

# DURING OPEN SEASON, CHOOSE THE HEALTH PLAN BUILT JUST FOR YOU

**W**hen some people hear the phrase “health insurance company,” they think of long waits on the phone with operators who can’t really help, or rejected claims from people sitting in a big corporate office who don’t understand

or care about their health needs.

It’s different for letter carriers covered by the NALC Health Benefit Plan.

The NALC Health Benefit Plan was created for letter carriers, by letter carriers. It’s the plan that listens to letter carriers about your specific

health needs and builds its benefits around those needs. The Plan’s focus is on people, not profit.

That focus gives the NALC Health Benefit Plan room to consider input from its members when it considers changes to benefits. It also means that the Plan can keep its rates reasonable. And the Plan has responded to the changing needs of letter carriers by offering the Consumer Driven Health Plan (CDHP) and Value Option to give city carrier assistants (CCAs) access to affordable health care coverage. Even retirees on Medicare can benefit from choosing the NALC Health Benefit Plan for their secondary coverage.

“We take care of our own,” NALC President Fredric Rolando said. “Coming together to help those of us in need is what our union is about, and it’s what our health plan is about, too.”

Open Season for letter carriers to enroll in a health plan through the Federal Employees Health Benefits (FEHB) program runs from Nov. 10 through Dec. 8. If you look at the generous benefits and reasonable rates and compare them to the other plans, you’ll see that the NALC Health Benefit Plan is a great choice, Rolando added.

“When you also consider the fact that letter carriers built this health plan and letter carriers run it, there is a level of trust for NALC members that other plans just can’t match,” he said.

Whether you are just starting your career, have some years under your belt carrying the mail, or have retired, please take a few minutes to review the insert in this issue of *The Postal Record*. “We think you’ll agree that the NALC Health Benefit Plan is the best health plan, and the best value, for you,” Rolando said.

## 2015 NALC HEALTH BENEFIT PLAN

Enroll during Open Season:  
November 10th — December 8th

# WE ARE YOU

**“There’s only one health plan that’s built by letters carriers and run by letter carriers. That’s why I’m a member.”**

— John Dick, Branch 3126  
Royal Oak, MI

Since NALC founded it in 1950, the Health Benefit Plan has been looking after the health of letter carriers and their families. Over the past 64 years, the Plan has grown from occupying a single room with two employees at the NALC Headquarters building in Washington, DC, to hundreds of employees working in its own headquarters in Ashburn, VA.

All of the Plan's employees, including its customer service representatives, work at the Ashburn headquarters. The staff members are trained in-house, and they have the experience needed to answer your questions and listen to your concerns. When they need help, the customer service representatives have easy access to experts in the same building.

The chief executive of the Plan is always a letter carrier elected by NALC members. The current director is Brian Hellman of New York Branch 36, who has served in that role since he was first elected to office in July 2010 at the 67th Biennial NALC Convention in Anaheim, CA. The input he gets from letter carriers, Hellman said, makes a difference when it's time to consider annual changes to the Plan.

"We listen to what letter carriers are saying about their health needs, and that shows each year," he said. "This is their plan, and we never stop improving it."

For instance, a number of NALC members asked that the Plan cover non-network ambulance transportation. Based on these requests, in 2015, the Plan will pay its allowance for non-PPO ambulance transportation to the nearest PPO facility at the PPO benefit level. (See below for

some other significant changes for 2015.)

"We try to stay in tune with what our members need," Hellman said. "Also, as medical treatments and concerns evolve, the Plan adapts. We've made a number of important changes in benefits to improve our members' access to the latest and best health care, such as new screenings, vaccines and therapies."

The Plan offers a comprehensive High Option health insurance package, a fee-for-service plan with a preferred provider (PPO) network that offers generous benefits with low out-of-pocket costs. In partnership with Cigna, the Plan offers in-network benefits for nearly 2 million doctors and specialists and thousands of medical facilities. Chances are your doctor or hospital are already part of the network, but to make sure, call 1-877-220-NALC (6252).

The High Option plan pays for a wide variety of preventive care treatments and tests for adults and children at 100 percent when you use a PPO provider. You pay only a \$20 co-payment for each primary care or specialist office visit when the services are rendered by a PPO provider. The deductible for the High Option Plan is \$300 per person and \$600 per family.

This plan also offers low costs on prescription medications. For generics bought from a network retail pharmacy, you pay just 20 percent of the cost; when ordering by mail, you pay \$8 for up to a 60-day supply or \$12 for up to a 90-day supply. You pay just 30 percent for formulary brand drugs at a retail network pharmacy, \$43 for up to a 60-day

# USE AN FSA TO HELP YOU SAVE

**C**areer letter carriers can save even more money on health care during Open Season by opening a Flexible Spending Account (FSA).

