

# 2020 Annual Benefits

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## Open Enrollment







# Renewal Process

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## **February/March**

- Strategy discussions & planning begin

## **March/April/May**

- Review benchmark data
- Consider market trends for potential changes

## **June**

- Utilization review takes place

## **July**

- Preliminary budget discussions
- Plan option modeling

## **August**

- Final budget discussions
- Contribution modeling

## **September**

- Final plans confirmed & communicated to carriers

## **September & October**

- Communication materials are created
- Open enrollment meetings scheduled

## **November**

- Open enrollment takes place

# Healthcare Cost & Trend

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General factors that affect trend:

- Inflation: rate at which cost for medical goods and services increase
- Utilization: as utilization increases, so does medical trend
- New technology: costs tend to increase with advancement in technology

Recommended trend rate for medical & pharmacy is 5 - 7%

# Market Trends

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- Utilization management features
- Pharmacy management
  - Pharmacy drug lists, step therapy, prior authorizations
- Consumer driven health plans
- Decision support tools and consumer education
- Telemedicine



# Benchmarking

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Review Lockton book of business data

College and university specific data at the carrier level

CUPA survey data

# Topics

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- 2019 Plan Features Continuing In 2020
- What's changing effective January 1, 2020
- Medical Plans
- Health Savings Plan (HSA)
- Flexible Spending Account (FSA)
- Dental Plan
- Vision Plan
- Supplemental Life Insurance
- Wellness Program
- Employee Assistance Program (EAP)
- Next Step!

# 2019 Plan Features Continuing In 2020

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- Enhanced Medical Management Program
  - Pre-certifications for inpatient/outpatient procedures
- Enhanced Pharmacy Management Program/Pharmacy Drug List
- Value Drug List
  - Select Brand name OTC drugs will be dispensed as a generic drug
  - Pre-authorization for specialty drugs
  - Pharmacy network change
  - Cigna 90 Now Program
    - Maintenance drugs prescribed as 90 supply must be filled at a network pharmacy provider, i.e. CVS is in-network, Walgreens is out-of-network



# What's changing effective January 1, 2020

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- Premiums
- Medical Premium Subsidy
- Delta Dental
  - Preventative Care Allowance
  - Composite Fillings
  - Bitewing X-Rays
- Group Dynamic Inc. (GDI) – New Flexible Spending Account (FSA) Provider

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# *Medical Plans*

# Medical Plans

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- Wesleyan will continue to offer three health plans through Cigna:
  - Open Access Plan - OAP
  - Open Access In-Network Plan - OAPIN
  - High-Deductible Health Plan with a HSA option - HDHP
    - Employee choice
    - Tax preferred opportunity to save for future healthcare needs
    - More employee control over health care expenditures
    - Portability
- Telemedicine
- Dependents are covered up to age 26  
(coverage will terminate at the end of the month following 26<sup>th</sup> birthday)

# Key Plan Definitions

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**Copay** - A fixed amount you pay for a covered health care service at the time you receive the service. Applied to out of pocket maximum, not deductibles.

**Coinsurance** –Your cost share after the deductible is met. For example, if the health insurance plan's allowed amount for an office visit is \$100 and your coinsurance is 20% after deductible, you pay 20% of \$100 or \$20 and the plan pays \$80% or \$80.

**Deductible** - The amount you pay for healthcare services before your health insurance begins to pay. For example, a \$500 deductible, requires you pay the first \$500 of covered services before any applicable copays or coinsurance applies.

**In-Network** - A group of doctors, clinics, hospitals and other healthcare providers that have an agreement with a medical plan provider. You'll pay less when you use in-network providers.

**Out-of-Pocket Maximum** – The maximum cost you will pay in deductibles, coinsurance and copays. Once met, your health plan pays 100 percent of the costs of covered benefits. However, you must pay for certain out of-network charges above reasonable and customary amounts.

# OAP/OAPIN Deductible and Out of Pocket Maximum

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- There is a \$500 individual/\$1,000 family deductible. And \$1,500 individual and \$3,000 family out of pocket maximum.
- One family member will not be required to satisfy the entire deductible/out of pocket maximum before benefits become payable.

Example:

- Employee incurs \$550 in deductible expenses on Feb 1<sup>st</sup>. Deductible related services for this employee are now covered.
- Spouse incurs \$350 in deductible expenses on Sept 1<sup>st</sup>
- Child incurs \$100 in deductible expenses on Sept 10<sup>th</sup>

Deductible related services are now covered as of Sept 10<sup>th</sup> as the full \$1,000 family deductible was met.

