

# KENTUCKY

## TEACHERS' RETIREMENT SYSTEM

"SPECIAL"  
RETIRED MEMBER  
EDITION



December  
2013

### Headlines

- Medicare Eligible Health Plan  
~ Age 65 & Over or Medicare Disabled ~  
OPEN ENROLLMENT
- ◆
- ~MEHP~ New Humana Medicare ID Cards for 2014
- ◆
- ~MEHP~ Tier 3 Non-Preferred Brand Medication Benefit Change for 2014
- ◆
- ~MEHP~ Diabetes Testing Supplies & Inhaled Solutions Benefit Change
- ◆
- ~MEHP~ Vaccines & Immunizations
- ◆
- ~KEHP & MEHP~ Reminder: Upon the Death of a Retired Teacher
- ◆
- ~KEHP & MEHP~ Re-Employed Retirees: Health Insurance for Retirees Returning to Work
- ◆
- ~KEHP & MEHP~ "Points to Remember" When Returning to Work:
- ◆
- ~KEHP & MEHP~ How you pay for the Medicare Part B Premium?
- ◆
- ~KEHP & MEHP~ Enrollees Who Are Eligible for Medicare
- ◆
- ~KEHP~What is the LivingWell Promise?
- ◆
- ~KEHP~Compass ChoiceRewards
- ◆
- ~KEHP~Automatic Insurance Deductions
- ◆
- ~KEHP~Compass ChoiceRewards
- ◆
- KTRS Holiday Closing Schedule
- ◆
- 2014 EFT Direct Deposit Dates

**"MEHP" refers to the Medicare Eligible Health Plan.  
"KEHP" refers to the Kentucky Employees' Health Plan.**

### Medicare Eligible Health Plan ~ Age 65 & Over or Medicare Disabled ~ OPEN ENROLLMENT

OPEN ENROLLMENT began October 15 and ended December 7, 2013.

If you are currently enrolled in the KTRS Medicare Eligible Health Plan (MEHP), you do not need to do anything to continue coverage for 2014. As communicated throughout 2013, spouses are not eligible to enroll during the MEHP open enrollment.

For the calendar year 2014, the monthly cost for the KTRS MEHP will remain at \$290 per person. Currently, KTRS pays all or a portion of the premium for retirees based on their KTRS entry date and years of service at retirement. Covered spouses of KTRS retirees pay full premium cost. The 2014

Medicare Part B premium is \$104.90 per month to be paid directly to Social Security.

Please remember, if you are enrolled in the KTRS MEHP you cannot enroll in another Medicare Advantage Plan or another Medicare Part D prescription drug plan without it terminating the KTRS MEHP. If you have other coverage through a spouse or other retirement, even if you have not used that coverage, and that plan changes to a Medicare Advantage Plan and/or a Medicare Part D prescription drug plan in 2014, this will terminate your KTRS MEHP. You are encouraged to check to make sure any other plan you have is not changing for 2014.

### MEHP: New Humana Medicare ID Cards for 2014

If you are currently on the KTRS Medicare Eligible Health Plan (MEHP), you should expect to receive new Humana ID cards sometime in December for the 2014 plan year. You will notice a change in the KTRS logo and the addition of the Humana Vitality logo. Beginning January 1, 2014, Humana Vitality will be available to all MEHP enrollees. Humana Vitality is a comprehensive, incentives-based wellness and loyalty solution that integrates rewards with health. The program provides you with the tools and

support necessary to help you make healthy lifestyle choices and reduce long-term healthcare costs. Detailed information will be provided to MEHP enrollees after January 1, 2014.

We do NOT expect to mail new Express Scripts Medicare Part D Prescription ID cards for 2014. Please continue to use your current Express Scripts ID card. If you do not have an Express Scripts Medicare Part D Prescription ID card, contact them at 1-877-866-5834.

~MEHP~

### Tier 3 Non-Preferred Brand Medication Benefit Change for 2014

Beginning January 1, 2014, the coinsurance/copays on Tier 3 Non-Preferred Brand Drugs will be changing to a 50% coinsurance at retail and at mail order. This is a change from 2013 when the coinsurance/copays were 35% at your local pharmacy (after the \$150 retail deductible) or \$35 at Express Scripts Mail Order. For every drug that is classified as a Tier 3 Non-Preferred Brand, there is a therapeutic alternative in either the Tier 1 Generic or Tier 2 Preferred Brand category. When making a change to a THERAPEUTIC alternative, it does require contacting your doctor to have the alternative drug prescribed.

