Chicago Teachers' Pension Fund

2017 HEALTH INSURANCE MEDICARE ELIGIBLE MEMBERS FREQUENTLY ASKED QUESTIONS

TURNING AGE 65

Q: I am turning age 65 in 2017. What should I do?

A: CTPF offers bimonthly Medicare "Birthday Parties" designed to help members turning age 65 evaluate their health insurance options and to enroll in Medicare. You will receive a personal invitation to this event if you or your dependent are currently covered on a CTPF health plan and are turning age 65 in 2017. You can also begin the Medicare enrollment process by visiting your local Social Security Administration (SSA) office or by going to www.Medicare.gov. We suggest you start the enrollment process three months prior to your 65th birthday. If you are already collecting SSA retirement benefits, your enrollment in Medicare is automatic.
See page 47 of the 2017 Health Insurance Handbook for more information.

Q: I am turning age 65 before my 18 months of CPS COBRA coverage expires. Do I need to do anything?

A: If you are turning age 65 before your 18 months of CPS COBRA expires, your COBRA coverage will end the month before your 65th birthday. You should enroll in Medicare Part A and Part B and decide whether to enroll in supplemental health insurance coverage through the pension fund. The pension fund will send you an invitation for an enrollment event called a Medicare Birthday party approximately three months before the month of your 65th birthday. See pages 28 and 47 of the 2017 Health Insurance Handbook for more information.

Q: I am turning age 65 in 2017. However, I am currently covered on my spouse's health insurance through his employer. Do I have to enroll in Medicare Part A and Part B when I turn 65?

A: Individuals that are covered under a group health plan based on current employment of a spouse can delay enrollment in Medicare without a penalty (note: COBRA coverage is NOT based on current employment). Once your active group coverage ends, Medicare allows you to enroll without penalty with proof that you were covered under a group plan offered through employment.

Q: **What happens if I don't apply for Medicare Part A and Part B when I turn age 65? Does CTPF offer a plan I can join without having Medicare?**

A: CTPF requires all members who are Medicare eligible (65 years old) to enroll in Medicare Part A and Part B in order to enroll in a CTPF-sponsored health insurance plan. If you choose not to enroll in Medicare Part A and Part B at age 65 and are currently covered under a CTPF plan, your CTPF health insurance coverage will terminate effective the last day of the month before your birthday month.

In addition, Medicare penalizes you for late enrollment – not enrolling when first eligible. CTPF does not offer any plans for members age 65 and over without Medicare Part A and Part B.

Q: **I'm enrolled in one of the CTPF plans for those eligible for Medicare. I qualify for premium-free Medicare Part A. Does the pension fund pay my Medicare Part B premium? How do I get the 50% subsidy of my Part B premium?**

A: If you do not have a premium for Medicare Part A, you are responsible for paying your Medicare Part B premium directly to the Centers for Medicare and Medicaid Services (CMS). CMS will direct-bill you for the Medicare Part B premium. The exception is for those that get a Social Security Administration (SSA) benefit – in this case the Medicare Part B premium is deducted directly from the SSA benefit. If your Medicare Part B premium is not deducted from your SSA benefit, the pension fund recommends signing up for the Medicare Easy Pay program to have your Medicare Part B premium automatically deducted from your checking or savings account free of charge each month. Failure to pay your Medicare Part B premiums will result in termination from Medicare coverage as well as CTPF health insurance coverage.

The pension fund provides the 50% subsidy of the base Medicare Part B premium by adding it to your pension benefit on a monthly basis.

Q: **Why doesn't CTPF subsidize IRMAAs and/or penalties for Medicare Part B and Part D?**

A: CTPF provides health insurance subsidy for Medicare base premiums only. Other Medicare charges such as penalties for late enrollment or IRMAA's due to higher incomes are the total responsibility of the member.

Q: **I do not qualify for premium-free Medicare Part A. I am enrolled in the CTPF MedPay program where the pension fund is paying the Medicare Part A and Part B premium directly to Medicare on my behalf. CTPF currently deducts my 50% share of the Medicare Part A and Part B premiums and my full Medicare Part B IRMAA (Income Related Medicare Adjustment Amount) from my pension check. Why can't CTPF deduct the Medicare Part D IRMAA from my pension check?**

A: For high-income earners, Medicare Part D IRMAA was implemented by the federal government in 2011 with different payment rules than Medicare Part B IRMAA. The Centers for Medicaid & Medicare Services (CMS) regulates the Medicare programs and how Medicare premiums and IRMAA can be paid. CMS does not allow CTPF to make Medicare Part D IRMAA payments on your behalf. CMS rules state that you must be direct-billed for Part D IRMAA on a monthly basis and that you must pay this amount directly to CMS.

