October 2022

Dear Retiree and/or Eligible Dependents:

Effective January 1, 2023, Highmark Blue Shield will be your new medical and prescription plan carrier. Highmark Blue Shield will issue one ID card to plan members in late December to use for both medical and prescription services. The plan design will NOT be changing on either plan; however, the plans will have new names beginning January 1, 2023.

- PPO Plan → Lion Traditional
- PPO Savings Plan → Lion Advantage

For 2023, all retirees, covered spouses, and dependents who are NOT Medicare eligible, have the option of enrolling in either the Lion Traditional Plan (formerly the PPO Plan) or the Lion Advantage (formerly the PPO Savings Plan). NO ACTION IS NEEDED IF YOU WANT TO REMAIN IN YOUR CURRENT NON-MEDICARE PLAN DESIGN.

If you want to change health care plans, for you, your eligible spouse, and/or dependents, please complete the enclosed 2023 Non-Medicare Retiree Plan Change Form and return it to Penn State Employee Benefits via mail or fax by **Monday, November 21, 2022**.

As a reminder, retiree dependent coverage can be added only if the eligible dependent experiences an IRS qualifying life event change. Changes must be requested within 31 days of the event by contacting Penn State HR Services at 814-865-1473 and requesting a Retiree Request for Change Form.

Members of your family who are already enrolled in the Highmark Freedom Blue plan will remain so for 2023.

Overview of the two Non-Medicare plan options:

**2023 Lion Traditional** (formerly PPO Plan)

- **Copayments:**
  - Primary Care Office Visit copay: $20
  - Specialist Office Visit & Urgent Care copay: $30
  - Emergency Room copay: $100

- **2023 Annual Deductible:**
  - Individual: $375
  - Family (Individual + 1 or more): $750
  - Medical services subject to deductible:
    - lab work, x-rays, surgery, inpatient admissions, durable medical equipment
After Deductible is met:

- **Coinsurance:**
  - 10% paid by employee
  - 90% paid by Penn State

- **Coinsurance Out-of-Pocket Maximum:**
  - $1,250 Individual (Potential financial exposure $1,625 = deductible + coinsurance)
  - $2,500 Family (Potential financial exposure $3,250 = deductible + coinsurance)

  If coinsurance out-of-pocket maximum is met, deductible defined expenses (lab work, x-rays, surgery, inpatient admissions, durable medical equipment) are paid at 100% for the rest of the calendar year.

**Preventive Prescription Drug List: Lower Coinsurance**
- Generic: 10%
- Preferred Brand: 20%
- Non-Preferred Brand: 40%

**Retail 31-day Prescription Coinsurance**
- Generic: 50%
- Preferred Brand: 50%
- Non-Preferred Brand: 70%

**Mail Order Coinsurance (University Health Services and/or Express Scripts)**
- Generic: 20%
- Formulary Brand: 20%
- Non-Formulary Brand: 70%

**Specialty Prescription Coinsurance:**
- Formulary: 50% coinsurance; $50 maximum
- Non-Formulary: 70% coinsurance; $100 maximum

**Prescription Out-of-Pocket Maximum:** $2,000 per person, $8,000 family maximum

Prescription out-of-pocket maximum is separate from medical deductible, coinsurance, and copayments.

The Lion traditional (formerly PPO Plan) 2023 contribution rates will be as follows:

<table>
<thead>
<tr>
<th>Coverage Tier</th>
<th>Monthly Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>$200.56</td>
</tr>
<tr>
<td>Two-Person</td>
<td>$401.11</td>
</tr>
<tr>
<td>Parent/Child/Children</td>
<td>$300.84</td>
</tr>
<tr>
<td>Family</td>
<td>$501.39</td>
</tr>
</tbody>
</table>
2023 Lion Advantage (formerly PPO Savings Plan)

- **2023 Annual Deductible:**
  - Individual: $1,600
  - Family (Individual + 1 or more): $3,200
  - ALL services subject to deductible:
    - office and specialist visits, emergency room services, lab work, x-rays, surgery, inpatient admissions, durable medical equipment, and prescriptions

After Deductible is met:

- **Medical Coinsurance:**
  - 10% paid by employee
  - 90% paid by Penn State

**Preventive Prescription Drug List: NO DEDUCTIBLE, Coinsurance Only**
- Generic: 10%
- Preferred Brand: 20%
- Non-Preferred Brand: 40%

