

# Odessa School District



## **2016 Employee Benefits**

Effective July 1, 2016

## DELTA DENTAL OF MISSOURI

	BASE		BUY-UP	
	PPO	Premier or Non-Network	PPO	Premier or Non-Network
<b>Deductible</b>				
Individual	\$50		\$50	
Family	\$150		\$150	
<b>Coinsurance</b>				
Type I – Preventive	100%	80%	100%	100%
Type II – Basic	80%	80%	90%	80%
Type III – Major	50%	50%	60%	50%
Type IV – Ortho	50%	50%	60%	50%
<b>Benefit Maximums</b>				
Annual Maximum	\$1,000		\$1,500	
Ortho Maximum	\$1,000		\$1,000	

<b>MONTHLY RATE</b>	<b>BASE</b>	<b>BUY-UP</b>
Employee Only	\$35.29	\$44.03
Employee & Spouse	\$69.11	\$86.24
Employee & Child(ren)	\$99.90	\$124.52
Full Family	\$133.57	\$166.68

You can find a list of participating dentists at [www.deltadentalmo.com](http://www.deltadentalmo.com) or call 1-888-989-8842.

## Superior Vision

### In- Network

#### Co-pays

Exams	\$15
Materials	\$25
Contact Lens Fitting Fee	\$15

#### Frequency Limitations

Exams	Once every 12 months
Lenses	Once every 12 months
Frames	Once every 24 months
Contact Lenses	Once every 12 months

#### Reimbursement Schedule

Glass Lenses	
Single	100%
Bifocal	100%
Trifocal	100%

#### Contact Lenses

Medically Necessary	100%
Elective	Up to \$120

#### Frames Standard

Standard	Up to \$130
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#### Monthly Rate

Employee Only	\$8.93
Employee + One	\$15.17
Family	\$25.19

You can find a list of participating providers at:

[www.superiorvision.com](http://www.superiorvision.com)

Or

1-(800) 507-3800

<b>MEDICAL</b>	<b>QHDHP</b>	<b>PPO</b>	<b>HMO</b>
<b>Plan Type &amp; Network</b>	Preferred-Care Blue In Network	Preferred-Care Blue In Network	Blue Care In Network
<b>Annual Deductible (calendar year)</b>			
<i>Individual</i>	\$2,600	<b>\$2,500</b>	None
<i>Family</i>	\$5,200	<b>\$5,000</b>	None
<b>Coinsurance</b>			
<i>Member Pays</i>	0%	20%	0%
<b>Maximum Out-of-pocket (calendar year)</b>			
<i>Individual</i>	\$2,600	<b>\$4,500</b>	\$4,000
<i>Family</i>	\$5,200	<b>\$9,000</b>	\$10,000
<b>Physician Services</b>			
<i>Office Visit Copay(s)</i>	Deductible Only	<b>PCP: \$30 Spec: \$60</b>	PCP: \$25 Spec: \$50
<i>Urgent Care</i>	Deductible Only	<b>\$60</b>	\$50
<b>Hospital Services</b>			
<i>Inpatient Care</i>	Deductible Only	Ded., then 20%	\$400 per day up to \$2,000 per calendar year per person; In & Out- patient services combined
<i>Outpatient Surgery</i>	Deductible Only	Ded., then 20%	
<i>Emergency room</i>	Deductible Only	\$100, then Ded., then 20%	\$100 copay
<b>Prescription Drugs</b>			
<i>Deductible</i>	Medical Plan Deductible, then:	N/A	N/A
<i>Level 1 - Generics</i>	\$0	\$12	\$12
<i>Level 2 - Preferred Brandname</i>	\$0	\$35	\$35
<i>Level 3 - Non-Preferred Brandname</i>	\$0	\$60	\$60
<i>Mail Order</i>	\$0	\$36 / \$105 / \$180	\$36 / \$105 / \$180

# Medical Rates

Monthly Rate	QHDHP		PPO	HMO
	Employee Cost	District HSA Contribution	Employee Cost	Employee Cost
<b>Employee Only</b>	\$0	\$28.87	\$0	\$106.70
<b>Employee + Spouse</b>	\$521.49	\$28.87	\$543.58	\$757.04
<b>Employee + Child(ren)</b>	\$547.56	\$28.87	\$570.76	\$789.54
<b>Family</b>	\$949.30	\$28.87	\$989.38	\$1,290.32

# Claim Example #1

Employee in good health with single coverage. Preventive exam & lab services, one diagnostic office visit, a Tier 1 Rx filled monthly and one additional Tier 1 Rx filled just once.

