

# Alliance Alert

The Public Employee Benefits Alliance (PEBA) was created by a group of Texas Government leaders working together for over a year to develop strategies to manage the rising costs of healthcare benefits. PEBA was established in January 2006 and was created pursuant to Chapter 791 of the Texas government Code, the Purchasing Program Chapter 271 of the Texas Local government Code and all other applicable provisions of Texas Law. PEBA membership is open to all Texas local governments who pay an annual membership fee and execute a PEBA Participating Interlocal Agreement. The annual membership fee and Pre/Post Retiree proposal fees are shown below. However, local governments who are members of one of the political subdivision Pools will obtain automatic annual PEBA membership through the participating Pool.

## PEBA ANNUAL MEMBERSHIP FEE SCHEDULE AND PROPOSAL COSTS

Annual Membership Fees	2010
0-100 Employee Lives	\$150
101-500 Employee Lives	\$300
500-1000 Employee Lives	\$500
>1,000 Employee Lives	\$700

Proposal Costs	2010	Late Fee
<b>Pre/Post 65 Retiree Benefits</b> (combined)	0-100 Active EE Lives: \$500 101-500 Active EE Lives: \$1,000 500-1000 Active EE Lives: \$1,850 >1000 Active EE Lives: \$2,500	0-100 Active EE Lives: \$1,000 101-500 Active EE Lives: \$2,000 500-1000 Active EE Lives: \$3,700 >1000 Active EE Lives: \$5,000
<b>Pre 65 Retiree Benefits</b> (Pre only)	0-100 Active EE Lives: \$350 101-500 Active EE Lives: \$600 500-1000 Active EE Lives: \$1,025 >1000 Active EE Lives: \$1,350	0-100 Active EE Lives: \$700 101-500 Active EE Lives: \$1,200 500-1000 Active EE Lives: \$2,050 >1000 Active EE Lives: \$2,700
<b>Post 65 Retiree Benefits</b> (Post only)	0-100 Active EE Lives: \$250 101-500 Active EE Lives: \$500 500-1000 Active EE Lives: \$925 >1000 Active EE Lives: \$1,250	0-100 Active EE Lives: \$500 101-500 Active EE Lives: \$1,000 500-1000 Active EE Lives: \$1,850 >1000 Active EE Lives: \$2,500

PEBA has offered the membership Retiree Benefits since January 2007. Initially, PEBA offered the membership an Advantage Benefit Plan. Due to membership requests, in January 2008 PEBA expanded the options available and in addition to the Advantage Benefit Plan with a Medicare Part D creditable coverage prescription plan, PEBA offered Medicare Medical Supplemental Plan options with a Medicare Part D creditable coverage option.

Effective January 2009, CMS funding was managed for the Private Sector Advantage Plans. The decrease in funding caused the Advantage Plans to cost shift pricing to the plan premium which is the retiree's or employers' responsibility. During Healthcare Reform in 2010, a decision was made to keep the CMS funding flat for the Medicare Plan year 2011. The Medicare Advantage Plan flat CMS funding and the requirement for the Advantage Plans to offer network options to the retiree population if more than 50% of the group's retiree population resides in a network area caused PEBA to identify retiree options that provided coverage in the Texas market and ensured a retiree price differential.

PEBA did not receive any nationwide or statewide PPO options. The PPO options received for 2011 plan year were limited to small geographic areas in Texas and did not support enough price differential from the supplemental plans to create a viable retiree option.

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The Public Employee Benefits Alliance (PEBA) Board met on September 3, 2010 to review the proposals for Group Pre 65 (Early) and Post 65 Retiree Health Plans with creditable Medicare Part D prescription. Effective January 1, 2011 PEBA will offer the following Retiree Continuum of Care options for the Pre and Post 65 Retiree population:

**TML Intergovernmental Employee Benefits Pool (TML IEBP) will be the vendor providing the Pre 65 retiree plan options to PEBA. The four plans being offered to the employers are TML IEBP managed and the employer may offer their retirees a choice of one of the four plan options.**

