



## Retiree Benefits Summary

You are **eligible** to participate in the ACPS retiree health insurance benefit plans if you meet the following criteria:

- Have enrolled in the health insurance the plan year immediately prior to your retirement; and
- Are eligible for the Virginia Retirement System retirement benefits, and/or the Supplemental Retirement Plan with the Principal Group, either normal or early retirement, and elect to commence your pension benefits at the time you terminate employment with ACPS.

If you are eligible for retiree health benefits, you may enroll to continue your health insurance coverage at the time you complete your retirement application. If you enroll in a retiree health plan, you may also cover your dependents, including your spouse and eligible children to age 26. You must provide documents supporting the eligibility of your dependents before they may be enrolled in coverage.

For Spouse – provide copies of 2 forms of documentation listed below:

- A copy of your marriage certificate; **and**
- A copy of the front page of your most recent tax return confirming this dependent as a spouse, **or** documentation dated within the last sixty (60) days establishing current relationship status such as joint household bill, joint bank/credit account, joint mortgage/lease, or insurance policies **or** documentation dated within the last sixty (60) days establishing current common residency. The document must list you and your spouse's name, the date and mailing address.

For Children – provide the documentation listed below:

- A copy of the child's birth certificate, naming you or your spouse as the child's parent, or appropriate court order/adoption decree naming you or your spouse as the child's legal guardian or permanent custodian.
- If this is your step-child, the documentation listed above for a spouse is required as proof of the stepchild's relationship to the retiree

### **Retiree Medical Plans**

ACPS offers optional medical coverage through two providers: Kaiser and United Healthcare (UHC). You have the option to enroll in a health maintenance organization (HMO) with Kaiser Permanente or a point of service plan (POS) with United Healthcare. When you enroll in a medical plan, either with Kaiser or United Healthcare, your prescription drug coverage is included. Summary of Benefits and Coverage (SBC) documents for each of the plans are available on ACPS web site at [www.acps.k12.va.us/benefits](http://www.acps.k12.va.us/benefits). Plan documents are also available; contact [HRBenefits@acps.k12.va.us](mailto:HRBenefits@acps.k12.va.us).

ACPS retiree medical coverage is provided through Kaiser and United Healthcare. **If you are not eligible for Medicare when you retire**, you may continue to participate in the same medical plan with Kaiser HMO plan or United Healthcare POS as when you were an active employee with ACPS. You may choose from:

- **United Healthcare Point-of-Service (POS) Plan** is a healthcare option that allows you at time of service to choose medical services offered by a provider within the network or by a provider outside of the network. However, when you use in-network providers, you receive the highest level of benefits.
- **Kaiser Health Maintenance Organization (HMO)** uses a network of physicians, clinic and hospital staff that provide prevention and treatment to members and their families. However, to be covered, all care must be provided by an HMO network provider; in other words, the plan does not provide out-of-network coverage, unless it is an emergency.

**If you are eligible for Medicare, you must enroll in Medicare Part B in order to continue your retiree health insurance coverage with ACPS.** Options available to Medicare eligible retirees include Kaiser Medicare Plus Plan and United Healthcare Medicare Advantage Plan. Participation in these plans requires enrollment in both Medicare Parts A and B.

### **VRS Retiree Health Insurance Credit**

You may be eligible for a retiree health insurance credit which provides you with a reimbursement to assist with the cost of health insurance premiums, and is added to your monthly pension payment with the Virginia Retirement System (VRS). To be eligible for the health insurance credit, you must have been a professional or administrative support employee and retired with 15 or more years of creditable service; or retired on a disability. The credit is a monthly amount of \$4 for each year of service with VRS. The credit may not exceed the amount of your individual health insurance premium (medical, dental, vision) and will end upon your death.

### **ACPS Retiree Medical Subsidy**

If you were hired prior to July 1, 2008 and retire under the provisions of VRS and/or the Supplemental Retirement Plan with Principal Financial Group, you may receive a maximum of \$265 per month subsidy from ACPS towards the cost of continuing group medical care coverage with ACPS. There is no ACPS subsidy for dental or vision coverage for retirees.

#### **Monthly Premium – Health Insurance Credit = Net Premium for Retiree Only**

- o If Net Premium for Retiree Only is \$265 or greater, ACPS' subsidy maximum is \$265.
- o If Net Premium for Retiree Only is less than \$265, ACPS provides a subsidy maximum equal to the Net Premium.

The following ACPS retiree medical subsidy guidelines apply to employees hired on or after July 1, 2008:

- ACPS subsidy is available only to employees who have been a member of the ACPS Supplemental Retirement plan for five (5) years. The pro-rated amount would be 5% per year for a total of 25% of the retiree medical subsidy.
- The remaining amount would be granted at a rate of 5% for each full year of VRS creditable service incurred prior to employment with ACPS, plus 5% of every year of VRS creditable

service earned during ACPS employment. The maximum subsidy of \$265 per month would be earned after 15 years of creditable VRS service.

