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news

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EXTRA ** EXTRA ** EXTRA ** EXTRA ** EXTRA ** EXTRA

Time to Sign Up for Your 2007 Benefits

*You have until November 8
to make your selections*

By now, you should have received your 2007 Aetna Benefits enrollment package. If you have not received it, contact the Aetna Retiree Connection immediately at 1-(800) 238-6247.

You have until November 8, 2006 to complete the process. However, we urge you to start early to give yourself time to resolve any questions that might arise.

We urge you to keep the key points in this bulletin in mind as you go through the process. They relate to Medicare-eligible retirees.

STICKER SHOCK!

We have already heard from a number of members who are suffering from sticker shock because their premiums have risen dramatically. As you know, health insurance rates are rising rapidly for everyone, but this situation is especially painful to Aetna retirees who retired in 1994 or later after Aetna "capped" benefits.

The "cap" is a maximum dollar amount that the company will pay toward the overall premium cost for each retiree medical plan. All retiree plans now exceed the cap, so those affected by it must pay 100% of the premium cost that exceeds the Aetna cap. There is nothing ARA or any individual retiree can do about this. It is a fact of life.

NO ACTION REQUIRED FOR THOSE STANDING PAT

For those electing the same benefit package as in 2006, no action is required. You need to contact Aetna only if you are selecting different coverage or dropping coverage.

Last year, all retirees had to complete and submit forms. That is not the case this year unless changes or deletions are being made.

THINK TWICE ABOUT DROPPING INDEMNITY

Some Medicare-eligible retirees may be tempted to drop the Traditional Choice Indemnity plan because they pay into it year after year, but receive few benefits under it. However, it can be an important part of your overall coverage and should not be dropped without long and serious thought.

Keep in mind that a serious illness can result in uncovered medical bills that can run into the tens of thousands of dollars, even with Medicare A and B coverage. Medicare will continue to pay its 80%, but your 20% will still be your responsibility, even if your annual medical bills reach \$10,000 or more. If you have the Aetna Traditional Choice Indemnity plan, you are assured that your annual, out-of-pocket expenses will be limited to about \$3000 - \$4000. This is still a considerable expense, but without it family savings can be exhausted quickly.

GOLDEN MEDICARE

Aetna's Golden Medicare Plan has been expanded to a number of new states. Please keep in mind that this is an HMO-type plan and will require you to use plan network doctors and pre-approved referrals for specialists. If your present medical providers are important to you, this may not be the plan for you.

MEDICARE DIRECT

Medicare Direct is a convenient service, provided free, that authorizes Medicare to pass along claim payment information directly to Aetna. This saves you from having to resubmit a claim after Medicare has paid the provider.

INDEMNITY WITH DENTAL

Three new Traditional Choice Indemnity Plans with dental benefits (essentially cleaning and x-rays) have been added this year. While on the surface it appears to be something free, please realize that the costs have been built into it through reduced co-insurance, increased deductibles, and the out-of-pocket maximum is up. In other words, there is no such thing as a free lunch – or teeth cleaning.

CAVEATE EMPTOR

Only you can really tell which options are right for you. Each retiree has somewhat different health conditions, financial considerations, and risk tolerance. The right answer for one member may be all wrong for another. Therefore, your ARA cannot really advise you – only caution or alert you to important considerations.

Should you stick with the plans you have signed up for in past years, even though the cost is rising rapidly? Should you drop some or all coverage and self insure? Should you test the market and see if you can buy coverage more favorably from a different vendor? Those are all reasonable questions you need to address before November 8. You need to do your homework. And remember, if you elect to drop out of an Aetna plan, you will not be able to get back in during a subsequent enrollment period.

You'd better shop around!

As the cost of prescription drugs rises and older Americans use more and more of them, the importance of finding the best buy increases.

Consumer Reports in its November, 2006 edition published an excellent article on the subject of shopping for the best buys on Generic Drugs. It is well worth your time to read.

With more and more players in the market, the cost of any given drug may vary widely from vendor to vendor. Those with access to the internet can quickly check a wide variety of providers to find the best price.

It is a mistake to assume that each outlet is the same or about the same. Any retiree who wants to take the time can stay on top of the changing market and save him or her self a good deal of money in the run of a year. For example, Costco, one of the major players in the market, does not require membership to use its pharmacy.

ARA'S ROLE

Aetna and its new benefits vendor, CitiStreet, appear dedicated to making this enrollment process operate smoothly. While we have seen a small number of errors and pointed out a few points of possible confusion, we believe that they are on the right track and have a good service attitude.

If any retirees have problems that they cannot resolve through the regular channels, however, we will be happy to hear from them and will bring them to Aetna's attention.

We continue to believe that a positive and constructive approach to the process is vastly better for both Aetna and its retirees, and we will continue to work toward that end.

CONTACT ARA!

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

Dave Smith, Editor