



# Insurance Benefits

Public Employees' Retirement System (PERS-Tier II & III)\*  
Teachers' Retirement System (TRS-Tier II)\*\*

## Medical Plan

The following information applies to **Tier II and III PERS\*** members (and their survivors) and **Tier II TRS\*\*** members (and their survivors), who have met service eligibility requirements.

If you are a **Tier II/III PERS\*** or **Tier II TRS\*\*** member, you may receive retiree medical insurance coverage for yourself and your spouse and eligible dependents when you retire. If you enroll when you retire, coverage will begin on the first day of retirement. You pay the full monthly premium if you are under age 60. *Premiums will be deducted from your pension benefit.*

Regardless of your age at retirement, coverage under the retiree medical plan (*AlaskaCare*) requires you to pay the annual deductibles and any expenses that exceed the usual, customary, and reasonable charge (UCR). Details about this coverage are provided in the *Retiree Insurance Information Booklet*. This coverage ends when you die or become ineligible to receive monthly PERS or TRS benefits.

To receive this coverage, you must complete a *Health Benefits Enrollment/Waiver* form. If you sign up for coverage at retirement, you will **not** be subject to any pre-existing condition limitations. Your form must be received by the Division of Retirement and Benefits or postmarked **before your retirement date**.

If you do not select insurance at the time of retirement, you will have the opportunity to do so during an open enrollment period, offered annually. Coverage selected during open enrollment will be effective January 1 of the following year. The first premium will be deducted from your January pension benefit and noted as a deduction on your check stub.

If you select coverage during an open enrollment period, you and your eligible dependents may be subject to a **pre-existing condition limitation**. Under this limitation, only the first \$1,000 of covered charges will be paid during the first 12 months of coverage for a condition that was diagnosed or treated in the three months prior to the effective date of coverage. If you do not have other group coverage, or if you had coverage that ended more than 90 days before the *AlaskaCare* coverage began, you are subject to this pre-existing condition limitation.

\***Credited service** includes all service used in the calculation of a retirement benefit.

\***PERS Tier II and III** members who first entered a PERS-covered position after June 30, 1986, but before July 1, 2006.

\*\***TRS Tier II** members who first entered a TRS-covered position after June 30, 1990, but before July 1, 2006.

You have the option of selecting retiree medical insurance coverage for:

- (1) yourself only;
- (2) yourself and your spouse or same-sex partner;
- (3) yourself and your eligible dependent children; or
- (4) yourself, your spouse, and eligible dependent children.

If you chose retiree medical insurance coverage for yourself only and then marry or have your first child (by birth or adoption), you may increase your coverage to include your new dependent. You must apply for the additional coverage within 120 days of the change in your family structure or wait until the next open enrollment period. You may drop coverage for yourself or your dependents at any time.

At age 60, *AlaskaCare* coverage is system-paid for eligible PERS and TRS members and their survivors. PERS members hired on or after July 1, 1996, must have at least 10 years of **credited service\*** to receive system-paid medical. Disabled members also have system-paid coverage while they are receiving PERS or TRS disability benefits. Once a disabled member is eligible for a normal retirement benefit, disability benefits cease.

When you or your spouse turn age 65, Medicare will become the primary carrier and coverage under *AlaskaCare* will supplement your Medicare coverage. It is important to enroll in Medicare as soon as you or your spouse become eligible so that your medical expenses will be covered at the maximum level (see back side).

When you enroll in *AlaskaCare*, a health insurance identification card will be mailed to you as soon as the claims administrator receives your eligibility from the Division of Retirement and Benefits—generally about two weeks after your first retirement check is issued.

Coverage under *AlaskaCare* will differ from coverage that you have with your current employer.

## Dental-Vision-Audio (DVA) Plan

You may purchase DVA group insurance coverage for:

- (1) yourself only,
- (2) yourself and your spouse,
- (3) yourself and your eligible dependent children, or
- (4) yourself, your spouse, and eligible dependent children.

Details about this coverage are provided in the *Retiree Insurance Information Booklet*. The current premium rates are shown on the *Health Benefits Enrollment/Waiver* form.

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## DVA — continued

If you want to receive DVA coverage, you must complete a *Health Benefits Enrollment/Waiver* form. Your form must be received by the Division of Retirement and Benefits or postmarked **before your retirement date**. If you enroll in the DVA Plan, your coverage will take effect on the first day of retirement.

