

# FUNDAMENTALS

IMRF

RETIRED MEMBER EDITION

VOLUME 31 | NUMBER 4  
ENDORSED HEALTH PLAN EDITION  
WINTER 2016

*From the Executive Director:*

## Past and future

*As IMRF closes out its 75<sup>th</sup> Anniversary year, it seems appropriate to talk about its past and future.*



Louis W. Kosiba  
IMRF Executive Director

### **Structured for success**

The funding clouds on the horizon for the state-funded systems (Teachers, State Employees, University Employees, Judges, and Members of the General Assembly), the city of Chicago funds, and the Cook County systems simply do not exist for IMRF. At IMRF, the Board sets

the actuarial principles, calculates employer contributions, and mandates full and timely payments of employer funding.

The benefit design, administration, and policies put in place by past General Assemblies and IMRF Boards of Trustees have created a solid platform for IMRF to

guarantee your benefits in the future. When you retired, every dollar necessary to guarantee your stream of monthly retirement payments was set aside in a separate reserve account which is always 100% funded.

### **Strategic priorities**

Your Board of Trustees and staff are currently developing IMRF's Strategic Plan for the 2017-2019 period. IMRF's first formal strategic

*“When you retired, every dollar necessary to guarantee your stream of monthly retirement payments was set aside in a separate reserve account which is always 100% funded.”*

*continued on page 2*



continued from page 1

plan was developed in 2005. It has gone through several iterations since then. This new plan will focus on four key areas: Financial Health, Customer Engagement, Workforce Engagement, and Operational Excellence. For each key area we identify an objective, select measures to determine progress, and develop action plans which will get us to our goals.

As you might expect, the financial health of IMRF is of paramount importance. Only through achieving and maintaining a high funding level are we able to fulfill our promises to you.

---

“As you might expect, the financial health of IMRF is of paramount importance. Only through achieving and maintaining a high funding level are we able to fulfill our promises to you.”

---

### **Ensuring a stable future**

Our overriding goal is to be 100% funded because that results in the lowest long-term cost to employers and taxpayers. We work to achieve stable or declining employer

contribution rates while at the same time working to ensure our administrative costs are below median as compared to other funds. Over the long-term, 62¢ of every \$1 paid out as a retirement benefit has been funded through IMRF investments. The higher that number, the less employers need to contribute, the lower the tax burden, and the higher the sustainability of IMRF.

This approach has worked for 75 years, and it will work for the next 75 years through the efforts of the IMRF Board and staff and through your support. Thank you! ■

---

## **New legislation allows some retirees to re-establish surviving spouse pension**

---

Some retirees who did not have an eligible spouse when they retired now have the option to re-establish surviving spouse eligibility.

---

### **Who does this legislation apply to?**

You are eligible to re-establish this benefit if you **retired before June 1, 2011**, without an eligible surviving spouse, received a refund of your surviving spouse contributions, and meet one of the following conditions:

- You entered into a marriage in Illinois on or after February 26, 2014.
- You entered into an Illinois civil union on or after June 11, 2011.
- You entered into a legal relationship in another state or jurisdiction that was not recognized in Illinois until after June 11, 2011, or February 26, 2014.

You must also still be in this same marriage, civil union, or legal relationship.

### **If this legislation applies to you**

If you are eligible to re-establish this benefit, you

must be able to pay back your entire surviving spouse refund, plus interest, within a specific 24-month time period. You can pay in one lump sum or spread your payments out.

### **It is your choice to re-establish this benefit or not**

You are not obligated to re-establish this benefit—it is optional.

### **Look for a letter in your *Benefit Statement***

Retirees who retired without an eligible surviving spouse will receive a letter from IMRF in *Your IMRF Benefit Statement for 2017* with more details and a form for re-establishing surviving spouse eligibility.

**Receiving a letter does not necessarily mean this legislation applies to you.** If you do not meet the conditions listed, please disregard the letter. ■

# 2017 IMRF-endorsed health plans

**Disclaimer:** Descriptions of the benefits provided by these plans are not exhaustive, and the actual benefits are detailed in the plan document. For more information about what is covered, please call Doyle Rowe LTD at 1-800-564-7227 or visit their website at [www.doyle Rowe.com](http://www.doyle Rowe.com).

