

Perspectives

FOR RETIRED
MEMBERS
OF THE
NORTH DAKOTA
PUBLIC
EMPLOYEES
RETIREMENT
SYSTEM

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This newsletter is published by the North Dakota Public Employees Retirement System
Box 1657, Bismarck, ND 58502
701-328-3900

Toll free: 1-800-803-7377
nd.gov/ndpers

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Your Medicare Part D Prescription Drug Plan Transition to Express Scripts, Inc.

Your Medicare Part D Prescription Drug Plan is currently administered through BCBS/MedicareBlue Rx. This will be changing to Express Scripts Inc. (ESI), Sanford Health Plan's Pharmacy Benefits Manager (PBM), on January 1, 2016.

Transition and Premiums

Effective January 1, 2016, we will automatically transition your Medicare Part D coverage to ESI. Your plan is bundled, which means you must be enrolled in the NDPERS Dakota Retiree Health Plan to be eligible for the NDPERS Medicare Part D Prescription Drug Plan. You do not need to do anything if you wish to remain on the NDPERS plans. The premium for each plan is currently combined and you are billed for the total premium each month.

The premiums for the Medicare Part D plan are adjusted each year in January. Effective January 1, 2016 the Part D portion of your health premium will increase from \$77.90 to \$82.00 per person per month, which is an increase of \$4.10 per person per month. Some example premiums showing this change are shown below:

Example Premiums for Retirees

Current Premiums	Medical	Part D	Total Premium
Single	\$183.76	\$ 77.90	\$261.66
Family of 2	\$364.42	\$155.80	\$520.22
One Medicare/One non-Medicare	\$621.44	\$ 77.90	\$699.34

January 2016 Premiums

January 2016 Premiums	Medical	Part D	Total Premium
Single	\$183.76	\$ 82.00	\$265.76
Family of 2	\$364.42	\$164.00	\$528.42
One Medicare/One non-Medicare	\$621.44	\$ 82.00	\$703.44

The above examples do not represent all premium tiers available to our retirees; only the most commonly used premiums. If your current premium is not represented, you can estimate your January 1st premium by taking \$4.10 times the number of individuals covered on your policy who are on Medicare, and adding this to your current monthly premium. As in the past, you will be receiving a notice from NDPERS in late November with your new premiums for January 1, 2016.

With the change in your Part D vendor from MedicareBlue Rx to ESI, your copay and coinsurance amounts will not change; *however, the ESI formulary list and network may differ from the MedicareBlue Rx formulary and network.* In addition, there may be different pharmacy reimbursement schedules that may result in an increase or decrease in your out-of-pocket expenses.

Notice of Creditable Coverage

Enclosed is our Notice of Creditable Coverage. This notice confirms that your current Prescription Drug Plan (PDP) is creditable coverage. This means that should you decide to join another Medicare Part D plan, you will not pay a higher premium (a penalty).

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What is Your NDPERS Member ID?

If you have called the NDPERS office or completed any NDPERS forms, you have been asked for your PERSLink member ID number. We receive many questions related to “What is my member ID number?” or “How do I find out what my member ID is?”

We launched our business system – PERSLink – “Your Online Guide to Benefits Administered by NDPERS” in 2010. One of the features of our system is the ability to assign each member a unique NDPERS Member ID. This ID is the primary identifier to access your personal and confidential information. As a member, all documents you receive from NDPERS will contain this unique Member ID in lieu of your social security number.

If you were an active member prior to the PERSLink system going live in October of 2010, or you have been a new hire since that time, you were sent a letter that contained your personal ID number. You may also request your Member ID:

1. online by following the instructions in the Member Self Service Employee Guide, which can be found on NDPERS website.
2. by contacting your payroll/human resource department who can get your Member ID by logging into the NDPERS Employer Self Service.

If you are retired, you may request your Member ID online by following the instruction in the Member Self Service Employee Guide which can be found on the NDPERS website at www.nd.gov/ndpers, or by calling the NDPERS office for assistance.

