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News

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STANDING PAT

2009 Enrollment should be simpler as Aetna makes few changes

Your enrollment package either is, or soon will be, in the mail. Concerns expressed by many members about radical changes should be put to rest when they receive them. A few plans will change, but we suspect that most members who want to stick with what they had in 2008 will be able to do so. If your present coverage is still being offered, and you wish to continue it, no action will be necessary on your part. It will be renewed automatically.

Of course, there will be rate increases. They are a fact of life with virtually all insurers and all plans. Those who fall under the "cap" will feel them most painfully because the rates for all plans now exceed the cap. "Capped" retirees will have to absorb ***all*** of the premium increase.

Medicare eligible retirees who have "flipped back" to the old Indemnity Plan will be allowed to remain in that plan if their suppliers continue to refuse to accept the new Aetna Medicare Open Plan. This is a small, but still significant number of retirees.

ARA got an advance look at the process at a September 22 meeting with the Aetna benefits staff. The staff reported that its aims were to keep enrollment simple, to simplify administration, and to manage costs. That includes a focus on wellness.

Aetna reported that their plans seem to be generating the behavior they desire. Generic drug use is high and improving. Most plan participants are staying on their medications. Retirees are using preventative services at a high level. However, large claims still tend to drive premium increases. As a group, Aetna retirees tend to use medical services more than the average group. Because healthy people are the least expensive to insure, the company will continue to promote and offer wellness programs, will continue to promote preventive care, and will continue programs that treat depression.

The most used plan for Medicare Eligible retirees – The Aetna Open PFFS plan -- remains basically unchanged. That means that most retirees, age 65 and over, who use it can take no action and they will be reenrolled. Those electing the same plans as they had in 2008 will ***not*** receive new cards. They may continue to use their current cards in 2009.

Those electing plan changes will receive new cards. New ID cards are scheduled to go out on December 22. Where a plan has been dropped, Aetna may recommend a similar plan as an alternative. If the retiree wishes to accept that recommendation, he or she will be automatically enrolled without taking additional action.

An important change has been made to the prescription drug plan. Aetna will pay 90% of the cost of generic drugs rather than the 80% paid in 2008. In return, participants are required to accept the generic drug if there is one. However, if the retiree's physician believes that the generic does not produce the required result, he or she may indicate "dispense as written" on the prescription. Aetna also will provide coverage for sexual performance enhancing drugs (Viagra, etc.).

Aetna will also retain its current service provider – Hewitt. This should also have a positive impact on handling. This will be the first year in three that we enter the process with the same provider in place.

We urge all members to open their packages as soon as they get them and try to understand any changes that might affect you. An early look will give you more time to get questions answered or do research. Take a look at the cost to see if

it is properly calculated. A mathematical error last year caused considerable confusion for one group of retirees.

As always, your ARA will be interested to hear of any issues or problems and your ability to get timely and accurate answers from Aetna. Your "heads up" on key issues helps us serve other members better.

A Tool To Help You Compare Plans

Attached to this issue is a work sheet listing some of the key elements of health insurance plans. It is designed to encourage a side-by-side comparison for those who are considering changing coverage, or are looking at non-Aetna alternatives. It is, of course, important to know exactly what you are getting and what you may be giving up before making a decision.

Members asking Questions About Aetna LTC Changes

Aetna Retirees who purchased Long Term Care (LTC) plans from the company have been confused and upset by seemingly conflicting information from Aetna. In 2006, Aetna announced its plans to stop selling the product to new buyers but seemed to indicate that it would go on servicing existing contracts. Letters received recently indicate that those covered could switch to a Prudential plan. Those who wish to stay with Aetna may do so, but future plan changes will be impossible.

Because the LTC affects so many Aetna retirees, ARA is making inquiries and attempting to get details so we can

understand exactly what Aetna is doing and what options retirees have. We will provide you with information as soon as we can.

Gilligan doing double duty as Perra completes his term As ARA Chairman

At the September 29 meeting of the ARA Board of Directors, John Perra completed his term of office as Chairman and stepped down from the position. For the time being, President Bob Gilligan will serve as both Chairman and President of the organization. Re-elected to their present positions were: Vice Chairman Jean Waggett, Secretary Brian Farrell, and Treasurer Lee Simard.

Directors present and attending the meeting via conference call indicated their thanks to John Perra for a job well done. His leadership over the past year and a half has been a vital element in the organization's successful operations. Members should be pleased that he will continue on the board, providing valuable service and insights.

Five directors were re-elected to two-year terms on the board. They are Warren Azano, John Dwyer, Bob Hall, John Perra and Dick Wenner. The board meeting marks the official start of the fifth year for the organization.

Aetna Q & A

Recently, ARA asked Aetna for written answers to three frequently-asked questions. Those questions and answers appear below. ARA appreciates the cooperative spirit of the members of the Aetna benefits leadership and staff.

ARA Question: Why do some doctors, hospitals and health care facilities accept Original Medicare beneficiaries, but will not accept the Aetna Medicare Advantage PFFS plan?