There are some retirees that are using Tier 3 Non-Preferred Brand Drugs that ALREADY have an EXACT generic equivalent and not just a therapeutic alternative. In these cases either the retiree or the doctor is specifically requesting the

BRAND name drug instead of the generic equivalent be dispensed. While you can still get these BRAND name drugs in 2014, your out of pocket costs may be significantly higher with a 50% coinsurance. There are two ways to avoid the higher 50% coinsurance and allow the generic equivalent drug to be dispensed:

1. If the BRAND drug is being dispensed at the request of the doctor, it will be necessary to contact the doctor's office and request a new prescription allowing the generic to be dispensed. If you request, the KYRx Coalition Pharmacists at 855-218-5979 can contact your doctor for you.
2. If the BRAND drug is being dispensed at the request of the retiree, you just need to let your pharmacist know that you are okay to take the generic drug.

This chart shows SPECIFIC EXAMPLES of BRAND DRUGS being dispensed where the equivalent generic is ALREADY AVAILABLE and the difference in cost on January 1, 2014:

Drug (Prices for 90 day qty)	Retail Copay*	Mail Copay	Generic Equivalent	Retail Copay*	Mail Copay
AMBIEN CR 12.5 MG TABLET	\$370	\$380	Zolpiem CR 12.5mg	\$66	\$10
ATACAND 32 MG TABLET	\$172	\$168	Candesartan 32mg	\$59	\$10
AVAPRO 150 MG TABLET	\$132	\$136	Irbesartan 150mg	\$20	\$10
CLARINEX 5 MG TABLET	\$235	\$224	Desloratadine 5mg	\$17	\$10
FLOMAX 0.4 MG CAPSULE	\$225	\$219	Tamsulosin 0.4mg	\$3	\$10
LEXAPRO 10 MG TABLET	\$224	\$219	Escitalopram 10mg	\$4	\$10
LIPITOR 10 MG TABLET	\$202	\$197	Atorvastatin 10mg	\$3	\$10
LIPITOR 20 MG or 40 MG TABLET	\$288	\$281	Atorvastatin 20mg or 40 mg	\$3	\$10
PLAVIX 75 MG TABLET	\$278	\$271	Clopidogrel 75mg	\$2	\$10
PRED-FORTE 1% 15ML	\$67	\$69	Prednisolone Ac 1% 15ml	\$26	\$10
PREVACID 30 MG CAPSULE	\$353	\$362	Lansoprazole 30mg	\$28	\$10
PROTONIX 40 MG TABLET	\$282	\$289	Pantoprazole 40mg	\$15	\$10
SINGULAIR 10 MG	\$240	\$234	Montelukast 10mg	\$4	\$10
TOPROL XL 50 MG TABLET	\$52	\$50	Metoprolol Succ. ER 50mg	\$17	\$10
TRICOR 145 MG TABLET	\$257	\$246	Fenofibrate 145mg	\$51	\$10
XALATAN 0.005% 3 x 2.5ML	\$153	\$157	Latanoprost 0.005% 3 x 2.5ml	\$17	\$10

**Tier 3 Non-Preferred Brand Medication Benefit Change for 2014 for MEHP continued from page 2 ...**

Some 2014 Tier 3 Non-Preferred Brand Drugs that are expected to become available in generic versions are TRILIPIX , BROMDAY EYEDROPS, ACIPHEX (~November 2013), DETROL LA (early 2014), MICARDIS (Jan 2014). For patients on these medications your pharmacy should begin dispensing these generically, once available, unless you or your physician request otherwise.

There are also a few drugs that have been available in generic version for a long time, but which still are frequently requested as their BRAND versions either by the doctor or the retiree. Most notable are SYNTHROID and COUMADIN. While these branded versions will change to a 50% coinsurance in 2014, both the brand and generic versions are relatively low cost. The table indicates the change in out of pocket costs should you elect to continue taking the brand name version of Synthroid or Coumadin. If you were previously paying \$35 at Express Scripts Mail Order for a 90 day supply, your out of pocket costs may even decrease.

Drug (Prices for 90 day qty)	Retail Copay* 2013	Retail Copay* 2014	Mail Copay 2013	Mail Copay 2014
Synthroid 50mcg Tablet	\$23	\$32	\$35	\$32
Synthroid 100mcg Tablet	\$24	\$34	\$35	\$33
Coumadin 5mg Tablet	\$45	\$64	\$35	\$62

\* After \$150 annual retail pharmacy deductible

Please contact the KYRx Coalition Pharmacists at 855-218-5979 with questions about your 2014 prescription coverage through Express Scripts. The KYRx Coalition pharmacists can assist you with getting lower cost alternative prescriptions to lower your out of pocket expenses.

