

Open Enrollment News 2007



Welcome to the 2007 Edition of Open Enrollment News

During Open Enrollment

- Enroll in the CalPERS Health Program
- Change health plans
- Add eligible family members

In this newsletter, you will find all the information you need to know about Open Enrollment. You will also learn about two new, lower-cost health plan options that could save you money next year.

If you are a Basic HMO member, you will be happy to know that you will have **no** co-payment for many preventive care office visits in 2008. We hope this encourages you to take advantage of the preventive care services our health plans offer, including periodic health exams, allergy testing and treatment, and hearing evaluations.

Details on all the 2008 health benefit design changes are outlined below.

2008 Basic Health Plan Benefit Updates

The following changes will be in place next year for CalPERS **Basic** HMO health plans only: Blue Shield of California and Kaiser Permanente. These changes do **not** apply to CalPERS Medicare plans.

- Eliminate all co-pays for preventive care office visits – including periodic

health exams, maternity care, pre/post natal care, immunizations, well baby visits, hearing evaluations, allergy testing, and allergy treatment. (Blue Shield will have no co-pay for allergy testing; Kaiser will still charge a \$15 co-pay for allergy testing.)

- Increase other office visit co-pays by \$5 (from \$10 to \$15)
- Standardize co-pays for urgent care to \$15 (currently \$25 for Blue Shield, and \$10 for Kaiser)
- Create an annual out-of-pocket maximum for Blue Shield of \$1,500 for an individual and \$3,000 for a family excluding pharmacy and certain other co-payments and expenses. (These maximums have been in effect at Kaiser.)

CAHP, CCPOA, and PORAC will have no benefit changes.

New Health Plan Offerings

We will be adding new HMO and PPO high performance network (HPN) plan options next year. These HPN options will provide for the same quality of care as the existing provider

Open Enrollment begins
September 17, 2007 and
ends October 12, 2007





We're Here to Help

At CalPERS, we offer many tools, resources, and publications to help you better understand your health benefits and make more informed decisions about your health care. You can use the enclosed postcard to receive a packet containing the *2008 Health Program Guide* and *2008 Health Benefit Summary*, and the *2008 Your Health Plan, Your Doctors, and You* (formerly known as the *Quality Report*). Simply indicate which booklets you would like to receive and we will mail them to your home address.

For quick and easy access to these publications, you can download them from the CalPERS Web site at www.calpers.ca.gov. Just click the **Find a Form or Publication** button on our home page.

networks, but use a smaller panel of physicians. The benefit to you is that you can save money by choosing one of these new plans over the standard plans.

Blue Shield NetValue HMO:

- Offered in addition to the current Blue Shield Access+ HMO plan
- Offers a lower premium than the standard Blue Shield Access+ plan
- Provides the same level of benefits, access, and quality of care as Access+
- Offers a smaller network of selected medical groups than the standard Blue Shield Access+ network
- Available in portions of 17 counties: El Dorado, Fresno, Kern, Kings, Los Angeles, Madera, Nevada, Orange, Placer, Riverside, Sacramento, San Bernardino, San Diego, San Joaquin, Santa Barbara, Ventura, and Yolo. Some counties will only have partial access. Members should contact Blue Shield to determine whether their ZIP code is included in the NetValue service area.

PERS Select PPO:

- Offered in addition to the current statewide PERS Choice PPO plan

- Offers a lower premium than the standard PERS Choice plan
- Offers a statewide network of over 23,000 providers – representing more than 50 percent of the PERS Choice physician network
- Provides the same level of benefits, access, and quality of care as PERS Choice
- Available in 54 of the 58 California counties (not available in Alameda, Marin, Placer, or Solano counties, or out-of-state)

Important: If you wish to enroll in one of these HPN plans for 2008, you must change your existing health plan to the new HPN plan – even if your current physician is included in the HPN panel of doctors.