Also, for an additional reference, refer to any personal correspondence you have received from the NDPERS office. You will find the Member ID printed in the upper right-hand area of the page.

RHIC Quarterly Statement

In the next few weeks, you will be receiving a quarterly statement from ASIFlex which will detail the amount of your monthly Retiree Health Insurance Credit (RHIC), the year-to-date approved and paid claims, and the remaining funds available for the plan year ending June 30, 2016. You will receive this statement even if you are not currently using your RHIC benefit.

Effective July 1, 2015, the North Dakota Public Employees Retirement System (NDPERS) Retiree Health Insurance Credit (RHIC) Program became portable. ASIFlex is the administrator for this change to the health premium reimbursement program.

Previously, retirees were required to be enrolled in the NDPERS health insurance plan in order to use the RHIC benefit to offset the monthly premium. Now, with the benefit being portable, RHIC funds may be used for any health insurance and/or prescription drug plan for which you incur an eligible premium expense. In addition, now the RHIC credit can also be applied toward NDPERS administered dental, vision, and long-term care plan premium expenses.

If you are a NDPERS retiree and currently have NDPERS health insurance coverage, your credit is no longer being deducted from your premium. It is now being reimbursed directly to you. If you are a NDPERS retiree and currently have health insurance coverage through another carrier, effective July 1, 2015, your monthly RHIC benefit amount is now available for you to receive reimbursement for eligible premium expenses.

Filing Claims for RHIC

We have received numerous questions about the documentation required to file for reimbursement of your Retiree Health Insurance Credit (RHIC). Following is a guide to assist you with this process.

Information below outlines acceptable documentation to provide to ASIFlex for RHIC reimbursement if ...

- you have non-NDPERS sponsored health and/or prescription drug coverage OR
- you have NDPERS health, dental, or vision coverage under an “active” NDPERS employer-sponsored plan *

**As a reminder: If you have NDPERS insurance coverage as a “retiree”, you DO NOT need to submit any documentation to ASIFlex for RHIC reimbursement. NDPERS will report your monthly premium amounts paid to ASIFlex.*

All 3 forms of documentation must be provided to validate a claim: (1) Proof of Insurance, (2) Proof of Payment, and (3) Claim Form

(1) Proof of Insurance must be provided at least annually, or when a change in health and/or prescription drug coverage cost occurs:

Letter from insurance carrier (individual policy)

- verify type of coverage (health or prescription drug only)

- verify retiree with RHIC is policy holder or covered dependent on health plan
- verify premium amount
- verify dates or month(s) of coverage (coverage start date)

**Letter from employer
(employer-sponsored policy)**

- verify type of coverage (health or prescription drug only)
- verify retiree with RHIC is policy holder or covered dependent on health plan
- verify amount of premium paid by employee
- verify dates or month(s) of coverage
- confirm premium is paid after-tax

**Annual Pension Statement
Verifying Health Coverage Cost**

- verify type of coverage (health or prescription drug only)
- verify retiree with RHIC is policy holder or covered dependent on health plan
- verify premium amount
- verify reoccurring monthly amount of coverage

**Annual Social Security Statement
(No proof of payment required)**

- verify Part B and Part D premiums paid
- verify retiree with RHIC is policy holder
- verify premium amount
- verify reoccurring monthly amount of coverage

(2) Proof of Payment must be provided for each month your RHIC benefit is being claimed:

Bank Statement

- must show month and amount paid
- eliminate all other information except what is pertinent to prove expense (insurance company/coverage, amount, date, your name)

Cancelled Check

- must show month and amount paid

Electronic Payment Receipt

- must show month and amount paid

Pay stub

- must show after-tax deduction (pre-tax deductions are ineligible)
- must show month (beginning of pay period) and amount paid
- eliminate all other information except what is pertinent to prove expense (health deduction, amount, date, your name)

Itemized Statement from Insurance Company or Employer

- must verify month(s) and amount paid

(3) Claim Form must be submitted with each claim request:

