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# *SPARTAN SENIOR*

A newsletter for Michigan State University Retirees

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## **‘Perfect Storm’ Causes Retiree to Pay Double for a Prescription that He Believed to be Generic**

An MSU retiree was recently diagnosed with COPD. His doctor wrote a prescription for an albuterol inhaler (which she called a “Ventolin” inhaler) and advised him to pick it up on the way home. He was already familiar with this device, because his mother had used one and he had been writing checks to pay for it for several years until she passed away a few years ago. The device was considered a generic medication, and the cost was distinctly less than \$ 20.00.

Upon arriving at the MSU pharmacy he handed over his credit card and signed for the charge, but after signing noticed that the charge was for \$ 46.32, with the retiree paying \$ 40.00 and Caremark, our pharmacy benefits management company, paying \$ 6.32. At this point, he asked to speak to a pharmacist.

The pharmacist explained that the federal government had mandated a change in the propellant that had been used in the inhaler, replacing it with a propellant that would not be harmful to the environment. When the pharmaceutical company complied with this, it also applied for a new patent for the medication, even though the active ingredients had not changed. With the granting of a new patent, the Ventolin inhaler became a brand name drug, no longer a generic, and the price was greatly increased. It appears that the retiree’s doctor had not noticed this, and she did not consult the Caremark formulary before writing a prescription for a Ventolin inhaler. If she had consulted the formulary, she could have prescribed a Proair inhaler, the brand preferred by Caremark, and the same prescription would have cost the retiree \$ 20.00. At this time, no generics are available for this medication.

**This leads to a teachable moment. What could this retiree have done to minimize his costs for this prescription?** The important thing would be to ask to speak to the pharmacist **before** agreeing to pay for the prescription. Upon learning of this ‘perfect storm,’ he could have refused the prescription, asked his doctor to prescribe the preferred brand instead, and paid \$ 20.00 for the same product. Another option would be for the retiree to use the Caremark formulary himself to check his doctor. **That option would be only for the brave**, because the list is nine pages long as of this printing, and it changes four times a year. He would not have found anything by looking under “Ventolin inhaler,” because there is nothing there. He would have needed to know to look under “Respiratory,” then under “Beta Agonists,” then under “Short Acting,” then under “Albuterol inhalation solution.” Would you know how to do that? It would probably be a better option for the retiree to print out the formulary himself and bring it to the doctor’s office for the doctor’s use.

It is important to point out that there are no obvious villains in this story. The government was simply trying to improve the environmental air quality. The pharmaceutical company was simply trying to improve its profitability. The insurance company (pharmacy benefits manager) was simply trying to help MSU’s money go further in taking care of current and retired employees. The moral of this story is that you need to be ever vigilant to make your health care dollars go far enough to get the job done.

**Editor’s note:**

**Does this kind of article help you? If yes, please let us know: [msura@msu.edu](mailto:msura@msu.edu) or call 517-393-7896.**

## President's Message:

Students have returned to the campus, excitement is high and the MSURA year is off to a fast start. Fantastic news - The MSURA Endowed Scholarship goal has been met. Board members and retirees were most generous and between cash donations and commitments, over \$50,000 was raised in just under five months. Thank you to all who contributed to this very worthy cause. Recipients of the scholarship will be full-time graduate or undergraduate students with preference given to MSU students whose parents or grandparents are employees or retirees of MSU. Even though the goal has been met, the need is still great and donations are encouraged. Visit [www.givingto.msu.edu/1923](http://www.givingto.msu.edu/1923) and give online. The MSURA/Straightline Student Scholarship Golf Outing scheduled for September 22 will help raise funds for the endowed scholarship.

MSURA was honored to host the annual Big Ten Retirees Association conference, August 14 – 16. The conference planning committee comprised of Angela Brown, Chair, Louise Selanders, Nancy Craig, John Forsyth, Rick Vogt, Pat Enos, Patrick Scheetz, Jerry Hull, Fred Graham, Gale Gower, Ron Smith, David Brower, Chuck Webb, Liz Thomas and Etta Abrahams worked very hard scheduling speakers, booking rooms, arranging tours and hiring entertainers. Brenda Spackman and Darlene Wenner graciously welcomed the guests at the registration table. Twelve of the 14 Big Ten schools were represented. President Simon welcomed the group at a gala opening reception and dinner on Friday evening along with Dr. Charles Ballard who gave an informative talk on the economic future. Saturday's speakers wowed the conferees with information about transitioning to retirement, being in charge of your health and retirement finances. Conference evaluations were excellent. Thank you to the committee members for their time, energy and support.

Nineteen members and their families attended a tour of the MSU Horticulture Gardens in August. The docent gave a very informative tour of the beautiful gardens. It was a pleasant afternoon to enjoy our lovely campus.

