



Open Enrollment News

Open Enrollment begins October 10, 2011, and ends November 4, 2011

Open Enrollment Checklist

- Learn about changes for 2012
- Review your current health plan and benefits
- Assess your medical and pharmacy needs
- Confirm your eligibility ZIP Code
- Consider your health plan choices for 2012
- Select a health plan that best meets your needs
- Update your address and phone number with CalPERS and your employer

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Welcome to Open Enrollment News

This newsletter provides you with information about Health Open Enrollment, including highlights for 2012 and resources to help you choose the plan that's right for you.

If you have Internet access, be sure to visit the Open Enrollment Center on the home page of CalPERS On-Line at www.calpers.ca.gov. The Open Enrollment Center includes "Quick Links" to Health Program publications, health plan rates and information, and other online resources.

2012 Health Program Highlights

Health premiums for 2012 will increase by an average of 4.1 percent, which is less than half the premium increase for the 2011 coverage year. This includes coverage increases of 5.3 percent for Basic Health Maintenance Organizations (HMOs, non-Medicare), 3.0 percent for Basic Preferred Provider Organizations (PPOs), and 0.0 percent for Medicare plans.

The 2012 benefit changes are designed to focus on quality, patient safety, and engaging members in their care. While drug co-payments will go up next year in some cases to encourage the use of generic and mail order drugs, they still will fall below the U.S. median for generic and preferred brand drugs, and slightly above the median for non-preferred drugs.

The following are general health plan and benefit highlights for 2012. For additional changes specific to your plan, refer to the *Evidence of Coverage* (EOC) booklet available on the plan's website or CalPERS On-Line at www.calpers.ca.gov.

- Blue Shield NetValue (Basic and Medicare)**
- Expanding service area to include Contra Costa County, and withdrawing from Santa Barbara County
 - Adding providers in Los Angeles, Riverside, Orange and San Bernardino Counties

- Blue Shield 65 Plus (Medicare)**
- Expanding service area to include Imperial, San Joaquin, San Francisco, and Nevada Counties

- PERS Select (Basic & Medicare)**
- Expanding service area to include Marin County

CalPERS Open Enrollment Center

Access the Open Enrollment link on the home page of the CalPERS website to learn about your choices during Open Enrollment.

>> Choosing the Right Health Plan

Selecting a health plan for you and your family is one of the most important decisions you make. We understand that comparing health plan benefits, features, and costs can be complicated. That's why we offer several resources on CalPERS On-Line at www.calpers.ca.gov to help you decide which health plan is right for you.

Health Plan Chooser:

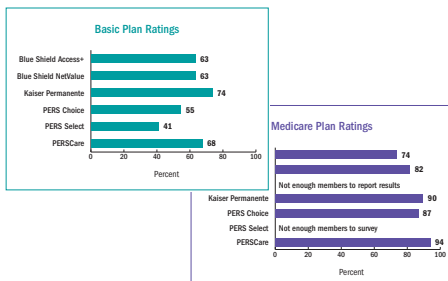
Lets you weigh the benefits and costs for each plan, search for specific doctors, and view overall plan satisfaction ratings.

Health Plan Search by ZIP Code:

Identifies which plans are available in your area. Just enter the ZIP Code for your residential or work address, select your Member Category, and then Search to view your results.

2011 Member Rating Information:

Tells you how other CalPERS members rate the health plans and gives you tips to guide you in making other important decisions, such as choosing a doctor.



2012 Health Benefit Summary:

Provides valuable information to help you make an informed choice about your health plan; compares benefits, covered services, and co-payment information for all CalPERS health plans.



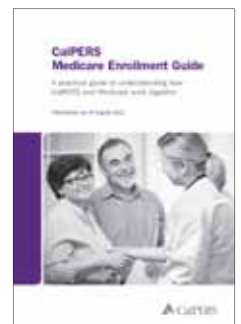
Health Program Guide:

Describes Basic and Medicare health plan eligibility, enrollment, and choices; provides an overview of CalPERS health plan types and tells you how and when you can make plan changes.



CalPERS Medicare Enrollment Guide:

Provides information about how Medicare works with your CalPERS health benefits, including when you need to enroll in a CalPERS Medicare health plan.



Medicare Part D

If you enroll in a Medicare Part D plan outside of CalPERS, you will lose your CalPERS health coverage. For most members, your CalPERS health plan provides prescription coverage that is as good as – or better than – Medicare Part D.

