



Health Plan

2017

Your Rights Your Money

Annual Legal Notices and the Trust Report Summary

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Dear CU Health Plan participant,

As a member of the CU Health Plan, you are entitled to receive certain legal notices about your healthcare rights and the financial status of the University of Colorado Health and Welfare Trust, which funds the CU Health Plan.

These notices are for your information and records only. You do not need to take any action.

For detailed information about your CU Health Plan, download your benefits booklet at <https://www.becolorado.org/plans>.

If you have any questions about the information enclosed, please contact your employer's Benefit Office or CU Health Plan Administration at cuhealthplan@cu.edu.

Kindest regards,
The CU Health Plan Team

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MEDICARE PART D – CREDITABLE COVERAGE NOTICE*

Important Notice from the University of Colorado Health and Welfare Plan about Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with the University of Colorado Health and Welfare Plans and about your options under Medicare's prescription drug coverage. This information can help you decide whether you want to join a Medicare drug plan. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. The University of Colorado Health and Welfare Plan has determined that the prescription drug coverage offered by CU Health Plan - Exclusive, CU Health Plan - Exclusive2, CU Health Plan - Kaiser, CU Health Plan - High Deductible/HSA Compatible, CU Health Plan - Extended, and CU Health Plan - Medicare are, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and are considered "Creditable Coverage."

Because your existing University of Colorado Health and Welfare Plan coverage is, on average, at least as good as standard Medicare prescription drug coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

You can join a Medicare drug plan when you first become eligible for Medicare and each year from Oct. 15 through Dec. 7. For some individuals this means you may have to wait to join a Medicare drug plan and that you may pay a higher premium (a penalty) if you join later. You may be required to pay a higher premium (a penalty) as long as you have Medicare prescription drug coverage. However, if you lose creditable prescription drug coverage through no fault of your own, you will be eligible for a sixty (60) day Special Enrollment Period (SEP) because you lost creditable coverage to join a Part D plan. In addition if you lose, or decide to leave, employer sponsored coverage, you will be eligible to join a Part D plan at that time using an Employer Group Special Enrollment Period. You should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area.

If you decide to join a Medicare drug plan, your University of Colorado Health and Welfare Plan medical coverage will not be affected. See the chart below for more information about how your current coverage

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compares to a Medicare drug plan.

If you do decide to join a Medicare drug plan and drop your University of Colorado Health and Welfare Plan medical plan which includes prescription drug coverage, be aware that you and your dependents may not be able to reinstate coverage. You should also know that if you drop or lose your coverage with the University of Colorado Health and Welfare Plan and do not join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without prescription drug coverage that is at least as good as Medicare's prescription drug coverage, your monthly premium may go up by at least 1 percent of the base beneficiary premium per month for every month that you did not have that coverage. For example, if you go 19 months without coverage, your premium may consistently be at least 19 percent higher than the base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following November to join.

For more information about this notice:

Contact the University of Colorado Health and Welfare Plan at 303-860-4199.

For more information about your current prescription drug coverage:

- University of Colorado employees - contact Employee Services at 303-860-4200.
- UCHHealth employees - contact Human Resources at the following numbers:
 - **North: 970-495-7800**
 - **Central: 720-848-6800**
 - **South: 719-365-5114**
- CU Medicine employees - contact Human Resources at 303-493-7600.

NOTE: You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through University of Colorado Health and Welfare Plan changes. You also may request a copy.

For more information about your options under Medicare prescription drug coverage:

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

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For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov.
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the “Medicare & You” handbook for their telephone number) for personalized help.
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security at <http://www.socialsecurity.gov/>, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and whether or not you are required to pay a higher premium (a penalty).

Date: July 1, 2017

Name of Entity/Sender: University of Colorado Health and Welfare Plan

Address: 1999 Broadway, Suite 820, Denver, CO 80202

Phone Number: 303-860-4199

*This notice is required by the Centers for Medicare and Medicaid Services (CMS) regarding Medicare Part D prescription coverage.

Medicare Part D and University of Colorado Health and Welfare Plan

2017 Drug Expense Comparison Chart

Yearly Deductible	Copayment or Coinsurance	Coverage Gap	Catastrophic Coverage
Member pays the first \$360	Member pays a copayment or coinsurance and the plan pays its share for each covered drug until their combined amount (plus the deductible) reaches \$3,310.	Once the member and the plan have spent \$3,310 for covered drugs, the member is in the coverage gap. In 2016, the member gets a 55% discount on covered brand-name drugs and a 42% discount on generic drugs that count as out-of-pocket spending, and helps him/her get out of the coverage gap.	Once the member has spent \$4,850 out-of-pocket for the year, the coverage gap ends. The member only pays a small copayment for each drug until the end of the year.

