



Take Charge of Your Health!



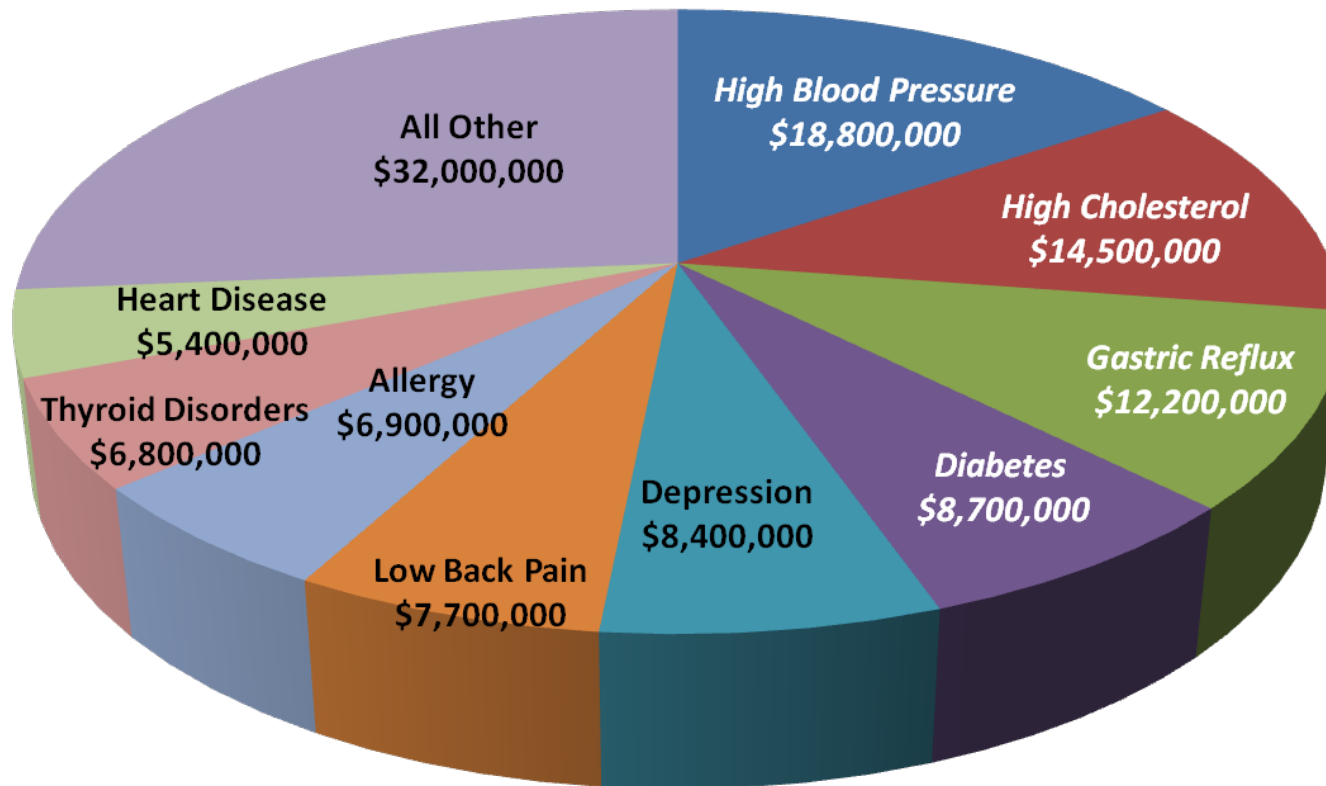
Disclaimer

- Each person's needs for health care vary. You are responsible for reviewing and researching the information provided based on your own needs and circumstances.
- Decisions you make about your benefits should be made based on specific knowledge of your own needs.
- Cost information provided is illustrative only and is not to be used/mistaken for legal guidance.
- You should consult a financial or tax advisor to discuss your individual situation.
- All financial investment information should be reviewed with a financial professional.

