

85-1 Legislature

Please note reductions of the 2018-19 deductibles, premiums, and maximum out-of-pockets will increase the amount needed the following biennium to maintain solvency. The 85-1 Legislature provided \$212 million to provide relief to every participant in TRS-Care.

NON-MEDICARE RETIREES

Reduce deductible for Non-Medicare Retirees:

Legislative intent is to reduce the health care deductible in the 2018-2019 plan years for non-Medicare retirees.

Non-Medicare Retiree/Family Deductibles

From \$3,000/\$6,000 to **\$1,500/\$3,000**

Reduce maximum out-of-pocket for Non-Medicare Retirees

Legislative intent is to reduce the maximum out-of-pocket for non-Medicare retirees in the 2018-2019 plan years.

Non-Medicare Retiree/Family Maximum Out-of-Pocket

From \$6,650/\$13,300 to **\$5,650/\$11,300**

***Note:** Once a non-Medicare retiree meets the annual deductible in the 2018 Standard Plan, the health plan will pay 80% of eligible in-network medical and prescription expenses. Once a non-Medicare retiree meets the maximum out-of-pocket, the plan pays 100% of eligible in-network medical and prescription expenses. Preventive services such as annual physical, cancer screenings, immunizations and flu shots, are available at no cost to retirees. 85R-HB 3976 also provided funding to cover certain preventative maintenance generic drugs at no-cost (\$0) to non-Medicare retirees in the HD plan.*

MEDICARE RETIREES

Reduce premiums for Medicare Retiree:

Legislative intent is to reduce premiums by \$11 for all Medicare retirees in the 2018-2019 plan years.

Medicare Retirees

Medicare Retiree from \$146 to **\$135**

Medicare Retiree & Spouse from \$590 to **\$529***

Medicare Retiree & Child(ren) from \$504 to **\$468***

Medicare Retiree & Family from \$1,106 to **\$1,020***

**Reductions are cumulative*

DEPENDENTS

Reduce premiums for retirees with adult disabled children:

TRS-Care has approximately 570 adult incapacitated children of TRS retirees. Legislative intent is to reduce the premiums by \$200 per month in the 2018-2019 plan years.

Non-Medicare Retiree & Child(ren) from \$433 to **\$208***

Non-Medicare Retiree & Family from \$1,074 to **\$799***

Medicare Retiree & Child(ren) from \$504 to **\$268***

Medicare Retiree & Family from \$1,106 to **\$820***

Reduce premiums for covered children:

Legislative intent is to reduce premiums by \$25 for all children covered in both plans in the 2018-2019 plan years.

Non-Medicare Retiree & Child(ren) from \$433 to **\$408**

Non-Medicare Retiree & Family from \$1,074 to **\$999***

Medicare Retiree & Child(ren) from \$504 to **\$468***

Medicare Retiree & Family from \$1,106 to **\$1,020***

Reduce premiums for Spouses:

Legislative intent is to reduce premiums by \$50 for spouses in both plans in the 2018-2019 plan years.

Non-Medicare Retiree & Spouse from \$739 to **\$689**

Non-Medicare Retiree & Family from \$1,074 to **\$999***

Medicare Retiree & Spouse from \$590 to **\$529***

Medicare Retiree & Family from \$1,106 to **\$1,020***

**Reductions are cumulative*

TRS-Care Premiums

Current Premiums	85R Legislature Illustrative Retiree Premiums		85-1 Legislature Illustrative Premiums	
Prior to January 1, 2018	Calendar Year 2018	Calendar Year 2019	Calendar Year 2018	Calendar Year 2019
<p><u>Non-Medicare Retirees</u> Retiree Only = \$0 - \$310 Retiree & Spouse = \$30 - \$665 Retiree & Child(ren) = \$28 - 392 Retiree & Family = \$58 - \$747</p> <p><u>Medicare B Only Retirees</u> Retiree Only = \$0 - \$245 Retiree & Spouse = \$25 - \$600 Retiree & Child(ren) = \$34 - \$327 Retiree & Family = \$59 - \$682</p> <p><u>Medicare A&B Retirees</u> Retiree Only = \$0 - \$110 Retiree & Spouse = \$20 - \$465 Retiree & Child(ren) = \$41 - \$192 Retiree & Family = \$61 - \$547</p>	<p><u>Non-Medicare Retirees</u> Retiree Only = \$200 Retiree & Spouse = \$739 Retiree & Child(ren) = \$433 Retiree & Family = \$1,074</p> <p><u>Medicare Retirees</u> Retiree Only = \$146 Retiree & Spouse = \$590 Retiree & Child(ren) = \$504 Retiree & Family = \$1,106</p> <p><u>Current Disability Retirees not eligible for Medicare</u> Retiree Only = \$0 Retiree & Spouse = \$539 Retiree & Child(ren) = \$233 Retiree & Family = \$874</p>	<p><u>Non-Medicare Retirees</u> Retiree Only = \$250 Retiree & Spouse = \$789 Retiree & Child(ren) = \$483 Retiree & Family = \$1,124</p> <p><u>Medicare Retirees</u> Retiree Only = \$146 Retiree & Spouse = \$590 Retiree & Child(ren) = \$504 Retiree & Family = \$1,106</p> <p><u>Current Disability Retirees not eligible for Medicare</u> Retiree Only = \$0 Retiree & Spouse = \$539 Retiree & Child(ren) = \$233 Retiree & Family = \$874</p>	<p><u>Non-Medicare Retirees</u> Retiree Only = \$200 Retiree & Spouse = \$689 Retiree & Child(ren) = \$408 Retiree & Family = \$999</p> <p><u>Medicare Retirees</u> Retiree Only = \$135 Retiree & Spouse = \$529 Retiree & Child(ren) = \$468 Retiree & Family = \$1,020</p> <p><u>Current Disability Retirees not eligible for Medicare</u> Retiree Only = \$0 Retiree & Spouse = \$489 Retiree & Child(ren) = \$208 Retiree & Family = \$799</p> <p><u>Retirees with adult disabled children</u> Non-Medicare Retiree & Child(ren) = \$208 Non-Medicare Retiree & Family = \$799 Medicare Retiree & Child(ren) = \$268 Retiree & Family = \$820</p>	<p><u>Non-Medicare Retirees</u> Retiree Only = \$250 Retiree & Spouse = \$739 Retiree & Child(ren) = \$458 Retiree & Family = \$1,049</p> <p><u>Medicare Retirees</u> Retiree Only = \$135 Retiree & Spouse = \$529 Retiree & Child(ren) = \$468 Retiree & Family = \$1,020</p> <p><u>Current Disability Retirees not eligible for Medicare</u> Retiree Only = \$0 Retiree & Spouse = \$489 Retiree & Child(ren) = \$208 Retiree & Family = \$799</p> <p><u>Retirees with adult disabled children</u> Non-Medicare Retiree & Child(ren) = \$258 Retiree & Family = \$849 Medicare Retiree & Child(ren) = \$268 Retiree & Family = \$820</p>

