



**Smart, Confident
Decisions
2012**

HCBE
Your Benefits

Houston Benefits Program



Board pays all or part

- State Health
- Long Term Disability
- Sick Leave
- Basic Life
- Retirement
- Dental

You contribute for

- State Health
- Dental
- Disability
- Optional Life/Accident
- Dependent Life
- Vision
- Cancer
- Flexible Spending Accounts
- Retirement/403(b)

Goals for this meeting



- Highlight changes for 2012
- Focus on the most cost-effective options
- You're confident about your decisions
- Provide guidance on how the plans work
- Highlight unique opportunities to save
- Avoid the zingers that can cost you money

What we'll cover today



- Changes in State Health
- New FSA provider
- Re-designed Dental Plan, much lower rates
- Protecting your pay

Same 3 plans, two options on each



Choose the **HMO**, **HRA** or **HDHP**

then

Select the *Standard* or *Wellness* version
of your plan

Why **avoid** the Standard Plans



- 17% higher premiums over 2011 rates
- Higher Deductibles
- Higher out-of-pocket limits
- Fewer dollars in your HRA
- No opportunity to earn extra HRA dollars
- No Disease State Management Program
- Only 80% (not 90%) coinsurance in the HDHP

Wellness Options



- Lower premiums than the Standard Option
- Same Deductibles and Out-of-pocket limits as in 2011
- Same Co-pays and coinsurance as in 2011
- Same HRA account and keep the opportunity to earn bonus \$\$ in your account
- Disease State Management opportunity in HRA and HMO.
- Must make a “Wellness Promise”.

What is the Wellness Promise?



1. Take an online Health Assessment on UHC or Cigna website between January 1, 2012 and June 30, 2012
2. Complete biometric screenings* at your Doctor's Office or at an SHBP sponsored event between July 1, 2011 through June 30, 2012
*(Blood Pressure, Body Mass Index, Cholesterol and Glucose)
3. Covered spouses must also make the "Wellness Promise"

Fail to keep the promise? Not eligible for the Wellness Option in 2013.



Note: Anyone can select the Wellness Option...
... regardless of your health status

Wellness Vs. Standard Options – All Plans



Plan/Type	Employee Only	Employee + Spouse	Employee + Child(ren)	Employee + Family
HMO Standard	\$129.18	\$304.90	\$309.72	\$333.96
HMO Wellness	\$122.56	\$289.30	\$293.88	\$316.86
HRA Standard	\$80.58	\$246.24	\$252.18	\$267.54
HRA Wellness	\$76.46	\$233.64	\$239.26	\$253.86
HDHP Standard	\$70.14	\$227.54	\$233.26	\$247.14
HDHP Wellness	\$66.54	\$215.90	\$221.32	\$234.48

Board funds most of the cost



Estimated Board contribution in 2012
on a salary of \$35,000. . . .

