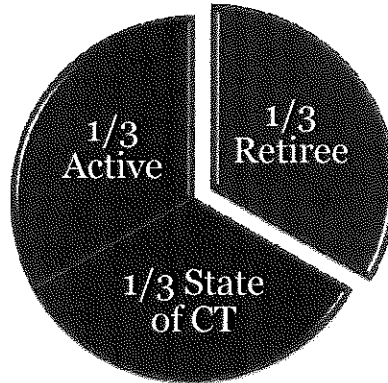
Presented by

**James B. Stirling**  
**Stirling Benefits, Inc**

October, 2013

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Evolving the Business of Benefits™

## TRB Plan Funding



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## TRB subsidies

Retirees receive either:

### Local Board subsidy

- \$110 per retiree or spouse per month
- \$220 per month if not eligible for Medicare
- 100% of premium increase paid by retiree

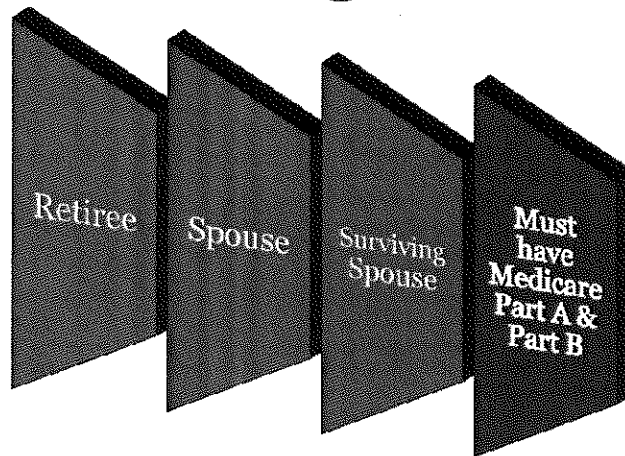
**Or**

### TRB coverage subsidy

- Two thirds (66%) of the cost of Medical & RX
- Once join TRB plan, TRB no longer pays local board
- Two thirds any increase paid by State or actives

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## TRB -- Who is eligible?



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## TRB Medical

- Covers what Medicare allows
  - Same as Blue Cross High Option
- No network, No Copayments,
- No preexisting Condition limitations
- No individual underwriting
  
- Picks up remainder after Medicare pays
- Coverage the same everywhere in the US and Puerto Rico

# Connecticut State Teachers' Medicare Supplement Plan - 2013

## Administered by Stirling Benefits, Inc.

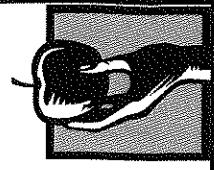
### OUTLINE OF BENEFITS 2013

Services	Benefit	Medicare Pays	This Plan Pays	You Pay
<b>Hospitalization</b> Semiprivate room and board, general nursing and other hospital services and supplies.	First 60 days	All but Medicare Part A Deductible \$1,184.00	Medicare Part A Deductible \$1,184.00	Nothing
	61 <sup>st</sup> to 90 <sup>th</sup> day	All but daily co-insurance \$296.	Daily co-insurance \$296.	Nothing
	91 <sup>st</sup> to 150 <sup>th</sup> day	All but daily co-insurance \$592.	Daily co-insurance \$592.	Nothing
<b>Medical Expenses</b> Physician services, inpatient and outpatient surgical services and supplies, physical, occupational and speech therapy, diagnostic tests, and durable medical equipment.	Beyond 150 days Up to an additional 60 days	Nothing	Up to an additional 60 days Prior authorization required	Nothing
	Unlimited services if medically necessary.	After Medicare Part B \$147.00 per calendar year deductible		The \$147 Medicare Part B deductible.
		80% of the approved amount for most outpatient mental health services. Most providers accept assignment	If provider accepts assignment: 20% (or 35%) that Medicare does not pay); For non-assigned claims, the plan covers the assigned amount described above <u>plus</u> 80% of any additional billing.	All other charges are paid in full if your provider accepts Medicare assignment of benefits. If the provider does not accept assignment, the members share is approximately 3% of the total charge.
<b>Laboratory Services</b> Blood tests, urinalysis and other diagnostic services.	Unlimited, if medically necessary.	Generally 100% of the approved amount.	Nothing	Nothing
<b>Home Health Aide</b>	Services are medically necessary, limited to 4 hours per day.	Nothing	\$500.00 per calendar year	Any additional charges

