

Health Matters



SEPTEMBER 2011



Benefit Fairs Coming to Mat-Su Valley and Fairbanks

Do you wish you knew more about your insurance benefits? Wonder how to choose the right benefits to suit your needs? An investment of time in a Benefit Fair can have a big payoff in understanding your benefits and, by helping you make the right choices, may save you money.

Benefit Fairs are scheduled for the Mat-Su Valley in October and Fairbanks in March. The Fairs cover a wide range of topics including sessions on insurance benefits available to active employees and to retirees. Educational workshops will help you plan now for your future retirement security and will provide employees and retirees covered under AlaskaCare Health Plans an opportunity to learn more about their benefits. For more details about upcoming fairs, visit our Web site, alaska.gov/drj.

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Health Coaching Available through HealthTracks

The HealthTracks wellness program offers health coaching to active AlaskaCare Employee Health Plan members through the Telephonic Individualized Health Program (TIHP). The program is a series of telephone sessions with a personal health coach who will help you develop a plan to achieve your individual health and wellness goals. Registration for TIHP for fall 2011 sessions is September 1 - October 15 and sessions run from September 15 - December 15.

Continued on page 3



Join the Medicare Information Office for a “Getting Ready for Medicare” evening seminar September 15 from 6:00-8:00 p.m. at Loussac Library in Anchorage.

Understanding Medicare and the AlaskaCare Retiree Plan at Age 65

The first thing you should note is AlaskaCare Retiree Health Plan benefits become supplemental to Medicare once you reach age 65. This often comes as a surprise to retirees, even though it is printed in the Retiree Health Plan. This provision originates in Alaska Statutes and has been in the plan since 1975, when the health plan was initiated.

The effect of AlaskaCare becoming supplemental to Medicare is explained on page 17 in your Retiree Insurance Information Booklet. If you do not enroll in Medicare at age 65, AlaskaCare will estimate the amount Medicare would have paid and deduct that amount before paying your claim, which means you will pay a larger part of your bill.

You may have coverage that would be primary to Medicare, including a plan provided to you or your spouse as an active employee. While you can delay Medicare until that coverage ends, the retiree plan will estimate what Medicare would have paid before it will make a payment and you will be responsible for paying the amount Medicare would have paid.

There are three different “Enrollment Periods” for Medicare:

1. The Initial Enrollment Period, a 7-month window, begins three months before your 65th birthday month and ends three months after.
2. The Special Enrollment Period, available if you are covered as an employee or the dependent of an employee when you turn 65 and want to delay enrollment. You have up to 8 months after your health insurance terminates, which you'll need to document, to avoid a penalty for not being enrolled when you were eligible.
3. The General Enrollment Period is January-March for anyone that missed their initial enrollment period and didn't have a Special Enrollment Period. The coverage begins July 1. Enrolling during this period, rather than when you were first eligible, means you will pay a penalty through higher Medicare premiums.

You will also be offered Medicare Part D—the prescription drug plan. You are not required to enroll in the plan as your AlaskaCare drug coverage is the same or better than the Medicare plan. By not enrolling in Part D, you can avoid unnecessary premiums and coordination between Medicare and AlaskaCare for your prescription drugs.

If you have questions regarding the AlaskaCare Retiree Health Plan, you should contact the Division of Retirement and Benefits. For questions regarding your Medicare eligibility, please call the Medicare Information Office at (800) 478-6065 or if you're in Anchorage (907) 269-3680.

More information is available from the state's Medicare Information Office (800) 478-6065 (907) 269-3680, Anchorage www.medicare.alaska.gov

How Can I Save Time and Money on Specialty Medications?

If you take a specialty drug, AlaskaCare has a program that can save time and money while giving you the extra attention needed when taking these medications.

What is a specialty drug? These are drugs that are often administered by the patient or by their doctor (many are injected), require close monitoring, and have a high monthly cost. Some common specialty medications and the condition they are prescribed to treat are:

- Copaxone—Multiple Sclerosis
- Avonex—Multiple Sclerosis
- Gleevec—Cancer
- Enbrel (Sureclick)—Rheumatoid Arthritis
- Revlimid—Cancer

How can I get more assistance with the specialty drugs that I need? Costco mail order offers a program to deliver these medications directly to you at a significantly lower cost and offers you support from a patient care coordinator. The coordinator makes sure you get your refills in a timely fashion, and follows up with you and your doctor as needed to ensure you have the right medication on time, every time.