Aetna Answer: *The Aetna Medicare OpenSM Plan is Aetna's Medicare Private Fee-for-Service (PFFS) product, which is a Medicare Advantage plan without a provider network. Aetna Medicare Open Plan members can access any licensed provider who is eligible to receive payment from Medicare, agrees to provide covered services to the Aetna Medicare Open Plan member, and has reasonable access to the Aetna Medicare Open Plan Terms and Conditions of Participation. Providers have the option to accept or refuse to treat an Aetna Medicare Open Plan member, except when a member needs emergency or urgent services. Please refer to your plan documents for more detailed and complete information regarding the Aetna Medicare Open Plan.*

- All non-network based PFFS plans provide coverage on a pay-per-visit basis.*
- The per visit payment amount is based on the Medicare allowable amount (a predetermined amount set by Medicare), and some providers have*

expressed dissatisfaction with the Medicare allowable payment amount.

- Some providers have contracted to participate in Medicare Advantage HMO and PPO plans, but they prefer not to accept Medicare Advantage non-network-based PFFS plans, because these PFFS plans may require a different administrative process with which they are unfamiliar.*
- Some providers will not accept any PFFS products on philosophical grounds, because they object to what they consider "the privatization of Medicare."*
- Some providers will not accept the Aetna Medicare Open plan if the hospital at which they have admitting privileges does not accept the Aetna Medicare Open Plan.*
- Some providers are dissatisfied with previous experiences with other PFFS plan carriers, so they are unwilling to give the Aetna Medicare Open Plan a chance.*

Aetna has conducted over 100,000 outbound calls to providers who initially refused to accept Aetna Medicare Open Plan members, in an effort to persuade them to accept the Aetna Medicare Open Plan.

ARA Question: Is this the only plan Aetna offers its Medicare eligible retirees or are there other choices?

Aetna Answer: *In addition to the Aetna Medicare Open Plan, Aetna also offers: Aetna Medicare Rx[®] Prescription Drug Plan (PDP) Stand-alone Medicare Prescription Drug plans providing a broad, nationwide network of participating pharmacies.*

ARA Question: Finding a physician or hospital is not always easy for Aetna Medicare Open Plan members. Why doesn't Aetna just provide a directory of physicians and facilities that accept the Aetna Medicare Open Plan?

Aetna Answer: *The Aetna Medicare Open Plan is a non-network-based Medicare Advantage private fee-for-service plan. This means that the Aetna Medicare Open Plan does not offer a provider network, providers are not contracted with Aetna to participate in the Aetna Medicare Open Plan, and providers are not required to accept the Aetna Medicare Open Plan and treat Aetna Medicare Open Plan members, except when a member requires emergency or urgent services. Therefore, we cannot provide a list of providers who accept the Aetna Medicare Open Plan. However, Aetna maintains a central database of providers who have verbally informed us that they will not accept Aetna Medicare Open Plan members.*

If you cannot find a provider willing to accept the Aetna Medicare Open Plan or if you have any questions, you can contact Aetna by using the dedicated toll-free customer service phone number on the back of your ID card. In addition, if your provider will not accept the Aetna Medicare Open Plan, you could encourage your provider to seek additional information through the Aetna website at www.aetna.com or by contacting Aetna directly through the Provider Service Line phone number on the back of your ID card. Again, please refer to your plan documents for more detailed and complete information regarding the Aetna Medicare Open Plan.

A Tool for evaluating Health Insurance Plans

Health insurance plans can be pretty complicated. Because there are so many possible features, varying coverages and copays, even a careful side-by-side comparison can be challenging. It is important to look beyond price, because a lower priced plan might provide significantly reduced benefits.

That's why we have produced this checklist for the use of retirees who wish to compare various Aetna plans or plans from other companies. It is not all-inclusive. There may be additional features important to retirees that are not listed here. We have provided several blank boxes for those who wish to consider other features.

We would not expect *anyone* using the chart to fill in *every* box. Some of these features will be of great importance to some retirees and some of no interest to others. Anyone using the tool should identify the features most important to him or her self. For example, those using several expensive prescription drugs would want to be sure that a plan provided good benefits there. For others, the annual out-of-pocket amount might be more important than payments for routine doctor visits.

As stated in a previous issue of ARA News, based on our analysis, we believe that Aetna is providing us with relatively fair coverage. However, that does not mean that some retirees might not be better served by opting out of the Aetna plans and buying a different plan from some other company. However, before taking that step, we urge members to take a long and careful look at all the facts. We hope this chart will help.

CONTACT ARA!

We welcome your comments, questions, ideas and letters to the editor. See mail and website addresses on page 1.

Dave Smith, Editor

COMPARING HEALTH INS. PLAN FEATURES

COVERAGE	PLAN 1	PLAN 2	PLAN 3
Premium			
Annual out-of-pocket Max.			
Lifetime Maximum			
Inpatient Benefits			
Inpatient Deductibles			
Inpatient copay maximum			
Level of (see below)			
Psychiatric			
Skilled Nursing			
Home Care			
Hospice			
Other			
Outpatient benefits			
Outpatient Deductibles			
Doctor Visits			
Specialist Visits			
Substance Abuse			
Preventive Care (see below)			
Physicals			
Immunizations			
Mammograms			
Colon/Rectal			
PSA			
Bone Density			
Eye Exams (routine)			
Hearing Exams (routine)			
Diagnostic Lab/X-ray			
Emergency/Ambulance			
Skilled Nursing Facility			
Home Health Care			
Chiropractic			
Medical Equip/Prosthetics			
Pharmacy (see below)			
Copay			
Generic drugs			
Preferred Brand			
Non Preferred			
Mail Order			
Formulary			
Donut Hole			
Other			