

City of Phoenix Retiree Medical Coverage Overview



COPRA Meeting
May 21, 2009

Your Guests Today

- **JANET SMITH**, Personnel Director
- **MARY KYLE**, Deputy Personnel Director
- **LESLIE DEWAR**, Personnel Supervisor
- **KATHY BIRD**, Benefits Analyst II
- Representatives from CVS/Caremark, CIGNA and BlueCross/BlueShield

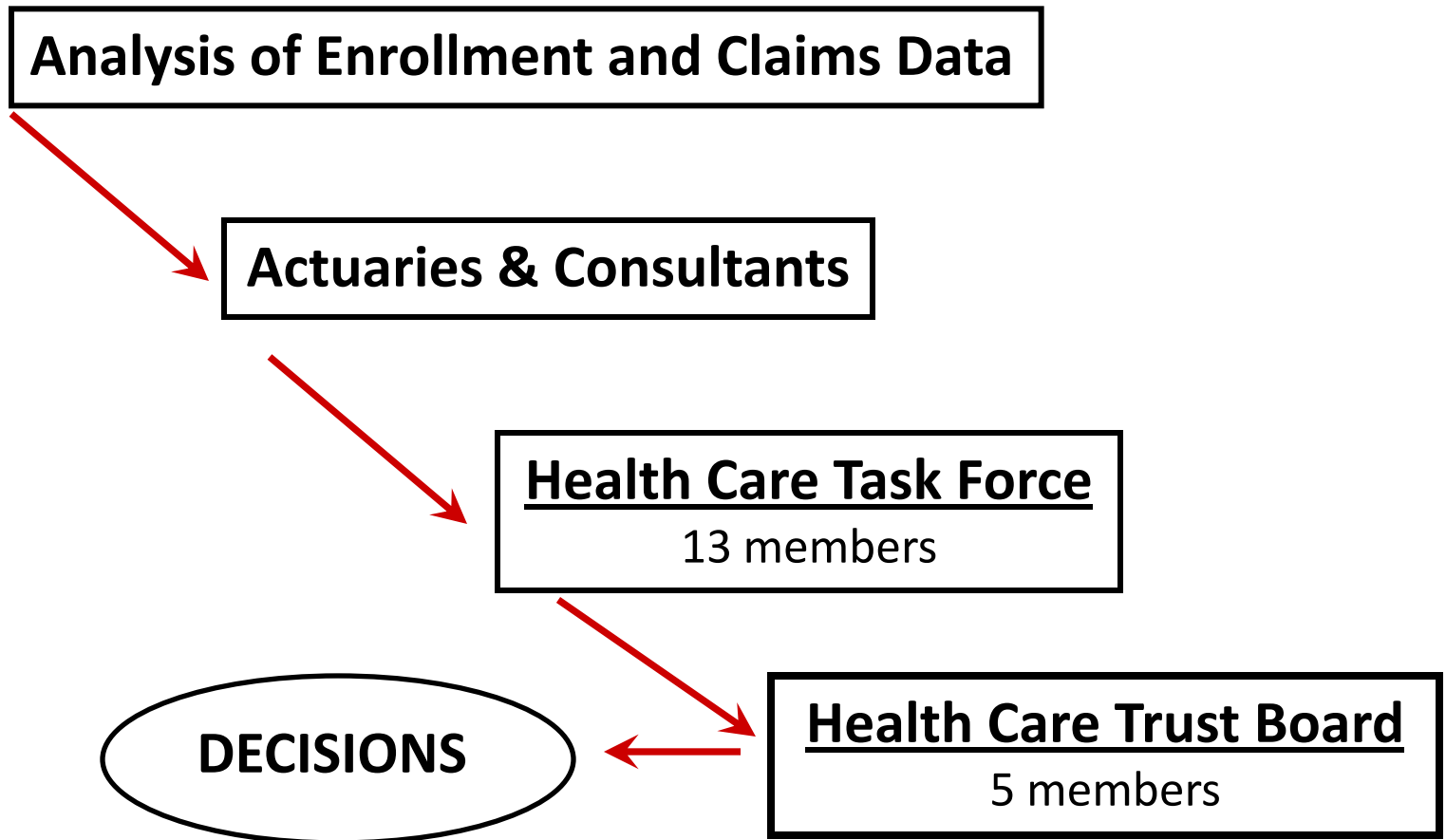
Today's Topics

- **Self-Funded vs. Fully Insured**
- **How Premium Rates are Set**
- **Changes for Plan Year 2009-10**
- **Updates**

