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News

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2010 Enrollment Process

Few Changes, Simple Process, Moderate Rate Increases

Members who do not want to switch need not take any action. Process should run smoothly.

Good news! Aetna is keeping the 2010 enrollment process simple. The company will offer both Medicare Eligible and Pre-Medicare retirees the same plans as were available for 2009. If you wish to stick with what you have this year, no action will be required on your part. If you have not contacted the company by the end of the enrollment period, you will be automatically re-enrolled in your current plan. Unless you change plans, you can just continue to use your current cards. It's as simple as that.

The Aetna Retirees Association got its first look at the 2010 offerings in a liaison meeting with the Aetna Benefits team in Hartford September 22. ARA appreciates the cooperation and positive relationship that has been forged over the past five years. We believe it to be an asset to both the company and its former employees.

Of course, we urge you to read the material sent to you. A thoughtful review will help you to decide if the coverage you now have still works in your best interest. Before making any changes, take the time to understand **all** of the implications of change. For example, if you drop some plans, you cannot reenter at a later date.

Needless to say, rates have increased. Aetna retirees are "experience rated" and, with medical costs continuing to rise and the retiree population aging, some increase seems inevitable. We believe that most participants will find the increases moderate. Capped employees – those subject to a dollar/percentage limit on their Aetna subsidy – will have to pay the entire increase themselves and will, no doubt, feel the increase much more painfully.

If you have not already done so, you will shortly receive a copy of the Retiree Connection Newsletter from Aetna that will give you a fairly detailed look at the 2010 offering. A new feature this year will be Aetna Medicare Plan Informational Sessions that will be conducted in mid-October. Two will be held in Hartford and two by telephone hookup. This will give retirees a chance to get some explanations and ask some questions. The sessions could be of considerable value to those new to Medicare. Medicare eligible retirees will be notified of the sessions by post card. Those wishing to take part will need to sign up in advance.

Enrollment kits are due to be mailed out about October 20. The enrollment period will begin October 26 and end November 13. Retirees who will be away from home during that period or traveling may need to make special arrangements.

Confirmation statements from Aetna are due out November 23. Again, it is important to review them for accuracy. It is also important to keep materials on your

coverage in a convenient place in case you need to contact Aetna. If you are making plan changes and require new ID cards, they should be sent out in mid-December.

There is still a significant number of Medicare eligible retirees who are in the old Indemnity Plan because one or more of their providers will not accept Aetna Medicare Advantage. Those in that situation will be allowed to remain in the Indemnity Plan for 2010. Those entering Medicare for the first time should check with their providers to be sure that they will accept the Advantage plan. If not, they should contact Member Services so that contact may be made with the provider and, if necessary, offer the Indemnity Plan with Medicare to the eligible retiree in lieu of the Advantage coverage.

As always, ARA wants to know of your experiences as you go through the process. This knowledge helps us in working with Aetna to resolve situations and make the process smoother for all.

Aetna stand on reform backed by ARA

The National debate on healthcare has produced a wide variety of plans and opinions. It seems likely that, before the end of the year, a bill will be enacted and signed into law. The big questions are what will it include and how much will it cost?

Aetna has been a visible force in the development of reform legislation with Chairman Ron Williams attending White House meetings on the subject with President Obama. Aetna spokesmen seem to feel that this will be a distinct advantage to the company in helping to shape the final legislation. While Aetna has provided direct input to the process, the company's position differs with that of the Obama administration on some key points. Likewise, support for a portion of the Obama agenda has not insulated the industry from criticism by the president, other key administration and congressional figures and the media.

Aetna has built its position around these major points:

- Support for coverage for all
- Avoid disruption of the current system
- Reform the system to pay for quality results and not services
- Make wellness and prevention a priority
- Harness the power of information technology (IT)
- Focus on individuals and small groups
- Oppose the public option
- Oppose the demonization of the insurance industry

As a general matter, ARA supports the above Aetna positions. In addition, we believe it is important that any solution does not come at the expense of senior citizens. At this point, we are concerned that some of the legislative proposals finance a significant part of the cost of covering currently non-insured people by taking money out of Medicare. It is generally accepted that there is widespread fraud in Medicare and Medicaid, but in the 44 years of Medicare's existence, no one has been able to adequately police it, so we do question whether the proposed savings can realistically produce the required cost reductions. Other proposals call for a reduction in compensation to doctors and hospitals for their services to Medicare patients. Many providers already complain of the low rates of compensation. Further reductions would probably either result in many doctors refusing to accept Medicare patients or cutting the time they spend with patients each visit. Either way, senior citizens would be harmed.

ARA members and other seniors could also be harmed if the Medicare Advantage subsidies are eliminated or drastically reduced. Accordingly, we asked the Aetna benefits personnel if they expected the Advantage Plans to go away and, if they did, in what direction they might go for our coverage. Not surprisingly, they did not conjecture. Hypothetical answers can come back to haunt you. However, it is clear that Aetna, like everyone else, does not know what may emerge and is trying to be ready for any eventuality. That is simply good management.

One member of the benefits team went so far as to say she believed the

Advantage Plans would survive. However, the funding of those plans is the issue. If funding is reduced too drastically, they cannot survive.