	<u>QHDHP</u>	<u>PPO</u>	<u>HMO</u>
Annual Premium	\$0	\$0	\$1,280
Preventive Exam (\$75)	\$0	\$0	\$0
One PCP Diagnostic Exam (\$75)	\$75	\$30	\$25
Tier 1 Rx (\$15/month)	\$180	\$144	\$144
Tier 2 Rx (\$132)	\$132	\$35	\$35
District Annual HSA Contribution	<u>\$346.44</u>	<u>N/A</u>	<u>N/A</u>
<b>Total Employee Cost</b>	<b>\$40.56</b>	<b>\$209</b>	<b>\$1,484</b>

# Claim Example #2

Employee with single coverage. Has a car accident in July and is in the hospital for six days, four follow up specialist visits, two Tier 2 Rx's for 3 months.

	<u>QHDHP</u>	<u>PPO</u>	<u>HMO</u>
Annual Premium	\$0	\$0	\$1,280
Hospital Stay (\$50,000)	\$2,600	\$4,500	\$2,000
Four Specialist Visits (\$150 each)	\$0	\$0	\$200
Tier 2 Rx (\$80/month)	\$0	\$0	\$105
Tier 2 Rx (\$135/month)	\$0	\$0	\$105
District Annual HSA Contribution	<u>\$346.44</u>	<u>N/A</u>	<u>N/A</u>
<b>Total Employee Cost</b>	<b>\$2,253.56</b>	<b>\$4,500</b>	<b>\$3,690</b>

# Claim Example #3

Employee + Spouse plan. Employee has chronic condition while the spouse is a healthy, low utilizer. The employee has two brand name prescriptions filled monthly, four diagnostic specialist office visits, and a 5 day inpatient hospital stay.

	<u>QHDHP</u>	<u>PPO</u>	<u>HMO</u>
Annual Premium	\$6,257	\$6,552	\$9,084
5 Day Inpatient Hospital (\$40,000)	\$2,600	\$4,500	\$2,000
Tier 3 Rx #1 (\$160/month)	\$0	\$0	\$720
Tier 2 Rx #2 (\$85/month)	\$0	\$0	\$420
Specialist Office Visits (\$125 each)	\$0	\$0	\$200
District Annual HSA Contribution	<u>\$346.44</u>	<u>N/A</u>	<u>N/A</u>
<b>Total Employee Cost</b>	<b>\$8,510.56</b>	<b>\$11,052</b>	<b>\$12,424</b>



# Claim Example #4

Employee + Family Plan. Employee in fair health with a monthly cholesterol medication. Spouse is on a \$3,000 prescription drug, Child receives well child care and one urgent care for the flu and a tier 1 prescription.

	<u>QHDHP</u>	<u>PPO</u>	<u>HMO</u>
Annual Premium	\$11,391	\$11,872	\$15,483
Employee Tier 2 Cholesterol Rx (\$100/month)	\$1,200	\$420	\$420
Spouse Tier 3 Rx (\$3,000/ month)	\$5,200	\$720	\$720
Well-child visit (\$180)	\$0	\$0	\$0
Child Urgent Care (\$90)	\$90	\$60	\$50
Child Tier 1 Rx (\$35)	\$35	\$12	\$12
District Annual HSA Contribution	<u>\$346.44</u>	<u>N/A</u>	<u>N/A</u>
<b>Total Employee Cost</b>	<b>\$17,569</b>	<b>\$13,084</b>	<b>\$16,685</b>

# What is a Health Savings Account (HSA)?

- A tax-exempt account
  - Contributions are tax-deductible (or “pre-tax”)
  - Earnings on your balance and investments are not taxed
  - Funds withdrawn for qualified medical expenses are not taxed
- An individually owned, tax-advantaged account that may be used to pay for qualified medical expenses or saved for retirement and certain long-term care expenses.
- Established for the purpose of paying qualified healthcare expenses of the account owner or dependents.
- The account owner must be covered under a Qualified High Deductible Health Care Plan to contribute to an HSA.
- Portable, it stays with you for life. Even if you change jobs, become unemployed, or retire.
- Unused funds can rollover to use on future expenses.

