



October 2024

Dear Retiree and/or Eligible Dependents:

You are receiving this letter as your current retiree or eligible dependent coverage as a member of the Penn State retiree medical program, is a combination of enrollment between **Highmark Freedom Blue PPO** the **Highmark Retiree Lion Traditional Plan** or the **Highmark Retiree Lion Advantage**. More information about all retiree medical programs is available on the Penn State Employee Benefits website at www.hr.psu.edu/retiree.

[For Highmark Freedom Blue PPO Participants](#)

All questions regarding Freedom Blue PPO benefits and claims should be directed to Highmark Freedom Blue PPO at 1-866-918-5285

Per Medicare regulations, a person can only be enrolled in one Medicare sponsored product at a time, which includes Medicare Part D. Enrolling in another Medicare Advantage plan will result in the Center for Medicare Services (CMS) notifying Highmark and canceling your Freedom Blue plan.

For 2025, the following plan design changes are being made in an effort to keep your premium contributions stable:

- **A \$200 plan deductible;** this means that your first \$200 in covered medical services under the Freedom Blue PPO will be paid by you. The deductible must be satisfied before Highmark will begin paying on claims. Once the deductible is satisfied, you will pay any applicable copays until you reach the plan out of pocket maximum for the calendar year.
- **Change to the in-network and out-of-network combined out of pocket maximum;** regardless of services being rendered at an in-network or out-of-network provider, the maximum you will pay for covered medical services in 2025 is \$500. This is a *reduction* of \$250 per plan member.
- **Emergency Room copay;** for 2025 will be \$100.
- **Prescription tier copays for 2025;** medications that are tier 3 the copay is \$35, for tier 4 the copay is \$65, and for tier 5 the copay is \$65.
- **New \$2000 True Out-of-Pocket (TROOP) for Prescription drugs;** consistent with Centers for Medicare and Medicaid Services (CMS), the “donut hole” has been eliminated for 2025. Member cost sharing will be capped at \$2000 per member per

calendar year for covered prescription drugs. This is a significant benefit enhancement that drastically reduces potential member cost share.

If it is your intention to stay with the Penn State retiree medical plan NO additional action is needed. Please disregard the commercials regarding Medicare's Open Enrollment period.

Freedom Blue PPO contribution rates WILL NOT CHANGE for 2025:

- **Retired AND Age 70 Prior to 1/1/2007:** \$49.00 / person per month
- **ALL Other Retirees:** \$80.00 / person per month

For Highmark Retiree Lion Traditional or Lion Advantage Plan Participants

All questions regarding Retiree Lion Traditional or Lion Advantage benefits and claims should be directed to the Highmark Concierge Team at 1-844-945-5509.

Highmark Blue Shield will issue updated ID cards for Retiree Lion Traditional or Retiree Lion Advantage plan members in late December to use for both medical and prescription services. There are no plan design changes for 2025 on the Retiree Lion Traditional plan. There is a slight increase to the Retiree Lion Advantage plan deductible amounts based on IRS updated limits of \$1,650 for individual or \$3,300 for family.

NO ACTION IS NEEDED IF YOU WANT TO REMAIN IN YOUR CURRENT NON-MEDICARE PLAN DESIGN.

If you want to **change health care plans (Retiree Lion Traditional or Retiree Lion Advantage)** for retiree plan participants who are NOT Medicare eligible, please complete the enclosed *2025 Non-Medicare Retiree Health Care Change Form* and return it to Penn State Employee Benefits via email, mail or fax by **Monday, November 18, 2024.**

As a reminder, retiree dependent coverage can be added only if the eligible dependent experiences an IRS qualifying life event change. Changes must be requested within 31 days of the event by contacting Penn State HR Services at 814-865-1473 and requesting a *Retiree Request for Change Form*.

Members of your family who are already enrolled in the Highmark Freedom Blue plan will remain so for 2025.

Overview of the two Non-Medicare plan options:

2025 Retiree Lion Traditional Plan

❖ **Copayments:**

- Primary Care Office Visit copay: \$20
- Well360 Virtual Health Telemedicine Visit copay: \$0
- Specialist Office Visit & Urgent Care copay: \$30

- Emergency Room copay: \$100

❖ **Annual Deductible:**

- Individual: \$375
- Family (Individual + 1 or more): \$750
- Medical services subject to deductible: lab work, x-rays, surgery, inpatient admissions, durable medical equipment

After Deductible is met:

❖ **Coinsurance:**

- 10% paid by retiree
- 90% paid by Penn State

❖ **Coinsurance Out-of-Pocket Maximum:**

- \$1,250 Individual (Potential financial exposure \$1,625 = deductible + coinsurance)
- \$2,500 Family (Potential financial exposure \$3,250 = deductible + coinsurance)

If coinsurance out-of-pocket maximum is met, deductible defined expenses (lab work, x-rays, surgery, inpatient admissions, durable medical equipment) are paid at 100% for the rest of the calendar year.

