



**Get Set for Retirement:
Insurance**

2019

Important information

- This presentation is not a comprehensive description of the insurance benefits offered by PEBA.
- For more information, and before you make enrollment decisions, review the [Insurance Benefits Guide](#).

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Topics to cover

- Retiree insurance eligibility.
- Retiree enrollment and eligible dependents.
- Enrollment and coordination of benefits.
- Retiree health plans.
- Prescription coverage.
- Dental coverage.
- State Vision Plan.
- Life insurance.
- Long term disability insurance.
- MoneyPlus.
- Returning to work.
- Using your benefits.
- Resources.

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Retiree insurance eligibility

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Retiree group insurance

- Eligibility for retirement is not the same as eligibility for retiree insurance.
- Only PEBA can determine eligibility.
- **Before** you retire, contact PEBA to verify your eligibility for retiree insurance.
- Optional employers determine if their retirees pay all or part of the insurance premiums.
- Return-to-work retirees may not remain on retiree coverage. They must elect active coverage if they want PEBA-sponsored health insurance.

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Requirements for any retiree coverage

- Your last five years of employment must be served consecutively in a full-time, insurance-eligible permanent position with an employer that participates in the State Health Plan.
- Earned service credit is:
 - Time earned and established in one of the defined benefit pension plans PEBA administers;
 - Time worked while participating in the State Optional Retirement Program; or
 - Time worked for an employer that participates in the State Health Plan, but not the retirement plans PEBA administers.
- Earned service credit does not include any purchased service credit not considered earned service in the retirement plans.

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55/25 year rule



- If you are a Class Two member of SCRS who retires under the 55/25 early retirement provision, you must pay the full premium (employee and employer share) until:
 - You reach age 60; or
 - The date you would have reached 28 years of service credit had you not retired, whichever occurs first.

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Retiree enrollment and eligible dependents

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Retiree enrollment



- Submit an *Employment Verification Record* as early as six months prior to your retirement date.
 - This starts the process PEBA uses to determine your eligibility for retiree insurance and any possible funding.
- If PEBA determines you are eligible for retiree insurance, you must submit the following within 31 days of retirement:
 - *Retiree Notice of Election* form; and
 - *Certification Regarding Tobacco Use*, if applicable.
- If you do not submit an *Employment Verification Record* prior to your retirement, you must do so within 31 days of your retirement.

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Eligible spouse

- Retiree cannot cover a spouse if:
 - Spouse is eligible for coverage as an employee; or
 - Spouse is eligible for coverage as a retiree unless spouse is only eligible for non-funded or partially funded insurance, or the spouse retired from an optional employer.

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Eligible children

- Natural child.
- Stepchild.
- Adopted child.
- Child placed for adoption.
- Foster child.
- Child for whom employee has legal custody.

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Dependent children

- Under age 26.
- Coverage may continue beyond age 26 if the child is approved for incapacitation.
- If employed with participating employer, the child may:
 - Enroll as an active employee; or
 - Enroll as dependent child.

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Required documentation

- Forms are available on PEBA's website (<http://www.peba.sc.gov/iforms.html>).
- Copies of supporting documentation must be submitted to enroll a spouse or child.
 - Spouse:
 - Marriage license; or
 - First page of most recent tax return, if filing jointly.
 - Child:
 - Long-form birth certificate.

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Eligible survivors

- Dependents covered at time of retiree's death may continue health, dental and vision coverage.
 - Spouse eligible until he remarries.
 - Children remain eligible until age 26.
 - If all coverage is canceled, cannot re-enroll as survivor.
 - Must pay premiums.

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Enrollment and coordination of benefits

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Enrollment



- Within 31 days of:
 - Retirement; or
 - Special eligibility situation, such as marriage or adoption.

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Annual open enrollment



- October 1-31.
- Make coverage changes for following year (effective January 1).
- Dental changes can only be made during open enrollment in odd-numbered years.
- Log in to MyBenefits at mybenefits.sc.gov to make open enrollment changes.

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Health and dental coordination of benefits



- Plan that covers person as employee is primary to plan that covers person as dependent.
- Covered children:
 - Plan of parent whose birthday occurs earlier in year is primary.
- Deductible and coinsurance linked for married PEBA subscribers enrolled in same health plan.
 - Spouse's Social Security number and date of birth are required even if spouse is not covered as a dependent.

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Retiree health plans

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Non-Medicare-eligible choices

- State Health Plan, which includes prescription benefits.
 - Standard Plan.
 - Savings Plan.
- TRICARE Supplement Plan.
 - For eligible members of the military community.
 - TRICARE rules apply.
 - Coverage ends at 65.

