

SERIP & Medicare

Helping SERIP retirees understand their options



- Options if the SERIP Retiree stays with State of Iowa Coverage
- Options if the SERIP Retiree drops their State of Iowa Coverage

Training Developed by IOWA SHIIP Program. For more information or Help, please call 1-800-972-2025 or e-mail shiip@ihr.iowa.gov.



Start

What is SERIP?



State Employee Retirement Incentive Program (SERIP) – Since 2010, the State has been making a contribution towards the retirees health insurance.

- Part of an early retirement package
- Contribution continues for five years through the end of the month in which they retired

Example
Retired on May 7, 2010.
The state contributions to health insurance will end on May 31, 2015

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Medicare Retiree - Options After SERIP Payments End



1. State of Iowa Retiree Insurance
2. Drop the State's health insurance plan and enroll in a Medicare-supplement plan
3. Drop the State's health insurance plan and enroll in a Medicare Advantage plan

Continue

Options 1

Stay with State of Iowa Retiree Health Insurance:

- Continue health insurance coverage in the same State of Iowa health insurance plan
- Change to a different State-sponsored health insurance plan
- Change from Single to Family or Family to Single coverage level

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Medicare Eligible -State Health Insurance Options

Medicare-Eligible Retirees can elect the following health plans:

- Blue Access
- Blue Advantage
- Gold Preferred
- Iowa Select
- Program 3 Plus
- Deductible 3 Plus
- Group Plan N

- Medicare becomes primary payer of claims
- State becomes secondary payer of claims

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Let's review the State of Iowa Retiree Options

HMO Options: Blue Access or Blue Advantage

- Maximum Out of pocket
\$750 Single; \$1500 Couple: Include all copayments except drug
- Drug benefit
 - No deductible
 - No Coverage Gap
 - Copays \$5/\$15/\$30
- Enroll in MedicareBlue Rx – premium reduced and drug benefit stays the same
- Must use network providers
 - www.Wellmark.com

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Let's review the State of Iowa Options 

PPO Options: Gold Preferred or Iowa Select

- Enroll in MedicareBlue Rx – premium reduced and drug benefit stays the same
- Can go to any health care provider who will bill Wellmark but lower coinsurance if you use network providers
 - www.Wellmark.com (to check participating providers in your area)

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Let's review the State of Iowa Options 

PPO Options

| | Gold Preferred | Iowa Select |
|------------|--|--|
| Deductible | \$750 Single \$1,500 Family Applies to In-network/out of network services | \$250 Single \$500 Family Applies to In-patient and outpatient services for in network or out of network |
| MOOP | \$1500 Single \$3,000 Family Includes all deductibles and coinsurance except drug | \$600 Single \$800 Family Includes all deductibles and coinsurance except drug |
| Drug | \$100 deductible (waived for generics) No Coverage Gap MOOP = \$5,100 Single \$10,200 Family Copays \$10/\$25/\$50/\$100 | No deductible No coverage Gap MOOP = \$250 Single \$500 Family Copays \$5/\$15/\$30 |

MOOP = Maximum-out-of-pocket

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Let's review the State of Iowa Options 

Indemnity Plan: Program 3 Plus or Deductible 3 Plus

- An Indemnity Plan allows your client the freedom to visit any physician they choose
- No requirement to designate a primary care physician or get a referral to see a specialist
- Can go to any Wellmark health care provider
- **Program 3 Plus** – Enroll in MedicareBlue Rx – premium reduced and drug benefit stays the same
- **Deductible 3 Plus** – Enrolling in MedicareBlue Rx is not an option – use Deductible 3 Plus drug benefit

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Let's review the State of Iowa Options

Indemnity Plans

| | Program 3 Plus | Deductible 3 Plus |
|------------|---|--|
| Deductible | \$300 Single \$400 Family In-patient services only | \$300 Single \$400 Family Applies to most services |
| MOOP | \$600 Single \$800 Family Includes all deductibles and coinsurance except drug | \$600 Single \$800 Family Includes all deductibles and coinsurance |
| Drug | No deductible No Coverage Gap MOOP = \$250 Single \$500 Family Copays \$5/\$15/\$30 | No deductible No coverage Gap No out-of-pocket maximum 20% after deductible |

MOOP = Maximum-out-of-pocket

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Options – After Medicare Eligibility

