



## New Medicare Payment Rules Challenge PEEHIP Funding

**O**n January 31, 2024, the Centers for Medicare and Medicaid Services (CMS), commonly referred to as Medicare, released the 2025 Medicare Advantage Advance Notice, changing how Medicare Advantage (MA) plans, such as PEEHIP's UnitedHealthcare® Group Medicare Advantage (PPO) Plan, will receive funding from the federal government.

UnitedHealthcare® has advised PEEHIP there will be a significant reduction of federal funding to all MA plans, including PEEHIP's plan, beginning in 2025. This reduction in funding originated at the federal level is due to changes made by CMS and Congress' Inflation Reduction Act. Please note that this reduction is not due to any action by the Alabama State Legislature and that all MA plans nationally are affected, not just PEEHIP's plan.

Unlike traditional fee-for-service Medicare plans, in which Medicare directly pays 80% of hospital and medical claims to healthcare providers, a Medicare Advantage plan pays 100% of claims to providers but receives funding from Medicare to help do this. CMS funds an MA plan based upon a variety of factors, including the overall health of the plan's population. A key mechanism through which CMS funds an MA plan is called a risk score. The higher the risk score, the more funding a plan receives. This funding from CMS is combined with PEEHIP's cost to fund the plan so that together, the plan has sufficient combined funding to

pay the claims of the membership. This type of payment arrangement creates incentives for all involved to improve the quality of health of the members served and has shown better health outcomes at a reduced cost.<sup>1</sup> However, the Inflation Reduction Act now requires more extensive use of a new risk score model that calculates lower risk scores

for PEEHIP, resulting in lower federal funding than the previous model.

Additionally, the Inflation Reduction Act redistributes the way that prescription Part D drugs are paid for Medicare members. This redistribution results in a much higher percentage of total Part D drug cost that plans like PEEHIP are responsible for paying.

This increased plan liability for Part D drugs, combined with the lower federal funding

from the new risk score model, creates a uniquely difficult financial challenge for PEEHIP's MA plan. PEEHIP and UnitedHealthcare® are working together in good faith to determine how these changes will ultimately affect PEEHIP's cost, which may then affect PEEHIP's Medicare member premiums. PEEHIP will strive to prevent any negative member impact as a result of this, but in doing so, there may be upcoming plan design changes. PEEHIP may also issue a new competitive bid for an MA contract to ensure minimal impact to plan and member cost. ●



<sup>1</sup><https://bettermedicarealliance.org/medicare-advantage/about-medicare-advantage/>

## Need Help with Your Pharmacy Benefits?

Contact Express Scripts Member Service at 800.363.9389 to:

- ◆ Request an ID card
- ◆ Ask questions on claim processing, benefits, drug coverage, and cost
- ◆ Locate a participating pharmacy

Contact Express Scripts Prior Authorization Line at 800.753.2851 to:

- ◆ Initiate a prior authorization on a prescribed medication
- ◆ Check the status of an already submitted prior authorization

Register your account on the Express Scripts website ([express-scripts.com](https://www.express-scripts.com)) for self-service to:

- ◆ Check prior authorization status
- ◆ Opt-in to email communications including prior authorization notifications
- ◆ Check prices for your medications
- ◆ Print your ID card
- ◆ Locate participating pharmacies and compare prices
- ◆ Review claims history
- ◆ Submit direct claims for reimbursement ●



## Notice Concerning 1095-B and 1095-C Forms

**A**s part of the Affordable Care Act, PEEHIP is required to provide Form 1095-B to each of its subscribers who were enrolled in the PEEHIP Blue Cross Blue Shield Hospital Medical Group #14000 Plan during calendar year 2023. These forms were mailed in February 2024 pursuant to IRS requirements. For PEEHIP Group #14000 subscribers, you should have already received this form from PEEHIP. For PEEHIP members that were covered under the VIVA HMO plan during any point of 2023, VIVA has the responsibility of providing the 1095-B form because they are a fully-insured plan.

The 1095-B form reports “actual enrolled coverage” of active and non-Medicare-eligible retired members and COBRA beneficiaries and their covered spouses

and children. Lastly, for Medicare-eligible members covered on a retiree contract, Medicare (not PEEHIP or UnitedHealthcare®), would have sent you a 1095-B if you met their criteria for receiving one. For more information, please contact Medicare at 800.MEDICARE.

