

The NALC Health Benefit



Vol. 13-9



HBR Report



December 2013

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***Wishing You and
Your Family a
Happy Holiday
Season***

***From the
NALC Health
Benefit Plan***

Board of Trustees



Michael J. Gill



Lawrence D. Brown, Jr., Chairman



Randall L. Keller

Director's Report

Change in Postal Rate Categories



Brian Hellman
Director

Please note the 2014 benefit year postal premiums will be divided into three categories.

Postal Category 1 rates apply to career bargaining unit employees covered by the Postal Police contract.

Postal Category 2 rates apply to career non-bargaining unit, non-executive, non-law enforcement employees, and non-law enforcement Inspection Service and Forensics employees.

NALC Postal rates for career NALC employees hired before January 12, 2013 can be found in the "NALC Your Share" column on the back of the Plan's (RI 71-009) official brochure.

For all questions concerning eligibility or Category, please contact the Human Resources Shared Service Center at 1-877-477-3273, option 5. City Carrier Assistants (CCA's) should contact their employing office for additional information.

City Career Assistant (CCA)

Please note that the NALC and USPS have a dispute with regard to the payment of the \$125.00 bi-weekly premium provided by the USPS. For a detailed explanation of this dispute, please see the letter on pages 4 and 5.

| City Career Assistant (CCA) | |
|--|-----------------|
| NALC Consumer Driven Health Plan (CDHP) | Your Share |
| Self Only: -\$193.00 - \$125.00 = | \$68.00 |
| Self and Family: \$419.08 - \$125.00 = | \$294.08 |

| City Career Assistant (CCA) | |
|--|-----------------|
| NALC Health Plan Value Option | Your Share |
| Self Only: -\$166.17 - \$125.00 = | \$41.17 |
| Self and Family: \$360.85 - \$125.00 = | \$235.85 |

A New Program

Weight Talk® Program

The NALC Health Benefit Plan High Option has a new weight loss program that is built just for you in 2014. The Weight Talk program is free. A dedicated coach will work with you one-on-one for six-months to help you master the 10 Essential Practices for lasting weight loss. Participants in the program will receive 12 phone calls with a dedicated coach and nutrition experts. You will receive an Actiped activity monitor so tracking your movement – everything from walking to other forms of exercise – is easier than ever. You'll also have access to the interactive Weight Talk website.

The basis of Weight Talk, the 10 Essential Practices you will review with your coach include:

- Mastering the art of eating well
- Sitting less, moving more
- Managing your stress
- Defeating negative thoughts
- Gaining control of your environment
- Managing your time
- Navigating difficult situations
- Keeping the weight off
- Rebounding from lapses
- Maintaining motivation

With Weight Talk, you'll never be alone. A team of coaches and a network of other Weight Talk participants will be there whenever you need support.

Members should call 1-855-WGT-TALK (1-855-948-8255) or visit www.weighttalk.net/nalc to get started.



Clarification of CCA Health Insurance

For your information below is a copy of a letter that was sent to CCA's Plan members.

November 18, 2013

Dear NALC Member:

Over the past few weeks you have received correspondence from the Postal Service regarding health insurance coverage in 2014. I also sent you a brochure on the NALC Health Benefit Plan's new Consumer-Driven and Value Option health plans. This information may be a bit confusing to new City Carrier Assistants; therefore, I am writing in my capacity as NALC Director of Health Benefits to clarify the issues surrounding CCA health insurance, and to ensure that you fully understand your options and rights under the NALC's National Agreement with the Postal Service.

The scope of your health care options in 2014 depends on two factors: First, on whether you have completed a 360-term of service with the Postal Service (counting any prior service as a Transitional Employee), and second, on the resolution of a dispute we have with the Postal Service on the meaning of language in the Das interest arbitration award that set the terms and conditions for CCA employees. To help you understand your health care options, I will explain the language in the Das Award and then summarize the choices you face.

The Health Insurance section of Appendix B of the 2011-2016 Collective Bargaining Agreement between the NALC and the USPS contains the following three paragraphs on health benefits coverage for City Carrier Assistants (CCAs): (See <http://www.nalc.org/depart/cau/pdf/agreement/na2011.pdf> -- page 144.)

