



**COMMONWEALTH OF VIRGINIA**  
**DEPARTMENT OF HUMAN RESOURCE MANAGEMENT**

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 DIRECTOR

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To:

From: Office of State and Local Health Benefits Programs

Date: May 1, 2007

Re: Plan Change for Medicare-Eligible Participants

This will confirm our previous correspondence dated December 1, 2006, announcing a change in policy that requires all Medicare-eligible participants in the State Retiree Health Benefits Program (retirees, survivors, LTD participants) to be enrolled in one of the Advantage 65 plans that are designed to supplement Medicare. You or any covered dependents who are eligible for Medicare may no longer maintain coverage in the COVA Care plan. All required plan changes will be effective July 1, 2007.

Based on this new policy and the guidelines conveyed to you in our previous correspondence, your coverage will be automatically adjusted as follows:

<b>Family Members</b>	<b>Medicare Eligible?</b>	<b>Plan Effective 7/1/07</b>	<b>Premium</b>
		<b>Total Premium*</b>	

\*No family group will be required to pay more than the COVA Care family premium amount for the plan in which the non-Medicare eligible family members are enrolled or, if all family members are eligible for Medicare, no more than the COVA Care Basic family coverage premium. Your premium will be deducted or billed in the usual manner.

However, Medicare-eligible family members may elect a different Medicare-coordinating plan from the options described on page two. A summary of plan benefits, the **Medicare Plan Options** brochure, is also enclosed for your review. (Please disregard benefits under the Option I and Option II plans, which are no longer available to new participants.) You will receive a Member Handbook with more detailed information upon enrollment.

No action is necessary if you wish to have the Advantage 65 with Dental/Vision Plan for any Medicare-eligible family members (the default coverage). If you wish to make an alternate Medicare-coordinating plan choice, contact your Benefits Administrator for an enrollment form. For most participants, the Virginia Retirement System is your Benefits Administrator and may be reached at 1-888-827-3847. An enrollment form must be received by your Benefits Administrator no later than June 29, 2007, for the alternate election to be effective on July 1.

Family members who are changing plans and family members who will be in plans that differ from the Enrollee will receive new ID cards and/or ID numbers. New participants in the Advantage 65 and Advantage 65 with Dental/Vision Plans will receive a new prescription drug card from Medco upon approval by Medicare. A description of drug coverage options for Medicare-eligible participants is enclosed for your review.

**Medicare-Coordinating Plan choices include:**

**Advantage 65:** This plan provides Medicare supplemental coverage and pays much of your coinsurance for Medicare-covered services. It includes Medicare Part D prescription drug coverage, contingent upon approval by Medicare. The single monthly premium for 2007 is \$231.

**\*\*Advantage 65 with Dental/Vision:** This is the default plan for those moving from Medicare-primary COVA Care coverage and provides the same supplemental medical and prescription drug coverage described above (in the Advantage 65 Plan) but also includes basic dental and routine vision benefits. The single monthly premium for 2007 is \$260.

**Advantage 65 – Medical Only:** This plan provides the same medical supplemental coverage as the Advantage 65 plan but does not include any outpatient prescription drug coverage or dental and vision benefits. Participants enrolling in this plan should consider seeking Medicare Part D coverage through another source to avoid future premium penalties. The single monthly premium for 2007 is \$117.

**Advantage 65 – Medical Only with Dental/Vision:** This plan also provides the same medical supplemental coverage as the Advantage 65 plan and does not include any outpatient prescription drug coverage. Participants enrolling in this plan should consider seeking Medicare Part D coverage through another source to avoid future premium penalties. This plan includes basic dental and routine vision benefits. The single monthly premium for 2007 is \$146.

Those moving to any of the Advantage 65 plans must have Medicare Parts A and B (Original Medicare Plan) in order to coordinate with Advantage 65 secondary coverage. If Medicare Parts A or B does not pay a primary medical benefit, Advantage 65 will not generally pay any secondary benefit. Advantage 65 does not coordinate with Medicare Part C/Medicare Advantage plans. It is also important to note that you may not have the Advantage 65 enhanced Medicare Part D prescription drug coverage if you enroll in another Medicare Prescription Drug Plan. Your member handbook and insert(s) will include additional information.

Advantage 65 participants who have dental and vision coverage will generally receive primary coverage for those benefits under the Advantage 65 Plan since Medicare does not usually cover routine dental and vision services. The optional Advantage 65 dental benefit provides basic dental coverage and does not cover prosthetic, complex restorative or orthodontic services. Both dental and vision benefits are administered by Anthem Blue Cross and Blue Shield.

If you are enrolled in Advantage 65 or Advantage 65 with Dental/Vision, which includes Medicare Part D outpatient prescription drug benefits, please be sure to read the enclosed Retiree Fact Sheet which explains this coverage. It is recommended that you consult the plan's formulary to determine the status of any drugs that you are currently taking.

Enclosures:

- Medicare Plan Options Brochure
- Retiree Fact Sheet #8A (Prescription Drugs – Medicare-Eligible Participants)