

PUBLIC EMPLOYEE COMMITTEE MEETING

September 22, 2011

2:00 P.M.

AGENDA

1. Opening Remarks

2. Impact of State Health Insurance Legislation
 - Annual Report

3. Mandatory Medicare Enrollment
 - Implementation Plan Update

4. Transition of Master Medical Members to other City Health Coverage

5. Posting of Information on Internet/Intranet

6. Atrius Initiative
 - Management of Chronic Conditions

7. Status of Insurance Advisory Committee

8. Speaker at Next PEC Meeting on October 20, 2011

9. Other Discussion Items

638 (d) Once the panel has taken the actions required above, the panel shall be
639 considered dissolved.
640

641 52.07 Implementation of agreements reached pursuant to M.G.L. c. 32B, §§ 21- 23
642

643
644 (1) Subject to St. 2011, c. 69, § 4, a political subdivision shall implement changes to benefits
645 for all subscribers as soon as practicable upon completing the process provided in M.G.L.
646 c. 32B, § 21 and these regulations, but the public authority shall give subscribers at least
647 60 days notice before implementing any changes in health insurance benefits under these
648 regulations. Implementation of changes under M.G.L. c. 32B, §22 shall occur not later
649 than 90 days after a written agreement has been signed under 801 CMR 52.04 or 52.06
650 or, if the appropriate public authority and the public employee committee mutually
651 determine that a mid-year change time would produce an undue burden, at the end of the
652 current health insurance policy year. Implementation of transfer of subscribers to the
653 commission shall be in accordance with the Commission's procedures. If a political
654 subdivision provides notice to the commission by October 1, 2011 that it is transferring
655 its subscribers to the commission and complies with the notice requirements provided by
656 the Commission, the Commission shall allow the political subdivision to transfer its
657 subscribers to the commission on or before January 1, 2012.
658

659 (2) Any political subdivision which does not seek to make changes under M.G.L. c. 32B,
660 §§ 21-23, including any political subdivision which votes against adopting G.L. c. 32B,
661 §§ 21-23, shall file with the Executive Office for Administration and Finance a report by
662 June 30, 2012 comparing existing plan design to the maximum possible savings available
663 if health benefit changes were made pursuant to M.G.L. c. 32B, §21-23. To maintain
664 comprehensive records of political subdivisions that make use of this process, savings in
665 health insurance costs that resulted, and potential savings not achieved, and to measure
666 the extent to which political subdivisions took advantage of this process, each political
667 subdivision shall file an annual report by June 30 of each year with the Secretary
668 showing:

- 669 (i) the health insurance plans that it offers and the number of subscribers in each;
670 (ii) whether it made use of M.G.L. c. 32B, § 19 or §§ 21-23;
671 (iii) if it did not make use of these processes, the maximum possible savings available if
672 health benefit changes were made pursuant to M.G.L. c. 32B, §21-23.
673

674 (3) A political subdivision whose subscribers are currently covered by the commission shall
675 not implement changes under this procedure until it has followed the procedure for
676 withdrawal from coverage by the commission under the process set forth in the
677 commission's regulations.
678

679 (4) If a political subdivision initiated the process for implementing changes in its group
680 health insurance benefits under M.G.L. c. 32B, §§21 -23 before the effective date of these
681 regulations and has proceeded in a manner inconsistent with any provision of these
682 regulations, the Secretary may waive or modify those inconsistent provisions for that
683 political subdivision provided that the political subdivision comply with all requirements

CITY OF BOSTON

Health Benefits and Insurance



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IMPORTANT HEALTH INSURANCE UPDATE

September 2011

Dear City of Boston Retiree:

This letter is to inform you about a significant change in the Massachusetts State Law that governs your health insurance benefits.

This amended law requires all City of Boston retirees, their spouses and dependents who are eligible for Medicare benefits through the Social Security Administration (SSA), to enroll in one of the six Medicare supplement plans offered by the City, in order to continue receiving health insurance coverage through the City of Boston. **This law applies to all retirees regardless of the date of retirement.**

If you, your spouse, or dependent are eligible for, but not currently enrolled in, Parts A&B with Medicare, you must apply for Parts A&B during the General Enrollment Period held by SSA from January 1, 2012 through March 31, 2012 for Medicare coverage effective July 1, 2012. More information regarding this procedure will be provided to you in a future mailing.

If you, your spouse, or dependent currently have Parts A&B coverage with Medicare and are enrolled in a City of Boston non-Medicare health plan, you should contact the Health Benefits Office in City Hall at 617-635-4570 to discuss your options.