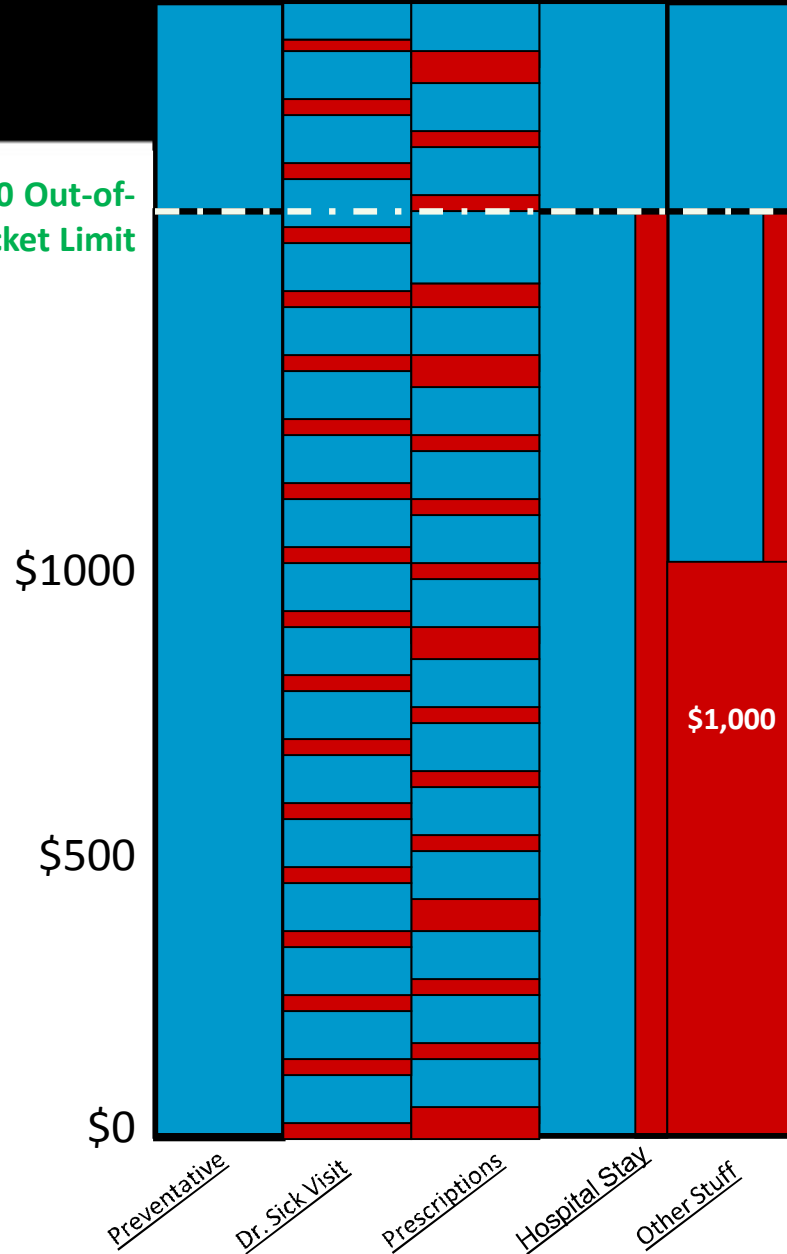
\$6,475

About 80% of the cost of coverage

The Wellness HMO Single

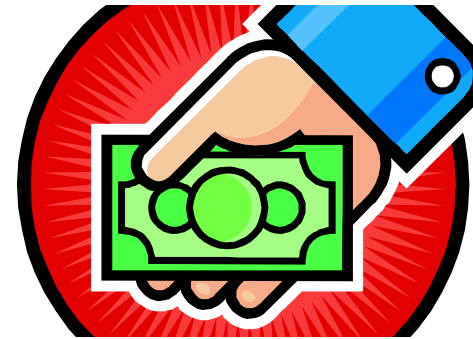


\$3,000 Out-of-Pocket Limit



How it impacts your pocket

Annual Premium
(Cost to Join Plan)



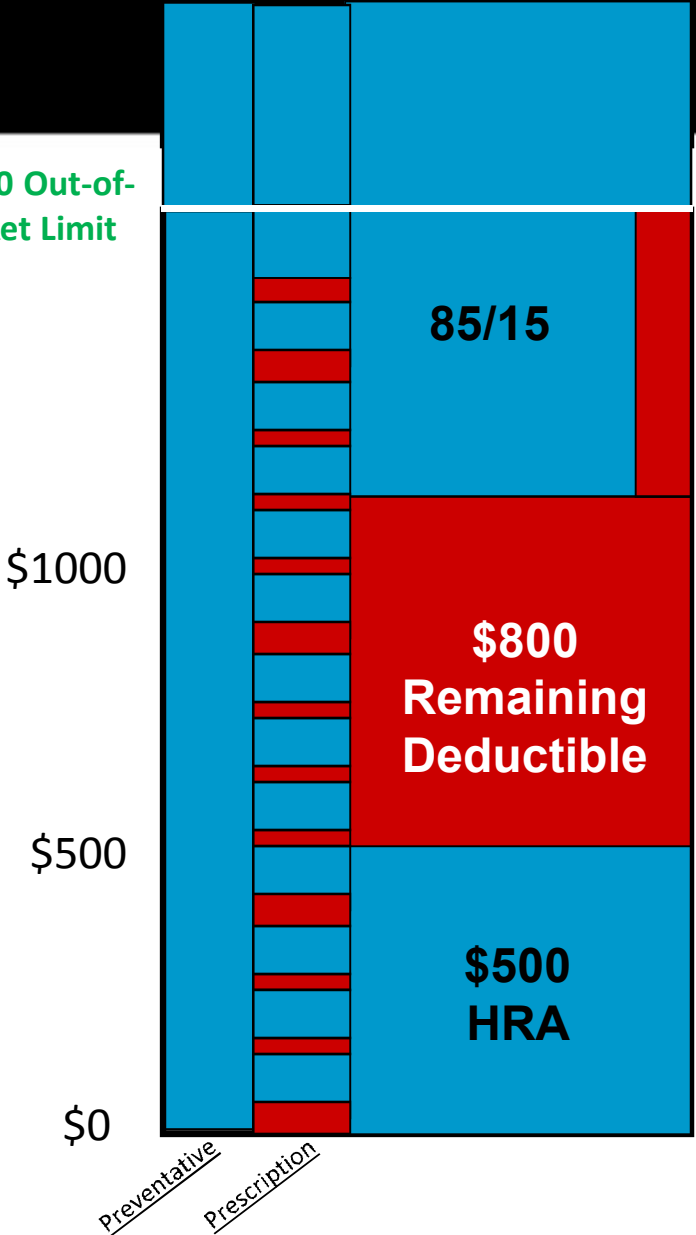
\$1,470
(\$122.mo)

