

NALC HEALTH BENEFIT PLAN

Taking care of our own

They say numbers don't lie. When it comes to the NALC Health Benefit Plan—the Plan founded for and run by letter carriers—the numbers tell an impressive story:

1950: The year NALC started its own independent Health Benefit Plan.

336: The number of employees of the Health Benefit Plan.

117,000-plus: The number of members of the Plan. Including covered family members, the Plan protects the health of more than 224,000 people.

\$1.2 billion: The value of claims processed last year.

766,089: The amount of incoming calls from members, physicians and hospitals handled by the Plan's customer service representatives last year.

8,239,761: The number of pieces mailed.

Those are only some of the numbers that tell the story of the NALC Health Benefit Plan—numbers you should consider when choosing a health plan for you and your family. Letter carriers can make changes to their health care coverage during the Federal Employees Health Benefits (FEHB) program

Open Season, Nov. 9 through Dec. 14.

But some qualities can't be reduced to figures. The NALC Health Benefit Plan was created by letter carriers and is still run by letter carriers. The director of the Plan is Brian Hellman, a member of New York City Branch 36 and a letter carrier since 1982.

That's why the NALC Health Benefit Plan offers an unparalleled level of personal service. Unlike many health insurance plans, ours does not operate to make a profit—it focuses its energy on keeping members healthy.

The experience and training of its 336 employees is an important component in the service the Plan provides. Here's another impressive number: The average employee has worked at the Plan for 20 years. Plan employees know the health and insurance system inside and out, and they use their experience to help you. The Health Benefit Plan's customer service staff members are employees, not contractors, who work at the Plan's headquarters in Ashburn, VA.

Whether you are 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*.

"Crunch the numbers," NALC President Fredric Rolando said. "Compare our plan to the others. We think you'll

For more information on the Plan, check out the special insert in this issue of *The Postal Record*.

agree that the NALC Health Benefit Plan is the best health plan, and the best value, for you and your family.”

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 is able to offer access to more than 2 million doctors and specialists and thousands of medical facilities. Chances are your doctor already is part of the network, but to make sure, call the Plan’s help line at 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 calendar-year deductible for the High Option Plan is \$300 per person and \$600 per family.

The High Option Plan also covers prescription medications at reasonable rates. 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 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.

The High Option Plan also offers great benefits if you have Medicare as your primary payor. Having the NALC Health Benefit Plan in addition

to your Medicare Parts A and B coverage is a good way to assure that you won’t be surprised by unexpected costs. The Plan pays for all out-of-pocket medical costs that Medicare doesn’t—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.

The Health Benefit Plan also brings you a wealth of programs to help you maintain or improve your health outside the doctor’s office. They include the Health Risk Assessment, an online tool that analyzes your health-related responses and gives you a personalized plan to achieve your specific health goals; the Quit for Life smoking cessation program; Weight Talk Program weight-loss coaching program; Your Health First disease management program with personalized medical care programs for people with chronic illnesses; and the Healthy Rewards discount program for savings of up to 60 percent on vision and hearing care, fitness clubs and other benefits.

Director Hellman said the Health Benefit Plan is always evolving to keep up with the latest medical knowledge and the needs of its members, based in part on input from letter carriers. “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.”

In 2016, the NALC Health Benefit Plan’s benefits will get even better. Here are some of the specific changes in benefits in store:

- The family planning benefit includes the routine office visit associated with a covered family planning service.
- An annual routine pap test for females age 21 through age 65 is covered.
- An annual routine prostate specific antigen (PSA) test for men age 40 and older is covered.
- Routine hepatitis B virus infection screening for adults and adolescents at high risk for infection is covered.
- Application of fluoride to primary teeth by a covered primary care provider for children age 5 and younger is covered.
- Annual spinal X-rays associated with chiropractic treatment are covered.
- Educational classes and nutritional therapy for overweight

The 2016
NALC HEALTH BENEFIT PLAN Where health and service come first

1-888-636-NALC (6252)

Taking care of our own

Since 1950!

► Protecting the health of 224,000 people.
► Great benefits at competitive rates.
► Experience counts:
• \$1.2 billion in benefits processed
• 4,502,908 claims processed
• 8,238,761 pieces mailed
• 766,089 calls answered last year

High Option Premiums
\$60.69 biweekly (Self)
\$136.67 biweekly (Self Plus One)
\$131.71 biweekly (Self and Family)

Self Plus One frequently asked questions

I just noticed that the Self Plus One option for the NALC plan is more expensive than the Self and Family option. I have three questions:

Why is that?

It's complicated. (See below for more information.)

Can I remain in the Self and Family option even though I am just insuring myself and one dependent?

Yes. You can and probably should remain in your current Self and Family coverage if Self Plus One coverage is more expensive. If you are currently enrolled in any of the NALC's Health Benefit Plan's self and family options, you don't have to do anything during the Open Season to remain in your current plan. You will not be moved into Self Plus One coverage unless you affirmatively select such coverage during the FEHBP Open Season.

Can I still enroll in the Self and Family option if I'm just covering myself and one other person?

Yes. If you are changing plans and want to enroll in any of the NALC's HBP's Self and Family options, you can and should, even if you are just insuring yourself and one other dependent. You are allowed to do so and you should pick the option that is most affordable.

