

**Office of the State Employer
Employee Benefits Division
PO Box 30026, Lansing, Michigan 48909
EMPLOYEE BENEFITS BULLETIN**

DATE: June 2002 **Number GIS-05-2002**

Benefits Bulletins are issued to employees and others to communicate general benefits information.

FROM: Employee Benefits Division **TELEPHONE NUMBER:**
(800) 505-5011 or (517) 373-7977

SUBJECT:

**Insurance Information Update
For
Early Retirement Applicants**

As an active employee, you have already received some preliminary information about the new PPO (Preferred Provider Organization) State Health Plan, the increased prescription drug co-pays, and the higher dental maximum that will occur effective January 1, 2003. Since insurance benefits for retirees are the same as for the non-represented (NERES) active employees, these same changes will apply to retirees on and after January 1, 2003. The premiums for the PPO will be the same as the State Health Plan premiums in your Early Out Retirement package.

Other changes have occurred since you completed your application for retirement and insurance enrollment forms:

- **Aetna will no longer be available to retiring employees.** Persons who signed up for Aetna will be contacted separately.
- **Effective October 1, 2002, the plan design for HMOs has been modified as follows:**
 - The drug co-pay under the HMOs will increase from \$2 for all drugs to \$5 for generic drugs and \$10 for brand name drugs.
 - There will be a \$10 fee for office calls.
 - There will be a \$50 fee for emergency room visits when hospital admittance is not required.
- **HMOs being offered to retirees are:** Blue Care Network, Health Alliance Plan, Health Plus, Priority Health and M-Care.
- **Effective October 1, 2002, there will be a monthly premium for persons under age 65 enrolling in the Blue Care Network (BCN) HMOs that service Mid-Michigan, East Michigan-Saginaw and West Michigan.** The premiums will be as follows:

	BCN Mid	BCN E Saginaw	BCN W
Retiree only	36.08	0.00	52.28
Retiree & Spouse	83.09	2.28	117.92
Retiree & Children	64.17	1.40	91.23
Full Family	122.07	15.32	168.08

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For information about rates for persons on Medicare, please contact Blue Care Network at 800-470-9633. There is no non-Medicare premium for persons enrolled in BCN East-Flint or BCN Southeast, nor is there a premium for persons enrolled in Health Alliance Plan, Health Plus, Priority Health or M-Care.

- **Effective January 1, 2003, the drug co-pays** for enrollees in the State Health Plan PPO will be \$7 for generic drugs and \$12 for name brand drugs. The co-pay for brand name drugs will increase to \$15 effective January 1, 2004.
- **Effective January 1, 2003, the general dental maximum will increase** from \$1,000 to \$1,250. Effective January 1, 2004, the maximum will increase again to \$1,500.

If you wish to make a change in your choice of health insurance providers, please contact the Office of Retirement Services and request a new insurance enrollment form. To avoid confusion, please make any changes prior to your retirement effective date.

We expect that there will be many questions about these changes. This summer, informational seminars for retirees will be held around the state and informational videotapes will be distributed statewide for active employees. *If your effective date of retirement is November 1, it will still be necessary for you to participate in the active employee open enrollment process, so that you will have insurance coverage through the active group until your retirement date.* Watch your mailbox for more information.