



CARE

RAILROAD HEALTHCARE

Serving Current and Former **BNSF** Railroaders

On Track!

Providing Health Care Benefits To Railroaders Since 1884

November 2018

Chief Executive Officer's Report September 25, 2018

FINANCIALS

Year to date through August 31, 2018 the unaudited financial for all plans combined reflects an excess of expenses over revenues of (\$698,881).

◆ Plan #3000	\$ (20,035)
◆ Plan #3100	\$ (3,533)
◆ Plan #4000	\$ (812,459)
◆ Plan #4100	\$ (102,433)
◆ Plans #5000/5500	\$ (13,111)
◆ Plan #5100	\$ (58,419)

OPERATIONS

- ◆ Employee Count
16 (1 retiring in December = 15) full-time employees (4 employees on reduced hours).
- ◆ Front desk receptionist vacancy = not replacing, distributing work flow amongst other employees.
- ◆ Employee Benefits--Expecting increases in health plan premiums
- ◆ Year to date through August, we have 19 **CARE** members with medical claims totaling \$440,000.

MEDICARE NEWS

- ◆ We continue to strive to be CMS compliant on all CMS issues.

- ◆ As of this date, we have not received the 2019 Medicare Deductible amounts. We expect them to be in line with previous years increases.
- ◆ Received CMS HCPP reimbursement for the 2017 cost report settlement totaling approximately \$213,000.
- ◆ We have been notified that CMS will be auditing our HCPP cost reports for years 2013, 2014, 2015, 2016 and 2017.

PHARMACY BENEFIT MANAGEMENT (PBM) NEWS

- ◆ 2019 Plan #4000 RX Benefit Design (as approved on 8/9/18).
- ◆ Cigna recently acquired Express Scripts.

UPCOMING/ONGOING PROJECTS

- ◆ Mailing of the 2019 marketing materials to include:
 - ◆ mid-October = Dues & Benefit notification letters
 - ◆ mid-November = On Track Newsletter
 - ◆ mid November = Annual Notice of Change packets to Plan #4000 members
 - ◆ December = Summary Plan Description (SPD) booklets to all members

Continued on Page 2

Inside This Issue

- | | | |
|--------------------------------------|------------------------------|-------------------------------------|
| ➤ Celebrating Years of Service, pg 2 | ➤ CARE 2019 Dues Rates, pg 3 | ➤ Topeka Area news, pg 5 |
| ➤ Employee News, pg 2 | ➤ 2019 Benefit Changes, pg 4 | ➤ Important Dates to Remember, pg 5 |

CEO's Report to the Board

Continued from Page 1

UPCOMING/ONGOING PROJECTS (continued)

- ◆ Preparation for impending CMS Cost Report Audit
- ◆ Initiation of Pharmacy Benefit Manager Audit
- ◆ Pharmacy Benefit Manager Contract Negotiations effective 1/1/19
- ◆ 2018-2019 Employee Evaluations
- ◆ 2019 **CARE** Employee Benefit Renewals
- ◆ Implementation of year end processes (IT)
- ◆ Upon invitation, attend NARVRE and Union meetings
- ◆ Analysis of Express Scripts pharmacy data for Quarters 3 and 4

The next scheduled meeting of the **CARE** Board will be held June 4, 2019.

Our People Make **CARE** Successful Employees Celebrating Years of Service with **CARE**



Shelly Cumby
CEO and Administrator
25 years

New Employee

Tracy Ross began working for **CARE** in April 2018. Tracy is married and has a son. Tracy loves the outdoors and spends much of her spare time on the lake or at the deer lease. Tracy brings to **CARE** a career in Accounting plus extensive knowledge in the Employee Benefits arena. We are happy to welcome Tracy to our **CARE** family!

A Personal Note from **CARE**



Larry Latimer Retiring

After 12 years, Larry Latimer, Assistant Administrator, Chief Financial Officer and Corporate Treasurer for **CARE**, will be retiring at the end of 2018. Larry began working for **CARE** on January 9, 2006. Larry is known around the office for not only performing his specified job duties in a stellar manner, but also performs tasks that are not in his job description! He is always there to lend a helping hand to his co-workers and friends and he will be sorely missed.

