Health Insurance Plans Renewed for 2013
Great Premium News! PURcare Health Insurance Premium Falls

The Benefits Committee of the Purdue University Retirees Association has renewed the PURcare and Medicare Advantage PPO Health Insurance Plans with UnitedHealthcare for 2013 and has negotiated an overall lower premium for the PURcare plan and a very low 1% increase in the premium for the Medicare Advantage or PPO plan.

PURcare, the Purdue sponsored Medicare Supplement health plan participated in by over 2200 Purdue Retirees will continue for 2013 with the same medical, vision and prescription drug benefits as in 2012, but for a lower premium than paid in 2012. The PPO Plan will have the same benefits and co-pays as in 2012 with only a premium increase of 1%.

Through the expertise of the AonHewitt Consulting, paid for by Purdue University; the desire of United Healthcare to continue to serve our members; and the hard work of the Benefits Committee members; our premiums are set at very competitive rates as compared to other health insurance plans. Sponsored plans across the nation are seeing large premium increases. Over the past several months the Benefits Committee reviewed plans from many other health insurance companies and received health care utilization information on our plans from UnitedHealthcare. This background and information was used to negotiate our continued coverage with UHC at very good premium rates.

If you are currently a member of one of our plans and do not want to make a change: your coverage will continue for 2013 without reenrollment.

PURcare for 2013:

- The PURcare medical plan (UnitedHealthcare Senior Supplement), including vision care, will continue with the same benefits as 2012 but with a lower premium of $191.02 per member per month. This premium is down from $199.47 for 2012, a rate change below what many senior plans are expected to cost.

- The PURcare Prescription Drug coverage (Part D) continues with open formulary, no step therapy, and no “donut hole” for a rate of $77.30 per month per member. This is up about 3% from $75.05 in 2012. Our increased usage of generic drugs helped us stay within the industry standard expected increase of 3-4%.

- In 2013 your share of prescription drug costs will remain at 50% for local pharmacies and 45% for mail orders. True-Out-of-Pocket maximum costs will be $4,750, which represents the Medicare-determined amount for the Standard Medicare Part D catastrophic threshold. Once this threshold is reached, prescription drugs are covered at 100% for the remainder of the year.
• Annual deductible for hospital/medical treatments will continue to be $300.00. After this level is reached, all Medicare-approved costs, including hospitalization, outpatient services, skilled nursing facility, home health care, and other benefits, will be covered at 100% for the remainder of the year, plus up to $150 per year for Vision care.

• PURcare members must continue to be enrolled in both the medical and prescription drug plans to be eligible to participate in this plan. An exception is made for members with VA benefits for prescription coverage.

• **Per person total premium for medical and prescription drugs for 2013 will be $268.32 down from $274.52 for 2012.**

*The following graph depicts the changes in Purcare benefits through the years, with the blue line representing the Purcare medical and drug premium and the red line inflation-adjusted premium costs.***

**Fig. 1 Purcare Medical and Drug Premium, 2000-2013**
Special Notes from the Benefits Committee on frequently asked questions:

1. Medicare does not cover medical costs when you travel outside the US, but PURcare does. Please read information on this coverage in materials that you will receive from UnitedHealthcare.

2. Most providers of vision care services do not file for insurance payments, so it is up to the member to file, utilizing the form provided by UnitedHealthcare. If you have questions contact Kate LaMar.

3. While Medicare pays for many Home Health Care services, PURcare coverage provides an additional $5,000 per year for coverage of doctor-prescribed services. Please read the UHC material for more information or call Kate LaMar in Purdue Human Resources for assistance.

4. Females: Screening for cervical and vaginal cancers, including Pap tests and pelvic exams, are covered by Medicare Part B once every 24 months. Bone density tests are also covered by Medicare Part B once every 24 months, and mammograms are covered once every 12 months. Males: PSA blood tests and digital rectal exams are covered by Medicare Part B once every 12 months. In each case, participants should make sure their doctors code the test correctly.

Veteran Administration Eligible Members:
For 2013, the PURcare medical-only premium will be will be $191.02.

Medicare Advantage PPO Plan:
The Purdue sponsored Medicare Advantage plan, UnitedHealthcare® Group Medicare Advantage (PPO) was also renewed for 2013 with no plan changes. For 2013, monthly premiums will be $185.96 with no change in covered benefits or co-pays from 2012, an increase of only 1%. This premium covers a combined medical and drug plan.

Health Insurance Consultant Continued for PURA by Purdue University:
In consultation with PURA, Purdue University continued the services of a consultant to assist the Benefits Committee in negotiations and in obtaining information needed to renew the insurance coverage. AonHewitt and Associates, Chicago, IL was of great assistance with the process. We appreciate the support of Purdue Human Resources in making this service available.

Purdue Human Resources Support Continues:
PURA members continue to receive outstanding support from Purdue Human Resources and we thank them. We specifically rely on secretarial help from Michelle Salla. Our full time support person for health insurance is Kate LaMar. Please phone or contact Kate with questions at klamar@purdue.edu or 765-494-1694.