2019 PLAN REVIEW AND CHANGES FOR THE UPCOMING YEAR

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Challenges Facing the Plan

- Continued increases in costs as Medical/Rx care gets better and more expensive.
- Continued growth in the TRB population. We are expecting to have almost 33,000 members by the end of 2020 (compared to just over 30,000 now).
- State funding is flat at $14.6 million per year for the 2019 fiscal year. A one-time payment of $16 million was made to the fund. Most of that ($11 million) went to pay the cash costs of incurred claims that had not yet been paid.
- The number of active teachers in Connecticut is relatively flat. Salaries are increasing at a moderate rate (low single digits).
- The State of Connecticut budget deficit is projected to be $4.2 billion for the first year of the new biennium (FY 2020).
- The combination of increased costs, more members sharing in the use of declining resources and little help for additional funding signify more changes to match up our revenues and expenses.

The Statute

- The statute governing the TRB provided for the State to contribute 1/3 of the ”Base Plan”cost of the retiree medical plan.

- The TRB statute also requires that the plan will not charge the retiree more than 1/3 of the cost of the plan. The TRB has very few reserves left after the State has short funded the plan by well over $190 million over the last decade. This has left the Board few choices.

Why the Drug Plan Changes?

- Drug costs remain a significant risk to the plan as the unit cost of the drugs bought by TRB participants went up 50% last year.

- One of the main causes of the increase is the development of new specialty drugs utilized to treat progressive diseases such as Cancer, Multiple Sclerosis and Hepatitis. These drugs promise great progress against these diseases but at an increased cost to the plan.

- To address this, the cost share maximum for prescription drugs has been increased from $1,205 to $3,500 for plan year 2019.

- Once a member reaches catastrophic level of $5,100 (also referred to as TROOP), the TRB receives an 80% subsidy from the federal government.

What is MOOP & TROOP?

- **Maximum out of Pocket (MOOP) 2019 = $3,500**

MOOP is the Part D and non Part-D drug costs that a member pays
- **This includes the $415 Deductible**

- **True Out of Pocket Costs (TROOP) 2019 = $5,100**

Includes:

TROOP applies to Part D spend ONLY.

What you pay for prescription Part D drugs when you fill a medication

Payment made for your drugs by any of the following programs or organizations:

- **“Extra Help” from Medicare**
- **Coverage Gap Discount from Manufactures**
- **Indian Health Service**
- **AIDS Drug Assistance Programs**
- **Most charities**
- **State Pharmaceutical Assistance Programs (SPAPs)**

2019 Express Script Prescription Drug Plan

Stage One **Initial Coverage Limit** **$415 Deductible**	**You pay $415 deductible.** **Once the deductible is met, you'll pay a coinsurance of 5% generic, 20% brand or 30% non-preferred brand**
Stage Two **Coverage Gap** **$3,850 - $5,100**	**As a TRB member, you will continue to pay the cost share of 5% generic, 20% brand or 30% non-preferred through the coverage gap until you reach $3,500 MOOP**
Stage 3 **Catastrophic Coverage** **$5,100**	**Should your True Out-of-Pocket cost (TROOP) reach $5,100, you'll be responsible for up to 5% of the cost, $3.40 for generics, $8.50 for brands or whichever is greater until you reach $3,500 MOOP for drugs**

Impact Of The Drug Plan Changes

- The increase to the cost share only impacts 4% of the membership. The full $3,500 dollar MOOP will only be charged to the top 1% of drug users. This generally applies to members using more than $40,000 of Part D drugs per year.
- The Board fully understands the hardship this creates for some of the most physically fragile members of the community. Without the matching Federal dollars, which require the 5% member cost share, we are concerned about the solvency of the fund.

Program Assistance

- **Low Income Subsidy Program**
  Eligible beneficiaries who have limited income may qualify for a government program that helps pay for Medicare Part D prescription drug cost.

- **Medicare Savings Program**
  The State of Connecticut offers financial assistance to eligible Medicare enrollees through our 'Medicare Savings Programs'. These programs may help pay Medicare Part B premiums, deductibles, and co-insurance.
  https://portal.ct.gov/DSS/Health-And-Home-Care/Medicare-Savings-Program

- **PAN Foundation**
  The Patient Access Network (PAN) Foundation is an independent, national 501(c)(3) organization dedicated to helping federally and commercially insured people living with life-threatening, chronic and rare diseases with the opt-of-pocket costs for their prescribed medications.