# You CANNOT contribute to an HSA if...

- You are claimed as a dependent on someone else's tax return (You are NOT a dependent if you are "married filing jointly" or "married filing single").
- You are covered by another health insurance plan that is NOT a QHDHP, such as coverage under a spouse's traditional PPO or HMO plan.
- You or your spouse have a Flexible Spending Account (FSA), even if the FSA dollars are not used for you.
- You or your spouse are covered by a Health Reimbursement Arrangement (HRA).
- You have coverage under TRICARE, or eligible for Medicare, or Medicaid.
- You are in receipt of Veteran Administration (VA) benefits within the previous 3 months you are not eligible to contribute for 3 months following.
- You **CAN** still have other disability, dental, vision, and long-term care insurance policies & Dependent Care Account through an FSA.

# Is there a limit to how much I can contribute?

- The annual maximum contribution (**employer + employee contributions**) is established by law and subject to change each calendar year.
- **2016 Limit** - \$3,350 per individual and \$6,750 per family
- If you are between the ages of **55 & 65**, you may also be able to make a **\$1,000 “catch-up” contributions** to the HSA each year.

# HSA Contributions

- Your own HSA contributions are either **pre-tax (via payroll deduction)**, **OR tax deductible** if contributed directly to the account.
- You have until **April 15th of the following calendar year** to make HSA contributions for the prior year, including eligible catch-up contributions.
- **You must maintain enrollment in a QHDHP for 12 months**, otherwise the tax benefit is lost and a 20% penalty imposed.

# HSA Disbursements

- You must retain all receipts in the event of an IRS Audit
- Disbursements for qualified healthcare expenses are not subject to taxation
- Disbursements for non-qualified expenses are subject to regular taxation plus a 20% penalty. The 20% penalty is waived upon attainment of **age 65**
- Expenses incurred prior to establishing an HSA are **NOT** eligible for reimbursement

# Eligible Expenses

- Eligible health care expenses include expenses for the individual who open the account, his or her spouse and dependent children. The spouse and dependent children **do not** need to be covered under the QHDHP in order to have an eligible HSA expense.
- Hospitalization
- Prescription Drugs
- Doctor Office Visits
- Premiums for Medicare, Long Term Care, COBRA
- Dental expenses (Including Orthodontia)
- Vision (Including Lasik)
- Full list of eligible expenses available on the Treasury website at:  
[www.IRS.GOV](http://www.IRS.GOV)

# Flexible Spending Account FSA

## Flexible Spending Accounts – “Use it or Lose it”

### 1) Medical FSA

- Pre-tax Medical, Dental & Vision expenses for you and your dependents.
- Saves approximately 25% on every healthcare dollar spent
- May contribute up to \$2,500/year.
- Use it by December 31, 2016 or lose it
- All funds available day one of the plan year
- Cannot participate in the Medical FSA if you contribute to a Health Savings Account (HSA).



# Flexible Spending Account FSA

## Flexible Spending Accounts – “Use it or Lose it”

### 2) Dependent Care FSA

- Pre-tax dependent & elder care expenses.
- May contribute up to \$5,000/year.
- If married and filing separately, the maximum is \$2,500.
- Use it by December 31, 2016 or lose it.
- No restriction applies with regard to HSA account-holder.

## HSA vs. FSA

### Health Savings Account

### Flex Spending Account

For 2016 , contribute up to \$3,350 with individual or \$6,750 with family enrollment (indexed annually)

Contributions up to \$2,500 annually on pre-tax basis

Eligible expenses include IRS Publication 502, retiree health insurance premium, COBRA premium, certain Long Term Care insurance premium and health insurance premium if receiving unemployment

Limited to qualified medical expenses as defined by IRS Publication 502.

Balance can roll over from year to year

“Use it or Lose it” applies

Funds only available as deposited

Entire plan year contribution available immediately

Funds are 100% vested with employee & stay with employee upon termination of employment

Funds may remain with employee upon termination of employment only if COBRA is elected

Must be enrolled in a Qualified HDHP & can use funds to pay for qualified medical expenses of all eligible dependents

All employees may enroll & can use funds to pay for qualified medical expenses of all eligible dependents

Receipts must be provided if audited by the IRS

Receipts must be provided with request for reimbursement

# Steps to complete your Enrollment

1. All employees must complete the FSA Election form included at the end of your Enrollment Guide.
2. You will automatically be re-enrolled in the same medical, dental, and vision plans you are in today unless you turn in the enrollment form at the end of the Enrollment Guide.
3. All forms are due back to Linda Eberhardt no later than May 13<sup>th</sup>.

Questions?

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