**UnitedHealthcare (UHC) will be the vendor providing the Post 65 retiree plan options to PEBA. UHC is offering the employers two Medicare Supplement Plans and two stand-alone Medicare Part D Plans that are available nationwide. In addition, UHC will offer two Medicare Advantage HMO Plans that are available in designated geographic areas in Texas. Employers will be able to offer one Supplement plan with one stand-alone Medicare Part D plan and one HMO with integrated Medicare Part D (MAPD) plan to their retirees.**

## TML IEBP PRE SIXTY-FIVE POOL BENEFIT OPTIONS

### Medical

Plan Design	Platinum Plan	Gold Plan	Silver Plan	Bronze Plan
<b>Cost</b> (If the retiree wants to buy dependent coverage the composite rate is added to the retiree rate)	Retiree: \$783.72 Composite: \$840.86	Retiree: \$703.50 Composite: \$754.12	Retiree: \$648.72 Composite: \$694.90	Retiree: \$593.96 Composite: \$635.70
<b>Benefit Percentage</b>	90%/50%	80%/50%	70%/50%	60%/40%
<b>Deductible</b>	\$1,000.00/\$1,250.00	\$1,250.00/1,500.00	\$1,500.00/\$1,750.00	\$1,750.00/\$2,000.00
<b>Out of Pocket Maximum</b>	\$5,000.00/\$10,000.00	\$5,000.00/\$10,000.00	\$5,000.00/\$10,000.00	\$5,000.00/\$10,000.00
<b>Wellness Plan</b>	Healthy Initiatives, Biometric Screening and Health Power Assessment paid 100% for network providers.	Healthy Initiatives, Biometric Screening and Health Power Assessment paid 100% for network providers.	Healthy Initiatives, Biometric Screening and Health Power Assessment paid 100% for network providers.	Healthy Initiatives, Biometric Screening and Health Power Assessment paid 100% for network providers.
<b>Health Incentives</b>	Completion of Biometric Screening and Health Power Assessment per Calendar Year \$150.00 Incentive payment.	Completion of Biometric Screening and Health Power Assessment per Calendar Year \$150.00 Incentive payment.	Completion of Biometric Screening and Health Power Assessment per Calendar Year \$150.00 Incentive payment.	Completion of Biometric Screening and Health Power Assessment per Calendar Year \$150.00 Incentive payment.

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## Prescription

	<b>Retail: Covered Individual Copays</b> (34 days supply max unless noted otherwise)	<b>Mail/Maintenance: Covered Individual Copays</b> (84/90 day dispensement Biotech/SpecialtyRx 34 day dispensement)
<b>Over the Counter Equivalence:</b> <u>Non-Sedating Antihistamines</u> (Claritin, Alavert) per prescription <u>Stomach and Ulcer</u> (Prilosec, Zegerid) per prescription <u>Allergy Medication</u> (Zyrtec) <u>Smoking Cessation</u> (Nicorette Gum) Quantity Limit - 3 boxes per plan year	\$0.00	N/A
<b>Align Network</b> Value Tiered 34 day <u>non Cost Share generic</u> dispensement	\$0.00 (up to 34 days supply)	N/A
<b>Align Network</b> Value Tiered up to 90 day <u>non Cost Share generic</u> dispensement	\$9.00 (35 to 90 days supply)	N/A
<b>Broad Network</b> <u>non Cost Share Generic</u>	\$10.00	\$25.00
<b>Broad and Align Network</b> <u>non Cost Share Best Price Brand List</u>	\$38.00	\$95.00
<b>Broad and Align Network</b> <u>non Cost Share Non-Best Price Brand List</u>	\$60.00	\$150.00
<b>Broad and Align Network</b> Cost Share	\$120.00	\$300.00
<b>Specialty/Biotech</b> Prescriptions	N/A	\$100.00 for up to 34 day supply

The Prescription plan offered by TML IEBP is a Medication Therapy Management Program (MTMP) that promotes Cost Efficiency, Consumer Education, Cost Effective Alternate Prescription Options and Evidence Based Prescription Utilization. Coverage for prescriptions and biotech prescriptions that are available through the Pharmacy Benefit Manager will be paid per the prescription schedule of benefits. Eligible Biotech prescriptions may be purchased from network providers per the prescription schedule of benefits.