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State Health Plan

- Self-funded insurance plan:
 - Employees' and employers' premiums are held in a trust fund from which PEBA pays claims.
 - BlueCross BlueShield of South Carolina processes medical claims.
- Cost of the State Health Plan compares favorably to other plans.
 - Learn more at www.peba.sc.gov/factsfigures.html.
- Health management is key to containing Plan costs and premiums.

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State Health Plan provider network



- Worldwide coverage.
- You pay deductible, copayments and coinsurance.
- Network provider files claims and accepts the Plan's allowed amount even if its charges are higher.
 - If you use an out-of-network provider, you may have to file claims, and can be balance billed. You pay a higher coinsurance, too.
- Use Find a Doctor at StateSC.SouthCarolinaBlues.com to find a network provider near you.

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Standard Plan



- Lower annual deductibles and higher monthly premiums.
- Pay copayments for office visits outpatient facilities and emergency care.
- Pay copayments for prescription drugs.
- Coverage of adult well visits for primary members at specified age intervals subject to copayments, deductibles and coinsurance.
- See Health insurance chapter of *Insurance Benefits Guide* for more details.

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Savings Plan



- High-deductible plan with lower monthly premiums.
- No copayments.
- Pay the allowed amount for prescription drugs until you meet your annual deductible. Then, you pay your coinsurance.
- Coverage of adult well visits for primary members every year at no cost.
- Eligible to contribute to a Health Savings Account (HSA).
- See Health insurance chapter of *Insurance Benefits Guide* for more details.

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Medicare-eligible choices 

- Standard Plan.
- Medicare Supplemental Plan.
- See Insurance Coverage for the Medicare-eligible Member for detailed information.

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2019 Medicare Supplemental Plan benefits¹ 

- Pays Medicare Part A deductible (\$1,364).
- Pays Medicare Part B deductible (\$185).
- Pays Medicare coinsurance, up to 100 percent of Medicare-approved charges.
- Offers no coverage outside the U.S.
- Includes prescription drug benefit.
- Claims for non-Medicare subscribers are processed under the Standard Plan.

¹Medicare deductibles are subject to change.

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Automatic enrollment in the Medicare Supplemental Plan 

- Automatic enrollment at age 65 for those who participate in the State Health Plan.
- PEBA sends you a notification three months before your 65th birthday.
- Can choose to opt out of the Medicare Supplemental Plan.
- Medicare will be primary whether or not you opt out as long as you are not working in an insurance-eligible position on active coverage.
 - If you remain on the Standard Plan in retirement, Medicare will still pay first toward your expenses.

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Medicare and the TRICARE Supplement Plan



- If enrolled in the TRICARE Supplement Plan, you can cancel or switch health coverage once reaching Medicare eligibility.
- TRICARE becomes TRICARE for Life, a Medicare supplement.

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Enrolling in Medicare



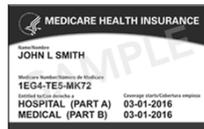
- Once eligible, you should enroll in Medicare Parts A and B.
- The Medicare enrollment period begins three months before your 65th birthday.
- If you are receiving Social Security benefits, the Social Security Administration will contact you and enroll you automatically. Otherwise, you must contact Social Security to enroll.

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Becoming Medicare-eligible before age 65



- You must notify PEBA and provide a copy of your Medicare card.
- You can change health plans within 31 days of Medicare eligibility.



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2019 Medicare benefits¹



- There is no Medicare or Medicare Supplemental Plan coverage outside the U.S. and U.S. territories.

Part A (hospital benefits)	Part B (medical benefits)
<ul style="list-style-type: none"> • \$1,364 deductible per benefit period. • No monthly premium if enough work credits established. 	<ul style="list-style-type: none"> • \$185 annual deductible. • \$134 (average monthly premium as determined by Medicare). • Plan pays 80 percent of approved charges.

¹Medicare deductibles are subject to change.

2019 Medicare Supplemental Plan benefits example¹



If covered by Medicare and Medicare Supplemental Plan, your claim will be processed like this:

Medicare-approved amount	\$7,500
2019 Medicare Part A deductible	\$1,364
Medicare payment	\$6,136
Remaining bill	\$1,364

Next, the Medicare Supplemental Plan benefits are applied:

Remaining bill	\$1,364
Medicare Supplemental Plan pays Medicare Part A deductible	\$1,364
Your total payment	\$0

¹Medicare deductibles are subject to change.

