

ARIZONA

DEPARTMENT OF ADMINISTRATION
BENEFITS

Dear Retired State Employee,

Understanding how important benefits can be to our retirees and their families, we continue to offer a benefits package that remains among the most competitive and attractive in both the private and public sectors. As we are preparing our benefits offerings for the 2020 plan year, we are sharing this important information so you can plan ahead.

STAYING THE SAME FOR 2020

- **Premiums** - The amount you pay per month is staying the same.
- **Copays** - The amounts you pay at the time of service are staying the same.
- **Coverage** - All other health plan coverage and carriers will remain the same for 2020.

CHANGES FOR 2020

New Deductibles and Out-of-Pocket Maximums for Medical Plans

These changes apply to all medical carriers.

- The deductible is an annual amount of out-of-pocket expenses that you must pay before the health plan will pay a portion of services. After you pay your deductible, you usually pay only a copayment or coinsurance for covered services.
- The out-of-pocket maximum is the most you'll pay for expenses in a plan year. After the out-of-pocket maximum is met, the plan pays for all expenses for the remainder of the plan year. Keep in mind that most members do not meet their out-of-pocket maximum in a given year.
- Remember, \$0 cost preventive services are not included in the deductible and do not require a copayment or coinsurance. For more information on preventive services, see "Saving Money on Your Benefits" below.

Medical Plan	Deductible		Out-of-Pocket Maximum	
	2019	2020	2019	2020
Exclusive Provider Plan (EPO)				
In-Network Employee	\$100	\$200	\$7,350	\$7,350
In-Network Family*	\$200	\$400	\$14,700	\$14,700
Preferred Provider Plan (PPO)				
In-Network Employee	\$500	\$1,000	\$1,000	\$1,500
In-Network Family*	\$1,000	\$2,000	\$2,000	\$3,000
Out-of-Network Employee	\$1,000	\$2,000	\$4,000	\$7,000
Out-of-Network Family*	\$2,000	\$4,000	\$8,000	\$14,000

* Family includes employee+spouse, and employee+child. Shaded areas are changes for 2020.

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. To give an example of cost increases, in the 2017-2018 plan year, the State paid an average of 9.4% more for each prescription filled. That amounts to about \$5 million — and that is just one category of healthcare.
- Despite rising health care costs, the benefits package offered by the State remains among the most competitive when compared to both the private and public sectors as well as neighboring states. Deductibles for our broad network EPO is the lowest among area competitors. Additionally, premiums paid by ADOA members are significantly below the competition in many coverage tiers, with our single EPO tier at half the cost of the nearest competitor.

SAVING MONEY ON YOUR BENEFITS

Here are two simple things you can do to reduce the costs of your benefits now and in the future:

1) Preventive Care Services - Provided at \$0 cost.

- For the past three years, our plans have included preventive care to prevent illnesses or diseases. Providing these services at no cost is based on the idea that getting preventive care, such as screenings and immunizations, can help you and your family stay healthy. Preventive care may also help reduce your health care costs down the road if you catch a problem early, or if an immunization keeps you from getting a serious illness. A few examples of preventive care services:
 - Wellness visits and standard immunizations.
 - Screenings for blood pressure, cholesterol, and Type 2 diabetes.
 - Mammograms, prostate exams, and colonoscopies.

2) Choose the Right Care For Your Needs - Save up to \$180 on an ER visit.

- When you have to visit a provider, how do you know which one best suits your situation? Matching the service to the need is key to stretching your healthcare dollar. You can start by speaking with a registered nurse 24 hours a day, 7 days a week when you call the Nurseline number on the back of your medical card. With this \$0 cost service, you'll get help to decide if you need to visit your doctor, urgent care or the ER. [Learn more.](#)

NEXT STEPS

- **Early October: Benefits Enrollment Packet for 2020** 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 expo for retired state employees only, as listed below.
- **October: Benefits Expo for Retired State Employees**
Wednesday, October 16, 10 a.m. - 2 p.m.

Arizona Department of Administration
100 N. 15th Ave, Phoenix, AZ 85007

- **Flu Shots will be available from 10 a.m. - 2 p.m.**

- **October 21 - November 8: Open Enrollment for 2020**
 - **To keep your current benefits, no action is needed.** Your current plan elections will continue at the current premium rates starting January 1, 2020.
 - To change your benefits, visit yes.az.gov and make new elections for coverage. Your new benefits and premium rates will take effect on January 1, 2020.

- **January 1, 2020: Benefits become effective for 2020**

The new deductibles, out-of-pocket maximums and any other changes you made to your benefit elections will become effective.

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.

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