## Questions?



Call the KTRS Information Center

**1-800-618-1687**

Monday - Friday  
8am - 5pm EST

## Be Sure to Keep Your Address CURRENT with KTRS!



ALL KTRS retirees and other annuitants are reminded that when they change their address, they should notify KTRS **in writing** in order to continue to receive their KTRS mail on a timely basis. All retirees receive a 1099R in January, a check stub in July indicating COLA increases, and newsletters and special mailings which may include retiree medical insurance information or notices.

~MEHP~

## Diabetes Testing Supplies & Inhaled Solutions Benefit Change

Beginning January 1, 2014, the coinsurance/copays on Tier 3 Non-Preferred Drugs will be changing to a 50% coinsurance. This is a change from 2013 when the coinsurance/copays were 35% at your local pharmacy (after the \$150 retail deductible) or \$35 at Express Scripts Mail Order. If you are using a Non-Preferred Diabetes Test Strip you can avoid the higher 50% coinsurance WITHOUT changing to a different product.

Diabetes Testing supplies (meters, test strips, lancets) are all Medicare Part B drugs and are covered under your Humana Medicare Advantage ID Card at a 4% coinsurance at your local pharmacy after meeting your \$150 medical deductible. Regardless of the type of meter or test strip you are using your out of pocket expense is under \$3 for 50 test strips. It is clear that using the Humana Medicare Advantage ID Card and paying 4% is lower cost than using your Express Scripts Part D Prescription ID Card and paying 50%. The Humana Medicare Advantage plan does limit dispensing to a 30 day supply at a time, so you may need to refill more frequently but your out of pocket costs will be much lower.

You will need to present your Humana Medicare Advantage ID Card to your pharmacist and make sure they are billing your Diabetes Testing supplies to this card and not to your Express Scripts ID Card each time you fill them. The Humana Medicare Advantage ID Card does NOT include the billing numbers that your pharmacist needs to process your claims. You will need to provide the following numbers to the pharmacist along with your Humana Medicare Advantage ID Card:

**BIN: 610649**  
**PCN: 03200004**

The following is a list of the most commonly used NON-Preferred Diabetes Test Strips: BREEZE-2, CONTOUR, FREESTYLE, PRECISION, TRUE-TRACK

This same option exists for other Medicare Part B covered drugs which includes INHALED

SOLUTIONS for NEBULIZATION. The primary NON-preferred Nebulization Solution affected by the 50% coinsurance change is BROVANA.

Please contact the KYRx Coalition Pharmacists at 855-218-5979 with questions or assistance in getting your Diabetes Testing Supplies and Solutions for Nebulization filled at your local pharmacy using your Humana Medicare Advantage ID Card to lower your out of pocket expenses.

~MEHP~

## Vaccines & Immunizations

This is just a reminder that when receiving the flu and pneumonia vaccine at your retail pharmacy the claims should be submitted to your medical plan, Humana. This is because Medicare considers these vaccines to be Medicare Part B claims. So, when getting the flu or pneumonia vaccines at the retail pharmacy, remember to give the pharmacist your Humana ID card, not your Express Scripts ID card. Important numbers the pharmacy will need to use from your Humana ID card are the BIN=610649 and PCN=03200004. There should be no cost to you if no other services are rendered. If you receive these immunizations at the doctor's office, the doctor will file the claim with Humana for you.



~KEHP & MEHP~

## Reminder: Upon the Death of a Retired Teacher

Eligible spouses have 30 days from the retiree's date of death to elect or decline health plan coverage through KTRS. If coverage is declined or waived, it is a permanent election, and no qualifying event will allow the surviving spouse to re-enroll.



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~KEHP & MEHP~  
**Re-Employed Retirees:  
Health Insurance for Retirees  
Returning to Work**

KTRS recently reviewed its laws and procedures regarding health insurance for retirees who return to work and become eligible for insurance through their active employers. The return-to-work scenarios reviewed were as follows: (1) Waiver Return-to-Work, (2) Non-waiver Return-to-Work (standard and critical shortage programs), and (3) Disability Return-to-Work. As a result of the review, effective July 1, 2013, KTRS-provided health insurance coverage will be terminated for any age retiree at the end of the month in which reemployment occurs. The member cost of the KTRS provided health insurance for the month when reemployment begins will be deducted from the retiree's annuity. If the annuity is not large enough to cover the insurance deduction, the retiree will be billed.