For eligible prescriptions purchased outside of the Pharmacy Benefit Manager or the Network Providers, the plan will pay at the out of network benefit percentage and will not, at any time, pay at 100%. This plan does require Prior Authorization and Step Therapy compliance. *If you would like more information about the prescription plan, or to obtain a copy of the MTMP guide, Formulary list or SpecialtyRx Biotech drug listing please contact PEBA.*

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## SUPPLEMENTAL PLAN OPTIONS FOR THE PRE SIXTY-FIVE POOL

### Dental Plan Options

Employers that offer one or more of the TML IEBP Pre 65 retiree plans will also have the option of making available to their retirees a fully funded Dental plan option.

Dental II Plan (Fixed Dental ADA code fee schedule)	Mandatory*	Voluntary
<b>Pre Sixty-Five Retiree</b>	\$7.90	\$11.94
Composite	\$13.92	\$20.10
<i>* 100% Employer subsidy required for Pre-65 Retiree participation</i>		

Dental III Plan (Includes orthodontia)	Mandatory*
<b>Pre Sixty-Five Retiree</b>	\$27.74
Composite	\$43.54
<i>* 100% Employer subsidy required for Pre-65 Retiree participation</i>	

Dental IV Plan (Does not include orthodontia)	Mandatory*	Voluntary
<b>Pre Sixty-Five Retiree</b>	\$19.82	\$25.76
Composite	\$32.70	\$42.50
<i>* 100% Employer subsidy required for Pre-65 Retiree participation</i>		

### Vision Plan Options

Employers that offer one or more of the TML IEBP Pre 65 retiree plans will also have the option of making available to their retirees a fully funded Vision plan option.

Vision A Plan	Mandatory*	Voluntary
<b>Pre Sixty-Five Retiree</b>		
Plan A	\$7.10	\$9.86
<b>Dependent</b>		
Family	\$14.18	\$19.70
<i>* 100% Employer subsidy required for Pre-65 Retiree participation</i>		

Vision B Plan	Mandatory*	Voluntary
<b>Pre Sixty-Five Retiree</b>		
Plan B	\$9.46	\$13.14
<b>Dependent</b>		
Family	\$18.90	\$26.26
<i>* 100% Employer subsidy required for Pre-65 Retiree participation</i>		

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## **Retiree Reimbursement Account Option**

To compliment the Pre 65 plans, the employers may also elect to purchase a Retiree Reimbursement Account (RRA) option for a rate of \$3.70 PRPM (per retiree per month)

## **Medical/Rx plan Rates**

Each employer group will be underwritten as a group and receive a group rate. The employer will be required to contribute a minimum of 25% of the Retiree rate in order to offer the plans. The TML IEBP Pre 65 plans are group plans that provide guarantee issue. Pre sixty-five benefit coverage will continue until the end of the month of the covered retiree's 65<sup>th</sup> birthday. Coverage for Early Retirees under these plans will require that the Early Retiree enroll in the TML IEBP plan within 31 days of commencement of their Pre 65 retirement, meet the Plan's definition of Retiree, per the employer's Retiree Policy, Ordinance or Resolution. In addition for eligibility under the plan, TML IEBP will require that that early retiree meet the employer's definition of a retiree and that the retiree receive all other applicable benefits provided to retiree population.

There were a total of twenty-four employers and one Pool group that participated in the Pre 65 (early retiree) proposal. Based on the information provided during the proposal process, TML IEBP was able to provide PEBA with firm rates for ten of these employers and the one Pool. For the remaining fourteen employers, TML IEBP will need additional information in order to provide a firm rate. Employers that participated in the Pre 65 proposal should contact PEBA at 512-719-6768 or via email at [peba@tmliebp.org](mailto:peba@tmliebp.org) to receive the quote information specific to their group.

For employers that did not participate in the Pre 65 proposal process, they should contact PEBA at 512-719-6768 or via email at [peba@tmliebp.org](mailto:peba@tmliebp.org) to discuss the membership and proposal costs, and to obtain the list of information that is needed to generate a quote for these plans.

