

# Healthcare Status/Activity

- **Dallas LRO Regional Membership Meeting**

# Our Discussion Today

- **Choices Retirees Have Made**
- **A-L's 2013 Open Enrollment**
- **Legislation Impact for 2014+**
- **LRO Benefit Team Activities/Plans**
- **NRLN Activities**

# Are you...

**Enrolled currently in a:**

- **A-L Plan**
- **Plan Outside of A-L**

# Are you...

- **A Represented Retiree**
- **A Surviving Spouse**
- **Non-Medicare Eligible Retiree**

# ***STATS & FACTS***

- **A-L continues to cover over 160,000 across all populations including over 45,000 management & non-represented retirees and dependents**

# ***STATS & FACTS***

- **Approximately 35,000 participants in the PPO plan (includes retirees & dependents)**
- **Management retiree population, had ~200 retirees who had PPO in 2012 opt out for 2013**
- **~200 retirees who opted out in 2012 selected PPO for 2013**

# STATS & FACTS

<b>MGMT &amp; NON REPRESENTED</b>	<b>TOTAL</b>	<b>ENROLLED</b>	<b>%</b>	<b>CHANGE</b>
<b>RETIREEES</b>	<b>49,000</b>	<b>27,000</b>	<b>55</b>	<b>-5</b>
<b>DEPENDENTS</b>	<b>37,000</b>	<b>18,000</b>	<b>49</b>	<b>-6</b>
<b>PRE 3/1/90 RETIREEES</b>	<b>15,000</b>	<b>12,000</b>	<b>80</b>	<b>-1</b>
<b>PRE 3/1/90 DEPENDENTS</b>	<b>10,000</b>	<b>8,000</b>	<b>80</b>	<b>-2</b>
<b>POST 3/1/90 RETIREEES</b>	<b>34,000</b>	<b>15,000</b>	<b>44</b>	<b>-6</b>
<b>POST 3/1/90 DEPENDENTS</b>	<b>27,000</b>	<b>10,000</b>	<b>37</b>	<b>-3</b>
<b>DENTAL PLAN RETIREEES</b>	<b>49,000</b>	<b>17,000</b>	<b>35</b>	<b>0</b>

# A-L Report on Open Enrollment

- **Top Call Trends A-L Benefit Center (ALBC) – Retirees:**
  1. **Questions about differences in A-L Healthcare Plans being offered.**
  2. **Security Questions**
  3. **Inquiries about action required to remain in same coverage**
  4. **Request for annual enrollment kits**
  5. **Web navigation assistance**



# A-L Report Cont'd

- Online Open Enrollment continues to increase and A-L encourages all to do it
- Of retirees who actively enrolled:
  - 60% Mgmt & 24% Union enrolled on line
  - 40% Mgmt & 76% Union called ALBC
- A-L reminds that no action necessary if want to keep same coverage (Default Coverage)
- Cont'd uptick in opt outs in pre 65 retirees

# Plan Year 2014

## What's Changed In The Marketplace

- **Commercial alternatives:**
  - Medicare Advantage & Medigap Plans have new costs/benefits
  - Medigap supplemental plans have relatively new alternatives – “Plans M and N”
  - *See LRO Website [www.lucentretirees.com](http://www.lucentretirees.com) – Benefits Homepage for alternative info.*
  - *Can go to [www.medicare.gov](http://www.medicare.gov) or call 1-800-Medicare for plan comparative info.*

# Health Care Legislation

## Items that affect retirees:

- No lifetime caps
- “Restricted” annual caps (through 2013); no annual caps thereafter
- No penalty for pre-existing conditions (2014)

*Note: A-L does not have annual or lifetime maxes in retiree plans; A-L plans do not check for pre-existing conditions.*

# Health Care Legislation

Items that affect retirees:

- **Medicare Eligible**

- Medicare Advantage Plans - federal subsidy did not change for 2014
- 52.5% discount on brand name drugs & 28% on generic in donut hole
- Medicare "B" stayed @ \$104.90 for 2014

- **Non-Medicare Eligible**

- Exchanges Came into Picture!

# **Plan Year 2014**

## **A-L Healthcare Benefits Open Enrollment**

- **Affordability by A-L**
- **Center for Medicare and Medicaid Services (CMS) requirements**
- **Health Care Affordable Care Act changes for both Medicare and non-Medicare Eligible retirees**

# Key Items To Note

- Premiums can be deducted from your monthly pension payment or directly billed to you.
- If Medicare eligible you must be enrolled in both Medicare A&B
- If you disenroll from ALU medical coverage, you will also lose Rx coverage.
- If you waive medical coverage, you can keep dental coverage or vice-versa.