- 1. After an initial appointment for a 360-day term and upon reappointment to another 360-day term, any eligible noncareer CCA employee who wants to pay health premiums to participate in the Federal Employees Health Benefits (FEHB) Program on a pre-tax basis will be required to make an election to do so in accordance with applicable procedures. A previous appointment as a transitional employee will count toward qualifying for participation in FEHB, in accordance with the Office of Personnel Management (OPM) regulations. The total cost of health insurance is the responsibility of the noncareer employee except as provided below.*

Paragraph #1 provides for the health care option that was previously available to NALC transitional employees. Under this option, CCAs reappointed to another 360-day term after serving an initial 360-day term (let's call them 360-day CCAs), have full Open Season rights to choose any available plan in FEHB (including those offered by the NALC HBP), but they must pay the total cost of the plan as there is no Postal Service contribution toward the premium.

- 2. Beginning in Plan Year 2014, the Postal Service will make a bi-weekly contribution to the total premium for any CCA employee who wishes to participate in the USPS Noncareer Health Care Plan (USPS Plan) equal to the greater of (a) \$125, or (b) the minimum required by the Patient Protection and Affordable Care Act, and applicable regulations, for self-only. The CCA employee is fully responsible for the cost of premiums for any health insurance plan beyond a self-only plan. Any CCA employee wishing to make their health care contribution on a pre-tax basis will be required to make an election to do so in accordance with applicable procedures. All CCA employees will be eligible for the USPS Plan within a reasonable period from the date of hire and entry into a pay status, consistent with the requirements established under the Patient Protection and Affordable Care Act.*

Paragraph #2 provides for CCA participation in the USPS Noncareer Health Care Plan. CCAs who select self-only coverage and want to receive a bi-weekly contribution of \$125 from the Postal Service toward their health insurance premium must select the USPS Plan. The Postal Service has indicated that all CCAs are eligible for the plan, and that self & family coverage is also available. However, keep in mind that the Postal Service contribution is \$125 regardless of whether you elect self-only or self & family coverage.

- 3. If for any reason the USPS Plan is not available to a CCA, or if a CCA elects more than self-only coverage, the Postal Service will make a bi-weekly contribution for any eligible CCA who selects an NALC Consumer Driven Plan or Value Option Plan equal to the greater of (a) \$125, or (b) the minimum required by the Patient Protection and Affordable Care Act, and applicable regulations, for self-only.*

Paragraph # 3 covers CCAs who want self & family coverage and protects CCAs in the event that the USPS Plan is not available to them for any reason. As mentioned above, the USPS has advised the NALC that all CCAs are eligible for participation in the USPS Non-career plan in 2014. So for the coming year, paragraph #3 effectively addresses the options available to CCAs who want self & family coverage. The NALC Health Benefit Plan offers two variations of a consumer driven plan. CCAs may select the NALC Consumer Driven Plan or Value Option Plan instead of the USPS noncareer plan. A CCA who selects an NALC Plan because they want self & family coverage will receive the \$125 bi-weekly Postal Service contribution. (In future years, if the USPS Plan is not available for any reason, CCAs will also receive the \$125 contribution for either self-only or family coverage under either of the NALC Consumer Driven plans.)

Please note that the NALC and the USPS have a dispute with regard to the implementation of Paragraph #3. The NALC believes it applies to all CCAs who want self & family coverage, regardless of their length of service. The Postal Service has taken the position that only CCAs who have completed a 360-day period of service and who want self & family coverage are eligible to enroll in one of the NALC Consumer Driven Plans and to receive a contribution of \$125 every two weeks. Pending resolution of this dispute the Postal Service will only make the \$125 contribution for 360-day CCAs who select self & family coverage from either of the NALC Consumer Driven Plans.

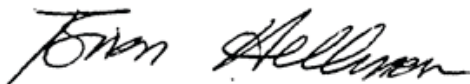
In summary, what this means for now is that CCAs have the following options for health benefits coverage next year (2014):

If you are a 360-day CCA, you have three options: (1) You can choose self-only or self & family coverage in the USPS Noncareer Plan and receive a \$125 contribution to the premium every two weeks; (2) As a NALC member, you can choose to become a member and select self & family coverage (not self-only) from the NALC Consumer Driven Plan or Value Option Plan and receive the \$125 bi-weekly contribution from USPS; or (3) You can choose self-only or self & family coverage in any plan offered through the FEHB Program, but receive no contribution toward premium costs.

If you have not completed a 360-day period of service, you have only one plan option: You can choose to enroll in USPS Noncareer plan (with either self-only or family coverage) and receive the \$125 bi-weekly premium contribution from the Postal Service. However, if the NALC prevails in its dispute with the USPS, you may also have the option in the future to choose self & family coverage under either version of the NALC Consumer Driven Plan or Value Option Plan and receive the \$125 bi-weekly contribution from USPS.

