

Medicare Coordinator Program

Appendix

All eligibility rules in Section 6000 of these Annuitant Group Insurance Regulations apply except as specifically noted below. This appendix covers individual medical plan coverage only – not dental, vision, etc. which continue to be UC-sponsored group plans.

Overview

The overall objective of the University of California Medicare Coordinator Program (MCP) is to provide medical plan options for Medicare Annuitants and their Medicare Family Member(s) who are eligible to continue UC-sponsored medical coverage, but who reside outside of California. Prior to the program, these Annuitants would have had access to only two Medicare Supplement plans and no Medicare Advantage plan options. The MCP assists Medicare Annuitants and their Medicare Family Member(s) to select an individual Medicare plan consistent with their needs. The University determines member eligibility and contributes towards the cost of the medical plan coverage by providing an annual contribution to the MCP Health Reimbursement Arrangement (the HRA). Funds in the HRA can be used for IRC 213(d) covered expenses. The MCP is not part of the State Exchange; nor is it part of the Affordable Care Act Marketplace.

Effective with the 1/1/2014 calendar plan year, OneExchange (current vendor for the MCP) was contracted to assist out-of-state UC Medicare Annuitants to select appropriate individual plans (including Kaiser if available in their area) based on their mailing address, current coverage, doctor preferences, utilization patterns, prescription drug and/or budget needs. The MCP is also responsible for administering the HRA component and providing customer service support by managing ongoing issues and questions.

The HRA contribution will be determined annually. If a Medicare Annuitant is covering an eligible family member, UC will make an additional contribution to a joint HRA for each eligible family member. UC Medicare Annuitants and their enrolled Family Member(s) must enroll in a medical plan through the vendor or Kaiser (with notification to the vendor) to receive the HRA contribution.

Note: Annuitants who are subject to graduated eligibility will receive a percentage of the HRA contribution.

Program Eligibility

1. Eligible Groups

- a. Medicare enrolled Annuitants (Section 6002.A) residing outside of California as long as all covered Family Member(s) are enrolled in Medicare. Medicare eligibility can be due to age or disability.

- b. Annuitants residing outside of California who have suspended their enrollment because they have other group or individual insurance coverage. Note: They will be automatically included in the annual MCP enrollment mailing for newly eligible Annuitants, but must notify RASC of enrollment in the MCP in order to receive the HRA.
- c. Annuitants who reside in an area where Kaiser is offered must complete their enrollment through Kaiser and notify the vendor of enrollment in order to receive the HRA.
- d. Annuitants with a Power of Attorney with a California address with UC and the Annuitant resides outside of California*

*Must self-identify to be included in the MCP and to receive the HRA by calling Retirement Administration Service Center (RASC).

2. Ineligible Groups

- a. Medicare eligible Annuitants residing in California.
- b. Medicare eligible Annuitants residing outside of the United States (includes those living in US Territories).
- c. Split-Medicare families (at least one non-Medicare covered family member, e.g., two adults, one in Medicare or two Medicare adults, one non-Medicare child).
- d. Annuitants and family members not eligible for premium-free Medicare Part A (e.g. those non-coordinated with Social Security).
- e. Annuitants and/or enrolled Family Member(s) who do not enroll or maintain continuous enrollment in Medicare Parts B and D.
 - i. UC policy requires that those eligible for premium-free Part A enroll in Medicare Part B & D. Annuitants and family members without Part B and D coverage may remain on UC group coverage for up to 90 days (group coverage is terminated at that point if the individual does not comply). Once enrolled in Medicare they will be moved to the MCP with a January 1 effective date the following year.
- f. Annuitants who have one or more family members on Medicare due to End Stage Renal Disease (ESRD).
- g. Annuitants and/or enrolled Family Member(s) deemed to be a “Qualified Medicaid Beneficiary” (QMB).

3. Loss of Eligibility Events

The following events trigger a loss of eligibility for the MCP member resulting in a PIE for UC-sponsored medical coverage. The effective date is the first day of the month, following the event.

- a. The Annuitant is under 65, on Medicare, and receiving UCRP Disability Income (UCRPDI) and UCRP DI or Medicare ends.
- b. The Annuitant is rehired and eligible for UC-group coverage.
- c. The Annuitant acquires a new family member and the new family member is not Medicare eligible.
- d. The Annuitant moves outside the U.S. (including U.S. Territories).

