



# CARE

**RAILROAD HEALTHCARE**

Serving Current and Former **BNSF** Railroaders

# *On Track!*

Providing Health Care Benefits To Railroaders Since 1884

November 2015

## New Logo Change for CARE



# CARE

**RAILROAD HEALTHCARE**

Serving Current and Former **BNSF** Railroaders

**CARE** is updating our logo. We wanted a logo that stayed true to our roots, therefore, we will continue to use the train. But we also decided to add the orange color which most Railroaders easily identify with the Burlington Northern and Santa Fe Railway Company. We want to attract as our logo says "*current and former BNSF Railroaders*". All in all, **CARE's** main goal, as always, is to continue providing our members with the highest quality of service that you deserve. You will start seeing this logo within the next few months on our letterhead and envelopes.

### Inside This Issue

- ▶ CEO's Report to the Board, page 2
- ▶ 2016 Dues Rates, page 3
- ▶ Employees Celebrating, page 3
- ▶ Benefit Changes, page 4
- ▶ Membership Drive, page 5
- ▶ Attention All Members, page 5
- ▶ Asbestos Exposure, page 6
- ▶ Important Mail Outs, page 6
- ▶ Senior Corner, page 7

# Chief Executive Officer's Report

## Shelly Cumby, CEO

### October 6, 2015

#### FINANCES

Year to date through August 31, 2015, the unaudited financial for all plans combined reflects an excess of expenses over revenues of \$1,269,152. The majority of the loss is attributable to losses in Plan #4000 (Medicare supplement with drug benefits). However, a portion of the current deficit will be offset by reimbursements that we are expecting in future months for the Part D program. In addition, we have experienced a loss in our investments over the last few months which also affects the bottom line.

#### OPERATIONS

Currently, we have 17 full time employees with 2 of those employees on reduced work hours. The Benefits/Claims, Provider Network and Membership Departments are all cross-trained at this time and work with each other to handle the day to day work flow and during periods of employee vacations and sick leave. I am proud of all the **CARE** Departments and how they work together so that our membership is served to the very best of our abilities.

#### MEDICARE NEWS

We continue to be compliant on all Centers of Medicare & Medicaid Services (CMS) issues and practices. As of this date, we have not received the 2016 Medicare Deductible amounts but hope to receive those in the very near future. As information, **CARE** picks up both the Medicare Part A (inpatient hospital) and Part B (outpatient services) deductibles on behalf of our members.

#### PHARMACY BENEFIT MANAGEMENT (PBM) NEWS

We began developing the 2016 pharmacy benefit for Plan #4000 in the spring. The final benefit design was approved by the **CARE** Board at the meeting held October 6th. We are pleased that we are able to continue to provide an "enhanced" drug benefit by not having a deductible nor a donut hole. Year to date, we have received on a timely basis, reimbursements from Medicare that we would expect for participating in the Part D Program. Analysis of 2nd Quarter Express Scripts, Inc. (ESI) Claims reflects the following:

- 14,741 scripts were filled in the 2nd Quarter
- Generic utilization = 86.6%  
Average retail utilization = 95.2%  
Average mail utilization = 3.7%

101 transactions where the cost to the plan exceeded \$1,000

- Things to monitor: High cost generics, compound drugs & PCSK9 drugs
- Contract Renewal: 2017  
We will begin the RFI/RFP process in February 2016

#### HEALTH & WELFARE NEWS

We continue to follow Health & Welfare news as it affects the active BNSF employees. They are in the middle of contract negotiations as we speak; however, we expect the negotiations will resume throughout this year and next year awaiting the results of the 2017 presidential election.

#### UPCOMING/ONGOING PROJECTS

Mailing of the 2016 marketing materials to include:

- 10/5–Postcard to former **CARE** members who are now age 65 or older
- 10/09–Dues notification letters
- 10/30–On Track newsletter
- 11/17–Annual Notice of Change packets
- 11/30–Medicare & Full Rate Summary Plan Description (SPD) booklets

Our IT (data processing) Department will begin implementation of year end processes as they will incorporate the dues and benefit changes for 2016. Upon invitation, we will continue to attend NARVRE and Union meetings in an effort to reach BNSF active employees and their dependents, early retirees (60/30) and Medicare eligible retirees. We also will continue to attend Railroad Retirement Board (RRB) pre-retirement/informational seminars as we have the past few years. Lastly, we will be analyzing ESI data for the third and fourth quarters as well as performing an extensive annual evaluation of ESI after the first of the year.