**As a reminder, this 1095-B form is not required to file your taxes but should be kept with your personal records.** Your employer is also required to provide a different form, which is Form 1095-C. This form reports the “offer” of coverage to full-time employees and their eligible spouses and dependents, but it is not applicable to retirees. Neither of these forms require any action on the part of the PEEHIP members, but please retain your copy for your records. ●

## 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/](http://rsa-al.gov/peehip/retirees/).

### Start earning rewards today!

As a PEEHIP UnitedHealthcare® member, you have more ways to earn rewards. You can earn rewards by completing various activities and preventive health screenings. Simply report each activity you complete and get rewarded.

There are many ways to spend your rewards. With your reloadable Visa® reward card, spending your rewards in-store on eligible items like gifts, clothing, or groceries is easy. There are numerous choices at retailers in the Visa® network. Please see the chart below for potential reward activities.

Reward Activity	Amount
Get moving by completing physical activity	Up to \$120 (\$10 per month)
Annual physical or wellness visit	\$25
HouseCalls visit	\$15
Colorectal Cancer Screening with Provider	\$50
Colorectal Cancer Screening at home	\$10
Breast Cancer Screening	\$25
Osteoporosis Screening	\$50
Sign up for paperless delivery of plan documents	\$5
Sign up for text messages from UnitedHealthcare®	\$5

To report your activities, or to see what rewards you are eligible to earn, sign in or register on your plan website at [retiree.uhc.com/peehip](http://retiree.uhc.com/peehip) and select rewards on the right side of your home page. You can also call customer service at 877.298.2341, TTY 711, 8 a.m. – 8 p.m., Monday – Friday.

### How to sign up for your online account:

1. Visit [retiree.uhc.com/peehip](http://retiree.uhc.com/peehip) and click on the **Sign In** or **Register** button and then click **Register Now** on the next screen.
2. Enter your first and last name, date of birth, ZIP code, UnitedHealthcare® member ID number, and click **Continue**.
3. Create your username and password, enter your email address, and click **Create My ID**.
4. For security purposes, you will be asked to verify your account by email, call, or text.
  - ◆ If by email, follow the instructions in your confirmation email.
  - ◆ If by call or text, enter the code you receive into the web page.

Make sure to write down your username and password and keep them in a safe place. You will need them each time you log in to your account.

Rewards can only be used by members of UnitedHealthcare® Medicare Advantage plans for eligible items at participating merchants and in accordance with applicable Medicare laws. Rewards funds are not redeemable for cash except as required by law. No ATM access. Rewards cannot be used to purchase Medicare-covered items or services, including medical or prescription drug out-of-pocket costs, alcohol, tobacco, or firearms. Rewards must be earned and reported within the time frames specified by the plan. Reward offerings may vary. Reward program terms of service apply. ●

# Important Screenings

You can count on UnitedHealthcare® to help you get the care, tests, and treatment you need. The following is a list of recommended preventive care services. Take this checklist to your next Primary Care Provider (PCP) appointment and talk with your Provider about which tests and services are right for you.

## Annual wellness visit/ routine physical

- ◆ Advance care planning
- ◆ Blood pressure check
- ◆ Head-to-toe examination of height, weight, and body mass index (BMI)
- ◆ Lifestyle screening: discuss alcohol use, healthy eating habits, available support for quitting tobacco, and more



## Vaccine review

- ◆ Flu (every flu season)
- ◆ COVID-19
- ◆ Pneumonia
- ◆ Shingles
- ◆ Hepatitis B

## As recommended by your PCP

- ◆ Dental exam
- ◆ Hearing exam
- ◆ Routine eye exam
- ◆ Cholesterol screening
- ◆ Bone mineral density test to screen for osteoporosis
- ◆ Fasting blood sugar screening

## As needed

- ◆ Colon cancer screening for adults age 45 or older\*
- ◆ Hepatitis C virus infection screening for people at high risk and a one-time test for adults born between 1945-1965
- ◆ Breast cancer screening (mammogram) every year starting at age 45; at age 55, it may change to every other year\*

## For people with diabetes

- ◆ Exam to detect diabetes-related eye issues
- ◆ Exam to detect diabetes-related foot issues
- ◆ Hemoglobin A1c (HbA1c) check
- ◆ LDL cholesterol check Statin medication, if clinically appropriate
- ◆ Kidney Health Tests to help prevent or delay Chronic Kidney Disease (CKD)
- ◆ Urine Albumin Creatinine Ratio (uACR) test
- ◆ Estimated Glomerular Filtration Rate (eGFR) test

The items above are suggested screenings. Coverage for these screenings (including how often they are covered) may vary. If you have questions about your specific benefits or coverage details or need help scheduling an appointment, please call UnitedHealthcare® customer service at 877.298.2341, TTY 711, 8 a.m. – 8 p.m., Monday – Friday. ●

\*American Cancer Society, 2023.