



STATE OF NEW HAMPSHIRE

Department of Administrative Services
DIVISION OF RISK AND BENEFITS
State House Annex, Room 412
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November 7, 2019

Subject: Retiree Health Benefit Premium Contribution Amounts Effective January 2020

Dear State of NH Retiree Health Benefit Plan Member(s):

This letter provides the 2020 premium contribution amounts retirees will be required to pay for Retiree Health Benefits coverage starting in January and information about how retirees pay for their coverage. Also, this letter provides information about working rates, or premiums, and premium contributions for each coverage category.

2020 Total Monthly Premium Contribution Amounts (Paid by Retirees)

The total monthly premium contribution amount you are required to pay varies based on your coverage category and, if applicable, your spouse and/or dependent(s) coverage category. The table below is designed to help you calculate your total premium contribution amount starting with your January 2020 benefits coverage.

Helpful hint: If you are unsure which Plan or "Coverage Category" you are in, refer to your Anthem ID card for the following:

- Non-Medicare Plan Coverage Category - Your current Anthem ID# will begin with either "NHP" or "YGF"
Medicare Plan Coverage Category - Your current Anthem ID# will begin with "XNS"

Table with 3 columns: Covered Member, Coverage Category, Monthly Premium Contribution Amount. Rows include Retiree, Spouse, and Dependent(s) with various plan types and their respective costs.

Example: We have provided an example of how to calculate the 2020 total monthly premium contribution amount for a retiree and spouse below:

The retiree is on Medicare with a date of birth of December 10, 1950. The spouse is not eligible for Medicare.

Retiree has the 'Medicare (born on or after 1/1/1949)' coverage category	\$ 32.04
Spouse has the 'Non-Medicare' coverage category	+ \$ <u>198.94</u>
	Total monthly amount	= \$ 230.98

If you need help calculating your total monthly premium contribution amount, please contact the Retiree Health Benefits Office at (603) 271-1432 or email RetireeHealth@nh.gov.

Payment of Your Total Monthly Premium Contribution Amount

The 2020 total monthly premium contribution amounts for a retiree, spouse, and/or dependent(s) will be deducted automatically from New Hampshire Retirement System (NHRS) pension payments starting with the January 31, 2020 pension payment.

The DAS Division of Risk and Benefits, formerly known as the Risk Management Unit, will direct bill retirees if it is not possible to withhold the full premium contribution amount from their NHRS pension payments. Retirees receiving an invoice will begin paying the new 2020 amount in February 2020 for the prior month's Retiree Health Benefits coverage. Invoices will be mailed to the address on file at the DAS Division of Risk and Benefits Retiree Health Benefits Office. See the section titled "Keep Your Contact Information Current with the Retiree Health Benefits Office" below for more information.

Understanding Working Rates, or Premiums and Premium Contributions

A working rate or premium is the total monthly cost of providing Retiree Health Benefits for each covered member on the Retiree Health Benefit Plan. The rate takes into account the Retiree Health Benefit Plan design as well as the projected health benefit costs based on the prior year's total health plan expenses. The working rates vary by plan. The 2020 Non-Medicare monthly working rate is \$994.68 and the 2020 Medicare monthly working rate is \$320.44.

The State and the retiree share in the total cost of the monthly working rate, or premium. The retiree paid portion of the monthly working rate, or premium, is called a monthly premium contribution. The monthly premium contribution amount varies based on the coverage category and, if applicable, the spouse and/or dependent(s) coverage category. Each coverage category is explained in more detail in the following sections.

Medicare Eligible Retirees/Spouses Born on or after 1/1/1949

Per RSA 21-I:30, Medicare eligible retirees and/or spouses whose dates of birth are on or after 1/1/1949 are required to pay a 10% monthly premium contribution toward the cost of their Medicare Retiree Health Benefits. ***The 2020 monthly premium contribution amount for eligible retirees and/or spouses is not changing from 2019.*** The 2020 monthly premium contribution will continue to be \$32.04 due to the implementation of the Medicare Advantage Plan and favorable prescription drug claims experience.

Medicare Eligible Retirees/Spouses Born before 1/1/1949

Per RSA 21-I:30, Medicare eligible retirees and/or spouses who were born before 1/1/1949 are NOT required to pay a monthly premium contribution amount toward the cost of their Medicare Retiree Health Benefits.

Non-Medicare Eligible Retirees/Spouses

Per RSA 21-I:30, Non-Medicare eligible retirees and /or spouses are required to pay a 20% monthly premium contribution toward the cost of their Non-Medicare Retiree Health Benefits. The 2020 monthly premium contribution amount for eligible retirees and/or spouses will increase by \$7.68 from \$191.26 to \$198.94 due to claims experience.

An Important Reminder about Medicare Eligibility

If you are currently in the Non-Medicare coverage category but are eligible or become eligible for Medicare Part A and Part B due to age or disability, please contact the Retiree Health Benefits Office at the State of New Hampshire, Division of Risk and Benefits at (603) 271-1432 or RetireeHealth@nh.gov to inquire about converting your coverage to a Medicare eligible plan or coverage category.

Future Notices about Retire Health Benefit Premium Contribution and/or Benefits Changes

Generally, the Division of Risk and Benefits adjusts working rates, or premiums paid by the state, and premium contributions paid by retirees for Retiree Health Benefits coverage effective in January of each new calendar year or as otherwise required by law. If and when cost and/or benefit changes are necessary, a notice explaining the changes, like this one, will be mailed to all retirees and/or spouses enrolled in the Retiree Health Benefit Plan typically by the end of November of each calendar year.

Keep Your Contact Information Current with the Retiree Health Benefits Office

The Retiree Health Benefits Office communicates with retirees through the US Postal Service if and when cost and/or benefit changes are necessary. It is imperative that the Retiree Health Benefits Office has your correct contact information. Please know that the NHRS pension plan is a separate benefits office, and therefore, both offices need to be contacted if and when there is a change in contact information. To update your contact information, please call the Retiree Health Benefits Office at the State of New Hampshire, Division of Risk and Benefits at (603) 271-1432 or email RetireeHealth@nh.gov.

Who to Call with Questions

For Retiree Health Benefit billing questions, please call the Division of Risk and Benefits Finance Bureau at the State of New Hampshire at (603) 271-0485 or email RMUFinance@das.nh.gov. We are available to help you between 8:00 am and 4:30 pm Monday – Friday.

For all other questions, please call the Retiree Health Benefits Office at the State of New Hampshire, Division of Risk and Benefits at (603) 271-1432 or email RetireeHealth@nh.gov. We are available to help you between 8:00 am and 4:30 pm Monday – Friday.

Sincerely,



Charles M. Arlinghaus
Commissioner



Joyce Pitman
Director, Risk and Benefits