Keeping Standard Plan benefits with Medicare



- Uses carve-out method.
- Learn more in the *Insurance Coverage for the Medicare-eligible Member* handbook.

2019 Health plan premiums¹



- Premium is determined by your coverage level:
 - Retiree;
 - Retiree/spouse;
 - Retiree/children; and
 - Full family.
- Rates may vary for optional employers. Contact your benefits administrator for your premiums.

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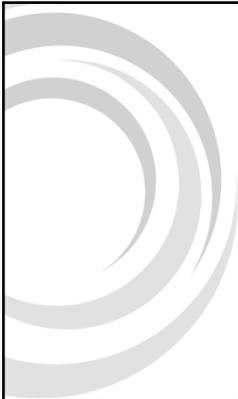
Tobacco-use premium



- Applies to State Health Plan subscribers only.
- \$40 per month for subscriber-only coverage.
- \$60 per month for other levels of coverage.
- Automatically charged unless subscriber:
 - Certifies as non-tobacco user with *Certification Regarding Tobacco Use* form; or
 - Certifies that all covered tobacco users have completed the tobacco cessation program, *Quit For Life*[®].

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Prescription coverage



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Medicare Part D drug program



- Most subscribers covered by PEBA should remain enrolled in Express Scripts Medicare, which is the State Health Plan's Medicare Part D drug program.
- Subscribers may only have one Part D plan.
- If you enroll in a separate Part D program, you lose PEBA prescription benefits.
- Learn more in the [Insurance Benefits Guide](#) or contact Express Scripts, the pharmacy benefits manager.

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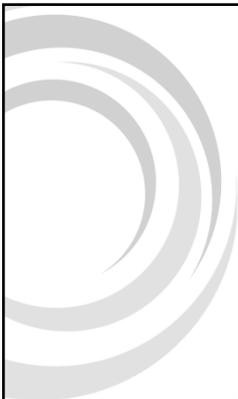
Medicare Supplemental Plan and Standard Plan prescription benefits



- You pay up to \$3,000 per person in prescription drug copayments. Then, you pay nothing.

30-day supply at network pharmacy	90-day supply at network pharmacy or mail-order pharmacy
<ul style="list-style-type: none"> • Tier 1 (generic): \$9 • Tier 2 (preferred brand): \$42 • Tier 3 (non-preferred brand): \$70 	<ul style="list-style-type: none"> • Tier 1 (generic): \$22 • Tier 2 (preferred brand): \$105 • Tier 3 (non-preferred brand): \$175

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Dental coverage

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State Dental Plan



- Basic dental coverage offers four classes of treatment.
 - Class I: Diagnostic and preventive.
 - 100 percent of allowed amount covered.
 - Class II: Basic.
 - 80 percent of allowed amount covered.
 - Class III: Prosthodontics.
 - 50 percent of allowed amount covered.
 - Class IV: Orthodontics.
 - 50 percent of allowed amount covered.
- \$1,000 per person maximum annual benefit for Classes I, II and III.
- \$1,000 per person lifetime benefit for Class IV.

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Dental Plus



- More coverage with higher allowed amount.
- Deeper discounts and lower out-of-pocket expenses.
- To participate, you must enroll in basic coverage and cover same family members under both plans.
- \$2,000 per person maximum annual benefit for Classes I, II and III.
- No additional benefit for Class IV.

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Plan comparison example: routine checkup



	Basic Dental	With Dental Plus	
		In-network	Out-of-network
Dentist's initial charge	\$191.00	\$191.00	\$191.00
Allowed amount ¹ (payable at 100%)	\$67.60	\$135.00	\$171.00
Amount paid by the Plan	\$67.60	\$135.00	\$171.00
Difference between allowed amount and charge	\$123.40	\$56.00 <small>Dentist writes this amount off</small>	\$20.00
You pay	\$123.40	\$0.00	\$20.00

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¹Allowed amounts may vary by network, dentist and/or the physical location of the dentist.

Plan comparison example: Two surface amalgam fillings



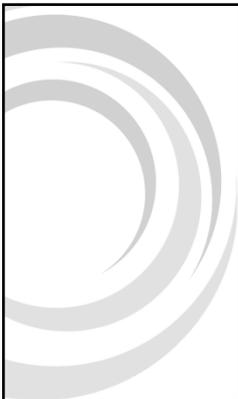
	Basic Dental	With Dental Plus	
		In-network	Out-of-network
Dentist's initial charge	\$190.00	\$190.00	\$190.00
Allowed amount ¹ (payable at 80%)	\$44.80	\$145.00	\$177.00
Amount paid by the Plan ²	\$35.84	\$116.00	\$141.60
Difference between allowed amount and charge	\$145.20	\$45.00 Dentist writes this amount off	\$13.00
You pay	\$154.16	\$29.00² 20% coinsurance	\$48.40

¹Allowed amounts may vary by network, dentist and/or the physical location of the dentist.
²Example assumes that the \$25 annual deductible has been met.