To find out more about this program, contact Costco Specialty Services at (866) 443-0060, Monday – Friday, 8 a.m. to 11 p.m. (EST) or Saturday, 8 a.m. to 4 p.m. (EST). More information, and a complete list of specialty drugs, is also available at AlaskaCare.gov.

Health Coaching *(Continued from page 1)*

A personal health coach will:

- Contact you for a 45-minute initial consultation
- Offer one coaching session per month during fall and spring sessions (up to six per year)
- Establish current health risks from your health risk assessment
- Set realistic goals and formulate an action plan
- Identify personal motivational techniques
- Recognize barriers and relapse triggers
- Identify educational tools to support behavior change

If you also complete the Personal Wellness Profile (PWP), a brief online health questionnaire, it can help you identify health risks and prepare you for your health coaching sessions. To register, visit www.AlaskaCare.gov and click on HealthTracks.



Ask “KYP” is a regular feature, helping members to better understand their health plan.

“KYP”
Know Your Plan



Notice – AlaskaCare Health Plans Notice of Privacy Practices

IMPORTANT: THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

The State of Alaska, Department of Administration, Division of Retirement and Benefits (the Division) is required by law to protect certain aspects of your health care information known as Protected Health Information or PHI and to provide you with this Notice of Privacy Practices.

This Notice describes our privacy practices, your legal rights, and lets you know, how the Division is permitted to:

- Use and disclose PHI about you
- How you can access and copy that information
- How you may request amendment of that information
- How you may request restrictions on our use and disclosure of your PHI

In most situations we may use this information described in this Notice without your permission, but there are some situations where we may use it only after we obtain your written authorization, if we are required by law to do so. We respect your privacy, and treat all health care information about our members with care under strict policies of confidentiality that all of our staff are committed to following at all times.

PLEASE READ THE FOLLOWING DETAILED NOTICE.

If you have any questions about it, please contact the HIPAA Privacy Officer listed at the end of this document and someone will contact you.

Purpose of this Notice

This Notice describes your legal rights, advises you of our privacy practices, and lets you know how the Division is permitted to use and disclose Protected Health Information (PHI) about you.

Uses and Disclosures of PHI

The Division may use PHI for the purposes of treatment, payment, and health care operations, in most cases without your written permission.

For Payment

This includes any activities related to such things as management of billed claims for services rendered, medical necessity determinations and appeals, and utilization review audits.

For Health Care Operations

This includes training programs to ensure that our personnel meet our standards of care and follow established policies and procedures, obtaining legal and financial services, conducting business planning, processing griev-

ances and complaints, and creating reports that do not individually identify you for data collection purposes.

Use and Disclosure of PHI Without Your Authorization

The Division is permitted to use PHI without your written authorization, or opportunity to object in certain situations, including:

For the treatment activities of health care provider;

- To health care provider or entity for the payment activities of the provider or entity that receives the information (such as your hospital or insurance company);
- For health care fraud and abuse detection or for activities related to compliance with the law;
- To a public health authority in certain situations (such as reporting a birth, death or disease as required by law, as part of a public health investigation, to report child or adult abuse or neglect or domestic violence, to report adverse events such as product defects, or to notify a person about exposure to a possible communicable disease as required by law);
- For health oversight activities including audits or government investigations, inspections, disciplinary proceedings, and other administrative or judicial actions undertaken by the government (or their contractors) by law to oversee the health care system;
- For judicial and administrative proceedings or in some cases in response to a subpoena or other legal process;
- For law enforcement activities in limited situations, such as when there is a warrant for the request, or when the information is needed to locate a suspect or stop a crime;
- For military, national defense and security and other special government functions;
- To avert a serious threat to the health and safety of a person or the public at large;
- For workers' compensation purposes, and in compliance with workers' compensation laws;
- We may use or disclose health information about you in a way that does not personally identify you or reveal who you are.