In closing, I want to once again thank each and every one of you for your support of **CARE**. Your past loyalty has gotten us to where we are today — CELEBRATING OUR 131st YEAR of existence!! The **CARE** staff and I are so proud to be part of such a legacy. To further our cause, we ask that you spread the word to your BNSF friends and family, and encourage them to contact **CARE** to see if there is a plan that will meet their needs.

# CARE 2016 Dues Rates

EFFECTIVE JANUARY 1, 2016

**PLAN #3000 – SUPPLEMENTAL TO COMPREHENSIVE HEALTH CARE BENEFIT (CHCB) –  
AETNA, AETNA US HEALTHCARE, BCBS ILLINOIS, CIGNA, HIGHMARK BCBS,  
UNITED HEALTHCARE GA23000, UNITED HEALTHCARE 0690100,  
UNITED HEALTHCARE GA107300 & UNITED HEALTHCARE GA23111**

**Monthly                      Quarterly**

Employee .....	\$ 55.00	\$ 165.00
Employee and One Dependent.....	\$ 110.00	\$ 330.00
Employee and Two or more Dependents.....	\$ 165.00	\$ 495.00

**PLAN #3100 – SUPPLEMENTAL TO MEDICAL MANAGED CARE PLANS (MMCP) –  
AETNA US HEALTHCARE, HIGHMARK BCBS, UNITED HEALTHCARE GA23000  
& UNITED HEALTHCARE 0690100**

Employee .....	\$ 35.00	\$ 105.00
Employee and One Dependent.....	\$ 70.00	\$ 210.00
Employee and Two or more Dependents.....	\$ 105.00	\$ 315.00

**PLAN #4000 / SUPPLEMENTAL TO MEDICARE PARTS A & B WITH PART D COVERAGE**

Retired Employee, Spouse, or Surviving Spouse .....	\$ 267.00	\$ 801.00
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**PLAN #4100 / SUPPLEMENTAL TO MEDICARE PARTS A & B ONLY – NO DRUG COVERAGE**

Retired Employee, Spouse, or Surviving Spouse .....	\$ 142.00	\$ 426.00
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**PLAN #5000 / SECONDARY TO UNITED HEALTHCARE GA46000**

Retired Employee or Spouse.....	\$ 264.00	\$ 792.00
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**PLAN #5500 / COVERAGE AFTER GA46000 BENEFITS EXHAUSTED / CARE PRIMARY**

Retired Employee or Spouse.....	\$ 614.00	\$ 1842.00
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**PLAN #5100 - REPLACEMENT PLAN FOR UNITED HEALTHCARE GA46000 DEPENDENTS**

Spouse or child of retired employee .....	\$ 665.00	\$ 1995.00
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If your dues are currently being paid through bank draft, your deduction will automatically be deducted for the month of January 2016. If you pay dues direct to **CARE**, you should remit your dues on or before January 1, 2016. For Plans #3000 and #3100, if your dues are currently being paid through Payroll Deduction or Bank draft, the deduction will automatically be changed.

## Employees Celebrating Years of Service with CARE



**Lindsay Hughes**  
10 years



**Denise Leonard**  
5 years

## New Employee



We would like to introduce you to the latest member of our **CARE** family, **Shirley Nunnally**. Shirley works in the Accounting Department.

Shirley was born and raised in Sharp, TX. After living in Alabama for 32 years, Shirley decided to move back to Texas to be close to her mother and sisters. Shirley's hobbies include needle work and crocheting.

# 2016 CARE Benefit Changes

## CARE PLAN #4000 - PRESCRIPTION DRUG BENEFIT (PART D) CHANGE FOR 2016:

For Plan Year 2016, **Express Scripts Medicare (PDP)** will continue to administer pharmacy benefits for our Plan #4000 members. Plan #4000 members will receive a new prescription ID card from **Express Scripts Medicare (PDP)** which should be used starting January 1, 2016.

**CARE** will continue to provide our Medicare members with an “enhanced” Part D prescription drug benefit. Your prescription drug benefit has increased from \$4,700 to \$4,850. **You will continue to have no deductible and will only be responsible for applicable copayments and/or coinsurance throughout the plan year. Due to the additional coverage provided by CARE, there will continue to be NO coverage gap, also known as the “Donut Hole.”**

Open enrollment is from October 15th through December 7th. The benefit period for Plan #4000 is January 1 through December 31. Please see the chart below for further explanation of the stages plus your copayments for 2016. For questions regarding your prescription drug benefit contact the **CARE** Customer Service Department at 1.800.334.1330.