- The subsidy would be available only to employees retiring from ACPS and participating in an ACPS group medical plan. Dental and Vision benefits would be excluded.
- If an employee is approved for VRS disability retirement, the employee would receive the full amount of the ACPS retiree medical subsidy.

You may be able to continue medical coverage with the United Healthcare POS plan or Kaiser HMO plan when you retire from ACPS and you are not yet eligible for Medicare at retirement.

<b>Healthcare Plan for Retirees Not Eligible for Medicare</b>	<b>United Healthcare POS Plan</b>		<b>Kaiser HMO Plan</b>
	<b>In-Network</b>	<b>Out of Network</b>	<b>In-Network Only</b>
Annual Deductible	\$300 Individual \$600 Family	\$600 Individual \$1200 Family	None
Coinsurance	10%	30%	0%
Medical Out of Pocket Maximum	\$3000/\$6000 single/family	\$6000/\$12000 single/family	\$3500/\$9400 single/family
Doctor's Office Copay per Visit	\$20/\$35 Primary/Specialist	30% after annual deductible	\$20/\$30 Primary/Specialist
Hospital Outpatient Copay	10% after annual deductible	30% after annual deductible	\$75
Hospital Inpatient Copay per Admission	10% after annual deductible	30% after annual deductible	\$300
Emergency Room Copay per Visit	\$200	\$200	\$200
Urgent Care Copay per Visit	\$30	30% after annual deductible	\$30
<b>Prescription Drug Plan Provisions</b>	<b>CareFirst CVS/Caremark Prescription Drugs</b>		<b>Kaiser Pharmacy</b>
- Retail Rx Copay	\$10/\$30/\$50 up to 34 day supply		\$15/\$25/\$40 up to 60 day supply
- Mail Order Rx Copay up to 90 day supply	\$20/\$60/\$100		\$15/\$25/\$40
- Rx Out of Pocket Maximum	\$1000/\$3000 single/family		Combined with Medical

**Prescription Drug Plans**

When you enroll in a medical plan, either with Kaiser or United Healthcare, your prescription drug coverage is included. This coverage allows you to fill your prescriptions at participating retail pharmacies, as well as through a mail order program. The amount of your co-pay depends on the type of prescription that you purchase. Your doctor and pharmacist can help you select the prescription that is right for you.

- If you elect to participate in a United Healthcare medical plan, your prescription drugs are administered by CareFirst CVS/Caremark. You will receive a separate ID card for your prescription drugs.
- If you are a Kaiser participant, your prescription drugs are provided by Kaiser participating network pharmacies.

A **generic drug** is one that meets the same standards as brand-name drugs for safety, purity, strength, and effectiveness. You pay a lower co-pay when you elect generic drugs.

A **preferred brand-name drug** is a brand-name drug that is listed on the Preferred Drug List (PDL). These drugs meet the needs of most patients.

A **non-preferred brand-name drug** is a brand-name drug that is not on the preferred list of the carrier. These drugs usually have an alternative on the preferred list.

Prescription Drugs for Retirees Participating in Non-Medicare Plan	CareFirst CVS/Caremark for UHC POS Plan Participant		Kaiser HMO Plan Participant	
	Retail (34-day supply)	Mail Order (90-day supply)	Retail (Up to 60-day supply)	Mail Order (90-day supply)
Generic or Tier 1	\$10 co-pay	\$20 co-pay	\$15 or \$20 co-pay	\$15 co-pay
Preferred brand-name or Tier 2	\$30 co-pay	\$60 co-pay	\$25 or \$45 co-pay	\$25 co-pay
Non-preferred brand-name or Tier 3	\$50 co-pay	\$100 co-pay	\$40 or \$60 co-pay	\$40 co-pay

You are typically **eligible for Medicare when you turn age 65**. In order for you to continue your health insurance coverage with ACPS, you must enroll in both Part A and Part B. The following plans are available to Medicare eligible retirees.

