

Dakota Retiree Plan



The Dakota Retiree Plan provides health care coverage through Sanford Health Plan as a secondary payer to Medicare. You will not be assessed deductible or coinsurance amounts. Please refer to the schedule of benefits outlined below.

The following information is intended to provide a brief summary of your benefits. It should not be used to determine whether your health care expenses will be paid. The written Benefit Plan governs the benefits available. Covered Services are subject to your Benefit Plan Cost Sharing Amounts, unless otherwise indicated.

* The Dakota Retiree plan provides you with prescription drug coverage, see Express Scripts Inc. (ESI) Overview of Benefits. Express Scripts Inc. (ESI) is the prescription drug plan vendor effective January 1, 2016.

A member or eligible dependent is eligible to enroll in this health coverage at the time of Medicare eligibility. If covered under the Dakota Plan at the time, a member will receive a notification approximately 60 days prior to the eligibility date regarding the enrollment procedures. To enroll, you must comply with the following requirements:

- The eligible member(s)/dependent(s) **must have both parts A and B of Medicare**. If the eligible member(s)/dependent(s) continue to be covered by an "active" employer group policy, Medicare Part B may be waived until the contract holder terminates employment.
- The eligible member(s) and dependent(s) must complete the Retiree Health Insurance with Medicare Application SFN 59562 as well as, a Medicare Prescription Drug Plan (PDP) Individual Enrollment Form – SFN 58860 for each person who is Medicare eligible and also include a copy of the Medicare card. **Please note that the Medicare Prescription Drug Plan (PDP) Individual Enrollment Form – SFN 58860 cannot be signed or submitted more than 90 days prior to the requested effective date or coverage. You also must provide a letter of creditable coverage from your previous insurance carrier.**

If the above requirements are met and member enrolled prior to July 1, 2015, the following premiums are in effect through December 31, 2016:

***NOTE:** These rates are subject to Medicare Part D increase at the end of each calendar year

	<u>Single</u> *	<u>Family</u> *
One Medicare/One Non-Medicare Medicare Eligible (Must have both Medicare A & B)	\$265.76	\$703.44 \$528.42

If the above requirements are met and member enrolled in the plan on or after July 1, 2015, the following premiums are applicable:

Premiums through June 30, 2016 : One Medicare/One Non-Medicare Medicare Eligible (Must have both Medicare A & B)	<u>Single</u> * \$263.42	<u>Family</u> * \$695.50 \$523.76
Premiums from July 1, 2016 to June 30, 2017: One Medicare/One Non-Medicare Medicare Eligible (Must have both Medicare A & B)	<u>Single</u> * \$268.10	<u>Family</u> * \$711.38 \$533.08

If you have more than two people on your health insurance policy, please contact NDPERS for your rate. If member/dependent did not enroll in the plan at the time he/she is eligible, coverage will cease on the first day of the month in which the member or dependent(s) became eligible.

DAKOTA WELLNESS PROGRAM

Fitness Center Reimbursement:

Covered members and their eligible spouse can earn up to a \$20 credit monthly for visiting a participating health club a minimum of 12 days a month.

bWell:

Covered members and their eligible spouse can earn points to apply toward incentive prizes in this online program. bWell provides exercise, blood pressure and calorie trackers.

You will receive a wellness packet with your new health insurance ID Cards which will include a letter that explains both programs in detail, as well as, the member's enrollment process.

REFERENCE MATERIALS AVAILABLE:

As a health plan accredited with the National Committee for Quality Assurance (NCQA), Sanford Health Plan is required to provide you with additional information as you make decisions regarding your medical benefit plan. This information, including accessing your provider network, pharmacy information and other important notices can be found - <http://www.nd.gov/ndpers/insurance-plans/docs/sanford-health/reference-material/reference-material-medicare-retiree-new-hire-kit.pdf>

Provider Network

- Networks available.

Member Handbook

- How to read an Explanation of Benefits (EOB).
- What to do in an emergency.
- Special communication services.
- How claims are paid.

Special Notices

- Learn about Sanford Health Plan's privacy policy.
- Find out more about the claims appeal process.

Feel free to contact Sanford Health Plan with any questions that you may have at (701) 751-4125 or toll-free at (800) 499-3416.

