



PennState

Human Resources

October 2019

Dear Retiree and/or Eligible Dependents:

For 2020, **Aetna** will continue to be your medical plan carrier and **CVS Caremark** will continue to be your prescription plan carrier. You will use your current Aetna & CVS ID cards.

For 2020, all retirees, covered spouses, and dependents who are NOT Medicare eligible, have the option of enrolling in either the PPO Plan or the PPO Savings Plan. **NO ACTION IS NEEDED IF YOU WANT TO REMAIN IN YOUR CURRENT NON-MEDICARE PLAN.**

If you, your eligible spouse, and dependents want to **change health care plans**, please complete the enclosed 2020 Non-Medicare Retiree Plan Change Form and return it to Penn State Employee Benefits via mail or fax by **November 22, 2019**.

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 2020.

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

Find locations at: QuestDiagnostics.com/MyQuest or at 1-888-277-8772
 LabCorp.com or at 1-888-LAB-Corp

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 is committed to affirmative action, equal opportunity, and the diversity of its workforce.

Penn State Employee Benefits, The 331 Building, Suite 136, University Park, PA 16802
Phone: (814) 865-1473, Fax: (814) 865-7145

Overview of the two non-Medicare plan options:**2020 Aetna PPO Plan****❖ Copayments:**

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

❖ 2020 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, medical claims are paid at 100% for the rest of the calendar year

❖ NEW for 2020 – Preventive Prescription Drug List: Lower Coinsurance

Preventive Drug List : hr.psu.edu/sites/hr/files/PreventiveDrugList.pdf

- **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 CVS Caremark)

- 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 PPO Plan 2020 contribution rates will be as follows:

PPO Plan 2020 Premium Contributions	
Coverage Tier	Monthly Contribution
Individual	\$185.08
Two-Person	\$370.16
Parent/Child/Children	\$277.62
Family	\$462.70

2020 Aetna PPO Savings Plan

❖ 2020 Annual Deductible:

- Individual: \$1,600
- Family (Individual + 1 or more): \$3,200
- ALL services subject to deductible: office 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

❖ NEW for 2020 – Preventive Prescription Drug List: NO DEDUCTIBLE, Coinsurance Only Preventive Drug List : hr.psu.edu/sites/hr/files/PreventiveDrugList.pdf

- **Generic: 10%**
- **Preferred Brand: 20%**
- **Non-Preferred Brand: 40%**

Prescription Retail & Mail Order Coinsurance:

- 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

- ❖ **2020 ANNUAL HSA Maximum contributions:**
 - \$3,550 for Individual
 - \$7,100 for Family
- ❖ All contributions are made via the HealthEquity website or by mail to HealthEquity
- ❖ Log on to the HealthEquity website at www.myhealthequity.com.
- ❖ Catch-up contribution of \$1,000 for age 55 and older
- ❖ ***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***
- ❖ Please consult your tax advisor to determine how your HSA contributions should be reported for tax purposes

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

The PPO Savings Plan 2020 contribution rates will be as follows:

PPO Savings Plan 2020 Premium Contributions	
Coverage Tier	Monthly Contribution
Individual	\$133.59
Two-Person	\$267.18
Parent/Child/Children	\$200.39
Family	\$333.99

Lifetime Benefit Solutions (LBS) will continue to bill you on a quarterly basis in 2020. 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 1-800-828-0078, Monday through Thursday from 8:00 AM to 5:00 PM and Friday from 9:00 AM to 5:00 PM EST.**

Information regarding rates and plan designs can be found on the website at hr.psu.edu/retirees. All questions regarding benefits and claims should be directed to the Aetna Concierge at 1-855-878-4197.

Sincerely,

Jill Musser
Manager, Benefits