



Aetna Retirees Association, Inc

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News

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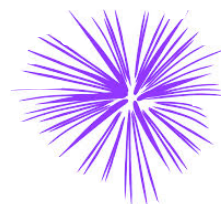
ON THE WEBSITE

What's new since the last newsletter

- An article on Federal cuts to Medicare Advantage plans squeezing insurers (April)
- Aetna's 1st-quarter earnings report (April)
- An article on Aetna's completion of InterGlobal (April)
- Addition of the 2014 Resource Guide to Your Aetna Retiree Benefits (February)



CELEBRATING ARA'S 10TH ANNIVERSARY



The Aetna Retirees Association was founded 10 years ago!! And we have a lot of people to thank for the initiation and continued success of ARA.

When we were faced with the elimination of the dental subsidy over ten years ago, it became clear that Aetna might be able to unilaterally alter our retiree benefits, especially medical. Several former executives of the company felt that, because of this betrayed promise that had been made by the company and, based on the Company's attitude, we should stand together to "Help Aetna Keep Its Promises." After organizing, our initial response was confrontational but, over the years, Aetna has responded more positively, and we enjoy a more balanced relationship at this point in time. Nonetheless, we remain vigilant.

Whether working on legal, legislative, liaison or organization activities, we have a wealth of experience, diverse backgrounds, personalities and management styles on our Board. It is a sincere pride I have to watch these people volunteer their time and talents to come together in a most professional and courteous way to make sure that Aetna delivers on its promises and our expectations. So a big "Thank You" to all the people who formed ARA and those who keep it a viable, active organization.

As well, "Thanks" to all of you who keep your memberships active so that we have enough critical mass to make a difference when we need to talk to Aetna. Happy Anniversary!

John Perrera, Chairman

2014 ANNUAL MEETING OF AETNA INC. MAY 30, 2014

Aetna retirees were once again most ably represented at the annual meeting of Aetna by John Lang. John always does an excellent job of presenting our questions and meeting informally with Aetna's leaders. The following is excerpted from John's report. While lengthy, we believe it provides excellent insight into the positive working relationship we currently have with Aetna:

Chairman Mark Bertolini called the meeting to order at 9:30 CMT. The meeting was held at the Ritz Carlton in Denver CO. After explaining the agenda and order of the meeting contained in hand-outs provided attendees, Chairman Bertolini opened with prepared remarks.

He expressed pride in the operation of the Company during 2013. While this was clearly a period with demanding operating challenges as the healthcare system prepared for sweeping changes resulting from the Affordable Care Act, Aetna met the challenges and found opportunities to participate in a meaningful way with emphasis on maintaining accessibility through private exchanges. Operating income was a robust \$47.2 billion and earnings were \$1.2 billion. Aetna has a client membership of approximately twenty-two million individuals.

He projected that America's healthcare system was prime for a revolutionary disruption. As consumers of healthcare participate to a greater extent in funding medical access through premium contributions and taxation, they will become more empowered and generate dialog on both delivery systems and their efficiencies or lack thereof. Aetna is prepared for these changes and is

working diligently with provider systems to develop affordable access by maintaining a strong pipeline of efficient and effective delivery systems.

In addition to providing healthcare benefits, Aetna is expanding and improving its access to preventive healthcare, a key element to a responsible provider to client relationship. Preventive healthcare covers a wide range of activities from alerting patients to managing their health risks, such as blood pressure screening and annual physicals with basic laboratory screenings, to providing access to monitoring programs and alerts to possible side effects of medications, encouraging discussions with physicians.

Chairman Bertolini concluded his remarks by thanking the 48,000 Aetna employees generating these positive results.

John Lang, again, the proxy and spokesman for the Aetna Retirees Association, presented the following statement and questions, as submitted by the ARA Board of Directors.

STATEMENT/QUESTION:

We would like to bring to your attention an action that the Aetna Retiree Association (ARA) took earlier this year.

ARA has belonged to the National Retiree Legislative Network (NRLN) for a number of years. NRLN represents over two million people, and their mission is to enact federal legislation to protect employer-sponsored pensions and health care benefits as well as to keep Social Security and Medicare strong. Their positions have usually been in the best interests of Aetna's retirees, and supported by the ARA Board and individual Aetna retirees. (Continued on page 3)

2014 ANNUAL MEETING OF AETNA INC.
MAY 30, 2014

STATEMENT/QUESTION (continued from page 2)

However, ARA's Board recently decided to withdraw from NRLN over NRLN's view that Medicare Advantage payments are "subsidiaries" to insurance companies that should be eliminated.

This position runs counter to the interests of Aetna retirees on this vital subject, as continued reductions in Medicare Advantage payments to equal Original Medicare fee-for-service payments could lead to curtailment of some or all of the added benefits that Aetna retirees have under Aetna Medicare Advantage.