If the deductible had not been embedded, coverage for the employee would not have been covered until Sept 10<sup>th</sup> when the full \$1,000 was met.

Same concept applies to the out of pocket maximum amounts of \$1,500 and \$3,000.

# HDHP Non Deductible and Out of Pocket Maximum

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- There is a \$1,500 individual / \$3,000 family deductible and \$3,000 individual and \$6,000 family out of pocket maximum
- There is no individual limit built into the family deductible or out of pocket maximum.

Example:

- Employee incurs \$1,500 in deductible expenses on Feb 1<sup>st</sup>
- Spouse incurs \$1,000 in deductible expenses on Sept 1<sup>st</sup>
- Child incurs \$500 in deductible expenses on Sept 10<sup>th</sup>

Coinsurance/copay coverage begins on Sept 10<sup>th</sup> because the full \$3,000 family deductible is met

Once the family reaches the \$6,000 out of pocket maximum, services for all family members are covered at 100% for the remainder of the calendar year

# What is a High-Deductible Health Plan (HDHP)

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- A medical and prescription plan with an up-front deductible applicable to all eligible medical and pharmacy expenses with the exception of preventive care.
- This plan can be combined with a Health Savings Account (HSA) if you meet the eligibility requirements.

# Wesleyan 2020 Pharmacy Plan Design Review

	OAPIN	OAP	HDHP (after deductible has been meet)
<ul style="list-style-type: none"> <li>Retail limited to 30-day supply - 90-day supply available at select pharmacies who participate in the Cigna 90 Day Now program</li> <li>Home Delivery – up to 90-day supply including specialty drugs</li> <li>Pre-authorization for specialty drugs</li> </ul>			
Retail 30-day:  <div>Generic:</div> <div>Preferred Brand:</div> <div>Non-Preferred Brand:</div>		20% - min. \$ 5, max. \$50 25% - min. \$15, max. \$50 25% - min. \$20, max. \$50	
Retail & Home Delivery 90-day:  <div>Generic:</div> <div>Preferred Brand:</div> <div>Non-Preferred Brand:</div>		20% - min. \$10, max. \$100 25% - min. \$30, max. \$100 25% - min. \$40, max. \$100	



# Wesleyan 2020 Medical Plan Design Review

	OAPIN	OAP	HDHP
Deductible Format	Individual	Individual	Family
In-Network Deductible	\$500 / \$1,000	\$500 / \$1,000	\$1,500 / \$3,000
Out-Of-Pocket Maximum	\$1,500 / \$3,000	\$1,500 / \$3,000	\$3,000 / \$6,000
Matching HSA Contribution (100% match up to the limits shown)	N/A	N/A	\$500
Coinsurance (In-Network/Out-of-Network)	100%	100% / 70%	100% / 80%
Office/Specialist/Urgent Care Copays	\$25 / \$35 / \$40	\$25 / \$35 / \$40	Deductible
Inpatient	Deductible	Deductible	Deductible
Outpatient	Deductible	Deductible	Deductible
Emergency Room	\$200	\$200	Deductible
Preventative Care	Healthcare Reform Schedule	Healthcare Reform Schedule	Healthcare Reform Schedule

# 2020 Monthly Medical Employee Premiums

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	OAPIN	OAP	HDHP
Employee	\$270.08	\$320.50	\$198.20
Employee + 1	\$589.55	\$698.81	\$432.64
Family	\$730.22	\$865.50	\$535.88

2020 Premium Subsidy Eligibility: Employees whose annualized full time base salary is less than or equal to **\$61,642.00**. Subsidy credits are applied to the employee paycheck based on pay frequency.

	Monthly Subsidy
Employee	\$67.88
Employee + 1	\$146.11
Family	\$180.09

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# *Health Savings Account (HSA)*

# Health Savings Account

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- An HSA is an individually owned back account that allows you to set aside pre-tax dollars to pay for qualified out of pocket expenses.
- The employer and employee can make tax-free deposits into an HSA.
- Any unused funds roll over year to year.
- You decide how and when to use the money available in the account.
- HSAs can be used to cover:
  - Insurance deductibles, copays and coinsurance
  - Qualified health care expenses (including dental & vision)
- 2020 HSA contribution limit is a flat dollar amount
  - \$3,550 for individual \*
  - \$7,100 for family \*for 2020
- Wesleyan matches employee contributions up to \$500 annually. This is accounted in the contribution limit noted above.
- Those age 55 or over can contribute an additional \$1,000 annually.