## Delta Dental

IMRF retirees can choose between two dental plans offered by Delta Dental. Both plans are PPO plans, and reimbursement is based on the PPO dentist's reduced fees.

### DELTA DENTAL HIGH OPTION AND STANDARD OPTION PLANS

#### High Option\*

\$2,000 Annual Maximum  
\$50 Deductible for Basic & Major services

#### Diagnostic & Preventive (100% of PPO Reduced Fee)

*Includes:*

- Routine exams twice a year
- Bitewing X-rays twice a year
- Full-mouth X-rays every three years
- Cleanings twice a year
- Fluoride treatments for children once a year
- Space maintainers

#### Basic (80% of PPO Reduced Fee)

*Includes:* Fillings • Endodontics • Periodontics  
Oral Surgery • General Anesthesia w/Oral Surgery

#### Major (50% of PPO Reduced Fee)

*Includes:* Crowns • Bridges • Dentures  
Implants & Associated Services

#### High Option Premium

(guaranteed through December 31, 2017)

Single	\$43.44
Single +1	\$86.93
Family	\$135.40

#### Standard Option\*

\$1,000 Annual Maximum  
\$50 Deductible for Basic & Major Services

#### Diagnostic & Preventive (100% of PPO Reduced Fee)

*Includes:*

- Routine exams twice a year
- Bitewing X-rays twice a year
- Full-mouth X-rays every three years
- Cleanings twice a year
- Fluoride treatments for children once a year
- Space maintainers

#### Basic & Major (50% of PPO Reduced Fee)

*Includes:*

Fillings • Endodontics  
Periodontics • Oral Surgery  
General Anesthesia w/Oral Surgery  
Crowns • Bridges • Dentures

#### Standard Option Premium

(guaranteed through December 31, 2017)

Single	\$32.35
Single +1	\$64.73
Family	\$100.83

*\*There is no waiting period. A one-year enrollment is required.*

# IMRF-endorsed health plans—Age 65 & older

---

## **Blue Cross Blue Shield of Illinois Plan F\***

- Available to Illinois residents age 65 and older with Medicare Parts A & B and certain other disabled Illinois residents with Medicare Parts A & B.
- Traditional Medicare supplement that covers Part A & B deductibles and coinsurance amounts for Medicare-approved expenses.
- Freedom to choose doctors and hospitals. Med-Select option requires that participating hospitals are used for non-emergency inpatient hospitalizations.

*\* Plans A, C, G, K, L, and N are also available.*

2017 rates will not change until April 1, 2017, and have not yet been released. Current members will be notified of new rates prior to April 1, 2017.

---

## **Blue Cross Blue Shield of Illinois Group Medicare Advantage PPO plans**

2017 Monthly Premium Rates: Premium Plan \$181.30; Value Plus Plan \$122.10; Value Plan \$96.50

Open enrollment for plan year beginning January 1, 2017, runs October 15—December 31, 2016.

- For IMRF retirees and their spouses who are age 65 and older; have Medicare Parts A & B, reside in Cook, DuPage, Kane, or Will counties; and meet other CMS (Center for Medicare and Medicaid Services) eligibility criteria.
  - All three plans include Medicare Part D prescription drug coverage, with full coverage through the coverage gap (“donut hole”), and a preferred pharmacy network that will help you save on prescription copays.
  - All plans use a network of doctors and hospitals; out-of-network cost-sharing is generally greater.
  - Separate copays for prescriptions in and out of network.
- 

## ***New!* Blue Cross and Blue Shield Group Prescription Drug Plan (PDP)**

2017 Monthly Premium Rate: \$102.50

- Available to retirees with Medicare Part A and/or Part B nationwide, this PDP includes coverage of all tiers through the coverage gap (no “donut hole”) and provides opportunities for greater savings when a preferred pharmacy is used.
- Preferred pharmacy copays: \$0 Preferred Generic; \$6 Non-preferred Generic; \$39 Preferred Brand; \$85 Non-preferred Brand; and 33% Specialty.
- Non-preferred Pharmacy copay: \$5 Generic; \$11 Non-preferred Generic; \$44 Preferred Brand; \$95 Non-preferred Brand; and 33% Specialty.

