

Important Health Insurance Information for PERS Members Preparing to Retire

Introduction

The PERS Health Insurance Program (PHIP) provides medical and dental insurance plan options, as well as long term care insurance, for both Medicare and non-Medicare eligible PERS retirees, their spouses and eligible dependents.

There are several options for non-Medicare eligible retirees, including employer retiree plans, PHIP and, effective January 1, 2014, the Oregon health exchange known as Cover Oregon. If you are not yet Medicare-eligible, make sure you inquire about your employer's health plan options for non-Medicare eligible retirees.

For Medicare eligible retirees, the PHIP offers enhanced Medicare plan options to meet your health care needs, including Medicare Supplement and Medicare Advantage plans. As a retiree, once you become Medicare eligible, you will no longer be eligible to remain on your employer's retiree coverage.

Health Plan Information

The PHIP offers coverage through four different insurance carriers. Each plan offers Medicare and non-Medicare coverage to PERS members and their families. To be eligible for PHIP health plans, your primary residence address (not mailing address) must be located within the U.S.

MODA Health (formerly ODS Health) offers a statewide Medicare Advantage Preferred Provider Organization (PPO) plan for Medicare eligible members. MODA Health also offers a Medicare Supplement Plan and, effective January 1, 2014 two non-Medicare PPO plan options that are available nationwide.

Kaiser Permanente offers both a Medicare and, effective January 1, 2014, two non-Medicare managed care plans, referred to as a Health Maintenance Organization (HMO); PERS retirees who live in California or Hawaii and are interested in enrollment in a Kaiser Permanente Health Plan located in their area should call the PHIP for more information.

Providence Health Plans offers coverage through two Medicare Advantage plan options for Medicare and, effective January 1, 2014 two non-Medicare plan options, available to members throughout the Willamette Valley from Portland to Eugene.

PacificSource Health Plans offers coverage through a Medicare Advantage plan and, effective January 1, 2014 two non-Medicare Point-Of-Service (POS) plans to members living in Central Oregon, along the central Columbia George and in Lane, Coos and Crook counties.

For complete information regarding the service areas for any of these health plans, call the PERS Health Retiree Insurance Program at 800-768-7377. Or, you may access the PERS Retiree Insurance Program Web site at www.pershealth.com.

Dental Coverage

The PHIP offers two dental insurance plans, through ODS or Kaiser Permanente. If you do not enroll in dental when you initially enroll in the PHIP, you will not be able to enroll at a later date. The PHIP does not offer a standalone dental option, i.e. dental only without a health plan selection. If one member of a family enrolls in a dental plan, then all members will be enrolled in the identical dental coverage.

Health Insurance Program Enrollment Opportunities

Enrollment opportunities for the PHIP are listed below. **Be certain you understand these enrollment opportunities, as these are the only enrollment opportunities available for PHIP eligibility.**

Retirees and spouses or dependents that do not choose to enroll in the PHIP during one of these enrollment periods will lose their opportunity to enroll into the PHIP.

New Retirees

New retirees can enroll up to 90 days after the date of their PERS retirement date. Coverage will be effective on your retirement date if you apply before your retirement date. If you apply after your retirement date your coverage will begin on the first day of the month after your application is received.

Medicare Eligibility

PERS retirees may enroll up to 90 days after the date of their initial Medicare eligibility into both Medicare Parts A and B. Coverage will be effective on the date that your Medicare coverage becomes effective if you enroll before the date of the Medicare eligibility.

If you apply after the date of your Medicare eligibility, coverage will be effective on the first day of the month after your application is received. If there is a gap between the effective dates of Medicare Parts A and B you will be asked to provide proof of employer-sponsored coverage during that gap.

*Medicare
Disability*

Medicare eligibility due to disability typically becomes effective on the first day of the 25th month after your Social Security benefits begin. The 90-day Medicare eligibility enrollment opportunity applies in these circumstances. If this enrollment opportunity is missed, becoming Medicare eligible at age 65 does not create a new enrollment opportunity into the PHIP; unless you have had 24 months of continuous employer-sponsored coverage immediately preceding enrollment in a PHIP health plan.