The KEHP recently revised their Administration Manual to reflect the following: "The return-to-work retiree covered through the KEHP, will be treated similar to an employee transferring to a new agency, except with a coverage effective date of the first day of the month following re-employment." This means you should not have a lapse in your insurance coverage. Active Insurance Coordinators may call the KEHP's Department of Employee Insurance with any questions regarding this procedure.

The return-to-work retiree covered by KTRS' Medicare Eligible Health Plan will only have original Medicare until the active coverage begins unless they enroll in a Medicare supplement or a Medicare drug plan on their own.

~KEHP & MEHP~  
**"Points to Remember"  
When Returning  
to Work**

If you are retired and employed by an agency that participates in the Kentucky Employees' Health Plan (KEHP) and you are eligible for health insurance, you must terminate coverage through KTRS.

If you are retired and employed by an agency that does not participate in the KEHP, but you are eligible for health insurance through that employment, you must terminate KTRS coverage unless that coverage is not as good as KTRS coverage. You may be asked to certify this information.

Additionally, once you terminate that employment or lose eligibility for active employee insurance, it is your responsibility to contact KTRS within the Qualifying Event period (usually 30 days) to re-enroll through KTRS and provide the required documentation.

~KEHP & MEHP~  
**How you pay for the  
Medicare Part B Premium?**

**Retirees Age 65 & Over:** Individuals in this category pay the Medicare Part B premium to the Social Security Administration.

**Retirees Under Age 65:** Individuals in this category pay the equivalent of Medicare Part B premium plus the plan cost for retiree health care to KTRS. This was established under the "Shared Responsibility Solution" which was a solution for long-term funding of retiree health care for teachers.

**Shared Responsibility Payment:** The standard Medicare Part B Premium equivalent was estimated at \$110 per month during KEHP Open Enrollment. The actual 2014 standard Medicare Part B premium is \$104.90 per month.

~ MEHP & KEHP ~  
**Enrollees Who Are Eligible  
 for Medicare**

Prior to January 1, 2013, KTRS allowed under age 65 retirees and/or dependents who were eligible for Medicare to choose to be covered on the under 65 Kentucky Employees' Health Plan (KEHP) or move to the KTRS Medicare Eligible Health Plan (MEHP). The cost to KTRS to cover a Medicare-eligible member on the KEHP with only secondary coverage is more than double the cost of the MEHP.

If you or any of your covered dependents are under age 65, enrolled in the KEHP, and become eligible for Medicare on or after January 1, 2013, please contact the KTRS office regarding enrollment in the Medicare Eligible Health Plan (MEHP).

These reasonable and necessary steps will help ensure the continuation of affordable medical insurance for all KTRS participants.

~ KEHP ~  
**What is the LivingWell Promise?**

If you chose one of the LivingWell plans for 2014, you agreed to:

1. Complete your online HumanaVitality® Health Assessment between January 1 and May 1, 2014 and;
2. Keep your contact information (i.e. mailing address, phone number, and email) current with KTRS.

**What is the Health Assessment?**

The HumanaVitality® Health Assessment includes a series of questions about you and your health habits. It takes approximately 15 minutes to complete. After completion, the assessment will provide your Vitality Age and goals that provide specific steps you can take to improve your health.

You may call customer service (after January 1) at 877-597-7474 and request a paper copy of the Health Assessment. You will receive a copy within 7-10 business days. If needed, you may contact customer service for assistance in completing your Health Assessment.

~ KEHP ~  
**Compass ChoiceRewards**

Compass provides KTRS members with a cost transparency tool in order for you to make more informed choices about your healthcare. Major variation in the cost of procedures exists everywhere, but until now, no one knew. See the chart below for some cost examples.

Procedure	Facility A	Facility B
Colonoscopy	\$850	\$1,900
Upper GI Endoscopy	\$1,125	\$2,475
MRI - Pelvis	\$475	\$2,675
Digital Mammogram	\$100	\$475

All active employees and retirees enrolled in the health benefit plan and enrolled dependents may use Compass as of Sept 1, 2013. There is no need to sign up, you are already enrolled. Please note, Medicare eligible employees are not able to participate in the program.