Any other use or disclosure of PHI, other than those listed above will only be made with your written authorization, (the authorization must specifically identify the information we seek to use or disclose, as well as when and how we seek to use or disclose it). **You may revoke your authorization at any time, in writing, except to the extent that we have already used or disclosed medical information based upon that authorization.**

Member Rights

As a member, you have a number of rights with respect to the protection of your PHI, including:

- The right to access, copy or inspect your PHI. This means you may come to our offices and inspect and copy most of the medical information about you that we maintain. We will normally provide you with access to this information within 30 days of your request. We may also charge you a fee for you to copy any medical information that you have the right to access. In limited circumstances, we may deny you access to your medical information, and you may appeal certain types of denials. We have forms available for you to request access to your PHI. We will provide a written response if we deny you access and let you know your appeal rights. If you wish to inspect and copy your medical information, you should contact the Privacy Officer listed at the end of this Notice.
- The right to amend your PHI. The right to request amending your PHI. You have the right to ask us to amend written medical information that we may have about you. If errors are found, we will generally amend your information within 60 days of your request and will notify you when we have amended the information. We are permitted by law to deny your request to amend your medical information, but only in certain circumstances. For example, if we believe the information is correct and no errors exist, your request will be denied. If you wish to request that we amend the medical information that we have about you, you should contact in writing the Privacy Officer listed at the end of this Notice.
- The right to request an accounting of our use and disclosure of your PHI. You may request an accounting from us of certain disclosures of your medical information that we have made in the last six years prior to the date of your request. We are not required to give you an accounting of information we have used or disclosed for purposes of treatment, payment or health care operations, or when we share your health information with our business associates, such as our billing company or a medical facility from/to which we have transported you. We are also not required to give you an accounting of our uses of protected health information for which you have already given us written authorization. If you wish to request an accounting of the medical information about you that we have used or disclosed that is not exempted from the accounting requirement, you should contact the Privacy Officer listed at the end of this Notice.
- The right to request that we restrict the uses and

disclosures of your PHI. You have the right to request that we restrict how we use and disclose your medical information that we have about you for payment or health care operations, or to restrict the information that is provided to family, friends and other individuals involved in your health care. However, if you request a restriction and the information you asked us to restrict is needed to assist a provider in providing you with emergency treatment, then we may use the PHI or disclose the PHI to a health care provider to provide you with emergency treatment. The Division is not required to agree to any restrictions you request, but any restrictions agreed to by the Division are binding on the Division.

Internet, Electronic Mail, and the Right to Obtain Copy of Paper Notice on Request

We will prominently post a copy of this Notice on our Web site and make the Notice available electronically through the Web site. If you allow us, we may forward you this Notice by electronic mail instead of on paper and you may always request a paper copy of the Notice.

Revisions to the Notice

The Division reserves the right to change the terms of this Notice at any time, and the changes will be effective immediately and will apply to all PHI that we maintain. Any material changes to the Notice will be promptly posted to our Web site. You can get a copy of the latest version of this Notice by contacting the Privacy Officer identified below.

Your Legal Rights and Complaints

You also have the right to complain to us, or to the Secretary of the United States Department of Health and Human Services if you believe your privacy rights have been violated. You will not be retaliated against in any way for filing a complaint with us or to the government. Should you have any questions, comments or complaints you may direct all inquiries to the Privacy Officer listed at the end of this Notice. Individuals will not be retaliated against for filing a complaint.

If you have any questions or if you wish to file a complaint or exercise any rights listed in this Notice, please contact:

Julie L. Wilson
 HIPAA Privacy Officer
 Division of Retirement and Benefits
 P.O. Box 110203
 Juneau, Alaska 99811-0203
 Telephone: (907) 465-4460
 Toll Free: (800) 821-2251
 Fax: (907) 465-4668
 E-mail: doa.drb.benefits@alaska.gov
 Effective Date of the Notice: June 1, 2010

Notice –Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it.

This notice has information about your AlaskaCare prescription drug coverage and about your options under Medicare’s prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your AlaskaCare coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare’s prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. The State of Alaska has determined that the prescription drug coverage offered by the AlaskaCare Health Plans is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is considered Creditable Coverage. **Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.**

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15 to December 7. However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also

be eligible for a two (2) month Special Enrollment Period to join a Medicare drug plan.