All of us at **CARE** wish Larry and his wife Kathy, a retired school teacher and the daughter of retired rail-roader Bill Yearwood, the best in the years to come.

CARE VICE-CHAIRMAN GARLAND R. NEAL RETIRES

On September 25, 2018, Mr. Neal resigned from his position as Vice-Chairman of the **CARE** Hospital Association Board of Directors. He tirelessly served the **CARE** membership for over 25 years providing counsel and attended countless Board meetings and conference calls, while always looking out for the best interests of our membership and the **CARE** staff.

Mr. Harvey N. Smith, current **CARE** Board member, will assume the position of Vice-Chairman of the Board and Mr. Paul W. Tibbit, who has served as a **CARE** Consultant to the Board since 2014, will fill the open position on the **CARE** Board.

CARE 2019 DUES RATES EFFECTIVE JANUARY 1, 2019

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.....	\$ 45.00	\$ 135.00
Employee and One Dependent.....	\$ 90.00	\$ 270.00
Employee and Two or more Dependents.....	\$ 135.00	\$ 405.00

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

Retired Employee, Spouse, or Surviving Spouse.....	\$ 308.00	\$ 924.00
--	-----------	-----------

PLAN #4100 / SUPPLEMENTAL TO MEDICARE PARTS A & B ONLY – NO DRUG COVERAGE

Retired Employee, Spouse, or Surviving Spouse.....	\$ 165.00	\$ 495.00
--	-----------	-----------

PLAN #5000 / SECONDARY TO UNITED HEALTHCARE GA46000

Retired Employee or Spouse.....	\$ 325.00	\$ 975.00
---------------------------------	-----------	-----------

PLAN #5500 / COVERAGE AFTER GA46000 BENEFITS EXHAUSTED / CARE PRIMARY

Retired Employee or Spouse.....	\$ 753.00	\$ 2259.00
---------------------------------	-----------	------------

PLAN #5100 - REPLACEMENT PLAN FOR UNITED HEALTHCARE GA46000 DEPENDENTS

Spouse or Child of Retired Employee	\$ 927.00	\$ 2781.00
---	-----------	------------

For Plans #3000, #4000 and #4100, if your dues are currently being paid through payroll deduction or bank draft, the deduction will remain the same.

For all other plans, if your dues are currently being paid through payroll deduction or bank draft, your deduction will automatically be changed for the month of January 2019. If you pay dues direct to **CARE**, you should remit the new rate on or before January 1, 2019.

2019 Benefit Changes

CARE PLAN #4000 - PRESCRIPTION DRUG BENEFIT (PART D) CHANGE FOR 2019:

For Plan Year 2019, Express Scripts Medicare (PDP) will continue to administer pharmacy benefits for our Plan #4000 members.

- ◆ Annual deductible of \$300
- ◆ Initial Coverage Limit increased from \$3,750 to **\$3,820**
- ◆ Prescription Drug Benefit increase from \$5,000 to **\$5,100**

CARE will continue to provide you with an “enhanced” Part D prescription drug benefit with no coverage gap known as the “Donut Hole.” Your copayments and a brief summary of your prescription drug benefit for Plan Year 2019 are listed below.

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 2019. For questions regarding your prescription drug benefit contact the **CARE** Customer Service Department at 1.800.334.1330.

