



# Retiring Times

## New Directions for MCPS Retirees

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### Retiree Open Enrollment Announcement

The Montgomery County Public Schools (MCPS) will be conducting the annual retiree benefit plan open enrollment beginning Monday, May 2 and continuing through Tuesday, May 24, 2005.

During open enrollment, MCPS retirees will have the opportunity to make changes to their medical, dental, vision, and prescription plan options, to drop coverage, or under certain circumstances, add coverage that was previously dropped.

In late April, the Employee and Retiree Service Center (ERSC) will be forwarding detailed information to all retirees participating in MCPS benefits. If you do not receive an enrollment booklet, please call the ERSC at 301-517-8100.

The mailing will include benefit comparison charts, rate information, and an enrollment form, in case you want to make changes to your current level of benefits.

MCPS retirees will have the opportunity to meet with benefit program vendors and ERSC staff to discuss open enrollment options at three health fairs held during the month of May. Representatives from ERSC and benefit plan vendors will be available to answer retiree questions.

MCPS retirees will also have the option of meeting with UnitedHealthcare (UHC) representatives at three additional UHC informational health sessions. UHC and MCPS will make formal presenta-

tions and discuss plan changes.

Please check the ERSC Web site at <http://www.montgomeryschoolsmd.org/departments/ersc> for up-to-date information throughout open enrollment. ■

#### VENDOR HEALTH FAIRS

| DATES                  | LOCATION  | TIME            |
|------------------------|---|-----------------|
| Monday, May 9, 2005    | CEC Auditorium<br>850 Hungerford Drive<br>Rockville, MD 20850 | 2:00–4:00 p.m.  |
| Thursday, May 19, 2005 | CEC Auditorium  | 9:00–11:00 a.m. |
| Tuesday, May 24, 2005  | CEC Auditorium  | 9:00–11:00 a.m. |

#### UHC ONLY INFORMATIONAL HEALTH SESSIONS

| DATES                   | LOCATIONS  | TIME            |
|-------------------------|--|-----------------|
| Thursday, May 5, 2005   | CEC Auditorium<br>850 Hungerford Drive<br>Rockville, MD 20850                | 2:00–4:00 p.m.  |
| Wednesday, May 11, 2005 | Seneca Valley High School,<br>12700 Middlebrook Road<br>Germantown, MD 20874 | 2:00–4:00 p.m.  |
| Tuesday, May 17, 2005   | CEC Auditorium<br>850 Hungerford Drive<br>Rockville, MD 20850                | 9:00–11:00 a.m. |

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### 2005 Benefit Changes for Retirees

Last year, the Montgomery County Public Schools (MCPS) and the three employee bargaining units agreed to make changes to the employee benefit plan offered to active employees, effective January 1, 2005.

Since the retiree benefit plan year runs from July 1, 2004 to June 30, 2005, MCPS deferred making similar changes to the

retiree benefit plan until implementation of the active changes were completed, and MCPS staff could consult with the Montgomery County Public Schools Retiree Association (Retiree Association).

There were five areas in which active employee benefit plans changed—CareFirst

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BlueCross BlueShield (CareFirst) was eliminated as a third-party administrator for the point-of-service (POS) medical plans; the Kaiser Permanente medical plan was amended to include co-pays for doctor visits and higher prescription drug co-pays; the emergency room co-pay for all medical plans was raised to \$50 (waived if admitted); a managed, three-tier prescription drug benefit was introduced to the Caremark, Inc., prescription plan; and the dental preferred provider option plan was improved to include a higher annual limit and to cover sealants under certain circumstances.

MCPS staff have met with the Retiree Association to review the changes made to the active plan and the following changes to the retiree benefit plan will be effective July 1, 2005:

CareFirst BlueCross BlueShield POS, indemnity plan, and Medicare supplement plans will be eliminated. However, CareFirst will continue to offer the BlueChoice HMO option. United-Healthcare (UHC) will continue as the third-party administrator providing POS plan benefits for MCPS retirees.

Except where otherwise stated in the retiree benefit summary, the POS plan administrator is the only change. There is no change to the level of benefits provided to retirees. UHC is able to provide benefits more efficiently and at a lower cost to MCPS and our retirees. In addition, UHC's national network of doctors will provide retirees more flexibility and options with respect to the delivery of their health care.

## DID YOU KNOW?

Americans are living longer and healthier lives. Half of all 65-year-old men will live past age 85, and one in four will live past age 92. The numbers are even more impressive for women. For 65-year-old couples, at least one person has a 50 percent chance of living beyond age 92.