**New for 2013:** Stirling Benefits will now cover the Shingles (Herpes Zoster) Vaccination at 80% up to a maximum of \$200 Per Lifetime.

#### **Out of Country**

In-Patient Hospital Facility Charge – 30 days paid at 100% (physician's charges related to in-patient hospital stay is paid at 80%)  
Out- Patient Charges for Life Threatening illness/accidents are paid at 80% all other medical treatments are paid at 20%.  
Prescriptions and lab charges are not covered.  
Payment is limited to a Lifetime maximum of \$100,000.00



# Connecticut State Teachers' Medicare Supplement Plan - 2013

Services	Benefit	Medicare Pays	This Plan Pays	You Pay
<b>Outpatient Hospital and Ambulatory Surgical Services</b> Services for the diagnosis or treatment of an illness or injury.	Unlimited, if medically necessary.	Medicare payment to the hospital, based on hospital costs.	20% that Medicare does not pay the hospital.	Nothing
<b>Blood</b>	Unlimited during a benefit period, if medically necessary.	80% of approved amount (deductible applies and starting with the 4 <sup>th</sup> pint).	First 3 pints of blood at 100%.	Nothing
<b>Skilled Nursing Facility Care</b> Semiprivate room and board; skilled nursing and rehabilitative services and other services and supplies (neither Medicare, HMO's nor the TRB plan will pay for long term nursing home care).	First 20 days:	100% of the approved amount.	Nothing	Nothing
	Additional 80 days:	All but daily-co-insurance.	Daily co-insurance \$148 a day	Nothing
	Beyond 100 days, up to an additional 20 days:	Nothing	Up to an additional 20 days Prior authorization required	Nothing
<b>Hospice Care</b> Pain relief, symptom management, and support services.	For as long as doctor certifies need.	All but limited costs for outpatient drugs and inpatient respite care.	Nothing	Nothing
<b>Prescription Drugs</b> \$250.00 deductible combined for retail/mail order scripts.  Maximum annual out of pocket cost is \$1,000 per calendar year including the deductible.	All drugs are available with a physician's prescription.	Nothing	<b>Retail service</b> Generic drugs; 95% for the first two scripts, then 90% Preferred drugs 80% Non-Preferred drugs 70%.	\$250.00 deductible combined for mail order/retail scripts. Generic drugs 5% or 10% Preferred drugs 20% Non-preferred drugs 30%
		<b>Mail order drugs</b> Generic drugs 95% Preferred drugs 80% Non-preferred drugs 70%	Generic drugs 5% Preferred drugs 20% Non-preferred drugs 30% <b>\$1,000.00 out of pocket maximum incl. Deductible</b>	

## Vision Benefit

Eye exam in a 12 month period (not approved by Medicare) \$75.00  
 Frames-1 pair in a 24 month period \$100.00  
 Contact Lenses per calendar year \$120.00

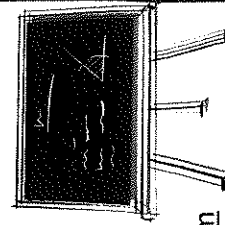
Frame type lenses in a 24-month period:

Single Vision \$60.00 Trifocal \$120.00 Progressive lenses \$120.00  
 Bifocal \$80.00 Lenticular \$200.00

(Medicare pays for 1 pair of eyeglasses after cataract surgery) Sunglasses are not covered.

