Employee Benefits
Open Enrollment 2016
Plan Year Costs

Includes Medical, RX, Vision & Dental

2016/2017 estimated
Financial Pressures

- AU Budget Challenges
- Trend on healthcare costs
  - Aging population
  - Cost shifting
  - Technology
- Affordable Care Act (ACA)
ANDREWS UNIVERSITY

2016/2017 Health Management Program

Live Wholly
“Wellness is an active process of optimizing every aspect of our multidimensional self to harmoniously reflect the image of our Creator”

- Physical
- Spiritual
- Mental
- Relational
- Professional
Live Wholly

New E-Wellness Platform

Online web-based wellness platform that provides:

• Fitness challenges
• Online education
• Exercise and nutrition tracking
• Social features
• www.andrews.edu/wellness
You will receive a discount on your employee contribution after:

1. Employee attends a town hall meeting
2. Employee & Participating Spouse complete enrollment in the new Andrews University Health & Wellness E-Platform

• If you have questions, please email Dominique Wakefield at wellness@andrews.edu
Live Wholly and AHDI

Working Together
Our benefits now include the services of a Health Engagement Program through AHDI

- Support for CHRONIC DISEASE
  - A health advocate for individuals in our group who have been diagnosed with chronic illnesses
If you qualify for this program you will:

• Receive an introductory letter and/or a phone call about your chronic condition(s) to provide:
  • Information about your condition(s) and the standards of recommended minimum medical services
  • List of telephone numbers, websites, and other sources of educational materials relating to your condition(s)
Chronic Medical Conditions

- Asthma
- Atherosclerosis
- Atrial Fibrillation
- Chronic Obstructive Pulmonary Disease
- Chronic Renal Insufficiency
- Congestive Heart Failure
- Coronary Artery Disease
- Depression
- Diabetes Mellitus
- Epilepsy
- Human Immunodeficiency Virus Infection
- Hyperlipidemia
- Hypertension
- Metabolic Syndrome
- Hyperthyroidism
- Multiple Sclerosis
- Hypothyroidism
- Parkinson's Disease
- Polymyalgia Rheumatica
- Pre-Diabetes
- Pulmonary Hypertension/Cor Pulmonale
- Rheumatoid Arthritis
- Schizophrenia
- Sleep Apnea
- Thrombo-embolic Disease
- Ulcerative Colitis
Be A Good Consumer

Do your part to keep our plan financially healthy!!

• When possible
  • Participate in Live Wholly
  • Engage the AHDI Nurse Coach
BENEFITS

2016/2017 Plan Year
PLAN CHANGES FOR 2016/2017!!

- No changes to:
  - Deductibles
  - Co-insurance percentages
  - Office visit co-pays
- Elimination of the Medical Opt-out Benefits
- Changes to prescription co-pay structure
- Addition of a prescription drug formulary
- Closed access specialty drug benefit
<table>
<thead>
<tr>
<th>Plan</th>
<th>Premier Plan</th>
<th>Standard Plan</th>
<th>QHDHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deductible</td>
<td>$500/$1,000</td>
<td>$650/$1,300</td>
<td>$1,450/$2,900</td>
</tr>
<tr>
<td>Co-Insurance</td>
<td>90%</td>
<td>80%</td>
<td>80%</td>
</tr>
<tr>
<td>Co-Insurance Max</td>
<td>$2,850/$5,700</td>
<td>$3,700/$7,400</td>
<td>$1,800/$3,600</td>
</tr>
<tr>
<td>Office Visit Co-Pay</td>
<td>$20</td>
<td>$30</td>
<td>Ded, 80/20</td>
</tr>
<tr>
<td>Plan</td>
<td>Premier Plan</td>
<td>Standard Plan</td>
<td>QHDHP</td>
</tr>
<tr>
<td>----------------------</td>
<td>--------------</td>
<td>---------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Generic (Preferred/non-preferred)</td>
<td>$10 / $20</td>
<td>$10 / $20</td>
<td>Ded, 80/20</td>
</tr>
<tr>
<td>Brand (Preferred/non-preferred)</td>
<td>$50 / $70</td>
<td>$60 / $80</td>
<td>Ded, 80/20</td>
</tr>
<tr>
<td>Specialty</td>
<td>$150</td>
<td>$200</td>
<td>Ded, 80/20</td>
</tr>
<tr>
<td>Mail-Order</td>
<td>2.5 X Retail</td>
<td>2.5 X Retail</td>
<td>Ded, 80/20</td>
</tr>
</tbody>
</table>
Drugs Formulary

