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**RETIRED PUBLIC EMPLOYEES OF ALASKA (RPEA)
COMMENTS ON PROPOSED PLAN CHANGES TO
THE 2023 PLAN BOOKLET**

(The comments that follow below were approved by the RPEA Executive Board during its November 15, 2022, meeting)

References:

https://d.alaska.gov/docs/booklets/AlaskaCare_RetireeDBBooklet_2023_Final_Candidate_PublicComment_20221014.pdf

https://drb.alaska.gov/docs/booklets/AlaskaCare_RetireeDBBooklet_2023_SummaryChanges_Draft.pdf

Page iv

This page does not track the definition on page 1 (see below). ‘Claims Administrator’ is defined there. Page iv paragraph 1 should state:

Alaska Care Claims Administrators:

All claims for any services covered by this plan shall be filed with the appropriate Claims Administrator.

Medical Claims Administrator:

Aetna

Pharmacy Claims Administrator:

Optum Rx

Dental Claims Administrator:

Moda/Delta

Etc., etc.

In this way only this page will require change when the various Claims Administrators change.

Health Plan, page 1

Defines ‘Aetna’ and ‘Claims Administrator.’ It was RPEA’s intention through the lawsuit settlement that all references to ‘Aetna’ would be replaced in the plan booklet with ‘Claims Administrator.’ *There is no need for any reference to a specific claims administrator in the plan booklet.* The name of all current Claims Administrators should be removed and replaced by the appropriate generic term ‘medical Claims Administrator’, ‘dental Claims Administrator’, ‘pharmacy Claims Administrator’, etc. unless there is a specific reason (such as giving necessary additional information and reference to a specific Aetna or Optum Rx, etc. website reference). All these specific references should be centrally located in the Plan booklet.

Section 3 Medical Plan Highlights

Objection to reference to 3.2. *Precertification* section that states:

“Medical plan may not pay any benefits” if not pre-certified. The plan covers medically necessary care (*Section 3.3 Covered Medical Expenses*). Precertification is the pre-determination of medically necessary care. A member with AlaskaCare as primary but neglects to have their non-network provider pre-certify care or does not do it themselves does not forfeit reimbursement under the plan for care later determined to be medically necessary.

The proposed booklet language for this (and all sections that reference limiting coverage to no benefits paid without precertification) must clarify the above. Suggest the following language:

‘If you do not pre-certify, your benefits may be reduced or may not be paid unless they meet the criteria in *Section 3.3 Covered Medical Expenses*.

Also, object to removing the word ‘all’ from the phrase ‘Then the plan pays 100% of ~~all~~ covered expenses for the remainder of the benefit year.’ It will appear as questionably a diminishment when that is not the intention.

Section 3.1.7. Effect of Medicare

The ‘special population’ of members who are over 65 and are not Medicare Part A eligible as they did not pay into that system is not addressed in the plan. No network of providers is recognized for them per Aetna. This population deserves to know from the language of the plan how network rules apply to them. These members are not held harmless when network providers fail to request precertification, which is contrary to the plan and not explained anywhere in previous booklets or the 2023 draft.

Section 3.2.1 The Precertification Process

Travel is only payable for medically necessary services. Travel is not a medical service. A travel benefit should be paid if the medical plan criteria at *Section 3.3.18* are met. The travel benefit should be conditioned upon the criteria in that section and reimbursed with proper expense documentation.

The Aetna Precertification list includes ‘Special programs’ – which RPEA understands AlaskaCare members are NOT enrolled in. This should be clarified in the plan booklet.

The precertification process for the under 65 non-Medicare Part A ‘special population’ should be addressed even if only to provide contact information for them of someone with actual knowledge of their special situation to advise them of how to proceed.

Section 3.2.2 Services Requiring Precertification

Same as above re: travel.

RPEA objects to including a list of services and supplies that require precertification other than the reference to the online Aetna list. It is confusing to members to have lists in two places. A simple introductory paragraph that states:

Many hospital and outpatient medical services and supplies require precertification. Precertification is handled by the medical Claims Administrator and the list of services requiring precertification can be located at: website reference.

This section should clarify whether all the services and supplies in the Aetna Provider Precertification List are covered by AlaskaCare and should clarify that the ‘special programs’ listed there do not apply to AlaskaCare members.

The provider precertification list changes regularly. These lists must be archived and preserved by DRB and supplied to members on request so that they can have the list applicable to any claim denials governed by a past precertification list.

Guidance should be given regarding the effect of the precertification list changing between the time of a request and the provision of service.

Also, this section of the Plan provides that there is no need to precertify if the plan is secondary to coverage you have from another health plan, but if you receive a service that is not covered by your other health plan coverage and your AlaskaCare coverage will be paying as primary, you or your provider need to obtain any necessary precertification.

