

Common misconceptions regarding the Aetna Medicare Advantage PPO plan

Misconception #1: Medicare Advantage plans are not part of the Medicare program and are not required to protect Medicare beneficiaries.

Medicare Advantage plans are offered by private insurance companies – like Aetna – under a contract with the Centers for Medicare and Medicaid Services (CMS). CMS is the federal agency that also administers the Original Medicare program. Medicare Advantage plans are offered under Medicare Part C, so these plans are offered as part of the Medicare program.

Insurance companies offering Medicare Advantage plans are required to comply with their CMS contract and applicable federal laws, rules, and regulations, which afford numerous protections to Medicare beneficiaries enrolled in Medicare Advantage plans. Insurance companies offering Medicare Advantage plans are overseen by CMS and other federal agencies with jurisdiction.

Also, the Aetna Medicare Advantage PPO plan is a national PPO, using Aetna's network throughout the United States and its territories. This is not an Individual Market Medicare Advantage plan, nor is it a Medicare Advantage HMO plan, both of which have been the subjects of some criticism for the narrowness of networks, over-management by gatekeepers, or inability to be seen by providers.

Misconception #2: Medicare Advantage plans are new to City of New York retirees.

Approximately 9,000 City of New York retirees are currently enrolled in a group Aetna Medicare Advantage PPO plan offered by the City and the member satisfaction rate was 98% in Aetna's most recent member satisfaction survey.

The City of New York has offered an Aetna Medicare Advantage PPO plan to its retirees for years. The current Aetna Medicare Advantage PPO plan has always included standard prior authorization requirements and the member satisfaction rate is still very high. With the new customized Aetna Medicare Advantage PPO plan, an overwhelming number of prior authorizations have been removed to help ensure an even better member experience.

Additionally, about 30,000 City of New York retirees are currently enrolled in the HIP VIP Premier Medicare HMO plan, which is also a group Medicare Advantage plan. In fact, including the membership of all Medicare Advantage plans currently in place with City of NY retirees, currently close to 20% of the City's retirees have been enrolled in group Medicare Advantage plans.

Group Medicare Advantage plans are thus not new to City of New York retirees.

Misconception #3: Most providers treating City of New York retirees are not in the Aetna Medicare Advantage PPO plan network.

EmblemHealth provided the City with a data file, as of December 2022, that contained a list of all the providers that retirees had seen through their GHI/Empire BlueCross BlueShield Senior Care Plan (Senior Care Plan). These are the providers who are most important to the City's retirees because they are the providers that the retirees go to for their healthcare needs. The City provided this file to Aetna which then matched the file to its provider network. The results are that as of late 2022, 88% of providers treating City of New York retirees are in the Aetna Medicare Advantage PPO plan network. Additionally, given the unique nature of this plan where retirees can also see providers who are eligible to participate in the federal Medicare program and who are willing to accept payment from Aetna, as of late 2022, Aetna identified another 8% of providers who retirees currently see who are not in Aetna's network but are known to accept the Aetna Medicare Advantage PPO plan. "Known to accept" means that these providers have specifically treated Aetna Medicare Advantage PPO plan members and have accepted payment from Aetna for that treatment. Thus, about 96% of providers that treated City retirees under the Senior Care plan are either already in Aetna's network or have determined to accept payment from Aetna.

In the NYC area, currently, Aetna has close to 100,000 Medicare Advantage members in its Individual and Group plans, including 45,000 retirees of 1199SEIU. These members have been enrolled in Aetna Medicare Advantage plans for years. They are seeing the same providers and hospitals that City of New York retirees want to be able to see under their Aetna Medicare Advantage PPO plan, and these providers and hospitals have accepted the Aetna Medicare Advantage PPO plan.

Misconception #4. Most providers that are not in the Aetna Medicare Advantage PPO plan network will not accept the plan.

Based on 2022 Senior Care Plan provider utilization data, about 96% of providers treating City of New York retirees are either in the Aetna Medicare Advantage PPO plan network or are known to have accepted the Aetna Medicare Advantage PPO plan.

While out-of-network providers are only mandated under federal regulations to accept Aetna Medicare Advantage PPO plan members when emergency or urgent treatment is needed, Aetna's experience has shown that most out-of-network providers will accept the plan once they understand that Aetna will pay the same amount that Original Medicare would have paid for Medicare-covered services and no contract is required to treat plan members. Aetna is prepared to reach out to a retiree's provider to discuss how the plan works and how they will be paid.

Misconception #5: Aetna has the unilateral right to reinstitute prior authorization requirements for the Aetna Medicare Advantage PPO plan two years after the effective date of the plan.

Aetna has committed to waiving prior authorization for certain services covered under the Aetna Medicare Advantage PPO plan for the initial 5 year and 4 month term of its contract with the City.

Aetna does not have the unilateral right to reinstitute prior authorization requirements that it agreed to waive in its contract with the City during the initial term of this contract. The contract provides that the City, MLC and Aetna will review the waiver of prior authorization every two years after the effective date to confirm that there are no patient safety or other issues that might cause the City and MLC (not Aetna) to consider changes to the prior authorization requirements in the contract.

Misconception #6: The GHI Senior Care Plan offers better benefits than the Aetna Medicare Advantage PPO plan.

The City and MLC have ensured that the Aetna Medicare Advantage PPO plan will offer benefits that are equal to or better than the benefits offered under the GHI Senior Care Plan. Please refer to the “Side-by-Side Comparison Chart of Plan Benefits” on the City’s Office of Labor Relations website for a detailed description of the benefits that are offered under the Aetna Medicare Advantage PPO plan, the GHI Senior Care Plan, and the HIP VIP Premier HMO plan.

One notable difference is that there is a \$1,500 annual out-of-pocket maximum (including deductible & copays) for the Aetna Medicare Advantage PPO plan, whereas there is no limit to the member’s annual out-of-pocket costs under the Senior Care Plan.