Wellness HRA Single



How it impacts your pocket

\$3,000 Out-of-Pocket Limit



Annual Premium
(Cost to Join Plan)



\$918
(\$76/mo)

Prescription Benefits - HRA



New Prescription Coinsurance

15% Tier 1 (min \$20, Max \$50)

25% Tier 2 (min \$50, Max \$80)

25% Tier 3 (min \$80, Max \$125)

- Now, only the coinsurance comes from your HRA (or the actual cost, if less than the \$20 minimum in Tier 1)
- Coinsurance doesn't apply your deductible or out-of-pocket maximum, but
- Prescriptions *are* covered at 100% after your out-of-pocket max is reached

HRA Prescriptions

Example 1 – Tier 1 Drug



Lets say the actual cost of the drug is **less** than the minimum coinsurance for Tier 1 drugs?

- 31-day supply usual and customary price is \$15
- The minimum for Tier 1 is \$20
- You pay \$15

What if the cost is **more** than the minimum coinsurance for Tier 1 drugs?

- For a 31-day supply the contracted price is \$100
- The Coinsurance is 15% and the minimum amount for Tier 1 is \$20
- 15% of \$100 is \$15
- You pay \$20

Note: The \$4 generics from \$4 Generic Programs offered by some pharmacies will be \$4

HRA Prescriptions

Example 2 – Tier 2 Drug



What if the **cost** of the drug is **less** than the minimum amount for Tier 2 drugs

- For a 31-day supply the usual and customary price is **\$35.79**
- The minimum for Tier 2 is **\$50**
- You pay **\$35.79**

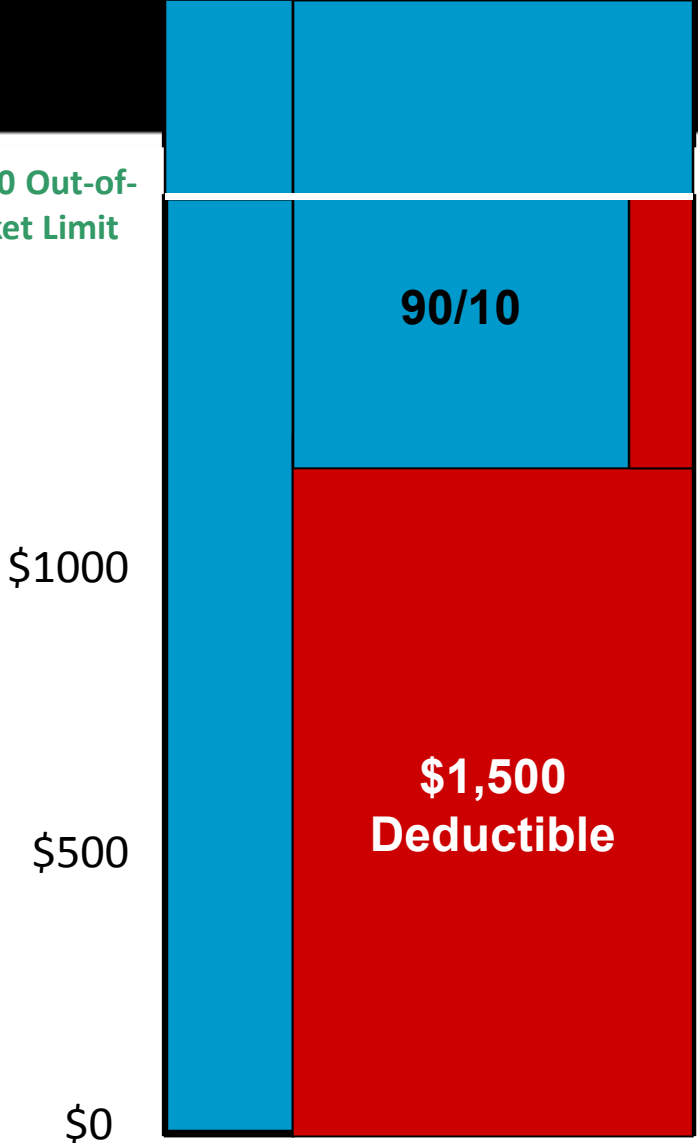
Cost of the drug when coinsurance applies for Tier 2 drugs

