



Employee
& Retiree
Service Center

Retiring Times

New Directions for MCPS Retirees

VOLUME 1
NUMBER 1
SUMMER 2003

Public Schools
Service Center

IN THIS ISSUE:

- Welcome Letter to Retirees
- Announcing the ERSC
- Important MCPS Prescription Plan Tips
- When Prescription Drugs Go Wrong
- Contacting Caremark
- Questions About Generic Drugs

Welcome Letter to Retirees

Welcome to the first edition of *Retiring Times*, a newsletter written specifically for the Montgomery County Public Schools (MCPS) retirees and their dependents.

Over the past several years, MCPS has been working collaboratively with the Montgomery County Retirees Association [Retirees Association], looking at ways to improve the quality and affordability of the benefits MCPS makes available to its growing retiree population.

The Retirees Association sought input from retirees and identified a need for a formal and comprehensive communication plan, ensuring that retirees receive the information they need to become efficient health benefit consumers.

Retiring Times will be published on a quarterly basis, beginning with this summer 2003 issue. Via this newsletter, MCPS will provide up-to-date information on important matters affecting your health benefits, articles on topics of interest, as well as other useful information to retirees.

From time to time, we may also publish special editions of *Retiring Times* if we have additional time-sensitive messages to communicate to our retirees. For example, Congress appears close to passing legislation that will create a prescription drug plan for Medicare recipients. If such a plan is enacted, we may publish a special edition of *Retiring Times*. This issue would explain the important piece of legislation and what it means to you. We would also explain how a Medicare prescription drug plan would coordinate with the prescription drug benefit MCPS currently makes available to you.

Retiring Times is just one of several ways that MCPS is working to improve the quality of communications about their retirement and health benefits to its retirees. Inside this issue, you will see an article on a reorganization that combines the functions and staff of the Division of Insurance and Retirement, Payroll Operations and a portion of the Department of Employment Standards and Operations into a centralized service center. The new Employee and Retiree Service Center (ERSC) was designed to provide a single source for employees and retirees to obtain information about their employment, retirement and benefits.

We have also begun making improvements to our section of the MCPS Web site. There is an entire area dedicated to retirees. Some examples of materials you will find include forms, summary health plan documents, and links to our health vendors.

Please visit our new Web site <http://www.mcps.k12.md.us/departments/ersc/> and let us know what you think! Copies of *Retiring Times* also will be available on the retiree section of the ERSC Web site. We hope you like the improvements we are making to better serve you.

We look forward to working with our retirees.

Sincerely,



Larry A. Bowers
Chief Operating Officer

Announcing the Employee and Retiree Service Center

These are challenging times at the Montgomery County Public Schools (MCPS). We are facing a fiscal situation that may be among the worst the school system has ever endured. However, at the same time we must address the demands for improved service throughout MCPS. In addition to the focus placed on what is happening in the classroom, MCPS business functions also are confronted with increased demands. We are continually working to find new ways to operate more efficiently and effectively in an ever-changing and regulated environment.

MCPS took a major step toward our goal of improving services to employees and retirees when we opened the new Employee and Retiree Service Center

(ERSC) on June 23, 2003. The ERSC is located at 7361 Calhoun Place, Suite 190, Rockville, Maryland 20855, and combines the functions and staff of the Division of Insurance and Retirement, Payroll Operations and a portion of the Department of Employment Standards and Operations into a centralized service center. The ERSC will provide employees and retirees with a single location to address concerns relating to their employment, pay, retirement, and benefit needs.

The ERSC features a call center staffed by generalists who are available to answer most employee and retiree questions. In the past, you would have to call or visit multiple offices when questions overlapped departments. Now, there is one

location where all of your questions and concerns will be addressed. We look forward to assisting you.

There are four ways you can contact the ERSC:

- Via U.S. mail at the address above,
- Via e-mail at ERSC@mcpsmd.org,
- Via telephone at 301-517-8100,
- Or come by and visit us (our hours are Monday-Friday, 7:30 a.m.–5 p.m.)

Comments or suggestions may be sent to the e-mail address listed above. We are confident you will be pleased with our efforts to improve our service to you. ■

Cover photo: *On July 30, 2003, Board of Education President Patricia O'Neill, Superintendent of Schools Dr. Jerry Weast, and Chief Financial Officer Susanne DeGraba cut the ribbon to officially open the new Employee and Retiree Service Center.*

Important MCPS Prescription Plan Tips!