I hope this clarifies a very complicated issue and helps you make the right decision for you and your family. If you have any questions, feel free to call (888) 636-6252 for assistance.

Sincerely,



Brian Hellman
Director of Health Benefits

The following 2 pages are excerpts from the 2014 Guide to Benefits for NALC and NRLACA Career United States Postal Service Employees (70-2a) that show the biweekly premiums for FEHB FFS and CDHP plans for your comparison. The premiums are broken down by hire date (before or on/after 01/12/2013) and Self or Self and Family enrollment. The entire guide can be found at: <http://www.opm.gov/healthcare-insurance/healthcare/plan-information/guide/2014-guides/70-2a.pdf>.

Appendix F FEHB Plan Comparison Charts

High Deductible and Consumer Driven Health Plans With a Health Savings Account or Health Reimbursement Arrangement

The tables on the following pages highlight what you are expected to pay for selected features under each plan. The charts are not a complete statement of your out-of-pocket obligations in every individual circumstance. Unlike many regular medical plans, the covered out-of-pocket expenses under a High Deductible Health Plan, including office visit copayments and prescription drug copayments, count toward the calendar year deductible and the catastrophic limit. You must read the plan's brochure for details.

Premium Contribution (pass through) to HSA/HRA (or personal care account) shows the amount your health plan automatically deposits or credits into your account on a monthly basis for Self Only/Self and Family enrollments. (Consumer Driven Health Plans credit accounts annually). The amount credited under "Premium Contribution" is shown as a monthly amount for comparison purposes only.

Calendar Year (CY) Deductible Self/Family is the maximum amount of covered expenses an individual or family must pay out-of-pocket, including deductibles, coinsurance and copayments, before the plan pays catastrophic benefits.

Catastrophic (Cat.) Limit Self/Family is the maximum amount of covered expenses an individual or family must pay out of pocket, including deductibles and coinsurance and copays, before the plan pays catastrophic benefits.

Office Visit shows what you pay for a visit to a primary care physician after the deductible is met for other than preventive care.

Inpatient Hospital shows what you pay after the deductible is met for hospital services when an inpatient. The amount could be a daily copayment up to a specified amount (e.g., \$50 a day up to three days), a coinsurance amount such as

| Plan Name | Telephone Number | Enrollment Code | | CURRENT | | NEW | |
|--|------------------|-----------------|---------------|-----------|---------------|-----------|---------------|
| | | Self only | Self & family | Self only | Self & family | Self only | Self & family |
| APWU Health Plan -CDHP- Nationwide | 800-718-1299 | 474 | 475 | 33.72 | 75.86 | 35.52 | 79.91 |
| GEHA High Deductible Health Plan -HDHP- Nationwide | 800-821-6136 | 341 | 342 | 38.15 | 87.13 | 40.19 | 91.78 |
| MHBP - Consumer Option -HDHP- Nationwide | 800-694-9901 | 481 | 482 | 47.22 | 107.00 | 49.74 | 112.71 |
| NALC -CDHP- Nationwide | 888-636-6252 | 324 | 325 | 36.19 | 78.58 | 38.12 | 82.77 |

Employees in Rate Schedule Codes (RSCs) C, G, K, N and P who have been on Postal Service rolls and were enrolled in FEHB as of November 21, 2006, are entitled to the APWU CDHP Preferred Rate. Employees who were not enrolled in FEHB as of November 21, 2006, but who subsequently are enrolled in FEHB for one full year become eligible immediately for the APWU CDHP Preferred Rate.

Nationwide Fee for Service Plans

How to read this chart:

The table below highlights selected features that may help you narrow your choice of health plans. *Always consult plan brochures before making your final decision.* The chart does not show all of your possible out of pocket costs.

The **Deductibles** shown are the amount of covered expenses that you pay before your health plan begins to pay.

Calendar Year deductibles for families are two or more times the per person amount shown.

In some plans your combined **Prescription Drug** purchases from Mail Order and local pharmacies count toward the deductible. In other plans, only purchases from local pharmacies count. Some plans require each family member to meet a per person deductible.

The **Hospital Inpatient** deductible is what you pay each time you are admitted to a hospital.

Doctors shows what you pay for inpatient surgical services and for office visits.