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University of Colorado Health and Welfare Plans

Please note: Your employer may not offer all CU Health Plans listed below.

Insurance Carrier	Member Pays	Member Pays (up to 30 day supply for retail and up to 90 day supply for UCH mail order)	Carrier Pays
<u>CU Health Plan - Exclusive</u>			
UCHealth Retail	No deductible	\$13 copayment for Tier 1 generic / \$30 copayment for Tier 2 preferred brand name / \$50 copayment for Tier 3 non-preferred brand name / \$75 copayment for Tier 4 specialty oral and injectable	100% after copayment
Anthem Retail	No deductible	\$15 copayment for Tier 1 generic / \$35 copayment for Tier 2 preferred brand name / \$50 copayment for Tier 3 non-preferred brand name / \$75 copayment for Tier 4 specialty oral and injectable	100% after copayment
UCH Mail Order	No deductible	<p>\$26 copayment for Tier 1 generic/ \$60 copayment for Tier 2 brand name/ \$100 copayment for Tier 3 non-preferred brand name/\$75 copayment for Tier 4 specialty Oral and Injectable prescriptions (up to a 30 day supply)</p> <p>Specialty Rx: Per fill, a maximum of up to 30 days of Specialty medication may be purchased at a retail pharmacy. After 3 fills, UCHealth pharmacies must be used for Specialty medication to be covered.</p> <p>Maintenance Medication: Per fill, a maximum of up to 30 days of maintenance medication may be purchased at a retail pharmacy. After 3 fills, UCHealth Retail Pharmacies or UCH Mail Order Prescription Service must be used for maintenance medication to be covered.</p>	100% after copayment

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Insurance Carrier	Member Pays	Member Pays (up to 30 day supply for retail and up to 90 day supply for UCH mail order)	Carrier Pays
<u>CU Health Plan – Exclusive2</u>			
UCHealth Retail	No deductible	\$10 copayment for Tier 1 generic / \$40 copayment for Tier 2 preferred brand name / \$50 copayment for Tier 3 non-preferred brand name / \$75 copayment for Tier 4 specialty oral and injectable	100% after copayment
Anthem Retail	No deductible	\$15 copayment for Tier 1 generic / \$45 copayment for Tier 2 preferred brand name / \$60 copayment for Tier 3 non-preferred brand name / \$75 copayment for Tier 4 specialty oral and injectable	100% after copayment
UCH Mail Order	No deductible	<p>\$20 copayment for Tier 1 generic/ \$80 copayment for Tier 2 brand name/ \$100 copayment for Tier 3 non-preferred brand name/\$75 copayment for Tier 4 specialty Oral and Injectable prescriptions (up to a 30 day supply)</p> <p>Specialty Rx: Per fill, a maximum of up to 30 days of Specialty medication may be purchased at a retail pharmacy. After 3 fills, UCHealth pharmacies must be used for Specialty medication to be covered.</p> <p>Maintenance Medication: Per fill, a maximum of up to 30 days of maintenance medication may be purchased at a retail pharmacy. After 3 fills, UCHealth Retail Pharmacies or UCH Mail Order Prescription Service must be used for maintenance medication to be covered.</p>	100% after copayment



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Insurance Carrier	Member Pays	Member Pays (up to 30 day supply for retail and up to 90 day supply for UCH mail order)	Carrier Pays
<u>CU Health Plan - Kaiser</u>			
Kaiser Retail	No deductible	\$15 copayment for generic/ \$35 copayment for preferred brand name/ 20% coinsurance for specialty Rx, including self-administered injectables, up to a maximum of \$75 per Rx, up to a 30 day supply	100% after copayment
Kaiser Mail Order	No deductible	\$15 copayment (up to a 30 day supply of generic); \$30 copayment (31-90 day supply of generic)/ \$35 copayment (up to a 30 day supply of brand); \$70 copayment (31-90 day supply of brand)/ 20% coinsurance for specialty Rx, including self-administered injectables, up to a maximum of \$75 per Rx, up to a 30 day supply	100% after copayment
<u>CU Health Plan -High Deductible/HSA Compatible</u>			
Anthem Retail	\$1,500/\$3,000 Deductible (in network)	20% coinsurance (after deductible) up to \$3,000/\$6,000, then member pays 0% for balance of the plan year (up to a 30 day supply)	80% up to \$3,000/\$6,000, then Plan pays 100% for balance of the plan year
UCHealth Retail or UCH Mail Order	\$1,500/\$3,000 Deductible (in network)	20% coinsurance (after deductible) up to \$3,000/\$6,000, then member pays 0% for balance of the plan year (up to a 90 day supply) Maintenance Medication: If using mail order for up to a 90 day supply, UCH Mail Order Prescription Service must be used for maintenance medication to be covered.	80% up to \$3,000/\$6,000, then Plan pays 100% for balance of the plan year