With respect to specific advocacy by ARA, while we feel comfortable voicing our support for Aetna's position and for the idea that seniors should not be harmed, we are not urging our members to support or oppose any of the bills that are being advanced. In light of the extensive variation in our individual members' positions on the desirability of healthcare reform generally, and of the specific bills being advanced and the various provisions therein, we do not believe it would be appropriate for ARA to urge support for or opposition to any of such bills.

On the other hand, we do urge you to learn all you can about the reform issue and to become involved in the political process as you think best. We recognize that this is not an easy task. The bills are long, and they would effect substantial changes to a complex and, some would say, broken system. No one can realistically predict what the likely outcomes will be for any of the bills. Adding to the difficulty, it appears that the Senate would reject HR 3200, the House's bill, and it is likely that the Senate Finance Committee bill, thought to be at least the starting point for the Senate bill, would have major problems in the House. Thus, considerable negotiations and compromises would seem to be in the offing if a bill is to be enacted. This obviously makes it very difficult for the average voter to understand the critical decision points and to have his/her voice heard.

Nevertheless, before these bills reach final votes in the Senate and House, it might be wise for all of us to contact our Senators and Congressmen and express our feelings, whatever they may be. We think that the Aetna positions are reasonable and urge you to make a strong stand against reductions to the benefits of senior citizens. We think it is more likely than not that some sort of bill will pass, even if it is only for "face saving" purposes. If a bill is enacted that is not to your liking, and you have failed to voice your opinions, you have no complaints.

Even if your Congressman or Senators are diametrically opposed to your positions, let them know how you feel anyway. If they hear enough contrary views it may cause them to temper their positions somewhat.

Bottom line, everything is up for grabs in a chaotic legislative environment. This is not a simple Democrat vs. Republican contest. If it were, the Democrats, with a commanding majority in the House and enough votes in the Senate to at least force a vote, would have already prevailed. In fact, the problem for the Obama administration is to get the Blue Dog/Moderate Democrats on board without losing the more radical left of the party. The moderates have heard from their constituents, and there is considerable opposition to the most radical plans – especially to the "public option," a government-run insurance company that would compete with the private insurers on a nonprofit basis.

We urge you to keep up to date on the situation. It seems to change almost hour by hour, but your voice is important. Let your Congressman/Senators know how

you feel. The voice of the people is still a powerful tool.

In 2010, every member of the House will be up for reelection. So will one third of the Senators. Democracy puts the power in your hands.

Leadership Roles Change On ARA Board

Adjustments were made to ARA leadership at its annual board of directors meeting Monday, September 21, in Middletown.

Greg Bertles and Dorothy Cooney have both left the board, and their resignations have been accepted with regret. Greg served on the board from its inception and made considerable contributions to the development of ARA. The board thanks Greg for his valuable service.

Dorothy is another "founder" of the organization and has been highly valuable as a volunteer and board member. We are very pleased that she has agreed to continue as a volunteer. She has been especially valuable using her computer skills to format the ARA newsletters.

Board member Jim McAuley has taken over the chairmanship of the Audit Committee, a post vacated by Greg Bertles.

The four primary officers will continue to serve at their posts for another year. They are: Chairman & President Bob Gilligan, Vice Chairman Jean Waggett, Treasurer Lee Simard, and Secretary Brian Farrell.

Ten directors were reelected to two-year terms. They are: Roger Anderson, Brian Farrell, Carl Galinsky, Bob Gilligan, Lee Simard, Dave Smith, Thomas Trumble, Kenneth Veit, Jean Waggett and Marilyn Wilson.

Policy Subcommittees of Legislative Committee are taking shape

Two Subcommittees have been formed, one to recommend policy on Health Insurance matters and the other on Pensions. We are pleased that Max Smith has agreed to chair the Pension Subcommittee. Directors Tom Trumble and Dick Wenner will also serve.

Director Doug Halbert will chair the Health Insurance Subcommittee. Bob Martin has agreed to join. Doug is in the process of inviting a third member.

Does Aetna owe you money?

Remember the RRA? The Retirement Reimbursement Account! It was that one-time deposit into an account that insured retirees could draw on to pay medical or dental expenses.

Aetna established the RRA accounts in January of 2006. Most retirees got \$132 credit, but the pre-1988 retirees received \$332 credit -- \$532 if they had a spouse or dependent. Most retirees used theirs a long time ago, but a small few have not. If you are one of that small group, we urge you to take advantage of it.

You may get information on RRA by calling 1 (800) 238-6247 and selecting the RRA prompt. Phones are answered between 9 a.m. and 5 p.m. Eastern Standard Time, Monday through Friday. On the Internet, forms may be obtained from Aetna Navigator – www.aetn navigator.com.

Strength in Numbers

ARA's best recruiters are members with a lot of old friends from their working days. We continue to grow, but slowly, because we need the names and

addresses of retirees. If you have some in your files, please share them with us. Some of your friends may already be members, but others not. We'll sort through any names you provide us and send invitations to join only to those not already on our rolls.

There is strength in numbers. Those who can speak for large numbers of voters can get more attention than individuals. If you have not already done so, please take the time to help us now.

CONTACT ARA!

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

Dave Smith, Editor