



August 27, 2013

Name

Address

City State Zip

IMPORTANT NOTICE

Dear Retiree:

Beginning January 2014, the University of Arkansas will move to the University of Arkansas System UnitedHealthcare Group Medicare Advantage (PPO) plan for all Medicare-eligible retirees. You will begin receiving information on this PPO open-choice plan from UnitedHealthcare soon.

We know you receive a variety of health insurance promotional and sales materials through the mail, so please watch carefully for this very important information from UnitedHealthcare displaying the University's logo. In addition to receiving the plan materials in the mail, there will be opportunities for you to attend presentations introducing and explaining the Group Medicare Advantage plan.

The decision to move to this Group Medicare Advantage plan was made after extensive review of the value of this plan to retirees. Health claim costs have continued to increase significantly and, in the most recent renewal analysis of medical and pharmacy claims for the retiree group, the actuary for the health plan recommended an increase of 26% in premiums beginning January, 2014.

Rather than increase rates, with the UnitedHealthcare plan your premiums for 2014 will be noticeably less than they are today and significantly less than they would be without this change.

Current Enrollment	Current Monthly Premiums	New Monthly Premiums New MA Plan	Your Annual Premiums Savings
Retiree Only, Classic Plan	\$ 262.10	\$ 198.20	\$ 766.80
Retiree and Spouse, Classic Plan	\$ 529.23	\$ 396.40	\$ 1,593.96
Retiree Only, POS Plan	\$ 292.00	\$ 198.20	\$ 1,125.60
Retiree and Spouse, POS Plan	\$ 589.70	\$ 396.40	\$ 2,319.60

The Medicare Advantage plan will introduce, for the first time, out-of-pocket expenses (co-pays and deductible) to University retirees. However, for the majority of retirees the premium savings will more than cover these additional out-of-pocket expenses.

The Medicare Advantage plan design is very similar to the University's active employee health plan- a \$500 deductible, \$25 Primary Care office visit co-pays and \$40 Specialists visit co-pays. Additionally, retirees can see any provider who accepts Medicare and the plan even if that provider is not in the network.

The University will automatically enroll all Medicare-eligible retirees and their Medicare-eligible dependents. If you choose to opt out of this coverage and seek health insurance on your own, you will need to notify UnitedHealthcare of that decision. The packet you receive from UnitedHealthcare will include information on how and by when you can opt out of the plan.

In summary, we believe the UnitedHealthcare Group Medicare Advantage plan is a good option for retirees. Please carefully review the information you will receive in the next few weeks and try to attend one of the presentations listed on the attached schedule to learn more about this important change.

Sincerely,

Richard Ray
Benefits Director

Attachments:

Frequently Asked Questions and Schedule of Meetings and Important Dates
Member and Provider Guide to Care

Frequently Asked Questions

What is a Group Medicare Advantage plan?

A Group Medicare Advantage plan is a fully insured plan which is sponsored by an employer and which has been reviewed and approved by the Centers for Medicare and Medicaid Services, the federal agency which oversees Medicare plans. The University of Arkansas System UnitedHealthcare Group Medicare Advantage (PPO) Plan includes Medicare Part A, Part B and Part D prescription drug coverage, plus other benefits including SilverSneakers, all in one plan.

What do I have to do to enroll in the Group Medicare Advantage plan?

No action is required to enroll in the plan. You will be automatically enrolled. You will receive new premium billing information to set up and make your premium payments directly to UnitedHealthcare as well as information on opting-out of the program if you decide it is not a good fit for you. If you opt out, you will need to notify UnitedHealthcare of that decision by November 29th.

Do I still have to buy Part B coverage?

Yes. Just as you are required to separately purchase Part B today, the Group Medicare Advantage plan also requires that you pay for Part B coverage.

Will I be required to buy Part D prescription drug coverage?

No. Prescription drug coverage is included in this Group Medicare Advantage plan.

What is the prescription drug coverage with this plan?