The recently concluded health plan transfer season for retirees was the most comprehensive effort to communicate with retirees, [about their benefits] ever undertaken by the Montgomery County Public Schools (MCPS). The transfer season ran for three months and included 3 health fairs and 11 work sessions regarding the new prescription drug plan options. MCPS also undertook a coordinated mailing effort with Caremark, our prescription drug plan administrator, to provide retirees with detailed information about their prescription drug utilization, and develop detailed spreadsheets to help retirees make an informed decision about which prescription plan best met their needs.

We estimate conservatively that 5,000 retirees and dependents attended one or more of our sessions. Hundreds of others called the Division of Insurance and Retirement for assistance. We would like to take this opportunity to thank all retirees

for their thoughtful questions and support of our efforts. We learned a lot and hope to use what we learned to improve future meetings with retirees.

Many of you asked, "Which prescription option is best?" Unfortunately, there is no easy answer to that question. Option A has lower co-pays, but higher monthly premiums. Option B has higher co-pays, but lower monthly premiums. Now that open season has concluded, we know that 1,069 retirees chose Option B and 4,105 retirees either chose or defaulted to Option A. Regardless of your selected plan, there are key points we want you to remember as you use the prescription plan:

1. To take advantage of the lowest co-pay, you should choose generic drugs, when available. A decision to use a brand name drug when a generic is available, either because you prefer or the doctor prescribes the brand name, will cost more.

2. If you are taking a maintenance medication, a retail pharmacy can fill one prescription for 30 days. Thereafter, you must use Caremark's mail order program. Under the mail order plan, you can obtain up to a 90-day supply.

3. Preferred or formulary brand name drugs are available to you at a lower co-pay. Please let your physician know that you are now covered under a three-tier formulary prescription drug plan. Your doctor can work with you to identify a course of treatment that addresses your medical needs and, when possible, saves you money.

4. If you have any questions about your prescription plan, co-pays, or the options available to you, contact Caremark's customer service unit at 1-800-378-7558. Caremark works for you and their customer service staff is specially trained and equipped to answer your questions. ■

When Prescription Drugs Go Wrong *1-4 Outpatients Suffer an Adverse Drug Event*

One in four people who walk out of the doctor's office with a prescription may be headed for trouble from an adverse drug event. A new study suggests that more than a third of those unwanted and potentially dangerous side effects could have been prevented with improved prescribing practices and more effective doctor-patient communication.

Although several studies have looked at the issue of adverse drug events among hospital patients, researchers say little is known about how frequently these complications occur among outpatients who currently take prescription drugs at home.

The study, published in the April 17, 2003, issue of *The New England Journal of Medicine*, examined adverse drug events reported among 661 patients who received at least one prescription drug from four primary care clinics in the Boston area.

Researchers found that 162 of these patients (25%) reported an adverse drug event, for a total of 181 adverse drug events. Thirteen percent of the adverse drug events were serious, and 11 percent were considered preventable. Serious reactions in this study included drops in heart rate or blood pressure, or bleeding from the stomach or intestines.

However, the study found that the severity and duration of many of the

adverse drug events reported could have been substantially reduced if other actions had been taken. Researchers say these ameliorable events occurred when doctors failed to respond to drug-related symptoms and when patients failed to inform doctors about the symptoms.

"Patients often had symptoms for months without any changes in their medications and only a small percentage of patients reported that the symptoms led to a visit to a physician," writes researcher Tejal K. Gandhi, MD, MPH, and colleagues of Brigham and Women's Hospital in Boston. "Clearly, strategies to improve doctor-patient communication are essential to the outpatient setting."

Of the 20 adverse drug events that were preventable, 9 were due to the selection of an inappropriate prescription drug, 2 to the wrong dose, and 2 to the wrong frequency of use.

The prescription drug classes most frequently involved in adverse drug events were selective serotonin, reuptake inhibitors (SSRIs) commonly used to treat depression, heart disease medications such as beta-blockers and ACE inhibitors, and NSAID pain relievers.

The most frequently reported preventable and treatable adverse drug events were those related to the central nervous system (such as sexual dysfunction),

gastrointestinal disorders, and heart problems.

Of those who reported an adverse drug event, 16 percent said their symptoms required medical attention, such as a visit to an urgent care clinic or emergency room.

The study found that the person's age, sex, or other demographic characteristics did not affect the likelihood of suffering an adverse drug event. The key determining factor was the number of medications being taken at the same time. The number of adverse drug events per person increased by 10 percent for each additional prescription drug consumed.

In an editorial that accompanies the study, William M. Tierney, MD of the Indiana School of Medicine writes that the errors of omission may be just as dangerous as the errors of commission. Tierney says most studies on medication errors and adverse drug events have focused on the effects of mixing too many drugs. Other similar studies have shown that many patients are not getting the drugs they need, despite the proven benefits.

