

Benefits to City of Aurora by Converting Post 65 Retirees to Medicare Advantage

1. The Network for post-65 retirees under all Medicare Advantage Options is identical to the current CIGNA plan. If a provider accepts Medicare patients, then they must accept our members under Medicare Advantage and our CIGNA plan.
2. The Medicare Advantage Options are actuarial equivalent plans with the same maximum out-of-pocket as the current CIGNA OAP plans. In many cases, the Medicare Advantage Options include additional benefits that the City's plan does not include, for example home meal delivery.
3. The City of Aurora's estimated savings is approximately \$2,000,000 annually. Medicare Advantage Plan's average renewal increases range between 3-5%, thus providing the City savings for years to come.
4. Retirees currently must carry their Medicare Part B and CIGNA ID cards to receive benefits. Medicare Advantage Plans combine the Part B card with the Medicare Advantage ID card, thus retirees will have to carry just one ID card.
5. The following carriers participated in our Request for Information:
 - Aetna - Finalist
 - Blue Cross Blue Shield of Illinois - newly re-entered the Medicare market
 - CIGNA - declined to quote
 - Humana - Finalist
 - United Healthcare - Uncompetitive
6. Aetna offers a 50,000 implementation budget for marketing material and to secure open enrollment venue.
7. Aetna Medicare Advantage Rx is a better match than Humana due to the omission of Step Therapy and Prior Authorization. (Step Therapy requires lower cost medications to be tried prior to more costly options. Prior Authorization requires approval before certain medications are covered).
8. Future Rx liability for Post 65 Retirees is transferred from the City to a fully insured Medicare Advantage plan.

Pre-Medicare Retirees (Age 50 – 64)

	EE	EE+1	EE+Ch	EE+Fam	Grand Total
Exec/Non Exempt	11	6	1	6	24
AFSCME 3298	6	5		1	12
AFSCME 1514	6	3			9
ASA		6			6
Electricians		1			1
APPO	16	17	2	17	52
Police Management	5	15		10	30
Local 99	9	22		14	45
Fire Management	4	14		10	28
Grand Total	57	89	3	58	207

Medicare Retirees

	EE	EE+1	EE+CH	EE+Fam	Grand Total
Exec/Non Exempt	20	39		1	60
AFSCME 3298	32	9		1	42
AFSCME 1514	21	18		1	40
ASA	6	10			16
Electricians	1	4			5
APPO	9	32		1	42
Police Management	27	20	1	3	51
Local 99	15	28		1	44
Fire Management	6	24		1	31
Grand Total	137	184	1	9	331