2012 Health Program Highlights

Continued from front page

PERS Select/Choice/Care (Basic)

- Expanding the Value Based Site of Care program, which establishes a payment threshold for three additional elective procedures. When members receive service at an outpatient hospital rather than an ambulatory surgery center the following thresholds apply:
 - Arthroscopy – \$6,000
 - Cataract Surgery – \$2,000
 - Colonoscopy – \$1,500

Peace Officers Research Association of California (PORAC)

- Increasing the deductible from \$50 to \$100 for the Medicare Rx Plan

General Pharmacy Benefit Highlights

- Retail co-payments for brand name drugs will increase by \$5.

- Members may receive a 90-day supply of maintenance medication through mail order for the price of a 60-day retail supply.
- Members maintain access to brand name drugs when a Food and Drug Administration approved generic equivalent is available by paying the difference between the cost of the generic and brand name drug. A brand co-payment applies when a prior authorization for the brand name drug is obtained due to medical necessity.
- Exclude discretionary lifestyle drugs from the \$1,000 out-of-pocket maximum for mail order prescriptions.

For details of your plan's pharmacy benefits, refer to the *Evidence of Coverage* (EOC) booklet available on the plan's website or CalPERS On-Line at www.calpers.ca.gov.

> Changing Your Plan

Here's how you can change your health plan during Open Enrollment.

Active Employees – Contact your Health Benefits Officer or Personnel Office for required forms and documentation.

Retirees – If you are a retiree, CalPERS is your Health Benefits Officer. Retirees may change health plans during Open Enrollment by calling us toll free at 888 CalPERS (or 888-225-7377), or by requesting a change in writing and mailing the request to CalPERS Health Account Services, P.O. Box 942714, Sacramento, CA 94229-2714.

Submit your request to change health plans early in the Open Enrollment period to avoid delays should we need additional information.



Please help CalPERS "Go Green" by viewing these publications online at www.calpers.ca.gov. With your support, we hope to reduce reliance on printed publications and reduce the environmental impact of printing, processing, and delivering publications.

If you do not have Internet access or need a printed copy, you may request a printed copy by completing and returning the enclosed postcard or by calling CalPERS at 888 CalPERS (or 888-225-7377).

New Pharmacy Benefit Manager for CalPERS PPO Members

CalPERS has selected CVS Caremark to administer prescription drug benefits for more than 346,000 members of CalPERS self-funded PERS Select, PERS Choice and PERSCare preferred provider organizations (PPOs) effective January 1, 2012.

CVS Caremark will offer several new benefits:

- A Maintenance Choice Program will allow members to pick up a 90-day supply of medication directly from a CVS pharmacy at a time convenient to them. Members will pay their typical

mail order co-pay for a prescription on the same day and be able to talk face-to-face with a pharmacist.

- The Gaps in Care Plus Medical Program will use an integrated medical and pharmaceutical approach to identify potential gaps and omissions in drug and medical therapy for participating CalPERS members.
- Members will be able to save money by choosing "best choice" medications (generics and preferred brands) and 90-day supplies, where appropriate, in the iBenefit personalized mailing program.

CalPERS Launching New Computer System

This September, CalPERS will take the first step toward implementing the new my|CalPERS computer system. The new system will provide real-time account data, decrease dependency on paper documents, and streamline many CalPERS processes.

During the system conversion period of September 2–18, 2011, some services may take longer to process. Telephone and Regional Office wait times may increase. We apologize for any inconvenience this may cause and thank you for your patience as we convert to the new system.

Although we are working to make our transition to the new system as seamless as possible, some impacts will occur. One of those impacts will be realized during this year's Open Enrollment period – retirees will **not** have the ability to change their health plan through the my|CalPERS website. This change will affect this Open Enrollment period only – the online health plan change will resume next year.

For the most up-to-date information, please visit CalPERS On-Line at www.calpers.ca.gov, and select the link for my|CalPERS Central.

Retirees will not have the ability to change their health plan through the my|CalPERS website during this year's Open Enrollment period.

Retirees may change their health plan during Open Enrollment by calling us toll free at **888 CalPERS** (or **888-225-7377**), or by requesting a change in writing and mailing the request to:

CalPERS
Health Account Services
P.O. Box 942714
Sacramento, CA
94229-2714

Address Changes

It is important to notify your Health Benefits Officer when you change your address or telephone number. A change of address may impact your health enrollment and eligibility for certain health plans. You must change health plans if your new address is outside of your health plan's service area.

Life Changes

You are responsible for ensuring that your personal and family health enrollment information is accurate, as well as reporting any changes in a timely manner. For example, when you divorce or terminate a registered domestic partnership, your former spouse or registered domestic partner is no longer eligible to receive CalPERS health benefits under your

coverage. If you fail to report changes in a timely manner, **you may be liable for the reimbursement of health premiums or health care services incurred during the entire ineligibility period.** If you are an active employee, contact your Health Benefits Officer. If you are a retiree, contact CalPERS toll free at **888 CalPERS** (or **888-225-7377**).



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