



The University of Vermont

# UVM Retiree Medicare Advantage Plan Changes

## Frequently Asked Questions (FAQ)

This FAQ answers common questions about the recently announced changes to UVM's retiree Medicare Advantage plan. In addition, more information and details will be mailed soon. Please note, this is a summary and does not create any contractual rights or replace or amend the underlying plan document.

### 1. **What is the recent announcement?**

On September 12, 2022, the UVM Board of Trustees authorized the Administration to negotiate a contract with Cigna Group Medicare to replace Vermont Blue Advantage as the administrator and insurer of the UVM retiree Medicare Advantage plan.

### 2. **How will the plan change?**

Upon successful completion of the negotiations, effective January 1, 2023, Cigna Group Medicare would begin administering and insuring this retiree benefit. UVM and retiree premium costs will decrease significantly and will be guaranteed not to increase for three years (2023-2025). The University will be negotiating for new supplemental benefits for hearing aids and vision benefits along with coverage for use of independent mental health counselors and naturopaths.

### 3. **Why is UVM making these changes?**

The contract with the current insurer, Vermont Blue Advantage, was for the two-year period ending December 31, 2022. Given the competitive marketplace for Medicare Advantage coverage, the University released a request for proposals (RFP) to determine if UVM could secure the same or better coverage at a reduced premium cost. Cigna Group Medicare submitted the strongest proposal in terms of cost and ability to manage the benefit. Cigna Group Medicare is a major national provider of Medicare Advantage plans, has a long history in Vermont, and serves over four million Medicare customers.

### 4. **Will Cigna Group Medicare match the benefits provided?**

The Cigna Group Medicare proposal matched and/or improved almost all of the benefit plan features. In addition to significant savings in premiums, Cigna Group Medicare has proposed offering new hearing aid and vision benefits to all retirees. UVM continues to explore where medical plan benefits may be different. One example includes hair loss and wigs for individuals with cancer or other health conditions (Cigna Group Medicare offers a \$350 annual allowance for wigs versus Vermont Blue Advantage which charges a deductible then a co-pay). In addition, the \$100 annual pharmacy deductible will apply to combined retail and mail order drugs per CMS regulations.

**5. How will this change impact my prescription medication coverage?**

The current drug benefit with Vermont Blue Advantage is administered through Express Scripts, a Cigna owned company since December 2018. This puts Cigna Group Medicare in a unique position to match the current drug formulary including 99.4% of the currently used drugs and provides a seamless transition for those who participate in the benefit.

**6. Will all the health care providers be the same with Cigna Group Medicare?**

Cigna Group Medicare has guaranteed that 99% or more of the currently used health care providers are in their network or accept the Cigna Group Medicare plan as an out-of-network provider at the same cost share as in-network.

**7. Do I have to do anything to enroll with Cigna Group Medicare?**

No. Your enrollment will automatically be transferred from Vermont Blue Advantage to Cigna Group Medicare starting January 1, 2023. Until then, please use your Vermont Blue Advantage benefit.

**8. Are there opportunities for me to learn more about this change or ask questions?**

Yes. Special presentations are scheduled to review these upcoming vendor changes. Meetings will be held via Zoom and in-person on the following dates:

- Zoom Meeting – Tuesday, September 20 at 9:00am. For log-in instructions and link to the Zoom meeting, visit the UVM Retiree Benefits page online at: <https://www.uvm.edu/hrs/retirement> under the News & Updates section.
- In-Person Meeting – Thursday, September 22 at 1:30pm, Waterman Memorial Lounge (338).

A third presentation will occur at the September 21 UVM Retired Faculty and Administrative Officers Organization meeting.

More information will be mailed to you once the negotiations are completed. Cigna Group Medicare will provide a direct customer service phone line for inquiries in late October. Any other questions can be directed to UVM Human Resource Services at [HRSInfo@uvm.edu](mailto:HRSInfo@uvm.edu) or 802-656-3150.