RPEA recognizes this is not a substantive change to the plan but notes that procedurally it can pose a rabbit hole for members to follow. First, the member must ask Medicare if a service is covered. If Medicare says no and the member is out of network, then they must check Aetna’s precertification list online. If the service is on Aetna’s precertification list, then they must call Aetna for precertification.

It is concerning that the Aetna concierge may not know that in a Medicare primary member’s case that Medicare will not pay for a service and may not properly assist the member to precertify. This may not happen often but the situation is not user friendly. It is recommended that some identification of services not covered by Medicare but covered by AlaskaCare be researched and provided to members if this is possible.

Finally, RPEA requests that DRB publish to members the Claims Administrator’s pre-certification website list each time it changes and present a Town Hall on this subject annually.

Section 3.2.3 How Failure to Pre-certify Affects Your Benefits

Objection to language “your expenses may not be covered. You will be responsible for all expenses that are not covered the medical plan may not pay any benefits” if not pre-certified. The plan covers medically necessary care (*Section 3.3 Covered Medical Expenses*).

Precertification is the pre-determination of medically necessary care. A member with AlaskaCare as primary who neglects to have their non-network provider pre-certify care or neglects to do it themselves does not forfeit reimbursement under the plan for care later determined to be medically necessary.

The proposed booklet language for this (and all sections that reference limiting coverage to no benefits paid without precertification) must clarify the above. Suggest the following language:

‘If you do not pre-certify, your benefits may be reduced or may not be paid unless they meet the criteria in *Section 3.3 Covered Medical Expenses*.

Objection to travel requiring precertification. Travel is not a medical service. A travel benefit should be paid if the medical plan criteria for at *Section 3.3.18* are met. The travel benefit should be conditioned upon the criteria in that section and reimbursed with proper expense documentation. Travel should not be limited to \$500 and should be reimbursed not to exceed eligible travel costs.

Section 3.3.5 Hospitalization

Objection to language “your expenses may not be covered. You will be responsible for all expenses that are not covered. The medical plan may not pay any benefits” if not pre-certified. The plan covers medically necessary care (*Section 3.3 Covered Medical Expenses*). Precertification is the pre-determination of medically necessary care. A member with Alaska Care as primary who neglects to have their non-network provider pre-certify care or neglects to do it themselves does not forfeit reimbursement under the plan for care later determined to be medically necessary.

The proposed booklet language for this (and all sections that reference limiting coverage to no benefits paid without precertification) must clarify the above. Suggest the following language:

‘If you do not pre-certify, your benefits may be reduced or may not be paid unless they meet the criteria in *Section 3.3 Covered Medical Expenses*.

Updates section 3.3.6 Home Health Care

Same as above (see Section 3.3.5 Hospitalization)

Updates section 3.3.8 Skilled Nursing Care

Same as above (see Section 3.3.5 Hospitalization)

Updates section 3.3.9 Skilled Nursing Facility

Same as above (see Section 3.3.5 Hospitalization)

Updates section 3.3.18 Travel

Travel is reimbursed if medically necessary. Travel is not a medical service. A travel benefit should be paid if the medical plan criteria for at *Section 3.3.18* are met. The travel benefit should be conditioned upon the criteria in that section and reimbursed with proper expense documentation. It should not be limited to \$500 and should be reimbursed not to exceed eligible travel costs.

Updates section 3.3.19 Mental Disorder, Habilitative Therapy and Chemical Dependency Treatment

Objection to language “your expenses may not be covered.” The plan covers medically necessary care (*Section 3.3 Covered Medical Expenses*). Precertification is the pre-determination of medically necessary care. A member with Alaska Care as primary who neglects to have their non-network provider pre-certify care or neglects to do it themselves does not forfeit reimbursement under the plan for care later determined to be medically necessary.

The proposed booklet language for this (and all sections that reference limiting coverage to no benefits paid without precertification) must clarify the above. Suggest the following language:

‘If you do not pre-certify, your benefits may be reduced or may not be paid unless they meet the criteria in *Section 3.3 Covered Medical Expenses*.

Add to top of page 62 that ‘Treatment is paid at normal Plan benefits following the deductible, etc. The same as the introduction for Chemical Dependency on page 63.

Section 3.3.24 Transplant Services

Objection to language “your expenses may not be covered. You will be responsible for all expenses that are not covered. The medical plan may not pay any benefits” if not pre-certified. The plan covers medically necessary care (*Section 3.3 Covered Medical Expenses*). Precertification is the pre-determination of medically necessary care. A member with Alaska Care as primary who neglects to have their non-network provider pre-certify care or neglects to do it themselves does not

forfeit reimbursement under the plan for care later determined to be medically necessary.

