

AlaskaCare Retiree Town Hall 5

Event Summary

Date	Thursday, December 20, 2018 10:00 to 11:00 a.m.
Location	Live teleconference
Recording	https://vekeo.com/event/alaskacare-43334/
Attendance	Attendees were encouraged to register in advance to ensure their phone number would be called. All retirees who registered online for the event or whose phone number was on file with DRB were included on the auto-dial call list. Regrettably, many individuals were disconnected from the call. We understand that there were issues with the phone lines across Alaska that resulted in brief outages in service (and dropped calls). Approximately 652 attendees participated in the call.

Presenters

<i>State of Alaska, Department of Administration Staff + Contractor</i>	
Michele Michaud	Chief Health Official, Division of Retirement and Benefits
Emily Ricci	Chief Health Policy Administrator, Division of Retirement and Benefits
Stephany Gaffney	Operations Manager, OptumRx

Introduction

Emily Ricci provided a brief overview of the Town Hall format, encouraged participants to submit questions on the phone during the event or via e-mail, and reminded participants that sharing personal health information or questions about individual claims cannot be addressed publicly in this forum. Participants can submit questions before or during the event at: drbtownhall@alaska.gov. Today's town hall event will focus on retirees' questions about pharmacy benefits, the enhanced EGWP for Medicare eligible retirees and dependents, and any other questions you have about your health plan.

AlaskaCare is transitioning to a new Pharmacy Benefit Manager (PBM) on January 1, 2019: OptumRx will be the PBM for all AlaskaCare plans and will handle all pharmacy claims beginning after that date. Aetna will remain the third party administrator for medical claims, and Moda will continue to administer dental claims. OptumRx will administer all pharmacy plans for retirees and active employees. All AlaskaCare members will receive a welcome kit and new ID cards. Other information is provided annually about your plan, and members will receive more communications through January 2019.

Additionally, the State is implementing an enhanced Employer Group Waiver Program (EGWP), a federal subsidy program for Medicare Part D group pharmacy plans, also effective January 1, 2019. This is an administrative change to how Alaska's retiree pharmacy benefits are paid for and reimbursed by the federal government. An enhanced EGWP provides more federal subsidies for retiree pharmacy costs, while the wrap of benefits in addition to the Medicare Part D plan means that AlaskaCare retirees keep the same pharmacy benefits they have today. Medicare eligible retirees and their Medicare eligible dependents will be automatically enrolled in the plan on January 1, 2019. If you are not yet Medicare eligible by this date but will be in the future, you will be enrolled when you do become Medicare eligible.

The Division gave other general announcements:

1. ***** Important! ***** Recently, the Division learned that letters containing some inaccurate information was mailed to some retirees from OptumRx, stating that their benefits or costs for medications are changing. **This information is incorrect: retiree pharmacy benefits are not changing, and retirees will not need to pay more for their prescriptions.** The Division apologizes for any confusion, and has directed OptumRx to send a correction letter to those retirees. If you have questions or concerns about any communications you have received about your plan, please call OptumRx at (855) 409-6999.
2. If you have questions about the 2019 transition of the AlaskaCare pharmacy benefit manager, and/or questions about the Employer Group Waiver Program (EGWP) for Medicare eligible retirees and dependents, visit the following pages on DRB's website:

2019 Transition Guide: <http://doa.alaska.gov/drb/alaskacare/transitionGuide.html>

EGWP FAQ: <http://doa.alaska.gov/drb/alaskaCare/retiree/faqs/egwpFaqs.html>
3. The next Retiree Health Plan Advisory Board (RHPAB) modernization committee meeting will be Wednesday, January 16, 2019, 9:00 a.m. to 1:00 p.m. AKST. Please visit the RHPAB website for more information, including meeting location, call-in number and agenda packet:
<http://doa.alaska.gov/drb/alaskacare/retiree/advisory.html>
4. The next Tele Town Hall will be Thursday, January 17, 2019 at 10:00 a.m. AKST. Please register online by Wednesday, January 16!
<http://doa.alaska.gov/drb/headlines/2018/08/eqwp-tele-town-hall/>

Summary of Questions and Answers

The following questions were answered during the call. While there was not enough time to address all callers' questions, presenters answered as many as possible during the hour, and chose questions that were representative of the topics being asked most often, from a variety of participants from across Alaska and other locations in the U.S.