To lower your Wellmark Premium:
 Enroll in State retiree **MedicareBlue Rx Iowa- Medicare Part D plan**
 (For all State Retiree options **except** Deductible 3 Plus and Group Plan N)

- MedicareBlue Rx is **primary**
- Wellmark is **secondary**
- Wellmark's drug cost are much lower since Medicare pays first. Passes saving on to retirees in reduced health premiums
- Wellmark and MedicareBlue Rx Iowa **coordinate** prescription drug coverage
- Retiree saves a **substantial amount** in the Wellmark monthly premium
- Drug Benefit does not change

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State of Iowa Drug Plan Option – After Medicare Eligibility

2015 MedicareBlue Rx Iowa Monthly Premium
 \$93.20 per Medicare-eligible person



Continue

State of Iowa Health Insurance Options 

Retiree or Spouse is Medicare Eligible

| 2015 Monthly Premiums | MedicareBlue Rx | |
|-----------------------|-----------------|----------|
| | Without | With* |
| Plans | Single | Single |
| Blue Advantage | \$613.92 | \$397 |
| Blue Access | \$637.72 | \$413.22 |
| Gold Preferred | \$677.82 | \$432.96 |
| Iowa Select | \$912.11 | \$539.37 |
| Program 3 Plus | \$902.39 | \$541.19 |
| Deductible 3 Plus | \$914.20 | N/A |

*Monthly Premiums include \$93.20 MedicareBlue Rx Premium [Continue](#)

State of Iowa Health Insurance Options 

Retiree or Spouse is Medicare Eligible

| 2015 Monthly Premiums | MedicareBlue Rx | |
|-----------------------|-----------------|------------|
| | without | with* |
| Plans | Family | Family |
| Blue Advantage | \$1,336.63 | \$990.30 |
| Blue Access | \$1,386.62 | \$1,018.33 |
| Gold Preferred | \$1,456.89 | \$1,067.69 |
| Iowa Select | \$1,961.98 | \$1,333.70 |
| Program 3 Plus | \$1,941.73 | \$1,338.25 |
| Deductible 3 Plus | \$1,966.55 | N/A |

*Monthly Premiums include \$93.20 MedicareBlue Rx Premium [Continue](#)

Lets Review the State of Iowa Options 

Enroll in Group N Plan if you are:

- enrolled in Single coverage and eligible for Medicare
- or
- enrolled in family coverage and both the state retiree and their spouse is eligible for Medicare (both have to enroll in Group Plan N option)

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Group Plan N Option

Group Plan N:

- If your client chooses Group Plan N option, they will be able to go back to one of the other State options during the next State of Iowa enrollment and change period
- Your client can also enroll in Plan N anytime during the year when everyone in the family plan becomes eligible for Medicare.
- Group Plan N is only available as a single contract. If a client and spouse want to enroll each must sign up for his/her own Plan N
- Same benefits as standard Plan N
- Premiums will not increase because of your age. Everyone pays the same rate.
- Your client must also pick a Group Medicare Rx option when selecting Group Plan N

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Group Plan N Benefits

Group Plan N covers:

- Basic Benefits
 - Pay up to \$20 of each office visit (including visits to specialists)
 - Pay up to \$50 for each emergency room visit (waived if admitted to hospital)
- Part A Deductible
- Skilled Nursing Facility copayment
- Foreign Travel Emergency

Does not cover:

- Part B deductible
- Part B excess charges

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Group Plan N and MedicareBlue Rx Options

Select Group Plan N and you have two MedicareBlue Rx Options

| MedicareBlue Rx Basic | | MedicareBlue Rx Plus | |
|--|------|-----------------------------------|-------------|
| No deductible Coverage Gap: continue to pay \$10 generics | | No deductible No Coverage Gap | |
| Tier 1 generics | \$10 | Tier 1 Generics | \$10 |
| Tier 2 Preferred Brand | \$30 | Tier 2 Preferred Brand | \$25 |
| Tier 3 Preferred Brand, Specialty | \$50 | Tier 3 Preferred Brand, Specialty | \$40 25% |

Check the MedicareBlue Rx formulary to determine if drugs are covered:
<https://www.yourmedicareolutions.com/home/search-drug-list>
 or call MedicareBlue Rx customer service at 877-838-3827

Note: MedicareBlue Rx formulary is different than the Wellmark formulary for the regular plans

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Group N Plan – Low Cost Option