Healthcare Plan for Retirees Eligible for Medicare	United Healthcare Medicare Advantage	Kaiser Medicare Plus
	<b>In-Network and Out of Network</b>	<b>In-Network</b>
Annual Deductible	None	None
Coinsurance (plan pays)	100%	100%
Out-of-Pocket Maximum	Individual \$2,000	Individual \$3,400
Doctor's visits	\$10 Primary Care & \$20 Specialist	\$15 co-pay
Preventive Care	No charge	No charge
Urgent Care	\$35 copay	\$15 copay
Inpatient Hospital	\$200 copay	\$100 copay
X-rays & Lab (preventive)	No charge	No charge
Emergency Room	\$50 copay; waived if admitted	\$50 copay; waived if admitted
Ambulance Service	\$50 co-pay	No charge
Dental Services	Not covered	\$30 copay for office visit, 1 exam every 6 months
Vision Services - Office visit	Routine exam \$20 copay	\$15 co-pay 75% of the cost glasses 85% of cost of contacts

## Dental Plan

CareFirst BlueDental Plus is the dental provider for Alexandria City Public Schools. With this plan, you may receive treatment from any licensed dentist. However, you are likely to save money by going to a CareFirst participating dentist in the BlueDental Plus network. For each covered service, the CareFirst BlueDental Plus participating dentists agree to accept their actual fee or CareFirst scheduled fee, whichever is less. If the CareFirst scheduled fees are lower than the dentists' fees, the participating dentist agrees not to charge you the difference. For more information, visit [www.carefirst.com/lacps](http://www.carefirst.com/lacps).

Dental Services	BlueDental Plus In-Network	Out-of-Network
Annual deductible	\$50 Individual \$150 Family	\$50 Individual \$150 Family
Calendar Year Maximum Benefit	\$2000	\$2,000
Orthodontia Lifetime Maximum	\$1,000	\$1,000
Preventive care	100%	80%
Basic restorative care*	80%	60%
Major reconstructive care*	80%	60%
Orthodontic ( <i>children &amp; adult coverage</i> )	50%	50%

\*Annual deductible only applies to basic and major care.

## Vision Plan

ACPS offers a separate comprehensive vision plan through EyeMed. This plan allows you to improve your health through a routine eye exam, while saving you money on your eye care purchases. The plan is available through thousands of provider locations participating on the EyeMed INSIGHT network, [www.eyemedvisioncare.com](http://www.eyemedvisioncare.com). As you seek vision care services you should consider using EyeMed providers so you can receive the in-network coverage – maximizing the full coverage provided by this benefit.

Vision Services	In-Network	Out-of-Network Reimbursement
<b>Office Visits</b> - Copay/Frequency	\$0 co-pay, once every 12 months	Up to \$30
<b>Contact Lens Fit &amp; Follow-Up</b> - Standard - Premium	Up to \$55 10% off U&C	N/A N/A
<b>Frames – Once every 12 months</b> - Annual allowance	\$170; 20% off balance over \$170	Up to \$75
<b>Standard Lenses</b> - Single vision - Bifocal/Trifocal - Progressive Lenses	\$15 co-pay \$15 co-pay \$80 for Standard/\$100- \$125 Premium	Up to \$25 Up to \$40 Up to \$40
<b>Lens Options</b>	Copay varies depending on options	N/A
<b>Contact Lenses</b> - Annual allowance - Medically necessary	\$170 \$0 co-pay, paid in full	Up to \$120 Up to \$200
<b>Laser Vision Correction</b>	15% off retail price or 5% off promotional price	N/A

## **Payment of Monthly Retiree Health Insurance Premium**

- If you elect the United Healthcare Medicare Advantage Plan, you will receive a monthly invoice directly from United Healthcare, and will remit your premiums directly to them. You may pay via electronic fund transfer – contact member services at the number on the back of your ID card for more information.
- If your spouse elects Kaiser Medicare Plus you will have the option of having the premium deducted from your VRS retirement pay or you will be billed directly by Kaiser Permanente. You may pay Kaiser by electronic funds transfer, credit card, debit card, or checking or savings account.
- If you elect any of the other coverages listed above, your total monthly premium will be deducted from your VRS Retirement pension payments, if applicable.
- If you are a Surviving Dependent of a Retiree, your monthly premium is due the first of each month, checks payable to “ACPS”, mailed to: Connie Felix-Snyder, Financial Services, 1340 Braddock Place, Suite 610, Alexandria, VA 22314. Please note, failure to pay the monthly premium on time or within the 30-day grace period, will result in cancellation of your coverages and you will not be able to re-enroll at a later date.

## **Retiree Life Insurance**

When you retire with retirement benefits from Virginia Retirement System, you receive Basic Group Life Insurance at no cost to you. The basic life insurance coverage is equal to your compensation at retirement, rounded to the next highest thousand and then doubled. The accidental death and dismemberment ceases upon retirement.

Your coverage begins to reduce on January 1, following one calendar year of retirement. The reduction rate is 25 percent each January 1 until it reaches 25 percent of its value at retirement. For more information, contact VRS at 888-827-3847 or [www.varetire.org](http://www.varetire.org).

## **Retirement Plans**

**Virginia Retirement System** is a defined benefit retirement plan, available to former full time ACPS employees. At the time of retirement, if eligible, you choose how to receive your retirement monies, i.e. basic benefit, basic benefit with partial lump sum payment, advance pension option, survivor option or survivor option with part-lump sum payment.

