Benefits Design and Management

2021 Medical Plans
Agenda

- Overview of medical plans
- Triple Choice Plan
- High Deductible Health Plan
- Health Savings Account
- Per pay period cost
- Questions
# Health insurance terminology

## Paycheck deduction
Amount you pay for insurance each pay period.

<table>
<thead>
<tr>
<th>Deductible</th>
<th>Copayment</th>
<th>Coinsurance</th>
<th>Out-of-Pocket Max Met</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses you pay out-of-pocket before the health plan pays.</td>
<td>Fixed dollar amount.</td>
<td>Percentage of allowed amount.</td>
<td>The most you will pay in combined deductibles, health care and pharmacy copayments, and coinsurance.</td>
</tr>
</tbody>
</table>
| - Individual or family.  
- Separate in and out-of-network amounts.  
- Accumulate toward out-of-pocket maximum. | - You pay at the time of service after the deductible is met.  
- Plan pays remaining charges.  
- Accumulate toward out-of-pocket maximum. | - Plan pays 100% of covered services after out-of-pocket max is met.  
- Individual or Family.  
- Separate in and out-of-network amounts. |
Health insurance terminology

- **Health Savings Account, HSA:** A savings account that allows employees to put aside pretax dollars to pay for out of pocket medical expenses.

- **In-network:** Providers or health care facilities that are part of a health plan’s network. The insurance negotiates a discount with these providers which usually results in lower costs to the member.

- **Out-of-network:** A provider that is outside of the network of doctors, hospitals or health care providers. Usually results in higher costs to the member.

- **Plan year:** Period of coverage under a group health plan. ASU’s plan year runs from January 1 through December 31.
Overview of medical plans
Overview of medical plans

The networks available for both plans will be Blue Cross Blue Shield and United Healthcare. Cigna and Aetna will no longer be available. Cigna will continue to offer the Dental Care Access, DHMO plan.

**Triple Choice Plan | TCP**
- The Triple Choice Plan will replace the EPO and PPO medical plans.
- This is a single plan with three tiers.

**High Deductible Health Plan with HSA**
- Allows participants to use in or out of network providers.
- Coinsurance after deductible is met.
- Per pay period costs will remain the same.
Triple Choice Plan
Triple Choice Plan | TCP

- **Tier 1** – Functions similarly to the current EPO plan and will have the same deductibles and copays as the current EPO plan. The network of providers will be limited to providers designated as Tier 1 in-network providers.

- **Tier 2** – Functions similarly to the current PPO plan and will have the same deductibles and copays as the current PPO plan. Providers will be in-network but not considered Tier 1 providers.

- **Tier 3** – Out of network providers with higher deductibles. No copays but there will be co-insurance.
## Triple Choice Plan | TCP

<table>
<thead>
<tr>
<th></th>
<th>Tier 1, in network</th>
<th>Tier 2, in network</th>
<th>Tier 3, out of network</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Blue Cross Blue Shield or UnitedHealthcare</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Employee only</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deductible</td>
<td>$200</td>
<td>$1,000</td>
<td>$5,000</td>
</tr>
<tr>
<td><strong>Employee only</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>out-of-pocket maximum</td>
<td>$7,350 includes deductible</td>
<td>$7,350 includes deductible</td>
<td>$8,700 includes deductible</td>
</tr>
<tr>
<td><strong>Family</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>deductible</td>
<td>$400</td>
<td>$2,000</td>
<td>$10,000</td>
</tr>
<tr>
<td><strong>Family</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>out-of-pocket maximum</td>
<td>$14,700 includes deductible</td>
<td>$14,700 includes deductible</td>
<td>$17,400 Includes deductible</td>
</tr>
<tr>
<td>Service Description</td>
<td>Tier 1, in network</td>
<td>Tier 2, in network</td>
<td>Tier 3, out of network</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------------</td>
<td>-------------------</td>
<td>-------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Preventative Services, Durable medical equipment, lab and x-ray services</td>
<td>$0</td>
<td>$0</td>
<td>50%</td>
</tr>
<tr>
<td>PCP, OB/GYN, Telehealth</td>
<td>$20</td>
<td>$20</td>
<td>50%</td>
</tr>
<tr>
<td>Specialist</td>
<td>$40</td>
<td>$40</td>
<td>50%</td>
</tr>
<tr>
<td>Emergency Room</td>
<td>$200</td>
<td>$200</td>
<td>50%</td>
</tr>
<tr>
<td>Inpatient Hospital Admission</td>
<td>$250</td>
<td>$250</td>
<td>50%</td>
</tr>
<tr>
<td>Outpatient facility, Major radiology services</td>
<td>$100</td>
<td>$100</td>
<td>50%</td>
</tr>
<tr>
<td>Urgent Care</td>
<td>$75</td>
<td>$75</td>
<td>50%</td>
</tr>
</tbody>
</table>
Triple Choice Plan | TCP

Benefits

• In-network and out-of-network provider options.
• Nationwide coverage.
• No pre-existing condition restrictions.
• Mayo Clinic is in-network Tier 1 for BCBS.
• Under UHC, certain specialties are considered Tier 1, others are rated based on the tier of the provider.