Source: B&C Solutions, Forecast 2005

There is a high percentage match between the doctors that participate in the two POS plans. You should ask your doctor if he/she participates in the UHC network. If he/she does not participate, you can nominate your doctor using the UHC nomination form. Nomination forms are available from ERSC by calling 301-517-8100 or via the ERSC Web site.

If you currently participate in a CareFirst plan, you will automatically be enrolled in the identical UHC benefit plan, unless you make a change to another health plan using MCPS Form 455-22, *Retiree Benefit Enrollment*, during open enrollment. If you do not plan to make any changes to your current level of benefits, no action is required.

The emergency room co-pay for all medical plans will increase to \$50 per visit. The co-pay will be waived if the patient is admitted to the hospital.

For non-Medicare eligible retirees, the Kaiser Permanente Medical Plan (Kaiser) will be amended to include a \$5 co-pay for doctors office visits, a \$20 co-pay for out-patient mental health visits, a \$5 co-pay for prescription drugs purchased at a Kaiser Medical Center or through Kaiser's mail order pharmacy, and a \$10 co-pay for prescription drugs purchased through a participating Kaiser Pharmacy. The changes noted above will save MCPS several hundred thousand dollars a year. There is no change to the Kaiser Medicare Plus program provided to Medicare eligible retirees. The Kaiser Medicare Plus plan already uses the co-pay structure indicated above.

The prescription drug plan administered by Caremark will now allow two maintenance medication prescriptions (increased from one) to be filled at a retail pharmacy before retirees are required to use the mail order pharmacy.

Additionally, the plan will be amended to allow a waiver of the penalty for purchasing brand name drugs that have a generic equivalent when a certification of medical necessity has been **submitted and approved by Caremark**. Questions about the certification of medical necessity should be directed to Caremark at 1-800-378-7558.

The three-tier benefit structure was introduced for retirees on July 1, 2003. During the 2004–2005 plan year, retirees paid 30.5 percent of the plan cost for Option A and 21.7 percent of the plan cost for Option B. During the 2005–2006 plan year, retirees will pay 33.3 percent of the plan cost for Option A and 28.8 percent of the plan cost for Option B.

The retiree contribution rate will reach 36 percent for both plans in the 2006–2007 plan year and beyond.

The dental preferred provider plan (PPO) will be amended to increase the annual benefit from \$1,500 to \$2,000 and to cover sealants under certain circumstances. Because dental plan limits run on a calendar year basis, this change was effective January 1, 2005.

If, after reviewing the new changes to the benefit plan, you have additional questions, please feel free to contact the Employee and Retiree Service Center at 301-517-8100; Monday–Friday from 7:30 a.m. to 5:00 p.m. or via e-mail at [ERSC@mcpsmd.org](mailto:ERSC@mcpsmd.org). We look forward to helping you! ■

## FOR YOUR INFORMATION

### COLA ADJUSTMENTS FOR STATE AND COUNTY RETIREES

There will be a 2.667 percent cost-of-living adjustment for retirees receiving core benefits from the State Retirement Agency (SRA). The new COLA will become effective on July 1, 2005, for retirees who retired on or before July 1, 2004. You will receive your COLA increase in your July 2005 retirement check.

MCPS retirees who receive their core and/or supplemental benefit from MCPS and retired on or before December 1, 2004, received their 2.4 percent cost-of-living adjustment (COLA) in their January 2005 retirement check.

## MCPS Chooses UnitedHealthcare for Retirees

In January, the Montgomery County Public Schools (MCPS) stopped offering CareFirst BlueCross BlueShield (CareFirst) as a plan provider for both the Standard and High Option Point-of-Service (POS) plans for active employees. This decision was reached after MCPS and the three employee bargaining units determined that UnitedHealthcare (UHC) offered the best option from a service and a cost perspective for MCPS and its employees.

Effective July 1, 2005, MCPS will make the same change for retirees, and will only offer UHC as a vendor for the POS, indemnity medical, and Medicare supplement plans. The CareFirst BlueChoice Health Maintenance Organization (HMO) will continue to be offered as an option, along with the Kaiser Permanente and Optimum Choice HMO health plans.

Please keep in mind that the MCPS benefit plans are self-insured and UHC is acting as a third-party administrator for MCPS. Since the plans are self-insured, the level of benefits is determined by MCPS, not by UHC. The level of benefits provided by UHC as the third-party administrator will be the same as it was with CareFirst as the third-party administrator, except where MCPS is making a change or where UHC's determination of the reasonable and customary fee paid to doctors and other providers is different from CareFirst's schedule of fees.

The overall UHC network of participating providers matches favorably against the CareFirst network. However, there will be some differences in the networks.

