

IBM Health Care for Retirees

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Questions to Group

- ▶ How many have looked at the new IBM ExtendHealth plans?
- ▶ Have you had an appointment and discussion with ExtendHealth?
- ▶ Have you decided on which plans to use for you and your family?
- ▶ The following slides are based on what I have learned thus far and is intended to start the discussion today.
 - I welcome discussion and input from anyone else

High Level View

▶ Health Benefit Plans

- Medical
- Prescription
- Dental
- Vision Care



**Employee
Health
Insurance**

▶ New ExtendHealth Benefits

- Health Reimbursement Arrangement(HRA)

Health Reimbursement Arrangement (HRA)

- ▶ Premium Subsidy from IBM
- ▶ Tax Free
- ▶ Pays for Out-of-Pocket Medical Expenses
 - Deductables
 - Co-Pays
 - Coinsurance
 - Medical Expenses
- ▶ Only available through ExtendHealth
- ▶ Limited amount
- ▶ Health Plan Premiums not deducted from Pension Check but Monthly Bills sent directly to you
- ▶ You must submit a claim to receive reimbursement or have auto reimbursement

ExtendHealth Medical



- ▶ **Medigap (+ Prescription Drug)**
 - Higher Monthly Payments
 - Some plans have high Deductible
 - Low or No Co-Payments
 - No Network Restrictions
 - Recommend Additional Prescription Drug Part D Plan
- ▶ **Medicare Advantage**
 - Lower Monthly Premiums
 - Require Co-Payments
 - Prescription Drug Plan Included
 - Restricted number of doctors in-Network through (HMO)

Medigap Plans

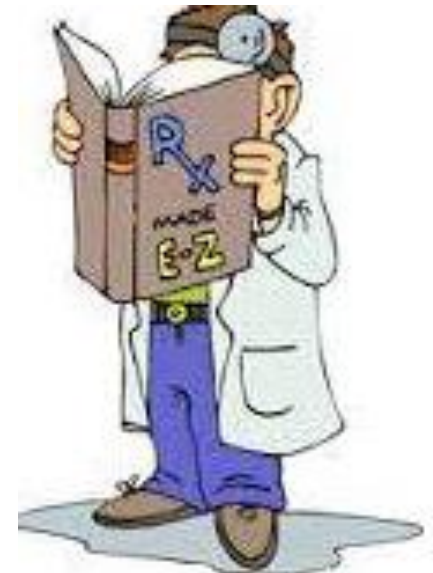
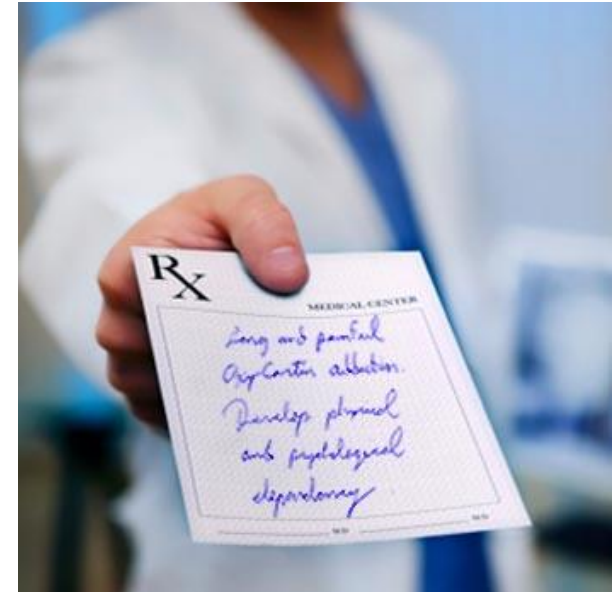
Medical Expenses over Medicare