CARE PLAN #4000 RX BENEFIT FOR 2016	
<b>DEFINITIONS:</b>	
<b>Total Drug Costs</b> - Drug costs paid by you and the plan.	
<b>Out-of-Pocket Drug Costs</b> - Copayment and/or coinsurance paid by you and payments made for your drugs by any of the following programs or organizations: “Extra Help” from Medicare, Medicare’s Coverage Gap Discount Program, etc. Does NOT include payments made for a) plan premiums, b) drugs not covered by your plan, c) non-Part D drugs (such as drugs you receive during a hospital stay), d) and drugs obtained at a non-network pharmacy that do not meet out-of-network pharmacy access policy.	
<b>No Annual Deductible</b>	
<b>Initial Coverage Stage</b> 0 - \$3,310	You will pay the applicable copayment and/or coinsurance listed below until your <b>total drug costs</b> reach \$3,310.
<b>Coverage Gap Stage</b> \$3,310 - \$4,850	After your total drug costs reach \$3,310, you will continue to pay the same applicable copayment and/or coinsurance listed below as in the Initial Coverage Stage until you reach <b>out-of-pocket drug costs</b> of \$4,850.

Tiers & Copayments	RETAIL		HOME DELIVERY
	Up to 34-Day Supply	35 to 90-Day Supply	90-Day Supply
<b>Tier 1: Generic Drugs*</b>	\$15	\$15	\$15
<b>Tier 2: Preferred Brand Drugs</b>	\$40	\$90	\$70
<b>Tier 3: Non-Preferred Brand Drugs</b>	\$60	\$180	\$150
<b>Tier 4: Specialty Drugs</b>	33% of drug costs. \$300 Maximum	33% of drug costs. \$900 Maximum	33% of drug costs. \$750 Maximum

**\*Reminder:** If the cost of the generic drug is less than the \$15 copayment, you will pay the lesser price.  
Examples: If the cost of the generic drug is \$7.50, you will ONLY pay \$7.50, NOT the \$15 copayment.  
If the cost of the generic drug is \$25, you will ONLY pay the \$15 copayment.

<b>Catastrophic Coverage Stage</b> > (Greater than) \$4,850	After your <b>out-of-pocket drug costs</b> reach \$4,850, you will pay the greater of 5% coinsurance or \$2.95 for generics (or drugs treated as generic) and \$7.40 for all other drugs. The plan will pay the rest.
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# MEMBERSHIP DRIVE INCENTIVE PROGRAM!

As you may be aware, during November 2014, we implemented the Membership Drive Incentive Program. To date, we have enrolled 53 new members. **CARE** will extend our Membership Drive through 2016 to help introduce new persons to our plan. Remember, this membership drive will not only benefit the Hospital Association but **YOU** as well. **YOU** can receive \$100 for each new enrollee that you bring on board with **CARE**. We encourage you to tell your fellow BNSF railroad friends and retirees about **CARE** and the plans we have to offer. Below is a reminder of how the program works and remember... **"Introduce a BNSF Friend to CARE and We'll Introduce You to One Hundred Dollars"**.

## MEMBERSHIP DRIVE INCENTIVE PROGRAM Questions & Answers

### Q: How does the Program Work?

**A:** A current **CARE** member recruits a current or former BNSF employee, retiree, spouse/dependent\* or former **CARE** member to enroll in one of **CARE's** healthcare plans.

The **CARE** member then calls Berenice Hensley in the Member Services Department at 1.800.334.1330 extension 310, and provides the "recruited" person's name, address,

and phone number. The "recruited" person will need to indicate the **CARE** member who referred them.

Once the application for the new enrollee is received and approved and dues received for the plan they have enrolled in, the recruiter will receive a check in the amount of \$100 within 30-45 days.

### Q: How much will I receive for recruiting a new member?

**A:** \$100 per eligible new member recruited not to exceed \$500 annually (which means you can recruit up to 5 new persons per calendar year).

### Q: Who can participate?

**A:** All current **CARE** members.

### Q: What CARE Plans are included?

**A:** Plan #3000, Plan #3100, Plan #4000, Plan #4100, Plan #5000 and Plan #5100.

### Q: Definition of a "New" Member:

**A:** A current or former BNSF employee, retiree, dependent and/or former **CARE** member.

\* Does not apply to newborns or children being added to the family plan under Plan #3000 and Plan #3100.



## CARE Web Site

We invite our members and others to visit our web site at [www.carehealthplan.com](http://www.carehealthplan.com) for up to date information on new happenings or changes with the **CARE** Health Plan.

Also located on our web site are applications for our different plans, the prescription drug formulary for Plan #4000, On Track newsletter and the summary plan descriptions for our Medicare, Supplemental and Full Rate members.

## ATTENTION ALL CARE MEMBERS

Please help keep our files updated by providing **CARE** with phone, address and email address changes. During our last mailout to our members we received several returned items with the message "return to sender / not deliverable as addressed / unable to forward". We are still getting numerous letters back and each one costs **CARE** another 49 cents.

