



NEW MEXICO
RETIREE
HEALTH CARE
AUTHORITY

Switch Enrollment 2017

Effective January 1, 2018

Background Information

Created in 1990

Governed by a board of 11 members

Current Composition

- 300 Public Employer Groups (50% Schools / 25% State Agencies / 25% Municipalities, Counties & Universities)
- Approximately 100,000 active employees
- 61,968 Covered Members (October 1, 2017)
- Trust Fund Balance & Projected Solvency
 - 2017 - \$552 million / Projected Solvency 2035
- Trust Fund Balance Includes \$231.7 million from contributions since 2011
- FY18 Operating Budget - \$323 million (27 FTE)
- GASB Valuation –
 - 2016 - Unfunded Liability \$3.8 billion (11.04% funded)

Mission and Purpose

- Retirement planners at Fidelity estimate that couples retiring in 2017 at the age of 65 will need on average \$275,000 to cover medical expenses through retirement which applies to retirees with traditional Medicare insurance coverage.

- Average PERA monthly pension \$2,449*
- Average ERB monthly pension \$1,831*
- Average Social Security monthly benefit \$1,370

- NMRHCA average retirement age 60 years

*2016 CAFR Reports

2017 Changes and Rates for Medicare

Medicare

- Increase access and improve members awareness of Medicare Advantage offerings through newsletters, website and seminars/workshops throughout 2018

Medicare Supplement Plan Enhancement

- Introduction of Voluntary Smart90 Program
 - Gives members choice to purchase 90-day prescriptions for lower cost than three one-month prescriptions

Rate Increases

- Medicare Supplement Premiums by 6 percent to \$199.96
- BCBS Medicare Advantage
 - Plan I (14 percent) \$69.60/ Plan II (23 percent) \$23.30
- Presbyterian Medicare Advantage
 - Plan I (8 percent) \$96.50/Plan II (27 percent) \$72.00
- United Healthcare
 - Plan I (10 percent) \$104.16/ Plan II (10 percent) \$54.65
- Humana
 - Plan I (6 percent) \$87.45/ Plan II (6 percent) \$53.06
- All Rates based on 20 years of service

2017 Changes and Rates(Pre-Medicare/All Plans)

Pre-Medicare

- Expanding the Value Plan option to include Blue Cross Blue Shield narrow network HMO plan
- Increase Pre-Medicare Premiums 8 percent
 - Premier Plan \$241.44 and Value Plan \$188.60 (based on 20 years of service)
- **Defaulting aged in members to appropriate Medicare Advantage Plan when selection not made by member**
 - **Presbyterian Pre-Medicare members to United Healthcare Medicare Advantage Plan 1**
 - **BCBS and NM Health Connections Pre-Medicare members to Humana Medicare Advantage Plan 1**

Plan Enhancements

- Introduction of Voluntary Smart90 Program
 - Gives members choice to purchase 90-day prescriptions for lower cost than three one-month prescriptions

All Plans

- Continuation of Wellness Program
- Incentivize healthy behaviors and disease management programs
- This year enrollment for medical plan only allows for a switch in enrollment

Website: New Look and Easier to Navigate

The screenshot shows the website for the New Mexico Retiree Health Care Authority. The browser address bar displays "nmrhca.org". The navigation menu includes "Home", "About Us", "Contact Us", and "1-800-233-2576". The main navigation categories are "Retirees", "Resources", "News & Media", "Employees", and "Employers". The central content area features a large banner image of a mountain landscape with a white box overlay. The box contains a thumbnail for the "NMRHCA 2017 Newsletter Vol. 2 - Fall Edition" with the title "your Benefit Messenger". Below the thumbnail, the text reads: "NMRHCA BOARD MEASURES EXTENDS AGENCY'S SOLVENCY". A large red call-to-action button at the bottom of the banner says "The 2017 NMRHCA Fall Newsletter is now available. Click on the photo to read the latest edition of the NMRHCA newsletter." The footer contains three blue buttons: "NOTICES", "LATEST NEWS", and "WELLNESS".

