



## Retiree 100

### Frequently Asked Questions

#### **What is Retiree 100?**

Retiree 100 is optional coverage available to retired plan members who have Medicare (Part A and Part B) as their primary insurer. It is a supplemental program designed for retirees who have very high medical costs. This program requires a separate premium and is only available through the Magnolia Open Access option.

#### **How does it work?**

Medicare and OGB normally reimburse a significant percentage of your eligible health care expenses. However, since Medicare reimburses only part of the cost and OGB allows benefits only on what is left after Medicare pays, you may have to pay part of the cost, as well.

After deductibles are met, Retiree 100 coverage may provide higher reimbursements for eligible medical expenses by considering the total charges billed by an eligible provider, not just the balance due after Medicare has paid.

#### **Not All Expenses Are Eligible**

Retiree 100 coordinates only those expenses considered eligible for reimbursement by both Medicare and the Magnolia Open Access plan and does not include prescription drugs.

#### **What is the advantage of the Retiree 100 program?**

Retiree 100 provides additional coverage for plan members who have extensive hospital bills and/or physician charges due to a serious illness, accident or long-term chronic condition.

#### **Premiums**

The monthly premium for Retiree 100 is \$39.00 per person **in addition** to your monthly OGB premium. **There is no state contribution** toward the premium amount; you must pay the entire cost for Retiree 100 coverage.

#### **Enrollment**

**If you are already retired**, you can enroll during the annual enrollment period held each year. Also, you can enroll within 30 days after the date you first became eligible for Medicare (Parts A and B). Coverage becomes effective on the first day of the month you became eligible for Medicare.

**Enrollment documents are available on the OGB website, [info.groupbenefits.org](http://info.groupbenefits.org).**



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### Examples of how Retiree 100 works

#### Magnolia Open Access Medical Plan Benefit Calculation Office Visit

	BCBSLA	Medicare
Charge	\$150.00	\$150.00
Allowed	\$105.00	\$95.00
Deductible	\$105.00	\$0.00
Coinsurance	\$0.00	\$19.00
Eligible Primary	\$0.00	\$76.00

#### Coordination of Benefits Process

		Medicare Allowable
Allowable		\$95.00
Medicare Pays		\$76.00
BC Eligible Primary		\$0.00
BC Secondary Pay	(lesser of eligible secondary vs. eligible primary)	\$0.00
Patient Responsibility		\$19.00

In this example, the member hospitalized for three days. Their total bill is \$14,600. Medicare has a deductible of \$1,260 and the BCBS Magnolia Open Access plan has a \$1,000 deductible. The allowable amount that BCBS will pay is \$13,000. The member will meet their \$1,000 deductible and their \$3,000 out-of-pocket maximum with this visit to the hospital.

The benefit of having Retiree 100 in this case is that it will consider the BCBS allowed amount and pay the \$1,260 Medicare deductible at 100%.

In this example, the member visits their physician for an office visit. The Magnolia Open Access plan has a \$1000 deductible, which will not be met by this visit. Medicare will pay 80% of the Medicare allowed amount and the member will be responsible for 20%. BCBS will not pay anything until the deductible has been met. However, the \$105 BCBS allowable charge will be credited to the member's Magnolia Open Access deductible.

In this case, the benefit of having Retiree 100 is that the member's deductible is credited with the BCBSLA allowable amount of \$105.00 instead of the Medicare allowable amount of \$95.00. As a result, the member's deductible is brought down slightly.

#### Magnolia Open Access Medical Plan Benefit Calculation Inpatient Hospital

	BCBSLA	Medicare
Charge	\$14,600.00	\$14,600.00
Allowed	\$13,000.00	\$12,060.00
2015 Deductible	\$1000.00	\$1,260.00
Coinsurance	\$2,000	\$0.00
Eligible Primary	\$10,000.00	\$10,800.00

#### Coordination of Benefits Process

		Medicare Allowable
Allowable		\$12,060.00
Medicare Pays		\$10,800.00
Eligible Secondary		\$1,260.00
BC Eligible Primary		\$10,000.00
BC Secondary Pay	(lesser of eligible secondary vs. eligible primary)	\$1,260.00
Patient Responsibility		\$0.00