On September 10, a nearly full house attended the University Archives/MSURA event, Through The Banks Of The Red Cedar, A Critical Conversation and Preview of The Upcoming Documentary Film. The event was a celebration of the College Football Hall of Fame induction of Clinton Jones and the 50<sup>th</sup> Anniversary of the 1965 National Championship Football Team. Also, the audience was treated to a sneak preview of a documentary produced by Maya Washington, following the journey of Clinton Jones, Bubba Smith, Gene Washington, George Webster and other teammates to the MSU campus to play football. A lively panel discussion was moderated by Jack Ebling.

Finally, WE WANT TO KEEP IN TOUCH WITH YOU. In order to do this we need correct information. Update your email and mailing address through MSU Human Resources to ensure you receive eNotices and the Newsletter. Many departmental servers are no longer accepting emails for MSU Retirees. Check with your department to determine if your email is still being forwarded. Also, check your quota on the MSU email server. It may be full and not receiving emails.

—Angela W. Brown, President

## News from Special Interest Groups

The new book club is up and running with four members. The first book they read was *The Girl On The Train* by Paula Hawkins and the next one will be *Dead Wake: The Last Crossing of the Lusitania* by Eric Larson. Interested persons should contact Rebecca Townsend, 517-881-5393 or send e-mail to [townse44@msu.edu](mailto:townse44@msu.edu).

**Please send news of Special Interest Group activities to [aleblanc@msu.edu](mailto:aleblanc@msu.edu).**



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### **New Facilities Fee being Charged by Mid-Michigan Physicians for Office Visits after Joining McLaren Greater Lansing Worries Retirees**

The Lansing State Journal recently reported that a retiree (not from MSU) was charged \$ 99.81 in addition to the \$ 77.11 she had already paid for an office visit to her doctor. You can read this article by Judy Putnam at <http://www.lansingstatejournal.com/story/opinion/columnists/judy-putnam/2015/09/13/putnam-facilityfees/72093674/>, or just google Judy Putnam facilities fee article Lansing State Journal. According to the article, the fee applies to people insured through Medicare. Mid-Michigan Physicians is a large group practice of doctors in the greater Lansing area. Your editor goes to a Mid-Michigan Physicians doctor, and was interested in getting a flu shot. He called his doctor's office, and inquired about the facilities fee. He was told that yes, there would be an additional facilities fee to get a flu shot in his doctor's office, but they didn't know how much the fee would be. He was referred to the McLaren accounting department, called that number, and was placed on hold for five minutes. After five minutes a recorded message came on the line asking him to record his question and promising a response within 24 hours. He recorded a question and later received a call back, but was not home at the time of the call back. Here are some of the things that retirees will want to know: Will this fee be charged for every doctor visit? Will the amount of the fee vary from visit to visit? Will the patient be able to find out the amount of the fee before coming? This facilities fee is being charged because McLaren Greater Lansing bought the practices of the doctors who are part of Mid-Michigan Physicians. Their offices are now considered an outpatient facility of the hospital, and are now subject to hospital facility fees. If your doctor owns his or her own practice as opposed to having that practice owned by a hospital, you will not be charged a hospital facilities fee. This situation has been reported to the MSU Retirees Association Health Benefits Committee, and we will work to keep you informed about it. With all this in mind, does it seem wiser to get your flu shot at Walgreen's or Kroger rather than in your doctor's office?

### **September Events Co-Sponsored by MSU Retirees Association are Deemed a Success**

This September MSURA co-sponsored two special events: a critical discussion of a planned documentary film about MSU's 1965 national champion football team and the stories of important members of that team; and a golf outing to benefit the association's new student scholarship. We are happy to announce that both events were a great success, and current plans call for the golf outing to become an annual event.

**Please note:  
MSU Benefits Open Enrollment  
Begins October 1.**

**MSU RETIREES ASSOCIATION  
SUITE 22 NISBET BUILDING MSU  
1407 S. HARRISON AVE  
EAST LANSING, MI 48823-5239**

### **Lessons on Investing – Did you know?**

StraightLine is a financial education and management company that was created to be a fiduciary. A fiduciary ALWAYS acts in the best interest of its clients – a rarity in the financial services industry. Many firms do not accept or abide by this standard. Be sure to ask your advisor if they do!

### **Straight to the Point**

Each newsletter we will strive to provide timely updates on the news and events impacting investments.

**Policy Update** - After much anticipation and speculation the Federal Reserve has opted not to begin raising short-term interest rates. The prospect of a rate hike is, however, still on the table for the scheduled October and December meetings.

**Investment Implications** - We believe that the sell-off that took place in late August and early September was in part due to the potential for a rate hike, and now investors are left waiting. In the very short-term bonds should rally, but could be volatile if and when rates do move higher. Looking further out, we continue to favor stocks, with technology and health care as leading sectors. Financials should benefit from an eventual rising rate period and natural resource stocks are prime turn around candidates.

Please contact us if you have any questions or concerns about your investments.

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