CARE PLAN #4000 RX BENEFIT FOR 2019			
Initial Coverage Stage Deductible	\$0 - \$3,820		
	After you have met your annual deductible of \$300 you will pay the applicable copayment/coinsurance listed below until your total drug costs reach \$3,820.		
Coverage Gap Stage \$3,820 - \$5,100	After your total drug costs reach \$3,820, you will continue to pay the same applicable copayment and/or coinsurance listed below as in the Initial Coverage Stage until you reach \$5,100.		
Catastrophic Coverage Stage > Greater than \$5,100	After your out-of-pocket drug costs reach \$5,100, you will pay the greater of 5% coinsurance or \$3.40 for generics (<i>or drugs treated as generic</i>) and \$8.50 for all other drugs. The Plan will pay the rest.		
TIERS	COPAYMENTS		
	RETAIL		MAIL ORDER
	Up to 31-Day Supply	32 to 90-Day Supply	90-Day Supply
Tier 1: Generic Drugs (lower cost)	\$15	\$15	\$15
Tier 2: Preferred Brand Drugs	\$40	\$120	\$100
Tier 3: Non-Preferred Brand Drugs	\$60	\$180	\$150
Tier 4: Specialty Drugs	33% of drug costs. \$450 Maximum	33% of drug costs. \$1,350 Maximum	33% of drug costs. \$750 Maximum

ENROLLMENT BENEFIT CHANGE

Members currently enrolled in Plan #4000 have the option of transferring to Plan #4100. However, please be advised that Plan #4000 members who choose to transfer to Plan #4100 WILL NOT have the option of returning to Plan #4000 once they have made the decision to leave the plan, as enrollment in Plan #4000 has been suspended indefinitely

GOOD NEWS FOR TOPEKA AREA MEMBERS

As some of you may be aware, St. Francis Physicians Clinic, Inc. in Topeka was recently purchased by Topeka Physician Group, LLC d.b.a. The University of Kansas Physicians.

As you are also aware, **CARE** has had a longstanding capitation arrangement with St. Francis Health Center to provide certain primary care services at St. Francis Medical Clinic / River Hill and Hunters Ridge locations to **CARE** members living in the 666 zip code.

Effective January 1, 2019, **CARE** will enter into an agreement with Topeka Physician Group which will allow **CARE** members to utilize any provider (that accepts Medicare) of their choice. In other words, Topeka area **CARE** members are no longer required to go to a specific location to receive their primary care. This is good news!

We are pleased to make this change so that our members will have the convenience of going to any provider of their choice. We are happy to be entering into this contract with Topeka Physician Group and look forward to extending our longstanding relationship with them.

As always, should you have any questions or concerns regarding this change, do not hesitate to contact the **CARE** Provider Relations Department at 1.800.334.1330.

Senior Corner

2019 Medicare Deductibles

Medicare Part A Deductible - \$1364.00

Medicare Part B Deductible - \$185.00

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

2019 Plan #4000 Part D Deductible

Express Scripts Medicare PDP - \$300

Important Dates to Remember for Plan #4000 and Plan #4100 Members

October 15 - December 7, 2018 Medicare Open Enrollment - During this time, **only** members in Plan #4000 have the option of transferring to Plan #4100. Plan #4000 members who choose to transfer to Plan #4100 **WILL NOT** have the option of returning to Plan #4000 once they have made the decision to leave the plan, as enrollment in Plan #4000 has been suspended indefinitely.

November 2018 - 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 2019.

Plan #4000 members should continue to use your current prescription ID card from Express Scripts Medicare (PDP) - do not dispose of this card.

December 2018 - 2019 **CARE** Medicare Secondary Plan Benefit Guide will be mailed to members in Plan #4000 and Plan #4100



4912 Midway Drive
Temple, TX 76502

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

PRSRT STD
U. S. Postage
PAID
Waco, Texas
Permit No. 1519

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

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 Hargrove

Medicare Compliance Officer

Kathy Hampton

CARE 2018 / 2019 Holiday Schedule

CARE office closed
Thursday, November 22 and
Friday, November 23, 2018

Friday, December 7, 2018
closed from
2:30 p.m. to 4:30 p.m. (CST)
for employee
Christmas party.

CARE office closed
Monday, December 24, 2018
and
Tuesday, December 25, 2018.

CARE office closed
Tuesday, January 1, 2019.

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@carehealthplan.com. Inclusion of articles will be subject to space available and appropriateness as judged by **CARE** Administration.