# Why choose a HSA?

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## Easy win in today's complex health care system:

- Save now:
  - HDHP have lower monthly insurance premiums
  - HSA deposits are made on a pre-tax basis
  - Typically lowers income tax liability
- Save for the future:
  - HSA funds rollover from year to year, no “use it or lose it” feature
  - No overall fund maximum
  - You keep the money even if you change jobs or insurance plans
  - Tax-free interest earned
  - Comprehensive and easy investment options
- Same doctors, same network








# How to contribute to your HSA

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- Make pre-tax contributions through payroll deductions
  - Change your payroll contributions at any time
  - Employer match will only be available to match pre-tax payroll deductions
- Make post-tax contributions directly to HSA Bank online or by sending a check. You can then deduct when filing your taxes.
- Can make contributions until April 15<sup>th</sup> for the previous tax year



# Who is eligible for a HSA?

	Eligible	Ineligible
Enrolled in High-Deductible Health Plan		
Enrolled in non-HDHP plan, such as OAPIN/OAP		
Enrolled in Medicare or TRICARE		
Received VA or Indian Health Services benefits in last 3 months		
Enrolled in a full Flexible Spending Account (FSA), or covered under spouse/partner's FSA		
Individual or spouse/partner participating in HRA		
Claimed as dependent on another's tax return		

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# *Flexible Savings Account (FSA)*



Benefit Strategies will administer the run out grace period. If you have a 2019 balance, you must submit any expenses for reimbursement to Benefit Strategies.

# Flexible Spending Accounts

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## **Group Dynamic Inc. (GDI) – New Plan Administrator**

### **Medical Expense Reimbursement Account (MERA)**

This plan allows you to pay for eligible out-of-pocket expenses with pre-tax dollars. Eligible expenses include plan deductibles, copays, coinsurance, and other non-covered medical, dental and vision healthcare expenses for you and your dependents

The 2020 maximum annual MERA limit is \$2,700 (IRS may update the contribution limit)

### **Dependent Care Account**

This plan allows you to pay for eligible out-of-pocket dependent care expenses with pre-tax dollars. Eligible expenses may include daycare center, in-home child care, and before or after-school care for your dependent children under age 13 (other individuals may qualify if they are incapable of self-care and are considered your taxable dependents)

The 2020 maximum annual Dependent Care limit is \$5,000 (\$2,500 if married and filing separately)

# HSA vs FSA

	Health Savings Account (HSA)	Flexible Spending Account (FSA)
Medical Plan Design	Must meet federal design mandates	No plan design requirements
2020 Contribution Limits	Employee + employer contribution limits of <b>\$3,550 single</b> and <b>\$7,100 family</b> , plus \$1,000 employee catch-up contribution if age 55+	Set by employer, but no more than <b>\$2,700</b> (IRS may update the contribution limit)
Source of Contributions	Employee and/or Employer	Employee
Employer Contribution	<b>Up to \$500</b> of employee contribution for employee and family tier levels	None
Ability to Change Payroll Deductions	Unrestricted; limit to monthly changes	Annual election; change allowed with Qualified Life Event only
Year End Account Balance	Contributions & earnings carryover	Use or Lose
Portability of Account	Yes	None
Investment of Contributions	Available after HSA balance reaches \$1,000	NA
Tax-Free Reimbursement or Distributions	Qualified health expenses. Also allows payment of premiums for COBRA and Medicare	Qualified health expenses. Payment of premiums not allowed
Taxable Distributions	If reimbursed for other than qualified healthcare expense prior to age 65	NA

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# *Dental Plan*

# Delta Dental

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- Delta Dental of NJ/CT will remain our dental provider
- No increase in premiums
- Preventative care will stand alone – no longer included in the \$1,200 annual allowance
- Bitewings x-rays 1 time per year, if over the age of 19
- Full month x-rays 1 time every 5 years



# Delta Dental Plan

Plan Features	Delta Dental PPO Plus Premier Plan
Annual Deductible	Individual \$50 Family \$150
Preventive Care (No deductible & not included in \$1,200 annual allowance)	100%
Basic Services	80%
Major Services	50%
Annual Maximum Benefit	\$1,200
Orthodontia	50%
Orthodontia Lifetime Maximum	\$1,500 (Adults & Dependent Children)
Dependent Coverage	Dependents will be covered up to age 26 (coverage will terminate at the end of the month following 26 <sup>th</sup> birthday)

## 2020 Monthly Dental Employee Premiums

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	Delta Dental
Employee	\$20.18
Employee + 1	\$38.05
Family	\$72.21