- For a 31-day supply the contracted price is **\$350**
- The coinsurance is 25% and the maximum amount for Tier 2 is **\$80**
- 25% of \$350 is **\$87.50**
- You pay **\$80**

The Wellness HDHP



\$2,400 Out-of-Pocket Limit



How it impacts your pocket

Annual Premium
(Cost to Join Plan)



\$798
(\$66/mo)

How to Decide?

General Cost Guidance



- HMO is now the most costly option for almost everyone except for those planning to have a baby. \$200 vision benefit is gone.
- HRA is best for healthy folks and everyone with:
 - a moderate number of prescriptions and doctor visits
 - a Disease State Management condition
 - an HRA account balance from years past.
- HDHP may be best for those with higher medical expenses.

An in-depth analysis of your personal situation



Visit <http://shbp.welcometouhc.com> to use a detailed cost calculator to see how each option works for your family's particular circumstances.

The screenshot displays the UnitedHealthcare website interface. On the left is a vertical navigation menu with the following items: '> About Your Benefits', '> Other Benefits', '> Find a Doctor/Hospital', '> Wellness Tools and Resources', '> Payroll Manager Resource Center', and '> HRA Information Center'. Below the menu is a blue button labeled 'Why Choose UnitedHealthcare?'. The main content area features a 'Health Care Lane' banner with a sign and a building in the background. The banner text reads: 'Health Care Lane. If you want answers to your health care questions, just take a stroll. A stroll down Health Care Lane, that is.' Below the banner is a blue button labeled 'Visit Health Care Lane'. To the right of the banner are page numbers '1 2 3'. Below the banner is a section titled '2012 Medical Benefit Plan Options' with a checkmark icon. The text reads: 'A UnitedHealthcare medical plan can give you the freedom to use any doctor or hospital in our nationwide network, including specialists, without a referral. You can locate network doctors easily at myuhc.com®.' Below this text are three links: '→ New Wellness Plan Options', '→ 2012 Benefit Plan Option Overview Presentation', and '→ HRA Wellness Plan'. To the right of this section is a 'Plan Cost Estimator' box, which is circled in red. The text in this box reads: 'Need help making your health plan decision? We can help you estimate the plan cost with our Plan Cost Estimator tool.' Below this text is a button labeled 'Go now'. At the bottom right of the screenshot is a section titled 'Quick links to cool tools'.