2019 Dental coverage premiums



- Premium is determined by your coverage level:
 - Retiree;
 - Retiree/spouse;
 - Retiree/children; and
 - Full family.
- Rates may vary for optional employers. Contact your benefits administrator for your premiums.



State Vision Plan

State Vision Plan

- Coverage includes:
 - Comprehensive eye exams;
 - Frames;
 - Lenses and lens options; and
 - Contact lens services and materials.
- Receive discounts on extra pairs of eyeglasses, contact lenses and LASIK and PRK vision correction.
- Additional benefits available for diabetics.
- Choose either frames/lenses or contact lenses, but not both in the same plan year.

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2019 Vision coverage premiums

- Premium is determined by your coverage level:
 - Retiree;
 - Retiree/spouse;
 - Retiree/children; and
 - Full family.
- Rates may vary for optional employers. Contact your benefits administrator for your premiums.

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Life insurance

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\$3,000 basic life insurance 

- Must have been enrolled in a health plan offered through PEBA at time of retirement.
- Can convert to a whole life policy within 31 days of retirement date.
- Premiums quoted and billed by contracted vendor, MetLife.
 - Retirees receive the conversion forms directly from MetLife.

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Optional life insurance 

- Can convert existing coverage to a whole life policy within 31 days of retirement.
- Can continue existing coverage within 31 days of retirement.
 - Continue coverage in \$10,000 increments.
 - Retiree coverage ends the January 1 following the retiree's 75th birthday.

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Optional life insurance 

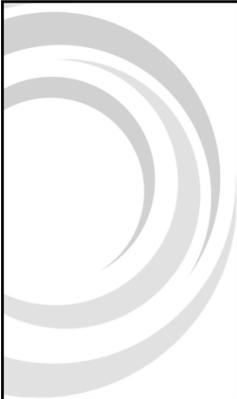
- Premiums:
 - Retirees continuing coverage will pay the same premium as active employees.
 - Converted policy premiums are underwritten individually by MetLife.
 - Retirees will receive the continuation and/or conversion forms directly from MetLife.

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Dependent life insurance

- Can convert existing coverage to a whole life policy within 31 days of retirement.
- Premiums quoted and billed by contracted vendor, MetLife.
 - Retirees will receive the conversion forms directly from MetLife.

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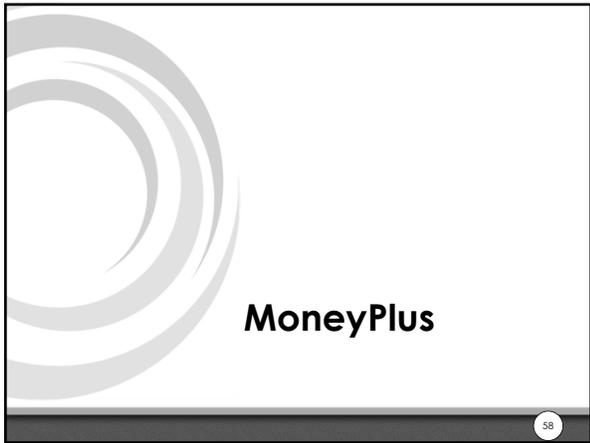
Long term disability insurance

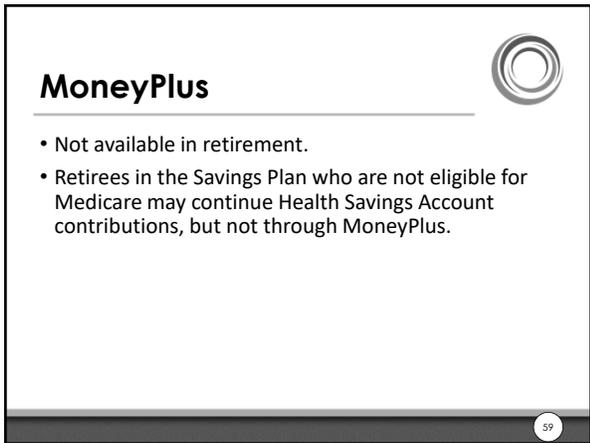
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Long term disability

- Basic long term disability:
 - Available only to active employees enrolled in the State Health Plan.
 - Ends at retirement.
 - Cannot be converted to an individual policy.
- Supplemental long term disability:
 - Available only to active employees.
 - Ends at retirement.

