



City of Newport News

Department of Finance
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Newport News, Virginia 23607

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October 8, 2018

Dear City of Newport News Pre-65 Retiree and/or Spouse:

I am writing to inform you about changes to the medical plan for pre-65 retirees for 2019. Enclosed you will find information on these changes, open enrollment and 2019 rates.

It has been a challenge to provide affordable high quality post-retirement medical coverage for our retirees who are not Medicare eligible. Monthly premiums, which are driven by the health services members utilize, have risen significantly over the last several years. Unfortunately, the upward trend in healthcare costs, which is being felt nationwide, is expected to continue. The Newport News Employees' Retirement Fund's Benefits and Welfare Committee has been meeting regularly for the past several months to understand and address these rising costs. **In an effort to prevent premiums from rising in 2019, changes to the retiree plans administered by Anthem will be implemented effective January 1, 2019.**

The decision to make benefit changes to the Anthem plans was made after careful consideration of all available options to control premiums and with input from the Retirement Board. We also listened carefully to those of you who expressed concerns about the rising cost of insurance. The City remains committed to maintaining high quality health insurance, and we believe the new plans are competitive and will continue to provide valuable protection for retirees and their families. Please review the rates and plan summaries included in this packet carefully, and weigh which plan choice will best meet your needs.

Important things to know:

- Your monthly premium cost will go down! How much your monthly expense is reduced is dependent on which plan you are enrolled in, as well as who is covered under the plan.
- While the plan structure is similar, there are changes being made to all three Anthem medical plans. Please review the changes carefully.
- Although the plan designs are changing, there will be NO changes to networks or covered services.
- All rate changes will take effect beginning in December 2018.
- All plan changes are effective January 1, 2019. New ID cards will be provided before the effective date.

To make changes to your benefits, download a benefit change form from our website and return it to the Department of Finance no later than Friday, November 30, 2018. If you do not wish to change plans, no action is needed.

Over the next month, the City and Anthem will hold meetings (dates and times listed in the enclosed) for retirees to answer any questions you might have about the changes. We strongly recommend you attend one of these meetings to learn more about the changes to your coverage.

We look forward to seeing you at the informational meetings.

Sincerely,

A handwritten signature in cursive script that reads "Susan Goodwin".

Susan M. Goodwin, CPA
Director of Finance



City of Newport News 2019 Retiree Benefits

Pre-65 Retiree Edition

Reminder: Retirees may not enroll in health or dental coverage after retirement. Open enrollment is an opportunity to update your existing benefits.

If you want to keep the same coverage you had in 2018, no action is needed.

Pre-65 Retiree Health Plans



The City offers three unique medical plan options to meet each individual's needs. All plans include FREE preventive care services and a four-tier prescription drug plan.

\$

Lumenos HSA 2700

A health plan with the same broad network as the KeyCare PPO, but with the highest out of pocket costs before most services are covered

This is the least expensive option for monthly premiums.

\$\$

HealthKeepers POS 1500

A more affordable traditional plan with a limited regional network, higher co-pays and a higher deductible

This is the middle-of-the-road option for monthly premiums.

\$\$\$

KeyCare PPO 750

A traditional plan with a broad national network and co-pays for office visits and prescriptions

This is the most expensive option for monthly premiums.



Where You Get Care Impacts Your Wallet

When you need medical care, it's important to choose the right health care setting to get the care you need and help keep your medical plan costs under control.

LiveHealth Online	Doctor's Office	Urgent Care	Emergency Room (ER)
<p>A virtual primary care doctor visit through LiveHealth Online is a good choice for minor medical concerns such as flu and cold symptoms, sinus infections, allergies, ear infections and more.</p> <p style="text-align: center;">\$49</p>	<p>Your doctor's office is the best choice for preventive exams or treatment for a current health issue.</p> <p style="text-align: center;">\$105*</p>	<p>Urgent care centers offer treatment for non-life-threatening injuries or illnesses.</p> <p style="text-align: center;">\$147*</p>	<p>The ER is for the treatment of life-threatening or very serious conditions that require immediate medical attention.</p> <p style="text-align: center;">\$1,636*</p>

* National average allowed amounts; 2016 Anthem Blue Cross claims data on large group and individual policies. If you go out-of-network, your costs will be even higher because out-of-network providers are not subject to the in-network negotiated rates from Anthem Blue Cross.