Since September 1, UHC has added several hundred doctors to their network and several dozen more doctors are being considered for inclusion in the network. Retirees who want to nominate a doctor or medical practice for inclusion in the plan may do so by completing a provider nomination form that can be obtained from the Employee and Retiree Service

Center (ERSC) by calling 301-517-8100 or via the Web site at [www.montgomeryschoolsmd.org/departments/ersc](http://www.montgomeryschoolsmd.org/departments/ersc).

Detailed information about the UHC plans will be mailed directly to retirees' homes in late April, and MCPS will mail the health plan open enrollment package to all retirees in April 2005. Open enrollment begins on May 2, 2005.

To learn more about the UHC plan, consider attending one of the open enrollment health fairs or one of the UHC information sessions in May. See the Retiree Open Enrollment Announcement on page 1 for specific dates and times.

Retirees currently enrolled in CareFirst who do not elect another health plan during open enrollment will be automatically enrolled in the identical UHC health plan. ■

## Is an HMO a Good Choice?

The Montgomery County Public Schools (MCPS) currently provides health coverage to more than 6,100 retirees and their eligible dependents. Only 11 percent of the retirees covered were enrolled in the Kaiser Permanente Medical Plan (Kaiser), even though in many instances Kaiser offers the lowest cost option for retirees.

As the cost of medical and prescription drug coverage continues to rise, you might want to look carefully at all options during the upcoming retiree open enrollment. When you factor in your out-of-pocket costs for prescription drug coverage, Kaiser could save you a significant amount of money.

For example, using 2004–2005 rates, a husband and wife enrolled in the Carefirst Medicare supplement plan and Option A

of the Caremark prescription plan would have paid \$285 a year less in premiums had they been enrolled in the Kaiser plan.

Out-of-pocket savings may be greatest with Kaiser because the prescription drug plan has lower co-pays than either Caremark plan. The co-pay for a prescription filled at a Kaiser center is \$5 and the co-pay for a prescription filled through the Kaiser mail order program is \$5. Compare that to co-pays that range from \$5 to \$25 at retail pharmacies and from \$10 to \$50 at the mail order pharmacy under the Caremark plan.

Kaiser has 30 medical centers in the Washington metropolitan area. For location information, please visit their Web site at <http://members.kaiserpermanente.org/kpweb/facilitydir/entrypage.do?rop=MID> ■

## Enjoy the Convenience of a New Kaiser Permanente Pharmacy in Germantown

A new pharmacy opened at the Kaiser Permanente Germantown Medical Center in December 2004. This brings the total number of Kaiser medical centers to 30 in the Washington metropolitan area. Retirees can visit their personal physician and fill a prescription with one visit in a new and convenient location.

The medical center offers an added convenience of two entrances. One entrance leads to the doctors' offices specializing in internal medicine and OB/GYN medical services. The other entrance goes directly to the pharmacy. Retirees can now park near the pharmacy door so picking up a prescription is quick and easy!

### Pharmacy hours:

Monday through Friday,  
8:30 a.m.–12:30 p.m. and 1:30–5 p.m.

### Medical center hours:

Monday, Tuesday, Thursday, and Friday,  
8 a.m.–5 p.m.  
Wednesday 8 a.m.–8 p.m. ■

### FOR ADDITIONAL INFORMATION ABOUT UNITEDHEALTHCARE:

Web site: [www.myuhc.com](http://www.myuhc.com)  
Telephone number: 1-866-873-3903  
8:00 a.m.–8:00 p.m. (EST), M–F

### Montgomery County Considers Offering A Canadian Mail Order Program

On September 17, 2004, the Montgomery County Council passed a resolution to establish a voluntary program for securing safe, high-quality, lower-priced prescription maintenance drugs for employees and retirees of Montgomery county agencies.

The resolution asked county agencies to issue a request for proposal (RFP) seeking bids from qualified vendors in the United States and Canada. To ensure that safety issues are properly addressed, the Montgomery County Council convened a panel of public health and pharmaceutical experts to assist in developing the RFP and evaluating responses.

The RFP was issued on January 27, 2005, and five vendors submitted proposals by the March 1, 2005, deadline. County agency staff and the Council-appointed oversight panel are currently evaluating the proposals. The anticipated completion date of their evaluation is in April 2005.

Once the evaluation process has been completed, the Montgomery County Public Schools (MCPS) will make a decision as to whether or not to proceed with introducing a Canadian mail order program. If MCPS goes forward with a Canadian mail order program, participation in the plan will be voluntary.

## Retiring Times

News from the Employee and Retiree Service Center  
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