## **United Healthcare Medicare Complete** — 2017 Monthly Premium Rate: \$10

- Available to retirees and spouses age 65 and older with Medicare Parts A & B residing in Monroe, Madison, Jersey, and St. Clair counties in Illinois, and St. Louis City, St. Louis County, St. Charles, Jefferson, Warren, Franklin, Crawford, Lincoln, Washington, and Gasconade counties in Missouri.
  - 100% of specified preventative services including annual routine physical, diabetes self-management, bone mass measurement (one per year), immunizations, colorectal screening (one per year), and the like.
  - A variety of copays for physicians, specialists, and other medical services.
- 

## **Health Alliance Point of Service (POS)** — 2017 Monthly Premium Rate: \$236

- Available to retirees and spouses age 65 and older with Medicare Parts A & B residing in Adams, Boone, Brown, Bureau, Cass, Champaign, Christian, Clark, Coles, Crawford, Cumberland, DeKalb, DeWitt, Douglas, Edgar, Effingham, Ford, Franklin, Fulton, Hancock, Henry, Iroquois, Jasper, Johnson, Kankakee, Knox, LaSalle, Livingston, Logan, Macon, Macoupin, Marshall, Mason, McDonough, McLean, Menard, Mercer, Montgomery, Morgan, Moultrie, Peoria, Perry, Piatt, Pike, Putnam, Richland, Rock Island, Saline, Sangamon, Schuyler, Scott, Stark, Tazewell, Vermillion, Williamson, Winnebago, and Woodford counties in Illinois, and Fountain, Vermillion, and Warren counties in Indiana.
  - Medicare Advantage Prescription Drug Plan includes prescription coverage through the coverage gap.
- 

## **Health Alliance HMO** — 2017 Monthly Premium Rate: \$218

Available to retirees and spouses age 65 and older with Medicare Parts A & B residing in the counties listed above for the Health Alliance Point of Service plan. Medicare Advantage Prescription Drug Plan includes prescription coverage through the coverage gap.

---

## **Seniors Choice** — 2017 Monthly Premium Rate Not Available at Press Time (2016 Monthly Premium Rate: \$181.93—\$432.58)

Seniors Choice offers three group retiree medical plans and three prescription drug plans available nationwide to retirees and spouses age 65 and older with Medicare Parts A & B. Prescription drug plans have separate monthly premiums (rates unavailable at press time) and are underwritten by Humana.

*Age 65 and over IMRF-endorsed health plans continued on page 6*



## **Interested in long-term care insurance?**

Doyle Rowe LTD has partnered with ACSIA Partners (formerly known as LTC Financial Partners) to provide education for IMRF members about a variety of long-term care insurance plans. Contact Doyle Rowe LTD at 1-800-564-7227.

## IMRF-endorsed health plans—Age 65 and older (continued)

### **Humana Regional PPO** — 2017 Monthly Premium Rate: \$71—\$167

(Rates vary by region of residence)

- Available to retirees and spouses age 65 and older with Medicare Parts A & B nationwide.
- A variety of copays for physicians, specialists, and other medical services.
- Includes prescription drug coverage.
- 100% of in-network preventive services including annual routine physical, diabetes self-management, bone mass measurement (one per year), immunizations, colorectal screening (one per year), and the like.

### **Humana Local PPO** — 2017 Monthly Premium Rate: \$0—\$125

(Rates vary by city of residence)

*The in-network copays and annual out-of-pocket maximum differ depending upon area. The information below is a sample of the Chicagoland area's Local PPO plan. For details of the Local PPO plan in your area, please contact Doyle Rowe LTD.*

- Available to retirees and spouses age 65 and older with Medicare Parts A & B in specific cities throughout the country based on network accessibility.
- A variety of copays for physicians, specialists, and other medical services.
- Includes prescription drug coverage.
- 100% of in-network preventive services including annual routine physical, diabetes self-management, bone mass measurement (one per year), immunizations, colorectal screening (one per year), and the like.