Q: **I have to pay for both Medicare Part A and Part B. Do I get subsidized for both?**

A: CTPF provides a premium subsidy for Medicare Part B and Part D coverage. Members with a pension benefit effective date prior to July 1, 2016, also receive a subsidy for Medicare Part A (for members who must pay for this coverage). Members who retire with a pension benefit effective date of July 1, 2016, or later, who must pay for Medicare Part A coverage, will not receive a CTPF premium subsidy for this cost.

HEALTH INSURANCE PLANS AND COSTS

Q: **What CTPF sponsored health insurance plans for Medicare-eligible members are available in 2017 and how do costs compare?**

A: In 2017, CTPF offers the AARP Medicare Supplement Plan F (UnitedHealthcare), the Blue Cross and Blue Shield Medicare Advantage PPO, and the Humana Group Medicare HMO. Please refer to the 2017 Health Insurance Handbook for the cost and benefit details of each plan. Page 5 outlines changes for 2017, and plan descriptions and details can be found on pages 35-41.

Q: **Will the 2017 CTPF 50% subsidy of health insurance premiums for CTPF sponsored health insurance plans change in future years?**

A: CTPF trustees voted to continue a 50% subsidy for 2017. The subsidy is limited by state law and subject to change as directed by the Board of Trustees. The subsidy rate is set annually.

Q: **How are the premium costs for the CTPF health Insurance plans determined each year?**

A: Our health insurance premiums are based on the benefits offered and claims costs incurred by the plan. Premium costs are also affected by medical inflation.

Q: **If I am enrolled in non-CTPF health insurance, am I eligible for a subsidy?**

A: Members enrolled in non-CTPF health insurance plans, may be eligible for a subsidy subject to the maximum reimbursement amounts published annually under CTPF's outside rebate program. In 2017, the maximum reimbursement amount will be based on CTPF's most economical Medicare or non-Medicare plan option.

Q: **What is a Medicare Advantage plan and are Medicare Part A and Part B enrollment required?**

A: A Medicare Advantage plan is a Medicare-approved plan which includes Medicare Part A (hospital insurance) and Part B (medical insurance). Active enrollment in both Medicare Part A and Part B is required and Medicare premium payments must be kept current. A Medicare Advantage plan (or Medicare Part C) replaces original Medicare, as the Medicare Advantage plan assumes the financial cost of services provided, less applicable copayments. CTPF currently offers two Medicare Advantage plans: the Blue Cross and Blue Shield Medicare Advantage PPO and the Humana Group Medicare HMO.

Q: **If I am enrolled in a Medicare Advantage plan, do I continue to receive an Explanation of Benefits (EOB) from Medicare and from my plan?**

A: No, enrollees of the Blue Cross and Blue Shield Medicare Advantage PPO and Humana Group Medicare HMO (CTPF's two Medicare Advantage plans) will receive one EOB from the plan only. Since the plan assumes the financial cost of services, a separate EOB from Medicare will not be necessary. Under the Blue Cross and Blue Shield Medicare Advantage PPO, there will still be a separate EOB from Express Scripts for prescription benefits.

Q: **Are there any restrictions on in and out-of-network coverage with the Blue Cross and Blue Shield Medicare Advantage PPO?**

A: The Blue Cross and Blue Shield Medicare Advantage PPO in and out-of-network coverage is identical. Enrollees can see any willing provider as long as they accept Medicare. The provider does not have to be in the Blue Cross network. If the provider is not in the Blue Cross network, the plan pays the provider just as much as Medicare would have paid. Enrollees pay the same out-of-pocket percentage as if they had stayed in network.

Q: **Who do I contact if I experience claim-related issues?**
related issues with doctors, hospitals and other Medicare providers. Customer service

A: Your health insurance plan customer service department can be contacted regarding claim-related issues with doctors, hospitals and other Medicare providers. Customer service phone numbers can be found on your insurance card or on page 44 of the 2017 Health Insurance Handbook.