Preventive Prescription Drug List: Lower Coinsurance

- Generic: 10%
- Preferred Brand: 20%
- Non-Preferred Brand 40%

Retail 31-day Prescription Coinsurance

- Generic: 50%
- Preferred Brand: 50%
- Non-Preferred Brand: 70%

Mail Order Coinsurance (University Health Services and/or Express Scripts)

- Generic: 20%
- Formulary Brand: 20%
- Non-Formulary Brand: 70%

Specialty Prescription Coinsurance:

- Formulary: 50% coinsurance; \$50 maximum
- Non-Formulary: 70% coinsurance; \$100 maximum

Prescription Out-of-Pocket Maximum: \$2,000 per person, \$8,000 family maximum

Prescription out-of-pocket maximum is separate from medical deductible, coinsurance, and copayments.

The Retiree Lion Traditional 2025 premium contribution rates will be as follows:

Retiree Lion Traditional	
Coverage Tier	Monthly Contribution
Individual	\$256.47
Two-Person	\$512.94
Parent/Child/Children	\$384.71
Family	\$641.17

2025 Retiree Lion Advantage Plan

❖ **Annual Deductible:**

- Individual: \$1,650
- Family (Individual + 1 or more): \$3,300
- *ALL* services subject to deductible: office and specialist visits, emergency room services, lab work, x-rays, surgery, inpatient admissions, durable medical equipment, and prescriptions

After Deductible is met:

❖ **Medical Coinsurance:**

- Well360 Virtual Health Telemedicine Visit: \$0 cost share after deductible has been met
- All other services:
 - 10% paid by retiree
 - 90% paid by Penn State

Preventive Prescription Drug List: NO DEDUCTIBLE, Coinsurance Only

- Generic: 10%
- Preferred Brand: 20%
- Non-Preferred Brand: 40%

Prescription Retail & Mail Order Coinsurance (mail order - University Health Services and/or Express Scripts):

- Generic: 10%
- Formulary Brand: 20%
- Non-Formulary Brand: 40%

Specialty Prescription Coinsurance:

- Formulary: 20% coinsurance; \$65 minimum
- Non-Formulary: 40% coinsurance; \$100 minimum

Medical & Prescription Coinsurance Out-of-Pocket Maximum:

- **\$1,975 Individual** Coverage (Potential financial exposure = \$3,625 deductible + coinsurance)
- **\$3,950 Family** Coverage (Potential financial exposure = \$7,250 deductible + coinsurance)

If medical and prescription coinsurance out-of-pocket maximum is met, medical and prescription drug claims are paid at 100% for the rest of the calendar year.

Health Savings Account with HealthEquity

❖ **2025 ANNUAL HSA Maximum contributions:**

- **\$4,300 for Individual**
 - **\$8,550 for Family**
- All contributions are made via the HealthEquity website or by mail to HealthEquity for existing Health Savings Accounts
 - Log on to the HealthEquity member portal at www.myhealthequity.com.
 - Catch-up contribution of \$1,000 for age 55 and older
 - **If you are moving to the Retiree Lion Advantage Plan for the first time, you will NOT** be automatically set up with a Health Savings Account with HealthEquity. You can

establish a Health Savings Account by logging onto www.healthequity.com or you can establish an account with any bank that offers Health Savings Accounts.

- Please consult your tax advisor to determine how your HSA contributions should be reported for tax purposes

Upon becoming Medicare-eligible, you will move to the Medicare plan offered by the University at that time; you will no longer be able to contribute to the HSA but will be able to use the balance in the HSA for future medical and prescription drug expenses.

All questions regarding using your HSA should be directed to HealthEquity at 866-346-5800.

The Retiree Lion Advantage 2025 premium contribution rates will be as follows:

Retiree Lion Advantage	
Coverage Tier	Monthly Contribution
Individual	\$185.64
Two-Person	\$371.29
Parent/Child/Children	\$278.48
Family	\$464.12

Both Retiree Lion Traditional and Retiree Lion Advantage Plans

After you satisfy the deductible there are three levels of coinsurance for Laboratory Services regardless of which plan you are enrolled in, the Retiree Lion Traditional Plan or the Retiree Lion Advantage Plan:

Find locations at: QuestDiagnostics.com/MyQuest or at 1-888-277-8772
LabCorp.com or at 1-888-LAB-Corp

- 1. Laboratory services performed at Quest Diagnostics, LabCorp, in an emergency room, or through in-network inpatient hospital services**
 - ❖ **Coinsurance:**
 - 10% paid by retiree
 - 90% paid by Penn State
- 2. Laboratory services at any other in-network laboratory**
 - ❖ **Coinsurance:**
 - 30% paid by retiree
 - 70% paid by Penn State
- 3. Laboratory services at out-of-network laboratory**
 - ❖ **Coinsurance:**
 - 50% paid by retiree
 - 50% paid by Penn State

Helpful Contacts:***Retiree Billing***

Lifetime Benefit Solutions (LBS) will continue to bill you on a quarterly basis in 2024. Information about your coverage, premium due dates and copies of letters can be securely accessed through the LBS Member Portal.

