

# OPEN ENROLLMENT

PLAN YEAR 2012

# HR Personnel

- HIPAA (protects your private health information)
- Sydney Covey – ext. 7437
- Katherine McGuire – ext. 5019
  - Benefit Explanations
  - Claim Questions
  - Family Status Changes
- Darlene McAndrew – ext. 7201
- Shirley Montgomery – ext. 7296
  - Retirement Questions
  - Retirement Planning
  - Retiree Benefits

# Health Care Reform

- March 23, 2010, President Obama signed into law the Patient Protection and Affordable Care Act
- March 30, 2010, President Obama signed into law the Health Care and Education Reconciliation Act
- These two Acts will require sweeping health care reform which will impact :
  - Insurance Companies
  - Health care providers
  - Employers (City of Plano)
  - Individuals (You)

# Health Care Reform

- Changes are coming
- Final Federal Regulations (Rulings) have not been released
  - Between 2012 and 2018
  - **Changes in plan offerings and cost**
  - Changes in options for where you may obtain coverage – State Exchanges
  - Mandate for individual coverage – or YOU pay penalty (Currently in the Appeals Courts Likely headed to Supreme Court)
  - Cost to provide benefits
    - Increase Cost to the City through benefit mandates and taxes/fees/additional reporting requirements
    - Employers NOT required to provide coverage, but may be taxed if they do not
    - Increase Cost to You through increasing medical costs, premiums and taxes

# Health Care Reform

- City of Plano will provide you information
  - Health Care Reform will change both the Cost and the Plan Offerings
  - How it impacts the City future decisions
  - How it impacts you individually
    - What are your options and responsibilities
    - How it will impact you financially
    - So you can make an informed decision that best fits your family's needs

# Health Care Reform – 2012 Changes

- New 4 page Plan Summary required (final guidance still to be released) coming March 2012
- New fee on health plan coverage for outcome-based research (\$2/yr./participant; \$1 fee in first year)
- W-2 reporting (on statement January 2013)
  - Medical plan benefit value (for informational purposes only and NOT considered taxable income at this time)
  - Amount shown on January 2013 will be more than you pay in premium during 2012

# Medical Plan

- **CURRENT PLAN COVERAGE (IN-NETWORK)**
  - Annual Wellness Physical – covered at 100%  
(NO \$25 Office Visit co-pay)
  - Labs – 100%
  - Mammograms – 100%
  - Vaccinations – 100%
  - Wellness Colonoscopy – 100% unless removal of polyps, then deductible and co-insurance apply