Q: **What do I do if my provider says they only accept original Medicare or they do not accept the Blue Cross and Blue Shield Medicare Advantage PPO because they are not in the Blue Cross network?**

A: Enrollees in the Blue Cross and Blue Shield Medicare Advantage PPO receive a post enrollment letter for providers with their BCBS welcome packet.This sheet can be given to providers to explain that providers do not need to be a BCBS contracting provider to see and treat enrollees of the Blue Cross and Blue Shield Medicare Advantage PPO. The sheet also explains that enrollees can see any willing provider as long as they accept payment from Medicare and that providers are paid the Medicare Allowed Amount at minimum. If you would like a copy of this sheet, please call CTPF Member Services and they will provide one. Although the vast majority of out-of-network providers accept this plan, there have been a few circumstances where they will not. The provider makes a final determination on whether or not to accept any plan.

Q: **Will I receive a new ID card in 2017?**

A: Health plan enrollees receive health insurance ID cards by mail directly from their health insurance plan. ID cards are normally issued at the time of enrollment or when a health plan change is made. If you need a replacement card, contact your health insurance plan directly. Find contact information on page 44 of the 2017 Health Insurance Handbook.

Q: **Is there a health club membership included when I join a CTPF plan for Medicare-eligible members?**

A: All of the Medicare-eligible plans offered by CTPF offer various discounts, such as silver sneakers, on health club membership and some are free. You can contact the plan to find out which clubs are included. Each plan's customer service phone number is listed on page 44 of the 2017 Health Insurance Handbook.

Q: **Why do the UnitedHealthcare AARP Plan F rates change during the year?**

A: Premiums for the UnitedHealthCare AARP Plan F health plan are based on age and geographic location and may incorporate discounts that change slightly during the calendar year. For more information on how and why your Plan F rate may change, please contact UnitedHealthcare directly at 800-392-7537 or go to www.aarphealthcare.com.

Q: **Why are the health insurance plan premiums for members with Medicare so much less than the plans for members under age 65?**

A: When you become age 65 and enroll in Medicare Part A and Part B, Medicare becomes the primary payer of your health care costs. The plans offered by CTPF for members age 65 and over are designed to work with Medicare and help pay those costs not covered by Medicare.

Q: **I worked 20 years with the Chicago Public Schools (CPS) and 3 years with Teachers Retirement System (TRS). However, TRS was my final system. I'm not eligible for insurance under TRS – but CTPF tells me I am not eligible to join their plan either. Why?**

A: CTPF eligibility rules state that CTPF must be your final retirement system to be eligible to join a CTPF health insurance plan. TRS rules state you must have 8 years of service to be eligible for their health insurance program, whether or not they are the last retirement system. It is very important to understand the health insurance eligibility rules for each system before you retire.

Q: **I canceled my CTPF health insurance coverage last year. However, I am not happy with my new coverage and I now want to re-enroll on a CTPF health plan. Can I do that?**

A: No. You can initially enroll in a CTPF plan once in a lifetime, unless you experience a qualifying event. You can initially enroll when one of the following events occurs:

- within 30 days after COBRA continuation coverage under the Board of Education or Charter School active employee group health program ends, unless coverage is canceled due to non-payment of premium
- within 30 days of the effective date of pension benefits
- during the Annual Open Enrollment Period (once in a lifetime)
- within 30 days of first becoming eligible for Medicare
- when coverage is canceled by a former group plan through no fault of your own

Since you already enrolled once, you cannot enroll again, even if you regret the decision to leave the CTPF plan. However, you may be able to re-enroll in a CTPF plan if you experience a qualifying event. You have 30 days after a qualifying event to join a plan, change plans, or add an eligible dependent. Qualifying events may include:

- change in permanent address that affects the availability of an HMO or Medicare Advantage plan
- marriage/civil union or divorce/dissolution
- birth, adoption, or legal guardianship
- termination of a Primary Care Physician for HMO plan enrollees
- within 30 days of first becoming eligible for Medicare

Prescription Drug Coverage

Q: **What is Express Scripts?**

A: Express Scripts is the prescription benefit manager for the Blue Cross and Blue Shield Medicare Advantage PPO and UnitedHealthcare AARP Supplement Plan F Plans.

