



Aetna Retirees Association, Inc
 PO Box 280165
 East Hartford, CT 06128
www.aetnaretirees.com

News

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LIAISON TEAM MEETING WITH CVS HEALTH ON 2021 BENEFITS AND RATES

On September 23, 2021, the ARA Liaison Team met with CVS Health representatives to learn about changes to the administration, benefits and rates for 2022. Several CVS people attended along with the usual Aetna representatives with whom we have been meeting for many years.

ADMINISTRATIVE PROCESS

As in the past, annual enrollment kits will be mailed in late October. The annual enrollment will then take place beginning November 1, 2021 and ending November 12, 2021. However, if needed, you will have the opportunity to modify your plan choice(s) beginning November 13, 2021 and ending December 31, 2021.

As in past years, the enrollment will be “passive” meaning that, unless you are making plan changes, you will be enrolled in the same plan in 2022 as you were in 2021. All Medicare Advantage members will receive new ID cards to be mailed in late December. Those enrolled in all other plans will not receive a new ID card unless a plan change occurs.

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2022 ANNUAL ENROLLMENT AND COMMUNICATIONS TIMELINE

<u>Communication Event</u>	<u>Timing</u>
Annual Enrollment Kits Mailed	Late October
Annual Enrollment Opens	November 1
Enrollment Portal Opens	November 1
Aetna Benefits Center Begins Taking Questions	November 1
Annual enrollment Ends	November 12
Confirmation Statements Mailed	End of November
Annual Notice of Change Letter	December
ID Cards Mailed	Late December

INFORMATION CONCERNING ANNUAL ENROLLMENT

Aetna will continue to use the Bswift/Aetna retiree product so you should expect to experience a similar experience compared to 2021.

Enrollment materials will continue to be the “abbreviated version” as has been the case in the past few years. As a reminder, these materials will include:

- what’s new/what’s changing
- a personalized enrollment worksheet (with the Life Insurance amount)
- instructions on how to enroll
- limited plan information
- steerage to the portal (where full plan information may be found)

Pre-Medicare enrollees will receive a postcard directing them to the portal.

All retirees will receive a mailed confirmation statement. Those who will receive a new ID card were discussed earlier in this article.

The Resource Guide for Employee Benefits will continue to be on our website.

2022 MEDICARE PLANS AND PRICING

For 2022, the Centers for Medicare and Medicaid Services (CMS) is requiring one plan change. In network standalone lab services will cost \$0 after the deductible. In 2021, the plan was after deductible and coinsurance.

After nearly a decade of no changes, the Rx Plus maximums are changing as follows: Generic from \$30 to \$40, Brand formulary from \$60 to \$90 and Brand non-formulary from \$75 to \$120. As the costs associated with prescription drugs has continued to be a driver for increased costs and, as no changes to this coverage has been made for many years, Aetna determined it was now appropriate to make this change.

An additional change to the Rx plans concerns the network. The P1 network has been added to Pharmacy for the Plus, Standard and Value plans. Approximately 66,000 pharmacies are in the network but 21,000 will be designated as “preferred” where members will pay a \$5 to \$10 lower cost share on generic drugs.

There will be changes to the Value Plan as shown here:

- deductible will increase from \$250 to \$350
- PCP copay will increase from \$15 to \$20
- Inpatient hospital copay will increase from \$200/day to \$250/day for days 1 through 6
- Tier 3 Rx copay will increase from \$40 to \$47
- Tier 4 Rx copay will increase from \$75 to \$100

Aetna will be expanding the PPO network in counties in 9 states (IA, IL, MI, CO, SC, IN, KS, TX) affecting some members who will be moved from ESA to PPO at annual enrollment. Those affected by this change will be notified by letter.

The changes in pricing for the Medicare plans are shown here:

- PPO/ESA with Rx Plus will increase 7.0%
- Rx Plus standalone will increase 9.5%
- PPO/ESA with Rx Standard will increase 3.8%
- Rx Standard standalone will increase 7.6%
- Value PPO with Value Rx will be reduced 100% to \$0 premium
- Medicare Indemnity will increase 5%

PRE-MEDICARE PLANS

There will be a number of changes to the pre-Medicare plans for 2022.

A new Virtual Primary Care (VPC) program will allow members who do not have a PCP (or who wish to change to virtual) to elect a designated provider for primary care through Teledoc.