Further Aetna / Aetna Retiree Association Cooperation

Aetna's retirees have supported grass roots efforts by NRLN on subjects where they agree with NRLN's positions, and may do so in the future. More importantly, though, we believe there are a number of areas where the interests of Aetna and its retirees are quite consistent. ARA represents a constituency of thousands of retirees who are experienced in many facets of Aetna's business, who remain informed, who have a vested interest in the future well-being of Aetna and who have mobilized for Aetna in the past.

While ARA was formed out of controversy when Aetna eliminated the dental subsidy 10 years ago, we value the cooperative relationship enjoyed with Aetna Human Resources over the past several years. We believe this could be expanded to Government Relations so that, when our interests are aligned, Aetna may collaborate with or otherwise utilize ARA's membership as a complementary grassroots force.

We wanted to take this opportunity to let you know, on behalf of ARA's Board and ARA

Chairman John Perra, about ARA's willingness and availability to work with Aetna Government Relations to communicate with legislators in order to help advance Aetna's views. We could start, for instance, with three or four items where Aetna's efforts to shape public policy are shared with ARA's Board. When our interests coincide, Aetna's retirees may be able to help advance Aetna's efforts. We would appreciate your reaction to this suggestion and ask whether it is something that you are willing to support and endorse?

CHAIRMAN'S RESPONSE:

We appreciate the support of the Aetna Retiree Association. As Chairman and CEO I recognize the great contributions our retirees have made in providing our Company such a strong operating foundation. Our Corporate Secretary, Judy Jones, has already reached out to Mr. Perra with an offer to set up a meeting.

Mr. Chairman, we also have a question related to pensions:

STATEMENT/QUESTION:

Aetna retirees receiving defined benefit pension benefits recently received a communication "Annual Funding Notice for Retirement Plan for Employees of Aetna Inc." This is a federally mandated communication that tends to be more confusing than informative. While this specific report indicates that Aetna's plan is over funded (101.22%) using government standards, it is important to note that credit balances are ignored in this calculation. Credit balances include the voluntary contributions of \$60 million dollars Aetna has contributed over the last several years, and may contribute in calendar year 2014. *(Continued on page 4)*

**2014 ANNUAL MEETING OF AETNA INC.
MAY 30, 2014**

STATEMENT/QUESTION (Continued from page 3)

This year the communication introduced MAP-21, a new federal requirement utilizing a 25 year average of interest rates in valuing pensions, a dramatic departure from the current calculation. Using this calculation Aetna has zero unfunded liability; whereas this report suggests that under the prior calculation Aetna would have a shortfall in funding of approximately \$1 billion.

While ARA Board does not have concerns over the pension funding adequacy, the average Aetna retiree does not understand the intricacies of government-required reporting, and may even find this frightening.

Would you please explain how the Aetna Pension group values both plan assets and liabilities, and why there are such wide variances in information communicated to retirees under federal requirements? Where can a retiree find the company's evaluation? Is Aetna willing to supplement its reporting to retirees in language understandable to retirees that expresses Aetna's actuarial conclusions concerning the adequacy of pension funding?



CHAIRMAN'S RESPONSE:

We agree that the federally mandated pension disclosures found in the Annual Funding Notice are highly technical and can be difficult to understand. However, by law, we have to follow these Government-prescribed disclosures precisely.

The calculations found in these disclosures are legislated by Congress to determine how much companies like Aetna need to contribute to their pension. We feel disclosures found in our annual 10-k filing utilizing GAAP accounting rules provide a more thorough, timely and accurate financial picture of the Plan, and would direct retirees to this source. The majority of these disclosures can be found on pages 114 -120 of Aetna's 10K filing.

We are proud of our Plan funding level which reached 107% as of year-end. In fact, Aetna was one of only 24 major U.S. corporate pension plans with funding levels above 100% at the close of 2013.

Your point is well taken, and we will consider whether additional supplemental information would be appropriate in this context.

(Pictured on the left is Aetna CEO Mark Bertolini shaking hands with John Lang.)

ARA TERMINATES NRLN ASSOCIATION MEMBERSHIP BUT SEEKS TO PROVIDE SUPPORT ON SELECTED ISSUES

In April, the ARA Board of Directors voted to discontinue ARA's association membership in the National Retiree Legislative Network (NRLN). Because of a fundamental disagreement with NRLN's senior management regarding the appropriate role of private insurers in the healthcare marketplace and the value of Medicare Advantage policies, the Board determined that it could not justify using our members' dues monies to pay NRLN dues. This was a difficult decision, because we continue to agree with most of NRLN's public policy positions and to believe that NRLN's general objective of protecting retirees' benefits is more consistent with ours than is that of any other trade association in Washington.

