

Emailed to Retired Employees on ADOA Benefits on June 29, 2018

Subject: Upcoming Changes to 2019 Benefits Package

Dear Retired State Employee,

As we are preparing our benefit offerings for the 2019 plan year, we continue to seek ways to offer a benefit package that remains among the most competitive and attractive in both the private and public sectors. As medical costs continue to rise nationwide, we are offering this important information so you can plan ahead.

Changes for 2019

- **Rates**
 - For the Exclusive Provider Organization (EPO) and Preferred Provider Organization (PPO) plans, rates will rise by 3%, effective January 1, 2019.
 -
- **New EPO Deductible**
 - The EPO medical plan will have a deductible of \$100 for individuals and \$200 for families. This means you will have to pay \$100 or \$200 in qualified out-of-pocket expenses before the plan begins to pay.

Staying the Same

- All other health plan coverage and carriers will remain the same for 2019.

Why are the changes necessary?

- The State is self-insured, which means that employees, retirees and the State pay into the plan to cover the claims. As medical costs increase year over year, we must ask our employees and retirees to share more of the costs to meet our plan expenses.

Next Steps

- **End of September: Benefits Enrollment Packet for 2019** - Will be mailed to your address on file to help you determine what plan is best for your family.
- **October/November: Benefit Expos** - Will be held at locations throughout the state. Speak to our representatives and get answers to your benefit questions. You will find dates and times in your enrollment packet and on benefitoptions.az.gov. You are welcome to attend one of these events, or come to our new expo for retired state employees only, as listed below.
- **October 9: Benefits Expo for Retired State Employees**
Tuesday, October 9
10 a.m. - 2 p.m.
Arizona Department of Administration
100 N. 15th Ave
Phoenix, AZ 85007
- **October 22 - November 9: Open Enrollment for 2019**
 - **To keep your current benefits, no action is needed.** Your current plan elections will continue at the new premium rates starting January 1, 2019.
 - **To change your benefits, visit yes.az.gov and make new elections for coverage.** Your new benefits and premium rates will take effect January 1, 2019.

January 1, 2019: New benefits and premiums take effect

- The new premiums will be billed in January 2019.

Questions?

Please contact a Benefit Options representative by phone 602-542-5008, toll-free 1-800-304-3687, by email benefitsissues@azdoa.gov or visit benefitoptions.az.gov.