## **Information on what the TML IEBP Pre Sixty-five Enrollment Packets Will Contain:**

### First Phase of Open Enrollment

- Retiree Plan Overview Letter
- Pre Sixty-Five Reminder Notice
- Pre Sixty-Five Medical Benefit Plan Document
- Initial Notice Disclosures
- Personal Health Record
- Passport to Health
- Network Information
- Retiree Plan Overview Premiums/Contributions
- Retiree Medication Therapy Management Program: Guide, Step Therapy, Prior Authorization, Cost Share Documents
- Enrollment Form
- Other Insurance Form
- Dependent Employer Health Plan Eligible Letters
- Pre-Existing Benefit Limitation Form
- Privacy and Protection Statement
- Privacy Authorization Form
- HIPAA Frequently Asked Questions
- Notice of Privacy Practices
- Retiree Reminder Notice

### Second Phase of Enrollment

- ID Card
- Debit Card if Retiree Reimbursement Account Access
- MyTML IEBP Website Guide

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## Timeline for TML IEBP Pre Sixty-five Retirees to Receive Communications

Pre Sixty-five Workflow	Timeline
PEBA Proposal Due Date	August 20, 2010
PEBA Board Decision	September 3, 2010
Alliance Alert Distribution	September 7, 2010
PEBA and Vendor Webcast	September 14, 2010
Fund Contact Letters	September 16, 2010
Employer Election Decision	September 30, 2010
Employer TML IEBP Interlocal Execution	September 30, 2010
Employer Pre Sixty-five Billing Guidelines	September 30, 2010
Announcement Letter to Retiree with Benefit Information and copy of formulary and Phase I of Open Enrollment Materials	October 8, 2010
Paper Enrollment for 2011 Plan Year On-line Enrollment for 2012 Plan Year	N/A
Retiree Enrollment Deadline	November 15, 2010
ID Card Distribution	December 21, 2010
Welcome Packet	December 21, 2010
Ongoing Communication	

### Pre Sixty-five Contact Information

- Employers that participated in the Pre 65 proposal should contact PEBA at 512-719-6768 or via email at [peba@tmliebp.org](mailto:peba@tmliebp.org) to receive the quote information specific to their group.
- For employers that did not participate in the Pre 65 proposal process, they should contact PEBA at 512-719-6768 or via email at [peba@tmliebp.org](mailto:peba@tmliebp.org) to discuss the membership and proposal costs, and to obtain the list of information that is needed to generate a quote for these plans.