Group N Plan & MedicareBlue Rx Premiums

| | MedicareBlue Rx (Basic) | MedicareBlue Rx (Plus) |
|-----------------|-------------------------|------------------------|
| Group Plan N | \$159.54 | \$159.54 |
| MedicareBlue Rx | \$93.20 | \$128.10 |
| Total | \$252.74 | \$287.64 |

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- When SERIP Payments End – Enrolling in MedicareBlue Rx**
- Continue with a regular State plan
 - Blue Access
 - Blue Advantage
 - Gold Preferred
 - Iowa Select
 - Program 3 Plus
 - Currently enrolled in MedicareBlue Rx
- Do not need to reenroll in MedicareBlue Rx**
-
- Not Enrolled in MedicareBlue Rx
 - Call 888-299-5513
 - Enroll in the State of Iowa group # 38073-IOWA
- Continue

- Next Steps**
- If you want to continue with your State health plan, change single or family coverage or change to a different plan except Plan N:**
- Complete a **new** Wellmark health insurance application and return the application
 - Complete the new application even if you want the same plan
-
- Send the completed application**
- Retiree from Community Based Corrections (CBC) or Department of Transportation (DOT) – Send application back to your CBC or DOT location – Retirees should know address
 - All other Retirees – Send your new application to DAS
- Continue

Next Steps

If you want to enroll in the Group N Plan

- Complete
 - 1) Group N Plan application **and**
 - 2) MedicareBlue Rx application (indicating the Basic or Plus option you are electing)
- Complete a new MedicareBlue Rx application even if you are already enrolled in MedicareBlue Rx
- Your spouse will also need to complete both the Group N Plan and the MedicareBlue Rx applications
 - Send to DAS: Attention Cindy Broshous

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Next Steps

If you want to cancel your State health plan

- Complete the **SERIP Retiree Cancellation of Health Insurance** form **and** return it to DAS

Send the cancellation form

- Retiree from CBC or DOT – Send form to your CBC or DOT location
- All other Retirees – Send form to DAS

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Next Steps

Applications/Cancellation Due Dates:

- Complete the **SERIP Retiree Cancellation of Health Insurance** form **and** return it to DAS

| SERIP Coverage ends | Application/Cancellation Due |
|---------------------|------------------------------|
| March 31, 2015 | March 16, 2015 |
| April 30, 2015 | April 9, 2015 |
| May 31, 2015 | May 6, 2015 |
| June 30, 2015 | June 5, 2015 |

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Choose to drop State of Iowa coverage:

Important Information

No provision for rejoining the state's health plans

Exception: If your client continues coverage on their spouse's State of Iowa health and/or dental coverage, your client can rejoin retiree coverage when their spouse terminates State employment

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Next Steps

Send applications to DAS:

**Department of Administrative Services
Human Resources Enterprise
ATTN: Cindy Broshous
Hoover Building, Level A
1305 E. Walnut Street
Des Moines, 50319-0150**

Except CBC and DOT: send to your location

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State SERIP Presentations

| | |
|--|---|
| <p>March 4, 2015 9:00-10:30 am Wallace Auditorium Wallace State Office Building 502 E 9th St Des Moines, IA</p> | <p>April 29, 2015 1:00-2:30 pm Southeastern Community College, West Burlington Campus The Lister Theater 1500 West Agency Road West Burlington, IA</p> |
| <p>March 12, 2015 2:00-3:30 pm Wallace Auditorium Wallace State Office Building 502 E 9th St Des Moines, IA</p> | <p>May 5, 2015 9:00 - 10:30 am Wallace Auditorium Wallace State Office Building 502 E 9th St Des Moines, IA</p> |
| <p>April 7, 2015 10:00-11:30 am 1:00-2:30 pm Hotel Kirkwood - Kirkwood Community College 7725 Kirkwood Blvd SW Cedar Rapids, IA</p> | <p>May 8, 2015 1:00-2:30 pm Hawkeye Community College Tama Conference Center, Room 106 1501 E. Orange Road Waterloo, IA</p> |
| <p>April 9, 2015 2:00-3:30 pm Wallace Auditorium Wallace State Office Building 502 E 9th St Des Moines, IA</p> | <p>May 12, 2015 2:00 - 3:30 pm Wallace Auditorium Wallace State Office Building 502 E 9th St Des Moines, IA</p> |
| <p>April 27, 2015 1:00-2:30 pm Iowa School of the Deaf</p> | <p>May 21, 2015 7:00 - 8:30 pm Wallace Auditorium</p> |

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State Retiree Health Insurance Contacts

| | | |
|---------------------------|---|---------------------------------|
| DAS-HRE | 866-895-2464 | stateretirees@iowa.gov |
| Wellmark Customer Service | 800-622-0043 | |
| MedicareBlue Rx | 888.299.5513 (enrollment) | 877.838.3827 (customer service) |
| DAS-HRE Benefit website | http://benefits.iowa.gov/ | |

Continue

Other Options: Does Your Client's Spouse Work?

