Frequently Asked Questions - Supplement

Is the coverage under this MAPD plan the same as under the current active employee and retiree PPO plan?

The District required that insurance carriers propose a plan design that mirrors the current level of coverage. The table below shows a comparison of the plan design for the current PPO plan with the proposed MAPD plan.

	Current PPO - Active	Current PPO – Retiree	MAPD Proposal
Annual Deductible (Individual)	$350	$350	$350
Annual Out-of-Pocket Maximum (Individual)	$1,500	$1,500	$1,500
Physician Services/Office Visits	85%	85%	85%
Specialist Services/Office Visits	85%	85%	85%
Inpatient Services	85%	85%	85%
Outpatient Services	85%	85%	85%
Preventive Services	100%	100%	100%
Pharmacy Deductible	None	None	None
Generic (30-day retail) Co-pay	$9	$9	$9
Preferred Brand (30-day retail) Co-pay	$25	$25	$25
Non-Preferred Brand (30-day retail) Co-pay	$45	$45	$45
Specialty (30-day retail) Co-pay	$100	$100	$100
Generic (90-day mail) Co-pay	$18	$18	$18
Preferred Brand (90-day mail) Co-pay	$50	$50	$50
Non-Preferred Brand (90-day mail) Co-pay	$90	$90	$90
Specialty (90-day mail) Co-pay	$200	$200	$200

Will the teaching hospitals in the Chicagoland area be covered?

There are five teaching hospitals in the Chicagoland area:

- Loyola University Medical Center
- Northwestern Memorial Hospital
- Rush University Medical Center
- University of Chicago Medical Center
- University of Illinois at Chicago Medical Center

Based on the information provided by each carrier, these hospitals would be covered under the MAPD plan.

Will the Cancer Treatment Centers of America be covered under the MAPD plan?

There were no claims under the District PPO plan from the Cancer Treatment Centers of America during the two-year period vendors were asked to evaluate. As such, vendors did not

provide disruption related to these facilities. If the Cancer Treatment Centers of America accepts Medicare, there should be no issue with having the claim processed through the MAPD plan.

What is the expected provider disruption based on the information gathered during the RFP process?

As part of the RFP documents, insurance carriers were provided with a list of providers that District retirees had utilized in the last 24 months. The carriers were asked to perform a disruption analysis on this set of approximately 5,600 providers. Each carrier identified those providers that had never submitted a claim to their MAPD plan. The provider disruption identified by the carriers during this review ranged from 3% - 6%.

During the finalist interviews with carriers, the District asked some clarifying questions regarding this disruption. All carriers interviewed stated that the disruption analysis provided is based on their plan having experience processing a claim from that particular provider. This does not mean that a claim would not be processed only that the carrier has no claims experience with that provider. These carriers reiterated that only those providers that do not accept Medicare at all would be excluded from the plan. Carriers estimated this to be approximately 1% of providers in the marketplace.

Carriers provided a strategy for reaching out to each provider on their disruption list to solicit them to process claims through their plan. These providers do not have to join the insurance carrier's network, they simply have to agree to submit claims through the MAPD plan. If they do so, they will benefit from faster payment than through standard Medicare and do not see any difference in the amount they receive for the services. All carriers believe they can reduce the level of provider disruption identified in their analysis from the 3% - 6% range down to between 1.0 - 1.5% based on their experience working with the providers.

Who establishes the drug formulary for the Medicare Advantage Prescription Drug plan?

Each insurance carrier develops its own drug formulary based on the requirements of CMS (Center for Medicare and Medicaid Services) and recommendations from its internal clinical team. The formulary is then approved by CMS as meeting the Medicare Part D requirements. The formulary is modified from time-to-time to address new drugs entering the market, drugs being removed from the market or new clinical research available.

The District did require that the insurance carriers propose a drug formulary that matches the District's current formulary as closely as possible to minimize formulary disruption. The formulary disruption based on the initial proposals is projected to be:

	No Change	Favorable Change	Unfavorable Change
Formulary Disruption	95%	3%	2%

- Favorable Change - a drug that is currently not covered or is covered at a more expensive tier but would be covered or would be covered at a less expensive tier under the MAPD plan.

- Unfavorable Change – a drug is currently covered or covered at a lower tier but would not be covered or would be covered as a more expensive tier under the MAPD plan.

How often is the drug formulary changed?

Most prescription drug plans, including the District's current plan through Envision Rx, reserve the right to modify the formulary as needed based on changes in the market and advances in clinical research. However, carriers try to limit the frequency of these changes to no more than quarterly to avoid participant disruption. Any modification to the formulary must also be approved by CMS as meeting the Medicare Part D requirements.

Will retiree's current medications be grandfathered in?

As mentioned above, it is projected that 98% of the prescription drugs utilized by retirees today would be covered under the MAPD plan formulary. For those drugs currently being utilized that will no longer be covered under the formulary, the District will request a 90-day grandfathering period to allow retirees time to discuss options with their medical provider. All carriers also have an appeal process if the retiree is utilizing a specific prescription drug that is not on the formulary but is needed for medical reasons.

Does the MAPD plan provide emergency medical coverage outside the United States?

Emergency medical services provided outside the United States would be covered under the MAPD plan.

Are referrals needed to see a specialist under the MAPD plan?

A referral is not needed to see a specialist under an MAPD plan as long as that specialist accepts Medicare.

What is the SilverSneakers program?

SilverSneakers is a fitness program designed specifically for seniors. The program includes group exercise classes, health education seminars and social events at thousands of locations nationwide. For those seniors that cannot get to a location, the program also includes an option to receive an at-home kit in one of four areas: general fitness, strength, walking or yoga. Each of the carriers submitting a proposal included access to this program as part of its MAPD plan.

Will the Board Policy increasing the retiree contribution rate for health insurance to 50% be maintained if this plan change is made?

The Board Policy on retiree contributions is independent of the MAPD decision. The Board has not made a change to this policy. As such, contribution rates will continue to increase as scheduled.

What happens if a provider decides to stop participating in Medicare during the plan year?

If a retiree is receiving services from a provider that decides to stop participating in the Medicare program, claims from that provider would not be covered under the MAPD plan going forward. The District nor the insurance carrier have any control over a provider's decision to participate in Medicare. As a reminder, only an estimated 1% of providers do not accept Medicare.

What happens if a retiree decides not to enroll in the MAPD plan?

Retirees are not required to enroll in the District health insurance plan. If a retiree determines that he/she can obtain the level of coverage needed through traditional Medicare or another source, he/she can choose to opt out of the District plan.

If an MAPD plan is implemented, how long is the contract period?

The current request for proposal solicits coverage for the three-year period from January 1, 2017 through December 31, 2019.

The District was going to explore dental coverage for retirees. Is this part of the MAPD plan?

The District does now offer a voluntary dental plan for retirees. The dental coverage is a separate product offered by the Retirement Fund and is not associated with the MAPD plan.

Will retirees continue to receive separate explanations of benefits from Medicare and the District medical plan?

For many services, retirees receive an explanation of benefits from Medicare and a separate explanation of benefits from Blue Cross Blue Shield. Under an MAPD plan, the retiree would receive one explanation of benefits for any services rendered.

How will any cost savings that are achieved be shared with retirees?

The premium for retiree health coverage is based on the cost of health claims over the prior 12-month period. Retirees pay a percentage of this premium based on Board Policy. The current retiree contribution is 37.5%. If the total cost of the retiree health claims is reduced, the premium goes down accordingly.