



TVARA CHATTANOOGA CHAPTER MEETING

October 15, 2024



What's new for <65 retirees in 2025?

- CDHP Silver – a new high-deductible plan with lower premiums but higher deductibles
- Educational Webinars – QR code on pg3 of plan booklet
 - October 15 @ 10AM
 - October 18 @ 1PM
- Election Period is October 16 – November 13, 2024

Plans Comparison

In-Network Provisions	80% PPO	CDHP Gold	CDHP Silver
HSA Employer Contribution	N/A	HSA: \$600/\$1,200	HSA: \$450/\$900
Deductibles (Single/Family)	\$550/\$1,100	\$1,650/\$3,300	\$2,500/\$5,000
Out-of-Pocket Max (Single/Family)	\$3,250/\$6,500	\$4,500/\$9,000	\$5,500/\$11,000

Plan Notes:

- **The 80% PPO plan**
 - Eligible for Flexible Spending Account – completely funded by employee
 - For a family to meet the deductible, at least two family members must acquire \$550 in out-of-pocket expenses
- **The CDHP Gold and Silver plans**
 - Compatible with the Health Savings Account (HSA) and eligible for annual employer contribution
 - Aggregate deductible may be met by one member or a combination of covered members.

Plans Comparison – Pharmacy

In-Network Provisions	80% PPO	CDHP Gold	CDHP Silver
Deductible	N/A	Deductible Applies	Deductible Applies
Out-of-Pocket Max	N/A	Combined w/Med OOPM	Combined w/Med OOPM
Retail	Copay	80%	80%
Generic	\$10	(\$10 min/\$100 max)	(\$10 min/\$100 max)
Retail Preferred Brand	\$30	(\$24 min/\$100 max)	(\$24 min/\$100 max)
Retail Non-preferred Brand	\$50	(\$39 min/\$100 max)	(\$39 min/\$100 max)
Mail Order or Smart 90	2x Retail copay for up to a 90-day supply	80% (min/max at 2x Retail)	80% (min/max at 2x Retail)

- **The 80% PPO plan**
 - Fixed copays
 - Copays do not apply to deductible or Out-of-Pocket Max
- **The CDHP Gold & Silver plans**
 - Once deductible is met, 80% coinsurance is applied to pharmacy costs
 - Pharmacy costs are applied to the deductible and the Out-of-Pocket Max

2025 Retiree Non-Medicare Medical Rates

Bi-weekly Premiums	80% PPO	CDHP- Gold	CDHP - Silver
M&S and Excluded, EA, OPEIU, & Nuclear Security			
Individual	\$945	\$ 567	\$528
Family	\$2,273	\$1,348	\$1,261

Premiums listed are not reflective of TVA supplemental payments and/or premium credits.