# Medical – Rates 2012

- No Increase in Premium

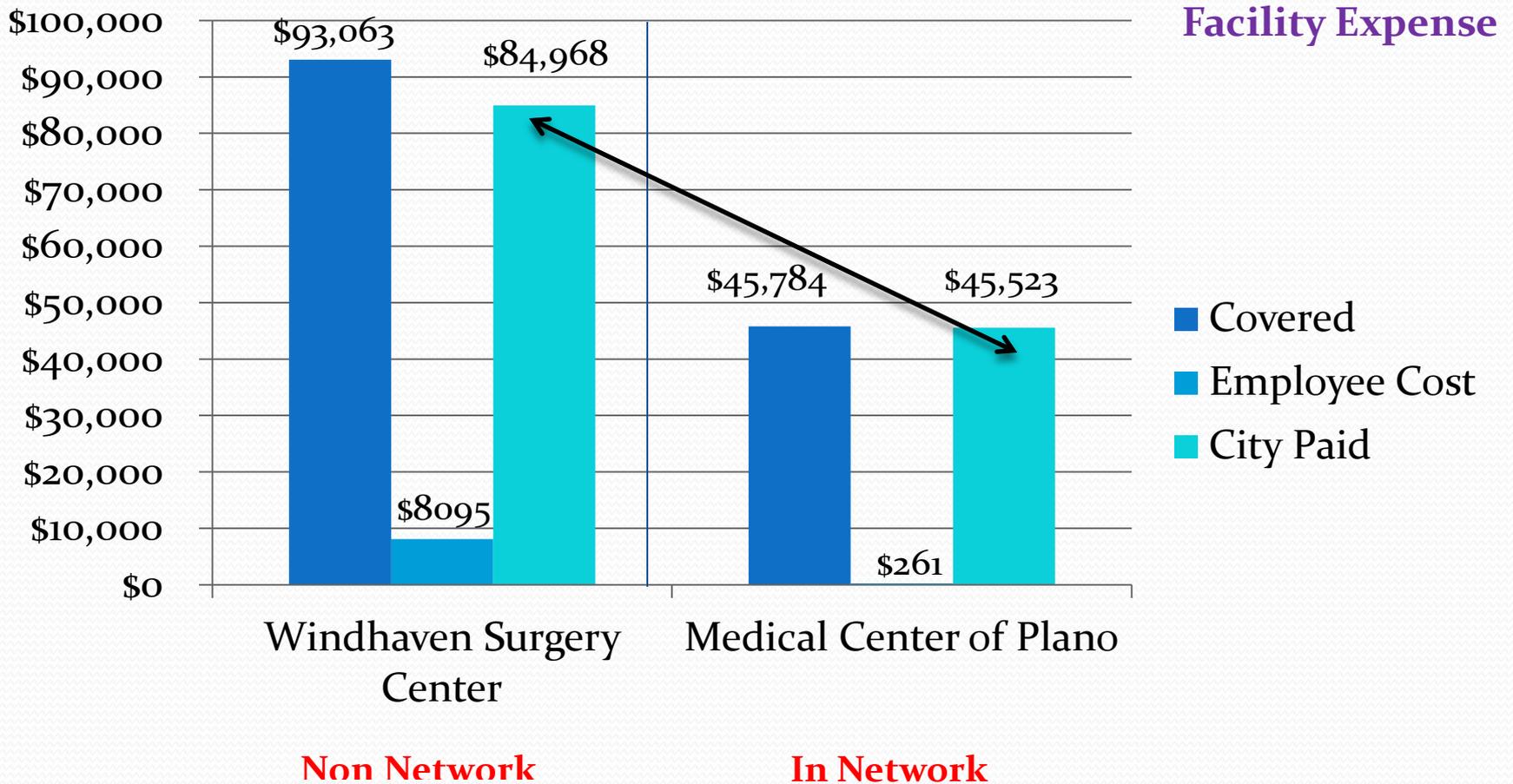
<b>Monthly</b>	<b>Employee</b>	<b>City</b>
Employee only	<b>\$50</b>	\$448
Employee + Spouse	<b>\$248</b>	\$1040
Employee + Children	<b>\$156</b>	\$765
Family	<b>\$390</b>	\$1466

# Medical - Non-Network Change

- Non-Network benefits will be paid based on 110% of the published rates allowed by Medicare, rather than Usual and Customary charges
- Doctors, facilities and labs that do not participate in our network are free to set their prices for the care and services they provide – rather than contracted rates with UHC
- The non covered portion of charges will not be applied to your deductible or toward out of pocket maximum
- Members who use a non-network physician or facility may have a greater financial responsibility

# Network Matters — **What a difference Network makes**

## Actual City of Plano Experience for 2010



# 110% of Medicare Reimbursement

## Actual City of Plano Experience - 2010

Facility Name	Procedure	Billed Charges	Medicare Rate	110% of Medicare	You could owe
Hospital at Craig Ranch	Nasal Septum Repair	\$12,606	\$617	\$679 (\$5,870)	\$11,927
Windhaven Surgery Cnt	Neck Spine Disk	\$59,585	\$1,774	\$1,951 (\$52,571)	\$57,634
Surg Cnt of Richardson	Hernia Repair	\$31,144	\$1,578	\$1,736 (\$22,621)	\$29,408
Precision Surgery Cnt	Gall Bladder Removal	\$17,273	\$733	\$806 (\$9,338)	\$16,467

(\$\$ City of Plano Plan Paid in 2010)

# Non-Network – Emergency Reimbursement

- This reimbursement approach does NOT apply to Out-of-Network Emergency Care or Services

# NETWORK MATTERS

## Stay in Network

- Benefits for In-Network doctors and facilities are the same

**Only Out-Of-Network benefits are changing**

- What do you need to do?
  - Check [myuhc.com](http://myuhc.com) to verify In-Network
  - Call UHC – Customer Service number on the back of your card

# Pharmacy – CVS/Caremark

- **NO CHANGES TO PHARMACY BENEFIT**
- **NO CHANGES IN YOUR COPAYS OR LIMITS**
  - Mandatory Mail Order for Maintenance Drugs – Maintenance Choice (CVS Retail at Mail Order prices)
  - Tier 4 for Specialty Drugs - \$120 Co-pay with limit of 30 days
  - \$100 Family Deductible
  - Maximum Out of Pocket \$2500 per person
  - **Mandatory Generics - Cost plus the difference between the brand and generic alternative up to a maximum total copay of \$360 for a 90 day supply**