Your share of **Hospital Inpatient Room and Board** covered charges is shown.

| Plan Name: Open to All | Telephone Number | Enrollment Code | | CURRENT APWU hired before 5/23/11 NALC hired before 1/12/13 NPMHU hired before 2/15/13 NRLCA hired before 7/3/12 | CURRENT APWU hired before 5/23/11 NALC hired before 1/12/13 NPMHU hired before 2/15/13 NRLCA hired before 7/3/12 | NEW APWU hired on/after 5/23/11 NALC hired on/after 1/12/13 NPMHU hired on/after 2/15/13 NRLCA hired on/after 7/3/12 | NEW APWU hired on/after 5/23/11 NALC hired on/after 1/12/13 NPMHU hired on/after 2/15/13 NRLCA hired on/after 7/3/12 |
|---|------------------|-----------------|---------------|--|--|--|--|
| | | Self only | Self & family | Self only | Self & family | Self only | Self & family |
| APWU Health Plan (APWU) -high | 800-222-2798 | 471 | 472 | APWU Current 39.31 All Other Current 47.32 | APWU Current 96.57 All Other Current 107.00 | APWU New 42.04 All Other New 49.85 | APWU New 102.64 All Other New 112.70 |
| Blue Cross and Blue Shield Service Benefit Plan (BCBS) -std | Local phone # | 104 | 105 | 71.43 | 168.52 | 74.16 | 174.59 |
| Blue Cross and Blue Shield Service Benefit Plan (BCBS) -basic | Local phone # | 111 | 112 | 45.72 | 107.07 | 48.16 | 112.78 |
| GEHA Benefit Plan (GEHA) -high | 800-821-6136 | 311 | 312 | 77.38 | 186.51 | 80.11 | 192.58 |
| GEHA Benefit Plan (GEHA) -std | 800-821-6136 | 314 | 315 | 36.06 | 82.01 | 37.99 | 86.38 |
| MHBP -std | 800-410-7778 | 454 | 455 | 80.13 | 196.92 | 82.86 | 202.99 |
| MHBP -Value Plan | 800-410-7778 | 414 | 415 | 39.12 | 93.27 | 41.21 | 98.25 |
| NALC -high | 888-636-6252 | 321 | 322 | 58.02 | 114.59 | 60.75 | 120.66 |
| NALC Value Option | 888-636-6252 | KM1 | KM2 | 31.16 | 67.66 | 32.82 | 71.27 |
| SAMBA -high | 800-638-6589 | 441 | 442 | 110.64 | 288.26 | 113.37 | 294.33 |
| SAMBA -std | 800-638-6589 | 444 | 445 | 45.59 | 104.13 | 48.02 | 109.68 |

Plan Name: Open Only to Specific Groups

| | | | | | | | |
|--|--------------|-----|-----|-------|--------|-------|--------|
| Compass Rose Health Plan (CRHP) -high | 888-438-9135 | 421 | 422 | 55.67 | 143.72 | 58.40 | 149.79 |
| Foreign Service Benefit Plan (FS) -high | 202-833-4910 | 401 | 402 | 43.39 | 106.91 | 45.70 | 112.61 |
| Panama Canal Area Benefit Plan (PCABP) -high | 800-424-8196 | 431 | 432 | 38.67 | 80.71 | 40.73 | 85.01 |
| Rural Carrier Benefit Plan (Rural) -high | 800-638-8432 | 381 | 382 | 70.90 | 104.57 | 73.63 | 110.15 |

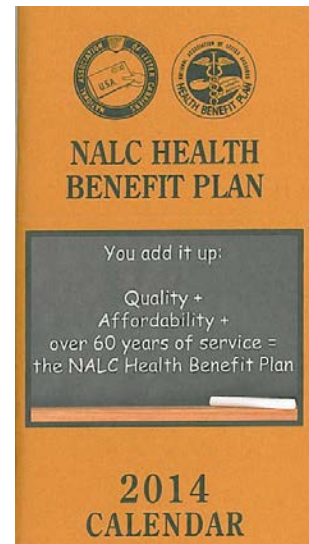
The information contained in this Guide is not the official statement of benefits. Each plan's Federal brochure is the official statement of benefits.

NALC Health Benefit Plan
20547 Waverly Court
Ashburn, VA 20149

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Included with this HBR Report is the 2014 Pocket Calendar. A limited number of additional calendars are available if needed.



NALC Health Benefit Plan
Recorded Benefit Information
Prescription Drug Program
Caremark SPS
OAP Network Providers
Precertification
Fraud Hot Line
Mental Health / Substance Abuse

1-888-636-NALC
1-888-636-NALC
1-800-933-NALC
1-800-237-2767
1-877-220-NALC
1-877-220-NALC
1-888-636-NALC
1-877-468-1016