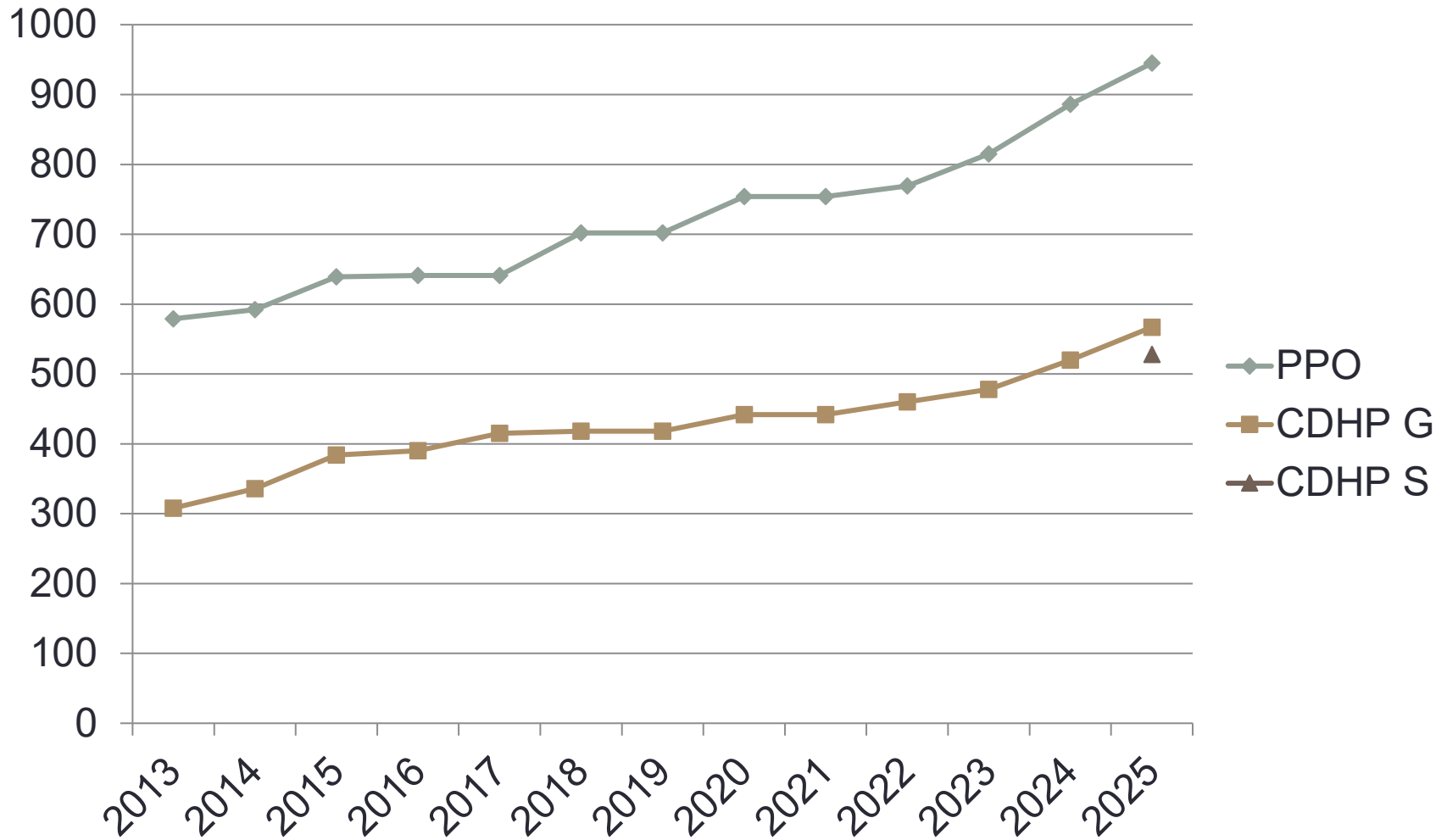


Cost Changes to 2025 TVA Plan

- 80% PPO Premium Increase (6.7%)
 - \$945 Individual / \$2,273 Family increased from \$886 / \$2,129
- CDHP Gold Premium Increase (9.0%)
 - \$567 Individual / \$1,345 Family increased from \$520 / \$1,238
- CDHP Silver Premium (\$528 Individual / \$1,261 Family)
- 80% PPO In-network Deductible **No Change**
 - \$550 Individual / \$1,100 Family
- 80% PPO Out-of-network Deductible **No Change**
 - \$1,100 Individual / \$2,200 Family
- CDHP Gold In-network Deductible Increase (3.1% per IRS)
 - \$1,650 Individual / \$3,300 Family increased from \$1,600 / \$3,200
- CDHP Gold Out-of-network Deductible Increase (3.1% per IRS)
 - \$3,300 Individual / \$6,600 Family increased from \$3,200 / \$6,400
- CDHP Silver In-network Deductible \$2,500 Individual / \$5,000 Family
- CDHP Silver Out-of-network Deductible \$5,000 Individual / \$10,000 Family

Out-of-Pocket Maximums have not changed for either the 80% PPO or CDHP Gold plans

Retiree Individual Plan Premiums <65





Benefits/Actions to consider under the TVA Group Plan before turning 65!

1. Vision Insurance: \$10 copay for exam, lens, etc.
 - Vision coverage is not subject to the deductible
2. Hearing Aids: \$1500 allowance every 3 years
3. Preventive Care Benefit:
 - Annual routine exam
 - Mammogram screenings
 - Prostrate screenings
 - Audiology screenings

BEFORE the first day of the month you turn age 65



Health Insurance Coverage at Age 65

- TVA group health insurance coverage ends on the last day of the month before your 65th birthday.
- Standard Medicare Part A (Hospital) and Part B (Docs, etc) coverage:
 - Part A premium is zero (most have already paid during working yrs)
 - Part B premium varies based on income (std premium is projected to be \$185 in 2025, up 6% from \$174.70 in 2024)
 - Automatic deduction if receiving SS benefits 4 months before
- Medicare Initial Enrollment Period (IEP) – seven months
 - 3 months before + Birthday month + 3 months after



Medicare Enrollment at Age 65

Medicare covers about 80% of the cost of hospital (Part A) and doctors (Part B), for the remaining 20% you can:

1. Self insure the remaining 20%;

OR

2. Purchase Medicare Supplement Insurance (Medigap) for the remaining 20%;

OR

3. Purchase an Advantage Plan (Part C) which provides:
 - The same coverage as Medicare Part A & Part B
 - Prescription Drug Coverage (Part D)
 - Supplemental coverage – the remaining 20%
 - And other coverages: Dental, Vision, “Silver Sneakers”, etc



Medicare Advantage Open Enrollment Period

- Starting in 2019, between January 1 – March 31 each year
- If in an Advantage Plan, can switch to another Advantage Plan
- Can switch back to Original Medicare & enroll in a Plan D
- If enrolled in an Advantage Plan during the Initial Enrollment Period, can switch back to Original Medicare or to another Advantage Plan within the first 3 months you have Medicare
- Only one switch is allowed during this period and is effective on the first of the month after the plan gets your request



Medicare Advantage vs Medicare Supplement

- Medicare Advantage (Part C) Plans (HMO-type)
 - Usually have low or even no monthly premium
 - Require copays at the point of service for most everything
 - Require picking from a list of contracted service providers (network)
 - Access to specialists thru the Primary Care Physician (PCP) only
 - 99% of plans require prior authorization for most services
 - Formulary is usually more restrictive
- Medicare Supplement (Medigap) Plans
 - Higher monthly premiums rather than paying at the point of care
 - Plans honored by all providers who accept Medicare (no network)
 - Access to specialists not restricted to referrals thru the PCP only
 - No concerns over traveling/spending time outside of a “network”
 - Requires purchasing a separate Prescription Drug Plan (Part D)



Health Insurance Plan Pricing

- **Community-rated** or no-age-rated plan, all beneficiaries pay the same premiums, regardless of age.
 - Very difficult to find
 - Comparable to group insurance pricing policies
- **Issue-age-rated** or entry-age-rated plan, premiums are based on your age when you first enroll.
 - Also scarce – difficult to find
 - More expensive at first but premiums do not increase due to age
- **Attained-age-rated** plan, premiums are based on your current age in a given year.
 - Most common
 - Expensive over the long term since premiums increase due to age

Medigap Plan Comparison Chart

by Boomer Benefits®

Medigap Plan Benefits	Plan A	Plan B	Plan C	Plan D	Plan F	Plan G	Plan K	Plan L	Plan M	Plan N
Medicare Part A Coinsurance & Hospital Costs Up to an additional 365 days after Medicare benefits are used	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B Coinsurance or Copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	*** 100%
Blood (First 3 Pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A Hospice Care Coinsurance or Copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled Nursing Facility Coinsurance	X	X	100%	100%	100%	100%	50%	75%	100%	100%
Medicare Part A Deductible	X	100%	100%	100%	100%	100%	50%	75%	50%	100%
Medicare Part B Deductible	X	X	100%	X	100%	X	X	X	X	X
Medicare Part B Excess Charges	X	X	X	X	100%	100%	X	X	X	X
Foreign Travel Emergency up to plan limits	X	X	80%	80%	80%	80%	X	X	80%	80%

Call our team for a free Medigap rate comparison in your area: **817-249-8600**

** Out-of-Pocket Limit **\$7,060** **\$3,530**



Prescription Drug Coverage (Part D)

Medicare Advantage Plans include Part D coverage **BUT**

If you select Original Medicare and purchase a Medigap Plan, you will need to purchase a separate Part D plan if you want Prescription Drug Coverage (PDC).

If you have little or no prescription drug use and wait until you need this coverage, there will be a monthly penalty added later to the premium based on the length of delay.

Purchasing this insurance separately allows for switching drug coverage yearly as drug requirements change without impacting hospital or medical coverage.




Changes to Medicare in 2025

- The standard Part B premium is projected to increase to \$185 for 2025, up from \$174.70 in 2024.
- The Part B deductible is projected to increase to \$257 in 2025, up 7% from \$240 in 2024.
- The average monthly base premium for Part D is expected to increase 6% for 2025 which is the cap due to a provision in the Inflation Reduction Act.
- The income brackets for high-income premium adjustments for Medicare Part B and D will start at \$106,000 (MAGI) in 2025 (up from \$103,000 in 2024)
- MAGI is the sum of a person's adjusted gross income and tax-exempt interest income



- Starting in 2025, all Medicare plans will include a \$2,000 cap on out-of-pocket payments for prescription drugs. Once this cap is reached, beneficiaries will have no cost sharing for the rest of the year. The \$2,000 cap includes deductibles, copayments and coinsurance for covered drugs. It doesn't apply to premiums or to drugs a plan doesn't cover.
- Beneficiaries who qualify for Extra Help will generally pay no more than \$4.50 for each generic drug and \$11.20 for each brand-name drug.
- In 2025, there will be an optional payment plan that allows beneficiaries to spread out the cost of medications over a period of months.
- Part D plan sponsors will offer enrollees the option to pay for prescription drugs in monthly installments instead of all at once