- Indicate dates, type, and amount of eligible premiums paid
- Indicate “reoccurring” if reoccurring claim (if applicable)
- Must be signed and dated
- POA (Power of Attorney) must be verified and on file with NDPERS (if applicable)
- Contact ASIFlex by Phone: 1-800-659-3035 or Online: www.asiflex.com and click “Forms”

SAVE TIME AND ELIMINATE WORRY... DIRECT DEPOSIT IS THE ANSWER

One thing you can do to save time, eliminate worry and avoid delays is to sign up for direct deposit. Not only is direct deposit faster than getting your benefit checks in the mail, it is also safe, reliable, secure and used nationwide. Benefit payments are deposited electronically into your bank account. You do not have to change your current bank relationship to take advantage of this service. It is available through all banks, credit unions, savings and loans facilities and most other financial institutions.

Advantages to Direct Deposit:

- Your money will be deposited timely – the first business day of each month, which allows you immediate access to your money.
- Your worries about mail delays, stolen checks, or interruption due to disaster are over.
- You’ll avoid waiting in long bank lines to cash or deposit checks.
- It’s free! PERS does not charge any fees for this service.

To begin direct deposit, complete an “Authorization for Direct Deposit for Annuity Payment SFN 18379” which is available on our website at <http://www.nd.gov/ndpers/retirement-plans/retirees.html>. Complete and sign the Part A and B of the form. If you do not have internet access, call the PERS office at 701-328-3900 or 800-803-7377 and one will be sent to you.

Return the form to the PERS office by the 15th of any month. The direct deposit of your PERS benefit payments will begin the first of the following month unless an alternate effective date is requested. To change financial institutions or change any account information, just complete a new Authorization for Direct Deposit form.

DIRECT DEPOSIT – FOR YOUR PEACE OF MIND!



North Dakota Public Employees Retirement System
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Medicare Part D Prescription Drug Plan

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This notice also provides you with other information related to enrollment in another plan. **Please keep this notice as you may be required to provide a copy should you choose to discontinue your enrollment in the NDPERS Medicare Part D Prescription Drug Plan and enroll in another Part D plan.** Keep in mind that if you enroll in another Part D plan, you will not be able to retain the medical coverage with the NDPERS Dakota Retiree Plan. A Request to Cancel Retiree Health Insurance Coverage SFN 58269 and a Group PDP Disenrollment Form must be completed to cancel the medical and prescription drug coverage. These forms are available on the NDPERS website at www.nd.gov/ndpers.

The articles and opinions in this publication are for general information only and are not intended to provide specific advice or recommendations for any individual. We suggest that you consult your attorney, accountant, financial or tax advisor with regard to your individual situation. This newsletter is available in alternate formats upon request. Printed on recycled paper.

What to Expect

In addition to this notice, you will be receiving communications from several other sources as follows:

October

- The ESI phone center at 855-315-4569 will be open beginning October 15 through November 14, 2015 to provide support for general questions about:
 - General medication pricing.
 - Explain how the member's plan works.
 - Provide general information on Medicare Part D.
 - Provide benefit office contact numbers for opting out, enrollment, eligibility questions, premium billing, etc.

November

- ESI phone center at 855-315-4569 will be available beginning November 15, 2015 with full support services which will include the general topic areas above as well as the following:
 - Medication specific coverage or pricing information including whether a

medication requires a coverage review, Prior Authorization, has quantity limits, etc.

- Information on whether or not a particular pharmacy is in the network.
- Formulary information – what tier a specific medication is listed under.
- Notice from ESI affirming the change in your Part D carrier effective January 1, 2016.
- NDPERS health insurance premium change notice with your new premiums for January 1, 2016.

December

- New ID cards with Welcome Packet from ESI that will be sent by January 1, 2016.

January

- Notice from BCBS/MedicareBlue Rx in informing you that your Part D coverage with them terminated on December 31, 2015.