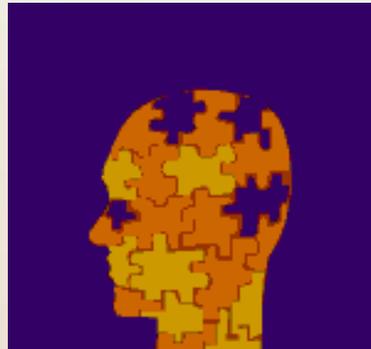


# Managing Your Benefits At



# What You Will Learn Today!

- How the State plan is structured?
- Your Benefit Options at Retirement
- What are the Optional Benefits?
- What forms should be filled out?
- Summary



# How The State Plan Is Structured?

- The State of Montana Plan is a Self-Funded group plan (Medical, Prescriptions & Dental)
- The State Share & Employee/Retiree out-of-pocket funds are pooled to pay claims
- The State of Montana hires Administrators to provide claims processing and customer service
- There are 12,399 Employees & 3,299 Retirees



# Take A Guess!



How many total people are on this group plan?

- 33,257\* on medical
- 32,915 on dental

How much does the plan pay for medical claims/mo?

- \$7.5 million (up .3 m from 2010)

How much does the plan pay for dental claims/mo?

- \$578,000

How much does the plan pay for Rx drug claims/mo?

- \$1.8 million

\* Data through 11/30/10

# Your Options at Retirement

1. Discontinue coverage with the State with no reinstatement option

-OR-

2. Continue coverage with State of Montana Group Benefits Plan

-OR-

3. Transfer to a dependent on an active or retired State Plan (no new deductible, or pre-existing waiting period)





# What will it Cost?

- Health Insurance costs may be your greatest expense after retirement.
  - Current Medical premiums range from \$10,728 to \$10,128 per year for retiree + spouse under age 65.
  - Dental & Vision may add up to \$800/yr.
- Health Insurance costs have increased dramatically and are expected to continue to rise.

# Who is Covered & When?

- Spouses covered on the plan have survivor rights in the event of the member's death
- Currently covered children can remain on the plan until age 26, even if married
- Retirees can only add dependents - spouses and/or children within 63 days of a qualifying event.



# Qualifying Events



Changes in dependents can **only be made within 63 days** of a qualifying event:

- Marriage or declaration of Domestic Partnership
- Divorce, legal separation, or dissolution of Domestic Partnership
- Change in custody/support order
- Birth or adoption (after 31 day auto-coverage)
- Death
- Loss of eligibility

# Non-Medicare Retirees

p.4

- Core benefits required:
  - Medical (includes prescription)
  - Dental
  - Basic Life (\$14,000)
- Optional:
  - Continuation of dependent medical & dental
  - Vision continuation
- Cancelled:
  - Supplemental Life Insurance
  - Flexible Spending Accounts (unless pre-paid through end of year)
  - Pre-Tax Plan
  - Long Term Disability
  - Long Term Care (convertible)



# Medicare-eligible Retirees

p.5

- Benefits required:
  - Medical on self (includes prescription)
- Optional:
  - Dental for self or dependents
  - Dependent medical
  - Vision
- Cancelled:
  - All Life Insurance
  - Flexible Spending Accounts (unless pre-paid through end of year)
  - Pre-Tax Plan
  - Long Term Disability
  - Long Term Care (convertible)



# Medicare Eligible-Now what?



- Provide copy of Medicare card (showing enrollment in Parts A & B) to the Benefits Division.
- Rates are reduced for the month you are eligible.
- Medical claims will be paid by Medicare first, then by your State plan.



# Coordination with Medicare



- Claims go to Medicare first.
- Medicare EOB is crossed over to BCBS to process under Traditional plan.
- Traditional plan processes claim as a secondary plan.
- Medicare deductible that has been satisfied will be credited toward the Traditional plan deductible.

