

CUCEA – CUCRA Fall Conference

2025 Open Enrollment Preview

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Open Enrollment
Oct. 31–Nov. 22, 2024

Today's Topics

- Key Medicare plan changes
- Medicare plan rates and contributions

Inflation Reduction Act (IRA) for Medicare Part D

Applies to: Medicare PPO, High Option, Kaiser Senior Advantage, UC Medicare Choice

Current (2024)	2025
\$2,000 Annual prescription drug out-of-pocket maximum per person	No annual prescription drug out-of-pocket maximum per person
	Coverage Gap Phase (Donut hole) sunsets
\$8,000 TrOOP	\$2,000 TrOOP on the Part D benefit Does not apply to the Bonus Drug List
	Introduction of the Medicare Prescription Payment Program (M3P) which allows members to enroll in a payment plan for costs incurred at the pharmacy

Kaiser Senior Advantage: Plan Changes

	2024	2025
Office, Behavioral Health and Urgent Care Visits	\$20 Copay	\$30 Copay
Pharmacy Benefit	Pharmacy \$5/\$25 up to 30-day supply \$10/\$50 31 to 60-day supply \$15/\$75 61 to 100-day supply Mail Order \$5/\$25 up to 30-day supply \$10/\$50 31 to 100-day supply	Pharmacy \$10/\$30 up to a 30-day supply \$20/\$60 31 to 60-day supply \$30/\$90 61 to 100-day supply Mail Order \$10/\$30 up to 30-day supply \$20/\$60 31 to 100-day supply
Fitness Benefit	N/A	OnePass: Access to a variety of gyms through premium network

UC Medicare Choice: Plan Changes

- Co-pay Change for all Medical/Office visits and Urgent Care from \$20 to **\$30/visit**
 - Primary Care Physicians, Specialists and Urgent Care
 - *Medicare-covered chiropractic care remains at \$20 copay*
- Prescription Drug co-pay changes (next slide)
- 24/7 Clinical Support: from 24/7 Nurse Support to 24/7 Doctor Access
 - Amwell, Doctors on Demand and Teladoc
- New Fitness vendor from Renew Active to Silver Sneakers
- Low-Income Subsidy (LIS) incremental changes

UC Medicare Choice: Pharmacy Changes

	2024	2025
Retail 30-day supply	\$5/25/40/25	\$10/30/45/30*
Retail 90-day supply (2x to 3x 30-day copay)	\$10/50/80/50	\$30/90/135/Not available**
Mail Order 90-day supply* (still 2x 30-day copay)	\$10/50/80/50	\$20/60/90/30**

* Includes UC Pharmacies

** Specialty drugs dispensed to a 30-day supply at a time

Note: 60-day copay = No change. Remains at 2x retail or mail order cost

Medicare PPO and High Option: Pharmacy Changes

2024

Part D Retail: up to 30-day supply \$10/30/45/30

Part D Mail Order: up to 90-day supply
\$20/60/90/Not available

Part D Select Retail Pharmacy

- \$10/30/45 up to 30-day supply
- \$20/60/90 31 to 90-day supply

Non-Part D Extra Covered Drugs

- \$10/30/45 Retail & Mail Order (up to 30 days)
- \$20/60/90 Retail (31-60 days)
- \$30/90/135 Retail (61-90 days)
- \$20/60/90 Mail Order (31-90 days)

2025

Part D Retail: up to 30-day supply **\$15/35/50/35**

Part D Mail Order: up to 90-day supply
\$30/70/100/Not available

Part D Select Retail Pharmacy

- **\$15/35/50** up to 30-day supply
- **\$30/70/100** 31 to 90-day supply

Non-Part D Extra Covered Drugs

- **\$15/35/50** Retail & Mail Order (up to 30 days)
- **\$30/70/100** Retail (31-60 days)
- **\$45/105/150** Retail (61-90 days)
- **\$30/70/100** Mail Order (31-90 days)

2025 Retiree Rates and Contributions

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Oct. 31–Nov. 22, 2024

2025 Retiree Medical Plan Rates

➤ Rates

- Aggregate Medicare rate increase 13.4% and pre-Medicare 8.4%, w/o dental
- Highest: 35.8% UC Medicare Choice; Lowest: -6.3% Kaiser, after plan changes

➤ Key Drivers

- High pharmacy trends from persistent use of specialty drugs and GLP-1 drugs
- Provider reimbursements and healthcare worker minimum wage increases
- High-cost treatments such as cell and gene therapy
- Legislation: CMS Medicare Advantage plans Phase 2 of new CMS risk adjustment model and the Inflation Reduction Act (Part D)
- High Option and Medicare PPO: 2% load to claims, resulting in 3-4% increase to rates

2025 Retiree Medical Plan Contributions

➤ UC Contributions

- Medicare: UC will maintain cost share of 72.8% (\$11.7M), higher than standard 70%
- Pre-Medicare: UC will continue 70% cost share
 - *Core plan will require a contribution in 2025*
- Medicare-eligible retirees outside California: HRA remains up to \$3,000/yr per enrolled individual

➤ Retiree Contributions

- Medicare: Aggregate increase of 12.2%
- Pre-Medicare: Aggregate increase of 9.2%

2025 Medicare Plans Contributions

- UC Medicare Choice will have contributions
- High Option contributions decrease by 4%

Assumed Part B premium used in contribution setting represents the standard monthly premium. Actual retiree Part B contributions will differ based on income level.