Q: **Where can I find prescription benefit details?**

A: Pages 40-41 of the 2017 Health Insurance Handbook provide cost and benefit details for the prescription coverage associated with each CTPF-sponsored health insurance plan. Each health insurance plan utilizes a formulary (a list of preferred prescription drugs) which can help you and your doctor find affordable medication options. Make sure you review your plan's 2017 formulary (links can be found on the open enrollment central page at www.ctpf.org).

Q: Do I pay less for my prescriptions if I use the mail order 90-day supply option?

A: Yes, the mail order option will save you money in all of CTPF's Medicare plans. In general, you will pay less in copays for the same amount of medication by using mail order. There is also a retail 90-day supply option available with some of our plans – in general, there is some savings when you use retail 90-day supply but even greater savings when you use mail order 90-day supply.

Q: Does CTPF cover Non-Medicare Part D drugs under the Express Scripts plan?

A: No, effective in 2015, for cost containment reasons, CTPF ended coverage for non-Medicare Part D drugs under the Express Scripts plan. The federal government as well as the majority of plan sponsors do not cover these drugs. An example of non-Medicare Part D drugs are lifestyle drugs for Erectile Dysfunction.

Q: Can you explain coverage of Medicare Part B diabetic test strips and supplies, nebulizer medications, and flu and pneumonia vaccines?

A: Medicare Part B covered supplies and medications are covered under Medicare Part B if you purchase them at a retail pharmacy. When purchasing these items through the BCBS and Humana plans, simply present your insurance card for payment. If enrolled in the AARP Plan F plan, you will need to present both your insurance card and your Medicare card.
Please refer to the chart on Page 9.

Q: How do I find a Medicare Part B–participating mail order pharmacy if I am enrolled in the UHC AARP Plan F?

A: To find a Medicare Part B–participating mail order pharmacy, visit the Medicare website at www.medicare.gov/supplierdirectory/search.html or call Medicare at 1.800.MEDICARE (1.800.633.4227). TTY users should call 1.877.486.2048.

COVERAGE CHART EFFECTIVE	Blue Cross Medicare Advantage PPO Plan	UHC AARP Plan F	Humana Group Medicare HMO
Retail Pharmacy	■ Use your new BCBS insurance card ■ Out of pocket cost will vary based on formulary status	■ Use Medicare card and UHC AARP Plan F ID card ■ 100% coverage	■ Use Humana ID card ■ 100% coverage
Mail Order	■ Contact Blue Cross for information	■ Medicare National Approved Diabetic Supplies Mail Order Supplier ■ 100% coverage	■ Contact Humana for information

Q: **My doctor prescribed a medication that requires prior authorization under my prescription coverage. What does this mean?**

A: Prior Authorization is a type of clinical management program designed to assess clinical appropriateness while helping to manage health plan costs. Usually there are alternative medications that may be just as effective but cost less for the member and the plan. Prior Authorization also provides an additional safety mechanism for physicians and pharmacists to help prevent potentially harmful outcomes.

If a prior authorization is denied by your health plan, you have certain appeal rights that should be followed. The prescribing physician should submit medical documentation to the plan to substantiate the medical need for the medication. Questions related to Prior Authorization and other plan communications to your physician should be directed to your plan. Contact information can be found in the back of your 2017 Health Insurance Handbook.

Q: **Why does my prescription drug plan sometimes send letters to doctors suggesting alternative medicines to use?**

A: It is common practice for prescription drug benefit administrators to sends letters to doctors when they become aware of alternative medicines which could save money for both the member and the plan. You and/or your doctor are under no obligation to change current therapies because of this program. Questions related to plan communications should be directed to your plan. Contact information can be found in the back of your 2017 Health Insurance Handbook.

Dental Insurance

Q: **Does the Pension Fund offer dental insurance to retiree and/or survivors?**

A: No, the Pension Fund does not offer dental insurance. Dental plans are available from the Chicago Teachers Union, the Retired Teachers Association of Chicago and other organizations. Or you can purchase coverage directly from an insurance company.

Affordable Care Act (ACA) – Health Insurance Marketplace

Q: **What is the Health Insurance Marketplace and does it affect me?**

A: The Health Insurance Marketplace or "Health Insurance Exchanges" were created by the Affordable Care Act to make health insurance accessible to the 57 million people under age 65 that did not have health insurance. Those who already have health insurance coverage are not required to utilize the Health Insurance Marketplace.