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# *Vision Plan*

# EyeMed

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- EyeMed will remain our vision provider
- No increase in premiums
- EyeMed covers hardware only – lenses/frames/contact lenses
- Eye exams are covered under the medical plans
- Vision plan is 100% employee funded





# EyeMed Plan

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Plan Features	EyeMed
<b>Frames</b>	\$0 copay, \$150 allowance: 20% off balance over \$150
<b>Standard Corrective Lenses</b> <ul style="list-style-type: none"><li>• Single Vision</li><li>• Bifocal</li><li>• Trifocal</li></ul>	\$20 \$20 \$20
<b>Premium Lenses</b> <ul style="list-style-type: none"><li>• Stand Progressive</li><li>• Premium Progressive</li></ul>	\$85 80% of charge less \$35 allowance
<b>Contact Lenses</b> <ul style="list-style-type: none"><li>• Medically Necessary</li><li>• Elective</li></ul>	\$0 copay, \$150 allowance: 15% off balance over \$150 \$150 allowance: 15% off balance over \$150
<b>Frequency</b> <ul style="list-style-type: none"><li>• Frames</li><li>• Standard Plastic Lenses or Contacts</li></ul>	Once every 24 months Once every 12 months

# 2020 Monthly Vision Employee Premiums

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	EyeMed
Employee	\$4.71
Employee + 1	\$8.94
Family	\$13.13

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# *Supplemental Life Insurance*

# Unum Supplemental Life Insurance Plans

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Unum administers our supplemental life insurance plans

- Supplemental Employee Life: can be purchased up to 5 times an annual salary not to exceed \$750,000
- Supplemental Spouse Life: can be purchased up to \$100,000
- Supplemental Child Life: \$5,000
- Evidence of Insurability (EOI) application is required and must be approved by Unum

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*Wellness Program*  
&  
*Employee Assistance Program*  
(EAP)

# Wellness Incentive Points Program

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Wesleyan's Wellness Incentive Points Program rewards individuals dedicated to improving their health and well-being. You can earn points by actively participating in health improvement programs and activities that can then be redeemed for cash payments. Benefit eligible faculty, staff, spouses and partners are eligible to participate and earn points (up to \$150/each on a semi-annual basis).

Wellness points are entered through the new Wellness Points Tool which is available under "My Information" in your WesPortal account.



Note: To add or change a spouse or partner, please click the Spouse/Partner link at the top of the screen.

Cardinal Fit Program & Lunch-N-Learns

# Unum's Employee Assistance Program (EAP)

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Unum's EAP through Health Advocate provides Work/Life programs and gives employees access to licensed professional counselors and services for help with personal, family or work issues. Services such as:

- Stress, depression, anxiety
- Relationship issues
- Job stress, work conflicts
- Addiction, eating disorders, mental illness
- Child/Elder care services
- Eldercare services
- Financial/Legal



## Key Features

- Medical Bill Saver – service that can help negotiate out-of-pocket medical and dental expenses over \$400
- A host of additional services 24/7 access to master's level staff clinicians for information, assessment, short-term problem resolution and referrals.
- Up to 3 face-to-face counseling sessions.
- In lieu of face to face sessions, Health Advocate offers HIPAA compliant video counseling sessions.
- Health Advocate provides access to a national network of over 60,000 licensed EAP affiliates.

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*Next Steps!*



# Open Enrollment for Coverage Effective January 1, 2020

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## Be Informed...

View your benefit options through your WesPortal account under Open Enroll 2020, “My Information.” When you enter the 2020 Open Enroll panel, view and accept the Confirmation page. You will then be directed to a page titled “*Benefit Elections as of 1/1/2020.*” From this page, you will be able to click each of the benefit areas to enroll or change your enrollment.

If you do not elect to make benefit changes, your 2019 elections will roll over to 2020. However, you must re-enroll in the MERA, Dependent Care and HSA plans.

## Take Action...

The Open Enrollment period will begin on November 1, 2019 and end on November 15, 2019, at midnight.

**Note:** You must click the “SAVE” button on each page you are making a change or an election in order for them to be saved and displayed on the summary page.

# Questions?

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Questions on your 2020 benefits or the enrollment process?

- ✓ View the Open Enrollment materials - HR webpage at [2020 Open Enrollment](#)
- ✓ Send an email to [benefits@wesleyan.edu](mailto:benefits@wesleyan.edu)
- ✓ Drop-In Benefits Session
  - ✓ November 14<sup>th</sup> – NC 4<sup>th</sup> Room 422, 3:00 pm – 5:00 pm
  - ✓ November 15<sup>th</sup> – NC 4<sup>th</sup> Room 422, 11:30 pm – 1:30 pm