**Prescription Retail & Mail Order Coinsurance (mail order - University Health Services and/or Express Scripts):**
- Generic: 10%
- Formulary Brand: 20%
- Non-Formulary Brand: 40%

**Specialty Prescription Coinsurance:**
- Formulary: 20% coinsurance; $65 minimum
- Non-Formulary: 40% coinsurance; $100 minimum

**Medical & Prescription Coinsurance Out-of-Pocket Maximum:**
- $1,975 Individual Coverage (Potential financial exposure = $3,575 deductible + coinsurance)
- $3,950 Family Coverage (Potential financial exposure = $7,150 deductible + coinsurance)

If medical and prescription coinsurance out-of-pocket maximum is met, medical and prescription drug claims are paid at 100% for the rest of the calendar year.

**Health Savings Account with HealthEquity**

- **2023 ANNUAL HSA Maximum contributions:**
  - $3,850 for Individual
  - $7,750 for Family
  - All contributions are made via the HealthEquity website or by mail to HealthEquity for existing Health Savings Accounts
  - Log on to the HealthEquity member portal at [www.myhealthequity.com](http://www.myhealthequity.com)
  - Catch-up contribution of $1,000 for age 55 and older
• If you are moving to the Lion Advantage Plan, former PPO Savings, for the first time, you will **NOT** be automatically set up with a Health Savings Account with HealthEquity. You can establish a Health Savings Account by logging onto [www.healthequity.com](http://www.healthequity.com) or you can establish an account with any bank that offers Health Savings Accounts.

• Please consult your tax advisor to determine how your HSA contributions should be reported for tax purposes.

Upon becoming Medicare-eligible, you will move to the Medicare plan offered by the University at that time; you will no longer be able to contribute to the HSA but will be able to use the balance in the HSA for future medical and prescription drug expenses.

*All questions regarding using your HSA should be directed to HealthEquity at 866-346-5800.*

The Lion Advantage (formerly PPO Savings Plan) 2023 contribution rates will be as follows:

<table>
<thead>
<tr>
<th>Coverage Tier</th>
<th>Monthly Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>$144.59</td>
</tr>
<tr>
<td>Two-Person</td>
<td>$289.19</td>
</tr>
<tr>
<td>Parent/Child/Children</td>
<td>$216.90</td>
</tr>
<tr>
<td>Family</td>
<td>$361.50</td>
</tr>
</tbody>
</table>

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**ON BOTH HIGHMARK PLANS – Lion Traditional and Lion Advantage**

After you satisfy the deductible there are three levels of coinsurance for Laboratory Services regardless of which plan you are enrolled in, the Lion Traditional (formerly PPO Plan) or the Lion Advantage (formerly PPO Savings Plan):

1. **Laboratory services performed at Quest Diagnostics, LabCorp, in an emergency room, or through in-network inpatient hospital services**
   
   ✤ **Coinsurance:**
   
   • 10% paid by retiree
   • 90% paid by Penn State

2. **Laboratory services at any other in-network laboratory**
   
   ✤ **Coinsurance:**
   
   • 30% paid by retiree
   • 70% paid by Penn State

3. **Laboratory services at out-of-network laboratory**
   
   ✤ **Coinsurance:**
   
   • 50% paid by retiree
   • 50% paid by Penn State

Penn State Employee Benefits, The 331 Building, Suite 136, University Park, PA 16802
HR Services: (814) 865-1473, Fax: (814) 863-6227
Helpful Contacts:

Retiree Billing
Lifetime Benefit Solutions (LBS) will continue to bill you on a quarterly basis in 2023. Information about your coverage, premium due dates and copies of letters can be securely accessed through the LBS Member Portal.

If you have any questions regarding registration or your premium, please contact Lifetime Benefit Solutions Customer Service Department at 1-855-798-0683, Monday through Thursday from 8:00 AM to 5:00 PM and Friday from 9:00 AM to 5:00 PM EST.

Benefits and Claims
All questions regarding 2023 benefits and claims should be directed to Highmark at 1-844-945-5509.

All questions regarding 2022 medical claims should be directed to Aetna at 1-855-878-4197 and 2022 prescription claims should be directed to CVS Caremark at 1-844-462-0203.

Information regarding rates and plan designs can be found on the website at hr.psu.edu/retirees.

Sincerely,
Penn State Employee Benefits