



# **TWU Medicare Part D General Retiree Information Reference Guide**

# **TWU**

For Reference Purposes Only

**Provided by International Benefit Committee**

Please contact for further technical assistance, when needed.

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# 2007 Medicare Changes

- **2007 Gov't Changes to Medicare Program From year to year**

<u>Changes</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
– <b>Deductible -</b>	<b>\$250.00</b>	<b>\$265.00</b>	<b>\$</b>
– <b>Doughnut Hole -</b>	<b>\$2250.00</b>	<b>\$2400.00</b>	<b>\$</b>
– <b>Catastrophic -</b>	<b>\$3600.00</b>	<b>\$3850.00</b>	<b>\$</b>

- **PDP Plan Changes**

- **Must Review all plans**
  - **Deductible's have changed in many**
  - **Co-payments have changed in many**
  - **Formularies have changed**

**PLEASE CHECK YOUR PLAN FOR CHANGES TO AVOID ANY UNEXPECTED COST YOU CANNOT CHANGE UNTIL NEXT YEAR!!!!!!**

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# What Is Important To Know

- What am I looking for?
  - **Formularies** – make a list of all your prescriptions, carefully compare which plans cover your prescriptions. – The Medicare website – [www.medicare.gov](http://www.medicare.gov) has a plan comparison tool to help you do this.
    - Are my medications, Generic Drug which is the lowest in cost?
    - Are my medications Brand Name considered Preferred which is more expensive?
    - Are my medications Non – Preferred with highest co-pays or co-insurance?
    - Are my medications Quantity limited? (30 doses for 30 day limit)
    - Are my medications needing prior authorization required?
  - **Not sure if there are generic equivalents for your medications?**
    - [www.drugdigest.org](http://www.drugdigest.org) Visit today's Cool Site. It will help you find generic alternatives.
  - **Deductibles**
    - What will be your out of pocket costs, such as deductibles or coinsurance?
    - Are the co-pays reasonable compared to other plans?
    - Which tier are the drugs that I use? (remember, that lower tiered drugs usually cost less)
  - The following two pages are provided for you to write down the information that will help you make reasonable comparison.



## Drug Utilization & Pharmacy Worksheet



<b><u>Step 1:</u></b>	Gather information about drugs you currently take & pharmacies you use					
	<b>Drug Name (including strength)</b>	<b>Quantity / Month</b>	<b>Brand Or Generic</b>	<b>Your Cost (copay or retail)</b>	<b>Pharmacy</b>	<b>Cost @ other pharmacy?</b>
<b>Drug 1:</b>				\$		\$
<b>Drug 2:</b>				\$		\$
<b>Drug 3:</b>				\$		\$
<b>Drug 4:</b>				\$		\$
<b>Drug 5:</b>				\$		\$

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## Medicare Part D Plan Comparison Worksheet



<b><u>Step 2:</u></b>	<b>Use information from step1 to compare Part D Plan to your drug &amp; pharmacy usage</b>					
<b>Part D Plan:</b> _____	<b>Drug Name (including strength)</b>	<b>Quantity / Month</b>	<b>If Brand, is Generic Available?</b>	<b>Your Cost (copay or retail)</b>	<b>Is Pharmacy in Part D Plan?</b>	<b>Is drug on Part D Plan Formulary List?</b>
<b>Drug 1:</b>				\$	<b>Yes / No</b>	<b>Yes / No</b>
<b>Drug 2:</b>				\$	<b>Yes / No</b>	<b>Yes / No</b>
<b>Drug 3:</b>				\$	<b>Yes / No</b>	<b>Yes / No</b>
<b>Drug 4:</b>				\$	<b>Yes / No</b>	<b>Yes / No</b>
<b>Drug 5:</b>				\$	<b>Yes / No</b>	<b>Yes / No</b>

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# What Is Important To Know about Medicare

## What else to know?

- Here's something that may be of interest to those of you on Medicare. It allows you to check and keep tabs on your Medicare Claim information for Part A & Part B, as well as any Durable Medical Equipment you may require. You can view a summary of your 5 most recent processed claims.
- Or you may select the "My Claims" Tab to search for a particular claim by month of service. This allows you to obtain the same information that you would find on your Medicare Summary Notice, but in a much timelier manner. Generally, your claims will be available on-line within just a few days of being processed by Medicare.
- You can also find specific information just by clicking on the Claim number. It also shows your Medicare Deductible and indicates if you have satisfied it yet, and any Medicare Preventative Services you may be entitled to are listed, such as annual PSA Test or Mammogram.
- What you need to do is Register for "My Medicare" on the [www.Medicare.gov](http://www.Medicare.gov) web site.
- [www.mymedicare.com](http://www.mymedicare.com).
- Read the Registration Instructions carefully.
- The ID Login will be your Social Security Number and Letter A or B as listed on your Medicare Card. The Password is a mix of your First and Last Name Initials and several of your Social Security numbers and last letter (A or B if you have it). Upon registering, (be sure to include your e-mail address in the space provided). You will receive an e-mail from Medicare within a few minutes which will indicate a two letter code to add to your Password for the first time you log in. After you are initially logged in, you will be instructed to make up a Password of your choice.