Session Objectives

- Provide you with overview of the 2011 Annual Benefits Enrollment Process
- Introduce the Plan Changes
- Describe the wellness plan
- Explain the incentives being offered

Montgomery County's costs are being driven by lifestyle related diseases



Lifestyle related disease states account for a significant portion of medical claims spend

Prevalence of these conditions is much higher within the Montgomery County employee population than national averages

There has been very little change in the burden of these disease states since 2006

Costs represent aggregate costs for members with each diagnosis
Spend was from July 2009 – June 2010

Montgomery County / Employee Partnership

- Montgomery County remains committed to providing our employees with a benefit package that offers practical, high-quality options to eligible employees and their qualified dependents.
- The Benefits Task Force was involved in looking at Long Term Health Care strategies that impacted the development of these plans.
- The plan design includes wellness incentives to help employees Take Charge of Your Health.
- The results will be shared during this presentation and we are certain you'll find an option that works for you and your family.

What's New Overview

- **Annual Enrollment is April 26 – May 26, 2011**
 - You must go online and make an election, even if you are waiving medical coverage.
- Several vendors are changing
- Medical Plan Offerings are changing
- You can add your 19-25 year old adult “dependents” (Health Care Reform)
- Employee Contributions are changing
- There's a new Wellness and Incentive Program!!

Details on all changes are outlined in your Enrollment Guide and online at www.mcbenefits.or

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Vendors and Providers effective July 1, 2011

Things you need to know:

- Medical – **Anthem**
- Pharmacy – **Medco**
- Wellness & Disease Management – **Healthways**
- Dental – **Superior Dental**
- Life & Short-Term Disability – **Hartford**
- Vision - **EyeMed**
- FSA/COBRA - **Business Plans, Inc.**
- MC Work/Life Solutions – **Value Options**

Things you need to do:

- Review your Enrollment Guide
- **Make your Benefits Elections April 26th – May 26th**

Annual Enrollment is April 26th – May 26th

Things you need to know:

- All enrollment must be done online
- The enrollment system will be available April 26th through midnight May 26th
 - Go to www.mcbenefits.org for detailed instructions on how to access the system

Things you need to do:

- Review your Benefits Enrollment Guide for detailed information
- **Everyone must make an active online election** or you will be enrolled in the County Plan, Single coverage

Dependent Eligibility is changing

Things you need to know:

Dependent eligibility documentation is required only for newly added dependents or for Qualifying Life Event (QLE)

Medical Eligibility

- Children age 19 to 26 can be added to your medical plan
- No longer required to be a student due to Health Care Reform
- No additional cost unless your enrollment level changes

Dental, Vision and Supplemental Life

- Children age 19 to 25 can be added to your plan(s)
- Must meet the requirements of an IRS Dependent

Dependent Changes After Annual Enrollment

- Can only be made if you have a change in family status known as a Qualifying Life Event (QLE)

Note: Employee eligibility is based on regularly scheduled work hours and may vary among County agencies – check with your Human Resources Department regarding your eligibility

Dependent Eligibility is changing

Things you need to do:

- Review the eligibility matrix in the Enrollment Guide for complete details regarding dependent eligibility and Qualifying Life Events (page 3)
- **Submit required documentation for dependent additions or changes to the Benefits Department at 451 W 3rd St by May 26, 2011 or the dependent will not be covered for the new plan year**

Things you need to know – *Medical Options*

Waiver Option

- You may choose not to be covered by a Montgomery County health plan if you have coverage elsewhere
- Monthly Waiver Credit of:
 - \$57.50 Employee only
 - \$90.00 Employee +1
 - \$120.00 Family
- You are NOT eligible for the waiver credit if you are covered on a Montgomery County plan as a dependent under a spouse or parent's plan

Medical Plan Coverage

2 Medical Plan Offerings: County Plan and Buy-Up Plan

Things you need to know:

- Comprehensive coverage
- Wellness and preventive care services are covered at 100% - In Network
- Access to over 80% of doctors and 90% of hospitals nationwide
- Medical Services covered
- Prescription drug plan
- Separate ID cards for medical and pharmacy
- Discounted rates with providers

Things you need to know – *Medical Options*

Buy-Up Plan

- Network is Anthem Blue Card PPO
- PPO plan with co-pays for in-network doctor office visits and prescription drugs
- Deductibles, coinsurance and out-of pocket maximum for other services, i.e., x-rays, labs
- Member pays co-payment at the time of service
- Co-payments are not applied toward deductible
- Monthly employee contributions are higher (\$170, \$240 or \$300)

