

Benefits Overview



LAKE FOREST
COLLEGE

2017 Open Enrollment

Benefits Overview



LAKE FOREST
COLLEGE

**Medical and Rx benefits – 2
plans now being offered**



LAKE FOREST
COLLEGE

Choice Plus PPO

In-Network Cost

- **Deductible**
 - \$750 Individual/\$1,500 Family
 - \$20 Doctor Visit Co-Pay
 - \$40 Specialist Doctor Visit Co-Pay
 - Annual Physical Exam covered at 100%
- **Out-of-Pocket Maximum**
 - \$2,000 Individual / \$4,000 Family
- **Co-Insurance Levels**
 - 80% benefit level



LAKE FOREST
COLLEGE

HDHP - H S A plan (NEW)

In-Network Cost

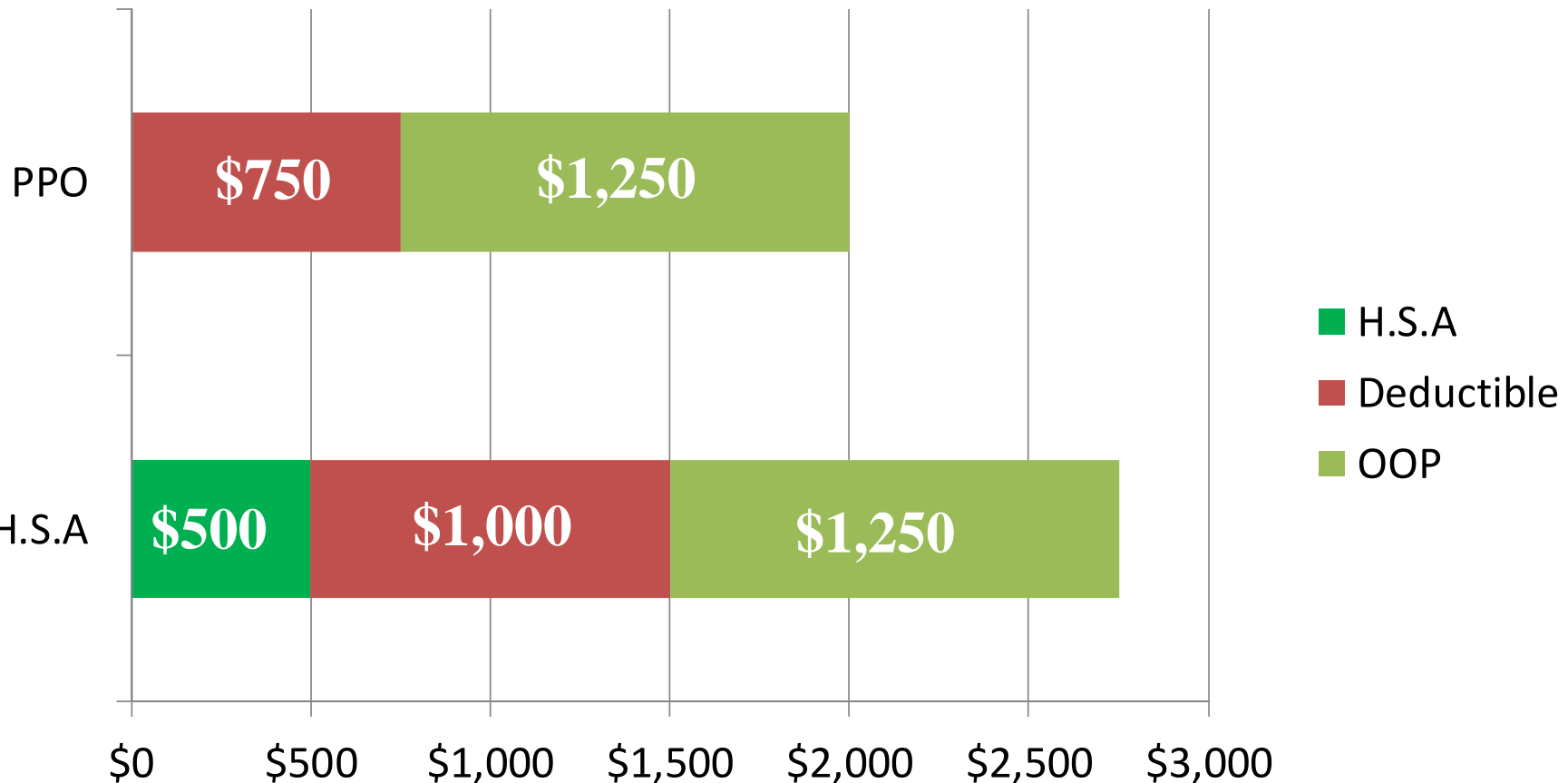
- \$1,500 Individual/ \$3,000 Family Deductible
- 100% coverage for Preventive Care
- All other expenses subject to deductible/H.S.A
- H.S.A Funding: \$500 single/\$750 ES, EC \$1,000 fam
- Co-Insurance Levels
 - 80% benefit level
- Out-of-Pocket Maximum
 - \$2,750 Individual / \$5,500 Family
- 80% Rx coverage above deductible