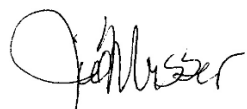
If you have any questions regarding registration or your premium, please contact Lifetime Benefit Solutions Customer Service Department at 1-855-798-0683, Monday through Thursday from 8:00 AM to 5:00 PM and Friday from 9:00 AM to 5:00 PM EST.

Benefits and Claims

All questions regarding 2024 Retiree Lion Traditional or Retiree Lion Advantage benefits and claims should be directed to the Highmark Concierge Team at 1-844-945-5509.

All questions regarding Freedom Blue PPO benefits and claims should be directed to Highmark Freedom Blue PPO at 1-866-918-5285

Sincerely,



Jill Musser, Sr. Director of Benefits

The **Penn State University Retirees Association** provides social, service, and educational opportunities for the mutual benefit of its members and the University. Membership is open to all retirees and their spouses or partners. You can access more details regarding the Association at <http://www.psur.org>.



2025 Non-Medicare Retiree Health Care Change Form

DO NOT complete this form UNLESS you are changing health plans for 2025

NO ACTION IS NEEDED TO REMAIN IN YOUR CURRENT HEALTH PLAN

Retiree Name – Please Print _____

PSU ID # _____

Date of Birth

Home Phone

Home Address _____

My choice for non-Medicare retiree medical coverage as of 01/01/2025 is:

- Retiree Lion Advantage Plan
 - Please note that Penn State DOES NOT contribute toward retiree HSAs
 - Any contributions you choose to make to the HSA will be made directly with the HSA vendor
 - New enrollees will not automatically have an HSA opened and will need to contact the HSA vendor if you wish to open an account
- Retiree Lion Traditional Plan
- NO COVERAGE: ***CAUTION – If you refuse the retiree healthcare coverage for yourself, you will not be permitted to enroll in the retiree healthcare plan through Penn State at a future date**

Note: Retiree dependent coverage can be added only if the eligible dependent experiences an IRS qualifying life event change. Changes must be requested within 31 days of the event by contacting Penn State HR Services at 1-814-865-1473 and requesting a Retiree Request for Change Form. The following are examples of and IRS-defined life event change:

- Employee’s legal marital status changes due to marriage, divorce, or death of a spouse
- Change in employment status of a spouse, which includes end of their employment, new or different working hours, or retirement
- Adoption or legal guardianship changes of dependents you are responsible for

Retiree Certification and Signature

I hereby accept the forms of insurance coverage contracted for by the University in the amounts for which I am or may become eligible or elect under the retiree healthcare coverage. I understand that I will be billed for my enrollment in the retiree healthcare coverage and that I am responsible for timely payment.

Retiree Signature

Date Signed

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PennState Monthly Retiree Health Care Contributions | 2025

MEDICARE PLANS

FREEDOM BLUE PLAN

Rate per Enrolled \$80.00

Retired AND 70 Before 2007 Freedom Blue Rate

Rate per Enrolled \$49.00

NON-MEDICARE PLANS

LION Traditional

Individual \$256.47

Two-Person \$512.94

Parent/Child(ren) \$384.71

Family \$641.17

LION Advantage

Individual \$185.64

Two-Person \$371.29

Parent/Child(ren) \$278.48

Family \$464.12

Below are common retiree plan combinations:

Retiree	+	Spouse	+	Children	=	Monthly Rate
Freedom Blue		Freedom Blue				\$80.00 + \$80.00 = \$160.00
Freedom Blue		LION Traditional				\$80.00 + \$256.47 = \$336.47
Freedom Blue		LION Traditional		LION Traditional		\$80.00 + \$384.71 = \$464.71
Freedom Blue				Freedom Blue (1Child)		\$80.00 + \$80.00 = \$160.00
Freedom Blue				LION Traditional (1 Child)		\$80.00 + \$256.47 = \$336.47
Freedom Blue		LION Advantage				\$80.00 + \$185.64 = \$265.64
LION Traditional		Freedom Blue				\$256.47 + \$80.00 = \$336.47
LION Traditional		Freedom Blue		LION Traditional		\$384.71 + \$80.00 = \$464.71

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