

### 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 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](http://www.lacera.com), or contact LACERA's Retiree Healthcare Division at (800) 786-6464 and press 1, or (626) 564-6132, or email LACERA at [healthcare@lacera.com](mailto: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.

### June 2018

This *Benefits Update* provides information about:

- Retiree Healthcare Premium rates that will become effective July 1, 2018.
- Changes to LACERA's Retiree Healthcare Benefits Program for the 2018 – 2019 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 (626) 564-6132, or by email at [healthcare@lacera.com](mailto: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 2018 – 2019

On July 1, 2018, overall premiums will increase by an average of 5.7%. 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 2018 – 2019 rates. **If you are enrolled in Kaiser Permanente outside of California, you will receive a separate mailing from LACERA.**

### Plan Changes for 2018 – 2019

Changes to your benefits for the 2018 – 2019 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, 2018. 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](http://www.lacera.com/healthcare/RHC-Tier2.html).



## Highlights of 2018 – 2019 Plan Changes

The information below summarizes the key changes to LACERA's medical plans effective July 1, 2018. This is not intended to be a comprehensive list of all 2018 – 2019 plan changes. For more details, see your healthcare plan documents, or contact your carrier. Please note that no mandated contractual changes have been made to the dental and vision plans.

### **Anthem Blue Cross Prudent Buyer Plan and Plans I, II and III**

Please note that no changes beyond mandated contractual changes have been made to the plan design. For more details, see your Anthem healthcare plan documents or LACERA Summary of Benefits book. You may also contact Anthem Blue Cross to request one.

### **Cigna-HealthSpring Preferred With Rx (HMO) – MAPD in Arizona**

Benefit Changes include:

- **Outpatient – Non-Surgical Services**
  - Colorectal Screenings – \$0 (was \$12)
- **Diagnostic Radiological Services (MRI, CT, PET)**
  - Mammography and Ultrasounds – \$0 (was not defined)
- **Part B Drugs Including Chemotherapy**
  - Chemotherapy drugs – \$0 (was not defined)
- **Eye Exams (Diagnostic Medicare Covered)**
  - Diabetic Retinal Exams – \$0 (was \$12)
- **Prescription Drugs**
  - Retail Copay (60 & 90 Day Supply)
    - Added Benefit
  - Mail Copay (60 Day Supply)
    - Added Benefit
  - Initial Coverage Limit: \$3,750 (once you reach this limit, you pay 100% of your prescription drug costs until you reach the Catastrophic Phase)
  - Catastrophic Phase Begins: \$5,000 in true out-of-pocket costs (TrOOP)
  - Standard Catastrophic Member Cost Share — once you reach the Catastrophic Phase, you pay:
    - Generic Drugs: greater of \$3.35 or 5%
    - Brand Name Drugs: greater of \$8.35 or 5%

### ■ **Supplemental Benefits**

- Vision – Routine Eye Exams and Hardware are subject to a \$50 eyewear annual limit for one of the following categories:
  - Contact Lenses, Eye Glass Lenses or Eye Glass Frames
- Hearing – Exam, Fitting and Hearing Aids: \$0 copay for hearing aids (any type)

### **Kaiser Permanente Senior Advantage**

Please note that no changes beyond mandated contractual changes have been made to the plan design. For more details, see your Kaiser Permanente healthcare plan documents or Summary of Benefits book. You may also contact Kaiser Permanente to request one.

### **Kaiser Permanente HMO**

The LACERA-administered Kaiser group plan in California will cover a 12-month supply of self-administered hormonal contraceptives at \$0 cost.

### **UnitedHealthcare® Group Medicare Advantage**

Benefit changes include:

#### ■ **Prescription Drugs**

- Initial Coverage Limit: \$3,750 (once you reach this limit, you continue to pay your cost share until you reach the Catastrophic Phase)
- Catastrophic Phase Begins: \$5,000 in true out-of-pocket costs (TrOOP)
- Standard Catastrophic Member Cost Share — once you reach the Catastrophic Phase, you pay:
  - Generic Drugs (including brand name drugs treated as generic): greater of \$3.35 or 5%
  - All Other Drugs: greater of \$8.35 or 5%

### **UnitedHealthcare HMO**

Please note that no changes beyond mandated contractual changes have been made to the plan design. For more details, see your United Healthcare plan documents or LACERA Summary of Benefits book. You may also contact United Healthcare to request one.

### **SCAN Health Plan**

Benefit changes include:

#### ■ **Prescription Drugs**

- Initial Coverage Limit: \$3,750 (Plan continues to cover your drugs at your applicable copayment until you qualify for Catastrophic Coverage)
- Catastrophic Phase Begins: \$5,000 in true out-of-pocket costs (TrOOP)
- Standard Catastrophic Member Cost Share — once you reach the Catastrophic Phase, you pay:
  - Generic Drugs: greater of \$3.35 or 5%
  - Brand Name Drugs: greater of \$8.35 or 5%

### **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.