The City is Self-Funded

- Medical and pharmacy claims are paid out of the City of Phoenix Health Care Benefits Trust Fund.
- The City assumes the financial risk for claims
 - Claims experience
 - Future risk
 - Trust reserves
 - No premiums are paid to an insurance carrier

Decision Making Process



2009-10 Retiree Premiums

**Overall
Increase
8.9%**

**With Premium
Holiday in
June 2009
-.2%**

2009–10 Monthly Premium Rates



	CIGNA HMO	BCBS HMO	BCBS PPO
Single – Not on Medicare	\$513.50	\$467.27	\$472.91
Family – Retiree and a dependent not on Medicare	\$1,407.53	\$1,274.30	\$1,290.51
Family – Retiree not on Medicare, all dependents on Medicare	\$939.96	\$850.27	\$861.16
Single – Retiree on Medicare	\$438.85	\$399.32	\$404.16
Family – Retiree on Medicare, a dependent not Medicare	\$846.61	\$765.02	\$774.80
Family – Everyone on Medicare	\$822.72	\$743.66	\$753.27

2009-10 Retiree Premiums




Effective August 1, 2009

CIGNA HMO	+13.5%
BCBS HMO	+5%
BCBS PPO	+1%
Overall	+8.9%
With Premium Holiday	-.2%

Retirees by Medical Plan

 CIGNA	 BlueCross BlueShield of Arizona <small>An Independent Licensee of the Blue Cross and Blue Shield Association</small>	
HMO	HMO	PPO
2,418	288	1,122
Total: 3,828		

Medical Co-Pay Changes

	Today	8/1/09
Primary Care Office Visit	\$15	Same
Specialist Office Visit	\$25 	\$35
Urgent Care	\$40	Same
Emergency Room	\$100 	\$125
Outpatient Surgery	\$50 	\$75
Inpatient Surgery	\$100 - \$300	Same

Pharmacy Co-Pay Changes

For All Medical Plans

	Today	August 1, 2009
Generic	\$10 for 30 days, \$20 for mail order	Same
Name Brand Formulary	\$20 for 30 days, \$40 for mail order	\$25 for 30 days, \$50 for mail order
Name Brand Non-Formulary	\$35 for 30 days, \$70 for mail order	\$40 for 30 days, \$80 for mail order

Medical Costs

2007 – 08 Plan Year		
Monthly Cost per Member	Employee	Retiree
CIGNA HMO	\$250	\$508
BCBS HMO	\$187	\$411
BCBS PPO	\$257	\$428

Prescription Drug Costs

Annually		
	Employee	Retiree
Total Cost	\$14.9 Million	\$6.9 Million
City Cost Share	84.3%	82.6%
Covered Members	35,745	5,391

Top 10 Retiree Drug Types

- 1. Cholesterol**
- 2. Ulcer**
- 3. Diabetes**
- 4. Asthma/COPD**
- 5. Blood Pressure**
- 6. Antidepressants**
- 7. Analgesics**
- 8. Anti-Inflammatory**
- 9. Anticonvulsants**
- 10. Neurological**

2009 Open Enrollment

June 1 – June 19

Open Enrollment runs from
Monday, June 1 to
Friday, June 19 at 5:00 p.m.

Making Changes During Open Enrollment

Use e-CHRIS

- **The e-CHRIS link is on the COPRA website**
- **Instructions are in the Open Enrollment booklet and you can call Benefits for help**

Or Call the Benefits Office 602-262-4777

- **Make changes by phone**
- **Confirmation will be mailed to you**

Open Enrollment

City of Phoenix 2009-2010



For Retirees



Look for this
in the mail

SELECTCARE®

General Updates

- The feasibility of a retiree dental plan is being reviewed.

- The medical plan year for retirees could change to a calendar year to be in sync with Medicare.

- Medicare Information Sessions this Fall?
 - For anyone approaching age 65 or already on Medicare
 - What to think about when comparing Medicare plans with the City's medical plan

CVS/Caremark Update

- Mail order via phone or mail
- caremark.com instructions
- Extra Care Card
- Pack Your Bag™ Consultations?
 - Prescriptions, Supplements, OTC

QUESTIONS