The copayments are at the same Tier levels as you currently pay - \$10, \$35 and \$70. The plan offers a 90-day mail order supply for two copayments, it provides coverage for the traditional Medicare coverage gap (there is no donut hole), it provides reduced copayments for catastrophic coverage and there are no reference based pricing restrictions.

Can I still see my doctor in the MA plan?

In most cases the answer is yes. The Group Medicare Advantage plan selected is an open-choice PPO. There are in-network providers but any provider who participates in Medicare and accepts the plan can participate in the PPO without joining the PPO. Your same copayment amount will apply with in- or out-of-network providers.

Will I get a separate drug card and a new Part B card?

No. All of your medical and prescription drug coverage, including Part B, will be covered on a single card.

What is the copayment when I see my PCP or Specialist?

PCP office visit copayments are \$25 and Specialist copayments are \$40. Your wellness and preventive exams are still at \$0 copayment.

What if I review all of the information and decide I don't want to leave the current retiree plan?

As of January 2014 the University will not continue to cover Medicare-eligible retirees in the current plan. If you determine that the Group Medicare Advantage plan is not for you, there are a number of

individual Medicare plans available and we will provide you with contact information for agencies which can assist you in deciding on a plan which best fits your needs. Please remember that Medicare enrollment begins October 1st and continues through December 7th and you must enroll during that time to have Medicare coverage.

For many years retiree benefits have included access to the University health plan, why would the University just end that benefit?

The benefit isn't ending; the Group Medicare Advantage plan is sponsored by the University. Medicare Advantage plans receive subsidies from the federal government for pharmacy expenses and they cover very large numbers of retirees. Those two facts generally allow Medicare Advantage plans to offer premiums which the University can't match and which are very competitive with most individual Medicare plans. The Group Medicare Advantage plan sponsored by the University is a new way to deliver your health benefit.

If I don't elect to enroll in the group Medicare Advantage plan now, can I return and enroll at a later date?

No. Just as with the current retiree enrollment there is a one-time option to enroll, you will not be able to leave the plan and return at some future date.

I'm Medicare-eligible but my spouse is covered through me as a retiree and is not Medicare-eligible. What happens to my spouse's coverage?

If your spouse is a current retiree participant she/he may remain with the UA retiree plan until reaching Medicare-eligibility at which time your spouse will be offered the Medicare Advantage plan.

How do I get more information about this plan?

Plan to attend one of the meetings listed in the Schedule of Meetings section of this document or participate in one of the teleconference meetings, watch for the mailings you will receive from UnitedHealthcare or call UnitedHealthcare Customer Service at (800) 533-2743. (Number will open on September 3rd)

Schedule of Meetings and Important Dates

Group Medicare Advantage Meetings, Presented by UnitedHealthcare

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| October 9 th | Little Rock 9:30 am
The Jack Stephens Center on the Campus of UALR
University Avenue and 28 th Street, Little Rock |
| October 9 th | Pine Bluff 1:30 pm
The Woodard Hall Auditorium on the Campus of UAPB
1200 North University Drive, Pine Bluff |
| October 10 th | Little Rock 9:30 am
The Clarion Hotel, Arkansas Conference Room
925 South University Avenue, Little Rock
(University Avenue at I-630) |

October 10th Little Rock 1:30 pm
The CES Auditorium on the Campus of the Cooperative Extension Service
2301 South University Avenue, Little Rock

October 11th Fayetteville 10:00 am
The Pauline Whitaker Center, Room 107-109
1335 West Knapp, Fayetteville
(South of I-540 on Hwy 112/Garland Avenue)

October 11th Fayetteville 1:00 pm
The Arkansas Union on the Campus of UAF, Room 507-510
435 North Garland Avenue, Fayetteville
(This meeting will also be broadcast on-line using Blackboard Collaborate.)

