

Kaiser Permanente Members (outside California)

For those enrolled in Kaiser Permanente outside California (Kaiser – Colorado, Kaiser – Georgia, Kaiser – Hawaii, Kaiser – Oregon), plan changes and rates are determined by the Kaiser Permanente region in which you reside. You will receive a separate mailing from LACERA. Those enrolled in Cigna-HealthSpring Preferred Rx, Phoenix, Arizona will also receive a separate mailing from LACERA.

IMPORTANT MEDICARE PART D NOTICE

Included in this packet is your Medicare Part D **Notice of Creditable Coverage (NOCC)**.

- *What it is:* An official statement that your LACERA-administered medical plan provides you with prescription drug coverage that is, on average, as good as or better than the coverage offered by the Medicare Part D model plan.
- *What to do with it:* Read it and keep it in a safe place.
- *Why it is important:* If you later decide to enroll in a Medicare Part D plan outside of the LACERA-administered plans, showing your NOCC will prevent you from paying a penalty for late enrollment in Medicare Part D.
- *If you misplace it:* You may download a copy of the NOCC from LACERA’s website, www.lacera.com, or contact LACERA’s Retiree Healthcare Division at (800) 786-6464 and press 1, or at (626) 564-6132, or email LACERA at healthcare@lacera.com.

Two Important Things to Remember!

- You should not enroll in another Medicare Part D plan. Please consult with LACERA first if you are thinking of enrolling in another plan.
- If you are enrolled in a Medicare Part D plan not offered through LACERA, please contact LACERA immediately. The Centers for Medicare & Medicaid Services (CMS) will not allow you to be enrolled in two prescription drug plans, and your coverage with LACERA may be jeopardized.

Statement of Non-Discrimination

The LACERA-administered Retiree Healthcare Benefits Program complies with applicable federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.
 LACERA-administered Retiree Healthcare Benefits Program cumple con las leyes federales de derechos civiles aplicables y no discrimina por motivos de raza, color, nacionalidad, edad, discapacidad o sexo.
 LACERA-administered Retiree Healthcare Benefits Program 遵守適用的聯邦民權法律規定，不因種族、膚色、民族血統、年齡、殘障或性別而歧視任何人。

June 2017

This *Benefits Update* provides information about:

- Retiree Healthcare Premium rates that will become effective July 1, 2017.
 - Changes to LACERA’s Retiree Healthcare Benefits Program for the 2017 – 2018 plan year.
- If you have any questions about the information in this *Benefits Update*, please contact LACERA’s Retiree Healthcare Division at (800) 786-6464 and press 1, or at (626) 564-6132, or by email at healthcare@lacera.com.

Do You Need to Take Action?

Your current LACERA-administered healthcare coverage will continue for the upcoming plan year unless you actively make changes. **You do not have to take any action unless you want to make changes to your current LACERA-administered healthcare coverage.**

Premium Rate Changes for 2017 – 2018

On July 1, 2017, overall premiums will increase by an average of 3.30%. This means that some plans and coverage levels will experience a higher increase than the average, while others will experience a lower increase. Please refer to the enclosed *Monthly Premium Rates Booklet* for your 2017 – 2018 rates. **If you are enrolled in Kaiser Permanente outside of California, you will receive a separate mailing from LACERA.**

Plan Changes for 2017 – 2018

Changes to your benefits for the 2017 – 2018 plan year are minor. This means you will continue to have access to most of the same benefits and levels of coverage you have now. There are, however, a few changes that will take effect July 1, 2017. Some of these changes are described in this document.

Los Angeles County Retiree Healthcare Benefits Program—Tier 2

As authorized by the Los Angeles County Board of Supervisors on June 17, 2014, and previously communicated, County employees hired after June 30, 2014 who are eligible for LACERA membership will participate in the **Los Angeles County Retiree Healthcare Benefits Program – Tier 2**. This program offers benefits covering medical, hospital, and dental/vision services to County retirees and their eligible dependents. The County retiree **medical and dental/vision subsidy** applies only to **retiree-only coverage**. If you enroll dependents, you will pay the difference on any monthly premium that exceeds the retiree-only benchmark amount. The LACERA-administered Retiree Healthcare Benefits Program provided to current retirees and members hired prior to July 1, 2014 are protected and remain unchanged.

For more details about the Tier 2 Program, please refer to the Retiree Healthcare Benefits Guide, or go to www.lacera.com/healthcare/RHC-Tier2.html.



Highlights of 2017 – 2018 Plan Changes

The information below summarizes the key changes to LACERA's medical plans effective July 1, 2017. It is not intended to be a comprehensive list of all 2017 – 2018 plan changes. For more details, see your healthcare plan documents, or contact your carrier.

Anthem Blue Cross Plans

Please note that no changes beyond mandated contractual changes have been made to the plan design.

For more details, please see your Anthem healthcare plan documents or Summary of Benefits book.

You may also contact Anthem Blue Cross to request one.

CVS Caremark (Pharmacy Benefit Manager for Anthem Blue Cross Plans I, II, and III)

The Maintenance Choice program that went into effect January 1, 2017, is back to Voluntary Maintenance Choice. Maintenance medications are taken regularly for chronic conditions or long-term therapy. A few examples include medications for managing high blood pressure, asthma, diabetes or high cholesterol. What this means:

- 30-day fills of maintenance medications can be filled (no fill limits) at any network pharmacy. 20% Retail coinsurance and applicable deductible apply (no deductible for Anthem Blue Cross Plan III).