Additional plan details on page 8 of your Enrollment Guide and mcbenefits.org



Things you need to know – *Medical* *Options* County Plan

- Qualified High Deductible Health Plan (HDHP) with a Health Savings Account (HSA)
- Anthem's name for the qualified HDHP is "Lumenos" and you will receive communications from Anthem using that name
- Works well with Health Savings Account (if selected)
- Member pays 100% of the costs for medical care and prescription drugs until the deductible is met
- All charges are applied toward deductible and out of pocket maximums
- After out-of pocket maximums are reached per year (\$3600 – single; \$5200 – family), no additional costs for in-network services
- Entire Family Deductible must first be met before co-insurance is applied
- Must show your Medco card at the pharmacy to receive discount rate
- Low monthly employee contribution (\$10, \$20, \$30)



Things you need to know – Prescription Drug Details

Medco	THE BUY-UP PLAN	THE COUNTY PLAN
Prescription Drugs:		100% of discounted rate until deductible is met
Retail- 30 day supply:		After Deductible is met:
Generic	\$7.50 co-pay	70% / 30%
Brand	\$30.00 co-pay	70% / 30%
Formulary	\$50.00 co-pay	70% / 30%
Non-		
formulary	\$22.50 co-pay	70% / 30%
Retail - 90 day supply:	\$90.00 co-pay	70% / 30%
Generic	\$150.00 co-pay	70% / 30%
Brand		
Formulary		
Non-	\$15.00 co-pay	70% / 30%
formulary	\$75.00 co-pay	70% / 30%
	\$125.00 co-pay	70% / 30%
Mail Order- 90 day supply:		
Generic	Co-payment not applied to deductible	100% of prescription drug costs apply to deductible
Brand		
Formulary		
Non-		
formulary		

- Prescription drug plans will be administered by Medco
- You will receive a separate card from Medco
- You will not have to make a separate election to access the pharmacy benefits
- Customer Service: **(877) 796-9758**

Plan Comparison - Monthly employee contributions

County Plan 7/1/11-9/30/11		Buy-Up Plan 7/1/11-9/30/11	
Employee	10	Employee	49
Employee +1	20	Employee +1	97
Family	30	Family	159
County Plan 10/1/11-6/30/12		Buy-Up Plan 10/1/11-6/30/12	
Employee	10	Employee	170
Employee +1	20	Employee +1	240
Family	30	Family	300

Rates shown do not include Wellness Incentives
Rates may vary by union affiliation

New Incentive Package will impact your Plan Costs!!

Each incentive award is worth \$50 per month

Incentives will be awarded for:

1. Living tobacco free
2. Completing the Wellness Activities
 - Getting an annual Physical
 - Having appropriate age and gender tests
 - Completing your Well Being Assessment

Incentives are awarded differently depending on medical plan:

- Buy-Up Plan = reduces Monthly employee contribution
- County Plan = Monthly HSA deposit

All incentive activities must be completed by August 31, 2011

If you have completed wellness activities in the last twelve months (July 1, 2010), you can have your doctor sign the form to verify

Health Savings Accounts an option for County Plan enrollees

Things you need to know:

- A Health Savings Account (HSA) is a tax-advantaged medical savings account available to employees who are enrolled in a High Deductible Health Plan (HDHP), i.e. the County Plan
- HSA funds can be used to pay for approved medical expenses such as deductibles and coinsurance in The County Plan
- Contributions may be made via payroll deductions that the County will administer on your behalf
- Montgomery County will match your pre-tax HSA contributions made via payroll deductions up to a total match of \$1,000; this is in addition to the incentive credits deposited by Montgomery County

50% of the Montgomery County match will be deposited on July 1, 2011

For example, if you are contributing \$1,000 Montgomery County will also contribute \$1,000, \$500 of which will be deposited on July 1

- Additional contributions may be made by lump sum, Electronic Funds Transfer (EFT) or combination (**MC will not match these contributions**)
- Annual contribution amounts are elected during annual enrollment and may be changed as a result of a Qualifying Life Event (QLE)

Am I Eligible for the HSA Plan?

The IRS and the U.S. Department of the Treasury have specific rules on who can open an HSA. Refer to www.irs.gov to review the rules before you sign up.

