



# Open Enrollment News

**Open Enrollment begins  
September 13, 2010,  
and ends October 8, 2010**

## Open Enrollment Checklist

- Learn about changes for 2011
- Review your current health plan and benefits
- Assess your medical and pharmacy needs
- Confirm your eligibility ZIP Code
- Consider your health plan choices for 2011
- Select a health plan that best meets your needs
- Update your address and phone number with CalPERS and your employer

## Welcome to Open Enrollment News

This newsletter provides you with information about Health Open Enrollment, including highlights for 2011 and resources to help you choose the plan that's right for you.

If you have Internet access, be sure to visit the Open Enrollment Center on the home page of CalPERS On-Line at [www.calpers.ca.gov](http://www.calpers.ca.gov). The Open Enrollment Center includes "Quick Links" to Health Program publications, health plan rates and information, and other online resources.

## 2011 Health Program Highlights

Health premiums next year will increase by an average of 9.1 percent. This increase mainly reflects higher costs charged by hospitals, medical providers, and suppliers of prescription drugs – not from members using more services or the new federal health care law.

The 2011 rates provide several benefit modifications designed to promote more appropriate use of medical products and services, such as encouraging the use of over-the-counter (OTC) alternatives to prescription drugs and establishing a 50 percent co-insurance for discretionary drugs used to treat sexual dysfunction. *Tip: If you are on a non-formulary drug, ask your doctor about changing to a generic or formulary medication, or OTC option. For a list of formulary medications, please contact your health plan.*

Following are general health plan and benefit highlights for 2011. For additional changes specific to your plan, refer to the *Evidence of Coverage* (EOC) booklet available on the plan's website or CalPERS On-Line at [www.calpers.ca.gov](http://www.calpers.ca.gov).

## CalPERS + Health Care Reform

Important! Look inside this packet for an insert about the extension of dependent coverage for children up to age 26.

### Blue Shield Access+/NetValue (Basic)

- Adding a \$250 co-pay for use of an outpatient hospital instead of an ambulatory surgery center for gastrointestinal endoscopy, spinal injections, and cataract surgery

### Blue Shield NetValue (Basic & Medicare)

- Offering coverage to Santa Cruz and Santa Clara counties, and expanding access in San Mateo County

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## 2011 Health Program Highlights

Continued from front page

### Blue Shield Access+/NetValue

(Basic & Medicare)

- Excluding non-formulary brand prescription co-pays from the out-of-pocket maximum
- Increasing non-formulary brand waiver co-pay

### Blue Shield 65 Plus (Medicare)

- Expanding coverage in San Bernardino and Riverside counties

### Kaiser Permanente (Medicare)

- Increasing co-pays for more than a 30-day supply of prescription drugs

### PERS Select (Basic)

- Increasing co-insurance for hospitals not in the PERS Select Hospital Network

### PERS Select/Choice/Care (Basic)

- Encouraging use of high-quality, cost-effective hospitals for hip and knee replacements
- Adding a \$250 per-admission co-pay for bariatric surgeries not performed at Centers of Medical Excellence

### PERS Select/Choice/Care

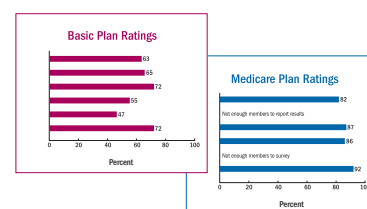
(Basic & Medicare)

- Excluding non-preferred brand prescription co-pays from the out-of-pocket maximum
- Increasing non-preferred brand waiver co-pay

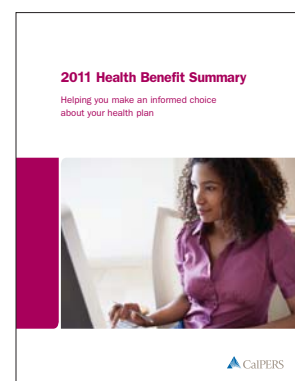
## Choosing the Right Health Plan

Selecting a health plan for yourself and your family is one of the most important decisions you make. We understand that comparing health plan benefits, features, and costs can be complicated. That's why we offer several resources on CalPERS On-Line at [www.calpers.ca.gov](http://www.calpers.ca.gov) to help you decide which health plan is right for you.

- **2010 Member Rating Information:** Tells you how other CalPERS members rate the health plans and gives you tips to guide you in making other important decisions, such as choosing a doctor.



- **2011 Health Benefit Summary:** Provides valuable information to help you make an informed choice about your health plan; compares benefits, covered services, and co-payment information for all CalPERS health plans. If you do not have Internet access, you may request a printed copy by completing and returning the enclosed postage-paid postcard.



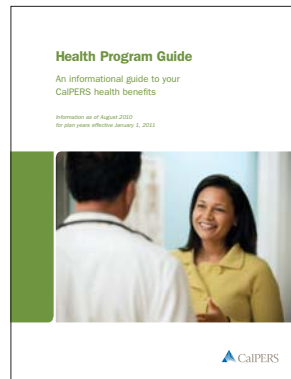
- **Health Plan Chooser:** Lets you weigh the benefits and costs for each plan, search for specific doctors, and view overall plan satisfaction ratings.
- **Health Plan Search by ZIP Code:** Identifies which plans are available in your area. Just enter the ZIP Code for your residential or work address, select your Member Category, and then "Search" to view your results.