- ▶ Plan A
 - Medical Expenses Only
- ▶ Plan C
 - Covers 100% of Medical, Nursing, Hospital, Doctor, but not Doctor Excess
- ▶ Plan F
 - Covers 100% of Medical, Nursing, Hospital, Doctor and Doctor Excess
 - Note: Note: Some have a yearly deductible
- ▶ Plan N
 - Covers Medical, Nursing, Hospital, but not Doctor (over Medicare)
- ▶ Premiums could be covered by HRA

Prescription Drug Plans

- ▶ Monthly Premium
- ▶ Note: Some have a yearly Deductible
- ▶ Small co-pay for generic drugs
- ▶ Coverage in the Gap (Basic or Enhanced)
- ▶ Premium may be covered by HRA



Medicare Advantage

HMO Plans, Covering Expenses Over Medicare

- ▶ Lower Cost than Medigap Plans
- ▶ Includes Prescription Plan
- ▶ Requires Co-Payment for
 - Each Doctor Office Visit
 - Each Prescription
 - Each Inpatient Hospital Visit per Day
- ▶ Fees increase if not in Network Doctor or Hospital
- ▶ Copays could be covered by HRA



Dental Plans

- ▶ Each has a Deductible of \$50
- ▶ Each has a Annual Maximum of \$1,000
- ▶ Better coverage if In-Network
 - Need to check if your Dentist is In-Network for the plans
- ▶ Cost of Premiums may be covered by HRA



Vision Plan

- ▶ Yearly Premium, may be covered by HRA
- ▶ Co-Pay for Eye Exam, Glasses



Action Required



- ▶ Goto www.extendhealth.com/IBM
 - or call 855-359-7380
 - Find out what plans are available to you
 - Find Out: Cost, Deducible, If Your Doctors are Covered
- ▶ Make appointment with ExtendHealth
 - Spouse needs to make appointment or can be on your call and enroll as well.
 - It could be a different plan for the spouse.
 - If under 65, then spouse needs to use non-Medicare plans.
 - Find out your HRA amount
 - Expect Call to take 60-90 minutes
 - Have a List of Questions
- ▶ You can also enroll on-line
- ▶ Choose plans before Dec 15, 2013
- ▶ New Plans start January 1, 2014

HRA Comments

IBM PC Club Members Comments received during presentation

▶ HRA

- Most IBM Retirees thought they would receive an HRA of \$3,500 per year. (Some will get \$3,000 HRA.)
 - This is dependent on when you retired from IBM
- If you choose the spouse option,
 - The HRA would decrease to for example, \$2,600/year and
 - Non-IBM spouse would receive \$1,300/year after the death of the IBM spouse
- HRA could also be applied to health benefits not from IBM Extend Health Plans

Medical Benefits Comments

IBM PC Club Members Comments received during presentation

▶ Medical Benefits

- Several IBM Retirees have selected non-IBM health care benefits such as Kaiser, AARP and AETNA
 - They can be lower in cost and charges can be applied to the HRA
 - Particularly useful if you have been already using these health care providers

Prescription Drug Benefits Comments

IBM PC Club Members Comments received during presentation

▶ Prescription Drug Benefits

- Some IBM Retirees found that using non-IBM prescription drug services from Wal-Mart, Target and Costco could be less expensive than IBM plans
- Suggestion was also made to use the web site Medicare.gov to find out the cost of the various plans.
 - One can put in your current prescriptions and find out the cost in each plan

Vision Care Benefits Comments

IBM PC Club Members Comments received during presentation

- ▶ Some IBM retirees indicated they would not use the Vision care benefit
 - Cost could be covered for limited use of optometrist or glasses by using the HRA directly
 - Cost at some places such as Costco and Wal-Mart are low and quality is sometimes better than a stand-alone optometrist

Additional Comments

IBM PC Club Members Comments received during presentation

- ▶ There is a Yahoo Group on IBM Retirees that might be useful
 - <http://groups.yahoo.com/neo/groups/ibmretiree/info>
- ▶ Suggestion that we have a blog on IBM Retiree Health Benefits