# Expiring Drug Patents

- The next 14 months will bring GENERIC versions of 7 of the world's 20 best-selling drugs
- Mandatory Generics - Cost plus the difference between the brand and generic alternative up to a maximum total copay of \$360 for a 90 day supply
- Opportunity to save money – Switch to GENERIC
  - **Q4, 2011 – Lipitor (COP #4 in Cost)**
  - Q1, 2012 – Lexapro (COP #12 in Cost)
  - Q2, 2012 – Plavix (COP # 22 in Cost)
  - Q3, 2012 – Tricor (COP #17 in Cost)
  - Q3, 2012 – Singular (COP #5 in Cost)
  - Q3, 2013 – Temodar (COP # 3 in Cost)
  - Q4, 2013 – Cymbalta (COP #9 in Cost)
  - **Q4, 2014 – Nexium (COP #2 in Cost)**

# Pharmacy – CVS / Caremark

**Family Deductible - \$100**

**\$2500 Max. OOP/Person**

<u>Retail (30 Day Supply)</u>	<u>Coinsurance</u>	<u>Minimum</u>	<u>Maximum</u>
<b>Tier 1 - Generic</b>	15%	<b>\$6</b>	<b>\$15</b>
<b>Tier 2 - Brand Preferred</b>	25%	<b>\$30</b>	<b>\$45</b>
<b>Tier 3 - Brand Non Preferred</b>	40%	<b>\$45</b>	<b>\$60</b>
<b>Tier 4 - Specialty</b>	NA	<b>\$120</b>	<b>\$120</b>
 <u>Mail (90 Day Supply)</u>			
<b>Tier 1 - Generic</b>	15%	<b>\$12</b>	<b>\$30</b>
<b>Tier 2 - Brand Preferred</b>	25%	<b>\$60</b>	<b>\$90</b>
<b>Tier 3 - Brand Non Preferred</b>	40%	<b>\$90</b>	<b>\$120</b>
<b>Tier 4 - Specialty</b>	NA	<b>NA</b>	<b>NA</b>

# Pharmacy – CVS/Caremark

- **MAIL ORDER PAYMENT PROCESS CHANGE – effective January 1, 2012**
  - Payment is required at the time you place your order
  - Past due balances must be paid
  - Order without payment or payment method specified will not be processed
- Payment methods – WATCH FOR LETTER IN THE MAIL
  - Electronic check processing
  - Credit or debit card
  - Check or money order

# Dental – Rates 2012

- **No increase in Dental premium**
- **No changes to Dental benefit**
- **Coverage for Children to age 26**

<b>Monthly</b>	<b>Employee</b>	<b>City</b>
Employee Only	<b>\$13.44</b>	\$20.16
Employee + Spouse	<b>\$33.60</b>	\$33.60
Employee + Children	<b>\$44.52</b>	\$40.32
Family	<b>\$71.16</b>	\$57.78

# Vision – UHC

- **No increase in Vision premium**
- **No changes in Vision benefit**

<b>Monthly</b>	
Employee	<b>\$9.68</b>
Employee + Spouse	<b>\$15.48</b>
Employee + Children	<b>\$15.84</b>
Family	<b>\$25.48</b>

# Flexible Spending Accounts

- You can help offset increases in your cost by participating in FSA
- You can set aside money in Pre-Tax Dollars for:
  - Health Care Premiums – automatic
  - Health Care Reimbursement Plan
    - Eligible health care expenses
  - Dependent Care Reimbursement Plan (**day care**)
    - Eligible dependent day care expenses
  - Administered by United Healthcare

# FSA – Health Care Reimbursement

- Set aside up to \$5,000
  - Effective January 1, 2013 limit will be \$2,500 (indexed after 2014)
- Minimum \$12.50 per pay period, before taxes from your salary per year in an account to reimburse for eligible health care expenses that the medical, dental, vision or Rx plan doesn't cover:
  - Deductibles
  - Coinsurance
  - Copays
  - Over the counter medications **with prescriptions only**
- More information on the Planonet under Benefit Information/FSA

# FSA – Dependent Care

## Reimbursement

- Contribute up to \$5,000 per year (\$2,500 if married and filing separately)
- Obtain reimbursement for eligible dependent day care expenses
- Proof of expense and Tax ID of care provider required on claim form
- Eligible care includes expenses subject to taxation for:
  - Day care for children or adults
  - Care in or out of your home