How the FSA fits in



Deposit \$67/Month

Reminder:
HRA costs \$552
less than the HMO

\$804

Enough to cover your
entire deductible

\$3,000 Out-of-Pocket Limit

\$1000

\$500

\$0

85/15

**\$800
Remaining
Deductible**

**\$500
HRA**

Preventative

Prescription

FSA and the HDHP



\$2,400 Out-of-Pocket Limit

Deposit
\$125/month

Reminder:
HDHP costs
\$672 less than
the HMO

\$1,500

Enough to cover your
entire deductible

\$1000

90/10

\$500

\$1500
Deductible

\$0

Flexible Spending Accounts



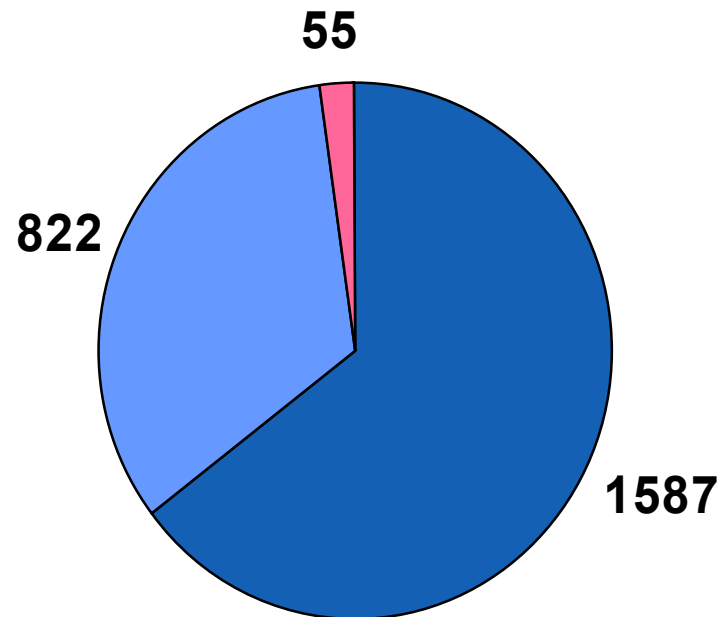
- Health and **Dependent (Day Care)** Care Accounts
- Pay for eligible expenses with before-tax dollars
- Avoid all taxes on every FSA dollar
- Great way to fund deductibles, copays and coinsurance
 - **Health Reform says you need a prescription even for OTC meds**
 - **Need to pay first, then file a claim w/Dr. authorization**
- New Provider in 2012 = new debit card and new place to send receipts
- ***Use it, or lose it***

Recap – Boosting your confidence



- Embrace Wellness
- Take advantage of evolving State Health Options:

PPO → OAP → HMO → HRA → HDHP



Consider



- Cost to join
- The Health Care you'll need
- What the plan will do for you
- Consult the SHBP *Decision Guide*

Opportunities to Save on Health Care



- Strongly Consider Change to HRA or HDHP Wellness Plan
- Flexible Spending Accounts
- Use 90-day mail order for maintenance meds
- Purchasing Prescriptions “Direct”
- Disease Management (DSM Program)
- Health Risk Questionnaire/Annual Physical
- Nurse Advice Line – 24/7
- **Peachcare for Kids**
- **Tricare Supplement for Military**

PeachCare for Kids



- Kids under 18 may be eligible to be covered under Peachcare for Kids.
- Benefits under PeachCare include dental, vision and health insurance at low premiums and low co-payments.
- Kids under 6 are free. Coverage is \$10 to \$35 for one child and a maximum of \$70 for two or more children living in the same household depending on your income.
- Go to www.peachcare.org or call 1 877-427-3224 to apply. Example: A family of four earning less than \$55,000 can qualify.

ZINGER ALERT: Sign your kids up for State Health during open enrollment, while you wait on Peachcare approval. If you are approved, you may drop State Health later, but you **cannot** add it back if your Peachcare application is not approved.

Tricare Supplement for Military Families



TRICARE Coverage

- Voluntary, member-pay-all supplemental health benefit
- Available to SHBP eligible individuals who are also eligible for TRICARE, the military health benefit program
- Ends when you turn 65

DEERS Number

- Members must provide a Defense Enrollment Eligibility Reporting System (DEERS) number

No Split Option

- Everyone in the family must be covered in Tricare

Eligibility for Children

- Must be single
- Age 19 - 23 must be a full-time student or if under age 26 if enrolled in the TRICARE Young Adult Program

New Dental Plan Design Overview



Low Option

High Option

	Benefits	Benefits
Type A	100% no deductible	100% no deductible
Type B	60%	80%
Type C	50%	\$50%
Deductibles/ Maximum	\$75/\$750	\$50/\$1,500

Orthodontia

50%/\$750 Lifetime

50%/\$1,500 Lifetime

Note: You can join the new plan for 2012 with no restrictions

Dental Benefits



Expense	Service	Such as
Type A	Preventive	check-ups, cleanings, x-rays
Type B	Routine	fillings,space maintainers, simple extractions
Type C	Major	root canals, crowns, bridgework and dentures