**PERS Tier II and III\*** and **TRS Tier II\*\*** benefit recipients may enroll in the DVA plan during the annual open enrollment period if they are enrolling in the *AlaskaCare* medical plan for the first time during open enrollment. They may also enroll in the DVA plan at age 60 when system-paid medical begins. DVA coverage may be elected during open enrollment **only** if the same or greater level of medical coverage is being elected for the **first** time during that open enrollment.

## Long-Term Care (LTC) Plan

You may purchase LTC group insurance coverage for yourself only, or coverage for both you and your spouse. Details about the options available are provided in the *Long-Term Care Plan Booklet*. The current premium rates are shown on the *Health Benefits Enrollment/Waiver* form.

If you want to receive LTC coverage, you must complete a *Health Benefits Enrollment/Waiver* form. Your form must be

## Long-Term Care — continued

received by the Division of Retirement and Benefits or postmarked **before your retirement date**.

LTC coverage will be offered to you **only once**. If your *Enrollment/Waiver* form is not received or postmarked before your retirement date, your right to participate will automatically be waived and you will be unable to enroll later.

If you enroll in the LTC Plan, your coverage will take effect on the first day of retirement.

## Optional Life Insurance Plan

If you are participating in a State-sponsored Optional Life Insurance Plan, you may elect to continue your coverage by completing an *Optional Life Insurance Continuation/Waiver* form. Your form must be received by the Division of Retirement and Benefits or postmarked **before your retirement date**.

The opportunity to continue this coverage will be offered to you **only once**. If your *Continuation/Waiver* form is not received or postmarked by the deadline, your right to participate in the plan will automatically be waived and you will be unable to enroll later. Details about the coverage are provided in the *Retiree Insurance Information Booklet*.

# AlaskaCare and Medicare

There are four parts to Medicare health coverage: Part A “hospital services,” Part B “physician’s services,” Part D “prescription drugs,” and Medicare Advantage Plans, like HMOs and PPOs, called Part C. A summary of Parts A, B, and D and how they relate to the *AlaskaCare* plan follows. (Contact Medicare for information on Part C). Detailed information about Medicare Parts A, B, and D is provided in the Medicare and the *AlaskaCare* Retiree Health Plan brochure, available online at: [www.doa.alaska.gov/drb/ghlb/retiree/retiree-medicare-information.html](http://www.doa.alaska.gov/drb/ghlb/retiree/retiree-medicare-information.html).

Coverage under *AlaskaCare* becomes supplemental to Medicare Parts A & B beginning the month that you or your dependents first become eligible to receive benefits. **If you do not enroll in Medicare Part B**, the estimated amount Medicare would have paid will be deducted from your claims before processing by *AlaskaCare*.

### Part A—Hospital Services

- ♦ Almost everyone is eligible for premium-free Part A.
- ♦ Enrollment in Part A is automatic when you begin receiving Social Security benefits.
- ♦ *AlaskaCare* plan becomes supplemental to Part A.
- ♦ If you are ineligible for Part A, *AlaskaCare* remains your primary carrier and your benefits are not reduced.

### Part B—Physician’s Services

- ♦ Everyone is eligible for Part B, for which you pay a premium.
- ♦ You must purchase Part B as soon as you become eligible or you may pay more for the coverage later.
- ♦ *AlaskaCare* plan becomes supplemental to Part B.
- ♦ If you don’t purchase Part B, *AlaskaCare* will deduct the estimated amount Medicare would have paid from your claims before payment.

### Part D—Prescription Drugs

- ♦ Part D began January 1, 2006.
- ♦ Everyone is eligible for Part D, for which you pay a premium.
- ♦ Additional premium is estimated at \$37 per month if you purchase Part D.
- ♦ *AlaskaCare* drug benefit is **at least as good as** the benefit offered under Part D.
- ♦ *AlaskaCare* plan becomes supplemental if you purchase Part D.
- ♦ You can keep *AlaskaCare* coverage and not pay extra if you later decide to purchase Part D.

### Need more information about Medicare enrollment?

Contact the Social Security Administration at their toll free number—1 (800) 772-1213.

### ENCLOSED (if checked)

- Retiree Insurance Information Booklet*
- Long-Term Care Plan Booklet*
- Health Benefits Enrollment/Waiver Form*
- Optional Life Insurance Continuation/Waiver Form*
- Insurance Claim Forms*

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