Blue Shield Service Area Changes

To combat continually increasing health costs in certain rural counties, in 2008 Blue Shield will be withdrawing its HMO plan from four counties: Lake, Napa, Plumas, and certain areas of El Dorado. Members will still have access to quality health care in those areas either by joining another CalPERS HMO plan, if available, or choosing a PPO plan.

If you are an Active member and want to change your health plan during Open Enrollment, please contact your Health Benefits Officer or Personnel Office.



State members in Lake and Plumas counties can take advantage of the Rural Health Care Equity Program (RHCEP), which could provide a subsidy of up to \$1,500 per year. For more information about the RHCEP, call the Benefits Division of the Department of Personnel Administration at (916) 327-1439 or (916) 327-1092.

Western Health Advantage Not Available in 2008

Western Health Advantage (WHA) will not be available as a CalPERS health plan option in 2008. WHA serves Colusa, El Dorado, Placer, Sacramento, Solano, and Yolo Counties.

If you are a WHA member, you will need to enroll in another health plan during Open Enrollment. Depending on the plan you choose, you might be able to keep your same doctors.

Choosing the Right Health Plan

If you need help selecting a health plan during the Open Enrollment period, check out the **Health Plan Chooser** tool on the CalPERS Web site. This handy tool lets you:

- Review information that is important to you in selecting a health plan, including benefits and services, doctor information, plan features, and member satisfaction ratings
- Rank and compare health plans side-by-side based on your personal preferences

Wondering which CalPERS health plans are available in your ZIP Code? The CalPERS On-Line **Health Plan Search by ZIP Code** locator tool gives you fast and easy answers. Just enter the ZIP Code for your home or work address, select your Member Category, and click on the Continue button to view your results.

You can easily access the **Health Plan Chooser** and the **Health Plan Search by Zip Code** tools by clicking on “2007 Health Open Enrollment” on the home page of the CalPERS Web site at www.calpers.ca.gov.

Understanding Health Plan Availability

In general, active employees and working CalPERS retirees may enroll in a health plan using either their home or work ZIP Code. (The

exception to this rule applies to members enrolling in Kaiser Permanente Senior Advantage, who must use only their residential ZIP Code.) If you are using your home ZIP Code, all enrolled dependents must live in the health plan’s service area. If you use your work ZIP Code, all enrolled dependents must receive all covered services (except emergency and urgent care) within the health plan’s service area, even if they do not live in that service area.

If you are a retired CalPERS member, you may select any plan in your residential ZIP Code area. Retirees cannot use the address of the employer from which they retired to establish ZIP Code eligibility unless it is a non-CalPERS covered employer.

Accessing CalPERS Online Services: myCalPERS

In June 2007, CalPERS launched myCalPERS, a new personalized and secure member Web site. myCalPERS allows you to access all CalPERS self-service tools and services in one, easy-to-use place – with just the click of a mouse.

Tip for Medicare Members

If you enroll in a Medicare Part D plan outside of CalPERS, you will lose your CalPERS health coverage. For most members, your CalPERS health plan provides prescription coverage that is as good as or better than Medicare Part D.



myCalPERS is an integrated extension of CalPERS On-Line, the CalPERS Web site. myCalPERS provides access to your personal information and our online services. It's your tool for getting things done. You can access myCalPERS via CalPERS On-Line, or by going directly to <http://my.calpers.ca.gov>.

Since myCalPERS is a secure site, you must log in each time you visit in order to view and interact with your personal data. We've integrated our Log In process so you only need to register in one place. If you've registered to use our services in the past, there's no need to re-register. You can use your existing User ID and Password. If you're new to our services, registering is easy and fast.

Learn About Your Health Plan Options with My Health Summary

Once you've logged in, select My Health Summary for details about health plans that are available in your area. You'll also find all the forms and publications you'll need to make informed decisions about choosing a health plan during Open Enrollment.

For Retirees: It's Easier to Change Your Health Plan

myCalPERS makes it easier for retirees to change their health plan during Open Enrollment. Log in to myCalPERS at <http://my.calpers.ca.gov> to access My Health Summary, then select Change My Health Plan. If you haven't registered for online access yet, be sure to register first so you can take advantage of this self-service option.