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Returning to work for participating employer



- If you return to active employment in an insurance-eligible position with a participating employer, you will not be able to remain on your retiree coverage.
- If you return to active employment and are not in an insurance-eligible position, you may remain on your retiree coverage.
- Once your active employment ends, you may return to your retiree coverage. If you are Medicare-eligible, Medicare will be primary.

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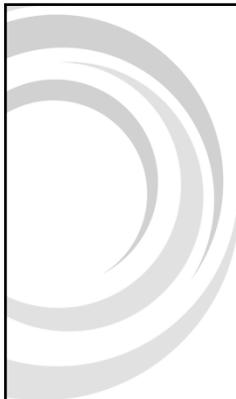
Returning to work for participating employer



- If you return to active employment in an insurance-eligible position, you have two choices:
 - You may elect coverage under the State Health Plan as an active employee.
 - If you are Medicare-eligible, the State Health Plan will be primary, paying claims before Medicare.
 - You may refuse all health coverage under the State Health Plan.
 - If you are Medicare-eligible, Medicare will be primary.
 - You will not be able to enroll in the PEBA Medicare Supplemental Plan and may want to pursue a supplemental plan on your own.
 - You may want to drop Medicare Part B.

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Using your benefits



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Your benefits on-the-go



• Mobile apps are available for your health, dental, prescription and vision benefits.

- BlueCross BlueShield of South Carolina Search for My Health Toolkit®.
- Express Scripts Search for Express Scripts.
- EyeMed Search for EyeMed Members.



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Explanation of Benefits



• Report that shows you:

- How much your provider charged for services.
- How much the State Health Plan paid.
- The amount you will be responsible for, such as your copayment, deductible and coinsurance.
- The total amount you may owe the provider (does not include any amount you've already paid).

• Find your Explanation of Benefits in the My Health Toolkit app; you can choose paperless notifications.

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Naturally Slim



• Teaches it's not what you eat, but when and how you eat that will help you lose and keep off weight.

• 10-week online program using video lessons and interactive tools.

• Participants watch lessons at their convenience on their computer, smartphone or tablet through iPhone or Android apps.

• Available at no cost to State Health Plan members ages 18 and older.

• Learn more and apply at www.naturallyslim.com/PEBA.

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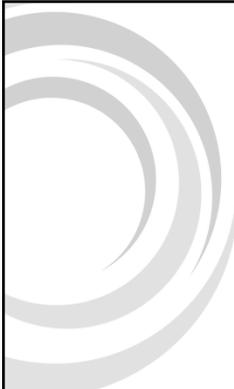
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Get the green light for your care



- Some medical and behavioral health services need you or your provider to call for preauthorization for the State Health Plan to provide coverage.
- Not calling for preauthorization may lead to a \$490 penalty.
- Learn more on Page 51 of the *Insurance Benefits Guide*.

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Resources

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Insurance Benefits Guide



- A detailed overview of insurance benefits, including:
 - Descriptions of benefits;
 - Premium rates; and
 - Contact information.
- Available on PEBA's homepage at www.peba.sc.gov.

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Navigating Your Benefits series



- www.peba.sc.gov/nyb.html.
- Plain-language explanations of insurance and retirement benefits.
- Flyers and videos.



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MyBenefits



- mybenefits.sc.gov
- Accessible online 24/7.
 - Review benefits statement;
 - Change contact information;
 - Update life insurance beneficiaries;
 - Change coverage during some special eligibility situations;
 - Make changes during open enrollment; and
 - Upload supporting documentation.

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Your benefits office in retirement



- State agency, school district and higher education retirees:
 - PEBA will be your benefits administrator.
 - Premiums may be deducted from your retirement check.
- Optional employer retirees:
 - Your former employer will remain your benefits administrator.
 - You will pay premiums through your former employer.

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Contact PEBA

- www.peba.sc.gov
- Contact us:
 - www.peba.sc.gov/contactus.html
 - 803.737.6800 or 888.260.9430.

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Get social with PEBA

-  www.facebook.com/scpeba
-  www.twitter.com/scpeba
-  www.youtube.com/c/pebatv
-  www.scpeba.podbean.com

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Disclaimer

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