## Enrolling in a Plan

The *Health Program Guide* describes Basic and Medicare health plan eligibility, enrollment, and choices. You can obtain this publication online. If you do not have Internet access, you may request a printed copy via the enclosed postcard.

If you are an active employee or a working CalPERS retiree, you may enroll in a health plan using either your residential or work ZIP Code. The exception to this rule is if you are enrolling in a Medicare Advantage plan, you must use your residential address and ZIP Code. (You cannot use a P.O. Box to establish eligibility.) Whether you use your residential or work ZIP Code to establish eligibility, all enrolled dependents must receive all covered services (except emergency and urgent care) within the health plan's service area, even if they do not live or work in that service area.

If you are a retired CalPERS member, you may select any plan in your residential ZIP Code area.



You cannot use the address of the employer from which you retired to establish ZIP Code eligibility.

*Tip: Contact the plan before enrolling to make sure it covers your ZIP Code and that the provider network is accepting new patients in your area.*

## Changing Your Plan

Here's how you can change your health plan during Open Enrollment.

**Active Employees** – Contact your Health Benefits Officer or Personnel Office for required forms and documentation.

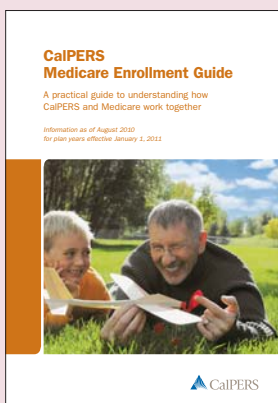
**Retirees** – If you have Internet access, you can change your health plan online during Open Enrollment through my|CalPERS at <http://my.calpers.ca.gov>. If you prefer, you may write to us at P.O. Box 942714, Sacramento, CA 95229-2714, or call us toll-free at **888 CalPERS** (or **888-225-7377**) to make a change to your health plan.

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## my|CalPERS: Easy, Fast & Secure

View your current plan and family members enrolled in your plan, search for health plans, access CalPERS Health Program forms, order Health Program publications, and more through my|CalPERS at <http://my.calpers.ca.gov>.

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## Medicare Enrollment Guide

The *CalPERS Medicare Enrollment Guide* provides information about how Medicare works with your CalPERS health benefits, including when you need to enroll in a CalPERS Medicare health plan. You can find this publication on CalPERS On-Line at [www.calpers.ca.gov](http://www.calpers.ca.gov), or request a printed copy using the enclosed postcard.

## Medicare Part D

If you enroll in a Medicare Part D plan outside of CalPERS, you will lose your CalPERS health coverage. For most members, your CalPERS health plan provides prescription coverage that is as good as – or better than – Medicare Part D.

## Health Care Reform: Near-term Impacts

The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act of 2010, expands health coverage for various groups and provides mechanisms to lower costs and increase benefits for Americans with health insurance. Some measures of the law go into effect earlier than others, as outlined below.

### Extension of Coverage for Children Until Age 26

Under federal law, provisions relating to extension of coverage for children are effective for plan years on or after September 23, 2010. For CalPERS, the new plan year is January 1, 2011. Children of CalPERS health benefit subscribers, whether previously on their parent's plan or not, are eligible for health coverage up to age 26. They are eligible even if they are married, do not live with their parent, or are not students. For additional details, please refer to the insert included with this newsletter.

### Lifetime and Annual Limits

Beginning, January 1, 2011, plans will be prohibited from imposing lifetime limits on the value of benefits for participants or beneficiaries. CalPERS will remove lifetime limits beginning in 2011.

Historically, CalPERS plans have had annual limits on certain services. As federal regulations establish standards relating to annual limits, CalPERS may need to modify benefits accordingly.

### Early Retiree Reinsurance Program

The Early Retiree Reinsurance Program temporarily reimburses participating employment-based plans for a portion of the cost of health care for early retirees age 55 and older who are not eligible for Medicare, and their spouses, surviving spouses, and dependents. The purpose of the reimbursement is to make health benefits more affordable by lowering premiums or reducing costs for plan participants.

The Early Retiree Reinsurance program has specific requirements on how the sponsor, CalPERS, must use the proceeds under this program. As the plan sponsor, CalPERS submitted an application to HHS on behalf of the State and contracting public agencies under the Public Employees' Medical and Hospital Care Act. CalPERS will collect the reimbursement monies and use funds received through the program to reduce health care premiums beginning in 2011.

### Social Security Numbers

Existing federal regulations require CalPERS and our health plans to report the Social Security numbers for our members and their dependents. The federal government uses the Social Security number for various purposes, such as verifying eligibility for subsidies and reimbursements. By providing your employer or CalPERS Social Security numbers for your dependents, you can help CalPERS maximize the federal funding available to help offset program costs.

### Questions

For up-to-date information about CalPERS and Health Care Reform, please refer to the Health Care Reform page on CalPERS On-Line at [www.calpers.ca.gov](http://www.calpers.ca.gov).