Help us to keep you informed by providing **CARE** with new mailing addresses.

### Full Rate and Supplemental Members

All Full Rate and Supplement members will be receiving an updated **CARE** Benefit Guide during the month of November 2015.



If you or a family member were a former employee of the Atchison Topeka & Santa Fe Railway Company or the Burlington Northern Santa Fe Railway Company you or they may have been exposed to asbestos and asbestos-containing products during your /their railroad career. As you may be aware from news stories, asbestos has been proven to cause certain types of cancer in workers who may have been exposed.

Asbestos has been proven to cause cancer of the lung, esophagus, throat, colon and other gastrointestinal cancers. Specifically asbestos is the sole cause of a particular lung cancer called **Mesothelioma**.

If you, your loved one or someone you know suffered from any of the cancers listed above there are funds rightfully due to you and family members as a result of the asbestos exposure suffered in the railroad workplace, subject to meeting certain criteria.

If you believe you may be one who was affected by this, we urge you to seek legal advice from legal counsel of your choice which specializes in asbestos-related cases or contact the law firm of **Jones Granger** who has specialized in asbestos cases for more than 26 years. **Jones Granger** can handle your case on a contingency fee basis. This means that you will not be charged any fees or costs unless a settlement is made on your behalf. You will not have to pay money out of your pocket to fund the case. The attorneys are only paid fees and reimbursed case expenses if a settlement is made on your behalf. If there are no settlements you will not owe any money. The contact information for **Jones Granger** is as follows:

Mr. Bruce Halstead  
Jones Granger Law Firm  
10000 Memorial Drive, Suite 888  
Houston, Texas 77210  
Toll-free 1.800.231.3359

Please keep in mind that if you seek recovery and are awarded a settlement **CARE** must exercise its subrogation rights. That means that out of any recovery that you receive **CARE** must be reimbursed for any monies it has paid out on your behalf for asbestos related claims.

Also keep in mind that there are specific time periods and limitations that may affect your ability to file a claim and obtain the benefits to which you may be entitled. If/when you contact legal counsel including **Jones Granger** please identify yourself as a **CARE** member.

## Important Mail Outs for Members in Plan #4000 and Plan #4100

The 2016 **CARE** Medicare Secondary Plan Benefit Guide will be mailed to our Medicare membership (Plan #4000 and Plan #4100) during the month of November 2015. During the month of November 2015, Plan #4000 members will be receiving information from **Express Scripts Medicare (PDP)** which will include the Annual Notice of Change (ANOC) and Benefits Overview for Plan Year 2016. Also included will be a List of Covered Drugs ("Formulary") to be effective January 1, 2016.

Plan #4000 members will receive a new prescription ID card from **Express Scripts Medicare (PDP)** in December 2015 which you should start using January 1, 2016. You should continue to use your **current** prescription ID card from **Express Scripts Medicare (PDP)** through the end of this year.

Both Plan #4000 and Plan #4100 members should continue to use their current **CARE** medical ID card, do not dispose of this card.



## 2016 Medicare Deductibles

At the time of printing of this newsletter, the 2016 Medicare Part A & Part B deductibles had not been published by the Centers for Medicare & Medicaid Services (CMS).

As a reminder, **CARE** Plan #4000 and Plan #4100 (both secondary to Medicare) pay your Medicare Part A & B deductibles.

### National Association of Retired Veterans & Railway Employees (NARVRE)

Once again **CARE** would like to thank the National Association of Retired Veterans & Railway Employees (NARVRE) units out there for inviting us to the monthly meetings. Both Shelly Cumby and Kathy Hampton attended many meetings this year. **CARE** also attended several Pre-Retirement Seminars and Informational Conferences put on by the Railroad Retirement Board in Albuquerque, NM., Portland, OR., Ft. Worth, TX., Houston, Tx., and Topeka, KS. These meetings are a perfect opportunity for **CARE** to introduce our benefit plans to retiring BNSF employees and their spouses.

Kathy Hampton traveled to NARVRE units in Barstow, CA., Marceline, MO., Cleburne, TX., and Fresno, CA. During the month of November, Kathy will attend the Clovis, NM. NARVRE meeting.

Shelly Cumby was invited to attend not only NARVRE meetings but Union meetings also. Her meetings included visiting the Temple NARVRE; Denver, CO, RRB informational conference; Denver, CO, BLE-T Southeastern Convention; Ft. Worth, TX; BLE-T General Committee Workshop; Tulsa, OK; BLE-T Southwestern Convention and the Amarillo, TX, BLE-T local union meeting.