You can open an HSA if you:

- Are enrolled in The County Plan, because it features all the components necessary to be a qualified plan
- Are a U.S. resident but not a resident of Puerto Rico or American Samoa
- Are not enrolled in Medicare
- Are not claimed as a dependent on another individual's tax return
- Are not active military
- Others – refer to online health site

- Go to IRS.gov or HSAMember.org for more information

Things you need to know about your HSA

- Mellon Bank is the HSA administrator and you must activate an account with Mellon Bank by June 30th
 - You will receive information directly from Mellon on how to establish your account
- For 2011, you may contribute:
 - | <u>Maximum Contribution*</u> | <u>Coverage Level</u> |
|------------------------------|-----------------------|
| » \$3,050 | Single |
| » \$6,150 | EE+1, Family |
 - Employees 55 years or older may make an additional \$1,000 contribution to their HSA
- You'll receive a debit card to access the funds in your account
- Funds must actually be in your account before you have access to them – similar to a regular checking account
- County Plan/HSA Informational Workshops are scheduled to explain this medical plan option in more detail



Things you need to do:

- Attend a session of the County Plan/HSA Informational Workshops
- Check your eligibility status for the HSA
- Select a contribution amount during Annual Enrollment (if eligible)

How to get funds into my HSA

Example: Incentives

	1 Incentive	2 Incentives
Incentive Paid by MC	\$ 450	\$ 900
Employee Contribution	\$1,000	\$1,000
MC Match	\$1,000	\$1,000
Annual HSA Contribution	\$2,450	\$2,900

Example: Pay-Roll

Contributions

If you change from family

Enhanced

Plan to the family County Plan:

You

may save money that could be put
into an HSA

2010-11 – Family Enhanced
=159

2011-2012- Family County = 30

Total monthly savings of
=129

**\$129 x 12 months = \$1548/
year**

***“Take Charge of your Health”* is the new Wellness Plan**

Things you need to know:

- Montgomery County’s wellness program will be administered by Healthways
- The wellness program is named ***“Take Charge of Your Health”***
- ***“Take Charge of Your Health”*** offers many programs including Tobacco Cessation, Stress Management, Weight Management and Coaching
- You can use the wellness benefits even if you don’t enroll in a Montgomery County Health Plan
- You must complete the Well-Being Assessment to participate in the program
- All information Healthways collects is confidential, governed by Federal Privacy Laws
- Montgomery County will not see any of your individual health information
- The Well-Being Assessment will be available to you online on July 1, 2011

***“Take Charge of your Health”* is the new Wellness Plan**

Things you need to do:

- Complete the online Well-Being Assessment (WBA)
- Get your annual physical and age and gender appropriate tests
- If you receive a phone call from a Healthways nurse, answer the phone and talk with the nurse. This is a free resource that can help you with:
 - Understanding your WBA Report
 - Nutrition Support
 - Crafting questions for your doctor
 - Managing your chronic disease
- Share your personalized Well-Being Assessment Report with your doctor
- Use the resources available on the website – all are free for you and your family!

Flexible Spending Accounts

Things you need to know:

- myCafeteria Plan will remain the FSA vendor
- **Types of accounts: Health Care, Dependent Care and Limited Purpose FSA**
 - Annual limit on pre-tax contribution is \$5,000 for all accounts
 - Set aside tax-free money each pay period to meet eligible expenses incurred during the year
 - “Use it or lose it” rule (IRS): Any balances remaining after the deadline must be forfeited
- **Health and Dependent Care FSA accounts are available for use with the Buy-Up Plan**
 - You may contribute to one or both accounts – health care and dependent care
- **Limited Purpose FSA and Dependent Care FSA are available for use with the County Plan**
 - Reimbursements are limited to eligible dental and visions expenses only – Limited Purpose FSA

Things you need to do:

- Make a contribution election for either the medical or dependent care flexible spending account
- The enrollment system will be available April 26th through May 26th
 - Go to www.mcbenefits.org for detailed instructions on how to access the system

Comparing HSA vs. FSA

	HSA	FSA
Your Medical Plan Election Requirement	County Plan	Buy-Up Plan
Primary Use	<ul style="list-style-type: none"> • Current and future eligible expenses • Unused funds roll over from year to year 	<ul style="list-style-type: none"> • Eligible expenses incurred during the plan year • Use it or lose it
Eligible Expenses	Typically broader than under FSA (e.g., long term care premiums, acupuncture)	Tied to specific IRS guideline
After Retirement	Can be used to pay Medicare premiums, deductibles, coinsurance, and co-pays tax free HSA is portable	<ul style="list-style-type: none"> • FSA is not portable • You may continue funding on an after-tax basis • You may use FSA under COBRA for the remainder of the plan year
Portability	<ul style="list-style-type: none"> • Your account belongs to you • Continue to use the funds in your HSA • Roll it over to another HSA • Transfer to your spouse or your designated beneficiary, upon death 	<ul style="list-style-type: none"> • FSA is not portable • You may continue funding on an after-tax basis • You may use FSA under COBRA for the remainder of the plan year
Fund Growth	You have a choice of investment options	Not Applicable