At the June ARA Board of Directors meeting, the Board determined that we should explore with NRLN whether we can have a continuing albeit more narrowly focused relationship with them in order to advance the interests of our membership. As this newsletter goes to print, we are working on this with NRLN leadership. We expect that we will be able to identify a number of areas in which we can still support and work with NRLN, possibly even including financial support on targeted issues, e.g., protection of retirees' pensions.

Many of you are of course individual members of NRLN and/or on their e-mail distribution lists. We encourage you to continue your involvement and to track their positions and activities in our nation's capital. If you agree with positions they are taking, by all means support them when they request grassroots help. On the other hand, if you find you disagree, do not hesitate to contact them or to send emails or letters to your elected representatives stating your own positions.

UNSOLICITED PHONE CALLS CONCERNING YOUR MEDICARE PLAN

We have been informed by a number of our members that they have received unsolicited phone calls concerning coverage for Medicare. Most of the calls offer information about potential waivers of Medicare Part B premium or other such reductions in premiums. Some of the callers mentioned Aetna by name and often knew some specific personal information about the person who received the call.

We questioned our contacts at Aetna about these sorts of calls (we sent them comments we had received from one of our members) and they responded with the following commentary.

"We don't know for sure who called this retiree, however, at the state/government level, there are Medicare Savings programs. They are not Aetna programs, however, Aetna works with a program called Social Service Coordinators (SSC). This program is administered by Altegra Health. SSC uses predictive modeling to identify Medicare eligible retirees who may be eligible (and are not already in enrolled) for various government programs such as Medicare Savings Programs (MSPs) and Low Income Subsidies (LIS). SSC will assist members in enrolling in these plans by explaining what the qualifications are, benefits of programs, provide enrollment materials, and in some cases do home visits to get the members enrolled. Members would need to provide information on their income, etc. Whether or not an individual is eligible for any of the programs is dependent upon their income and their state's requirements."

For your information, this program was just announced in Aetna's Spring/Summer edition of the **Aetna Retiree Connection** newsletter.

A FREE IN-HOME HEALTH ASSESSMENT FOR MEDICARE ADVANTAGE MEMBERS

Some of you may already have received a letter from Aetna announcing a new initiative under which CenseoHealth and other vendors around the country will provide a free in-home health assessment for Medicare Advantage members. This program is called **Health Home Visits**. This program is purely voluntary on your part and, when and if you receive a phone call from one of the vendors involved or their assigned physician, you may simply say that you are not interested. If, however, you would like to avail yourself of this service, you may do so and it is of no cost to you.

Additional details concerning this program, along with frequently asked questions and answers, are shown below.

Censeo Health is contracted by Aetna Medicare and will follow this process for the in-home assessment program:

- Work with our Medicare Risk Adjustment team to identify Medicare Advantage members who meet the criteria for an in-home assessment.
- Send introductory letter to members that provide an overview of the in-home assessment service. Within one week after the letters are mailed, Censeo Health will begin calling each member to find out if she/he is interested in the program. If so, they will schedule an appointment.
- Send an overview letter about the in-home assessment program to member's primary care physicians (PCPs). The goal is to ensure that PCPs are aware of the program and to let them know that they will get a summary of the completed assessment when their patients choose to participate.
- Send a summary of the completed in-home assessment to the PCP.

Frequently Asked Questions

Question	Answer
Am I required to participate? Is this mandatory?	No, this visit is strictly voluntary and your decision will not affect your enrollment or benefits.
Why am I being contacted to schedule a provider visit? What is the benefit of this visit?	This is a service provided by your health plan for you to visit with a qualified provider to discuss your health and to have recommendations about your care shared with your Primary Care Physician (PCP) and health plan as part of a preventive care program. This is in no way intended to interfere with care received from your PCP. Its intent is to enhance the care you receive.
Who will be conducting the visit?	The visiting provider will be a fully licensed physician who is qualified and fully trained to provide outstanding care.
Is there a copay or charge for this visit?	This is a free service provided to you from your health plan.
Will this visit impact my relationship with my PCP?	No, this visit does not take the place of any of your existing doctor appointments and is in no way meant to replace the care you receive through your regular doctors.
Do I need authorization from my PCP to participate?	You do not need authorization from your PCP.

What will happen during the visit?	The visiting provider will review your medical history, any current treatments, and medications you may be taking. There will also be a brief physical exam performed which includes your blood pressure and pulses being taken. There will not be any invasive procedures performed.
Will the visiting provider be able to change my medications/prescriptions and other care?	No, the visiting provider will not have access to your complete medical history, therefore he or she will be unable to do some things such as write medical or eye-glass prescriptions or make referrals to specialists.
Is there anything that I need to do to prepare for the visit?	Please be sure to make yourself available for approximately 45 minutes so the provider has adequate time to spend with you during the visit. Also, please be sure to have all your current prescriptions and over-the-counter medications available for the visiting provider to review.
Will I receive a copy of my medical record from the visit?	You will receive a one-page summary of the results at the end of the visit, and a summary will also be sent to your physician.