Just call 855.869.2133 and an adviser will see if your procedure and facility qualifies for an incentive anywhere from \$15 - \$500 dollars. You may need to reschedule your appointment to qualify for a reward, but the choice is yours.



~ KEHP ~  
**KEHP Auto Assignments**

As per the KTRS Open Enrollment packet mailed to you in late September, KTRS auto-assigned coverage in the Standard CDHP (at the same level of coverage in 2013) for those retirees who did not web enroll or complete a 2014 Open Enrollment application by the October 31, 2013 deadline. Any retirees waiving insurance coverage in 2013 will continue to be waived in 2014 if coverage was not elected during Open Enrollment.

~ KEHP ~  
**Automatic Insurance Deductions**

If you have an insurance deduction, the January check stubs should reflect your 2014 plan year premiums.

# COMPASS ChoiceRewards

855.869.2133

M-F 8:30-5:00PM EST

Shop. Choose. Get Rewarded.

### Services & Incentives\*

Bone Density Study	\$25 / \$15
Mammogram	\$25 / \$15
Cardiac Echocardiogram	\$75 / \$50 / \$25
Adenoidectomy	\$150 / \$75 / \$50
Bunion Repair	\$150 / \$75 / \$50
Colonoscopy	\$150 / \$75 / \$50
CT Scans	\$150 / \$75 / \$50
Ear Tubes	\$150 / \$75 / \$50
Eye/Cataract Surgery	\$150 / \$75 / \$50
Kidney Stones	\$150 / \$75 / \$50
MRIs	\$150 / \$75 / \$50
Nasal / Septum Repair	\$150 / \$75 / \$50
Sleep Study	\$150 / \$75 / \$50
Tonsillectomy	\$150 / \$75 / \$50
Upper GI Endoscopy	\$150 / \$75 / \$50
Wrist Surgery	\$150 / \$75 / \$50
Gall Bladder Removal	\$250 / \$125 / \$75
Gall Bladder Repair	\$250 / \$125 / \$75
Hernia Repair	\$250 / \$125 / \$75
Knee Surgery	\$250 / \$125 / \$75
Shoulder Surgery	\$250 / \$125 / \$75
Cardiac Catheterization	\$500 / \$250
Hip Replacement	\$500 / \$250
Knee Replacement	\$500 / \$250
Low Back Surgery	\$500 / \$250

\*Services may change over time. Incentive amounts are based on a tiered format. Members qualify for the highest incentive amount listed when they shop for and select the most cost-effective facility listed by Compass. Less cost-effective options may yield lower incentives, or no incentives. If you have any questions on qualifying facilities, please contact a Health Cost Adviser at 855.869.2133.

## Earn CASH REWARDS and help LOWER health care COSTS.

Introducing Compass ChoiceRewards, a free service to help you learn more about the cost of medical procedures and tests at locations in your area. When you use more cost-effective options, you can help lower your out-of-pocket costs. You will be rewarded for your cost-effective choices through cash incentives.

### Here's how it works:

- As soon as your doctor recommends a medical procedure or test, contact Compass to find cost-effective facilities in your area.
- Be sure to call Compass at 855.869.2133, or access the website at [www.compasschoicerewards.com](http://www.compasschoicerewards.com), **at least 24 hours prior** to your appointment in order to qualify for your incentive. Have your insurance card available for verification or to login.
- Call your doctor to schedule the service at the location of your choice.
- If you use a cost-effective location identified by Compass, an incentive check will be mailed to your home after your claim has been paid.

**NOTE:** You must shop with Compass each time you have a procedure in order to qualify for an incentive.

No hassles. No forms. No restrictions on which in-network doctors to see. The ChoiceRewards program is **EASY** and completely **CONFIDENTIAL**.

**CALL** or go **ONLINE TODAY TO LEARN HOW YOU CAN EARN AN INCENTIVE REWARD FOR THE CARE YOU NEED.**

Online at: [www.compasschoicerewards.com](http://www.compasschoicerewards.com)



# Humana

Administered by Humana Insurance Company or Humana Health Plan, Inc.



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**KTRS Holiday  
Closing Schedule for 2013**

**CHRISTMAS**

Tuesday & Wednesday  
December 24-25, 2013

**NEWYEAR'S**

Tuesday, December 31, 2013  
Wednesday, January 1, 2014

**2014 EFT  
Direct Deposit Dates**

January 29	July 29
February 26	August 28
March 28	September 26
April 28	October 29
May 29	November 26
June 27	December 29

*January 29, 2015*