

2011 BENEFIT CHANGES

There are some important changes to your health benefits coverage effective January 1, 2011. View the health plan's Evidence of Coverage (EOC) booklet for a complete explanation of the benefits covered, as well as limitations and exclusions that may apply. Be sure to review this information carefully to determine whether you want or need to make a health plan change.

2011 HEALTH PLAN BENEFIT UPDATES

PERS Select Basic plan will:

- **Develop a tiered Narrow Hospital Network**, with varying coinsurance. Tier One hospitals, which are those with the best-negotiated reimbursement rates, will have an 80 percent coinsurance coverage and \$3000/\$6000 (member/family) maximum out-of-pocket expense. **Tier two hospitals will have reduced coinsurance coverage of 70 percent and have an increased maximum out-of-pocket expense of \$6000/\$12000 (member/family)**. The elective use of non-participating hospitals will remain at 60 percent coverage with no maximum out-of-pocket application.

PERS Choice, PERSCare, and PERS Select Basic plans will:

- **Add a \$250 hospital co-pay per procedure for bariatric surgery if you reside outside California and choose not to use a Center of Medical Excellence.**
- Add a Value Based Purchasing Design (VBPD) program for elective knee and hip joint replacements not to exceed a threshold of \$30,000, performed at designated hospitals.

Kaiser Permanente Basic and Medicare plans will:

- **Change co-pay to 50 percent coinsurance for discretionary drugs, such as medications for erectile dysfunction.**

Kaiser Permanente Medicare plan will:

- Adjust prescription drug co-pays to align them with Kaiser Basic members. 30-day supply co-pays will be \$5 (generic) and \$15 (brand name) if purchased through plan

pharmacies. 100-day supply co-pays will be \$10 (generic) and \$30 (brand name) if purchased through Kaiser's mail order service.

Blue Shield Basic plan will:

- Add a \$250 hospital co-pay per procedure when an outpatient hospital is used in lieu of an ambulatory surgery center for upper and lower gastrointestinal endoscopy, cataract surgery, and spinal injection.
- Exclude coverage of a prescription drug if there is an over-the-counter (OTC) alternative.

Blue Shield Basic and Medicare plans will:

- Exclude the non-preferred (non-formulary) brand drug co-pays from the \$1000 maximum out-of-pocket mail order spent limit.
- Increase the co-pay waiver for non-preferred (non-formulary) brand drugs. Non-formulary brand retail co-pay waivers will increase from \$30 to \$40. Mail order co-pay waivers will increase from \$45 to \$70.
- Change co-pay to 50 percent coinsurance for discretionary drugs, such as medications for erectile dysfunction.

2011 SERVICE AREA CHANGES

Blue Shield NetValue (Basic and Supplement to Medicare) will:

- Offer coverage to Santa Cruz and Santa Clara counties, and expand access in San Mateo County.

Blue Shield 65 Plus will:

- Expand coverage in San Bernardino and Riverside counties.