# Part “D” Explanations

- **Prior Authorization**

- Some drugs are more expensive than others even though some less expensive drugs work just as well. Others drugs may have more side effects, or have restrictions on how long they can be taken. To be sure certain drugs are used correctly and only when truly necessary, plans may require a “prior authorization.” This means before the plan will cover these prescriptions, your doctor must first contact the plan and show there is a medically-necessary reason why you must use that particular drug for it to be covered.

- **Quantity Limits**

- For safety and cost reasons, plans may limit the quantity of drugs that they cover over a certain period of time. For example, people prescribed Nexium® should take one capsule per day. Therefore, a plan may cover only a 30-day supply of Nexium® at a time (up to 90-day supply if filled through a plan’s mail order or 90-day retail pharmacy program)



# Part “D” Explanations

- **Step Therapy**

- **Step therapy is a type of prior authorization. With step therapy, in most cases, you must first try certain less expensive drugs that have been proven effective for most people with your condition. For instance, some plans may require you to first try a generic drug (if available), then a less expensive brand-name drug on their drug list, before you can get a similar, more expensive brand-name drug covered. However, if you have already tried the similar, less expensive drugs and they didn’t work, or if your doctor believes that your medical condition makes it medically necessary for you to be on the more expensive step-therapy drug, he or she can contact the plan to request an exception. If your doctor’s request is approved, the step-therapy drug will be covered.**
- **Example of step therapy for someone who needs a drug to treat heart burn:**
- **Step 1–Your doctor prescribes ranitidine. If you have side effects or limited improvement, you go to Step 2.**
- **Step 2–Your doctor prescribes omeprazole. If you have side effects or limited improvement, you go to Step 3.**
- **Step 3-Your doctor prescribes Nexium®, the step-therapy drug.**



## Part “D” Description of Tiers

All PDP’s will have their own formulary, or list of drugs that the plan covers. The covered drugs are placed in coverage categories, called Tiers – Generic drugs are usually in Tier 1 and are usually the lowest cost. Below is a chart showing each Tier with brief explanation.

Co-pay Level	Type of Medication
Tier 1 - Lowest co-pay	Most generic prescription drugs are included in this tier. Generic drugs usually cost less than brand-name drugs and are approved by the FDA. Drugs in Tier 1 have the lowest co-pay.
Tier 2 - Medium co-pay	This tier includes preferred brand-name prescription drugs. Drugs are included in Tier 2 because they offer clinical advantages and/or lower prices than Tier 3 drugs. Drugs in Tier 2 have a medium co-pay.
Tier 3 - Higher co-pay	Drugs in Tier 3 are covered by this plan, but have a higher co-pay. If you are taking a Tier 3 drug, you may want to ask your doctor if a Tier 1 or Tier 2 drug could be a possible alternative.
Specialty Tier- Percentage co-insurance	Unique, very high-cost drugs are included in this tier. These drugs require a fair level of cost sharing between you and the plan (percentage co-insurance).

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# Where do I go for HELP

- Web Sites

- <http://plancompare.medicare.gov/formularyfinder/selectstate.asp>
- <http://www.medicare.gov/medicareform/map.asp>
- [www.Medicare.gov](http://www.Medicare.gov)
- [www.cms.hms.gov](http://www.cms.hms.gov)
- [www.socialsecurity.gov](http://www.socialsecurity.gov)

## Phone Numbers

**SSA – Extra Helpline - 1-800-772-1213**

**Medicare Helpline – 1- 800 - 633 – 4227**

**TRICARE – call 1-888-363-5433**

**VA – call 1-800-827-1000**

**FEHBP – call 1-800-332-9798 (Federal employee retiree benefits)**

**If you lose your TRICARE, VA, or FEHBP coverage and join a Medicare drug plan after May 15, 2006, in most cases, you won't have to pay a penalty, as long as you join within 63 days of losing your TRICARE, VA, or FEHBP coverage.**



## Medicare Part D Questions & Answers

**Q) What is Extra Help?**

**A) The Basics: “Extra Help” is the terminology used to describe the enhanced Part D benefits, which are available to those with limited resources and income. Depending on whether there is a “full” or “partial” subsidy, these enhanced benefits will pay anywhere from 85% to almost 100% of the cost of prescriptions for those who qualify. Additionally, the Part D premium may be partially or fully paid on your behalf.**

