

ELIZABETH A. PEARCE
STATE TREASURER



UNCLAIMED PROPERTY DIVISION

TEL: (802) 828-2407

RETIREMENT DIVISION
TEL: (802) 828-2305
FAX: (802) 828-5182

ACCOUNTING DIVISION
TEL: (802) 828-2301
FAX: (802) 828-2884

STATE OF VERMONT
OFFICE OF THE STATE TREASURER

December 1, 2021

NAME
ADDRESS
CITY/STATE ZIP

Dear VSTRS Medicare Retiree:

This letter contains an important update on your health coverage for January 1, 2022, provided through the Vermont State Teachers' Retirement System (VSTRS).

Our records show that you are or will be enrolled in the VSTRS 65 group plan, with medical coverage only, as of January 1, 2022. We also understand you are enrolled in an individual Part D prescription drug benefit, that you purchase on your own.

Earlier this year, we indicated that due to a contract change, your insurance would change from a Medicare supplement plan provided by the Vermont Education Health Initiative (VEHI) to a closely matched Medicare Advantage plan provided by Vermont Blue Advantage (VBA). We decided to make this change to provide Medicare-eligible members with additional benefits at a lower cost. Our plan was to transition all VSTRS' Medicare-eligible retirees to coverage through VBA, effective January 1, 2022.

Unfortunately, we were recently informed by VBA that the Centers for Medicare & Medicaid Services (CMS) regulations do not allow the plan to provide you with a medical-only Medicare Advantage Plan like VSTRS 65 without causing you to be disenrolled from your individual Part D Plan. **As a result, we will not proceed with your enrollment in the VSTRS 65 Medicare Advantage plan at this time. However, we have made arrangements to continue your existing coverage with VEHI without interruption.** We appreciate VEHI's efforts on your behalf.

We apologize in advance for any difficulty that this change may cause, and we will work with you to navigate any questions you may have. We are frustrated that VBA is unable to deliver its VSTRS 65 Plan without impacting your Part D coverage. Our number one priority is your well-being, and we have taken steps to ensure that you will continue to receive your benefits without interruption from VEHI. Importantly, this change will not result in additional costs to you, as the rates promised by VBA will be honored throughout the year.

Additionally, should you wish to make a change to one of VBA's other plans, you can do so. We have detailed the options that you have going forward below.

What will happen on January 1, 2022, if I do nothing?

Your current VSTRS 65 plan with VEHI through Blue Cross and Blue Shield of Vermont will remain **in place and unchanged**. This medical only plan will not interrupt your individual Part D prescription drug benefit. Please continue to use your existing Blue Cross ID card for your medical services.

Can I access the Vermont Blue Advantage extra benefits if I remain in VEHI's VSTRS 65 Plan?

Unfortunately, the VBA hearing and vision benefits are **not** available with the VEHI VSTRS 65 plan. You can, however, access these extra benefits by enrolling in a different VBA product offered by the VSTRS, as noted below. In addition, we will continue to work with our health care providers to develop additional options for these services and will keep you informed of any developments.

What alternative benefit plan options do I have for January 1, 2022?

- You can remain in the VEHI VSTRS 65 plan that you have now. With this option, **no action is required by you**.
- You also have the ability to elect two other benefit plan options – **VBA's JY and Comprehensive plans**. Both will allow you to access the extra hearing and vision benefits, and both include a **prescription drug benefit**, which would replace your current individual Part D prescription drug plan.
 - To compare plans, review the Benefits-at-a-Glance document that was mailed to you in early October or visit VBA's website at www.vermontblueadvantage.com/vstrs
 - To review VSTRS' rates and access a plan change form, visit www.vermonttreasurer.gov/content/retirement/teacher/group-health

If I decide to leave VSTRS 65 and sign-up for VBA's JY or Comprehensive Plan, do I have to submit a new change form?

Yes, a new change form or enrollment application is required if you would like to enroll in something other than the VSTRS 65 Plan with VEHI. Enrollment in the VBA JY or VBA Comprehensive plans are effective the first of the month following VBA's receipt of paperwork. For an effective date of January 1, 2022, the retirement office must receive your new change form or application **no later than December 20, 2021**.

What can I expect in the days and months ahead?

We directed VBA to personally reach out to every impacted member and to extend its hours for call-backs. At the same time this letter is being mailed, VBA representatives will be making efforts to reach you by phone to make sure that you are aware of this development and to answer

any questions. VBA will also send a follow up letter to make sure that you are aware of this change.

Going forward, we intend to work with VBA to resolve this matter with the CMS. Our hope is to be able to offer you VBA's VSTRS 65 Plan without jeopardizing your Part D coverage. We will be in touch over the course of next year to alert you of any developments as they arise.

Questions?

Contact VBA: If you have questions or would like to discuss the alternative Vermont Blue Advantage options available to you, please call the Vermont Blue Advantage transitional call center toll-free at **1-800-344-6690**, Monday through Friday 7:00 a.m. to 6:00 p.m. Eastern time. TTY users call **1-800-535-2227**.

Contact the Retirement Office: For premium contributions, enrollment questions or to initiate a transfer to one of the alternative offerings, please contact the retirement office **as soon as possible** at **1-800-642-3191** or **1-802-828-2305 (toll-free in Vermont only)**, or via email at tre.retirementoffice@vermont.gov, Monday through Friday, 7:45 a.m. to 4:30 p.m., Eastern time. TTY users call **711**.