If you are a retiree and purchase Medicare prescription drug coverage, your AlaskaCare plan will become your secondary prescription drug plan. For employees who purchase Medicare prescription drug coverage, Medicare would be the secondary prescription drug plan. There is no additional cost to you for AlaskaCare prescription drug coverage so enrolling in the Medicare prescription drug plan will cost more than you pay today.

Benefits Provided by your AlaskaCare Prescription Drug Plan (employee plan):

All Drugs	Up to 30 Day Supply	31-90 Day Supply	Mail Order 90 Day Supply
Copay	20%	20%	\$20
Minimum	\$8	\$16	
Maximum	\$50	\$100	

Benefits Provided by your AlaskaCare Prescription Drug Plan (retiree plan):

	Up to 90-Day or 100-Unit Supply
Brand	\$8
Generic	\$4
Brand Mail Order	\$0
Generic Mail Order	\$0

You should also know that if you lose your AlaskaCare coverage and don't join a Medicare drug plan within 63 days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later. If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as

you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

For more information about this notice or your AlaskaCare prescription drug coverage, contact the Division by calling toll free (800) 821-2251 or (907) 465-4460 in Juneau or by emailing us at doa.drb.benefits@alaska.gov.

NOTE: You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if your AlaskaCare prescription drug coverage through changes. You also may request a copy of this notice at any time.

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help
- Call (800) MEDICARE or (800) 633-4227, TTY users should call (877) 486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the Web at www.socialsecurity.gov, or call them at (800) 772-1213, TTY users should call (800) 325-0778.

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

Employee Health Plan Premiums

After the last Open Enrollment for State of Alaska employees, the Division discovered it had published incorrect premiums for all medical plans except the Economy plan. The published rates were lower than they should have been for:

- Premium Family
- Premium Employee/Standard Family
- Standard

The Division reviewed the issue with its benefits consultant and determined the lower published premiums would remain in effect for the current benefit year. This decision was based on the health plan having lower total claims than anticipated and the consultant's belief that the lower premiums will still provide for adequate claims reserve.

If you would like further information, please contact the Benefits Section at (800) 821-2251 or (907) 465-8600.

Notice – Women's Health and Cancer Rights Act

Signed into law in October 1998, the Women's Health and Cancer Rights Act (WHCRA) includes benefits for mastectomy-related services.

Under the AlaskaCare health plans, any person who receives benefits for a medically necessary mastectomy may also receive benefits for:

- Reconstruction of the breast on which the mastectomy was performed
- Surgery and reconstruction of the other breast to produce a symmetrical or balanced appearance
- Prostheses (or breast implants)
- Treatment of physical complications of all stages of mastectomy, including lymphedemas

If you have questions about coverage of a mastectomy and reconstructive surgery, please call Wells Fargo's AlaskaCare Customer Service at (877) 517-6370.



Health Matters

is published three times a year by the

Alaska Division of Retirement and Benefits

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The Alaska Department of Administration complies with Title II of the 1990 Americans with Disabilities Act (ADA). This health newsletter is available in alternative communication formats upon request. To make necessary arrangements, contact the ADA Coordinator for the Division of Retirement and Benefits, at (907) 465-4460 or contact the TDD for the hearing impaired at (907) 465-2805.

Disclaimer:

Information in this newsletter summarizes the plan provisions, is supplemental only, and does not supersede the applicable Information Booklet's provisions.

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Generic Medications More Widely Available

Generic medications are more widely available than ever before. *Why is this important?* While these brand-name equivalents contain the same active ingredients as those found in popular branded medication they offer tremendous savings to you and to the AlaskaCare Health Plan.

With so many FDA tested generics available today, there is no better time to talk to your local pharmacist about generic medication options for you.

For active members, your copay at a local pharmacy is 20% of the drug cost so reducing the drug cost reduces your copay. For retired members, your generic drug copay is \$4, one-half the copay for brand name drug.

Some newly available generic drugs include Aricept, Cozaar/Hyzaar, Effexor XR, Flomax and Zyprexa.

AlaskaCare Members who selected generic drugs in 2010 saved:

Active Plan Savings	\$ 414,474.69
Retiree Plan Savings	<u>\$6,715,462.00</u>
Total AlaskaCare Savings	\$7,129,936.69