For example, research shows that many heart attack victims are not prescribed beta-blockers or aspirin, despite repeated studies that show these drugs substantially reduce the risk of death among these patients. ■ —Reprinted with the permission of Caremark

Fastest Rise in Health Care Spending in a Decade

The government's annual report on health spending found that increases in 2001 grew at the fastest rate since 1991. The office of Actuary of the Centers for Medicare and Medicare Services (CMS) reported the costs by category as follows:

- All health care—\$1.424 trillion
- Hospital care—\$451 billion
- Doctors and clinics—\$313 billion
- Prescription drugs—\$140 billion
- Nursing home care—\$98 billion
- Home health care—\$33.2 billion

Contacting Caremark

The primary prescription drug vendor for Montgomery County Public Schools (MCPS) employees and retirees is Caremark.

Under the new retiree health benefit plan, prescriptions for medicines that you require for 30 days or less can be filled at a local retail pharmacy. If you need to take the medication for longer than 30 days, please ask your physician for two prescriptions—one for a 30-day supply available at the retail pharmacy, and one to be mailed directly to Caremark.

Initial Prescription Orders

When your doctor prescribes a new medication for you to take for more than 30 days, you must fill out a Caremark Participant Profile/Order Form, enclose the prescription and mail both to Caremark.

Please note: Your group code can be found on the front of your Caremark prescription card.

CAREMARK Prescription Drug Card

Online Pharmacy

Log In

New User

Forgot Password

Once you have logged on, you can order refills or choose from several options available to you:

- Rx Request Highlights
- > [View prescription order status](#)
- > [Check drug coverage / cost](#)
- > [Check Drug Interactions](#)
- > [View your Prescription History](#)
- > [Drug Information Search](#)
- > [Participant FAQ](#)
- > [Benefits Summary](#)
- > [Order Form](#)

Caremark will accept prescriptions for a one-year supply of medication and send you an initial 90-day supply by U.S. mail.

Prescription co-pays can be paid by check, money order or major credit card. Order forms and preprinted envelopes are available from Caremark or MCPS.

Caremark will send a new order form and preprinted envelope with each prescription order filled.

Prescription Refills

When only a two- or three-week supply remains from the initial 90-day supply, a refill can be ordered by telephone (1-800-378-7558) or via the Internet at www.caremark.com. Please make sure you allow enough time for the refill to reach you, as Caremark's prescription drug pharmacy is located in Florida.

Caremark's telephone service for MCPS employees and retirees is staffed with customer service representatives. It is not an automated system requiring you to enter prescription numbers and other data without assistance.

If it becomes necessary to contact a Caremark pharmacist, you may call Caremark directly at 1-800-355-1867, Monday through Friday, 8:30 a.m.-5:30 p.m. EST, or visit their Web site at www.caremark.com.

Using the Caremark Web site

Registration is required to explore Caremark's Web site. If you have previously visited their Web site, you would select the blue log in tab in the Online Pharmacy.

If you are a new visitor to their Web site, you would select the blue new user tab in the Online Pharmacy box and follow the instructions to register. When you register you will need to enter your participant ID (your social security number), group code (MCPSS) and create a password. ■

To order refills, you would select Refill Order in the Caremark Specialty Pharmacy box.



If you would like to refill your prescription select the button below.

Refill Order

Questions about Generic Drugs

According to the Congressional Budget Office, generic drugs save consumers an estimated \$8 to \$10 billion a year at retail pharmacies. Billions more are saved when hospitals use generics!

While generic drugs might be cheaper than brand name, they are not inferior. In fact, they are “bio-equivalent.”

Here are some of the most common questions about generic drugs and their answers:

1. What are generic drugs?

A generic drug is a copy that is the same as a brand name drug in dosage, safety, strength, how it is taken, quality, performance and intended use.

2. Do generic drugs take longer to work in the body?

No. Generic drugs work in the same way and in the same amount of time as brand name drugs.

3. Are generic drugs as safe as brand name drugs?

Yes. The Federal Drug Administration (FDA) requires that all drugs are safe and effective. Since generics use the same active ingredients and have been shown to work the same way in the body, they have the same risks and benefits as their brand name counterparts.

4. Are generic drugs as strong as brand name drugs?

Yes. The FDA requires generic drugs to have the same quality, strength, purity and stability as brand name drugs.

5. Why are generic drugs less expensive?

Generic drugs are less expensive because generic manufacturers do not have the same investment costs that new drug developers sustain.

New drugs are developed under patent protection. The patent protects the

Think It's Easy Becoming a Generic Drug in America?

Think Again.