We posed some questions to Aetna concerning this program. Our input and their responses are shown below.

- (1) why did Aetna not notify people that this program was coming? ***Members were notified of the program via the initial letter prior to the phone call. The letter was sent so that members receive prior to receiving the phone call to extend them the invitation to the program.***
- (2) will you be sending out information on this program (and an ancillary question, we are planning on "announcing" this program in our next newsletter - do you have any issues with that)? ***You can use a future newsletter to share what is in the attached sample letter. Please refer to the program as Health Home Visits as that is the program name. We have also included some frequently asked questions that you can use. The only communication members will receive about the program is the initial letter prior to the phone call.***
- (3) why are you doing this (I presume it is to determine those members out there who need help in accessing care)? ***The program is designed to identify gaps in care, help members know how to talk to better speak with their physician, and to identify unreported risk measures to ensure we are receiving the appropriate revenue from CMS. Receiving the appropriate CMS revenue helps us better position our premiums and more importantly, the value for our members.***
- (4) why are these letters going out to all MA members? given your vast claimant database, couldn't you have somehow narrowed it down to send letters only to those your claim records indicate would be most in need of this service? ***All members are eligible for the program, so therefore letters are sent to all members. This program is cost free and not mandatory, but all are welcome to participate therefore we do not narrow the outreach to only higher risk members.***
- (5) this is not a question but rather a comment we received from a number of people - on top of MedAssurant/Inovalon, Social Service Coordinators/Altegra many folks feel this is far too intrusive; however, unlike some of our experiences with MedAssurant (where they did not even have the correct information), at least those who have used the Censeo-Health program report that these folks at least had all the correct patient information

If you have any questions concerning this program, you may call CenseoHealth at 1-800-282-5366 or Aetna Customer Service at 1-800-628-3323. Please remember, this program is free of charge to you and is purely voluntary.

INFORMATION CONCERNING NEW EOBs FOR MEDICARE ADVANTAGE

Some of you may have already received new Medicare Advantage EOBs provided by Aetna. The new Medicare Part C (Medicare Advantage) EOBs were launched in April, 2014. These new EOBs will continue to provide information about how claims are paid and what you owe. However, they will also do more: with guidance from CMS (Centers for Medicare and Medicaid Services), the new EOB has been designed to better inform members about your claims in plain language. The information and format of the new EOBs is the result of a directive from CMS.

What are the updates to the EOBs?

Single EOB – members will receive an EOB when a reimbursement check is being issued to them

Monthly EOB –

- (a) effective in mid-May 2014, members began receiving a summary EOB statement for the prior month's claim activity. This means that the first monthly summary released in May captured all the claim activity from April; instead of receiving separate transactional type EOBs during April, the member had the chance to review all the claim activity on the summary statement

- (b) members will not receive a monthly summary statement if they had no claim activity in the prior month

How and when will Aetna communicate this to members?

According to our contacts at Aetna, they were intending to send an email communication to any Medicare Advantage member who had registered on Aetna Navigator with their email address. We do not believe that all members actually received these emails. In addition, the guide to understanding the new EOBs was to be included with all EOBs starting in April, 2014.

Please note that you will still be able to view your claims on a daily basis on Aetna Navigator. You will be able to see the claims if you select the "claim listing" option on the log-in page. This listing shows the date of service, the member, the provider, the status of the claim, the claim amount, the amount paid by the plan and the amount you may have to pay. However, you will not be able to view the details of the transaction on EOBs for one single claim until the monthly report has been completed.

As in the past, in the event you have any questions concerning your claims or the EOB you received, please do not hesitate to call Member Services at the phone number on the back of your ID card.

The Spring/Summer edition of ***Aetna Retiree Connection*** included a piece on the Walk-A-While program. Please note that, if you go to the website they recommended, www.mechpod.com/aetna you will be brought to a page showing Novitex Enterprise Solutions but with no reference to Aetna or this program. That's OK; simply then use **AetnaOrder** as the user name and **1doc4U** as the password. For both the user name and password, be careful to use caps just as shown in the previous sentence.

As you communicate with a retiree, retiree group or a colleague, we encourage you to provide them with information and the benefits of joining ARA. Please refer any prospective members to our website at www.aetnaretirees.com for additional information and an application form. Further, you may encourage prospective members to contact any Board Member for additional information. If, however, a retiree or colleague does not wish to become an active member and would still like to hear what we are doing, please have them state “communications only” on the application. We will send them our communications.

CONTACT ARA!

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

Marilyn Wilson, Editor