



Sliding Scale Adjustments for Medicare Retirees

As a reminder and pursuant to the Sliding Scale law, if you retired on or after October 1, 2005, PEEHIP is required every year to adjust your base premium set by the PEEHIP Board of Control by an amount that is based upon the newly calculated state subsidy. These adjustments are driven by annual fluctuations in the cost of healthcare.

PEEHIP's move, effective January 1, 2023, to UnitedHealthcare® to administer its Group Medicare Advantage (PPO) Plan for eligible PEEHIP members drove substantial cost savings for the PEEHIP plan. This resulted in premium adjustments per state law for PEEHIP Medicare-eligible retirees who are subject to the Sliding Scale.

The savings from PEEHIP's new contract for the Medicare Advantage Prescription Drug Program (MAPDP) with UnitedHealthcare® for the calendar years 2023, 2024, and 2025 reduced the state subsidy, thereby also reducing any premium penalties or discounts calculated by the Sliding Scale for Medicare-eligible retirees. This means that effective January 1, 2023, Medicare-eligible retirees paying a penalty calculated by the Sliding Scale will have a reduced penalty, and retirees earning a discount calculated by the Sliding Scale will have a reduced discount.

The PEEHIP Board voted to pass along a portion of the new contract savings to its MAPDP members who have Medicare-eligible dependents. This reduction is effective only for the term of the contract, which is January 1, 2023, through December 31, 2025. Should the costs of this contract be impacted by circumstances beyond PEEHIP and its

contract provider's control, additional changes may be made to the premium rates.

Please see below for a breakdown of the different categories of Sliding Scale adjustments for Medicare-eligible retirees.

- ◆ **If your premium decreased:** Your premium includes a penalty as calculated by the Sliding Scale law. Your penalty decreased because the state subsidy decreased. Reducing your penalty resulted in a reduction of your premium.

- ◆ **If your premium increased:** Your premium includes a discount as calculated by the Sliding Scale law. Your discount decreased because the state subsidy decreased. Reducing your discount resulted in a net increase to your premium.

- ◆ **If you have Medicare-eligible dependent(s):** The dependent component of your premium decreased, based upon PEEHIP's new contract and Board action discussed in this article.



Please remember that anytime a member, whether Medicare-eligible or not, makes a coverage change or changes who is covered on their PEEHIP account, those changes may also result in a new premium.

For more information about the Sliding Scale and how retiree premiums are calculated under this law, please see our website at rsa-al.gov/peehip. More information can also be found in the PEEHIP Member Handbook. For any further questions, contact PEEHIP at 877.517.0020. ●

Drug and Therapy Interchange

Did you know?

- ◆ Drugs intended for human use are evaluated by the FDA's Center for Drug Evaluation and Research (CDER) to ensure that drugs marketed in the United States are safe and effective.
- ◆ For a drug to receive FDA approval for an indication, it must pass the FDA's rigorous evaluation of its benefits and risks for that use.
- ◆ Manufacturers are required to show the drug is both safe and effective for its intended uses backed up by clinical data.

- ◆ The concept of therapeutic interchangeability is related to different drugs with similar or improved clinical outcomes used for the same FDA-approved indications.
- ◆ When therapeutic interchange occurs, physicians or another healthcare provider might determine that a patient will experience similar or improved clinical outcomes with the replacement medication.
- ◆ Therapeutic interchange may benefit patients by finding an agent with better efficacy, less side effects, or less cost, leading to better adherence. ●

Medicare-Eligible PEEHIP Members

The information below pertains to Medicare-eligible PEEHIP retirees or Medicare-eligible dependents of PEEHIP retirees. For more information, visit rsa-al.gov/peehip/retirees/.

Do You Have Medicare Part B?

There are three times you can sign up for Medicare: Initial, Special, and General Enrollment Periods. Medicare is for people age 65 or older, under age 65 with certain disabilities, and any age with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a kidney transplant).

General Medicare Enrollment Period – Happening Now!

If you did not sign up for Part B during your **Initial Enrollment Period** when you were first eligible to enroll, or you do not qualify for **Special Enrollment**, you can sign up between January 1 and March 31 during the **General Enrollment Period**. Your Part

B coverage will begin July 1, 2023. These three enrollment periods are discussed in more detail below.

Don't delay! If you are Medicare-eligible and covered on a PEEHIP retired account type, you must have Medicare Part A and Part B to be eligible for coverage under PEEHIP's UnitedHealthcare® Group Medicare Advantage (PPO) Plan. This means if you are not enrolled in both Medicare Part A and Part B, you will not be eligible for PEEHIP's Medicare Advantage Plan. Neither you nor your dependents (if you are the subscriber of a PEEHIP family contract) will have Hospital Medical or prescription drug coverage with PEEHIP.

It is imperative that you contact your local Social Security Administration office now and get enrolled before this Medicare open enrollment period ends. If you did not enroll in both parts of Medicare, this will result in a loss of eligibility for PEEHIP's Hospital Medical and prescription drug coverages. You have this opportunity to enroll in Medicare and become eligible for enrollment in PEEHIP coverage again during the next PEEHIP Open

Enrollment period (July 1 – August 31) for an October 1, 2023, effective date of PEEHIP coverage.