The Federal Drug Administration (FDA) ensures that your generic drug is safe and effective. All generic drugs are put through a rigorous, multi-step approval process. From quality and performance to manufacturing and labeling, everything must meet FDA's high standards. We make it tough to become a generic drug in America, so it's easy for you to feel confident.

Generic Drugs: Safe. Effective. FDA approved.

Courtesy of U.S. Department of Health and Human Services
Food and Drug Administration

investment—including research, development, marketing, and promotion—giving the company the sole right to sell the drug while the patent is in effect.

As patents near expiration, manufacturers apply to the FDA to sell generic

versions. The manufacturers do not have the same development costs and they can sell their product at substantial discounts. Also, once generic drugs are approved, there is greater competition, which lowers the price to consumers.

6. Are brand name drugs made in more modern facilities than generic drugs?

No. Both brand name and generic drug facilities must meet the same mandated standards of manufacturing practices. The FDA will not allow drugs to be manufactured in substandard facilities. The FDA conducts approximately 3,500 inspections per year, ensuring compliance with their facility standards.

7. If brand name drugs and generic drugs have the same active ingredients, why do they look different?

In the United States, trademark laws prohibit generic drugs from looking exactly like the brand name drug. However, a generic drug must duplicate the active ingredient found in the brand name drug. Colors, flavors, and other inactive ingredients may be different.

8. Does every brand name drug have a generic counterpart?

No. Brand name drugs are generally given patent protection for 20 years. This provides protection for the drug company that incurred the initial costs (including research, development and marketing expenses) to develop the new drug.

However, when the patent expires, other drug companies can sell competitive generic versions, but only after they have been thoroughly tested by the manufacturer and approved by the FDA. ■

Top ten states of residence for MCPS retirees or surviving spouses

MCPS retirees currently reside in 48 states and several foreign countries.

■ Maryland	5,446	■ North Carolina	145
■ Florida	399	■ West Virginia	125
■ Virginia	308	■ Delaware	81
■ Washington D.C.	191	■ California	59
■ Pennsylvania	149	■ South Carolina	56

Did You Know?

There was a 1.583% cost of living adjustment (COLA) for retirees receiving core benefits from the State Retirement Agency (SRA).

The new COLA was effective July 1, 2003, for state retirees who retired on or before July 1, 2002. You received the COLA increase in your July 31, 2003, retirement check.

The COLA for retirees receiving their core benefits from MCPS is effective each January.

For Your Information!

Q. Who qualifies to receive the cost of living increase (COLA) this July?

A. An MCPS retiree receiving core benefits from the Maryland State Retirement Agency (SRA) and who has completed at least one year of retirement as of July 1, 2003, qualifies for this year's COLA. Those who retired after July 2002 (August 2002 or later) will receive their first COLA increase in July 2004.

Q. Does my system limit its COLA?

A. Certain State Retirement and Pension System (SRPS) plans limit the COLA rate to a maximum of 3 percent or 5 percent. This year's rate of 1.583 percent does not exceed the limit for any SRPS plans.

Q. How is the annual COLA increase calculated?

A. A retiree's benefit system determines how the annual increase is

calculated for his or her check. Eligible retirees receive either a compound rate or a simple rate. For retirees receiving the compound rate, the COLA increase is based on their current allowance, allowing COLAs to compound over time. Under the simple rate, the increase is based on the retiree's initial retirement allowance. The compound rate applies for eligible retirees of the following systems:

- Employees' and Teachers' Retirement System
- Employees' and Teachers' Contributory Pension System

The simple rate applies for eligible retirees of the Employees' and Teachers' Non-Contributory Pension System.

Q. Which check shows the new COLA increase?

A. Qualifying retirees will see the adjustment in their July 31, 2003, retirement checks.

—courtesy of the State Retirement Agency Web site.
(<http://www.sra.state.md.us>) ■

Retiring Times was designed for you, the retiree, and will be a quarterly publication, beginning with this issue. If there are topics or areas of interest that you would like to see in future editions; or ways you think we can improve communications to retirees, please let us know. Comments can be sent to Elaine Freedman, Editor; using one of the following:

Through U.S. mail:

The Employee and Retiree Service Center (ERSC)
7361 Calhoun Place, Ste. 190
Rockville, Maryland 20855

or via e-mail to

ERSC@mcpsmd.org

Retiring Times

News from the Employee and Retiree Service Center

Larry Bowers
Chief Operating Officer

Susanne G. DeGraba
Chief Financial Officer

G. Wesley Girling, Director
Benefits Strategy and Vendor Relations

Elaine R. Freedman
Communications Specialist and Editor



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Montgomery County Public Schools
Employee and Retiree Service Center
7361 Calhoun Place, Suite 190
Rockville, MD 20855

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