**Those who have Medicaid and Medicare are automatically enrolled. Those receiving Supplement Security Income (SSI) will also be automatically enrolled. All others must apply for extra help! The general guidelines for income and resources are as follows:**

<b>Single Individual —</b>	<b>Income of \$14,595 or less</b> <b>Resources of \$11,500 or less</b>
<b>Married Couple —</b>	<b>Resources of \$23,000 or less</b>



## Medicare Part D Questions & Answers

### Q) What is Extra Help?

A) Resources are generally defined as assets that can be converted into cash in 20 days (bank accounts, stocks, bonds, mutual funds, retirement accounts, etc.) Social Security may look at what is counted as income or resources may be different than what you might think. So, if you have the slightest doubt, you don't have anything to lose by applying. Here are the instructions for making application:

You may get (or have already received) an application in the mail from SSA for extra help paying for a Medicare prescription drug plan. It is very important that you fill out this application and return it to SSA. If you didn't get an application in the mail and think you may qualify for this help, call SSA at 1-800-772-1213. TTY users should call 1-800-325-0778. You can also visit [www.socialsecurity.gov](http://www.socialsecurity.gov) on the web. SSA's application process provides you with the quickest decision. You can also go to a local Medicaid office and apply.



## Medicare Part D Questions & Answers

**Q) What are State Pharmaceutical Assistance Programs?**

**A) Section A: The Basics.** In addition to Federal help with paying for prescriptions, you may also qualify for help from your State Government. These state programs are called State Pharmaceutical Assistance Programs (SPAPs). SPAPs provide assistance with paying the cost of prescriptions for those with qualifying income (and certain disease-specific populations).

Here is a list of the SPAPs (listed by state and name) :

<b>CT – ConnPACE</b>	<b>MD – Senior Prescription Drug Program</b>	<b>NY – EPIC</b>
<b>DE – Prescription Assistance Program</b>	<b>MI – EPIC</b>	<b>PA – PACE and PACENet</b>
<b>IL – Circuit Breaker</b>	<b>MN – Prescription Drug Program</b>	<b>RI – Prescription Assistance for the Elderly (RIPAE)</b>
<b>IN – Hoosier RX</b>	<b>MO – Senior RX Program</b>	<b>TX – Kidney Health Care Program</b>
<b>KS – Senior Pharmacy Assistance Program</b>	<b>NC – Senior Care</b>	<b>VT – V-Script Expanded</b>
<b>MA – Prescription Advantage</b>	<b>NJ – PAAD and Senior Gold</b>	<b>WI – Senior Care</b>
<b>ME – Disabled and Elderly Drug</b>	<b>NV – Senior RX Program</b>	<b>WY – Prescription Drug Assistance Program</b>

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# AA Retirement Medical Plan Secondary to Medicare



- American Airlines Retiree Medical is **Secondary**
  - You are required by company policy to sign up for Medicare A,B & D when **first eligible** if on retiree medical.
  - When you become eligible for Medicare Part A,B & now D, your American Airlines retiree medical became secondary. This process will automatically take affect Medical Plan will not process claims until Medicare process 1<sup>st</sup>.
  - Medicare Part D prescription plan will now be your primary, you will only be **reimbursed** by your retiree medical plan for prescriptions after Medicare processes.
  - Enrollment November 15 through December 31<sup>st</sup> every year for Medicare Prescription “D” Plan. You can change plans every year.
  - If you choose **not** to take Medicare Part D, you are taking responsibility for all prescription cost Medicare would have covered if you had taken coverage. American will apply the Government Standard set forth in Medicare Part D Policy (75%/25%).
  - So PLEASE give careful consideration before you choose not to take Medicare A,B & Part D – PDP.



# American Retiree Standard Medical Plan & Medicare

- **American Airlines Retiree Standard Medical Plan and Part “D”**
  - AA reimburses you up to 80% of your out of pocket costs, after you satisfy a \$150 deductible. No reimbursement if Medicare pays 80% of PDP Drug Retail Cost.
  - (In Step 2 \$265 to \$2,400, AA reimburses at 5% since Plan pays 75%).
  - Your Medicare Part A & B and Medicare Part D Prescription Drug costs all count toward satisfying your \$150 deductible, and \$1,150 annual maximum out of pocket limit. But your Medicare and Part D Premiums **do not count towards reimbursement.**
  - AA reimburses you at 100% of your out of pocket costs for the remainder of the year, after you have satisfied the Plan’s \$1,150 annual maximum out of pocket limit.
  - The Medicare Crossover Provision does not apply to retirees eligible for the Medicare Part D Prescription Drug Plan, since the Part D Plan providers are individual insurance companies.
  - A current **Medicare Part D Prescription Drug Plan Reimbursement Claim Form** must be used, for Part D Prescription Drug out of pocket cost reimbursement. It can be downloaded from the Jetnet web site using the Form Finder link on the Retiree Benefits web page, or call AA at 1-800-447-2000 to request a Claim Form.