1. ***My spouse and I are Medicare eligible and received a letter from Social Security that we will be charged the IRMAA premium surcharge for the pharmacy plan. How can we be reimbursed for this surcharge and what do we need to submit? Additionally, will this be deducted from our social security checks each month?***

Similar to Medicare Part B, the IRMAA premium amount will be deducted directly from your Social Security check if you qualify for Social Security, or will otherwise be invoiced to you directly each month. The Social Security Administration (SSA) will send you a letter with your IRMAA premium amount and the reason for the determination.

If you receive notice from Social Security that you are required to pay the IRMAA surcharge for the enhanced EGWP, provide a copy of the notice to the Division of Retirement and Benefits as soon as possible. The Division will fund a Health Reimbursement Arrangement (HRA) account that can be used to reimburse you the surcharge amount. The full amount of Part D IRMAA will be covered by the plan. These HRA accounts will be managed by Payflex, a subsidiary of Aetna. You will receive a welcome letter from Payflex, with information about your account and options for reimbursement.

You can either receive an automatic deposit each month equal to the IRMAA, or a receive a check in the mail.

Please send a copy of your letter from Social Security to the Division by mail, fax or e-mail:

Mailing address:

Alaska Department of Administration, Division of Retirement and Benefits

P.O. 110203 Juneau AK, 99811

Fax: (907) 465-3086

E-mail: doa.drb.benefits@alaska.gov

2. *My spouse and I both have AlaskaCare plans and have coordinated benefits. How will this be managed, now that we will be enrolled in the EGWP?*

If you are both eligible for Medicare and are enrolled in the enhanced Employer Group Waiver Program (EGWP), you should each receive a single ID card that has the MedicareRx logo in the lower right. Each card will have an individual name and ID number. Although you receive only one card, when you present the card at the pharmacy you will receive the benefit of your double coverage under the plan. This means you will not be required to pay a co-pay at the pharmacy counter. The benefits will coordinate automatically in the background, which your pharmacist will be able to access at the point of sale.

3. *My spouse and I are also covered by another plan, which is an HMO. We were recently enrolled in the enhanced EGWP, but this resulted in us being disenrolled from our other medical plan. How can we correct this?*

Please contact the Division directly to resolve this issue. DRB staff can disenroll you in the enhanced EGWP and place you in the existing standard plan for non Medicare eligible retirees, and can provide you or your other plan provider the appropriate documentation to re-enroll you in your other medical plan.

4. *My spouse and I are already enrolled in Medicare Parts A and B, and paying the premium surcharges for those plans. Will we also need to pay a premium for the pharmacy (Part D) plan?*

The full amount of Part D IRMAA will be covered by the plan (members are still responsible for any premiums for their Parts A and B coverage). If you receive notice from Social Security that you are required to pay the IRMAA surcharge for the enhanced EGWP, provide a copy of the notice to the Division of Retirement and Benefits as soon as possible. The Division will fund a Health Reimbursement Arrangement (HRA) account that can be used to reimburse you the surcharge amount each month.

5. *I have a prescription through Aetna's mail order program, this prescription is current and has remaining refills. Do I need to enroll in a new program to continue receiving this prescription?*

On January 1, 2019, most home delivery prescriptions with remaining refills will automatically transfer to OptumRx from Aetna mail order delivery. Members will need to set up their account online and, if applicable, enter a payment option to pay the charges before their medication ships. Prescriptions for certain medications will not transfer, for example, controlled substances (such as opioids) and expired prescriptions. In these cases, you'll need a new prescription from your doctor.

6. *I have a prescription for a compounded medication. Will I still be able to receive this compounded medication? Can I get this compounded medication through the mail?*

Yes, compounded medications will continue to be covered under the Defined Benefit Retiree Health plan. The Division and OptumRx have been working with an association of independent pharmacists in Alaska to address any concerns with compounded medications. The intent is to continue to cover the medications you receive today.