Vision Coverage

Things you need to know:

- EyeMed will remain the vendor
- Plan design will remain the same
- Contributions will remain the same

Monthly Vision Contributions	
Employee Only	\$5.61
Employee +1	\$11.77
Family	\$17.94

Things you need to do

- Review the annual enrollment materials
- Compare the plans and make an informed decision
- The enrollment system will be available April 26th through May 26th
 - Go to www.mcbenefits.org for detailed instructions on how to access the system

Dental Coverage

Things you need to know:

- Superior Dental is the new vendor effective July 1st
- You may participate even if you don't participate in a Montgomery County medical plan
- Preferred Plan Network is the network of dentists
- The two plan designs will remain the same: Core and Enhanced
- Contributions have increased

Monthly Dental Contributions		
	<i>Core</i>	<i>Enhanced</i>
Employee Only	\$20.54	\$29.44
Employee +1	\$41.12	\$58.97
Family	\$77.53	\$100.22

Things you need to do:

- Review detailed plan features in the annual enrollment materials
- Compare the plans and make an informed decision
- The enrollment system will be available April 26th through May 26th
 - Go to www.mcbenefits.org for detailed instructions on how to access the system

Life Insurance

Things you need to know:

- The Hartford is the new vendor effective July 1st
- \$50,000 Basic Life and AD&D is provided to employee at no cost
- You may purchase supplemental life insurance for you and your spouse or dependent children at your own expense
 - Does not apply to PHDMC or MCBDDS
- To enroll or increase your supplemental life insurance, a Personal Health Application (PHA) must be submitted to The Hartford by July 1, 2011

Things you need to do:

- Review detailed plan features in the annual enrollment guide
- Review enrollment guide for rates based on your age
- Compare the plans and make an informed decision
- Submit PHA to The Hartford if enrolling or increasing supplemental life insurance by July 1, 2011
- The enrollment system will be available April 26th through May 26th

- Go to www.mcbenefits.org for detailed instructions on how to access the system

Short Term Disability Coverage

Things you need to know:

- The Hartford is the new vendor effective July 1st
- Provides benefit of 60% of your base pay for up to 26-weeks after
 - 14 day waiting period for illness
 - 7 day waiting period for injury
- Rates are based on your age and base pay
 - Does not apply to ADAMHS, PHDMC or MCBDDS
- A Personal Health Application (PHA) must be submitted to The Hartford by July 1, 2011 to enroll in the plan

Things you need to do:

- Review detailed plan features and rates in the annual enrollment guide
 - If enrolling, submit completed PHA to The Hartford by July 1, 2011
 - The enrollment system will be available April 26th through May 26th
-
- Go to www.mcbenefits.org for detailed instructions on how to access the system

MC Work/Life Solutions

Things you need to know:

- MC Work/Life Solutions offers free and confidential counseling to you and your family members to help you deal with personal problems
- Counselors available 24 hours a day, 365 days a year
- Work/Life services assist with daily challenges such as
 - choosing a child care provider
 - financial services and care for adults
 - selecting a school or a college
 - assisting with parenting issues
 - moving, relocation and home ownership
- Services are available at no cost
- No enrollment is required

Things you need to do:

- Visit the website @ www.achievesolutions.net/mcoho for a full list of services and additional work/life resources

Enrollment Checklist

<input type="checkbox"/>	Review your 2011 – 2012 Annual Benefits Enrollment Guide
<input type="checkbox"/>	Attend an Annual Enrollment Meeting
<input type="checkbox"/>	Attend a County Plan / HSA meeting to learn more
<input type="checkbox"/>	Enroll online before May 26 th
	<input type="checkbox"/> Make an informed choice
	<input type="checkbox"/> Review your medical plan use from prior years to ensure you fully understand your personal use of the plan
	<input type="checkbox"/> Determine which option will best help you Take Charge of Your Health!
<input type="checkbox"/>	Add / Change a dependent
	<input type="checkbox"/> Submit required dependent documentation to the Benefits Department by May 26 th
<input type="checkbox"/>	Determine an HSA contribution amount (only if you enrolled in the County plan)

Scenario: Employee covering himself and his family.

