WELCOME TO *THE TENNESSEE PLAN*

The Medicare Supplement Plan for Tennessee Government Retirees

When you retire, you are faced with some important personal decisions. That is why the State of Tennessee and POMCO are working together to make one of those decisions (Medicare supplemental heath care coverage) easier for you.

What is *The Tennessee Plan?*

As a retiree, you may be eligible for *The Tennessee Plan.* This plan is designed specifically for retired state and higher education employees, local education and local government employees, and their eligible spouses and dependents.

If you have Medicare coverage, you likely need *The Tennessee Plan* to help cover some of the expenses that Medicare does not. *The Tennessee Plan* is a Medicare supplemental plan designed to cover certain expenses not covered in your Medicare Part A and B coverage.

What Kinds of Expenses Does Medicare Not Cover?

Even with Medicare coverage, your out-of-pocket expenses can add up fast and cause financial difficulty.

In 2016, some of the charges Medicare requires you to pay include the following:

- A $1,288 deductible out of your own pocket each time you are hospitalized.
- Then $322 a day for the 61st to the 90th day in the hospital and $644 a day thereafter up to a 60-day lifetime reserve maximum.
- A $166 deductible for approved doctors' bills and outpatient expenses and then you must pay an additional 20% of the Medicare approved charges after that.
- You may be responsible for any amount over the Medicare approved charges from providers who do not accept Medicare assignment.

Who Is Eligible to Enroll?

Individuals hired prior to July 1, 2015, who are eligible for Medicare Part A and meet the following requirements:

- Any retired State of Tennessee employee or local education certified teaching staff receiving a monthly retirement allowance from the Tennessee Consolidated Retirement System (TCRS), or higher education optional retirement plan.
- Retired local education support staff and local government participants who receive a monthly retirement allowance from the TCRS.

If you are enrolled, you may also apply to cover your legal married spouse and eligible dependents. If you qualify and enroll for coverage within 60 days of your initial eligibility, you cannot be denied coverage because of your age or health.

Who Administers *The Tennessee Plan?*

The Tennessee Plan features Medicare supplemental coverage sponsored by the State of Tennessee with claims administered by POMCO. As the claims administrator, POMCO will answer all customer service questions and process all claims and payments. To contact POMCO, please call 1.888.477.9307, Monday–Friday, 7 a.m.– 5 p.m. CST.

Less Paperwork — Because Providers File Claims

With *The Tennessee Plan,* you don't need to worry about paperwork. Most claims are filed for you by your doctors and hospitals if they have your Medicare and *The Tennessee Plan* member identification numbers. Claims are then sent electronically to POMCO after Medicare has completed its part. You are able to look up the status of your claims by visiting **www.TheTennesseePlan.com.**

Can I Choose My Doctors and Hospitals?

The Tennessee Plan gives you complete freedom in choosing doctors and hospitals and does not make you choose from a specific list of providers in order to receive benefits. For maximum financial protection you should always choose a provider who accepts Medicare assignment.

What Is Not Covered by *The Tennessee Plan*?

In addition to the exclusions listed in the chart on the following page, *The Tennessee Plan* does not provide benefits for:

- Services and supplies not covered by Medicare, except those specifically included under the plan, or
- Any expense that is paid by Medicare.

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IMPORTANT NOTICE: *If you currently have a Medicare Advantage Plan or if you join a Medicare Advantage Plan while you are enrolled in* The Tennessee Plan, *your* Tennessee Plan *policy will not coordinate benefits. You should contact POMCO and provide them with information about any other coverage you have. They can assist you in determining how it will affect payment by* The Tennessee Plan.

BENEFITS AT A GLANCE	*THE TENNESSEE PLAN* BENEFITS
Medicare Gaps for 2016 **What You Owe After Medicare Pays**	**What You Owe** **With *The Tennessee Plan***
Basic Benefits • $322/day for 61–90 days in hospital • $644/day for 60 lifetime reserve hospital days • 20% patient's share of approved medical expense • First three pints of blood	**Covered**
Skilled Nursing Coinsurance • $161/day for 21st–100th day	**Covered**
Part A Deductible • $1,288/hospital admission	**Covered**
Part B Deductible • $166/calendar year for medical expenses	**Not Covered**
Part B Excess • Medical expense over approved amount	**Not Covered**
Foreign Travel Emergency • Emergency care beginning during first 60 days of trip outside USA (after $250 deductible, benefits limited to $50,000/lifetime)	**Covered at 80%**
Hospice • You must meet Medicare's requirements, including a doctor's certification of a terminal illness	**Covered**
Prescription Drugs • Outpatient prescription drugs covered through Medicare Part D	**Not Covered**

THE TENNESSEE PLAN ***MONTHLY PREMIUM AMOUNTS***	
PLAN YEAR 2016	
30+ Years of Service	$88.47
20–29 Years	$100.97
15–19 Years	$113.47
Less than 15 Years	$138.47
Dependent (Spouse)	$138.47
Local Education Support Staff	$138.47
Local Government	$138.47

How Much Are the Premiums?

One of the main advantages of *The Tennessee Plan* is the lower group premium rates you pay for this coverage. Since the monthly premiums are not based on age, they will not increase just because you get older. However, premium rates may increase due to increasing costs, which would happen with any plan. The maximum monthly premium you will pay for single coverage in 2016 is $138.47. If you are a retired state employee or school teacher with 15 years or more of service, the state will even pay part of your premium cost for you: $50 for 30 or more years of service; $37.50 for 20–29 years of service; and $25 for 15–19 years of service. Just check the table above to see what your monthly premium will be. The table already reflects these reductions. There is no premium support for spouse coverage.

If you are a local government or local education support staff retiree, you will not receive a state contribution toward your premium. Local governments and local education agencies have the option of paying a portion of their retirees' premiums but are not obligated to do so.

If you receive a State of Tennessee TCRS benefit check, your portion of the premium cost for the program will be deducted automatically from your monthly benefit payment. If your TCRS benefit is not sufficient to cover the cost for the coverage, or you are a higher education ORP retiree, you will be billed directly. Direct billed retirees can also choose automatic payment from your bank account. An additional form is required.

It's Easy to Apply

First, read this document carefully and study the charts that explain *The Tennessee Plan* benefits. Then, just complete the enclosed application form and mail it to Benefits Administration. Be sure to review your application before you mail it to be certain that all information has been properly entered.

Read Your Plan Booklet Carefully

When you are accepted for coverage under *The Tennessee Plan,* you will receive a Plan handbook. Please read the handbook carefully to understand all your rights and responsibilities under *The Tennessee Plan.* While *The Tennessee Plan* pays for most of the gaps in your health care left by Medicare, it may not fully cover all of your medical costs. It is your responsibility to review all Plan limitations carefully to make sure that *The Tennessee Plan* meets your Medicare supplement needs. The handbook does not provide all the details of Medicare coverage. For details of your Medicare coverage, contact your local Social Security office for assistance.

Any Questions?

If you have questions about *The Tennessee Plan* benefits, you may contact POMCO, toll free, at 1.888.477.9307, Monday–Friday, 7 a.m.–5 p.m. CST (8 a.m.– 6 p.m. EST). TTY/TDD users only, call 1.866.256.7256.

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