# Supplement vs. Secondary



Medicare only covers a portion of costs

## Supplement:

- A Medicare supplement helps with expenses not fully paid by Medicare.
- Supplements generally will not cover expenses if Medicare doesn't pay a portion of the bill.

## Secondary Coverage:

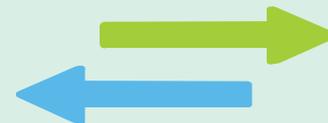
- Will consider entire claims costs, not just those left after Medicare
- May cover expenses that Medicare does not

# Why Have Part B?

The State of Montana requires you to provide proof of carrying Part B in order to drop your premium to the lower rate level.

**NOTE:** There is a penalty for signing up after turning 65 - check with Medicare for details on this.

# Changing Medical Plans



- Can choose the same or different medical plan (with higher deductible) at time of retirement for remainder of the year.
- Can go from Blue Choice to New West
- Can **NOT** go from Traditional to New West
- As a retiree, you will still participate in the Annual Change period each fall.





# Choosing Medical Plans

Medical Plan - You have the choice of:

**Managed Care Plan**



Blue Choice  
New West

} must be in a covered area

-OR-

**Traditional Indemnity Plan**

Administered by Blue Cross & Blue Shield



# Prescription Drug Plan

- Same Rx plan no matter which Medical Plan you select.
- Copays - p. 16. A, B & C are best levels
- D & F levels are covered but MAY be eligible for A, B or C medications.
- Plan Exceptions
- [www.urx.mt.gov](http://www.urx.mt.gov)



# Medicare Part “D” vs. URx



## State Retail

- \$ No Deductible
- \$ 0 / \$15 / \$40 copay

No holes in coverage

## State Mail-Order

- No deductible
- \$0/\$30/\$80 Copay

## Medicare Part D

- \$ 310 Deductible
- 25% coinsurance up to \$2840
- No \$\$ between \$2840-4550
- 100% after \$4550 reached

No Mail-Order

# Medicare Part “D” vs. URx

You will no longer be covered under your State of Montana retiree plan with no chance of reinstatement.

- No coordination between plans
- No subsidy



# Dental Plan



- Type A - 100% on cleanings - 2/year.
- Type B & C - Share \$50 deductible & a \$1,200 annual limit
- Payment for Type B(80%) & Type C(50%)
- All Dental Services assume use of in-network provider.



# Plan

- An optional benefit plan that offers both in and out-of-network benefits
- Check the website for participating providers
- \$10 co-pay (in-network) for annual exam
- \$20 co-pay for lenses, \$125 allowance for frames or \$125 for contacts in lieu of glasses
- Many additional in-network discounts

# Life Insurance Options

- Upon loss of group life eligibility can convert to individual policy with Standard at similar priced guarantee issue rate.
- Must request and return conversion forms with payment to Standard within 31 days of eligibility loss.



# Long-Term Care Insurance

- If you currently have this coverage, you will receive conversion information shortly after retirement.
- Policy is rated along with other State group members. You pay them directly.



# Retiree Assistance Program

- 4 free counseling visits/yr. using your medical plan provider network
- Weight Management
- Health Coaching



# Wellness in Retirement!

- Health Screenings - FREE! 1 per year, saves you \$\$ off Insurance premium in 2012!
- Diabetes - *Take Control Program*
- Tobacco Cessation Program





# Annual Change

- An annual opportunity to change insurance elections within a specified timeframe
- Occurs each year in the fall
- Will receive a Statement of Benefits along with a benefits book
- Watch for information in the fall - **NEED CURRENT ADDRESS!**

[Home](#)[Annual Change](#)[Administrator Contacts](#)[Benefits Appeal Process](#)[Benefits Enrollment](#)[COBRA](#)[Declaration of Tax Status](#)[Forms](#)[HCBD Staff](#)[Health Benefits](#)[Health Care Reform](#)[HIPAA Notice](#)[Publications](#)[SEGBAC - Advisory Council](#)[Sick Leave Pool](#)[Summary Plan Document](#)[Total Compensation Statements](#)[VEBA](#)[Wellness](#)[Employee Benefits Bureau](#)

## Health Care and Benefits Division



## WELCOME

The Health Care and Benefits Division is comprised of two bureaus, the Employee Benefits Bureau and the Workers' Compensation Management Bureau. The Employee Benefits Bureau is responsible for administering the State of Montana [Employee's Group Health Insurance](#). The Workers' Compensation Management Bureau is responsible for managing the State of Montana's [Workers' Compensation Insurance program](#).