Copays and deductibles

• Copays apply after the plan deductible is met.
• Copays and deductibles apply to out-of-pocket maximum.
• Payments toward Tier 1 deductible apply towards Tier 2 deductible, conversely funds paid toward Tier 2 deductible apply to Tier 1.
• Plan pays 100% after the out-of-pocket maximum is met.
• Prescription drug copays do not count toward the medical deductible.
How to use the Triple Choice plan

1. Choose a provider
   Look for the Tier 1 symbol for the lowest cost.

2. Meet the deductible
   Pay out of pocket or enroll the Healthcare FSA.

3. Pay a copayment
   You pay a flat fee, your plan pays the rest.

4. Pay up to out-of-pocket max
   Your plan pays 100% of services for remainder of the year.

Providers:
- Hospitals
- Physicians
- Radiology and Laboratory
- Rehabilitation centers
- Surgical centers
- Urgent care facilities
High Deductible Health Plan
# High deductible health plan | HDHP

<table>
<thead>
<tr>
<th></th>
<th>In-network</th>
<th>Out-of-network</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blue Cross Blue Shield or UnitedHealthcare</td>
<td>$1,500</td>
<td>$5,000</td>
</tr>
<tr>
<td><strong>Employee only</strong></td>
<td>$3,500</td>
<td><strong>Employee Only</strong></td>
</tr>
<tr>
<td>deductible</td>
<td>$3,500</td>
<td>out of pocket maximum</td>
</tr>
<tr>
<td></td>
<td>includes</td>
<td>$8,700</td>
</tr>
<tr>
<td></td>
<td>deductible</td>
<td>includes deductible</td>
</tr>
<tr>
<td><strong>Family</strong></td>
<td>$3,000</td>
<td><strong>Family</strong></td>
</tr>
<tr>
<td>deductible</td>
<td></td>
<td>out of pocket maximum</td>
</tr>
<tr>
<td></td>
<td>$7,000</td>
<td>$17,400</td>
</tr>
<tr>
<td></td>
<td>includes</td>
<td>includes deductible</td>
</tr>
<tr>
<td></td>
<td>deductible</td>
<td></td>
</tr>
</tbody>
</table>
## High deductible health plan | HDHP

### Coverage after deductible is met

<table>
<thead>
<tr>
<th>Service</th>
<th>In-network</th>
<th>Out-of-network</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blue Cross Blue Shield or UnitedHealthcare</td>
<td></td>
<td>Out of Network providers</td>
</tr>
<tr>
<td>Preventative Services</td>
<td>$0</td>
<td>50%</td>
</tr>
<tr>
<td>PCP, OB/GYN, Telehealth</td>
<td>10%</td>
<td>50%</td>
</tr>
<tr>
<td>Specialist</td>
<td>10%</td>
<td>50%</td>
</tr>
<tr>
<td>Emergency Room</td>
<td>10%</td>
<td>50%</td>
</tr>
<tr>
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<tr>
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<td>50%</td>
</tr>
<tr>
<td>Urgent Care</td>
<td>10%</td>
<td>50%</td>
</tr>
</tbody>
</table>
Benefits

- In-network and out-of-network provider options.
- Nationwide coverage.
- No pre-existing condition restrictions.
- Works in conjunction with a health savings account.
- Mayo Clinic is in-network for both UHC and BCBS.

Coinsurance and deductibles

- Coinsurance applies after the plan deductible is met.
- Coinsurance and deductibles apply to out-of-pocket maximum.
- In-network and out-of-network deductibles must be met separately.
- Plan pays 100% after the out-of-pocket maximum is met.
- Prescription drug copays do not count toward the medical deductible.
Health Savings Account
• University makes a biweekly contribution to the health savings account of each employee enrolled in the HDHP regardless of the employee's contribution.

• Can only use the available funds in the account.

• Participants with a balance in their HSA on Jan. 1, 2021 will have an option of leaving their funds with PayFlex for a $5 per month fee. Funds can also be rolled over to Optum at no cost to the employee.

