



# Open Forum

For Retiree Group Members in the Commonwealth of Virginia's Health Benefits Program

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## Retiree Group Concerns: Increased Dental Benefits

The Department of Human Resource Management's (DHRM) Office of Health Benefits has received some calls and correspondence from retiree group participants regarding the level of dental benefits covered under the Medicare Complementary (Option I) plan and the Dental/Vision option under Advantage 65 and Medicare Supplemental (Option II). Currently, these dental benefits cover 100% of the allowable charge for diagnostic and preventive services (such as periodic oral exams and x-rays) and 80% of the allowable charge for primary services (such as fillings and root canal therapy). There is currently no coverage available to Medicare-eligible retiree group members for prosthetic and complex restorative services such as inlays, onlays, crowns and dentures.

Based on some participants' concerns, the DHRM Office of Health Benefits requested a review of the actuarial impact of adding this additional coverage to the dental benefit, which would be 50% of the allowable charge for those covered services, within the annual coverage maximum.

First, to help keep the cost down, the benefit would need to be added to the entire participant group since offering it as a separate option would likely result in selection by only those who need and would actually use the benefit. That would mean that the cost of the coverage would be close to the amount of the benefit in a self-funded program, such as that offered by the state.

The other possibility, and the one that was investigated, would be to add it as an enhanced benefit under all plans with a dental option. However, even when applying the enhanced benefit to all dental/vision option participants and, therefore, sharing the cost of that additional coverage among a larger pool of participants, the premium would need to be increased by approximately 70% (from \$27 to \$46) to ensure funding of the increased claims cost!

DHRM carefully reviews any changes that have an impact on retiree group participants' premium levels. While we realize that this would be a great benefit to some group participants, we do not feel that it would be fair to impose the additional cost on all dental/vision participants. However, we do appreciate receiving questions and concerns from our program participants and the opportunity to share this kind of information regarding your program and how it works.



## Medicare Drug Discount Cards

Medicare beneficiaries, and anyone who reads the newspaper or listens to television or radio news broadcasts, have heard about Medicare-Approved Drug Discount Cards that became available in May as a result of the Medicare Prescription Drug and Modernization Act of 2003. The Department of Human Resource Management has been following the evolution of these cards to ensure that the State Retiree Health Benefits Program is aware of changes that could affect our participants.

In January 2005, program participants in the Medicare Complementary (Option I) or Advantage 65 plans who also have a Medicare-Approved Drug Discount Card will need to present both their new MedcoHealth prescription ID card and their Medicare-Approved Drug Discount Card to their pharmacist. The pharmacist would then be able to determine which card provides the greatest savings for that particular prescription drug. When using the MedcoHealth home delivery pharmacy service after January 1, prescription costs may be obtained at the MedcoHealth Web site at [www.medcohealth.com](http://www.medcohealth.com). Compare the MedcoHealth copayment/cost to the Medicare discounted cost to see which benefit is greatest.

Medicare Supplemental (Option II) participants who also have a Medicare-Approved Drug Discount Card may submit the Medicare discounted price for covered prescription drugs to Anthem Blue Cross and Blue Shield for reimbursement. If you use your Medicare-Approved Drug Discount Card, you will lose the discount that is generally available when using the Automatic Drug Claim Filing process that is a part of your Medicare Supplemental (Option II) plan.

The Department of Human Resource Management's Office of Health Benefits will continue to monitor information on the Medicare Prescription Drug Benefit that will become available in 2006 to ensure that the state program benefit works with the Medicare benefit.



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