PREMIUM PAYMENT POLICY

Retirement Plan	Payment Method
NDPERS Defined Benefit ¹	Benefit Check Bank Account
NDPERS Defined Contribution ³	Bank Account
NDHPRS ¹	Benefit Check Bank Account
Job Service ¹	Benefit Check Bank Account
TFFR ²	Benefit Check Bank Account
TIAA-CREF ³	Bank Account
Approved Employer Sponsored ³	Bank Account

1. If retirement allowance is large enough to deduct the entire monthly premium, the premium will automatically be withheld from the benefit check. If retirement allowance is not large enough, premium must be withheld from a bank account. Complete an Authorization for Automatic Premium Deduction SFN 50134. It is the policy of NDPERS that a member's net annuity payment can not be less than \$50.00.
2. If TFFR retirement allowance is large enough to deduct the entire monthly premium, an election to have premiums withheld from a benefit check must be made. Complete a Payroll Deduction Authorization (TFFR) SFN 19182. If retirement allowance is not large enough, premium must be withheld from a bank account. Complete an Authorization for Automatic Premium Deduction SFN 50134.
3. If retirement allowance is issued from the NDPERS Defined Contribution plan, TIAA-CREF, or a Board approved employer sponsored retirement plan, premiums must be withheld from a bank account. Complete an Authorization for Automatic Premium Deduction SFN 50134.

CANCELLATION POLICY

To cancel NDPERS health coverage, a Request to Cancel Retiree Health Insurance Coverage SFN 58269 must be submitted. NDPERS must receive a cancellation request by the end of the month prior to the effective date. Cancellations will only be done at the end of the month. We cannot cancel a policy for a partial month or do a retroactive cancellation of a policy.

NDPERS Dakota Retiree Plan

Outline of Medicare
Supplement Coverage



Plan on the best fit.

SANFORD
HEALTH PLAN
Medicare Supplement

**NDPERS Dakota Retiree Plan
Medicare (Part A) Hospital Services – Per Benefit Period**

Services	Medicare Pays	Dakota Retiree Plan Pays	You Pay
<p>Hospitalization¹ Semiprivate room and board, general nursing and miscellaneous services and supplies</p> <ul style="list-style-type: none"> • First 60 days • 61st thru 90th day • 91st day and after: <ul style="list-style-type: none"> - While using 60 lifetime reserve days • Once lifetime reserve days are used: <ul style="list-style-type: none"> - Additional 365 days - Beyond the additional 365 days 	<p>All but \$1,260</p> <p>All but \$315 a day</p> <p>All but \$630 a day</p> <p>\$0</p> <p>\$0</p>	<p>\$1,260 (Part A deductible)</p> <p>\$315 a day</p> <p>\$630 a day</p> <p>100% of Medicare eligible expenses²</p> <p>\$0</p>	<p>\$0</p> <p>\$0</p> <p>\$0</p> <p>\$0²</p> <p>All costs</p>
<p>Skilled Nursing Facility Care¹ You must meet Medicare’s requirements, including having been in a hospital for at least 3 days and entered a Medicare approved facility within 30 days after leaving the hospital</p> <ul style="list-style-type: none"> • First 20 days • 21st thru 100th day • 101st day and after 	<p>All approved amounts</p> <p>All but \$157.50 a day</p> <p>\$0</p>	<p>\$0</p> <p>Up to \$157.50 a day</p> <p>\$0</p>	<p>\$0</p> <p>\$0</p> <p>All costs</p>
<p>Blood</p> <ul style="list-style-type: none"> • First 3 pints • Additional amounts 	<p>\$0</p> <p>100%</p>	<p>3 pints</p> <p>\$0</p>	<p>\$0</p> <p>\$0</p>
<p>Hospice Care You must meet Medicare’s requirements, including a doctor's certification of terminal illness.</p>	<p>All but very limited copayment/ coinsurance for outpatient drugs and inpatient respite care</p>	<p>\$0</p>	<p>Balance</p>

¹ A benefit period begins on the first day you receive services as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

² When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to an additional 365 days as provided in the policy’s “Core Benefits.” During this time, the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

**NDPERS Dakota Retiree Plan
Medicare (Part B) Medicare Services – Per Calendar Year**

Services	Medicare Pays	Dakota Retiree Plan Pays	You Pay
Medical Expenses In or out of the hospital and outpatient hospital treatment, such as Physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment • First \$147 of Medicare approved amounts ³ • Remainder of Medicare approved amounts	\$0 Generally 80%	\$147 (Part B deductible) Generally 20%	\$0 \$0
Part B Excess Charges (Above Medicare approved amounts)	\$0	100%	\$0
Blood • First 3 pints • Next \$147 of Medicare approved amounts ³ • Remainder of Medicare approved amounts	\$0 \$0 80%	All costs \$147 (Part B deductible) 20%	\$0 \$0 \$0
Clinical Laboratory Services Blood tests for diagnostic services	100%	\$0	\$0
Parts A & B			
Home Health Care Medicare approved services • Medically necessary skilled care services and medical supplies • Durable medical equipment - First \$147 of Medicare approved amounts ³ - Remainder of Medicare approved amounts	100% \$0 80%	\$0 \$147 (Part B deductible) 20%	\$0 \$0 \$0

³ Once you have been billed \$147 of Medicare Approved Amounts for covered services, you Part B Deductible will have been met for the calendar year.