## IMRF-endorsed health plan—Under age 65

### **Blue Cross Blue Shield of Illinois Comprehensive Major Medical**

- Available to retirees and/or their family members under age 65 residing in Illinois.
- You may be able to continue your employer-provided coverage until age 65 at your own cost—check with your employer. However, the Affordable Care Act may provide you with additional health insurance options that are less expensive than the options provided by your employer.
- HMO is now available in multiple counties.
- You may qualify for a subsidy; contact Doyle Rowe LTD for eligibility information.

2017 Open Enrollment runs November 1, 2016—January 31, 2017. Those not enrolling during this time must meet Special Enrollment Eligibility criteria. To review your options, please visit [www.doyle Rowe.com](http://www.doyle Rowe.com) after November 1.

# Looking for a vision care plan?

The following premiums for the United Healthcare vision plan are guaranteed **through September 30, 2017**. Monthly premiums will be deducted from your IMRF benefit payment. One year enrollment is required. (The premium amounts listed below are per month.)



## 2017 Premiums: Individual \$7.50, Retiree + One \$13.25, Family \$21.70

Vision Care Services	In-Network provider	Out-of-Network provider
Exam twice every 12 months	You pay \$10 copay	Plan pays \$40
Retinal Screening Photography	You pay \$39 copay	Plan pays \$0
Frames once every 24 months	Plan pays 100% up to \$130 retail	Plan pays \$45
Lenses once every 12 months	In-Network provider	Out-of-Network provider
Standard Single Vision	You pay \$10 copay	Plan pays \$40
Standard Bifocal	You pay \$10 copay	Plan pays \$60
Standard Trifocal	You pay \$10 copay	Plan pays \$80
Contact Lenses	In-Network provider	Out-of-Network provider
Standard (includes disposable/frequent wear)	You pay \$10 copay	Plan pays \$125
Premium (includes toric/multifocal)	Plan pays 100% up to \$125 retail	Plan pays \$125



## Sav-Rx Prescription Discount Card

The Sav-Rx Advantage Prescription Drug Discount Card Program is available nationwide, at a cost of **\$1.50** per household per month (\$18 per year), to all IMRF retirees, spouses, and dependent children under age 26.

**The Sav-Rx card is not a Medicare Part D plan.** You cannot use the Sav-Rx card at the same time you receive discounts from a Medicare Part D plan.



PRESORTED STANDARD  
U.S. POSTAGE PAID  
ILL MUNICIPAL  
RETIREMENT FUND

**IMRF**

IMRF Main Office & Mail Address  
2211 York Road, Suite 500  
Oak Brook, IL 60523-2337

*Locally funded, financially sound.*

**IMRF 2016 Board of Trustees**

**BOARD OFFICERS**

Tom Kuehne  
*President*  
Executive Trustee  
Village of Arlington  
Heights

Sue Stanish  
*Vice President*  
Executive Trustee  
Naperville Park District

Natalie Copper  
*Secretary*  
Employee Trustee  
Evanston School  
District 65

Gwen Henry  
Executive Trustee  
DuPage County

David Miller  
Executive Trustee  
North Shore Water  
Reclamation District

Sharon U. Thompson  
Annuitant Trustee  
(Formerly) Lee County

Alex Wallace  
Employee Trustee  
Oswego Community Unit  
School District 308

Trudy Williams  
Employee Trustee  
Fulton County State's  
Attorney's Office

**FUNDAMENTALS**

is published quarterly for IMRF retirees.

Erin Cochran, editor, [ecochran@imrf.org](mailto:ecochran@imrf.org)  
1-800-ASK-IMRF (275-4673) • [www.imrf.org](http://www.imrf.org)

*IMRF Book Club—Book #8*

**The Life-Changing Magic  
of Tidying Up**

The Japanese Art of Decluttering and Organizing

*by Marie Kondo*

Feedback due date: **January 16, 2017**

Send your feedback to:

**Louis W. Kosiba, IMRF Executive Director**

Email: [louiskosiba-executivedirector@imrf.org](mailto:louiskosiba-executivedirector@imrf.org)

Letter: IMRF, 2211 York Road, Suite 500,  
Oak Brook, IL 60523-2337

We welcome all feedback, whether by email,  
written letter, or as a reply on our website (click  
the "Retirees" tab, then "IMRF Book Club," then  
select the book you would like to discuss).