Due to the timing of when final Part B premiums are released, the assumed rate for 2025 is based on the 2024 standard Part B premium of \$174.70.



Systemwide Human Resources
Health & Welfare Benefits

2024 Contributions	Medicare Member Share					
	Medical		Part B Premium		Total	
	Single (M)	Two Party (MM)	Single (M)	Two Party (MM)	Single (M)	Two Party (MM)
UC Medicare Choice	\$0.00	\$0.00	\$144.01	\$288.02	\$144.01	\$288.02
Kaiser	\$0.00	\$0.00	\$42.35	\$84.70	\$42.35	\$84.70
High Option	\$312.70	\$625.40	\$164.90	\$329.80	\$477.60	\$955.20
Medicare PPO	\$90.21	\$180.42	\$164.90	\$329.80	\$255.11	\$510.22
Medicare PPO No Rx	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Medicare UC Contribution Part B Premium	
Single (M)	Two Party (MM)
\$20.89	\$41.78
\$122.55	\$245.10
\$0.00	\$0.00
\$0.00	\$0.00
\$164.90	\$329.80

2025 Contributions	Medicare Member Share					
	Medical		Part B Premium		Total	
	Single (M)	Two Party (MM)	Single (M)	Two Party (MM)	Single (M)	Two Party (MM)
UC Medicare Choice	\$42.47	\$84.94	\$174.70	\$349.40	\$217.17	\$434.34
Kaiser	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
High Option	\$300.15	\$600.30	\$174.70	\$349.40	\$474.85	\$949.70
Medicare PPO	\$92.10	\$184.20	\$174.70	\$349.40	\$266.80	\$533.60
Medicare PPO No Rx	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Medicare UC Contribution Part B Premium	
Single (M)	Two Party (MM)
\$0.00	\$0.00
\$174.70	\$349.40
\$0.00	\$0.00
\$0.00	\$0.00
\$174.70	\$349.40

\$ Difference	Medicare Member Share					
	Medical		Part B Premium		Total	
	Single (M)	Two Party (MM)	Single (M)	Two Party (MM)	Single (M)	Two Party (MM)
UC Medicare Choice	\$42.47	\$84.94	\$30.69	\$61.38	\$73.16	\$146.32
Kaiser	\$0.00	\$0.00	(\$42.35)	(\$84.70)	(\$42.35)	(\$84.70)
High Option	(\$12.55)	(\$25.10)	\$9.80	\$19.60	(\$2.75)	(\$5.50)
Medicare PPO	\$1.89	\$3.78	\$9.80	\$19.60	\$11.69	\$23.38
Medicare PPO No Rx	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Medicare UC Contribution Part B Premium	
Single (M)	Two Party (MM)
(\$20.89)	(\$41.78)
\$52.15	\$104.30
\$0.00	\$0.00
\$0.00	\$0.00
\$9.80	\$19.60

% Change	Medicare Member Share					
	Medical		Part B Premium		Total	
	Single (M)	Two Party (MM)	Single (M)	Two Party (MM)	Single (M)	Two Party (MM)
UC Medicare Choice	n/a	n/a	21.3%	21.3%	50.8%	50.8%
Kaiser	n/a	n/a	-100.0%	-100.0%	-100.0%	-100.0%
High Option	-4.0%	-4.0%	5.9%	5.9%	-0.6%	-0.6%
Medicare PPO	2.1%	2.1%	5.9%	5.9%	4.6%	4.6%
Medicare PPO No Rx	n/a	n/a	n/a	n/a	n/a	n/a

Medicare UC Contribution Part B Premium	
Single (M)	Two Party (MM)
-100.0%	-100.0%
42.6%	42.6%
n/a	n/a
n/a	n/a
5.9%	5.9%

2025 Non-Medical Plans

- Dental DHMO rates will increase 3.4%, but UC continues to pay full premium (subject to graduated eligibility)
- Dental PPO rates status quo
- Vision rates increasing 5%

Open Enrollment Resources

- UCnet Open Enrollment website - live October 24 ucal.us/oe
- Mailed brochures arrive week of October 28
- Local OE events – virtual and/or in-person

APPENDIX

Open Enrollment
Oct. 31–Nov. 22, 2024

2025 UC Blue & Gold: Plan Changes

	2024	2025
Office Visits and Urgent Care	Medical: \$20 Copay Behavioral Health: Visits 1-3: No Copay Visits 4+: \$20 Copay	Medical: \$30 Copay Behavioral Health: Visits 1-3: No Copay Visits 4+: \$30 Copay
Pharmacy	\$5/\$25/\$40 – Retail 30-day supply \$10/\$50/\$80 – Retail 90-day supply \$10/\$50/\$80 – Mail Order \$20 Office administered injectable drugs	\$10/\$30/\$50 – Retail 30-day supply \$20/\$60/\$100 – 90-day supply Tier 4: Specialty Drugs (Oral and Injectable) – 30% coinsurance up to \$150 maximum per drug \$30 Office administered injectable drugs