**NDPERS Dakota Retiree Plan
Medicare (Part B) Medicare Services – Per Calendar Year**

Services	Medicare Pays	Dakota Retiree Plan Pays	You Pay
Other Benefits – Not Covered by Medicare			
Foreign Travel Not covered by Medicare, medically necessary emergency care services <ul style="list-style-type: none"> • Beginning during the first 60 days of each trip outside the USA <ul style="list-style-type: none"> - First \$250 each calendar year - Remainder of charges 	\$0 \$0	\$0 80% to a lifetime maximum benefit of \$50,000	\$250 20% and amounts over the \$50,000 lifetime maximum

These Are Some Items Not Covered

- Services that are experimental or investigative in nature or that are not medically necessary as determined by Medicare.
- Services received prior to the effective date of your benefit plan.
- Services when benefits are provided by any governmental unit or social agency except Medicaid or when payment has been made under Medicare Part A or Part B.
- Outpatient prescription drugs, unless eligible under Medicare.
- Custodial care provided in a hospital or by a home health agency.
- Surgery to improve appearance.
- Services, treatments or supplies that are not a Medicare eligible expense.

Notice

This Policy may not fully cover all of your medical costs.

This outline of coverage does not give all the details of Medicare coverage. Contact your Social Security Office or consult “*The Medicare and You Handbook*” for more details.

Neither Sanford Health Plan nor its agents are connected with Medicare.



Benefit Overview

Express Scripts Medicare® (PDP) for North Dakota Public Employees Retirement System

YOUR 2016 PRESCRIPTION DRUG PLAN BENEFIT

The benefit described in this document is your final benefit after combining the standard Medicare Part D benefit with additional coverage being provided by North Dakota Public Employees Retirement System (NDPERS). The following table provides a summary of your benefit, including final cost-sharing information. This plan provides coverage across all stages of your benefit.

Initial Coverage stage	You will pay the following until your total yearly drug costs (what you and the plan pay) reach \$3,310. Please note that you can get up to a 90-day supply either at a retail network pharmacy or through home delivery:		
	Tier	Retail Three-Month (90-day) Supply	Home Delivery Three-Month (90-day) Supply
	Tier 1: Generic Drugs	\$5 copayment plus 15% coinsurance	\$5 copayment plus 15% coinsurance
	Tier 2: Preferred Brand Drugs	\$15 copayment plus 25% coinsurance	\$15 copayment plus 25% coinsurance
	Tier 3: Non-Preferred Brand Drugs	\$25 copayment plus 50% coinsurance	\$25 copayment plus 50% coinsurance
	If you fill a prescription for a one-month (31-day) supply at a retail network pharmacy, you will pay the same copayment amount that you would for a three-month supply. If your doctor prescribes less than a full month's supply of certain drugs, you will pay a daily cost-sharing rate based on the actual number of days of the drug that you receive.		
	You may receive up to a 90-day supply of certain maintenance drugs (medications taken on a long-term basis) by mail through our home delivery service. There is no charge for standard shipping.		
	Not all drugs are available at a 90-day supply, and not all retail pharmacies offer a 90-day supply. Please contact Express Scripts Medicare Customer Service at the numbers on the back of this document for more information.		

Coverage Gap stage	Under your plan, you reach the Coverage Gap stage once your total yearly drug costs reach \$3,310. During this stage, your cost-sharing amounts for generic and brand-name drugs will remain the same until your yearly out-of-pocket drug costs reach \$4,850.
Catastrophic Coverage stage	After your yearly out-of-pocket drug costs (what you and others pay on your behalf, including manufacturer discounts but excluding payments made by your Medicare prescription drug plan) reach \$4,850, you will pay the greater of 5% coinsurance <u>or</u>: <ul style="list-style-type: none"> • a \$2.95 copayment for covered generic drugs (including brand drugs treated as generics) • a \$7.40 copayment for all other covered drugs.

Long-Term Care (LTC) Pharmacy

If you reside in a long-term care facility, you pay the same as at a retail pharmacy. Long-term care pharmacies must dispense brand-name drugs in amounts less than a 14-day supply at a time. They may also dispense less than a one month’s supply of generic drugs at a time. Contact your plan if you have questions about cost-sharing or billing when less than a one-month supply is dispensed.

Out-of-Network Coverage

You must use Express Scripts Medicare network pharmacies to fill your prescriptions. Covered Medicare Part D drugs are available at out-of-network pharmacies only in special circumstances, such as illness while traveling outside of the plan’s service area where there is no network pharmacy. You may have to pay additional costs for drugs received at an out-of-network pharmacy. Please contact Express Scripts Medicare Customer Service at the numbers on the back of this document for more details.