If you are currently receiving compounded medications by mail, you should be able to continue receiving your medications in the same manner you are today. However, some members may be required to find a different pharmacist: one of the pharmacy-by-mail providers of compounded medications, located in Oregon, has been identified as a potential concern due to some of their practices. If you believe you may be a customer of this pharmacy, you may be advised to find a different pharmacist. Please contact the Division if you are a customer of this pharmacy and believe you may be impacted.

7. *I have a prescription that is a brand name, not generic, medication. It would be considered a “tier 2” medication according to Medicare. Will the co-pay for this medication change in January?*

Along with the other information in their welcome kit, Medicare eligible members should have received an abridged formulary, required by CMS to be sent to EGWP enrollees. This formulary lists the medications covered through Medicare Part D only. However, the AlaskaCare enhanced EGWP will continue to cover the medications covered now under the AlaskaCare retiree plan, including those not listed in that formulary, and regardless of the tier identified by CMS.

AlaskaCare retirees will continue to pay the same co-pays for medications: at a retail pharmacy, \$8 for a brand name drug, \$4 for a generic drug, and \$0 for those with coordinated benefits; via the mail order pharmacy program, a \$0 co-pay. Prescriptions can be filled up to a 90-day supply. You will have the same experience at the pharmacy and pay the same co-pays for your medications; the coordination between Medicare and AlaskaCare happens behind the scenes.

8. *My spouse is enrolled in another state’s Medicare Advantage plan, and their AlaskaCare coverage has historically been secondary to the other plan. How will benefits be coordinated between these two Medicare plans?*

Please contact the Division directly to resolve this issue. DRB staff can disenroll you in the enhanced EGWP and place you in the existing standard plan for non Medicare eligible retirees, and can provide you or your other plan provider the appropriate documentation to coordinate with your other plan.

9. *I was informed by OptumRx that I have the option to opt out of the enhanced EGWP, but could not provide me the specific cost of that alternative plan. What is the cost of that plan?*

The opt out plan is very different than the current retiree pharmacy plan, and also different from the enhanced EGWP. The EGWP will provide the same level of pharmacy benefits for Medicare eligible retirees that you have today. If you opt out of this plan and are enrolled in the alternative plan, it is likely that you will pay higher co-pays and more out of pocket costs overall than the current plan or the enhanced EGWP. The Division therefore strongly discourages Medicare eligible retirees from opting out of this program. If you have previously been enrolled in the enhanced

EGWP, opted out of this plan, and wish to be re-enrolled in the enhanced EGWP in the future, you have the option to opt back in.

10. My spouse was not eligible for the EGWP plan, and enrolled in the AlaskaCare “commercial plan.” What is this plan, and how is it different from the enhanced EGWP?

This plan is the same plan all retirees are enrolled in through December 31, 2018. This plan will remain for non Medicare eligible retirees, and provides the same pharmacy benefits you have today. Your spouse will receive an individual ID card for this plan, with their name on the card.

11. First: can I receive information from OptumRx by e-mail, rather than mail? Second: I understand that Medicare Part D plans cover the shingles vaccine. Are there any other differences in coverage for those enrolled in the EGWP?

As of January 1, 2019, members can access to OptumRx online portal, including having access to your member information online and setting your communication preferences. Copies of the letters mailed to retirees are not specifically posted online, but OptumRx can re-send any documents previously mailed to retirees, if the letter was never received or if the member lost the original letter. OptumRx staff will verify whether they are able to provide a copy of these letters to members via the portal, and inform the Division.

Yes, the enhanced EGWP allows Medicare Part D to cover some vaccinations, such as the shingles vaccine. Beginning January 1, this vaccination will be available to all AlaskaCare retirees, whether or not you are eligible for Medicare. Medicare Part D covers some vaccinations not covered today, when administered at a pharmacy; however, some vaccinations are not covered, such as influenza (flu shot) or pneumonia.