Teleconference Dates

October 15th 9:30 am, Dial (800) 260-0702, use access code 301301

October 16th 1:30 pm, Dial (800) 700-7784, use access code 301302

November 7th 9:30 am, Dial (800) 260-0712, use access code 301303

November 8th 1:30 pm, Dial (800) 707-9573, use access code 301304

Other Important Dates

October 15th The first day of open enrollment for Medicare. If you decide to opt out of the Group Medicare Advantage plan, you will need to enroll in individual Medicare or other insurance to have coverage for January 1st.

November 29th The deadline to notify UnitedHealthcare if you have decided to opt out of the Group Medicare Advantage plan.

December 7th The deadline to enroll in a Medicare plan if you opt out of the UnitedHealthcare Medicare Advantage plan and do not have other insurance.

Member and Provider GUIDE TO CARE

Information for Members

The UnitedHealthcare® Group Medicare Advantage (PPO) plan offers a unique set of benefits to members. Because of this, you and your doctor may not be familiar with all of the details of the plan. This flyer will help give you and your doctor information on how this plan works so that you can get the most out of your plan benefits. The other side of this flyer contains important information that can help guide your doctor in providing you with covered services.

You can seek care from any doctor or provider that accepts Medicare.

- This Preferred Provider Organization (PPO) plan gives you the freedom to go to any doctor or other licensed medical professional that accepts Medicare, anywhere in the United States.
- The provider does **not** have to be part of the UnitedHealthcare network.

You have the flexibility to see providers in- or out-of-network.

- Providers who have a contract with UnitedHealthcare (“in-network”) must accept this plan if you are a current patient.
- Similar to traditional PPO plans, providers who do not have a contract with UnitedHealthcare (“out-of-network”) have the choice to accept the plan, except in the case of a medical emergency when they have to accept.

You pay the same copay or coinsurance whether your provider is in- or out-of-network.

- Any copay for covered services can be paid to the provider at the time of service.
- Out-of-network providers must bill UnitedHealthcare, not Medicare.

Information for Providers

UnitedHealthcare® Group Medicare Advantage (PPO) offers a unique set of benefits to members. This flyer contains important information for in-network providers and can help out-of-network providers better understand the plan.

Key Highlights

- Your patient's plan is a traditional Preferred Provider Organization (PPO) product.
- We pay out-of-network providers according to Medicare's allowable fee schedule.
- A member's out-of-pocket costs are the same whether using an in-network or out-of-network provider, which differs from other UnitedHealthcare Medicare PPO plans with higher member cost sharing for out-of-network services.
- Plan is open access. No referrals. No gatekeeper model. No prior authorizations or prior notifications required for out-of-network physicians.
- Out-of-network providers who participate in Medicare, but do not accept Medicare assignment may balance bill the plan up to the Medicare limiting charge. The excess charges will be paid by UnitedHealthcare, not the member.
- In-network providers, please refer to the UnitedHealthcare Provider Administrative Guide for more information regarding prior notification and prior authorization requirements.

Claims and Payment

UnitedHealthcare administers claim payments for out-of-network providers in accordance with federal regulation 42 CFR Section 422.214. In-network providers are reimbursed according to their contract. Member cost sharing applies.

- Electronic claims submission – **UnitedHealthcare Payer ID: 87726**
- Hard copy submission: **Refer to the back of your patient's member identification card for mailing address.** For information or inquiries, including payment or payment rates, member eligibility, benefits or claims status, visit our secure website, **UnitedHealthcareOnline.com**, or call us toll-free at **1-877-UHC-3210 (1-877-842-3210)**.

UnitedHealthcare® Group Medicare Advantage (PPO) plans are only offered to groups, such as employers, unions and government sub-entities with benefit plans often unique to each group. If a group qualifies, its plan may be available nationwide.

In-Network Providers participate through their UnitedHealthcare contract that includes Medicare programs.

Out-of-Network Providers are either contracted with a UnitedHealthcare Affiliate or willing to accept members of UnitedHealthcare Group Medicare Advantage (PPO) plans.

Want to Join Our Network? To learn more, call us at **1-877-842-3210**. Select "Other Professional Services" and then "Credentialing."