- For Health Savings Plans
 - before the deductible is met, the first primary care visit is \$145, primary care virtual visits are \$65 thereafter
 - once the deductible is met, member cost share for VPC and other Teledoc visits is \$0
- For the new Hybrid Plan, all VPC are \$0
- Cost share for telemedicine with brick-and-mortar providers will follow cost share for the type of provider (cost share from high to low by plan are HSP1, HSP2, Hybrid, HSP3)

The new Hybrid Plan offered to pre-65 combines features of an HMO with features of a high deductible health plan. This plan provides first dollar coverage and copays for high value lower cost services (PCP, lab, X-Ray, generic drugs, outpatient mental health, telemedicine, MinuteClinic). All other claims will apply to a high deductible (\$4,000 individual/\$8,000 family); once the deductible and out-of-pocket are met, no additional coinsurance will apply.

PRE-MEDICARE PRICING

2022 premium for pre-Medicare retirees will change minimally: HSP1 will increase 0.3%, HSP2 will decrease 0.04% and HSP3 will decrease 0.4%

2020 DENTAL PLANS AND PRICING

There will be no plan changes in the Dental plans for 2022.

The Dental PPO rates will be reduced 8.7% and the DMO rates will be reduced by 6.9%.

RETIREE LIFE INSURANCE

We are pleased to report that Aetna has completed the “clean up” concerning the Paid-up Life Insurance and all affected individuals have been notified about their coverage amounts.

INFORMATION CONCERNING LTD PARTICIPANTS

As in the past, information on Long Term Disability will be included in the annual enrollment kit.

ADDITIONAL INFORMATION

The retiree information/contacts are as follows:

- Enrollment Portal – www.RetireeHealthAccess.net/CVS
- Toll Free Phone – 1-888-972-3862

As in the past, the Annual Notice of Change Letter will be mailed as required by the Federal Government. This letter oftentimes causes some confusion; however, as we have indicated in the past, this letter has no effect on your enrollment process. Accordingly, please proceed with your enrollment without regard to this letter.

As in 2021, the enrollment kits will not contain as much descriptive material as in the past. Accordingly, we encourage you to carefully and thoroughly read any and all material you receive so you will be in a position to make the most appropriate benefit choices for you and your family. As always, please check your mailboxes often. In addition, if necessary, please contact the appropriate area within the Aetna Retirement Service Center using the phone numbers contained in your kit with any questions before completing your enrollment. If, after attempting to rectify issues on your own, you still need assistance, you may contact us at ARA.

COST OF LIVING (COLA) INCREASE FOR 2022

The September, 2021 Consumer Price Index data will be released on October 13th at 8:30AM, at which point the exact amount of Cost of Living Adjustments for 2022 will be calculated by Aetna and Social Security.

In the meantime, the following exhibits show estimates for Aetna and Social Security COLA's for 2022.

It seems likely that Aetna's COLA increase will be 3% because, as we are all experiencing, the upward trend in prices continues, making it unlikely that the September, 2021 Consumer Price Index will decrease, let alone decrease enough to lower the Aetna COLA below 3%.

We included this worksheet, because it shows the source of the data utilized, as well as how the Aetna and Social Security approaches to determining COLA's differ. Once the final numbers are determined, we will notify you via a Newsletter Extra.

2022 COLA ESTIMATE (assumes September will = August) AETNA and SOCIAL SECURITY

Source: Bureau of Labor Statistics (BLS) Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) 1982-84 = 100
<https://www.ssa.gov/oact/STATS/cpiw.html>

<u>Year</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>Sum of July/Aug/Sep</u>	<u>Average for July/Aug/Sep</u>
2020	252.636	253.597	254.004	760.237	253.412
2021	267.789	268.387	268.387	804.563	268.188
Increase over 2020 =			14.383	44.33	14.775
September to September =			5.7%	Estimated 2021 SS COLA increase (assumes September 2021 CPI will be the same as August 2021) =	
Estimated Aetna COLA (capped at 3% increase or decrease)			3%		5.8%

Note: Both Aetna & Social Security base COLA adjustments upon CPI-W data. However: (1) Aetna bases its 2022 COLA increase (or decrease) upon the standalone month of September 2020 to September 2021 CPI-W comparison (which is "capped" at +3% or -3%), while (2) Social Security bases its 2022 increase (if any--unlike Aetna, Social Security never decreases) upon the average of the 3rd Quarter of 2020 compared to the average of the 3rd Quarter of 2021. The standalone month vs. 3rd quarter average calculations normally produce different COLA amounts for Aetna vs. Social Security.

As you communicate with a retiree, retiree group or a colleague, we encourage you to provide them with information and the benefits of joining ARA. Please refer any prospective members to our website at www.aetnaretirees.com for additional information and an application form. Further, you may encourage prospective members to contact any Board Member for additional information. If, however, a retiree or colleague does not wish to become an active member and would still like to hear what we are doing, please have them state “communications only” on the application. We will send them our communications.

CONTACT ARA!

We welcome your comments, questions, ideas and letters to the editor. See mail and website addresses on page 1.

Sharon Reed, Editor

Marilyn Wilson, Editor Emeritus