What is a drug formulary?

- A list of generic and brand name drugs identified as “preferred” based on overall value (effectiveness, outcomes, cost, etc.)
- Tiers:
  1. Generic Preferred
  2. Generic Non-preferred
  3. Brand Preferred
  4. Brand Non-Preferred
  5. Specialty drugs
- When the active ingredients in a generic drug are chemically identical to their brand name counterparts:
  - Our plan limits coverage to the generic agent
  - If an plan member requests the brand, he/she will be responsible for
    - the difference in cost between the brand and the generic plus
    - any applicable deductible, coinsurance, and/or copay
Drug Formulary

• What if I take a drug that is not listed on the formulary?

  • There will be other drugs on the formulary in the same therapeutic category as the drug you are taking - contact your provider to determine the best course of action
  • These may be either brand or generic
  • When only a single agent is available for a therapeutic category, that agent will be on the formulary

• Each plan member will be notified if a drug they are taking is not on the formulary
Drug Formulary

• The drug formulary being used was developed by Navitus (your Pharmacy Benefit Manager) and ASR Health Benefits (your Plan Administrator) to offer the maximum drug choices within a value-based design.

• The formulary is dynamic, and may change quarterly, based on new drugs being available, new medical studies on treatment outcomes and a continual reassessment of drugs listed. **This always stresses best member outcomes.**

• Plan members that may be affected will be notified prior to any change becoming active.

• Our intent is no surprises to the member, and to partner for the best member and plan outcomes possible.
Example 1: Humalog human insulin vials and self-injectors
• Humalog and Novolog are interchangeable by type and units
• Novolog is the formulary agent; Humalog is not covered (NC)

Example 2: Invokana, a type 2 diabetes treatment adjuvant, SGLT 2 class. Two other agents in this class, Jardiance and Farxiga have the same efficacy and similar side effects
• Farxiga is the formulary agent, others not covered.

Example 3: Nexium (esomeprazole).
• There are six agents in the proton pump inhibitor class, all with similar effects. Four of these are on formulary: Aciphex (rabeprazole), Protonix (pantoprazole), omeprazole and Dexilant (dexlansoprazole).

Example 4: QVAR (beclomethasone inhaler). Four like products available; 2 on formulary.
QHDHP/HSA

• Employee must be enrolled in a QHDHP
• Family deductible
  • One deductible covers all members of a family and must be met before the plan pays
• All services must apply to annual deductible prior to insurance payments
  • Exception: preventive benefits paid at 100%
• 2016 Healthcare Savings Account maximum contribution: $3,350/$6,750
  • Funds can roll-over and earn interest
Reminders

- A covered person must call Physician's Care Health Management (# on the front of the ID card) before/for the following services:
  - Hospital admission
  - Therapies
    - Physical, Occupational, Speech, Chemotherapy, & Radiation
  - Rental or purchase of Durable Medical Equipment
  - Home Health Care
  - Purchase of a custom-made orthotic or prosthetic
- When in doubt – make the call!!!
2016/2017
EMPLOYEE CONTRIBUTIONS

No Change to the Medical Employee Contributions!!!!
# 2016/2017 Employee Contributions