# Texas SHIP Organization

- Medicare says and LRO agrees:
  - Call your State Health Insurance Assistance Program (SHIP) for help when shopping for an alternative Medicare health or Rx plan.
  - 1-(800)-252-9240
  - <http://www.tdi.texas.gov/consumer/hicap/index.html>
  - Medicare Supplement plans (Medigap)
  - <http://www.tdi.texas.gov/pubs/consumer/medsup.html>

# Non-Medicare Eligible Contact Info

- **Contact information for Non-Medicare Eligible Retirees:**
  - **Health Insurance Marketplace:**
    - **Telephone Number: 1-800-318-2596**
    - **Website: [Healthcare.gov](https://www.healthcare.gov)**
- **Your state is a participant in the Federal Government Exchange Program**



# Consideration of Future Changes

- In near term overall medical costs expected to continue to increase at the high historical, typically double digit percent rates
- Medicare Advantage (such as the A-L plans) rates probably will increase at accelerated rate because the Medicare subsidy to insurance carriers is scheduled to be reduced per the Affordable Care Act.
- Could be sizeable premium increase in 2015.

# ALU 2015 Healthcare Plans

- **Per ALU:**
  - **“Way too early to discuss 2015 healthcare plans. However, safe to say that we will be providing coverage.”**
  - **“Pre-65 retirees – coverage through the healthcare exchanges may provide a better value, especially for any retirees who get a subsidy from the U.S. government.”**

# LRO Benefits Team Activities

- Team with outside consultant for Open Enrollment & Other - As Needed
- Continuous Update LRO Benefits Website
- Escalate problems/questions to A-L Corporate Benefits
- Respond to Retiree Questions/Problems
- Work with the National Retiree Legislation Network (NRLN) on legislative related healthcare/benefit issues
- Herb Zydney (Bell Labs) assistance “priceless”

# The NRLN

## (National Retirees Legislative Network)

### PROTECTION AND ENHANCEMENT OF RETIREE HEALTH CARE BENEFITS

- MAINTENANCE OF COST PAYMENT
- MEDICARE BUY-IN FOR AGES 55-64
- INCLUSION OF CATASTROPHIC COVERAGE IN MEDICARE
- REDUCE THE COST OF PRESCRIPTION DRUGS –  
Eliminate “Donut Hole” before 2020!
- PROTECT MEDICARE

# The NRLN

## (National Retirees Legislative Network)

### **NRLN LEGISLATIVE AGENDA cont'd:**

- **ELIMINATE TAXATION OF HEALTH CARE BENEFITS**
- **DEDUCTIBILITY OF HEALTH CARE COSTS**
- **HEALTH SAVINGS ACCOUNTS (HSA'S)**
- **TAX FREE WITHDRAWALS FROM SAVINGS TO PAY RETIREE HEALTH PREMIUMS**
- **DEPENDENTS COVERAGE (Age 26), FREE MAMMOGRAMS, COLONOSCOPIES, ETC.**

# Your Turn...

**Did You -**

- **Compare A-L/Commercial Medicare plans?**
- **Use A-L and/or UHC Help Lines?**
  - **If so – how would you rate service?**
- **Are you satisfied with your healthcare choice?**
- **Have you used LRO Benefits Team Website?**
- **What can LRO Benefits Team do to improve this site and/or service to you?**

# Basic Group Life Insurance

- **Few words about Met Life Basic Group Life Insurance (GLI)**
  - **ALU advises “no changes to GLI & there are VEBA assets that we expect to cover the benefit into the next decade”**

# Important Contact Information

A-L Benefits Center

A-L Answers Web Site

Aetna Dental

UnitedHealthcare (UHC) Group MA PPO

UHC Enhanced & Standard POS

UHC Traditional Indemnity

Express Scripts Not Medicare Eligible

Express Scripts Medicare Eligible

METLIFE Life Insurance /Long-Term Care

Medicare Info Parts A,B,C & D

The Social Security Administration

Your Benefits Resource (YBR) Website

A-L Pension Service Center

LRO Website

LRO Benefits Email Address

SHIPS Contact Information

A-L Added Benefits

1-888-232-4111

[www.benefitanswersplus.com](http://www.benefitanswersplus.com)

1-880-220-5479 (DMO) 1-800-220-5470 (PPO)

[www.aetna.com](http://www.aetna.com)

1-888-980-8117 (TTY:711)

[www.UHCRetiree.com/alcatel-lucent](http://www.UHCRetiree.com/alcatel-lucent)

1-800-577-8539

1-800-577-8567

1-800-336-5934 [www.express-scripts.com](http://www.express-scripts.com)

1-800-230-0512 [www.express-scripts.com](http://www.express-scripts.com)  
(TTY: 1-800-716-3231)

1-888-201-4612 / 1-800-984-8651

1-800-633-4227 (TTY:1-877-486-2048)

1-800-772-1213 (TTY:1-800-325-0778)

<http://resources.hewitt.com/alcatel-lucent>

1-866-429-5764 (TTY:1-866-429-5765)

[www.lucentretirees.com](http://www.lucentretirees.com)

[benefits@lucentretirees.com](mailto:benefits@lucentretirees.com)

1-800-MEDICARE [www.medicare.gov](http://www.medicare.gov)

1-800-622-6045

[www.addedbenefitsaccess.com](http://www.addedbenefitsaccess.com)