Is your client's spouse still employed and does your client have access to coverage through the spouse's employer health plan?

- Your client would not need to enroll in Medicare Part B if covered through spouse's employer health insurance
- Already enrolled in Part B, can suspend until spouse retires
- When spouse retires your client must enroll in Part B to avoid penalty

Continue

If your client decides to drop their State Retiree Insurance:

Two Options

Original Medicare

Medicare Supplement

Part D Plan

Medicare Advantage

No Supplement

Includes Part D

Continue

Guaranteed Right to Medicare Supplement Insurance 

SERIP retirees do not qualify for a Guaranteed Right to purchase a Medicare Supplement unless:

- It has been less than six months since you turned 65 and enrolled in Medicare Part B

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Purchasing Medicare Supplement Insurance 

Your client will be subject to underwriting when purchasing a Medicare Supplement if:

- It has been more than six months since you signed up for Part B.

What does this mean?

- The insurance company may refuse to sell you a policy or charge a higher premium because of health reasons.
- Your client should allow up to 30 days to be approved.

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Waiting period for Pre-Existing Conditions 

A **waiting period** is a period of time during which a company can deny payment of benefits for pre-existing conditions for a **maximum of six months**.

A **pre-existing condition** under the lowa insurance code:
One for which advice was given or treatment recommended within six months before the effective date of coverage.

[Continue](#)

How to avoid a waiting period for Pre-Existing Conditions

Your client can avoid a waiting period for preexisting conditions if:

1. They apply for a Medicare Supplement during their **Medicare Supplement open enrollment period** within 63 days of the end of previous health insurance coverage
2. Look for a Medicare Supplement that **does not** have a waiting period before pre-existing conditions are covered.

Continue

OPTION 1 - Enroll in a Medicare Supplement and a Part D plan

Enroll in a Medicare Part D plan:

- Your client has a two-month Special Enrollment Period to enroll in a Medicare Part D plan if they drop their State of Iowa retiree coverage
 - Starts when State of Iowa coverage ends
- If your client chooses not to join a Part D plan or have other creditable drug coverage
 - Pay a late enrollment penalty if they join at a later time

Continue

OPTION 2: Enroll in a Medicare Advantage Plan

Enroll in a Medicare Advantage:

- Your client will have a two-month special enrollment period when their State of Iowa retiree coverage ends
- Most plans include Part D coverage so
 - Run a comparison for your client to make sure MA will cover their drugs
 - Client needs to check with providers to make sure they accept the MA plan
 - If your client is choosing a MA-PPO plan make sure they ask if the provider is in-network or out-of-network
 - Your client's costs may pay higher if their provider is Out-of-network

Continue

Helping your client compare plans

Comparing Health Insurance Options

| | Option 1: | Option 2: | Option 3: |
|--|-----------|-----------|-----------|
| Premium | | | |
| Type of Plan | | | |
| Provider Flexibility | | | |
| Maximum Out of Pocket | | | |
| Deductible(s) (Medical) | | | |
| Annual Drug Costs | | | |
| Additional Benefits (Beyond Medicare Benefits) | | | |
| | | | |
| | | | |
| | | | |
| Total Out-of-Pocket Costs for the year | | | |

Continue

Resources to Help Your client

Guides:

- Iowa Medicare Supplement and Premium Comparison Guide
- Medicare Advantage & Other Health Plans in Iowa Guide

SHIP Counseling Tools:

- State of Iowa SERIP Retiree and you are enrolled in Medicare
- 2015 Comparison of State of Iowa Retiree Options
- State of Iowa Retirees Health Insurance Plans – 7 Options
- State of Iowa retiree Premium Chart
- Comparing Health Insurance Options
- DAS mailing to SERIP Retirees
- SERIP Presentations

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SERIP & Medicare

Helping SERIP retirees understand their options

You have completed SERIP & Medicare, Helping SERIP retirees understand their options Module. Thank You!

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