## UNITEDHEALTHCARE POST SIXTY-FIVE RETIREE BENEFIT MENU OPTIONS

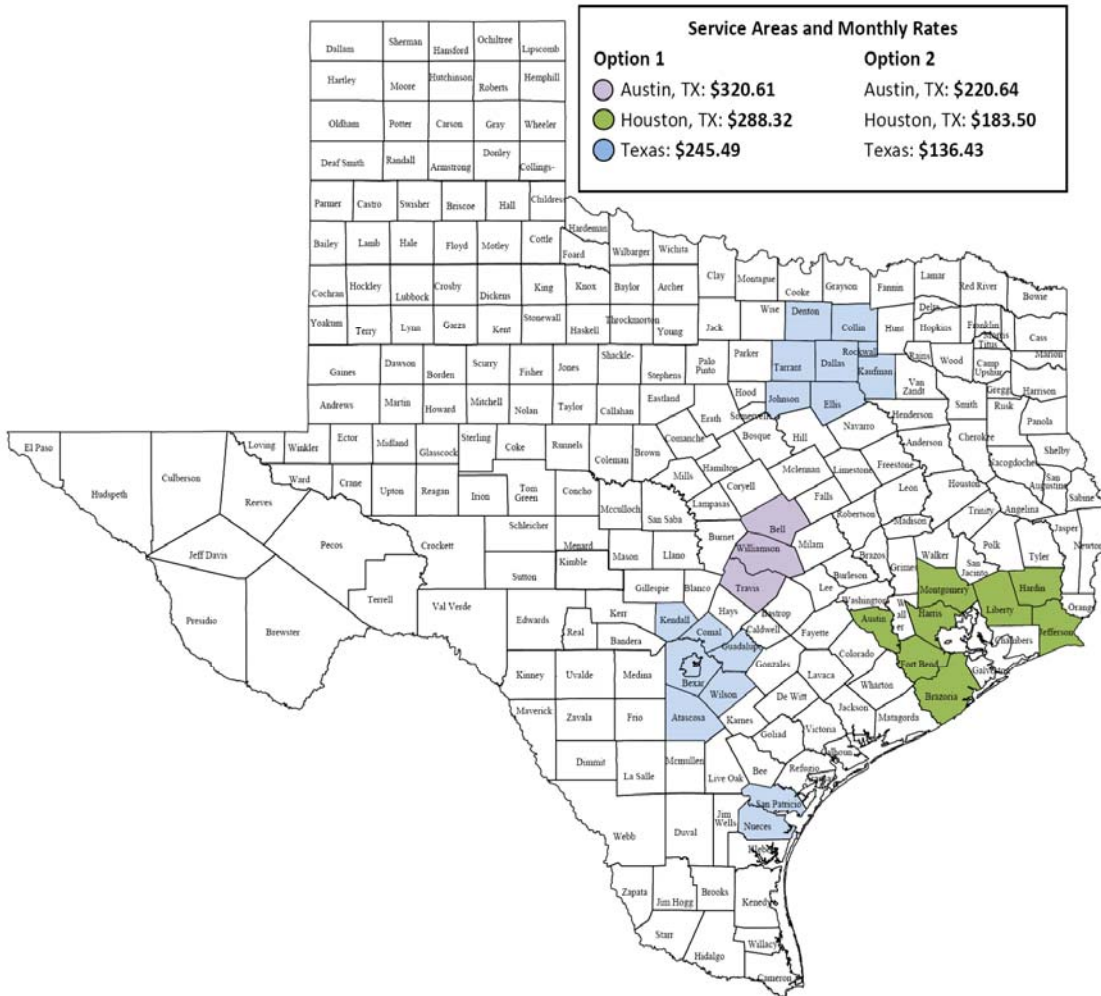
### Medicare Advantage HMO With Integrated Medicare Part D Plan Options

Medical Plan	Option 1 3A	Option 2 3A
Prescription Plan	Custom Plan Full gap coverage	Custom Plan Tier 1 generic gap coverage
Service Area:	Austin TX: Bell, Travis, Williamson counties	Austin TX: Bell, Travis, Williamson counties
Monthly Rate*	\$320.61	\$220.64
Service Area:	Houston TX: Austin, Brazoria, Fort Bend, Hardin, Harris, Jefferson, Liberty, Montgomery counties	Houston TX: Austin, Brazoria, Fort Bend, Hardin, Harris, Jefferson, Liberty, Montgomery counties
Monthly Rate*	\$288.32	\$183.50
Service Area:	Texas: Corpus Christi: Nueces, San Patricio; Dallas/Fort Worth: Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Rockwall, Tarrant counties; San Antonio: Atascosa, Bexar, Comal, Guadalupe, Kendall, Wilson counties	Texas: Corpus Christi: Nueces, San Patricio; Dallas/Fort Worth: Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Rockwall, Tarrant counties; San Antonio: Atascosa, Bexar, Comal, Guadalupe, Kendall, Wilson counties
Monthly Rate*	\$245.49	\$136.43

\* The monthly rate is per Retiree. The Retiree needs to be entitled to Medicare Parts A & B, and continue to pay the Part B premium.