- e. The Annuitant moves back to California and a plan through the MCP is not available without underwriting.

4. Address Changes

- a. Newly eligible Annuitants who move back to California by 12/31 of the current plan year before enrolling in the MCP will be covered under UC-sponsored medical coverage.
- b. Newly eligible Annuitants who move outside of California after the annual eligibility file is sent to the vendor and prior to 12/31 of the current plan year may request to enroll in the MCP effective 1/1 of the following year. Otherwise, they will transition to the MCP during the following year's enrollment period.
- c. Annuitants who move back to California after enrolling in the MCP will remain enrolled until the end of the current plan year (12/31) and will be allowed to re-enroll in UC-sponsored medical coverage during UC's Open Enrollment.

5. No Access for Medical Plan Coverage through Medicare Coordinator Program

If an Annuitant resides in an area where there are one or fewer plans available to the Annuitant or Family Member a one-year accommodation (to be reviewed annually) may be granted whereby the Annuitant would be allowed to continue UC-sponsored medical coverage. For example:

- a. Medicare Advantage Plan (MAPD) is not available in a certain region (e.g., Medigap plans may not be available to pre-65 Medicare Annuitants); or
- b. If a pre-65 Annuitant with Medicare has no or limited access to individual plans through the MCP, they may be allowed back into UC-sponsored medical coverage until they turn 65 at which time they will be transferred back to the MCP during the next open enrollment period.

6. Administrative Actions

- a. Adding a New Medicare-eligible Family Member(s) mid-year
 - i. If enrollment is within the PIE, the new Family Member(s) is eligible for a pro-rated HRA and will be given the opportunity to enroll in a plan through the MCP.
 - ii. The new Family Member(s) may be granted an HRA accommodation in the joint account if they are not able to switch plans mid-year:
 - a) Already enrolled in a MA/MAPD plan (can only switch during Medicare Open Enrollment)
 - b) Already enrolled in a Medigap plan and does not want to switch due to medical underwriting requirements.

However, during the next Medicare Open Enrollment period, the new Medicare-Eligible Family Member is required to sign up for a medical plan on the MCP platform in order to continue to receive the benefit of the HRA. The above will be reviewed on a "case-by-case" basis.

b. Involuntary Loss of Coverage (ILOC)

Annuitants will have a new PIE, if, during the time of the PIE the Annuitant and/or Family Member(s) were enrolled in another group or individual medical plan and the Annuitant and/or Family Member(s) lose that coverage involuntarily. The PIE begins on the first of the following month following the date the other group or individual coverage ends. The Annuitant and

covered Family Member(s) will receive a pro-rated HRA and must self-identify to be included in the MCP by calling RASC.

c. Aging into Medicare

Newly eligible Annuitants who meet the eligibility criteria as of mid-August (usually 3rd week of month) of the current plan year are eligible to enroll in the MCP effective 1/1 of the following year.

d. Suspended Annuitant Coverage

Annuitants who have suspended UC medical coverage may continue to suspend coverage as long as they have other group or individual medical coverage. However, in order to receive the UC contribution to the HRA, the annuitant must enroll through the MCP and notify RASC they have enrolled.

e. Eligible but Did Not Enroll

Annuitants included on the annual eligibility file to the vendor who do not enroll through the MCP may be covered by Original Medicare and are not eligible to receive an HRA.

7. Catastrophic Prescription Drug Coverage

UC provides Catastrophic Coverage Special Payments for Annuitants and their Family Member(s) facing high-cost prescription drug claims. High-cost prescription drug claims are considered anything over the plan year catastrophic threshold. The benefit will cover 100% of the actual eligible claim cost by the Annuitant and/or Family Member(s) who have reached the catastrophic threshold. Annuitants and Family Member(s) with an active HRA are eligible for this benefit.

The catastrophic threshold is calculated by the Annuitant or Family Member(s) Medicare Prescription Drug Plan. Each month a prescription is filled, the drug plan will mail an Explanation of Benefits (EOB) statement which will tell them how much they have spent on drug coverage and if they have reached the threshold. These expenses include the amounts paid for deductibles, coinsurance and copays for the cost of prescription drugs. Once the Annuitant or Family Member(s) have met the threshold they must contact the MCP vendor.