*Continuous
Group
Coverage*

PERS retirees may enroll at any time if they have been covered under another employer-sponsored group health plan for 24 consecutive months immediately preceding enrollment in a PERS health plan. If you apply prior to your other coverage ending, the PHIP will be effective on the first of the month after your other coverage ends. If you apply after the loss of employer coverage, PHIP will be effective the first of the month after your application is received. (Preceding coverage must be with an employer-sponsored health plan. For example, if you are on Medicare A and B and are enrolled in AARP, this does not qualify as a group plan). If you have any questions regarding your group insurance, please call PHIP at 800-768-7377.

**Dependent
Enrollment**

Dependents can be enrolled during any of the enrollment periods available to retirees, including the retiree's date of retirement, Medicare eligibility or after the retiree has had 24 consecutive months of coverage under an employer-sponsored group health plan. If a dependent experiences an enrollment opportunity after the retiree is enrolled, he or she will be eligible to enroll under the retiree's account.

Dependents must be enrolled under the same plan as the retiree. If the retiree has Medicare coverage and the dependent has non-Medicare coverage, the dependents coverage must still be with the same health plan carrier. For more information on dependent enrollment, please refer to the Member Handbook and Benefit Guide.

**Survivor
Continuation
Of Coverage**

Survivors and dependents of deceased retirees are eligible to continue their health plan through the PHIP as survivors of the PERS retired member. Application for this coverage must be submitted within 90 days of the death of the insured, or within the timelines of a future enrollment opportunity. Dependents must meet all eligibility requirements.

Subsidies for PERS Retirees Tier One and Tier Two retirees are eligible for a premium subsidy. The information concerning eligibility for the subsidies is explained in the PHIP Member Handbook and Benefit Guide. For additional information about rates and benefits, contact the PERS Health Insurance Program at 503-224-7377 or 800-768-7377. Or visit the PHIP website at www.pershealth.com.

RHIA:

ORS 238.420 established a trust fund called the Retirement Health Insurance Account (RHIA), which pays a monthly contribution of \$60 per retiree. This contribution is applied automatically, if you are eligible. The RHIA subsidy is only available to Medicare eligible PERS retirees.

You are eligible to receive the RHIA contribution if you:

- are enrolled in a PERS-sponsored health plan; and
- are enrolled in both Medicare Part A (hospital insurance) and Part B (medical insurance); and
- had a minimum of eight years of PERS-qualifying service when you retired (or the equivalent of eight years if you receive a disability benefit); and are receiving a retirement benefit from PERS

RHIPA:

ORS 238.415 established the Retiree Health Insurance Premium Account (RHIPA) which pays a monthly contribution toward the cost for health care coverage for some state of Oregon retirees who are not yet eligible for Medicare. This contribution only applies to PERS retirees who retire from a state agency, and whose PERS effective retirement date is the first of the month following termination from state employment. The contribution is applied automatically, if eligible, by verifying your qualifying state service time. Inquiries may be directed to the PHIP office for premium rates applicable to RHIPA eligible members.

Cost of PERS Health Plans Health insurance premium rates are contracted for annually and change January 1 of each year. You may view these rates on the PHIP website at www.pershealth.com

How To Make Your Health Insurance Premium Payment Your monthly premium can be paid by (1) automatic deduction from your PERS pension, (2) automatic withdrawal from a checking or savings account, or (3) a check to the PERS Health Insurance Program. To avoid a missed premium payment, automatic deduction from your PERS pension or automatic withdrawal from a checking or savings account is recommended.

**PERS Long
Term Care
Insurance**

The PERS long term care insurance carrier is UNUM Life Insurance Company of America. All eligible PERS retirees, spouses, and dependents may apply for long term care insurance by contacting UNUM at 800-227-4165 for enrollment and eligibility information. Or, you may access the UNUM Web site at <http://w3.unumprovident.com/enroll/PERS>.

PERS Health Insurance Program

PO BOX 40187
Portland, OR 97240-0187

Direct (503) 224-7337
Toll-Free (800) 768-7377
TTY (800) 433-6313

www.pershealth.com

PERS

PO BOX 23700
Tigard, OR 97281-3700

Direct (503) 598-7377
Toll-Free (800) 320-7377
TTY (503) 603-7766

www.oregon.gov/PERS/Pages/index.aspx

This document is for general informational purposes only and is not intended to provide legal advice. If there is any conflict between this document and federal law, Oregon law, or administrative rules, the law and administrative rules shall prevail.