



Staff Benefits Announcement

Date: June 10, 2016
To: All eligible Staff employees
From: Human Resources
RE: FY-16 Health Insurance Plan

As we approached our benefits renewal for 2016-2017, our goal remained firm of taking care of our most important asset, our employees, and still remain competitive in a challenging market. In keeping that goal in mind, given the renewal with Premera at over 15%, we worked with our benefit consultant, Alliant Insurance Services, to assess the insurance marketplace to come up with viable solutions to manage our costs without reducing benefits.

We are happy to announce effective July 1st, we will be making the vendor changes below:

- **We will be moving from Premera Blue Cross Blue Shield of Alaska to United Healthcare (UHC) for Medical and Prescriptions.**
- **We will be moving from MetLife to UHC for Dental.**

During the open enrollment period, you will have the opportunity to review and make changes to your coverage election levels including:

- Enroll yourself and/or any dependents who have previously waived coverage
- Drop coverage for yourself or any covered dependents
- Those who wish to drop coverage must complete a waiver form

Please Note: Spouses will continue to not be eligible for our medical plan. What this mean for you? If you have a spouse that is in need of health insurance, they will be eligible to enroll in the Federal Healthcare Exchange and potentially could be eligible for a government subsidy (ie. discounts towards your monthly premium). Please reference the flyer for *HealthCompare*, which is an organization that we have partnered with through Alliant that will walk you through the Federal Exchange program and help identify whether your spouse could be subsidy eligible.

Open Enrollment will begin on **Wednesday, June 15th** and end on **Wednesday, June 22nd**. All Open Enrollment elections will be **effective July 1, 2016 through June 30, 2017**.

WHAT IS CHANGING IN OUR BENEFITS PROGRAM?
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Changes applies to both medical plans

- Coverage for physicians will be the same regardless if they are in-network and out-of-network with UHC. Currently on the Premera plan, if you are seeing a non-network provider, the coverage is 40% after the deductible.
 - Members will need to be aware of potential balance billing. Balance billing will only come up when a member sees a non-network physician. For example, if you see a non-network medical provider and they charge \$150 for an office visit. If 90% of the providers in your area charge \$150 then there will be no balance billing. However; if 90% of the providers in your area charge \$100 for the same office visit, then you will be balance billed the difference (\$50) which will not count towards meeting your deductible, copay or out of pocket maximum.

HSA Medical/Rx

- If you are enrolling with dependent children, then the out of pocket maximum will drop from \$10,000 down to \$6,850.
- Prescriptions will still be subject to the deductible needing to be met prior to coverage. Once the deductible has been met, then copays will apply.
- Chiropractic service limits will increase from 12 visits per calendar year up to 20.

PPO Medical/Rx

- UHC office visits are unlimited and will be subject to a \$45 copay. Under Premera only the first six office visits were covered at the \$45 copay level, and on the seventh visit, it would be subject to the deductible and coinsurance being met.
- UHC limits the Out of Network expenses to \$6,350 for individuals and \$12,700 if enrolling with dependent children, which limits your expense exposure. Under Premera, there was an unlimited cap to your expenses.
- Emergency room visit copays increase from \$100 to \$200 under UHC.
- Urgent care copays will increase from \$45 to \$50 under UHC.
- Prescription Drug copay changes
 - Brand name prescription drug copays decrease from \$50 down to \$45
 - Non-Formulary prescription drug copays change from 50% cost share to a \$70 copay
- Chiropractic service limits will increase from 12 visits per calendar year up to 20.

Dental

- Dental benefits remain unchanged.
- UHC does offer an additional service which will allow for a rollover provision in the event a member uses all in-network providers and the annual dental claims are less than the annual plan maximum. Please reference the UHC Consumer MaxMultiplier Rollover Benefit for further details.

Vision

- Vision will remain with VSP. Benefit will remain unchanged.

Voluntary Life

- Voluntary Life will remain with Metlife. Benefits will remain unchanged.

HOW MUCH WILL COVERAGE COST?

Your cost of coverage on a per pay period basis is shown in the tables below.

United Healthcare Medical/Rx HDHP and Health Savings Account

	Total Monthly Premium	Employer's Monthly Cost	Your per Pay Period Cost
Employee Only	\$909.27	\$727.42	\$89.93 (20%)
Employee + Child(ren)	\$1,691.24	\$727.42	\$444.84

United Healthcare Medical/Rx PPO Plan Option

	Total Monthly Premium	Employer's Monthly Cost	Your per Pay Period Cost
Employee Only	\$887.70	\$710.16	\$81.94 (20%)
Employee + Child(ren)	\$1,651.12	\$710.16	\$434.29

United Healthcare Dental Plan

	Total Monthly Premium	Employer's Monthly Cost	Your per Pay Period Cost
Employee Only	\$60.39	\$59.79	\$0.28 (1%)
Employee + Spouse	\$131.93	\$59.79	\$33.30
Employee + Child(ren)	\$132.53	\$59.79	\$33.57
Employee + Family	\$204.08	\$59.79	\$66.60

VSP Vision Plan

	Total Monthly Premium	Employer's Monthly Cost	Your per Pay Period Cost
Employee Only	\$12.68	\$12.68	\$0.00 (0%)
Employee + Spouse	\$20.29	\$20.29	\$0.00
Employee + Child(ren)	\$20.71	\$20.71	\$0.00
Employee + Family	\$33.39	\$33.39	\$0.00

WHAT DO I NEED TO DO?

In order to alleviate any hardship in the change in medical vendors, UHC will be allowing a one-time deductible/out of pocket credit for any expenses incurred from January 1, 2016 through June 30, 2016.

To credit deductibles/out of pocket expenses, UnitedHealthcare will update your account based on a report Premiera will provide after July 1st. This process could take up to 30 days to finalize. In the meantime, your account may not reflect the correct deductibles/out of pocket expenses.

All employees who wish to enroll or make changes to their current enrollment will need to complete a new Group Insurance Plan Enrollment/Change Form. Forms must be submitted to Eva Jo Henning at 1217 East 10th Ave, Anchorage, AK 99501 **no later than Wednesday, June 22nd**.

If you wish to continue your current healthcare coverage elections, you must write "Renew As Is" on the Group Insurance Plan Enrollment/Change Form.

If you would like to waive coverage, please check **Waiving Coverage** on the front of the form and sign on the back of the form. **Please note:** effective January 1, 2014, all individuals must have Minimum Essential Coverage. Penalties will be assessed against individuals who do not meet this requirement. For more information regarding penalties, please contact HR.

In addition, Alliant offers Access Alaska employees access to their team of Benefit Advocates. Benefit Advocates are available Monday through Friday from 7:00AM to 4:00PM Alaska Standard Time to answer questions related to our plan as well as to provide confidential assistance in resolving your benefit claim issues. We encourage you and any covered family member to contact them at:

Phone: 800.410.6571 or 206.204.9100

Email: mybenefits@alliant.com

Thank you for taking the time to read through this important information. If you have questions regarding Open Enrollment, please feel free to contact Eva Jo Henning at ehenning@accessalaska.org.

IMPORTANT: If you do not make changes now, your next chance to do so will be in June of 2017, unless you experience a Qualifying Life Event and notify Human Resources of the change within 31 days. Qualifying Life Events include involuntary loss of other coverage, marriage, divorce, legal separation, birth, adoption and ceasing to be a dependent child for reasons of age, or marriage.