

Open Enrollment Guide 2012

Open Enrollment begins on **Monday, May 7th** and will run through **Friday, May 25th, 2012**. The 3-year rule for remaining in the same plan after making a change has been waived for this Open Enrollment period. Our annual Open Enrollment period provides all benefits-eligible employees an opportunity to make changes in the following benefit plans:

- Medical/Dental
- Flexible Spending Accounts (FSA) – Medical and Dependent Care

This packet is designed to provide you with information about your benefits and help you make informed benefit choices. We encourage you to spend time reviewing all the information in this packet. Even if you plan to stay with your current plan choices, this is a good time to examine your options and make sure you are selecting the best coverage for you and your dependents. There are many deliberate decisions you can make surrounding benefits that can improve both your physical and financial health.

If you do not take any action during this Open Enrollment period your medical/dental coverage will remain the same and you will not be enrolled in a Flexible Spending (FSA) plan. You must re-enroll in the FSA plan each year.

The University will be contracting with an outside firm to conduct a dependent audit in the early summer. The goal of the audit is to reduce our health care costs by eliminating claims for ineligible dependents covered by the University's health plans. Eligibility rules have changed so much with recent legislation that it can be easy for members to lose track of who actually qualifies as a dependent. Open Enrollment is the perfect time to review the plan's dependent eligibility requirements and voluntarily remove family members that do not actually qualify for coverage. The plan's dependent eligibility rules can be found at www.bsu.edu/benefits under the Open Enrollment 2012 tab.

Please see below for a chronological summary of the plan changes that will begin on July 1, 2012.

Effective July 1, 2012

In order to maintain the flexibility and scope to implement the necessary plan changes to achieve savings goals, the University has made the decision to forego its "grandfathered" status under PPACA (Patient Protection and Affordable Care Act).

Premium, Deductible, and Out-of-Pocket Maximum (OOPM) Changes

Please refer to the enclosed Health Plan Premium Rates Plan Year 2012-2013 and Summary of Benefits and Coverage sheets for details about these changes. Changes new to the 2012-2013 plan year are listed in a large, bold font.

Preventive Care Services

In compliance with PPACA regulations, preventive care services ***received at Encore/in-network providers*** will now be covered at no cost (no deductible and no coinsurance) to the employee. These services may vary based on age, sex, and personal history of the individual and are covered when consistent with PPACA’s guidelines. Preventive care is provided when there are no current symptoms or history of medical conditions associated with a particular screening. Examples of preventive screenings may include:

- Preventive yearly physicals and well-baby exams
- Preventive Immunizations (flu shot, Hepatitis, Pneumonia)
- Preventive mammograms, PSAs and pap smears
- Preventive colonoscopies

Please take advantage of these benefits. Illness hits us all eventually, but if caught early many, many diseases can be treated and good health can be returned quickly. Take the time to learn more about preventive health care - and most importantly, start working on your own healthy habits such as having regular physicals, eating right, exercising, and not using tobacco products. More information on PPACA’s preventive service guidelines can be found at www.healthcare.gov under the Prevention & Wellness tab.

Prescription Plan Changes

All of the changes below are designed to encourage the use of generic drugs and mail order, which ultimately results in savings for both the plan and the member.

- Two new drug categories (Dermatologicals and Hormones) will be added to our Step Therapy rules
- The Retail Refill Allowance (RRA) penalty will increase from 15% to 50% after the 3rd fill
- Member Pays the Difference (MPD) will be fully implemented for brand name drugs – if an equivalent, FDA approved, generic alternative is available and the brand is still requested by either the employee/member OR the doctor, the member will pay the difference between the generic and the brand name cost
- We will move to a 4-Tier Coinsurance/Co-pay Model – as illustrated below, the 4-tier model adds **preferred** and **specialty** tiers to our current model, as well as minimum and maximum co-pays

4-Tier Coinsurance/Co-pay Model	Retail (30-day supply)			Mail-Order (90-day supply)		
	%	Min.	Max.	%	Min.	Max.
Generic	20%	\$7	\$25	20%	\$15	\$65
Preferred Brand	30%	\$35	None	30%	\$70	\$110
Non-Preferred Brand	50%	\$60	None	50%	\$120	\$160
Specialty (Accredo)		\$110			\$110	

*Additional details regarding the prescription benefit changes are available at www.bsu.edu/benefits under the Open Enrollment 2012 tab.

