

From: Sharon Hoffbeck via mailman.apea-aft.org

To: RPEA

Date: Mar 26, 2017

Subject: Travel Reimbursement and Medicare-AlaskaCare Coordination

Hi everybody—

It has recently come to our attention that the retiree plan travel benefit for round trip airline tickets is not being paid correctly.

The retiree plan is to pay at 100% of the cost to the member of the lowest round trip coach fare advertised on the day of travel. Aetna is paying travel at 80% at DRB's direction (Division of Retirement & Benefits).

We are asking if anyone has any of the following that you please scan and email to me:

- Any Explanation of Benefits (EOBs) from either HealthSmart or Aetna for travel reimbursement showing how the benefit was paid,
- Any letters or emails you've received from either Aetna or DRB concerning travel reimbursement.

We have also been getting feedback that Aetna is misinterpreting **the way Medicare and AlaskaCare coordinate**.

The retiree plan requires that if Medicare approves a treatment paying at 80% of the Medicare approved rate, that as long as the treatment is covered under the retiree AlaskaCare plan, Aetna is to automatically pay the 20% copay without regard to Aetna's internal Clinical Policy Bulletins concerning medical necessity. What this means is that if Medicare's policies concerning medical necessity differ from Aetna's, Aetna is not allowed to deny a claim based on their medical necessity policies, and Medicare's must be used instead. This part Aetna has been doing correctly.

The retiree plan also requires that if Medicare does not cover a treatment, but AlaskaCare does cover the treatment, that AlaskaCare is to step back in and pay as it did before you enrolled in Medicare. Under this scenario, all of the Aetna network policies apply and Aetna will use their Clinical Policy Bulletins to determine medical necessity. This is the part that Aetna is not doing correctly. They are quoting to retirees that if Medicare denies a treatment because it is not covered under Medicare, that Aetna will also

automatically deny it even if it is covered under the AlaskaCare plan for those not enrolled in Medicare.

The above does not apply if a claim is denied because Medicare determines there is no medical necessity. If Medicare determines that there is no medical necessity, then AlaskaCare will also deny the claim.

If anyone has a Medicare claim that has been paid at 80% by Medicare, but Aetna has denied to pay the 20% balance, please scan and email those EOBs to me also.

Please let me know if anyone has questions---

Thanks for your help.

Sharon Hoffbeck

President

Retired Public Employees of Alaska

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