12. My spouse and I are not Medicare eligible until later this year, and will plan to enroll in Medicare Parts A and B. Will we also be enrolled in the enhanced EGWP Medicare Part D plan? Will we be subject to the “donut hole” gap in Medicare plans?

Members who are Medicare eligible as of January 1, 2019 will be automatically enrolled in the enhanced EGWP pharmacy plan. If you or your dependents become eligible for Medicare in the future, you or they would be enrolled in the AlaskaCare EGWP at that time. You do not need to enroll in an individual Medicare Part D plan, now or in 2019—the enhanced EGWP is a group Medicare Part D plan, and you will be automatically enrolled into the plan managed by the State.

Because AlaskaCare provides a wrap of benefits to cover medications not covered by Medicare Part D, there is no Medicare “donut hole” coverage gap in the enhanced EGWP. Your medications will be covered at the same level they are today.

13. I currently receive an outpatient infusion treatment through Aetna. Will this treatment be covered by the pharmacy plan, or under the medical plan?

This treatment is considered a medical benefit because it is administered in doctor’s office rather than at a pharmacy, and this will not change with the transition in pharmacy benefits. Please notify your doctor that your pharmacy benefits are changing as of January 1, 2019; however, in this case your infusion treatments will continue to be covered by the medical plan, and will not be impacted by this transition.

14. I receive a prescription via mail. I recall having problems with benefit coordination during the last AlaskaCare transition in 2014. How can I make sure that my medications are not interrupted?

On January 1, 2019, most home delivery prescriptions with remaining refills will automatically transfer to OptumRx from Aetna mail order delivery. Members will need to set up their account online and, if applicable, enter a payment option to pay the charges before their medication ships. Prescriptions for certain medications will not transfer, for example, controlled substances (such as opioids) and expired prescriptions. In these cases, you'll need a new prescription from your doctor, and/or prior authorization from your doctor and OptumRx.

The Division understands that during a previous transition of third party administrators for the AlaskaCare plans, there were several issues regarding coordinated benefits, including this information not being available as of the transition date. Staff are working with our vendors to address this issue proactively and avoid this happening again on January 1, 2019, with the goal of having information regarding coordinated benefits in place prior to the transition.

15. Will I need to get reimbursed to get compounded medications locally, rather than by mail?

The pharmacy benefits are staying the same, including compounded medications. AlaskaCare retirees will continue to pay the same co-pays for medications: at a retail pharmacy, \$8 for a brand name drug, \$4 for a generic drug, and \$0 for those with coordinated benefits; via the mail order pharmacy program, a \$0 co-pay. If you have a specific question about your prescriptions, please call OptumRx at (855) 409-6999.

16. My spouse and I are both retirees, and have coordinated benefits. Will this transition change our coordinated benefits?

Coordinated benefits will remain the same for retirees with multiple plans, including those enrolled in the enhanced EGWP, and you will continue to have a \$0 co-pay as you do today. When you present the card at the pharmacy, you will receive the benefit of your double coverage under the plan. This means you will not be required to pay a copay at the pharmacy counter. The benefits will coordinate automatically in the background, which your pharmacist will be able to access at the point of sale. Your new OptumRx ID card will be the only card you need to present to a pharmacy the first time you fill a prescription after the transition date.

Because CMS does not allow enrollment in multiple Medicare plans, if you and your spouse are both Medicare eligible, you will each be individually enrolled in the enhanced EGWP. The EGWP plan for double covered retirees will have the coordination built in, so you will still have a \$0 co-pay.

17. I use the mail order program, but am concerned about sharing my credit card information with OptumRx online. Do I have the option to refuse providing this information?

Yes, you are not required to enter a credit card for prescriptions received via the OptumRx pharmacy by mail program, which has a \$0 co-pay. The only reason you may need to enter a credit card online is if you need to pay for expedited mailing. Call OptumRx at (855) 409-6999 to learn if there are any alternative payment options if you do need to pay.