## Hearing Benefit

Hearing Aids \$750.00 every 36 months  
 (includes fittings and adjustment)





## CT STATE TEACHERS' MEDICARE SUPPLEMENT PLAN

### ADMINISTERED BY STIRLING BENEFITS

This handout is designed to help you understand the benefits available through the State Teachers' Medicare Supplement plan. This was prepared to answer the most common questions.

#### **FREQUENTLY ASKED QUESTIONS:**

**1) Do I need to have Medicare Part A and Medicare Part B to be eligible for this plan?**

- ✓ Yes, Traditional Medicare Part A and Part B are required. Medicare HMO's are not covered.

**2) Do I need to see doctors on a network list?**

- ✓ No, but doctors must be contracted with Medicare in order for charges to be covered. The plan will not cover services provided by a Non-Medicare provider, and you will be responsible for the total charge. For Medicare physicians log onto [WWW.MEDICARE.GOV/FIND -A-DOCTOR](http://WWW.MEDICARE.GOV/FIND-A-DOCTOR)

**3) Am I covered if I travel out of the country?**

- ✓ Yes, for illness/injury while traveling outside of the United States, the plan pays for a 30-day in-patient hospital stay semi-private room. In-patient physician's charges are paid at 80%. Out- patient Life Threatening illness/accident paid at 80% and Non Emergency illness/accident paid at 20%. Out of Country benefit is limited to a lifetime amount of 100,000.00.

**5) Do I need to submit paper claims?**

- ✓ Generally, your provider will submit your claim to Medicare and then Medicare will forward your claim to Stirling Benefits electronically (direct crossover) for Medicare Part B. For Medicare Part A charges, Hospitals and Skilled Rehabilitation Facilities will forward the claim to us for reimbursement.

**6) Are prescription drugs covered?**

- ✓ Yes, CVS/Caremark administers your Prescription Drug Plan. Please do not submit prescription charges to Stirling Benefits.

**7) Are Wellness visits covered?**

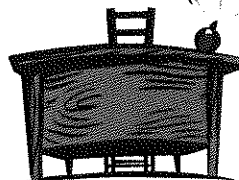
- ✓ Yes, Medicare covers yearly Wellness visits.
- ✓ Please contact Medicare at 1-800-633-4227 for guidelines.

**8) Are routine eye exams covered?**

- ✓ Only if you enroll in the Routine Vision Benefit. (Administered by Stirling Benefits)

**9) Is dental covered?**

- ✓ Only if you enroll in the Dental Benefit. (Administered by Aetna)



**10) What does the plan pay if my doctor does not accept assignment?**

- ✓ The plan will pay the 20% of the Medicare approved amount after you have met the Medicare Part B deductible. The balance between the Medicare approved and the physician's total charge (not to exceed 15% of the Medicare approved amount) is covered at 80% under the Major Medical portion of this plan.

**11) What if I exhaust all Medicare covered In-Patient Hospital days?**

- ✓ The Plan will pay for an additional 60 lifetime days after the Medicare benefit is exhausted, subject to Case Management Review.

**12) Is Skilled Nursing Facility Care covered?**

- ✓ Yes. Medicare pays 100% for the first 20 days. For days 21-100, Medicare pays all but the daily co-pay which is payable by this plan. (The plan will allow an additional 20 days after the Medicare 100 days have been exhausted, subject to Case Management Review)

**12) Is Long Term Care covered?**

- ✓ No. Long Term Care is not a covered benefit.

**13) I am a Veteran; will the plan cover charges from the Veterans Facilities that are not covered by Medicare?**

- ✓ Yes. Medicare does not cover services from Veterans Affairs facilities. This plan will pay according to Medicare guidelines, co-ins balance for outpatient services, and 100% for inpatient Medicare Part A deductible and co-insurance.