# American Retiree Standard Medical Plan

- **What I need to Know as American Retiree?**
  - **Age 64 or less not Medicare Eligible**
    - **Medical Coverage - \$300,000 Life Time Max (\$3,500 yearly replenish)**
      - **80/20 coverage with \$150 deductible, max out of pocket \$1,150**
      - **Retail Prescriptions – reimburse 80/20 after \$150 deductible met**
      - **Mail – In Prescriptions not counted against Deductible or Out of Pocket Maximum – not reimbursed**
      - **No yearly preventive coverage, must be Medically required**



# AA Retirement Medical Plan Secondary to Medicare



- **Special Notice to those Medicare eligible on retiree medical no matter what your age. You must enroll when first eligible.**
  - **Under Age 64 Medicare Eligible; ( Disability)**
    - **Medical Coverage Secondary to Medicare- \$300,000 Life Time Max (\$3,500 yearly replenish)**
    - **Must be enroll in Medicare Part A,B,D when eligible**
      - **AA secondary to Medicare – No Duplication of Benefits**
      - **80/20 coverage with \$150 deductible, max out of pocket \$1,150**
      - **Must have Medicare Part D PDP Plan or AA will apply as if Medicare paid;**
      - **How plan “D” works with retiree insurance;**
        - » **Reimbursement with copy of EOB from PDP with your payment history (send complete EOB, itemized and totals)**
        - » **Retail and Mail-In count towards Deductible & Out Of Pocket**
        - » **80 % paid after \$150 deductible has been met**
        - » **100% reimbursement after \$1,150 is met for remainder of the year**



# American Retiree Standard Medical Plan

- **What I need to Know as American Retiree?**
  - **Age 65 Medicare Eligible**
    - **Medical Coverage – \$50,000 Life Time Max (Spouse also reduced to \$50,000 LTM when Retiree reaches age 65, even if younger than retiree)**
    - **Must be enroll in Medicare Part A,B,D**
      - **AA secondary to Medicare – No Duplication of Benefits**
      - **80/20 coverage with \$150 deductible, max out of pocket \$1,150**
      - **Must have Medicare Part D PDP Plan or AA will apply as if Medicare paid;**
      - **How plan works with retiree insurance;**
        - » **Reimbursement with copy of EOB from PDP with your payment (send complete EOB, itemized and totals)**
        - » **Retail and Mail-In count towards Deductible & Out Of Pocket**
        - » **80 % paid after \$150 deductible has been met**
        - » **100% reimbursement after \$1,150 is met for remainder of the year**



# AA Retiree Information

- **Transition from Standard Retiree Medical Plan Coverage to the Supplemental Medical Plan**
- **Medical Plan Coverage**
  - Contact UHC for Letter of Confirmation that you have exhausted your \$50,000 Plan Coverage. (Audit currently takes 4 to 6 weeks). *(If Necessary, only request if you disagree. Can delay process and delay needed coverage)*
  - Send the Confirmation Letter to HealthFirst TPA/Golden Wings to initiate Supplemental - Medical Plan Coverage and request a Supplemental Medical Claim Form.
- **Important Phone Numbers**
  - HealthFirst TPA– **1- 800 - 711 - 7083**
  - Golden Wings – **1 – 800 - 521-2510**



# AA Retiree Information

- **JetNet - Retiree Benefit Information**

- JetNet Help Desk - (866) 538-6384 - To obtain Password, etc.
- Web Site - [www.jetnet.aa.com](http://www.jetnet.aa.com)

- **Standard Retiree Medical Plan or Supplemental Medical Plan Account Balance**

- Call UHC at (800) 638-9599 to check the amount remaining of your \$50,000 Standard Retiree Medical Plan Coverage.
- Call Health First TPA at (800) 711-7083 to check the amount remaining of your \$500,000 Supplemental Medical Plan Coverage.
- Call Golden Wings (800) 521-2510 to check the amount remaining of your \$600,000 Supplemental Medical Plan Coverage.



# AA Retiree Information

- **General Information**

- Update your Beneficiary Designation if necessary
- Contact your local retiree group for up to date information
- Review your Insurance Coverage, Documents, and Contact Phone Numbers and their location, with your spouse or other family members. **It is important to let others know how to access your benefit information.**
- In the event of the death of a retiree, the Spouse or other family member should contact American Airlines Survivor Services at (800) 447-2000, option 5 for assistance.