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## HMO Plan Service Areas



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## HMO Plan Options

Medicare Advantage - HMO - MAPD		OPTION 1
Medical		Plan Tier 3A
<b>Plan Name</b>	Group Standard Plan 3A	
Plan Benefit Package (PBP)	800 Series	
Annual Deductible In-Network	None	
Annual Out-of-Pocket Maximum In-Network	\$3,600	
<b>PHYSICIAN SERVICES</b>		
Primary Care Physician Office Visit (includes Non-MD office visits)	\$15	
Specialist Office Visit	\$25	
<b>PART B DRUGS AND BLOOD</b>		
Part B Drugs - Immunosuppressives, Oral Chemotherapy, Anti-nausea, Inhalation Solutions, Hemophilia Clotting Factors	20%	
Part B Drugs - Antigens	20%	
Part B Drugs - Outpatient Injectable Medications - Administered in a Physician's Office	20%	
Outpatient Injectable Medications - Self-Administered	20%	
Part B Drugs -Outpatient Injectable Medications - Home Health	20%	
Home Infusion Drugs	20%	
Blood	\$0	
Blood 3 pint deductible waived	Yes	

Medicare Advantage - HMO - MAPD		OPTION 2
Medical		Plan Tier 3A
<b>Plan Name</b>	Group Standard Plan 3A	
Plan Benefit Package (PBP)	800 Series	
Annual Deductible In-Network	None	
Annual Out-of-Pocket Maximum In-Network	\$3,600	
<b>PHYSICIAN SERVICES</b>		
Primary Care Physician Office Visit (includes Non-MD office visits)	\$15	
Specialist Office Visit	\$25	
<b>PART B DRUGS AND BLOOD</b>		
Part B Drugs - Immunosuppressives, Oral Chemotherapy, Anti-nausea, Inhalation Solutions, Hemophilia Clotting Factors	20%	
Part B Drugs - Antigens	20%	
Part B Drugs - Outpatient Injectable Medications - Administered in a Physician's Office	20%	
Outpatient Injectable Medications - Self-Administered	20%	
Part B Drugs -Outpatient Injectable Medications - Home Health	20%	
Home Infusion Drugs	20%	
Blood	\$0	
Blood 3 pint deductible waived	Yes	

BENEFITS AND COVERAGE	YOUR COSTS	
	PDP for HMO Option 1	PDP for HMO Option 2
Prescription Drug Plan Type	Custom	Custom
<b>Part D Gap Coverage</b>	<b>Full Gap Coverage</b>	<b>Tier 1 Gap Coverage</b>
Formulary	Formulary G	Formulary G
<b>Bonus Drug List</b>	None	None
Rx Deductible	\$0	\$0
Rx Out-of-Pocket Maximum	None	None
<b>Part D Retail (Member Cost Share Before Pharma Brand Discounts)</b>		
Tier 1	\$5	\$5
Tier 2	\$25	\$25
Tier 3	\$60	\$60
Tier 4	33%	33%
<b>Part D Mail Order (Member Cost Share Before Pharma Brand Discounts)</b>		
Tier 1	\$10	\$10
Tier 2	\$50	\$50
Tier 3	\$120	\$120
Tier 4	33%	33%
Initial Coverage Limit	\$2,840	\$2,840
TrOOP Threshold	\$4,550	\$4,550
<b>Catastrophic Coverage over TrOOP (greater amount of)</b>		
Copay for generics	\$2.50	\$2.50
Copay for all other drugs	\$6.30	\$6.30
OR Coinsurance	5%	5%

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## Medicare Supplement Plan and stand-alone PDP Options

<b>Supplement Plan Option 1: Plan F</b> <b>Prescription Plan: Not included in price</b> <b>Service Area: National</b> <b>Rate: Composite</b> <b>Employer Funding Requirement: None</b>	<b>Supplement Plan Option 2: Plan K</b> <b>Prescription Plan: Not included in price</b> <b>Service Area: National</b> <b>Rate: Composite</b> <b>Employer Funding Requirement: None</b>
<b>Monthly Rate* \$184.00</b>	<b>Monthly Rate* \$105.13</b>
<p>* The monthly rate is per Retiree. The Retiree needs to be entitled to Medicare Parts A &amp; B, and continue to pay the Part B premium.</p>	