# FSA – Dependent Care Reimbursement

- Expenses to allow both spouses to work
- Eligible dependents include:
  - Children under age 13
  - Spouse, parent or child over age 13 who live with you and cannot care for self
- Reimbursement Claim Forms can be found at [www.myuhc.com](http://www.myuhc.com) or on Planonet

# Long Term Disability – Buy Up

- City provides LTD up to 40% of pre-disability income
- Buy Up – additional 10% or 20% of pre-disability income
- Plan premiums are based on salary so you will see an increase in premiums due to merit increases
- If you are increasing the amount of coverage, you are required to complete the Standard's Medical History Statement at:  
[www.standard.com/mybenefits/mhs\\_ho.html](http://www.standard.com/mybenefits/mhs_ho.html)
  - **Group Name: City of Plano**
  - **Policy # 640747**
- By 4:00 p.m. Wednesday, October 19, 2011

# Hospital Gap

- **No increase in Gap premium**
- **No changes in Gap benefit**
  - Reimburses:
    - 5 office visit copays (\$125) per family per year
    - \$200 for outpatient treatment
    - Inpatient hospital stay up to the plan level enrolled in (\$500, \$1000, \$1500)
- See premiums listed in Open Enrollment Workbook

# Hospital Gap

## Paper Enrollment Form

- Requires Paper Enrollment Form in addition to On-Line Enrollment
  - If **NEW** enrollment
  - If making a **CHANGE** to current coverage
  - Form Located on Open Enrollment website
- ***Not making a change – NO FORM NEEDED***

COMPLETED FORMS DUE IN HR NO LATER THAN 4:00 PM,  
WEDNESDAY, OCTOBER 19, 2011

# On-Line Open Enrollment

- Online enrollment is MANDATORY for all Full-Time Employees
  - Please enroll even if you are selecting “waive”
- Enroll through People Soft
  - At Home or from Work
- All instructions are in the **Online Workbook**
- Vendor Brochures and Hospital GAP Paper Enrollment Form available online

**October 3 – October 19, 4:00 pm**

# Changes on On-Line Enrollment

- For your convenience your current 2011 elections have been “Pre-Entered” as your new 2012 elections for all plans except the Flexible Spending Accounts.

Enrollment Summary				
Medical		Before Tax	After Tax	<input type="button" value="Edit"/>
2011:	United Healthcare Core:Emp +Child			
2012:	United Healthcare Core:Emp +Child		78.00	

- Please select **Edit** to review each plan option to ensure **CORRECT** dependents are enrolled and no changes are needed.
- You must **SUBMIT** your enrollment elections

# Dependent Eligibility Documentation On – Line **ALERT** Message

- Appears only if documentation has not been received
- Adding new dependent
- During the Enrollment process in PeopleSoft:

**Alert:** Human Resources Department still needs documentation from you concerning this dependent. Dependent eligibility documentation for the dependent (i.e. Marriage license, birth certificate, etc) must be submitted to the Human Resources Department no later than October 19, 2011. Failure to provide the requested information by the deadline will result in **NO COVERAGE** for this dependent for the Plan Year 2012.

# Dependent Eligibility Documentation

- Refer to page 86 in your Summary Plan Document:  
Definition of Dependent
- Typical Documents:
  - Marriage license
  - Birth certificate
  - Court Order

# Beneficiary Update

- Update your Beneficiaries when event occurs
  - Marriage, Divorce, Death
- Data not maintained in PeopleSoft
- Forms on Planonet at the HR homepage or on Employee Benefits Website

# Confirmation Statements

- Confirmation Statements will be sent out the end of October
- **CHANGES Only – send to HR by November 9**
- Check on-line through PeopleSoft at Employee Self Service to review your elections at any time

# Important Dates

- Open Enrollment begins **October 3, 2011**
- Open Enrollment ends **October 19, 2011**
  - **Elections must be entered by 4:00 pm**
- Coverage begins January 1, 2012
- Payroll deductions begin December 8, 2011

# Websites

- Open Enrollment Website

[www.plano.gov/departments/hr/openenrollment2012](http://www.plano.gov/departments/hr/openenrollment2012)

- Employee Benefits Website – available to you 24/7 from home or work location

[www.plano.gov/departments/hr/employeebenefits](http://www.plano.gov/departments/hr/employeebenefits)