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Insurance Carrier	Member Pays	Member Pays (up to 30 day supply for retail and up to 90 day supply for UCH mail order)	Carrier Pays
<u>CU Health Plan - Extended</u>			
Retail	No deductible	\$15 copayment for Tier 1 generic / \$35 copayment for Tier 2 preferred brand name / \$50 copayment for Tier 3 non-preferred brand name / \$75 copayment for Tier 4 specialty oral and injectable	100% after copayment
UCH Mail Order	No deductible	\$30 copayment for Tier 1 generic / \$70 copayment for Tier 2 preferred brand name / \$100 copayment for Tier 3 non-preferred brand name / \$75 copayment for Tier 4 Specialty Oral and Injectable prescriptions (up to a 30 day supply) Maintenance Medication: Per fill, up to 30 days of maintenance medication may be purchased at a retail pharmacy. If using mail order for up to a 90 day supply, UCH Mail Order Prescription Service must be used for maintenance medication to be covered.	100% after copayment
<u>CU Health Plan - Medicare</u>			
Retail/Mail Order	\$240 deductible per individual	20% coinsurance up to \$2400 (Single) / \$7200 (Family), then member pays 0% for balance of the plan year (up to 90 day supply)	80% up to \$2,400/\$7,200, then Plan pays 100% for balance of the plan year



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Summary Annual Report for University of Colorado Health and Welfare Trust

This is a summary of the annual report of the University of Colorado Health and Welfare Trust ("Trust"), Employer Identification Number (EIN) 27-6690619 and shall qualify as a "voluntary employees' beneficiary association" under Section 501(c)(9) of Internal Revenue Code of 1986, as amended, for July 1, 2015 through June 30, 2016. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

All benefits of the component plans provided under the University of Colorado Health and Welfare Plan ("Plan") are provided on an uninsured basis. The Regents of the University of Colorado has committed itself to pay all medical and dental claims incurred under the terms of the Plan.

Additionally, funds are paid by the Trust for administration fees charged by the third-party Administrative Services Organization (ASO) to pay claims and to manage provider networks.

Insurance Information

The Plan has contracts with Rocky Mountain Hospital and Medical Service, Inc. dba Anthem Blue Cross and Blue Shield, Kaiser Permanente Insurance Company and Delta Dental, as the third- party ASOs, to pay all medical and dental claims incurred under the terms of the Plan. The Plan is a self funded plan and the claims expense is affected by the number and size of the claims. The total claims expensed for the plan year ended June 30, 2016 were \$329,955,298.

Basic financial statements

The value of plan assets, after subtracting liabilities of the plan, was \$20,055,147 as of June 30, 2016, compared to \$14,909,890 as of June 30, 2015. During the plan year, the plan experienced an increase in its net assets of \$5,145,257. During the plan year, the plan had total revenues of \$365,841,922 including premiums of \$365,423,569, earnings from investments of \$122,793, and miscellaneous revenues of \$295,560. Plan expenses were \$360,696,665. These expenses included \$28,689,606 in administrative and claims processing expenses, \$2,051,761 in wellness initiative expenses and \$329,955,298 in incurred claims.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. an independent auditors' report;
2. management's discussion and analysis (unaudited);
3. statements of net assets;
4. statements of revenues, expenses, and changes in net assets;
5. statements of cash flows;
6. notes to the financial statements;

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7. required supplementary information – ten year loss development information (unaudited);
8. supplementary schedules: a) Schedule H, Line 4i – Schedule of Assets (Held at End of Year) – June 30, 2016, and b) Schedule H, Line 4j – Schedule of Reportable Transactions – Year Ended June 30, 2016

To obtain a copy of the full annual report, or any part thereof, write or call the office of CU Health Plan Administration, who is the plan administrator, 1999 Broadway, Suite 820, Denver, CO 80202; 303-860-4199. The charge to cover copying costs will be \$15.00 for the full annual report, or \$0.75 per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan, 1999 Broadway, Suite 820, Denver, CO 80202, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