IMPORTANT PLAN INFORMATION

- The service area for this plan is all 50 states, the District of Columbia, and Puerto Rico. You must live in one of these areas to participate in this plan. We may reduce our service area and no longer offer services in the area in which you reside.
- You may get your drugs at retail pharmacies and our home delivery pharmacy.
- Your plan uses a formulary—a list of covered drugs. Express Scripts may periodically add or remove drugs, make changes to coverage limitations on certain drugs, or change how much you pay for a drug. If any formulary change limits your ability to fill a prescription, you will be notified before the change is made.
- The plan may require you to first try one drug to treat your condition before it will cover another drug for that condition.
- Your healthcare provider must get prior authorization from Express Scripts Medicare for certain drugs.
- If the actual cost of a drug is less than the normal cost-sharing amount for that drug, you will pay the actual cost, not the higher cost-sharing amount.
- If you request an exception for a drug and Express Scripts Medicare approves the exception, you will pay the Non-Preferred Brand Drug cost-share for that drug.

- You must continue to pay your Medicare Part B premium, if not otherwise paid for under Medicaid or by another third party.

ANSWERS TO FREQUENTLY ASKED QUESTIONS

Who is eligible for this plan?

You are eligible for this plan if you are entitled to Medicare Part A and/or are enrolled in Medicare Part B, live in the plan's service area, and are eligible for benefits from NDPERS.

You can be in only one Medicare prescription drug plan at a time. If you are currently enrolled in a Medicare Advantage (MA) Plan that **includes Medicare prescription drug coverage**, your enrollment in this plan may end that enrollment. In addition, you may not be enrolled in an individual MA Plan—even one without prescription drug coverage—at the same time as this plan.

Important: If you choose a prescription drug plan outside your former employer/retiree group's offering, this decision may impact other benefits, such as medical coverage. Please contact your group benefits administrator for more information before making a decision to leave this plan, or for information about other options that may be available to you.

Do I qualify for Extra Help to pay for my prescription drug premiums and costs?

To see if you qualify for Extra Help, call Medicare at 1.800.MEDICARE (1.800.633.4227), 24 hours a day, 7 days a week (TTY users should call 1.877.486.2048); the Social Security Office at 1.800.772.1213 between 7 a.m. and 7 p.m., Monday through Friday (TTY users should call 1.800.325.0778); or your State Medicaid Office. If you qualify, Medicare will tell the plan how much assistance you will receive, and Express Scripts will send you information on the amount you will pay once you are enrolled in this plan.

Will my income affect my Medicare Part D premium?

Most people will pay their plan's standard Medicare Part D premium. However, some people may have to pay an extra amount because of their yearly income. If your modified adjusted gross income as reported on your IRS tax return from two years ago (the most recent tax return information provided to Social Security by the IRS) is more than \$85,000 for individuals and married individuals filing separately or \$170,000 for married individuals filing jointly, you'll have to pay extra for your Medicare prescription drug coverage. This extra amount is called the Part D income-related monthly adjustment amount. If you have to pay an extra amount, Social Security—not your Medicare plan—will send a letter telling you what the extra amount will be and how to pay it. No matter how your plan premium is paid, the extra amount will be withheld from your Social Security or Office of Personnel Management benefit check. If your benefit check isn't enough to cover the extra amount, you will get a bill from Medicare. *The extra amount must be paid separately and cannot be paid with your monthly plan premium.* If you have any questions about this extra amount, contact Social Security at 1.800.772.1213 between 7 a.m. and 7 p.m., Monday through Friday. TTY users should call 1.800.325.0778.

Does my plan cover Medicare Part B drugs?

Express Scripts Medicare does not cover drugs that are covered under Medicare Part B as prescribed and dispensed. Generally, we only cover drugs, vaccines, biological products and medical supplies

associated with the delivery of insulin that are covered under the Medicare prescription drug benefit (Part D) and that are on our formulary.

This information is not a complete description of benefits. Contact Express Scripts Medicare for more information. Limitations, copayments and restrictions may apply. Benefits, premiums and/or copayments/coinsurance may change on January 1 of each year. The formulary and/or pharmacy network may change at any time. You will receive notice when necessary.

Express Scripts Medicare Customer Service

1.855.315.4569

24 hours a day, 7 days a week

We have free language interpreter services available for non-English speakers.

TTY: **1.800.716.3231**

You can also visit us on the Web at **www.Express-Scripts.com**.

For questions about premiums, enrollment and eligibility, please contact NDPERS at **1.800.803.7377**. Hours of operation are Monday through Friday, 8:00 a.m. to 5:00 p.m., Central Time.

Express Scripts Medicare (PDP) is a prescription drug plan with a Medicare contract.
Enrollment in Express Scripts Medicare depends on contract renewal.

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