18. I was reviewing the abridged formulary, and have a specialty medication that is not listed. Does this mean it is not covered under the new pharmacy plan?

The abridged formulary only lists common medications that are covered by Medicare Part D, so it does not list all medications. However, the wrap of benefits in the enhanced EGWP means that AlaskaCare will continue to cover medications that are covered today, including any medications you receive today, such as specialty prescriptions. Your medication will still be covered on January 1.

If you have a specialty medication prescription that you fill through the Aetna Specialty, Diplomat or Costco Specialty pharmacy, OptumRx partners with BrivoRx specialty pharmacy to provide this service. Please contact OptumRx to learn more BrivoRx, or you can contact BrivoRx directly beginning January 1. Using BrivoRx, members can receive specialty medications by mail with a \$0 co-pay.

19. What is the estimated savings to the State for implementing this new enhanced EGWP? I understand prescription drug costs are at least 30% of the state health plans' costs.

The health trust receives \$20 million annually from the federal government, under a program called the Retiree Drug Subsidy (RDS) program. Moving to AlaskaCare enhanced EGWP will approximately double the amount of subsidy, another \$20 million per year. This will help make the health trust more financially sustainable into the future. This will also help reduce the unfunded liability, or projected future cost of the program over the long term. The total reduction in unfunded liability is anticipated to be \$600 million, which will make a significant positive impact on the amount the State needs to pay for this plan over time. Pharmacy related costs are a significant portion of the total costs of the retiree health plan.

20. My spouse and I are covered by AlaskaCare, as well as TriCare for Life, the military's retiree health plan. How will our benefits be coordinated?

Coordinated benefits will remain the same for retirees with multiple plans, including plans through another employer. TriCare for Life is considered a payer of last resort, meaning that the plan will cover the cost for health services after other plans' benefits have been applied. Contact the Division directly if you have any questions or concerns about how your coordinated benefits may be impacted.

21. I received a letter from Social Security that I will be subject to an IRMAA for this Medicare Part D plan, and that I need to send the Division this paperwork. Can you confirm if this is correct?

If you receive notice from Social Security that you are required to pay the IRMAA surcharge for the enhanced EGWP, provide a copy of the notice to the Division of Retirement and Benefits as soon as possible. The Division will fund a Health Reimbursement Arrangement (HRA) account that can be used to reimburse you the surcharge amount. The full amount of Part D IRMAA will be covered by the plan. These HRA accounts will be managed by Payflex, a subsidiary of Aetna. You will receive a welcome letter from Payflex, with information about your account and options for reimbursement. You can either receive an automatic deposit each month equal to the IRMAA, or a receive a check in the mail.

22. I understand that coordinated benefits will be done in the background. Our current pharmacy has both of our plans on file, and we pay a \$0 co-pay for prescriptions now. What, if anything, do we need to do ensure that we are not charged a co-pay at the pharmacy?

Coordinated benefits will remain the same for retirees with multiple plans, including those enrolled in the enhanced EGWP, and you will continue to have a \$0 co-pay as you do today. When you present the card at the pharmacy, you will receive the benefit of your double coverage under the plan. This means you will not be required to pay a copay at the pharmacy counter. The benefits will coordinate automatically in the background, which your pharmacist will be able to access at the point of sale. Your new OptumRx ID card will be the only card you need to present to a pharmacy the first time you fill a prescription after the transition date.

Because CMS does not allow enrollment in multiple Medicare Part D plans, if you and your spouse are both Medicare eligible, you will each be individually enrolled in the enhanced EGWP. The EGWP plan for double covered retirees will have the coordination built in, so you will still have a \$0 co-pay.

23. I received a letter from CMS that I am already enrolled in a pharmacy plan, and that I was not enrolled in the AlaskaCare EGWP. Is this accurate, and how can I ensure I am still covered?

Please contact the Division directly to resolve this issue. Because CMS does not allow enrollment in multiple Medicare Part D plans, you may already be enrolled in a separate Part D plan. If this is the case, unless you prefer to remain in the other plan, the Division can work with you and with CMS to enroll you in the EGWP and disenroll you in the other plan.

