The current Medicare Part D prescription drug carrier for DRPA/PATCO retirees who are 65 and over and their eligible dependents (Medicare-eligible retirees and Medicare-eligible dependents) is Horizon Blue Group Rx.

Staff seeks authorization to accept the renewal from Horizon for plan year 2019 which was delivered with a very favorable -2.1% decrease.

To continue to provide a quality and enhanced Medicare Part D Prescription Drug benefit plan for DRPA/PATCO Medicare-eligible retirees and Medicare-eligible dependents.

In plan year 2019, the Medicare Part D monthly premium for Medicare-eligible retirees and Medicare-eligible dependents was $78.99 PMPM; in plan year 2020, the Medicare Part D monthly premium will decrease to $77.32 PMPM.

In plan year 2019, the Medicare Part D monthly premium for Medicare-eligible retirees and Medicare-eligible dependents was $78.99 PMPM; in plan year 2020, the Medicare Part D monthly premium will decrease to $77.32 PMPM.

Horizon’s Medicare Part D Prescription Drug Plan, provides retail and mail order copays as shown below until the total drug cost of $4,020 has been reached (this includes both the retiree’s payments plus the Part D plan’s payments). Retirees are then responsible for 25% of brand name drug costs and copays shown below for generic drugs.

Horizon offered a benefit enhancement in 2019 providing an opportunity for retirees to reduce their copays by using Horizon’s preferred pharmacy network, which includes pharmacies such as CVS and Walmart. For example, a retiree could reduce their generic co-pay from $10 to $3 by selecting a preferred pharmacy. The chart below shows the co-pays up to the Coverage Gap level for the Horizon Enhanced Plan. The Standard copays remain unchanged from 2018.
The mail order co-pays up to the Coverage Gap level for the Horizon Enhanced Plan remain unchanged at:

<table>
<thead>
<tr>
<th>Mail Order</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Generic</td>
<td>$20</td>
</tr>
<tr>
<td>Brand</td>
<td>$40</td>
</tr>
<tr>
<td>Non-Preferred Brand</td>
<td>$70</td>
</tr>
<tr>
<td>Specialty</td>
<td>N/A</td>
</tr>
</tbody>
</table>

The plan also provides catastrophic coverage protection. Once the retiree pays $6,350, including copayments or cost share and 50% pharmaceutical discounts, then the retiree pays the greater of 5% co-insurance or co-pays of $3.60 for generics and $8.95 for all other drugs, but not to exceed the plan’s copays throughout the year (i.e., $70 is the most they could pay on any Rx.)

The estimated annual premium for 2020 for the Horizon Medicare Part D Prescription Plan will be approximately $593,818, which is an estimated decrease of -2.1%.

Summary: Estimated annual premium: $593,817.60

In plan year 2020, the projected monthly premium for each individual retiree within this group will be $77.32 (reduced further for those who qualify for the Low Income Subsidy).
(Note – This covers both DRPA and PATCO). This annual rate is based upon our current DRPA/PATCO census of retirees who are 65 & over and their eligible dependents who are 65 and over, but is subject to change as our census of eligible retirees and eligible dependents changes.)

Source of Funds: Revenue Fund and General Fund
Capital Project #: N/A
Operating Budget: DRPA/PATCO Employee Services Expense
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: One Year – January 1, 2020 to December 31, 2020
Other Parties Involved: Horizon BCBS
RESOLUTION

RESOLVED: That the Board of Commissioners of the Delaware River Port Authority authorizes staff to contract with Horizon Medicare Blue Group Rx for the provision of a Medicare Part D Prescription Drug plan for age 65 and over retirees, and their eligible dependents (age 65 and over); and be it further

RESOLVED: That the Board of Commissioners of the Delaware River Port Authority recognizes that in plan year 2020, the projected monthly premium rate for this group of retirees will be $77.32 (reduced for retirees who qualify for the Low Income Subsidy); and be it further

RESOLVED: That the Board of Commissioners of the Delaware River Port Authority authorizes staff to contract with Horizon Medicare Blue Group Rx for the provision of a Medicare Part D Prescription drug plan for age 65 and over retirees, their eligible dependents (age 65 and over) for a renewal that is -2.1% lower than the current annual premium, which result in an estimated annual premium of $593,817.60 (an approximate decrease of $12,825.60); and be it further

RESOLVED: That the Board of Commissioners of the Delaware River Port Authority recognizes that the annual rate is based upon the Authority’s current census of retirees who are 65 and over and their eligible dependents who are 65 and over, but is subject to change as our census of eligible retirees and eligible dependents changes; and be it further

RESOLVED: That staff is authorized to work with the DRPA/PATCO’s Third Party Administrator (Benefit Harbor and HRSimplified) to begin the Open Enrollment Process for the 2020 Plan Year; and be it further

RESOLVED: The Chair, Vice Chair and the Chief Executive Officer must approve and are hereby authorize to approve and execute all necessary agreements, contracts, or other documents on behalf of the DRPA/PATCO. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and Chief Executive Officer, and if thereafter, either the Chair or Vice Chair is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of the DRPA/PATCO, along with the Chief Executive Officer. If both the Chair and Vice Chair are absent or unavailable, and if it is necessary to execute the said document(s), while they are absent or unavailable, the Chief Executive Officer shall execute such document(s) on behalf of the DRPA /PATCO.
**SUMMARY:**

**Amount:** Estimated annual premium: $593,817.80; In plan year 2020, the projected monthly premium rate for this group of retirees will be $77.32 (reduced for retirees who qualify for the Low Income Subsidy.)

(Note – This covers both DRPA and PATCO). This annual rate is based upon our current DRPA/PATCO census of retirees who are 65 & over and their eligible dependents who are 65 and over, but is subject to change as our census of eligible retirees and eligible dependents changes.)

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**Source of Funds:** Revenue Fund and General Fund
**Capital Project #:** N/A
**Operating Budget:** DRPA/PATCO Employee Services Expense
**Master Plan Status:** N/A
**Other Fund Sources:** N/A
**Duration of Contract:** One Year – January 1, 2020 to December 31, 2020
**Other Parties Involved:** Horizon BCBS