Pre-65 Retiree Health Plans

Red indicates change



Plan Provisions	Lumenos Health Savings 2700	HealthKeepers POS 1500	KeyCare PPO 750
Network	KeyCare	Healthkeepers	KeyCare
In Network			
Calendar year deductible (Individual/Family)	\$2,700/\$5,400 Includes medical and pharmacy	\$1,500/\$3,000	\$750/\$1,500
Out-of-Pocket maximum (Individual/Family)	\$4,500/\$9,000	\$5,000/\$10,000	\$4,000/\$8,000
Hospital Benefits			
Inpatient (facility)	20% after the deductible	20% after the deductible	20% after the deductible
Outpatient surgery (facility)	20% after the deductible	20% after the deductible	20% after the deductible
Emergency room	20% after the deductible	20% after the deductible	20% after the deductible
Physician Benefits			
Referral required	No	No	No
Preventive care	0%	0%	0%
PCP office visit	20% after the deductible	\$40 copay	\$35 copay
Specialist office Visit	20% after the deductible	\$50 copay	\$45 copay
Urgent care center	20% after the deductible	\$50 copay	\$45 copay
Diagnostic X-ray & lab	20% after the deductible	20% after the deductible	20% after the deductible
Advanced radiological imaging	20% after the deductible	20% after the deductible	20% after the deductible
Prescription Drug			
Pharmacy Specific Deductible	Subject to the Combined Medical/ Pharmacy Calendar Year Deductible	N/A	N/A
Tier 1/Tier 2/Tier 3/Tier 4 Retail 30-day supply	\$15/\$50/\$85/20% to a maximum of \$250 per 30 day supply	\$15/\$50/\$85/20% to a maximum of \$250 per 30 day supply	\$15/\$50/\$85/20% to a maximum of \$250 per 30 day supply
Tier 1/Tier 2/Tier 3/Tier 4 Mail Order (90-day supply)	\$38/\$125/\$213/n/a	\$38/\$125/\$213/n/a	\$38/\$125/\$213/n/a
Out-of-Network			
Calendar year deductible	Combined with in-network deductible	\$2,000/\$4,000	\$1,000/\$2,000
Out-of-Pocket maximum	\$5,000/\$10,000	\$7,500/\$15,000	\$5,500/\$11,000
Coinsurance	40%	40%	30%

At this time, NO changes have been made to the Plan networks or covered services.

Retiree Dental, Vision & Fitness Plans

Delta Dental will remain your dental provider and vision benefits will continue to be offered through VSP. The plan designs of the dental and vision plans have NOT changed.

Fitness memberships will continue to be offered through Riverside, OneLife and the YMCA with no changes to rates for 2019. Visit the facility to enroll or cancel your membership.

Pre-65 Retiree Open Enrollment Meetings

Tues. October 23 — Denbigh Community Center
 Thurs. October 25 — Midtown Community Center
 Wed. October 31 — Midtown Community Center

Fri. November 16 — Denbigh Community Center
 Mon. November 19 — Denbigh Community Center
 All meetings held at 10:00 am and 1:00 pm

2019 Pre-65 Retiree Plan Rates

2019 Pre-65 Retiree Health Premiums*

Lumenos Health Savings 2700	Monthly Premium	City Pays	Retiree Pays
Single	\$739.51	\$418.35	\$321.16
Single + 1 Child	\$1,203.14	\$679.06	\$524.08
Single + Spouse	\$1,687.76	\$951.89	\$735.87
Family	\$2,021.32	\$1,148.94	\$872.38
HealthKeepers POS 1500	Monthly Premium	City Pays	Retiree Pays
Single	\$976.11	\$418.35	\$557.76
Single + 1 Child	\$1,588.08	\$679.06	\$909.02
Single + Spouse	\$2,227.73	\$951.89	\$1,275.84
Family	\$2,668.01	\$1,148.94	\$1,519.07
KeyCare PPO 750	Monthly Premium	City Pays	Retiree Pays
Single	\$1,059.54	\$418.35	\$641.19
Single + 1 Child	\$1,723.83	\$679.06	\$1,044.77
Single + Spouse	\$2,418.15	\$951.89	\$1,466.26
Family	\$2,896.08	\$1,148.94	\$1,747.14

2019 Retiree Dental Premiums*

Delta Dental PPO	Monthly Premium	City Pays	Retiree Pays
Single	\$33.01	\$21.62	\$11.39
Single + 1 Dependent	\$58.42	\$37.19	\$21.23
Family	\$99.05	\$64.89	\$34.16

2019 Retiree Vision Premiums

VSP Signature	Monthly Premium
Single	\$ 8.80
Single + 1 Dependent	\$ 13.80
Family	\$ 23.80

2019 Retiree Fitness Center Premiums

Monthly Premium	Onelife Fitness	YMCA	Riverside Wellness & Fitness
Single	\$ 25.00	\$ 30.00	\$ 28.00
Single + Spouse	\$ 50.00	\$ 50.00	\$ 56.00

*The retiree premiums published are for qualified NNERF retirees who receive 100% of the City's contribution.

More information on plans and rates can be found at: www.nnva.gov/retirement.