- **Provider/Manufacturer Assistance**
  Reach out to your provider regarding assistance programs

2019 Monthly Rates for Members

	2019Anthem Base Plan	2019 Stirling Medicare Supplement	2018 Anthem Base Plan	2018 Stirling Medicare Supplement
Medical	$14	$122	$12	$137
Drug	$51	$51	$62	$62
VH	$7	$7	$5	$5
Dental	$58	$58	$55	$55
Total	$130	$238	$134	$259

The Medicare Supplement plan will cost the member $108 more per month ($1,296 annually) than the Anthem base plan.

Medicare Part B & IRMMA

Income (Adjusted Gross Income plus tax-exempt interest income):		
Single tax return	Married filing jointly	Monthly Part B premium (per person)
$85,000 or less	$170,000 or less	$135.50 (*may be less if covered by the hold-harmless provision*)
$85,001 to $107,000	$170,001 to $214,000	$189.60
$107,001 to $133,500	$214,001 to $267,000	$270.90
$133,501 to $160,000	$267,001 to $320,000	$352.20
$160,001 to $499,999	$320,001 to $749,999	$433.40
$500,000 or more	$750,000 or more	$460.50

Medicare Part D IRRMA

Beneficiaries who file individual tax returns with income that is:	Beneficiaries who file joint tax returns with income that is:	Medicare Part D Income Related Monthly Adjustment Amount
Less than or equal to $85,000	Less than or equal to $170,000	$0.00
Between $85,001 and $107,000	Between $170,001 and $214,000	$12.40
Between $107,001 and $133,500	Between $214,001 and $267,000	$31.90
Between $133,501 and $160,000	Between $267,001 and $320,000	$51.40
Between $160,001 and $214,000	Between $320,001 and $428,000	$70.90
Between $214,001 and $500,000	Between $428,001 and $750,000	$70.90
Greater than $500,001	Greater than $750,000	$77.40

Overview of Benefit Comparison

Plan Coverage	Anthem	Stirling
Deductible	$0	Part B Deductible $185 per year plus a $500 plan deductible.
Coinsurance	None	90% Medicare and Plan paid 10% member paid to $500 out-of-pocket
Hospital Coverage Medicare Part A	Subject to $200 copay	Subject to $250 copay (4x maximum)
Out-of-Country Care (non-routine)	Covered at UC after copays	80% Medical, 20% hospital covered proportion as paid by plan at Usual &Customary
Sick Care	Covered after $5 HO, $100 ER, $200 Hospital	Generally covered in full after deductible, coinsurance and copays
Part B Drugs	$5	Subject to Part B deductibles
Maximum OOP	$2,000	$2,185

Services covered by the TRB with no Medicare base coverage will remain as is other than applicable copays.

Overview of Benefit Comparison

Medical Plan Comparison	Anthem	Stirling
Network Services	All Medicare participating providers	All Medicare participating providers
Medicare Part A Inpatient hospital	$200 copay per admission	$250 copay per admission up to 4x annual max
Medicare Part B Outpatient Services-Office Visits Preventive Care	$5.00 copay $0.00 copay	$0 copay, after the following deductibles and copays have been satisfied: Part B deductible $185 Plan deductible $500, and 10% cost share up to a $1,000 out-of-pocket annual plan maximum.
Part B Outpatient Services diagnostic tests and therapeutic services, diabetic and DME supplies Including but not limited to radiation therapy, X-ray PET, CT, SPECT, MRI scans etc.	$0 for well care services and $5 copay for sick medical services. Services may require a Prior Authorization	Same as above

Benefit Plan Differences

- **What are the differences between a Medicare Advantage Plan (MAPD) and Original Medicare with a Supplement otherwise referred to as the Stirling Plan?**

  - **MAPD- Contracted by Medicare, Anthem becomes primary, Medicare Secondary**

  - **Medicare Supplement (Stirling)- Original Medicare primary, Supplement Secondary**

Both plans must cover Medicare Part A and B Services

Dental, Vision & Hearing Benefit Plans for 2019

- **CIGNA Dental : No plan change in covered services or copay**

- **Vision & Hearing: Beginning Jan 1, 2019 vision and hearing claims should be submitted to the medical provider that you select.**
  - **Anthem members will send claims to Anthem.**
  - **Stirling members will send claims to Stirling.**

QUESTIONS ???