Tobacco-Free Premium Discount

This benefit will provide a financial incentive for employees to maintain and/or begin a healthy lifestyle. A \$600 annual tobacco-free premium discount (pro-rated to a per pay amount) will be credited to employees who certify that they and their covered dependents have been tobacco-free for at least six months. Certification is achieved by completing and returning the enclosed Tobacco-Free Affidavit to the Payroll & Employee Benefits Office by **Friday, June 22, 2012**. The premium discount is also available to employees who successfully complete an approved tobacco-cessation program. Information about tobacco cessation programs and resources can be found at www.bsu.edu/workingwell. More details about the discount, including the *Tobacco-Free Premium Discount FAQ's* is available at www.bsu.edu/benefits under the Open Enrollment 2012 tab.

Emergency Room Services Subject to Deductible and Co-pay

Emergency room (ER) services will now be subject to the deductible for all health plans. Additionally, a \$100 flat co-pay will be charged for all emergency room visits that do not result in an admission. It may seem more convenient to just head to the ER for medical attention, but were you aware that the costs associated with an ER visit are substantially greater than a regular office visit with your doctor or Nurse Practitioner?

Medical and Dependent Flexible Spending Accounts (FSA)

The Patient Protection and Affordable Care Act (PPACA), commonly referred to as Health Care Reform, has imposed a limit on medical FSA's that will become effective during our 2012-2013 plan year. **The new limit on contributions to your medical FSA is \$2,500.** Employees using the dependent care (for daycare expenses) may still contribute \$5,000. Please remember that you must re-enroll each year to continue your FSA benefits and the deadline for turning in your enrollment form is **Friday, May 25th**.

Life Insurance/Accidental Death & Dismemberment Premiums

All of the employee premiums for the life and disability insurances will remain the same for the upcoming fiscal year. Employees will continue to pay 25% of the premium, which is \$.055 per \$1,000 of coverage for life insurance, and \$.005 per \$1,000 of coverage for AD&D coverage.

Effective October 1, 2012

High-Cost Pharmacy Chain Excluded from Medco Network

Walgreen's was recently identified as a high cost retail pharmacy. Walgreen's will therefore be excluded from our pharmacy network effective October 1, 2012. A limited network has been shown to provide significant savings for both the plan and its members. Following Open Enrollment, the benefits staff will work with Medco to assist members with transitioning their prescriptions to mail-order (for maintenance medications), or to an in-network retail pharmacy. Maximum savings to the member and the plan will be realized if employees filling their maintenance medications at Walgreen's transfer them to mail-order. Details regarding the mail-order process, extended payment plan options and savings opportunities will be included in future communications from Medco.

Effective January 1, 2013

Health Savings Account (HSA) Contribution/Seed to Increase for 2013

The calendar year 2013 seed for single coverage will be \$432 and the seed for family/employee plus children coverage will be \$1,080 (the 2012 contribution was actually an 18-month amount that included 6-months of 2011). Please note that the IRS maximum contribution amounts for 2013 have also increased to \$3,250 for single coverage and \$6,450 for family/employee plus children coverage. More information about HSAs is available at www.bsu.edu/benefits under the Open Enrollment tab.

Working Spouse/Same-Sex Domestic Partner (SSDP) Carve-Out

Effective January 1, 2013, if your spouse/SSDP is:

- working full time, and;
- his or her employer offers group health care coverage, and;
- the employer funds at least 60 percent of the coverage,

you cannot cover your spouse/SSDP as a dependent unless he or she is also enrolled in the employer's group health plan. In the early fall the benefits staff will be sending out "Working Spouse/SSDP Forms" to all employees who are covering their spouse/SSDP on their plan. This form is to be completed by the spouse's/SSDP's employer documenting the spouse's/SSDP's employment status, the employer's health care coverage options, subsidization and Open Enrollment period. In the near future more information including the *Working Spouse/SSDP Carve-out FAQ's* will be available at www.bsu.edu/benefits under the Working Spouse/SSDP Carve-out tab.

Have questions? Need assistance?

Please visit the Payroll & Employee Benefits website at www.bsu.edu/benefits for additional information. If you have specific questions about Open Enrollment not addressed on the PEB website, call (765) 285-8461 and ask to speak with a Benefits Specialist or email your inquiry to peb@bsu.edu. Additionally, you can attend one of the Open Enrollment presentations listed on the enclosed schedule.

Deadline to submit Open Enrollment changes:

FRIDAY - MAY 25TH, 2012

Enrollment changes are effective July 1, 2012