<table>
<thead>
<tr>
<th>Employee Contribution</th>
<th>Premier</th>
<th>Standard</th>
<th>QHDHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Only</td>
<td>$96</td>
<td>$67</td>
<td>$27</td>
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<tr>
<td></td>
<td>$194</td>
<td>$165</td>
<td>$50</td>
</tr>
<tr>
<td>Employee Plus One</td>
<td>$143</td>
<td>$102</td>
<td>$46</td>
</tr>
<tr>
<td></td>
<td>$241</td>
<td>$200</td>
<td>$144</td>
</tr>
<tr>
<td>Employee Plus Two or More</td>
<td>$190</td>
<td>$135</td>
<td>$46</td>
</tr>
<tr>
<td></td>
<td>$288</td>
<td>$233</td>
<td>$144</td>
</tr>
</tbody>
</table>

The Bolded number indicates wellness requirements have been met

(Bi-Weekly) Based on 24 deductions
2016/2017 Opt-out Benefit

- Opt-Out Payment
  - $0

- It will be necessary to discontinue the opt-out payment in order to be ACA compliant
Optional Dental And Vision

• Combined Benefit
• No change to current benefit/coverage levels
• Requires a 2 year enrollment
  • Contribution per pay
    ▪ Single - $14
    ▪ 2 Person - $28
    ▪ Family - $40
Optional Dental & Vision Benefits

- **Dental Benefit**
  - 100%/75%/75%/50%
    - $1,000/$1,760 max benefit

- **Vision**
  - $15 Co-pay for routine exams
  - 100% - $250/participant/plan year
Global Healthcare

What do I need to know?

• Approval/coordination from Akeso Care Management required
• Initial Diagnosis should be provided by an in-network provider here in the states
• Must be a good candidate for travel
• Typically non-emergent care
• Follow-up care should also be provided by an in-network provider here in the states
• Services must meet the cost effective threshold
• $7,000 payment to employee (taxable)
Flexible Spending Account (FSA)

- Voluntary Pre-tax deduction
  - Healthcare Reimbursement
  - $2,550 maximum per employee
  - Daycare Reimbursement
  - $5,000 maximum per household
- ASR Administered
  - MBI Debit Card
- Determine your plan year contributions
- FSA Contributions are payroll deducted
- IRS requires a proof of expense
- “Post Deductible” medical expenses for HSA participants only
  - Dental, vision, hearing, etc.
FSA IRS Regulations

- OTCs only reimbursable with a prescription
- Participant Elections
- No change until next open enrollment or change in status
- “Use-it-or-lose-it” rule
- Careful planning – review prior & expected expenses
- Health Care FSA – advance reimbursement
- Dependent Care FSA – no advance reimbursement

➤ You must re-enroll every year
OUR PARTNER FOR LIFE AND DISABILITY
Life And Disability

• AU paid coverage:
  • Life
  • **Effective 7/1/16, benefit level offering for all eligible employees will be:**
    • Employee - $100,000
    • Spouse - $50,000
    • Dependents - $10,000
  • Long Term Disability
    • 66 2/3% - $6,000
    • 90 Day elimination period
Supplemental Life Insurance

- **Employee**
  - $10K Increments to $750,000 not to exceed 7 X annual income

- **Spouse**
  - $5K Increments to $250,000 not to exceed 100% of employee election

- **Dependent Children**
  - $5,000 increments not to exceed $25,000
Supplemental Life Guarantee Issue

• Employee Guarantee Issue:
  • $250,000 (or 3X earnings) for all employees
  • If you currently have elected at least $10K in coverage, you will not be subject to evidence of insurability for additional coverage

$250,000

• Additional coverage on your Spouse:
  • $50,000
• Value-added services
  • Travel Assistance
  • Employee Assistance Program
    ▪ Brochures available!!!
Voluntary Disability
Voluntary Critical Illness
Voluntary Accident Plan
Whole Life

