

Loyalsock Township School District
Employee Benefits Plan Year 2018-2019
Open Enrollment Guide

The annual benefit Open Enrollment period is May 4 through May 25, 2018 for the plan year beginning July 1, 2018 through June 30, 2019.

Highlighted below are some important changes to the vision insurance, dental insurance, and the qualified high deductible health plan:

- Vision Insurance: The Premium for vision insurance has increased by 5%. Monthly vision premium rates beginning July 1, 2018 will be \$4.96/individual and \$12.88/family.
- Dental Insurance: We recently received our Delta Dental renewal for the 2018-2019 school year which will include an increase from \$750 to \$1000 of maximum dental coverage. Effective July 1, 2018, the monthly rates will be \$31.00/employee and \$78.00/family coverage. As you are aware, the District pays for the employee cost. Employees electing family dental are responsible for the difference (\$78-\$31=\$47/monthly employee cost for family dental). Both Associations have agreed to increase the maximum coverage from \$750 to \$1000 per person. Please note that the renewal monthly rates for the \$750 per person coverage would have been \$30/employee and \$76/family coverage (\$76-\$30=\$46/monthly employee cost for family dental). Therefore, we were able to increase the benefit from \$750 to \$1000 at an employee cost of \$1.00 per month for family coverage.
- Qualified High Deductible Health Plans –IRS Adjustments: The IRS released the 2018 cost-of-living adjustments for the high deductible health plans. The 2018 minimum annual deductible for self-only QHDHP coverage will be \$1,350 (A \$50 increase from 2017) and the 2018 minimum annual deductible for family QHDHP coverage will be \$2,700 (A \$100 increase from 2017). Loyalsock Township School District does not have control over the rates as they are set by the IRS.

Open Enrollment Opportunities

- Change your current plan elections for health, dental, or vision insurance
- Enroll for coverage you do not already have
- Add or drop a dependent
- Enroll in the Health Savings Account (HSA) in conjunction with enrollment in the Qualified High Deductible Consumer Driven Health Plan (CDHP)

Requirements

- If you are currently enrolled or plan to enroll in the Qualified High Deductible Plan (QHDHP), you are **REQUIRED** to complete an HSA Payroll Deduction form for the 2018-2019 school year, even if you do not wish to make contributions or change the contribution amount from the current year.
- If you wish to maintain enrollment in Plan PPO C and have no change in dependents, no action is required.

During the Open Enrollment period be sure to review your coverage options and make choices that best reflect your family's needs. Review this guide thoroughly for helpful benefits information, changes and instructions.

What is the Qualified High Deductible Consumer Driven Health Plan (CDHP)?

- A Qualified QHDHP generally pairs a high deductible health plan with a Health Savings Account (HSA). Generally, these plans have **lower premiums** and employers reduce the employee cost share for the plan, as well as contribute to the HSA.
- An HSA is a tax-favored account that allows members to set aside pre-taxed funds to pay for qualified medical, dental, and vision expenses. HSAs can be used as a savings vehicle for future medical expenses or for medical care upon retirement. Contributions can be made on a biweekly basis through payroll deduction. Additionally, you may make contributions through your checking account via the online member portal.
- All funds, including employer contributions, are owned by the employee and are portable; even upon termination.
- The HSA allows you to use pre-tax dollars to pay for medical expenses. The combination of an HSA and a qualified high deductible CDHP gives you ultimate control over how you spend your healthcare dollars.

How does it work?

- We have partnered with Discovery Benefits, Inc. to administer our Health Savings Account.
- If applicable, the district HSA contribution will be funded to your individual account on July 1 (Refer to your specific employment agreement). Your employee contributions will be added after each biweekly payroll is processed. You will manage your account online.
- As you incur eligible medical, dental, or vision expenses, you will use your Discovery Benefits debit card to pay for those services and products. Payments are automatically withdrawn from your reimbursement account.
- Certain debit card transactions must be substantiated due to IRS regulations. If documentation is required, you will receive notification from Discovery Benefits.

Coverage	Minimum Deductible	Maximum Out-of-Pocket	2018-2019 Employer Contribution	Max Contribution Amount Allowed	55+ Contribution
Single	\$1,350	\$2,000	See Agreement	\$3,450	\$1,000
Family	\$2,700	\$4,000	See Agreement	\$6,900	\$1,000

Is it right for me? Things to consider when choosing an HSA:

- Your anticipated healthcare expenses
- How active you want to be in your healthcare spending
- Your personal financial situation
- If enrolled in other coverage through a spouse, you may be ineligible for an HSA (See **Eligibility**)
- A conversation with your tax advisor can help you decide

Eligibility

To be eligible for an HSA, you must:

- First enroll in a high-deductible health plan

You are **NOT** eligible for an HSA if:

- You are claimed as a dependent on someone else's taxes
- You are covered by another plan that conflicts with the QHDHP, such as Medicare, TriCare, a Flexible Spending Account, select Health Reimbursement Arrangements, or a spouse's non-QHDHP plan.

Note: If an employee is ineligible for the HSA due to coverage restrictions, they can still receive employer contributions through a Health Reimbursement Account (HRA); however, employees cannot make contributions to an HRA.

Open Enrollment Process

Be advised that there are important changes to the health plan that may affect you. Please take the time to review new insurance coverage offered by Highmark and the important medical and prescription plan changes document. If you have dependents nearing the plan age limits, you **must** notify us sixty (60) days prior to your dependent reaching the age limit in order for us to offer extended coverage under COBRA. Terminations will automatically apply by the providers once age limits are reached. Dependents are covered under the health plan up to age 26. Dependents are covered up to age 19 for dental and vision, unless continuing as full-time students (to age 23).

After the Open Enrollment ends on May 25, 2018, you cannot make changes in your healthcare coverage unless you have a qualified change in your family status (such as marriage, divorce, birth of a child, etc.), until the next Open Enrollment period.

Who is an Eligible Dependent?

- Your legally married spouse
- Your domestic partner (valid proof required)
- Your dependent children, up to age 26 for healthcare (dental and vision up to age 23 **IF** full-time student; otherwise, up to age 19)

We require verification of dependent status if you add a dependent to any elected coverage.

Next Steps-----

1. Review your current elections and dependents.

Resources:

You can confirm enrollment and coverage levels for you and your dependent(s) by signing into the following websites:

Health Plan: www.Highmarkbcbs.com

Dental Plan: www.deltadentalins.com

Vision Plan: www.davisvision.com

2. Sign in to the LTSD website and navigate to: Our District, Employee Payroll/Benefits, and Open Enrollment – for instructions, resources and forms.
3. Review the health plan cost information.

4. Actions:

a. If you wish to enroll in the Qualified High Deductible Health Plan:

- i. Complete a Highmark Enrollment form, including all dependent information.
- ii. Complete the Health Savings Account Payroll Deduction form

b. If you are currently enrolled in QHDHP, you must submit a new payroll HSA deduction form for the 18-19 school year.

c. If you wish to add or drop dependents in any plan:

- i. Complete the appropriate Highmark Member Change form, or the Delta Dental Enrollment/Change Form. You **MUST** complete all applicable sections and **SIGN** the document.

d. If you wish to waive health coverage for the first time:

- i. Complete the Waiver of Health Insurance form.

e. If you are already enrolled in PPO C Health plan and wish to maintain current coverage: No action is required.

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