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- Guiding an Improved Dementia Experience (GUIDE), provides a 24/7 support line, a care navigator to find medical services and community-based assistance, caregiver training and up to \$2,500 a year for at-home, overnight or adult day care respite services. Patients and their caregivers typically won't have copayments.
 - CMS selected 96 organizations to participate starting July 1, 2024, including academic medical centers, hospitals, small and large group practices and community-based organizations already providing programs for dementia patients. CMS will chose 294 organizations to join July 2025.
 - Participants must be enrolled in original Medicare and have a dementia diagnosis. They can't be in hospice or a nursing home.
 - To see if a program is available in your area, go to the [CMS GUIDE program fact sheet](#) and the link to the [CMS Innovation website](#). Click **GUIDE Model** in the drop-down models list | **Display selected**.

Four signs you need to change your Medicare Part D coverage

- Plan formularies change from year to year. Be sure to check yours.
- If your prescription changes, a plan switch could save you money.
- If your plan doesn't have one or two conveniently located pharmacies in-network, that alone is a good reason to contemplate a switch.
- If you're paying a high premium for a plan you're hardly using, consider a lower-cost plan.



Medicare Open Enrollment Period (OEP)

The time each year (October 15 to December 7) when you can review your coverage and make changes to your plans. You can:

- Change from Medicare Parts A & B (Original Medicare) to a Part C (Medicare Advantage) plan
- Change from Medicare Advantage back to Original Medicare (but medical underwriting may be required to obtain a Medigap plan)
- Join, drop or switch a Part D prescription drug plan (strongly encouraged to shop this plan every year – must overcome inertia)
- Switch Medicare Advantage plans



Health Insurance Purchase Considerations

- You **MUST** use Via Benefits (formerly known as OneExchange) for the purchase of health insurance if you are receiving a TVA Health Care Credit or Contribution and wish to continue this credit through the operation of a Health Reimbursement Arrangement (HRA) account operated by Via Benefits.
- **Get your discounts** (like discounts for women, non-smokers, or people who are married; discounts for paying yearly; discounts for paying your premiums using electronic funds transfer; or discounts for multiple policies).



Additional Recommendations

- You do not have to go through Via Benefits to purchase health insurance (unless you MUST) but the consultation is free so you should hear what they recommend.
- Talk to SHIP, if the recommendation is a different type of coverage, tell them what Via Benefits said and sort it out.
- SHIP will have information on more policies offered in your state.
- The insurance brokers that are cold calling your phone.
- Call the insurance companies directly.
- Independent Insurance Agents are another good resource.
- Retirees not using Via Benefits claimed to have saved money.
- Medicare website for selecting plans is www.medicare.gov (three “sponsors” popped up above the Medicare website)



Remember

Medicare Advantage Plans are essentially guaranteed issue.

- Medicare Advantage plans must cover any pre-existing conditions you may have before enrolling in the plan with the exception of end-stage renal disease (ESRD) or lateral sclerosis (Lou Gehrig's disease).

Health Savings Account (HSA)

- The HSA is vested and portable. Once you reach 65 you may use these funds for Medicare premiums (not Medigap) or other medical expenses on a tax-free basis or for other purposes and pay ordinary income taxes. If you use the HSA funds for other purposes before age 65 you will pay a 20% tax penalty in addition to the income tax.
- If you drop out of the CDHP you can continue to use the HSA funds until depleted but can no longer contribute to the account.

TVA Benefits

- www.tva.com/retireeportal 1-888-275-8094



Medicare Selection Help

The following provide **free** insurance selection counsel:

- VIA Benefits – under contract to TVA to provide Medicare covered retirees with access to a private insurance exchange
 - <https://my.viabenefits.com/tva> 1-844-620-5725 8AM-9PM ET
- State Health Insurance Assistance Program (SHIP) – have more options for coverage since they are not limited to policies on a private insurance exchange
 - <https://www.shiphelp.org> for TN 1-877-801-0044
- Medicare.gov – get on this website and set up MyMedicare.gov
 - <https://www.medicare.gov/medicare-and-you> (the white book)
 - <https://www.medicare.gov/health-drug-plans/medigap/basics>
 - <https://www.medicare.gov/basics/get-started-with-medicare/get-more-coverage/your-coverage-options>