- Employee has high blood pressure and sees his cardiologist once per year.
- Spouse is healthy and receives only preventive care annually.
- Older child has allergies and asthma; one specialist visit with chest X-ray.
- Younger child plays sports, visited the ER once last year with one orthopedic visit.
- Employee qualifies for both Wellness Incentives.
- This assumes all providers are in network.

**County
Family Plan**

**Buy Up
Family Plan**

Expenses

* indicates copay

Cardiologist Visit		240.00	30.00*
Prescription for High BP	\$25/month	300.00	90.00*
Preventive Care - All members		0.00	0.00
Older Child - 2 Prescriptions	\$25/mo & \$200/mo	2,700.00	690.00*
Older child - specialist		240.00	30.00*
Older child - X-ray		400.00	400.00
Younger child -ER Visit		1,500.00	175.00*
Younger child - Orthopedic Visits		240.00	30.00*
Younger child - X-Ray		400.00	400.00
Total		6,020.00	1,845.00

Total Expenses		6,020.00	1,845.00
Eligible for Individual Deductible		n/a	400.00
Individual Deductible		n/a	500.00
Balance Remaining		n/a	does not meet
Eligible for Family deductible		6,020.00	800.00
Family Deductible		-3,000.00	1,000.00
Balance Remaining		3,020.00	does not meet
Employee pay on remaining	30% on County Plan; 20% on Buy Up Plan	906.00	0.00
Employee Medical Liability		3,906.00	800.00
Insurance premium		360.00	3,177.00
Less Incentives (Buy Up)			-900.00
Total Premium		360.00	2,277.00
Total Liability + Premium		4,266.00	3,077.00
Mont Co HSA - Incentives		900.00	0.00
Mont Co HSA - Match*		1,000.00	0.00
Employee Contribution Required for County HSA Match		1,000.00	0.00
Total Contribution in HSA:		2,900.00	0.00
Less monthly maintenance fee (\$2.95/month)		-35.40	0.00
HSA dollars available NOTE: The HSA account is interest bearing.		2,864.60	0.00
Total Employee Payroll Deduction		1,360.00	2,277.00
Employee Liability not covered by funds in HSA/ Insurance		1,041.40	1,845.00
Employee Cash out of Pocket	34	2,401.40	4,122.00

A Claims Example....

- An Employee is covering herself only
 - She's very healthy and generally only receives preventive care annually
 - Occasionally, she does get a cold during the winter months and sees her Primary Care Physician once
- Based on this utilization, she can expect about \$600 in medical expenses annually but because of the 100% preventive care benefit, she's only responsible for \$100 of the expenses

	County Plan	Buy-Up Plan
Annual Medical Expenses	\$100	\$100
Annual Deductible	\$1,500	\$500
Expenses remaining after Deductible is paid	Deductible not met	Deductible not met
Coinsurance Percentage Member is responsible for	N/A	N/A
Coinsurance Paid	N/A	N/A
Employee paid for medical care Deductible + Copay/Coinsurance Paid = Paid for medical care	\$100 (estimated PCP office visit cost) \$ 20 (estimated cost of 2 generic prescriptions)	\$15 (PCP co-pay) \$15 (2 generic prescriptions co-pays)
Employee paid annually via contributions	\$120	\$777
Total out of pocket	\$240	\$807

Any Questions??????



ANNUAL ENROLLMENT – SUMMARY

- Review your annual enrollment guide
- Attend an annual enrollment meeting
- If considering the County Plan, attend a County Plan/HSA Informational session
- Check your HSA eligibility status
- Go to mcbenefits.org for more information
- **BE SURE TO GO ON-LINE AND ENROLL BY MIDNIGHT MAY 26, 2011**

Disclaimer

- Each individual's needs for health care vary.
- Decisions you make about your benefits should be made based on specific knowledge of your own needs.
- Cost information provided is illustrative only and is not to be used/mistaken for legal guidance.
- You should consult a financial or tax advisor to discuss your individual situation.
- All Financial investment information should be reviewed with a financial professional.