**14) How do I enroll?**

- ✓ Contact the CT State Teachers' Retirement Board (CSTRB) for enrollment forms at 1-800-504-1102 or 1-860-241-8414. You may also download the Enrollment Form from their website at [www.state.ct.us/trb](http://www.state.ct.us/trb). All completed enrollment forms are processed by the CSTRB in Hartford, Connecticut.

**15) Is my spouse eligible for coverage?**

- ✓ Yes, your spouse is eligible for coverage provided he/she meets the eligibility requirements. (Medicare Part A and Part B are required)

**16) How do I enroll in Medicare?**

- ✓ Call the Social Security Administration at 1-800-772-1213 for more information about signing up for Medicare Parts A and B. If you receive benefits from the Railroad Retirement Board, call your local RRB office at 1-800-808-0772.

**17) Who can help me compare plans?**

- ✓ Call your State Health Insurance Assistance Program. The toll free number for Connecticut is 1-800-994-9422. Volunteer counselors can help you compare health plans available to you.

Stirling Benefits, Inc. • 20 Armory Lane • Milford, Connecticut 06460 • (800) 447-6689



## Rx Benefits

Administered by CVS Caremark

\$250 Annual Deductible per Person

Maximum Out-of-Pocket is \$1,000  
(\$250 deductible + \$750 of cost share)

100% benefits for the remainder of the year

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## Retiree Payments for Rx

	Generic Drugs	Preferred Drugs	Non-Preferred
Acute at Pharmacy	5%	20%	30%
Maintenance at Mail Order	5%	20%	30%
Maintenance at Pharmacy	10%	25%	35%



## Dental

- \$44.00 / Month (2014)
- Administered by Aetna Dental
  - \$50 annual deductible
  - 100% cleanings
  - 80% basic restorative
  - 50% Major Restorative
  - \$2,000 annual maximum



## Vision & Hearing

- \$5.00 / Month
- Vision
  - Exams: \$75 every 12 months
  - \$100 toward frames and \$60 - \$200 allowance for lenses every 24 months, or \$120 toward contacts every 12 months
- Hearing Aids: \$750 every three years
- Administered by Stirling Benefits



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## Monthly Cost Per Person

	'09	'10	'11	'12	'13	2014
Medical / Rx	\$99	112	125	124	117	\$97
Medical/Rx & Dental	144	160	174	173	160	\$141
Medical / Rx Dental Vision & Hearing	149	165	179	180	165	\$146

## For More Information...

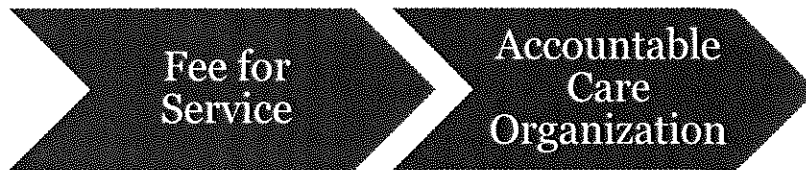
- **Stirling Benefits, Inc.**
  - 20 Armory Lane, Milford, CT 06460
  - (203) 876-1660, ext. 0, [StirlingBenefits.com](http://StirlingBenefits.com)
  
- **Teachers' Retirement Board**
  - 21 Grant Street, Hartford, CT 06106
  - (800) 504-1102, fax: (860) 525-6018, [www.ct.gov/trb](http://www.ct.gov/trb)
  
- **CVS CareMark**      (800) 318-2572
- **Aetna Dental**      (855) 394-3874
- **Medicare**            (800) 772-1213    [Medicare.gov](http://Medicare.gov)

