

AlaskaCare Retiree Town Hall 6

Event Summary

Date	Thursday, January 17, 2019 10:00 to 11:00 a.m.
Location	Live teleconference
Recording	https://vekeo.com/event/alaskacare-43665/
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. Approximately 569 attendees participated in the call. <i>**Please note that due to technical difficulties, the event presenters' phone line was temporarily disconnected during the call. The presenters were able to call back in to the event and proceed as normal, but participants who were connected at the time of the call drop experienced a break in audio. The Division will implement backup protocols in the future to maintain the phone line connection.</i>

Presenters

State of Alaska, Department of Administration Staff + Contractor	
Michele Michaud	Chief Health Official, Division of Retirement and Benefits
Emily Ricci	Chief Health Policy Administrator, Division of Retirement and Benefits
Jill Smith	CHCS Services, claims administrator of long term care benefits

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 not to share personal health information and that questions about individual claims cannot be addressed publicly in this forum. Participants can submit follow up questions to: drbtownhall@alaska.gov. Today's town hall event will focus on retirees' questions about long term care benefits, but presenters will also answer any other questions about the AlaskaCare retiree health plan.

The State of Alaska offers a voluntary Long-Term Care (LTC) Plan for retirees and their spouses. The options available under the LTC plan provide a range of health and social services for people who need assistance with the basic activities of daily living. Members who retired in 2000 or earlier can participate in the Bronze level plan; members who retired after 2000 can participate in the Silver, Gold or Platinum level plans. When the Silver, Gold and Platinum plans were introduced, participants in the Bronze plan were given a one-time opportunity to elect a higher level of coverage. Long term care plans are voluntary, and are fully funded by members' premiums; premiums are set according to the anticipated total cost of administering the plan over time. Retirees must elect to join the plan at the time of their retirement, and cannot opt in later. Retirees enrolled in the plan may also reduce their level of coverage at any time, but may not opt into a higher level of coverage after initial enrollment. CHCS Services, Inc. is the claims administrator of these plans, and can be reached at (888) 287-7116.

And, some reminders about recent changes to AlaskaCare health plans:

AlaskaCare transitioned to a new Pharmacy Benefit Manager (PBM) on January 1, 2019: OptumRx is now the PBM for all AlaskaCare plans and will handle all pharmacy claims going forward. Any pharmacy

claims incurred in 2018 (prior to the transition) will be processed by Aetna. Aetna remains the third party administrator for medical claims, and Moda continues to administer dental claims. AlaskaCare members received their OptumRx welcome kit and new ID cards and the other information provided annually about your plan. Please remember to show your new ID card to your pharmacist when fill your next prescription, or update this information online if you receive prescriptions by mail!

Additionally, the State implemented 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 retirees keep the same pharmacy benefits provided by the standard AlaskaCare retiree benefit. Medicare eligible retirees and their Medicare eligible dependents were automatically enrolled in the plan on January 1, 2019. If you or your dependents are not yet Medicare eligible, but will be in the future, you will be enrolled when you are Medicare eligible. If you were enrolled, you may have received a letter from OptumRx to confirm your residency for purposes of Medicare eligibility (U.S. states, DC, Puerto Rico, Guam), even if your mailing address is another location or a P.O. box. This is not a scam! Please respond to this letter if you received one.

Lastly, the Division of Retirement and Benefits (DRB) is working closely with the Retiree Health Care Advisory Board (RHPAB) to review several proposed changes to the medical plan. This ongoing effort, known as the modernization project, is intended to make improvements to the health plan, including many recommendations and requested plan benefits from retirees, while ensuring that the plan is financially sustainable over the long term. More information about the modernization project is coming soon, including updates and discussion at the quarterly RHPAB board meetings. DRB staff also want to hear from you! What changes would you like to see to the health plan? Is there a benefit that is not covered today, that you believe should be offered to retirees? Please share your thoughts with the Board at AlaskaRHPAB@alaska.gov.

The next Tele Town Hall will be Thursday, February 21, 2019 at 10:00 a.m. AKST. Please register online by Wednesday, February 20!

<http://doa.alaska.gov/drb/headlines/2018/08/eqwp-tele-town-hall/>

Contact Information

State of Alaska Department of Administration, Division of Retirement and Benefits

Juneau: (907) 465-4460 | Toll free: (800) 821-2251

Long term care benefits: CHCS Services, Inc.