There is an exemption to the mandatory Medicare rule. If you or your spouse have a dependent who is not Medicare eligible and, therefore, must continue to be covered under your existing family plan, you or your spouse are not required to enroll in Medicare.

The Medicare And Your City of Boston Health Insurance Benefits insert accompanying this letter contains more information about the Medicare program.

Over the next few months, the City will be communicating with you regarding the steps you will need to take to comply with this new regulation. You will be provided with detailed enrollment and health plan benefit information. You will be informed of health fairs that will be held at various locations at which representatives of all the City's Medicare health insurance plans will be present to answer your questions and sign you up for your new coverage.

Thomas M. Menino
Mayor

At this time, the City is just informing you of this new law. Please be assured that you and your dependents remain enrolled in your current health insurance plan. You will be receiving more detailed information from the City soon and please note that you and your dependents will not lose your health insurance coverage while this process is taking place.

To make sure that we include you in future mailings and have your correct information, please complete the attached Retiree Questionnaire and return it to the City's Health Benefits Office in the postage paid envelope.

Any questions should be directed to the Health Benefits Office, Room 807, Boston City Hall, 617-635-4570.

MEDICARE AND YOUR CITY of BOSTON
HEALTH INSURANCE BENEFITS

- Medicare is a federal health insurance program for retirees age 65 or older and certain disabled people. The Medicare program is managed by the Social Security Administration.
 - Medicare Part A helps cover inpatient hospital care, skilled nursing facility care, hospice, and home health care. If you are Medicare eligible, there is no cost to you for Part A.
 - Medicare Part B helps cover outpatient care, doctors' services, x-rays, and diagnostic tests. Part B has a monthly cost known as the Part B premium. If you or your spouse do not enroll in Medicare Part B when you are first eligible, the federal government will assess a penalty which will result in a higher monthly Part B premium for the late enrollee. The City of Boston will be responsible for paying 100% of any penalty assessed to retirees and their spouse and/or dependents required to enroll late as a result of the new State Law.
- If you are Medicare eligible, and retired, Massachusetts state law requires that you must enroll in Medicare Part A and Part B with Social Security and enroll in a City of Boston sponsored Medicare Plan in order to continue your health insurance coverage with the City. If you or your spouse are Medicare eligible and do not enroll in Medicare and a City Medicare Plan, **you will not be eligible for insurance coverage through the City of Boston effective July 1, 2012.**

There is an exception to the mandatory Medicare enrollment requirement. A retiree who has a non-Medicare dependent who must be covered by a family plan will not be required to enroll in Medicare. If you believe you have a dependent exemption, you should contact the Health Benefits Office at 617-635-4570.

- You must visit your local Social Security Office to determine if you or your spouse is Medicare eligible. To be eligible, you or your spouse must be retired and age 65 or older or you may be eligible if you or your spouse is disabled.
 - If you, your spouse, or dependent currently have Parts A&B coverage with Medicare and are enrolled in a City of Boston non-Medicare health plan, you should contact the Health Benefits Office in City Hall at 617-635-4570 to discuss your options.
 - If you, your spouse, or dependent are eligible for, but not currently enrolled in, Parts A&B with Medicare, you must apply for Parts A&B during the General Enrollment Period held by SSA from January 1, 2012 through March 31, 2012 for Medicare coverage effective July 1, 2012. More information regarding this procedure will be provided to you in a future mailing.
 - If the Social Security Administration determines that you and/or your spouse and/or your dependent are not eligible for Medicare coverage, then the non-Medicare eligible individuals will remain in their current non-Medicare health plan with the City of Boston while the age 65 or older Medicare eligible person must enroll in a City sponsored Medicare plan.
- Once enrolled in Medicare, you must continue to pay your Part B premium. Failure to pay this premium will result in the loss of your City of Boston health insurance coverage.



City of Boston
RETIREE MEDICARE QUESTIONNAIRE

Your Name _____ Date of Birth _____

Address _____

Are you currently enrolled in Medicare Parts A&B?

Yes _____ No _____

Spouse's Name _____ Date of Birth _____

Address (if different from above) _____

Are you currently enrolled in Medicare Parts A&B?

Yes _____ No _____

Dependent's Name _____ Date of Birth _____ Disabled? (Y/N) _____

Dependent's Name _____ Date of Birth _____ Disabled? (Y/N) _____

Please print legibly and return this questionnaire to the Health Benefits Office in the enclosed postage paid envelope.