Orthodontia is considered separately

Dental – Much Lower Rates

after Board contribution



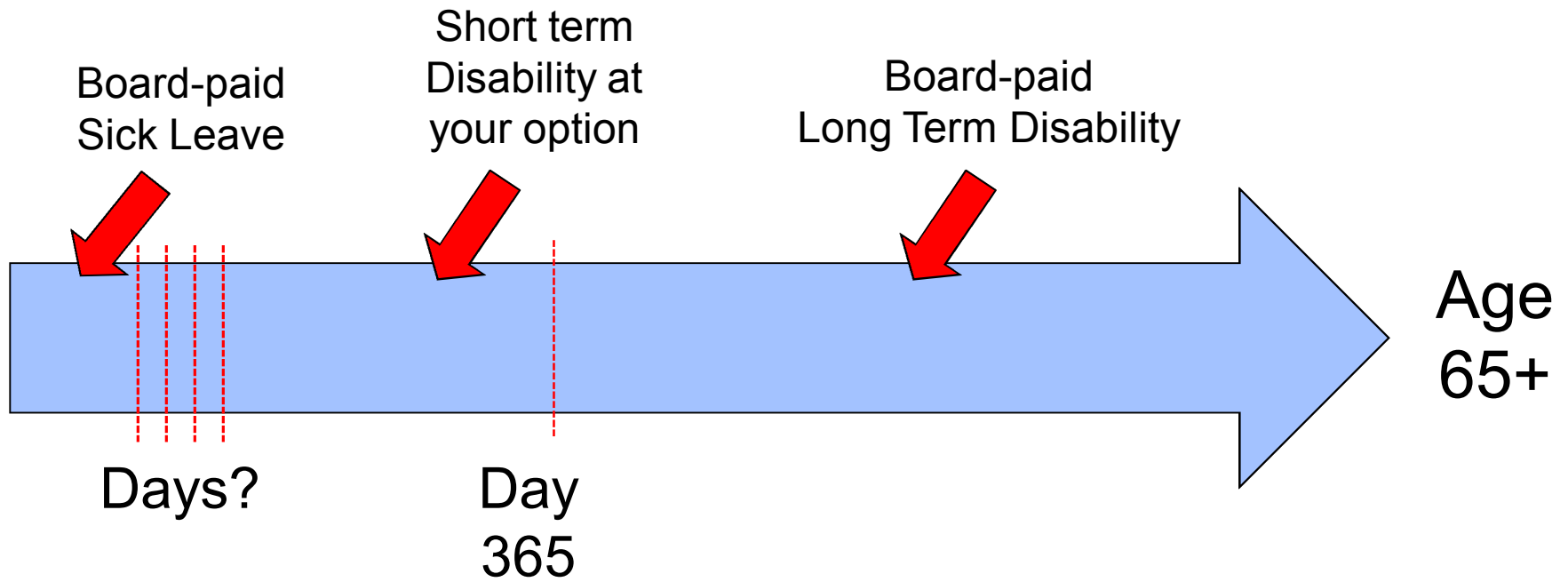
LOW OPTION

	Employee Only	Employee + Spouse	Employee + Child(ren)	Family
Current	\$13.44	\$31.36	\$31.36	\$52.04
New	\$10.07	\$25.46	29.31	\$49.75

HIGH OPTION

	Employee Only	Employee + Spouse	Employee + Children)	Family
Current	\$25.92	\$55.52	\$55.52	\$91.28
New	\$17.37	\$40.21	\$45.81	\$73.71

Protecting your pay



Board-funded Sick Leave

How many days do you have now?



Employees accumulate a maximum of 100 days

9 month employees	10 days/year
10 month employees	13 days/year
11 month employees	14 days/year
12 month employees	15 days/year

Short Term Disability Coverage



- Pays *after your sick leave* for up to *one year*. . .
- Your “benefit start date” should reflect your sick days
- Remember sick days are work days
- Select the monthly benefit you want
- Buy only what you need!

Short Term Disability

A later benefit start date lowers your cost



Benefit Start Date	Rate/\$100 of Monthly Benefit	Cost for \$2,000 Monthly Benefit
7	\$1.45	\$29.00
14	\$1.25	\$25.00
30	\$ 1.10	\$22.00
45	\$.96	\$ 19.20
60	\$.86	\$ 17.20

\$11.80 Savings

Board-paid Long Term Disability

Protecting Your Pay for the Long Haul



- Entirely Board-paid
- Pays after your Short-term Disability expires
- Benefit assures 60% of your pay
- Payable from one year to age 65

Some final reminders



- Networks are still important!
 - Both UHC and CIGNA have strong networks in Houston County
 - Check each carrier's online lists to be sure your doctor is in and your prescription is on the approved list
- Review the State Health Decision Guide (*online only*)
- Check out your Open Enrollment Flyer
- Login starting October 11 (*get to State Health through our site*)
- Open Enrollment ends on **November 10** at 4:30pm

Questions?



chris.gibson@hcbe.net