Member services: (888) 287-7116

Medical Benefits: Aetna

Member services: (855) 784-8646

Pharmacy Benefits: OptumRx, a subsidiary of United Health Care

Member services: (855) 409-6999

Dental Benefits: Moda / Delta Dental

Member services: (855) 718-1768

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. *If I receive services through the Long Term Care plan at an assisted living facility, and I am hospitalized for one or more days and therefore not living at the facility for those days, will I lose payment for services, and/or my place at the facility?*

No, the policy does not include a provision for payment of services during days that you are not residing at an assisted living facility (this may include days you are traveling, hospitalized or otherwise not staying in the facility). The policy also does not include a provision to reserve your bed if you are hospitalized. Individual facilities often have their own policies about bed reservation—check with your assisted living facility to find out if this is an option!

2. *If my long term care policy lapses, do I receive a third party notification that this has occurred?*

No, there is not a notice specifically that your policy has lapsed. For example, if you do not pay your monthly premium, you would receive notices that your payments are delinquent, but other than that you would not receive a notice that your policy has lapsed.

3. *I have a plan booklet, dated 2002, with details about the long term care plan. Is this the most recent version of the plan booklet?*

Yes, the 2002 version is the most current version of the plan booklet; the plan has not been updated since the date on the plan booklet. The Division does not currently have plans to make changes to the plan, or the plan booklet, in the foreseeable future, so the 2002 booklet is the best reference for your plan benefits.

4. *Why doesn't the AlaskaCare plan cover dependent children up to age 26 like other health plans do, as required by the Affordable Care Act?*

The AlaskaCare retiree health plan, which is a retiree-only plan for which the State is the plan fiduciary, is exempt from the requirements of the Affordable Care Act. The retiree plan is instead subject to requirements of Alaska statute, which allows coverage of children up to age 19, or up to age 23 if they are a full-time student. Changing this age limit would require a statute change.

5. *I did not elect to sign up for the Long Term Care Plan when I retired. Can I join this plan now?*

No, unfortunately members may only elect to join this plan at the point of their retirement; this is also true for the Dental, Vision and Audio (DVA) plan. Retirees who do not elect to join these plans when they retire may not opt into the plan at a later date.

6. *What are the qualifications to receive home-based services under a Platinum or Gold plan?*

To qualify for in-home services under the Silver, Gold, or Platinum LTC plan levels, you must be unable to perform 2 of 6 activities of daily living (ADLs) on your own. These include: eating, bathing and basic hygiene, dressing, toileting, transferring (without the assistance of a cane, wheelchair or other aid), and continence (control of bladder and bowel functions). The Silver, Gold and Platinum plans also include cognitive impairment as a qualifying criteria. To be eligible for benefits under the

Bronze option, you must be unable to perform 2 of 5 ADLs on your own. These include: dressing, toileting, transferring, eating, and walking.

7. *My spouse and I are both retirees, and my spouse has Alzheimer's Disease. We are enrolled in the legacy (pre-2000) long term care plan. Are services for this condition covered under our plan?*

Services may be covered under the Bronze plan, depending on whether the member is unable to perform one or more activities of daily living (ADLs). Please call the plan's claims administrator, CHCS Services, at (888) 287-7116 for more information and to inquire about your specific situation.

8. *My question is about the benefit period: the plan booklet states that benefits begin on the first day of a covered program of care, and ends 90 days after the covered program of care is complete. How is this determined?*

The benefit period is determined as follows in the Silver, Gold, and Platinum plans: the benefit period begins on the first day of a Covered Program of Care. Before the plan begins to pay, you must first meet the deductible period of 90 days of covered long term care. After you meet the 90 day deductible period, the plan pays 100% of the charges for covered long-term care services up to the daily and lifetime maximums, and your premium is waived. The benefit period ends 90 days after the Covered Program of Care is no longer necessary. At that time, your obligation to pay premiums will resume on the first on the month following the end of the benefit period. In the Bronze plan, the benefit period begins on the first day of a Covered Program of Care. The 90 day deductible period also applies to the Bronze plan. The Bronze plan benefit period ends 30 days after the Covered Program of Care is no longer necessary.

9. *I did not elect to join the Long Term Care plan when I retired, can I join the plan now?*

No, unfortunately members may only elect to join this plan at the point of their retirement. Retirees who do not elect to join these plans when they retire may not opt into the plan at a later date.