If you prefer, you may change your health plan by calling us toll free at **888 CalPERS** (or 888-225-7377) and use our Interactive Voice Response System to make a change, or you may mail in the Open Enrollment Change Request form (HRD-30) which can be found in the *Health Program Guide*.

Dental Open Enrollment

The 2008 Open Enrollment period for State-sponsored dental plans is also from September 17 – October 12, 2007. You don't need to do anything unless you want to enroll in a dental plan, change plans, cancel coverage, or add/delete dependents on your plan. Changes and enrollments made during this period take effect January 1, 2008.

Reminder for State Retirees

Are you a State of California retiree who pays a higher Medicare Part B premium due to new Social Security rules? If so, you may be eligible to be reimbursed for some of your Part B premium costs. To apply for this additional reimbursement, submit a written request, with a copy of your complete Social Security Administration notice, to the following address:

CalPERS
Office of Employer and
Member Health Services
Attn: Medicare
P.O. Box 942714
Sacramento, CA 94229-2714



P.O. Box 942714
Sacramento, CA 94229-2714
www.calpers.ca.gov

What Drives Your Health Care Premiums, and What You Can Do to Help Keep Increases at Bay



Forces Affecting Health Care Costs

Health care costs are rising at more than three times the cost of living and wages. In fact, in the past five years, private health insurance premiums have risen 73 percent nationally. There are a number of reasons that contribute to increases in the cost of health care. Some include:

- Hospital and doctor cost increases
- An aging population
- Increasing incidence of costly chronic conditions, like diabetes, obesity, and heart disease
- Increased use of new technology and drugs to diagnose and treat disease
- Overuse of emergency rooms – the costliest form of care
- Consolidation of hospital and other care networks which may limit competition for services in certain areas
- Increasing number of uninsured, which causes hospitals and physicians to charge employer-based plans more

At CalPERS, we face all of these same health care cost challenges. Plus, we have additional cost burdens because so many of our members have chronic conditions:

- Hypertension – 11.7%
- Diabetes – 5%
- Depression – 5%
- Coronary Artery Disease – 3%
- Asthma – 3%

In addition, we have an older member population that is living longer, and requiring more care as they age. The average ages of our active and retired subscribers are 45 and 68, respectively.

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What Drives Your Health Care Premiums, and What You Can Do to Help Keep Increases at Bay

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How You Can Help

Staying as healthy as possible will allow you to enjoy life to the fullest, and help keep your health care costs down. Here are a few ideas to help you take a more active role in your good health:

- Make prevention a priority. If you are a CalPERS Basic HMO member, take advantage of the many FREE preventive care visits your health plan will offer starting in January 2008.
- Look into our new high performance network plan offerings. If they are offered in your area, they are the best value because they have been designated by Blue Shield (HMO) and Blue Cross (PPO) as best in quality and cost value. Blue Shield HMO members who move to the new NetValue high performance network next year, will pay less in premiums than this year!
- Set healthy lifestyle goals, such as eating right, getting enough exercise, and breaking unhealthy habits.
- Learn about and get involved in the FREE disease management programs that all of our health plans offer. These programs target the most prevalent diseases for CalPERS members, including hypertension, diabetes, and depression. Call your health plan or check their website for details.
- Be informed when it comes to choosing your health plan and your doctors.
- Study up on how hospitals perform on patient satisfaction and quality measures. Check-out the CHART (California Hospital Assessment and Reporting taskforce) Web site at www.calhospitalcompare.org for ratings of hospitals before you plan a medical procedure requiring a hospital stay.
- See your doctor or urgent care clinic before using the emergency room for non life-threatening events.
- Use mail order options to refill prescriptions and use generic drug alternatives. If you are unsure how to start, contact your health plan.
- Work with your doctor if you have a chronic condition to help you minimize any complications.

At CalPERS, we will continue to do everything we can to make sure that you get the best value for your health care dollar. We partner with our health plans, our physician groups, and hospitals to try to make sure you get the highest quality care at the most affordable price.