The VRS monthly retirement payment is paid on the first of the month for the previous month. More information on VRS is available online [www.varetire.org](http://www.varetire.org). For questions regarding your pension payments, contact VRS at 1-888-827-3847.

**ACPS Supplemental Retirement Plan** is a defined benefit retirement plan, administered by the **Principal Financial Group**; [www.principal.com](http://www.principal.com). At retirement, you choose how to receive your retirement monies, i.e. life annuity, life with modified cash refund annuity, certain and life annuity or survivorship annuity. For questions regarding your pension payments, contact the Principal Financial Group at 1-800-247-7011.

## Your Benefits and the Law

- **Patient Protection and Affordable Care Act (PPACA)** – ACPS continues to monitor PPACA and implement the provisions of the Affordable Care Act as required by the law. One of the key provisions of the Affordable Care Act is the requirement for all individuals to maintain health coverage. If you are covered by an ACPS medical plan and remain covered throughout the year, you are in compliance with the individual mandate. For more information about the individual mandate and plans that you may be able to purchase through the Healthcare Exchange, visit [www.healthcare.gov](http://www.healthcare.gov).
- **Summary of Benefits and Coverage (SBC)** – PPACA requires group health plans to provide employees with a concise, plain language document detailing information about the plan's benefits and coverage. The format of the SBC is standardized for ease of comparison. SBCs for Kaiser HMO and United Healthcare POS are posted on the ACPS website [www.acps.k12.va.us/retirees](http://www.acps.k12.va.us/retirees).
- **Women's Health & Cancer Rights Act** - If you have had a mastectomy, you may be entitled to certain benefits under the women's Health & Cancer Rights Act. ACPS medical plans provide mastectomy related benefits and coverage according to the law. For details of these benefits, please contact your health plan provider.
- **Medicare Prescription Drug (Medicare D) Plan** for retirees or dependents age 65 or older – All medical plans offered by ACPS include prescription drug coverage that is as comprehensive as or better than the Medicare Prescription Drug plan.

## Important Notice about Your Prescription Drug Coverage and Medicare

**Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Alexandria City Public Schools and about your options under Medicare's prescription drug coverage.** This information may help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. Alexandria City Public Schools has determined that the prescription drug coverage offered by the Public Schools' medical plans with both Kaiser Permanente and United Healthcare qualify as Creditable Coverage. Creditable Coverage means that the prescription drug coverage you receive is on average at least as good as the standard Medicare prescription drug coverage. In other words, it will pay out as much or more than the standard Medicare coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium if you later decide to join a Medicare drug plan.

### When can you join a Medicare drug plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15 to December 7.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a 2 month Special Enrollment Period (SEP) to join a Medicare drug plan.

### What happens to your current coverage if you decide to join a Medicare Drug Plan?

If you decide to join a Medicare prescription drug plan, your current Alexandria City Public Schools health care coverage with either Kaiser Permanente or United Healthcare will be affected.

If you join a Medicare drug plan, and want to keep your health insurance as a retiree with Alexandria City Public Schools, either with Kaiser Permanente or United Healthcare plan, you will continue to pay the premium for both the medical and prescription drug plan even though your prescription drug benefits will be provided by Medicare drug plan and will not be covered by either Kaiser Permanente or United Healthcare plan.

If you remain covered as an active employee and enroll in a Medicare drug plan, the Alexandria City Public Schools' Kaiser Permanente or United Healthcare plan will continue to be the primary payer and Medicare will be secondary payer.

If you decide to join a Medicare drug plan and drop your current Alexandria City Public Schools coverage, be aware that you and your dependents will **not** be able to get this coverage back.



## **When will you pay a higher premium (penalty) to join a Medicare drug plan?**

If you drop or lose your coverage with the Alexandria City Public Schools medical plans, either Kaiser Permanente or United Healthcare plan, and you do not join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go 19 months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join a Medicare drug plan.

**For more information about this notice or your current prescription drug coverage,** contact Benefits Staff at (703) 619-8010, Human Resources Department, Alexandria City Public Schools, 1340 Braddock Place, Alexandria, VA 22314. **Note:** You will get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through Alexandria City Public Schools changes. You may request a copy of this notice at any time.

**More information about your options under Medicare Prescription Drug Coverage is available in the “Medicare & You” handbook.** You’ll receive a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare prescription drug plans. For more information about Medicare prescription drug coverage:

- Visit [www.medicare.gov](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program (see your copy of the Medicare & You handbook for their telephone number) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

For people with limited income and resources, extra help paying for a Medicare prescription drug plan is available. For information about this extra help, visit Social Security on the web at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call them at 1-800-722-1213 (TTY 1-800-325-0778).