<b>BENEFITS "PLAN PAYS"</b>	<b>OPTION 1: PLAN F</b>	<b>OPTION 2: PLAN K</b>
Part A and Part B CALENDAR YEAR PLAN DEDUCTIBLE	N/A	N/A
Part A and Part B MOOP ANNUAL LIMIT (Medicare copayments, coinsurance and deductibles)	N/A	\$4620 per year (2010 amount shown)
LIFETIME POLICY MAXIMUM	N/A	N/A
Part A Hospital (Part A Deductible) -Days 1 - 60	Covered 100% by Plan	Covered 50% by Plan
<b>Part B DURABLE MEDICAL EQUIPMENT</b>		
Part B - Medicare Part B Deductible (Applicable to Part B DME)	Covered 100% by Plan	Not Covered
Part B - DME Remainder of Medicare Approved Amounts (After Part B Deductible Has Been Met)	Remainder After Medicare Payment Covered 100% by Plan.	Remainder After Medicare Payment Covered 50% by Plan.
Part B - Medicare Part B Deductible (Applicable to Part B Medical Services)	Covered 100% by Plan	Not Covered
Part B - Medical Services Remainder of Medicare Approved Amounts (After Part B Deductible Has Been Met)	Remainder After Medicare Payment Covered 100% by Plan.	Remainder After Medicare Payment Covered 50% by Plan.
PART B EXCESS CHARGES -(The Difference Between Medicare Allowable Amount and Up to 115% of Medicare Allowable Amount)	Covered 100% by Plan	Not Covered
FOREIGN TRAVEL: Medically Necessary Emergency Care Services, applicable only during the first six months of each trip outside of the United States.		

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<b>PDP Plan Option 1:</b> <b>Service Area: National</b> <b>Rate: Composite</b> <b>Employer Funding Requirement: None</b>	<b>PDP Plan Option 2:</b> <b>Service Area: National</b> <b>Rate: Composite</b> <b>Employer Funding Requirement: None</b>
<b>Monthly Rate* \$167.00</b>	<b>Monthly Rate* \$73.75</b>
<p>* The monthly rate is per Retiree. The Retiree needs to be entitled to Medicare Parts A &amp; B, and continue to pay the Part B premium.</p>	

BENEFITS AND COVERAGE	YOUR COSTS	
	PDP Option 1	PDP Option 2
Prescription Drug Plan Type	Custom	Custom
<b>Part D Gap Coverage</b>	<b>Full Gap Coverage</b>	<b>Tier 1 Gap Coverage</b>
<b>Formulary</b>	Formulary G	Formulary G
<b>Bonus Drug List</b>	None	None
Rx Deductible	\$0	\$0
Rx Out-of-Pocket Maximum	None	None
<b>Part D Retail (Member Cost Share Before Pharma Brand Discounts)</b>		
Tier 1	\$5	\$5
Tier 2	\$25	\$25
Tier 3	\$60	\$60
Tier 4	33%	33%
<b>Part D Mail Order (Member Cost Share Before Pharma Brand Discounts)</b>		
Tier 1	\$10	\$10
Tier 2	\$50	\$50
Tier 3	\$120	\$120
Tier 4	33%	33%
Initial Coverage Limit	\$2,840	\$2,840
TrOOP Threshold	\$4,550	\$4,550
<b>Catastrophic Coverage over TrOOP (greater amount of)</b>		
Copay for generics	\$2.50	\$2.50
Copay for all other drugs	\$6.30	\$6.30
<b>OR</b> Coinsurance	5%	5%

- **Post Sixty Five Contact Information** -  
- If you are interested in the UHC options, contact PEBA at 512-719-6768 or via email at [peba@tmliebp.org](mailto:peba@tmliebp.org) -  
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## **Post Sixty-Five Calendar Year Medical and Prescription Benefit Implementation Timeline**