The backstory on Self Plus One rates

In 2016, the Office of Personnel Management will require all FEHBP plans, including the NALC HBP, to add a third

premium option to the traditional Self Only and Self and Family options—the Self Plus One option that has become increasingly common in insurance plans available from private employers. This was designed to reduce costs for married couples with no dependents or single parents with just one eligible dependent.

Generally, the total premiums for the three options reflect those savings in all of the plans—so the Self Only option is the cheapest, followed by the Self Plus One option and then the Self Plus Family, which is the most expensive. So far, so good. But there is a glitch that affects many FEHBP plans, including the NALC's HBP plans. It involves the interaction between average FEHBP premiums across the whole country and the maximum contribution the USPS will pay for plan participants, set by law (for annuitants) and by the postal union contracts (for actives).

The government (for federal employees and annuitants) and the postal union contracts (for active postal employees) has set a maximum dollar amount that the USPS will contribute each pay period (for actives) or each month (for retirees) toward health insurance premiums. This fixed dollar amount is calculated by applying a fixed percentage of the weighted average premium of *all* FEHBP plans in each premium category (Self Only, Self Plus One, and Self and Family).

In 2016, for active letter carriers, USPS will pay up to 76 percent of the weighted average premium in the category of plan (Self Only, Self Plus One or Self and Family) across all 260

FEHBP plans offered throughout the country. In no case will USPS pay more than 79.25 percent of any individual plan's premiums for active employees. These active employee limits are set by the NALC contract (and other union contracts). For annuitants in 2016, the USPS will pay 72 percent of the same weighted average premiums of all FEHBP plans and no more than 75 percent of any individual plan—as dictated by federal law.

The interaction of weighted average plan costs and the contractual or statutory limits described above means that the employee/annuitant share of the Self Plus One option in dozens of FEHBP plans across the country are actually *higher* than the Self and Family option. This seemingly illogical result can be seen in the employee/annuitants share of premiums for the NALC HBP's high-option plan. The interaction also affected the costs for the CDHP and Value plan offerings in an odd way—making the Self Plus One options as expensive as the Self and Family options.

What does this all mean for NALC members?

Not much. Folks who are eligible to choose Self Plus One coverage are not required to do so. They can choose Self and Family coverage to take advantage of lower rates, or if they already have Self and Family coverage, they don't have to do anything during the Open Season to retain such coverage—unless they want to change plan providers. **PR**

individuals with risk factors for cardiovascular disease are covered.

- In the High Option Plan, the co-payment for up to a 60-day supply for generic drugs, purchased through the mail-order program when Medicare Part B is your primary payor, is \$4.
- In the High Option Plan, the co-payment for a 90-day supply for generic drugs, purchased through our mail-order program when Medicare Part B is your primary payor, is \$6.
- In the High Option Plan, you may be eligible to receive a \$40 CVS gift card or a wearable activity tracking device for completing the Plan's Health Risk Assessment.

As alternatives to the High Option Plan, the Consumer Driven Health Plan (CDHP) and the Value Option Plan are designed to give city carrier assistants choices for affordable health care coverage.

Carriers who choose the CDHP or Value Option Plan are provided 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, and uses the same PPO network as the High Option Plan.

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 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).

On the other hand, if you use all of the funds in a 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. Some costs are excluded from the limits.

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 Plan and CDHP include a wide range of benefits, including 100 percent coverage of preventive care when rendered by a PPO provider. They also use the same PPO network—Cigna HealthCare's Cigna Open Access Plus PPO—as well as provide access to in-network pharmacies through prescription benefit manager CVS/caremark.

These great benefits come at reasonable rates. In 2016, the letter carrier's share of the High Option premium will be \$60.69 biweekly for Self Only, \$136.67 for Self Plus One and \$131.71 biweekly for Self and Family. For retired carriers, the rates are \$157.19 per month for Self Only, \$351.60 for Self Plus One and \$343.82 per month for Self and Family. Different rates and benefits apply to the Value Option Plan and CDHP and to other types of enrollment; see the Plan's official brochure for details.

Comparing the Plan's benefits to other plans is simple. Just go to opm.gov/healthcare-insurance/healthcare/plan-information.

Active letter carriers have four ways to enroll in the NALC Health Benefit

Plan during Open Season:

- Go to liteblue.usps.gov. You must have your employee ID number (it's the eight-digit number printed on your earnings statement just above the words "employee ID"). You will also need your USPS PIN (it's the same one you use to access PostalEASE).
- The Blue Page (Intranet) at work
- Employee Self-Service Kiosks located at some USPS facilities
- PostalEASE by telephone. Call 1-877-4PS-EASE (1-877-477-3273) and enter Option 1.

Annuitants and retirees can enroll by calling Employee Express at 1-800-332-9798, by going to OPM's Open Season website at retirefehb.opm.gov if you are a retiree, or by submitting a Standard 2809 to your retirement office. You can get additional information at opm.gov/healthcare-insurance/healthcare/plan-information/enroll/#annuitants.

If you submit your change by mail, the address is: OPM, Open Season Processing Center, P.O. Box 5000, Lawrence, KS 66046-0500.

"Take a good look at the numbers and the benefits," Rolando said, "and see why so many letter carriers and their families trust the only health benefit plan founded and run by letter carriers. It's why we say we're 'taking care of our own.'"

The information in this article 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 2016 brochure (RI 71-009) at nalchbp.org. All benefits are subject to the definitions, limitations and exclusions set forth in the official brochure. **PR**