With the new year fast approaching we would like to remind all National Association of Retired Veterans & Railway Employees (NARVRE) units that upon your request **CARE** is available to attend meetings in your area. We would enjoy the opportunity to speak about the Medicare supplemental plans we have to offer and to keep you informed of Medicare changes. Feel free to contact Kathy Hampton, Medicare & Compliance Coordinator at 1.800.334.1330, Extension 268 with any questions.

To all the NARVRE units, Unions and the Railroad Retirement Board, **CARE** sends a warm "THANK YOU" for allowing us to visit you.

### Medicare to Update Coding Requirements

For dates of service beginning October 1, 2015, Medicare contractors will only process claims using a new set of diagnosis codes. These codes known as the International Classification of Diseases, 10th Edition (ICD-10) will replace the existing code set, ICD-9. According to the Centers for Medicare and Medicaid Services (CMS), diagnosis and billing medical codes in the United

States have not been updated in more than 35 years.

The new ICD-10 codes will offer providers and suppliers a method for specifically diagnosing a patient's medical condition. The ICD-10 diagnosis codes will provide a detailed description of the patient's condition which will lead to better patient records.

Unfortunately, as a result of this change, Medicare beneficiaries may see more claim denials on your Medicare Summary Notice due to providers coding claims incorrectly. If this happens, providers should request that Medicare reopen the claim in order to use the correct codes. As a result, Medicare beneficiaries should be prepared for a delay in the processing of medical claims.

We hope that this change will be a smooth transition for all involved. Should you have questions regarding your medical claims contact the Railroad Medicare Beneficiary Contact Center at 1.800.833.4455 and as always you can contact **CARE** with any questions or concerns at 1.800.334.1330.

### Medicare Fraud & Abuse

Unfortunately, in this day and age, the potential for fraud and abuse exists. Sometimes the first indication of healthcare fraud or abuse can be seen on a Medicare Summary Notice, please read it carefully. Review the information to see if:

- Your name, address and Health Insurance Claim Number (Medicare Number) are correct
- The dates(s) of service on the statement match when you actually had a service
- The description of the services your doctor billed to Railroad Medicare is correct

If you need help reading your Medicare Summary Notice or if you find something on it that appears to be wrong, you can contact toll-free the Railroad Medicare Beneficiary Contact Center at 1.800.833.4455, Monday through Friday, from 8:30 a.m. until 7:00 p.m. (ET). You may also call the Department of Health and Human Services Medicare Fraud Hotline to report suspected fraud and abuse. Their toll-free number is 1.800.447-8477.

Also, as a reminder, guard your Medicare number - treat it like a credit card. Make sure someone else doesn't use your Medicare card to get medical care, supplies or equipment.



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Temple, TX 76502

P.O. Box 6130  
Temple, TX 76503-6130

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**The next scheduled meeting of the CARE Board will be held in June 7, 2016**

**The CARE staff  
would like to wish  
you and your family  
a safe and happy  
holiday season!**

**Express Scripts  
Medicare (PDP)  
Customer Care**  
is available toll-free,  
24 hours a day,  
7 days a week  
at  
**1.866.725.2511**  
TTY/TTD users should call  
**1.800.716.3231**

**Open Enrollment**  
**CARE** is currently having an Open Enrollment for the following plans:  
Plan #3000, Plan #3100, Plan #4000, Plan #4100, Plan #5000 and Plan #5100.  
For enrollment information on these plans contact the  
**CARE** office at 1.800.334.1330.

**CARE 2015-2016  
Holiday Schedule**  
**CARE** office closed  
Thursday, November 26 and  
Friday, November 27, 2015.  
Friday, December 11, 2015 closed  
from 2:30 p.m. to 4:30 p.m. (CST)  
for employee Christmas party.  
**CARE** office closed  
Thursday, December 24 and  
Friday, December 25, 2015.  
**CARE** office closed  
Friday, January 1, 2016.

**CARE Members**  
**For Questions You May Have,  
contact the CARE office  
at 1.800.334.1330**  
**Benefits/Claims Processing/  
Customer Service:**  
Kimberly Stinnett  
**Member Services:**  
Berenice Hensley  
**Provider Relations:**  
Terry Booth  
**Medicare Compliance Officer:**  
Kathy Hampton  
**General Information:**  
Lee Todaro

The "On Track" newsletter is published by the Consolidated Associations of Railroad Employees. If you would like to submit articles or announcements concerning Health & Welfare for publication in future editions, you may contact Berenice Hensley at bereniceh@care.vvm.com. Inclusion of articles will be subject to space available and appropriateness as judged by CARE Administration.