<b>Function</b>	<b>Post Sixty-five Date</b>
PEBA Board Decision	September 3, 2010
Alliance Alert Distribution	September 8, 2010
WebX/Confirm Strategy to obtain HIC Number	September 14, 2010
Letter of Intent to PEBA	September 30, 2010
Employer Election Decision	September 30, 2010
Announcement Letter to Fund Contact and Retiree with Benefit Information and copy of formulary	After receipt of Employer election
CMS mandated Medicare Beneficiary Communication Timeline	N/A – this year
Announcement Letter and Enrollment packages	October 25, 2010
Retiree Enrollment Date Deadline	December 1, 2010
Eligibility Information submitted to Vendor Obtain Medicare HIC Numbers for all retirees & eligible dependents; HIC Number and Name per Medicare Card	Established per Employer
Welcome Packet	December 21, 2010
Welcome Kit to Retirees	December 21, 2010
ID cards	December 21, 2010
Plan Confirmation Letter	December 21, 2010
Ongoing	

### ***The PEBA Retiree Webinar Schedule***

To assist the employer in the retiree benefit plan decisions, a Webinar will be available at the designated times.

<b>Pre Sixty-five</b>	September 14, 2010 10:00am – 11:00am CT
<b>Post Sixty-five</b>	September 14, 2010 2:00pm – 3:00pm CT

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## The Medicare Plan for 2011

Medicare announce Medicare Premiums and Deductibles	2007	2008	2009	2010	2011
Part A Premium					
>40 quarters of Medicare covered employment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
30-39 quarters	\$226.00	\$233.00	\$244.00	\$244.00	\$248.00
<39 quarters	\$410.00	\$423.00	\$443.00	\$443.00	\$450.00
Part A (1-60 day Deductible) (Inpatient hospital, skilled nursing, hospice, certain HHC services)	\$992.00	\$1,024.00	\$1,068.00	\$1,100.00	\$1,132.00
<b>Inpatient Charges</b>					
61-90 days	\$248.00/day	\$256.00/day	\$267.00/day	\$275.00/day	\$283.00/day
>90 days	\$496.00/day	\$512.00/day	\$534.00/day	\$550.00/day	\$566.00/day
Beyond 150 days					All costs for each day
<b>Skilled Nursing</b>					
21-100 days	\$124.00/day	\$128.00/day	\$133.50/day	\$137.50/day	\$141.50/day
<b>Part B Premium</b> (Physician, outpatient, certain HHC, DME and other services)	\$93.50	\$96.40	\$96.40	\$110.50	\$115.40
Part B Deductible	\$131.00	\$135.00	\$135.00	\$155.00	\$162.00
Part D Beneficiary Premium				\$31.94	\$32.34

### Higher Part B and Now Part D Premiums for the Affluent

Since 2007, as required in the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, high-income Medicare-eligible individuals who enroll in the Part B program have been required to pay a monthly Part B premium that is higher than the standard premium. It varies depending upon enrollees' modified adjusted gross income and income tax filing status. The third column of the table below shows the 2011 Part B premium rates, all of which are just over 4% higher than in 2010.

New in 2011 is an income-related monthly adjustment for enrollees in Part D prescription drug plans. The Affordable Care Act requires Part D enrollees whose incomes exceed the thresholds established for Part B to pay their regular Part D premium to their plan (that amount will vary based on the plan they choose) and also pay an income-related adjustment to Medicare. The last column of the following tables shows the 2011 income-related monthly adjustment amount:

Income Ranges by Tax Filing Status		Part B Premium	Monthly Adjustment Amount for Part D Premium
Individual Return*	Joint Return		
\$85,001 to \$107,000*	\$170,001 to \$214,000	\$161.50	\$12.00
\$107,001 to \$160,000*	\$214,001 to \$320,000	\$230.70	\$31.10
\$160,001 to \$214,000	\$320,001 to \$428,000	\$299.90	\$50.10
\$214,000+	\$428,001+	\$369.10	\$69.10

\* Married beneficiaries with income in 2011 of more than \$85,000 and less than or equal to \$129,000 who file a separate return from their spouse *and* lived with their spouse at some time during the taxable year must pay the following monthly premium in 2011: \$299.90. (The Part D monthly adjustment for these couples will be \$50.10.) Married beneficiaries with income in 2011 of more than \$129,000 who file a separate return from their spouse *and* lived with their spouse at some time during the taxable year must pay the following monthly premium in 2011: \$369.10. (The Part D monthly adjustment for these couples will be \$69.10.)