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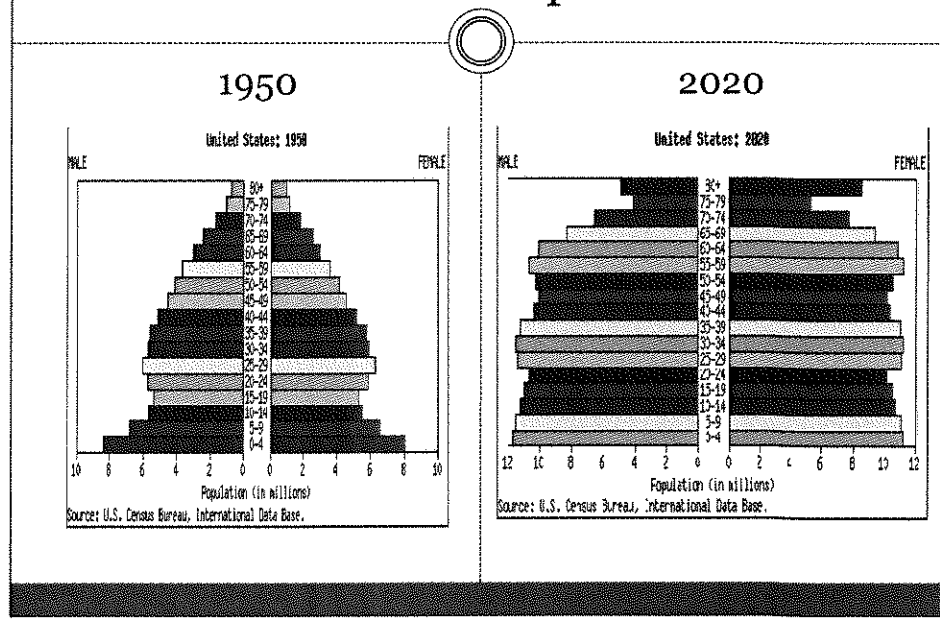
## Medicare Basics



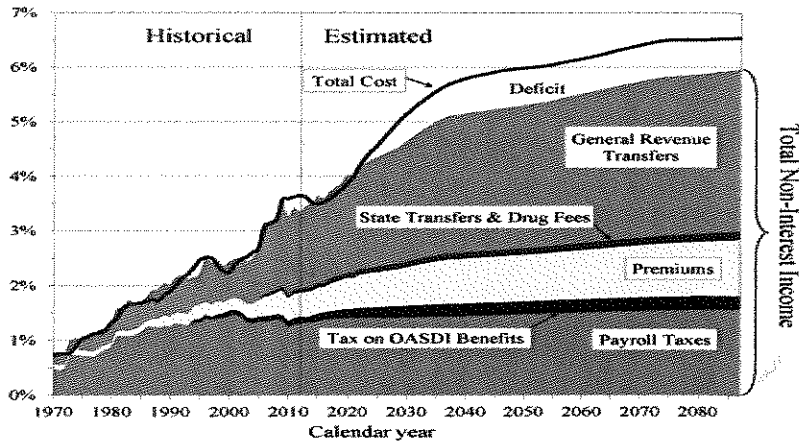
- Effective in 1964
- Covers 49 Million members
- \$560 Billion cost in 2013
- 20% in “Medicare Advantage” (HMO plans)
- 80% in Traditional Medicare = “Fee for Service”



## Medicare Basics- Population curve



## Medicare Revenue and Expense as % of GDP



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## Medicine - Then and Now

Service	1964	2013
MRI	N/A	\$400-\$4,000
Pacemaker	N/A	\$24,000 at Manchester Memorial \$86,000 at Yale New Haven
Scooter	N/A	"It's free if you have Medicare!"
Cancer	"get your affairs in order"	\$50,000 - \$300,000+

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## The old Medicare -- Fee for Service



"I don't like the looks of this at all —  
there's nothing wrong!"

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## What makes an ACO?

### Accountable Care Organization

- Pay for Health, not Healthcare
- Coordinated primary/secondary care
- Electronic Medical Record
- Same day appointments for established patients
- 24/7 access to person with your Medical Record
- Financial incentives for improved health outcome
- Practice at the "top of license"
- Focus on behavioral change where appropriate

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