10. *I retired several years ago, and enrolled in the Platinum long term care plan for myself and my spouse. What services are covered for in-home care, including a live-in service provider?*

There is a daily dollar limit for in-home services, regardless of the level of service. If your physician determines, for example, that you require 24-hour in-home care, you may use the plan benefits to pay for a live-in assistant. However, the plan would only pay up to the maximum daily rate, and the member is responsible for any additional costs.

11. *If I am in a long term care facility and I have to go to the hospital for a few days, and then return to the long term care facility, does this situation interrupt my ability to access this benefit? Do I need to do anything to ensure my benefits continue to pay?*

You do not need to do anything to ensure your benefits will continue to cover your stay when you return. The LTC plan will not pay for the days when you are out of the facility for an extended period of time, but it will continue to pay covered expenses upon your return.

12. *My spouse and I retired in the mid 1990's and signed up for the Gold plan at that time. I heard that the Bronze plan was no longer offered after 2000. Am I still covered?*

If you have not made any changes, you should retain the level of coverage you chose when you retired. Retirees enrolled in the plan may reduce their level of coverage at any time, but may not opt

into a higher level of coverage later. For example, members in the legacy Gold plan may elect to join the Silver level plan instead. The legacy Bronze plan is closed, and members may not opt in to this plan.

13. *Is the Long Term Care plan set up the same as the Dental, Vision and Audio plan, where retirees pay the premiums directly? I currently have a different long term care plan, and I have been advised to find a new one with better coverage. Can I enroll in the AlaskaCare LTC plan?*

Yes, the LTC plan is a voluntary benefit for retirees, fully funded by member contributions: this means that members pay premiums directly, the State administers but does not fund the plan (through its vendor, CHCS Services), and plan services are funded through these member contributions. The plan premiums are determined based on the estimated total cost of providing these services to members over time.

Regarding enrollment: No, unfortunately members may only elect to join this plan at the point of their retirement. Retirees who do not elect to join these plans when they retire may not opt into the plan at a later date. Allowing additional members to enroll in the LTC plan after they have retired would have a significant impact on all members' premiums, as the plan is designed for members to pay into the plan until if and when they need those services.

14. *I would like a clarification about hospital stays: if I am currently in an assisted living facility and I am hospitalized, I understand that my medical costs will be covered. What coverage would I receive for my stay at the assisted living facility during this stay?*

No, the policy does not include a provision for payment of services during days that you are not residing at an assisted living facility (this may include days you are traveling, hospitalized or otherwise not staying in the facility). The policy also does not include a provision to reserve your bed if you are hospitalized. Individual facilities often have their own policies about bed reservation—check with your assisted living facility to find out if this is an option! If the assisted living facility allows you to reserve your bed while you are absent, you are responsible for any associated costs.

15. *I originally signed up for the long term care plan in 2007, but since that time my plan was changed and I am in a different level than I was originally. Why did this occur?*

Please contact the Division of Retirement and Benefits to address your situation: other than the changes to the plan in 2000, there have not been any changes to the plan levels since that time. You may have elected to join a different level in the past, but you would not have been automatically placed into a different level. Please call the Division at (800) 821-2251 to address this question.

16. *I am enrolled in the EGWP and subject to the IRMAA premium surcharge. I received the paperwork and sent in the required documentation to be set up for a monthly reimbursement. What is the next step, when will my reimbursement account be set up?*

Once you send your paperwork to set up your health reimbursement arrangement (HRA) account, Payflex (a subsidiary of Aetna) is the administrator of these accounts and will be in touch to set up your reimbursement. Welcome kits were sent in mid-January; expect to receive this information soon, including a welcome letter and instructions for setting up your account. You can receive your reimbursement as an automatic deposit each month, or a receive a check in the mail.

17. I recently enrolled in Medicare, and I understand that my AlaskaCare plan is now secondary coverage. Am I subject to the Medicare deductible, or does the AlaskaCare plan cover this?

Yes, Medicare becomes your primary coverage when you enroll, and AlaskaCare is secondary. You are subject to the annual Medicare deductible. However, the two plans are considered coordinated benefits: this means that Medicare will pay first on a claim, after you have met the deductible, and AlaskaCare covers other services, after you have met that plan's deductible. The coordinated plans usually allow for the same claim to be utilized to meet both plans' deductibles at the same time, and after this point Medicare and/or AlaskaCare will cover services accordingly. The plans have differing benefits, but typically services are 100% covered between the two plans.