Additional Benefits
Voluntary Disability

- Are you insuring your paycheck???
- You design the benefit:
  - You can choose:
    - A monthly benefit between $400 and $5,000
    - The waiting period before benefits begin
    - Duration of benefits
- Your benefit counselor will help you calculate premiums/quotes
Voluntary Critical Illness

• What is covered?
• Examples of critical illnesses covered under the base plan:
  • Heart attack, blindness, major organ failure, end-stage renal (kidney) failure, coronary bypass, benign brain tumor, stroke, coma, permanent paralysis, cancer & carcinoma
• $50 health screening benefit
• Sample Rates for a 40 year old with $5,000 benefit
  • $1.90 per week
Voluntary Unum Accident Plan

- Unum’s accident insurance can pay benefits based on the injury you receive and the treatment you need, including surgery
  - X-rays
  - Emergency room care (including related surgery)
- Wellness benefit pays $50 per insured per calendar year
- You can also purchase a Sickness Hospital Confinement rider
### Accident Plan Rates:

<table>
<thead>
<tr>
<th>Plan</th>
<th>Employee</th>
<th>Spouse</th>
<th>Child</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accident</td>
<td>$4.10</td>
<td>$2.66</td>
<td>$3.30</td>
</tr>
<tr>
<td>Sickness Rider</td>
<td>$.48 /$100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Whole Life Insurance

Term life is for “if” you die, whole life is for “when” you die

• Level premiums and death benefit
• Coverage is individually owned
• Living benefit
• Cash value with 4.5% guaranteed interest rate
• Death benefit can be used for Long Term Care services
Sample Rates For “Paid-up At 70” ($6 Of Weekly Premium)

<table>
<thead>
<tr>
<th>Issue Age</th>
<th>Face Amount</th>
<th>Cash Value at age 65</th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
<td>$35,821</td>
<td>$14,098</td>
</tr>
<tr>
<td>35</td>
<td>$23,301</td>
<td>$8,249</td>
</tr>
<tr>
<td>45</td>
<td>$13,898</td>
<td>$3,969</td>
</tr>
</tbody>
</table>
Open Enrollment
Made possible by:

bswift
How Do I Enroll???
Benefits Management System
Open Enrollment Checklist

✓ Login onto www.andrews.edu/go/mybenefits
✓ Review personal information
✓ Go to the News & Library Sections and review necessary documents
✓ Begin enrollment by clicking “Enroll Now”
✓ Once enrollment is complete – review your elections and email or print your confirmation statement for your records

Remember to COMPLETE your enrollment and review your confirmation statement!!!!!!
Open Enrollment Guidelines

- Benefit Elections will automatically rollover to 2016/2017 Plan Year, excluding the Flexible Spending Account Elections/Contributions
- Participant Changes must be made via Andrew’s University Internet Enrollment System provided by bswift

You must re-enroll in the flex accounts every year!!!
Do You Need Help???

- Should you need assistance:
  - Two benefit counselors will be available to help you complete the open enrollment process
    - April 14th
    - Sign-up is on a first come, first serve basis

For enrollment or benefit questions, please email benefits@andrews.edu
Open Enrollment

• Opens
  • April 1\textsuperscript{st}
• Closes
  • April 15\textsuperscript{th}

• No changes after that date will be accepted
Benefit Statements

- Confirmation statements will be provided pre/post enrollment
- Review your confirmation statements and make any necessary corrections before the 15th!!!!!!
Every year someone misses this...
Reminder...

• By law, all participants have 30 days after a qualifying event to make a corresponding change to your enrollment status
  • Birth
  • Adoption
  • Marriage
  • Divorce
  • Change/loss of other coverage

• etc. (See SPD & Amendments)
PRESENTATION FINISHED

...ANY QUESTIONS?
Coldbrook Insurance Group provides a broad spectrum of Insurance and Risk Management services with a focus in Group Life & Employee Benefits and Commercial Property & Casualty Insurance. Our agents and counselors serve commercial, public sector and personal clients.

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