With an FSA, the Postal Service deducts a few dollars from each paycheck and deposits the money in your account. You don't pay income taxes on those funds, nor do you have to do anything on your tax return to claim the exemption.

Instead, you get reimbursed for qualifying medical expenses for the year from your account. A medical FSA may cover many expenses that health insurance doesn't, including co-payments, deductibles, medication and supplies. It also may cover vision care, eyeglasses or contact lenses, dental procedures and over-the-counter medications.

You also can open a separate dependent-care FSA to pay for child-care expenses such as day care for a child under 13 or for any child incapable of self-care.

The covered expenses are subject to limitations, so be sure to check the details before you enroll. Go to [opm.gov/healthcare-insurance/flexible-spending-accounts](http://opm.gov/healthcare-insurance/flexible-spending-accounts) for more information.

In 2015, the maximum annual election for a health care FSA is \$2,500. For a dependent-care FSA, the maximum is \$5,000. The minimum for both is \$100.

Funds you don't use for the year are forfeited, so choose your deduction amount carefully by looking at past out-of-pocket expenses and to predict your needs in 2015, and err on the side of deducting too little rather than too much. You will need to submit receipts for reimbursement.

Enrollment in an FSA does not carry forward from year to year. If you currently have an FSA and want to continue, you must enroll again during Open Season (Nov. 10 through Dec. 8). To enroll, you can use any of the following options:

- Go to [liteblue.usps.gov](http://liteblue.usps.gov), log in with your employee ID and password, choose *epayroll* and log in again.
- Enroll at any employee self-service kiosk.
- Call 877-477-EASE (877-477-3273).

# MAKE SURE YOU HAVE A HEALTHY RETIREMENT PLAN

**O**pen Season is a good time to think about retirement plans along with health care. Letter carriers have savings options to help ensure that they can retire in comfort.

For career carriers, the Thrift Savings Plan (TSP) works much like 401(k) plans offered by many private employers. An amount you choose is deducted from your paycheck to go into your TSP account. Carriers in the Federal Employees Retirement System (FERS) are automatically given TSP accounts; those still in the Civil Service Retirement System (CSRS) can open one. For employees in FERS, the Postal Service contributes to your account based on how much you put in, in addition to the 1 percent of your salary that it adds automatically, matching up to 5 percent of your pay. So, the TSP is a great way to supplement pension benefits.

You choose how the money in your TSP account is invested from a menu of investment funds. You can treat a portion of the funds in your account like a traditional individual retirement account (IRA) by deferring income taxes until you withdraw money from it, or you can pay taxes on your contributions up front, similar to a Roth IRA, so the money will be tax-free when you withdraw it.

For complete information about TSPs, go to [tsp.gov](http://tsp.gov).

TSPs are available only to career employees; however, NALC's Mutual Benefit Association (MBA) offers similar retirement savings plans for city carrier assistants (CCAs).

CCAs can open either a traditional IRA or a Roth IRA through MBA.

In a traditional IRA, the contributions you make each year can be

deducted from your federal taxes. In addition, earnings accumulate tax-free until the time of withdrawal. Upon distribution at age 59½ or older, the earnings and principal are taxed as ordinary income (earlier withdrawals may be subject to a tax penalty). For 2014, the maximum annual contribution per individual un-

der age 50 is \$5,500 (\$6,500 for those 50 and older before the end of 2014)—with modified adjusted gross income eligibility limits of \$60,000 for a single filer and \$96,000 for a married couple filing jointly.

Contributions to a Roth IRA are not tax-deductible, but earnings accumulate tax-free. At the time of withdrawal, earnings are free from taxes if the owner has held the IRA for a minimum of five years and is at least 59½ years old. For 2014, a Roth IRA generally allows you

to contribute a maximum of \$5,500 per person each tax year (\$6,500 for those 50 and older before the end of 2014) if your modified adjusted gross income does not exceed \$114,000 for single filers and \$181,000 for a married couple filing jointly.

CCAs who convert to career status can transfer the funds to a TSP account without penalty.

For more information, contact your local MBA representative, local branch office, or MBA headquarters office to get answers to your questions, or visit the MBA web page at [nalc.org](http://nalc.org) under "Member Benefits." The MBA's toll-free number, 800-424-5184, is available Tuesdays and Thursdays from 8 a.m. to 3:30 p.m. The Washington, DC, number, 202-638-4318, is answered Monday through Friday from 8 a.m. to 3:30 p.m.