- 90-day fills of maintenance medications available at CVS pharmacies (including those inside Target stores), or Mail Order at the mail-order copays (\$10 copay for generic; \$30 copay for preferred brand-name; \$50 copay for non-preferred brand name). This remains unchanged.

With Maintenance Choice, you can avoid paying more for your maintenance medications. All you need to do is obtain a 90-day supply maintenance prescription from your doctor and filled through Mail Order or at CVS pharmacies (including those inside Target stores). For questions, contact CVS Caremark – (800) 450-3755. There are no changes to your benefits.

Benefit Changes to the CIGNA-HEALTHSPRING PREFERRED WITH RX (HMO) – MAPD in Arizona

Benefit Changes include the following:

- Diagnostic Radiological Services (MRI, CT, PET)

- Cigna Medical Group Copay (was \$100): \$125
- ASC/Hospital (was = \$150): \$125

- World Wide Emergency Coverage

- Annual Maximum Coverage Amount (was = No Maximum): \$50,000

Kaiser Permanente

Please note that no changes beyond mandated contractual changes have been made to the plan design.

For more details, please see your Kaiser Permanente healthcare plan documents or Summary of Benefits book. You may also contact Kaiser Permanente to request one.

- Kaiser Washington Expansion

On February 1, Kaiser Permanente completed the acquisition of Group Health in Washington state.

For Members

There are no changes to the LACERA-administered Kaiser group plan. Kaiser Washington is not available to LACERA members at this time. If any change occurs, members will be notified. Kaiser Permanente members traveling to Washington from other regions that need to arrange care can visit <http://kp.org/travel> or call the Care Away From Home travel line at 951-268-3900.

UnitedHealthcare

- Hormonal Contraceptives and Anticancer Medications

- A 12 month supply at \$0 cost may be provided for FDA-approved, self-administered hormonal contraceptives. This medication must be furnished or dispensed at one time by a UHC contracted provider or contracted pharmacy.
- UHC will apply a Coinsurance/Copayment Maximum of \$200 for up to a 30 day supply of an orally administered anticancer medication regardless of a Prescription Drug Deductible and/or Medical Deductible.

- Prescription Drug Plan – New Exclusion

- Drugs prescribed solely to treat hair loss are excluded

- Virtual Visits for Early Retirees

UHC is pleased to offer Virtual Visits for Early Retirees through their partnership with AmWell and Doctor on Demand

- Access virtual visits through AmWell or Doctor on Demand websites
- Seamless integration of LACERA plan design (retirees will pay their plan copayment)
- Visits through mobile device or computer

SCAN Health Plan

- Pharmacy

SCAN members will have a **New Option To Save Money** on their medications, by filling their prescriptions at a SCAN Preferred Pharmacy Network.

The **SCAN Preferred Pharmacy Network** offers SCAN members lower copayments for many drugs.

- Standard Pharmacy Network 30 day \$7 generic copay
- Standard Pharmacy Network 90 day \$7 generic copay
- **Preferred Pharmacy Network 30 day \$2 generic copay**
- **Preferred Pharmacy Network 90 day \$4 generic copay**
- **90 day supply can be dispense at a retail pharmacy**

Preferred Pharmacy Network: Walgreens, Rite-Aid, Wal-Mart, Albertsons, Costco, and Kmart.

Standard Pharmacy Network: CVS, Target, Kroger, and Shopko.

- Hearing Aid

SCAN has changed hearing aid vendor from Epic to TruHearing. The contact number for TruHearing is 1-844-255-7148.

- Transportation

SCAN has changed transportation vendor from LogistiCare to National MedTrans Network. The contact number for National MedTrans Network is 1-844-714-2218.

For more details, please see your SCAN healthcare plan documents or LACERA Summary of Benefits book. You may also contact SCAN Health Plan to request one.

Two Ways to Save Money and Time on Prescriptions

There are many ways to save money—and make your life easier when filling prescription drugs. Generic prescription drugs and electronic prescriptions (or e-prescriptions) may both make a big difference.

1. Switch to Generic Drugs

Generic drugs often cost less than their brand-name equivalents – saving you money.

Why the cost difference? When prescription drug patents expire, generic equivalents become available at a lower cost because more companies can manufacture them.

Ask your doctor if a generic equivalent is available and right for you. You can also contact your individual medical plan providers for specific information about their prescription drug list.

2. Save Time with Electronic Prescriptions

Instead of using paper prescriptions, many doctors today are sending prescriptions to pharmacies electronically. It may be a faster, more efficient, and more accurate way to get your prescriptions filled.

How does it work? It's simple:

1. Your doctor sends the prescription electronically to your local pharmacist.
2. The pharmacist sees it on his or her computer within minutes and fills it for you. Your claim is automatically submitted to your insurance carrier, setting in motion a reimbursement payment to you, based on your plan benefits.
3. You pick up your prescription at the pharmacy.

By working with your doctor and pharmacy, you can take full advantage of potential prescription discounts and conveniences. If you have any questions, please contact your LACERA-administered health plan directly.