The proposed booklet language for this (and all sections that reference limiting coverage to no benefits paid without precertification) must clarify the above. Suggest the following language:

‘If you do not pre-certify, your benefits may be reduced or may not be paid unless they meet the criteria in *Section 3.3 Covered Medical Expenses*.

Section 3.3.26 Gene-Based, Cellular and other Innovative Therapies (GCIT)

GCIT type drugs - included in the medical plan should be exempted from the \$2M lifetime cap.

Object to travel benefit as set too low. It is not possible to locate a hotel near a medical facility doing this work for \$50/100 per night.

Section 4.3.4 Premium Surcharge

Object to elimination of the opportunity for members to establish a prefunded HRA by providing their annual letter from Social Security. This proposed change requires members to wait until they receive a bill from Medicare and pay the bill timely before being able to establish an HRA account. Members should not have to call to learn the process and it must be stated in the Plan.

Section 4.7 Definitions

Objection to the new requirement of coverage on medical foods to those ‘that bear the same label’ as FDA-approved prescription medications. Medical foods are NOT FDA approved. They are clearly covered by the plan and this requirement would effectively diminish benefits by removing this benefit.

Section 4.8 EXCLUSIONS

Orphan drugs included in the medical plan should be exempted from the \$2M lifetime cap.

**RPEA OBSERVATIONS AND REQUESTS THAT THE DIVISION OF
RETIREMENT AND BENEFITS (DRB) AND THE RETIREE HEALTH
PLAN ADVISORY BOARD (RHPAB) ADDRESS THE MATTERS
DISCUSSED BELOW AS PRIORITY ITEMS**

RPEA believes it is time for a wholistic review of the Plan booklet by the RHPAB and DRB to coordinate the many amendments since 2003 and to integrate the terms consistently within the entire document.

RPEA recommends the following areas that stand out as priorities for RHPAB and DRB to review and rectify.

Section 3.1.7 Effect of Medicare

The ‘special population’ of members who are over 65 and are not Medicare Part A eligible as they did not pay into that system is not addressed in the plan. No network of providers is recognized for them per Aetna. This population deserves to know from the language of the plan how network rules apply to them. These members are not held harmless when network providers fail to request precertification, which is contrary to the plan and not explained anywhere in previous booklets or the 2023 draft.

RPEA also proposes that the state assess whether simply paying for Medicare Part A for this special population would be as cost effective as managing this special population through the current heightened administrative burdens.

The language in this section is not easily understandable by the average member and should be revisited to make it more straightforward and comprehensible.

Section 3.3.12 Rehabilitation Services

Recommend that the state assess the cost/benefit of adopting the Medicare standard for rehabilitative care. In an aging population rehabilitative care should not be based on a ‘continuing improvement standard’. It stands to reason that elderly people who do not maintain balance and independent mobility would suffer health consequences that could be more expensive than maintenance rehabilitative care. It would be instructive to look at this question.

Section 3.1.4. Recognized Charge

Recommend review. For years now deficient contribution to the FairHealth database for Alaska has resulted in the ongoing use of stale and derived recognized charge data from FairHealth; and “Aetna’s reimbursement policies” delay updates of FairHealth data it’s system. RPEA believes this should be swiftly addressed.

Section 3.3.18 Travel

Recommend that Travel be globally addressed. Many members living in outlying areas are required to use the travel benefit to access medical and surgical care. The

travel benefit is insufficient, it does not cover diagnostic services – which are as critical as treatment, it should not require precertification as it is not a medical service or supply, and there is no benefit for lodging or an accompanying adult to assist with the logistics associated with sometimes major medical and surgical experiences away from home.

For rural Alaskans dependent on the ferry to access medical care, the travel benefit covers ferry travel coverage for passenger only and does not also cover the cost of the member's vehicle. Then the Alaska State ferry drops members in Whittier or Valdez, for example, travel from the ferry dock to nearest medical care requires a motor vehicle.

Section 3.3.20 Medical Treatment of Mouth, Jaws and Teeth

Recommend adding Orthodontia to the Plan when medically necessary for treatment of congenital abnormalities such as cleft palate.

Section 7. DENTAL, VISION, AUDIO PLAN

Recommend a full review and assessment of the DVA plan. The dental, vision and audio services and supply landscape has changed considerably since the inception of this part of the Plan. For example, hearing aids are now available over the counter, perhaps at a saving, progressive lenses are regularly prescribed and not covered, there is no network for vision or audio, among others.

The Executive Board of the RPEA appreciates the opportunity to comment on these important matters impacting the retiree health plan and the health plan booklet and requests close attention to the suggestions contained herein. Thank you!

Sincerely,

Randall P. Burns
President
Retired Public Employees of Alaska