24. I received a letter stating that I need to provide my consent to continue receiving medications by mail. Can I do that by phone, or online?

Yes, this can be done online by accessing your member account, beginning January 1, 2019 when the OptumRx member portal is available to AlaskaCare members. Please check your welcome kit for instructions for creating your profile and linking to your account information.

25. I am being charged an IRMAA premium surcharge for my Medicare plans, including Part D. Will I be reimbursed for all, or just pharmacy?

The full amount of your Part D IRMAA will be reimbursed by the AlaskaCare plan, as a monthly deposit to a Health Reimbursement Arrangement (HRA) account. Members are still responsible for any premiums for their Parts A and B coverage.

26. My spouse is currently covered by the AlaskaCare active employee plan, Medicare as a secondary plan, and the AlaskaCare retiree plan is tertiary coverage. Through this combination of coverage, will we be able to access immunizations, such as the shingles vaccine?

Yes, the enhanced EGWP allows Medicare Part D to cover some vaccinations, such as the shingles vaccine. Beginning January 1, this vaccination will be available to all AlaskaCare retirees, whether or not you are eligible for Medicare. Medicare Part D covers some vaccinations not covered today, when administered at a pharmacy; however, some vaccinations are not covered, such as influenza (flu shot) or pneumonia. One or more of your other plans may cover this vaccination as well, the coordination of benefits will determine which plan(s) are responsible for this vaccine.

27. I now have several ID cards for my medical, pharmacy and other health plans, which is frustrating. Is it possible to have one ID card for all plans?

The Division administers multiple AlaskaCare health plans for our retirees and active employees, with different benefits administered through different vendors: Aetna for the medical plan, OptumRx for the pharmacy plan (as of January 1, 2019), and Moda / Delta Dental for the dental plan. This means that members have multiple ID cards for these different plans. We understand that can be confusing and frustrating for members. The Division has researched solutions for this issue of dealing with multiple plans, but to date has not found an alternative. The Division will continue to find ways to improve members' experience, and revisit this issue during the procurement process for selecting a vendor for the AlaskaCare medical and dental plans: there may be an opportunity to further streamline members' ID cards, depending on what the successful vendor can offer.

28. I am not currently eligible for Medicare, but will be in the future. I understand that I am supposed to apply for Medicare Parts A and B. Please clarify which Medicare plans I am required to enroll in.

There are multiple Medicare plans that cover health services: Alaska law requires AlaskaCare become supplemental to Parts A and B when the retiree or their dependent is Medicare eligible. If you do not enroll in Medicare Part A and B coverage, the estimated amount Medicare would have paid will be deducted from your claim before processing by AlaskaCare.

1. Part A covers inpatient (hospital) services. Medicare eligible adults must have paid into Medicare during their employment in order to qualify for Part A; if you did not pay into Medicare during your employment, you need to pay a premium to enroll in Part A. If you are not provided with Medicare Part A free of charge, you should submit a copy of your letter from Medicare stating that you are not eligible to the Division.
2. Part B covers outpatient (primary care and other doctor visits) services. All Medicare eligible individuals qualify for Part B. If you are a high income retiree, you may be required to pay the premium surcharge (IRMAA) for this plan, with monthly premium amounts set by income level.
3. Part D covers pharmacy (prescription drug) benefits. Medicare eligible retirees should not enroll in an individual Part D plan, because they will be automatically enrolled in the enhanced EGWP, a group Medicare Part D plan. Similar to Part B, you may be subject to an IRMAA premium surcharge if you are a high income retiree. The plan will reimburse members for the portion of the IRMAA surcharge that is associated with the EGWP.

Medicare does not allow members to be enrolled in more than one Medicare Part D plan. Upon enrollment into the AlaskaCare enhanced EGWP, you may have received notice that you were disenrolled from your other Medicare prescription drug plan. If this has occurred, and you would like to maintain your other group Part D plan, please contact the Division. The Division can disenroll you from the AlaskaCare enhanced EGWP and instead enroll you in the AlaskaCare standard plan.