• Effective Jan. 1, 2021, HSA administrator will change from PayFlex to Optum.
## HSA contribution limits

<table>
<thead>
<tr>
<th>Coverage level</th>
<th>2021 voluntary employee before-tax contribution</th>
<th>2021 automatic university contribution</th>
<th>2021 combined contribution limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single coverage</td>
<td>Up to $2,880</td>
<td>$720</td>
<td>$3,600</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$27.70 per pay period</td>
<td></td>
</tr>
<tr>
<td>Other than single coverage</td>
<td>Up to $5,760</td>
<td>$1,440</td>
<td>$7,200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$55.39 per pay period</td>
<td></td>
</tr>
<tr>
<td>Age 55 and older may contribute an additional $1,000.</td>
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<td>Age 55 and older may contribute an additional $1,000.</td>
<td>Age 55 and older may contribute an additional $1,000.</td>
</tr>
</tbody>
</table>

Participants are responsible for managing contributions in accordance with federal guidelines and limits. **2021 automatic university contribution is based on 26 pay periods.**
How to use the HDHP with HSA

1. Fund your Health Savings Account
   Automatic payroll contributions by you and the University.

2. Choose a provider
   Select an in-network provider for lower cost.

3. Meet the deductible
   Use available HSA funds or pay out of pocket for services and some prescriptions.

4. Pay coinsurance
   You pay 10% + Your plan pays 90%

5. Pay up to out-of-pocket max
   Your plan pays 100% of services for remainder of the year.

6. Build your HSA balance
   Your funds will continue to grow and roll over.

HSA funds can help you pay for your expenses

Determine amount you want in your account

- University contribution ÷ 26 pay periods = Your contribution per paycheck
Pharmacy benefits
Pharmacy benefit for all medical plans

MedImpact

- Large national network of providers.
- Plan structure and copays will remain the same for 2021 plan year.
- Prescription drugs are covered in-network only.
- Prescription drugs cannot be shipped outside of the United States.

Direct mail order pharmacy

- Mail order through MedImpact Direct Mail Service only.
- Specialty prescription services.
- Walgreens will no longer be the pharmacy mail order provider.
## Pharmacy benefit for all medical plans

<table>
<thead>
<tr>
<th></th>
<th>Generic</th>
<th>Preferred brand name</th>
<th>Nonpreferred brand name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail 30-day supply</td>
<td>$15</td>
<td>$40</td>
<td>$60</td>
</tr>
<tr>
<td>Retail 90-day supply</td>
<td>$37.50</td>
<td>$100</td>
<td>$150</td>
</tr>
<tr>
<td>Mail order 90-day supply</td>
<td>$30</td>
<td>$80</td>
<td>$120</td>
</tr>
</tbody>
</table>

For HDHP participants: Subject to plan deductible before copay applies for nonpreventative prescriptions.

For all plans: Pharmacy costs apply to out-of-pocket maximum.
Paycheck deduction
# Medical and pharmacy rates per pay period

<table>
<thead>
<tr>
<th>Coverage level</th>
<th>Triple Choice Plan</th>
<th>HDHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee only</td>
<td>$26.17</td>
<td>$10.15 + HSA</td>
</tr>
<tr>
<td>Employee plus spouse</td>
<td>$71.49</td>
<td>$30.46 + HSA</td>
</tr>
<tr>
<td>Employee plus one child</td>
<td>$57.30</td>
<td>$25.89 + HSA</td>
</tr>
<tr>
<td>Family</td>
<td>$121.61</td>
<td>$56.35 + HSA</td>
</tr>
</tbody>
</table>
What to consider when choosing a plan

**Benefits**
- All plans cover the same services.
- No preexisting condition exclusions.
- Preventative services are covered at 100% for in-network providers.

**Networks**
- All plans have nationwide networks.
- Provider networks vary among carriers.
- Make sure your providers are on the plan.
- Look for the symbols.

**Cost**
- Understand how deductibles and copays work for your budget.
- Consider paycheck deductions.
- Costs are higher for out-of-network providers.
Participation in Open Enrollment is **mandatory** for all benefits eligible employees. Failure to enroll in a plan will result in waived benefits for 2021.
Thank you

Employee services
855-278-5081
Monday to Friday
8 a.m. to 5 p.m. Arizona time
HRESC@asu.edu

Faculty services
480-727-9900
Monday to Friday
8 a.m. to 5 p.m. Arizona time

2021 open enrollment webpage
https://cfo.asu.edu/benefits-guide-health