2025 Kaiser: Plan Changes

	2024	2025
Office Visits and Urgent Care	Medical: \$20 Copay \$10 Behavioral Health group visit	Medical: \$30 Copay \$15 Behavioral Health group visit
Pharmacy	Kaiser Pharmacy \$5/\$25 30-day supply \$10/\$50 31 to 60-day supply \$15/\$75 61 to 100-day supply Mail Order \$5/\$25 30-day supply \$10/\$50 31 to 60-day supply	Kaiser Pharmacy \$10/\$30 30-day supply \$20/\$60 31 to 60-day supply \$30/\$90 61 to 100-day supply Mail Order \$10/\$30 30-day supply \$20/\$60 31 to 60-day supply Tier 3: Specialty Drugs (Oral and Injectible) – 30% coinsurance up to \$150 maximum per drug

2025 Optum: Plan Changes (Pre-Medicare Kaiser Overlay)

	2024	2025
Office Visits and Urgent Care	Medical: \$20 Copay Behavioral Health: Visits 1-3: No Copay Visits 4+: \$20 Copay	Medical: \$30 Copay Behavioral Health: Visits 1-3: No Copay Visits 4+: \$30 Copay
Emergency Room	\$75 Copay	\$125 Copay

UC Care: Plan Changes

Tier 1

➤ Office Visits

- Copay from \$20 to **\$30**
- Includes all visits to Specialists, Rehabilitation and Behavioral Health

➤ Urgent Care

- Copay from \$20 to **\$30**

➤ Rx Copay Changes (next slide)

Tier 2

➤ Urgent Care

- Copay from \$20 to **\$30**

UC Care: Pharmacy Changes

Pharmacies / Drug Type	2024 to 2025
Preferred Retail, Participating Retail Mail Order up to 30-day supply	\$5/25/40 to \$10/30/50
Preferred Retail, Participating Retail Mail Order up to 31 to 60-day supply	\$10/50/80 to \$20/60/100
Preferred Retail & Mail Order up to 61 to 90-day supply	\$10/50/80 to \$20/60/100
Participating Retail 61 to 90-day supply	\$15/75/120 to \$30/85/130
Specialty Pharmacy (up to 30-day supply) Up to \$150 per prescription drug	No change 30% Coinsurance to a max of \$150 per Prescription Drug, 30-day supply
Out-of-Network Pharmacies (up to 30-day supply)	No change. 50% coinsurance per prescription drug

CORE: Plan Changes

- CORE becomes a contributory plan
- No changes to coverage and benefits

2025 Pre-Medicare Retiree Plans

- UC targets a 70% UC / 30% Retiree cost share split (including dental)

- Contributions are added for the Core plan

2024 Contributions	Pre-Medicare Member Share			
	Single (U)	Adult plus Child(ren) (UC)	Two Adults (UA)	Family (UAC)
UC B&G HMO	\$295.49	\$531.88	\$676.43	\$912.82
Kaiser	\$232.44	\$418.38	\$544.02	\$729.96
CORE	\$0.00	\$0.00	\$0.00	\$0.00
HSP	\$346.66	\$623.99	\$783.89	\$1,061.22
UC Care	\$415.21	\$747.38	\$927.84	\$1,260.01

2025 Contributions	Pre-Medicare Member Share			
	Single (U)	Adult plus Child(ren) (UC)	Two Adults (UA)	Family (UAC)
UC B&G HMO	\$302.53	\$544.56	\$694.11	\$936.14
Kaiser	\$216.50	\$389.70	\$513.45	\$686.65
CORE	\$120.61	\$217.09	\$301.26	\$397.74
HSP	\$390.63	\$703.13	\$879.12	\$1,191.62
UC Care	\$480.54	\$864.97	\$1,067.93	\$1,452.36

\$ Difference	Pre-Medicare Member Share			
	Single (U)	Adult plus Child(ren) (UC)	Two Adults (UA)	Family (UAC)
UC B&G HMO	\$7.04	\$12.68	\$17.68	\$23.32
Kaiser	(\$15.94)	(\$28.68)	(\$30.57)	(\$43.31)
CORE	\$120.61	\$217.09	\$301.26	\$397.74
HSP	\$43.97	\$79.14	\$95.23	\$130.40
UC Care	\$65.33	\$117.59	\$140.09	\$192.35

% Change	Pre-Medicare Member Share			
	Single (U)	Adult plus Child(ren) (UC)	Two Adults (UA)	Family (UAC)
UC B&G HMO	2.4%	2.4%	2.6%	2.6%
Kaiser	-6.9%	-6.9%	-5.6%	-5.9%
CORE	n/a	n/a	n/a	n/a
HSP	12.7%	12.7%	12.1%	12.3%
UC Care	15.7%	15.7%	15.1%	15.3%