**CITY CARRIER ASSISTANTS**  
NALC CCA Retirement Savings Plan administered by the Mutual Benefit Association



*"With my Maturity Income Plan from my union's MBA, I'll be receiving checks during retirement—not delivering them!"*

*When CCAs become career employees, they can join the Thrift Savings Plan (TSP) and will have the option to transfer their funds from the MBA.*

supply by mail and \$65 for up to a 90-day supply by mail. Non-formulary and specialty drugs have different rates; see the Plan brochure for more information.

If you are receiving Medicare benefits, the High Option plan is a great choice as a secondary payor to cover most of the out-of-pocket expenses under Medicare, such as deductibles, co-payments and co-insurance charges for doctor visits, procedures and hospitalization. It also gives Medicare recipients access to lower out-of-pocket costs for prescription drugs. Having the NALC Health Benefit High Option Plan in addition to your Medicare coverage is a good way to assure that you won't be surprised by unexpected costs.

To keep up with advances in medicine and the changing needs of its members, the NALC Health Benefit Plan modifies its benefits each year. Here are a few new benefits for 2015:

- In a PPO hospital, the co-payment for an outpatient observation room and related services is \$200 (previously, it was 15 percent of the cost).
- Routine Hepatitis C virus infection screening is covered at 100 percent for adults born between 1945 and 1965 and for adults at high risk.
- We cover an annual routine lung cancer screening with a low-dose CT scan for adults 55 through 80 with a history of smoking is covered.
- Routing HIV screening for ages 15 through 65 and pregnant women is covered at no cost.
- All mail-order co-payments now count toward the prescription

drug out-of-pocket maximum amount.

- The catastrophic protection out-of-pocket maximum for PPO providers and facilities is \$3,500 per person or \$5,000 per family. Out-of-pocket maximums for prescription drugs dispensed by an NALC Preferred network pharmacy, NALC CareSelect network pharmacy or Caremark mail order pharmacy are \$3,100 per person or \$4,000 per family.
- Covered lab services by non-PPO providers will be paid at the PPO level when the services are rendered at a PPO hospital or PPO ambulatory surgical center.
- Prior authorization is required for spinal surgery.

The Plan also has adapted to changes in the letter carrier profession. In addition to the High Option plan, two options introduced last year are designed to give CCAs choices for affordable health care coverage.

Carriers who choose the Consumer Driven Health Plan (CDHP) or Value Option plan are given a personal care account (PCA). A PCA allows the member to control medical costs while enjoying the protection of an affordable health plan that will cover major medical costs if they arise. The Health Benefit Plan adds money to each enrollee's PCA each year to pay for medical costs, including medication, using the same PPO network as the High Option.

For instance, if you go to an in-network doctor who charges \$50 for the visit, the doctor will submit your claim to the plan and \$50 will be deducted from funds in your PCA.

You pay nothing. If there is money left over in a PCA at the end of the year, it is carried over to the next year (subject to certain limits).

Once you exhaust the funds in your PCA, further medical expenses are covered as they are under a traditional insurance plan, including a deductible that you pay out of pocket. The total annual amount you pay out-of-pocket, including deductibles, co-payments, etc., is limited to \$6,600 for Self Only enrollment and \$13,200 for Self and Family.

This is just a summary of some of the features of the NALC Health Benefit Plan. Detailed information on the NALC Health Benefit Plan can be found in the official 2015 brochure (RI 71-009) at nalchbp.org. All benefits are subject to the definitions, limitations and exclusions set forth in the official brochure.

These great benefits come at reasonable rates. In 2015, the letter carrier's share of the High Option premium will be \$62.91 biweekly for

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The annual amount added to a CDHP PCA is \$1,200 for Self Only enrollment or \$2,400 for Self and Family enrollment. For the Value Option, the PCA amount is \$100 for Self Only and \$200 for Self and Family.

As with the High Option plan, the Value Option and the CDHP include a wide range of benefits, including 100 percent coverage of preventive care. They also use the same PPO network—Cigna HealthCare's Cigna Open Access Plus. This network includes more than 2 million participating family doctors and specialists and more than 22,000 general acute care hospitals and facilities nationwide, as well as access to more than 67,000 in-network pharmacies through prescription benefit manager CVS/Caremark.

Self Only and \$124.55 biweekly for Self and Family. For carriers on Medicare, the rates are \$166.70 per month for Self Only and \$337.35 per month for Self and Family. The CDHP and Value Option plans are affordable options; see the plan's official brochure for details.

“We’re very proud of the Health Benefit Plan and what it has accomplished,” Rolando said. “Letter carriers built this plan, and letter carriers are the reason it keeps getting better—their thoughtful input about their health needs keeps the Plan healthy, too.”

During this Open Season (Nov. 10 through Dec. 8), consider the NALC Health Benefit Plan—where health and service come first. **PR**