Initial Medicare Enrollment Period

You can sign up for Medicare during your Initial Enrollment Period when you first become eligible for Part A and Part B when you turn 65. This is a 7-month period that begins 3 months before the month you turn 65, includes the month you turn 65, and ends 3 months after the month you turn 65. Sign up early during the first 3 months of this enrollment period so that your Medicare is effective the first day of the month in which you turn 65. If your birthday falls on the first day of the month, your Medicare must be effective the first day of the prior month in which you turn 65. **Do NOT assume you will automatically be enrolled in Medicare.** If you are not drawing Social Security benefits, you will not automatically be enrolled, and you must take action to sign up for Medicare.

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If you enroll in Medicare the month you turn 65 or during the last 3 months of your Initial Enrollment Period, your Medicare effective date will be delayed as it will become effective one month after you sign up. You will have a gap in your Medicare coverage. Because you must have both Parts A and B to be eligible for PEEHIP's Medicare Advantage Plan, you will not meet the eligibility requirements for this coverage if your Medicare effective date is delayed. As a result, you must wait until the next PEEHIP Open Enrollment period to enroll or reenroll in PEEHIP coverage. Sign up early so you will be eligible for PEEHIP Hospital Medical and prescription drug coverage.

Special Medicare Enrollment Period

Once your Initial Enrollment Period ends, you may have the chance to sign up for Medicare during a Special Enrollment Period. If you are covered under a group health plan based on current employment, you have a Special Enrollment Period to sign up for Part A and Part B any time as long as you or your spouse (or family member if you are disabled) are working, and you are covered by a group health plan through the employer.

You also have an 8-month Special Enrollment Period to sign up for Part A and Part B that starts the month after the employment ends or the group health plan insurance based on current employment ends, whichever happens first. If

you enroll using a Special Enrollment Period, your Medicare coverage will begin the month after Social Security gets your completed request. **If you are retiring, and you (and your spouse, if applicable) are Medicare eligible, make sure your Medicare Part A and Part B are effective the date of your retirement by signing up at least two to three months prior to retiring.** ●



Sign up early to avoid a delay in coverage. To get Part A and/or Part B the month you turn 65, you must sign up during the 3 months before the month you turn 65.

If you wait until the last 4 months of your Initial Enrollment Period to sign up for Part A and/or Part B, your coverage will be delayed.

Renew Active®

Renew Active® is a fitness program for the body and mind available with your UnitedHealthcare® Group Medicare Advantage Plan at no additional cost.

Stay fit

Workout where you want, whether at a gym, fitness location, or your home:

- ◆ A free gym membership
- ◆ Access to our nationwide network of gyms and fitness locations, which is the largest of all Medicare fitness programs, including many premium gyms
- ◆ An annual personalized fitness plan
- ◆ Allows you to bring a family member or friend to the gym with you to assist in your workout at no additional cost
- ◆ Access to thousands of on-demand workout videos and live-streaming fitness classes

Stay focused

An online brain health program from AARP® Staying Sharp® with exclusive content for Renew Active® members:

- ◆ Brain health assessment
- ◆ Interactive brain health challenges
- ◆ Guide to music and brain health, videos, fun games, and more

Stay connected

Connect with other health-minded members:

- ◆ Social activities at local health and wellness classes and events
- ◆ Step challenges with other members through the Fitbit® Community for Renew Active® (No Fitbit device is needed.)
- ◆ Joining the community also provides access to Fitbit Premium™ ●

Get started today

Every Renew Active® member has a unique confirmation code. Please write it down and use it to access your gym membership, create an account on AARP® Staying Sharp®, join the Fitbit® Community for Renew Active®, and gain access to Fitbit Premium™.

How to find your unique Renew Active confirmation code:

1. Sign in to your plan website at retiree.uhc.com/peehip.
2. Click Health & Wellness in the upper right-hand corner
3. Look for Renew Active®
4. Your Renew Active® confirmation code will start with a letter, followed by 9 digits.

5. If you are unable to log in to your plan website or if you have any questions, call customer service at 877.298.2341, TTY 711, 8 a.m. – 8 p.m. local time, Monday – Friday.

Participation in the Renew Active® program is voluntary. Consult your doctor prior to beginning an exercise program or making changes to your lifestyle or healthcare routine. Renew Active® includes standard fitness membership and other offerings. Fitness membership, equipment, classes, personalized fitness plans, caregiver access, and events may vary by location. Certain services, discounts, classes, events, and online fitness offerings are provided by affiliates of UnitedHealthcare® Insurance Company or other third parties not affiliated with UnitedHealthcare®. Participation in these third-party services is subject to your acceptance of their respective terms and policies. AARP® Staying Sharp® is the registered trademark of AARP®. ●

Authorized Representative

You may choose an authorized representative to help you with your UnitedHealthcare® Group Medicare Advantage (PPO) Plan.

An authorized representative is a person you choose to help you with your health plan.

You can name a spouse, caregiver, or someone else you trust as your authorized representative. A caregiver may be a family member, friend, or neighbor who assists with daily living activities and medical tasks.

Your authorized representative can speak with UnitedHealthcare® about your account, including your personal health information, plan benefits, claims, and other questions you have.

To add an authorized representative:

- ◆ Sign in or register at retiree.uhc.com/peehip and complete the Authorization to Share Personal Information form online.
- ◆ Call customer service at 877.298.2341, TTY 711, 8 a.m. – 8 p.m. local time, Monday – Friday. ●