**WORKERS' COMPENSATION  
MANAGEMENT BUREAU**

**EMPLOYEE  
Benefits Bureau**

(click a logo to learn more about workers' comp or employee benefits)

**Read more about:**

# Enroll BEFORE You Leave!

Making elections prior to retirement date:

- Complete Statement of Current Coverage, Retiree Election Form and VEBA paperwork, if needed.

Making elections after leaving employment:

- Complete Retiree Election Form *within 60 days of retirement date.*





# Payment Options

- Pre-pay prior to retirement through the current benefit year
- Automatic deduction from PERS benefit
- Electronic Deduction from bank account
- Monthly self payment to the Benefits Division
- Use VEBA Account

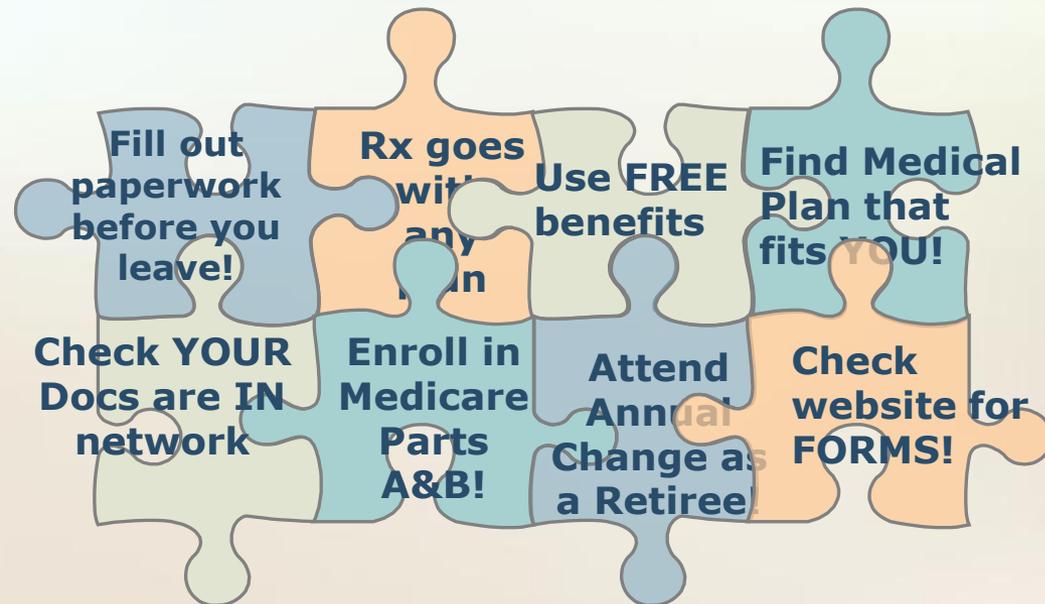


# Keep Your Costs by:

- Taking care of yourself
- Understanding your benefits
- Use networks whenever possible
- Utilizing free services
- Knowing your Medications!
- Use mail-order for maintenance medications

# Summary

- Put the pieces in place!



# Contact Us!!

- Plan Administrator's numbers & websites are on the back of your booklet
- You can contact the Benefits Division by:
  - Phone: 444-7462 / 1-800-287-8266
  - Email: [benefitsquestions@mt.gov](mailto:benefitsquestions@mt.gov)
  - Web: [www.benefits.mt.gov](http://www.benefits.mt.gov)
  - Randi Carter 444-3872