Currently, any retiree that selects TRS-Care 1 with retiree-only coverage has a \$0 premium. Premiums for Care 2 & 3 are currently determined by a retiree's Medicare status, and years of service.

Beginning 1/1/2018, TRS will provide a \$0 premium for current disability retirees through 2021, a blended stair-step premium for non-Medicare retirees and a blended premium for Medicare eligible retirees regardless if they are not eligible for Part A at no cost or purchased Part B.

85-1 Legislature proposes reducing premiums for retirees and dependents.

Medical Plan Design

	TRS-Care 1	TRS-Care 2	TRS-Care 3	Medicare Advantage for TRS-Care 2	Medicare Advantage for TRS-Care 3	85R-Legislature Standard Plan	85R-Legislature Medicare Advantage Plan	85-1 Legislature Proposed Standard Plan	85-1 Legislature Proposed Medicare Advantage Plan- <u>NO CHANGES</u>
Eligibility	All retirees			Retirees with both Medicare Part A & B		Non-Medicare Retirees (under age 65)	All Medicare Retirees (age 65 and older)	Non-Medicare Retirees (under age 65)	All Medicare Retirees (age 65 and older)
Deductible In-Network	\$2,350 Parts A&B \$3,900 Part B Only \$5,250 Non-Medicare	\$1,300	\$400	\$500	\$150	\$3,000 individual \$6,000 family	\$500	\$1,500 individual \$3,000 family	\$500
Maximum Out-of-Pocket In-Network	\$6,250 Parts A&B \$7,800 Part B Only \$8,250 Non-Medicare	\$5,800	\$4,900	\$3,500	\$3,150	\$6,650 individual \$13,300 family	\$3,500	\$5,650 individual \$11,300 family	\$3,500
Coinsurance	80%/20% (after deductible is met) Preventative services such as routine physical exam, cancer screenings, flu shot covered at 100%	80%/20% (after deductible is met)	80%/20% (after deductible is met)	95%/5%	95%/5%	80%/20% (after deductible is met) Preventative services such as routine physical exam, cancer screenings, flu shot covered at 100%	95%/5%	80%/20% (after deductible is met) Preventative services such as routine physical exam, cancer screenings, flu shot covered at 100%	95%/5%
Inpatient Hospital Facility				\$500 copay per stay	\$250 copay per stay		\$500 copay per stay		\$500 copay per stay
Outpatient Hospital Facility				\$250 copay	\$75 copay		\$250 copay		\$250 copay
Emergency Room				\$65 copay	\$50 copay		\$65 copay		\$65 copay
Urgent Care				\$35 copay	\$35 copay		\$35 copay		\$35 copay
Office Visits				Non-Medicare: \$35 copay Medicare: 80%/20% (after Medicare payment)	Non-Medicare: \$25 copay Medicare: 80%/20% (after Medicare payment)		\$5 Primary Care Physician \$10 Specialist		\$5 Primary Care Physician \$10 Specialist

Prescription Drug Plan Design- NO CHANGES

	TRS-Care 1	TRS-Care 2	TRS-Care 3	Medicare Part D for TRS-Care 2	Medicare Part D for TRS-Care 3	1/1/2018 Standard Plan	1/1/2018 Medicare Advantage Plan
Eligibility	All retirees			Retirees with either Medicare Part A or B		Non-Medicare retirees (under age 65)	All Medicare retirees (age 65 and older)

Retail Copays

Generic	80%/20% (after deductible is met)	\$10	\$10	\$5	\$5	Preventative Maintenance \$0 80%/20% (after deductible is met)	\$5
Preferred Brand	80%/20% (after deductible is met)	\$30	\$25	\$25	\$20	80%/20% (after deductible is met)	\$25
Non-Preferred Brand		\$50	\$40	\$50	\$40	80%/20% (after deductible is met)	\$50

Mail Order Copays

Generic	80%/20% (after deductible is met)	\$20	\$20	\$15	\$15	80%/20% (after deductible is met)	\$15
Preferred Brand	80%/20% (after deductible is met)	\$75	\$50	\$70	\$45	80%/20% (after deductible is met)	\$70
Non-Preferred Brand	80%/20% (after deductible is met)	\$125	\$80	\$125	\$80	80%/20% (after deductible is met)	\$125