Home About Us Contact Us 1-800-233-2576

Retirees Resources News & Media Employees Employers

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your Benefit Messenger

NEW MEXICO RETIREE HEALTH CARE AUTHORITY

NMRHCA 2017 Newsletter Vol. 2 - Fall Edition

NMRHCA BOARD MEASURES EXTENDS AGENCY'S SOLVENCY

During the New Mexico Retiree Health Care Authority's annual meeting in July, its Board of Directors approved measures that will help extend the solvency of NMRHCA programs by five years.

Budget-deficit actions that the state legislature took in the 2016 special session reduced that solvency from 20 to 15 years (2016). But the countermeasures the board has taken will re-

for active employees in the future. Its approved changes for 2018 include:

- Increasing retiree premiums in accordance with projected medical trend for all self-insured plans (8 percent increase in pre-Medicare rates, 6 percent increase in Medicare Supplement rates).
- Expanding the Value Plan option amounts to include the Blue Advantage Narrow Network Plan,

through by introducing Voluntary Insure99 — a long-term medication option that gives members the choice to purchase 10-day prescription supplies for a lower cost than three one-month supplies.

Defaulting, increasing members to the appropriate Medicare Advantage Plan (based on last year's board adoption); all members still can select their own plans).
Thank you to the...
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The 2017 NMRHCA Fall Newsletter is now available. Click on the photo to read the latest edition of the NMRHCA newsletter.

NOTICES LATEST NEWS WELLNESS

Wellness: Need Information? Learn More Here

The screenshot shows a web browser window with the URL nmrhca.org/wellness.aspx. The page is titled "Wellness" and features a list of member pages, wellness incentive materials, and a wellness calendar for October 2017.

Wellness

- [Blue Cross Blue Shield Member Page](#)
- [Humana Health Plan Member Page](#)
- [New Mexico Health Connections Member Page](#)
- [Presbyterian Health Plan Member Page](#)
- [UnitedHealthcare Member Page](#)
- [Delta Dental Member Page](#)
- [United Concordia Member Page](#)
- [Wellness Incentive Program Resources](#)
- [Wellness Blog](#) (Read about Gary and Anna King's Wellness Incentive Success Story)

Wellness Incentive Materials

- [PDF Completion Form](#)
- [Instructions](#)
- [Online Form](#)
- [Gift Card Envelope*](#)

**Please look for this envelope when expecting your gift card*

Wellness Calendar

October 2017

S	M	T	W	T	F	S
1	2	3 Better Bone Health Cancer: Thriving and Surviving	4 Diabetes Self-Management Program	5 Diabetes Self-Management Program	6	7 Quick Class: Smoothie Bowls
8	9	10	11 Diabetes Self-Management Program	12	13	14

Important Reminders

- Conversion of Basic Life Insurance Policy
 - Beginning January 1, 2018
- Advanced Healthcare Directives
- Minimum age and years of service requirement effective January 1, 2020
- NMRHCA is Secondary Payer
 - Medical coverage is secondary to all other coverages to which the individual is entitled or eligible to except for TRICARE, CHAMPVA, Medicaid and Indian Health Service benefits
- If you take another job and your employer offers benefits, you are required to enroll in their plan
- If you involuntarily lose your benefits through retirement, termination, or dissolution of the benefit plan, you have 31 days to enroll with NMRHCA.
 - **January 1, 2017 was an Open Enrollment period for medical coverage with no late entry into medical plan allowed with out a qualifying event.**
 - **This year medical is a Switch Enrollment period, next medical Open Enrollment period will be next year for an effective date of January 1, 2019.**

Important Reminders Cont.

- Travel
 - Emergency care is covered worldwide
 - Notify your carrier of the emergency as soon as possible
 - Contact your carrier for details when traveling internationally
- Moving or change of address
 - Notify NMRHCA of your change of address ASAP
 - Contact your carrier to learn about any differences in coverages in the area you live
- Provide email address to NMRHCA for more information on wellness events, health programs, newsletter
- Federal Health Care Reform
- Health Insurance Exchanges do not apply to Medicare or to members who are eligible to participate with NMRHCA

Presented by

New Mexico Retiree Health Care Authority

For more information or questions:

Please call 800-233-2576 / 505-222-6400

Or visit us at: www.nmrhca.state.nm.us or
www.facebook.com/nmrhca

Office Hours: 8:00AM – 5:00PM (Monday
through Friday)