18. My spouse retired prior to 2000, so we are enrolled in the legacy plan. Have there been any changes to the plan since that time?

No, the legacy plan has not been updated since creation of the new plans in 2000. The legacy plan includes a different lifetime maximum than the new plans, as well as some differences in benefits, but there have not been changes to the legacy plan itself. Additionally, the legacy plan is grandfathered and cannot easily be changed without significant tax implications, so it is very unlikely that the Division will make changes to the plan in the foreseeable future.

19. What services are covered under the LTC plan?

The plan provides a day rate for covered services, with different rates depending on the care setting. There is a 90-day deductible, meaning that the member is responsible for paying for the first 90 days of services. Payment rates differ by plan level. An overview of the Long Term Care plans can be found here: <http://doa.alaska.gov/drb/alaskaCare/retiree/plans/ltc/options.html>.

20. My spouse and I are both enrolled in Medicare and AlaskaCare. We recently contacted Aetna about our plan, and were informed that the plans will not automatically coordinate. How can we set up coordination of our benefits?

Coordination between Medicare and AlaskaCare plans is typically automatic, but in some circumstances additional documentation is needed. Without knowing the details of this specific situation, it is likely that Medicare requires more information from the member, such as verifying a residential address to establish that the member is Medicare eligible. Please contact the Division at (800) 821-2251 to address this specific issue.

21. I enrolled in a \$1 million long term care policy before my retirement from a school district, and subsequently got married. In order to secure long term care coverage for my spouse, I also needed to enroll in the AlaskaCare long term care plan, and am currently paying for both plans. Which is the primary payer, and how is my spouse covered?

AlaskaCare's LTC plan is considered secondary coverage, and will pay after the first policy has covered services. If your spouse is not already covered under the other LTC plan, they would only be covered under the AlaskaCare plan.

22. I am not yet a retiree, but will be soon. How do I enroll in the long term care plan when I retire?

Members may elect to join this plan at the point of their retirement. When you receive the paperwork for your retirement plan, there will be an option to enroll in the Long Term Care (LTC)

and Dental, Vision and Audio (DVA) plans. These plans are optional, retirees can only enroll in these plans at the point of retirement, and members are responsible for paying the monthly premiums.

23. I retired prior to 2000, and did not sign up for the LTC plan at that time. What recommendations do you have for retirees in my situation, who are looking for alternative LTC plans?

The Division does not have a specific plan to recommend to AlaskaCare members, but your local chapter of AARP, in Alaska or another state, may be a helpful resource. The Alaska chapter maintains a survey of long term care plans available in the state; other chapters may conduct similar surveys, or otherwise maintain information about LTC plans for their members. You can find your local chapter on the AARP website: <https://www.aarp.org/states/>

24. I am currently enrolled in the (legacy) Bronze level plan. Can I opt into a higher level of coverage?

No, retirees enrolled in the plan may reduce their level of coverage at any time, but may not opt into a higher level of coverage later. When the new LTC plans were offered in 2000, retirees who were already enrolled in the LTC plan were given a one-time opportunity to opt into the new plans.

25. I currently have two residences. Can I change the location of services provided under this plan?

Yes, the LTC plan allows members to change where they receive services. Changes to services provided, including facility or geographic location, does require prior authorization. Please contact the claims administrator, CHCS Services, prior to moving or changing the location where you receive services under the LTC plan, to take care of prior authorization. Changing location without notifying CHCS or securing prior authorization may result in claims being denied or not being paid.

26. I am currently enrolled in the LTC plan. Can I opt into a higher tier of coverage?

No, retirees enrolled in the plan may also reduce their level of coverage at any time, but may not opt into a higher level of coverage later.

27. My spouse is Medicare eligible as of January 1, 2019, and will be enrolled in the enhanced EGWP. The card we received in late 2018, however, does not include this information. Will we receive a new ID card stating that my spouse is Medicare eligible in 2019?

Yes, you will receive a new ID card since your spouse's eligibility has changed. Members' eligibility was initially determined at the time the new cards were printed in late 2018; your spouse would have been enrolled in the non-Medicare retiree pharmacy plan. Now that they are eligible for Medicare, they will be automatically enrolled in the AlaskaCare enhanced EGWP and receive a new ID card and welcome kit in the mail soon. The new ID card will include the Medicare logo.