LAKE FOREST
COLLEGE

Comparing the 2 plans

PPO compared to an HDHP with H.S.A – single enrollee

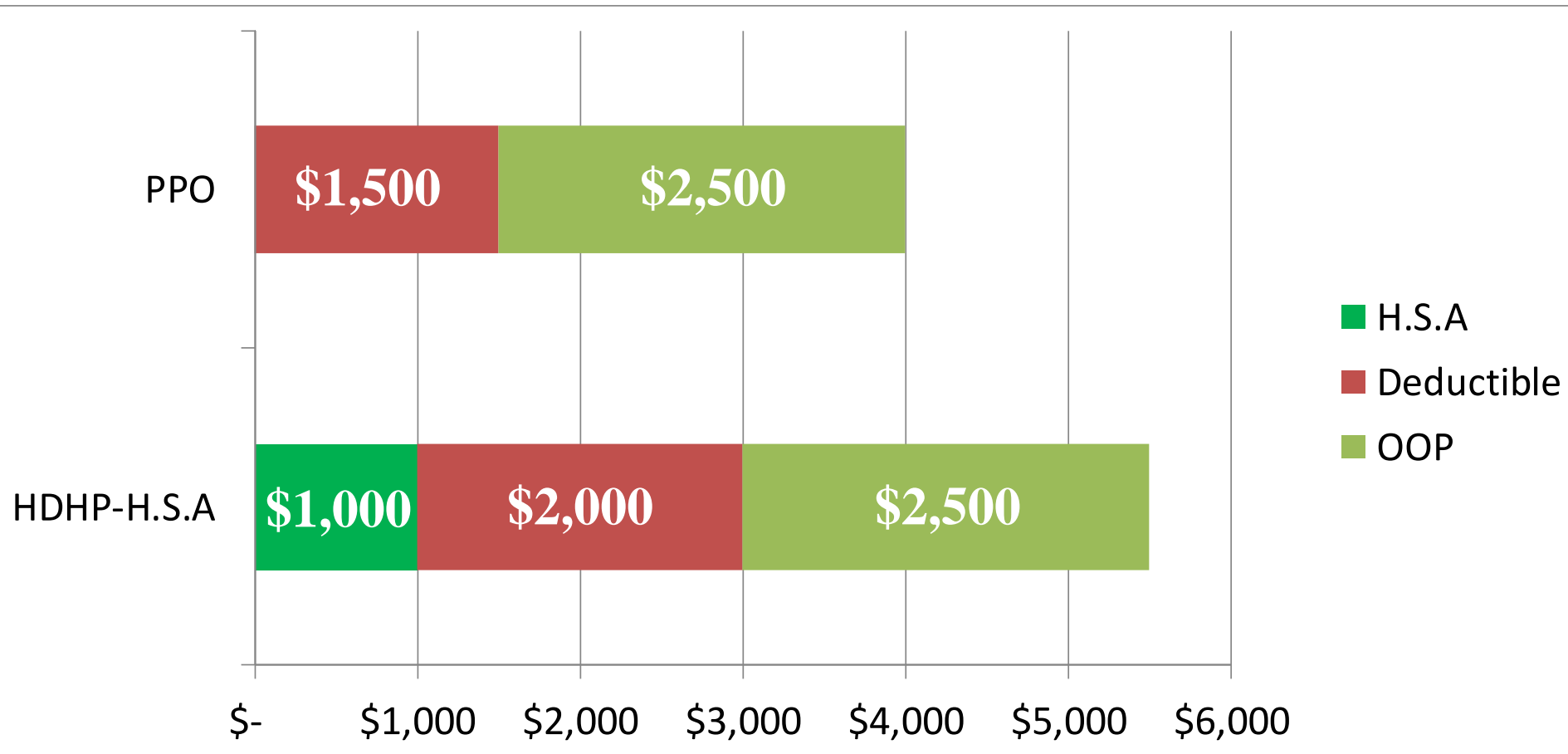




Comparing the 2 plans

LAKE FOREST
COLLEGE

PPO compared to an HDHP with H.S.A – family enrollee





What is an HSA?

LAKE FOREST
COLLEGE

- A health savings account (HSA) is an account to pay medical, dental and vision expenses.
- Must be used in conjunction with a high deductible health plan (HDHP)
- You own the account, but both you and your employer can contribute funds
- **Tax-advantages: Contribute pretax money, funds accrue tax-free and withdraw funds tax-free (if used for eligible medical expenses)**



LAKE FOREST
COLLEGE

Benefits of an HSA

- Triple tax advantage means you save money on your health care expenses
- **Funds rollover each year**, so you can use your HSA to save tax-free money for retirement
- **You own the account**, even if you leave this health plan/employer
- HDHP insurance plan has lower monthly premiums than a traditional health plan



How Does HSA/HDHP Work?

LAKE FOREST
COLLEGE

- You contribute money to the HSA (either a lump sum payment or monthly through payroll deductions).
- You can use HSA dollars to pay your health insurance deductible, along with other qualified medical expenses
- Once you meet your deductible, your insurance pays additional covered expenses in accordance with our plan (mostly at 80%).



Who is Eligible for an HSA?

LAKE FOREST
COLLEGE

- Anyone who is:
 - Covered by an HDHP
 - Not enrolled in Medicare
 - Not covered under other health insurance*
 - Not another person's dependent

* Other health insurance does not include: specific disease or illness insurance, accident, disability, dental care, vision care, long-term care insurance, and a health FSA



HSA Contributions

LAKE FOREST
COLLEGE

- Each year, the IRS sets contribution limits
 - These limits are for the total funds contributed, including company contributions, your contributions and any other contributions.

- 2017 limits:
 - **\$3,400 for individual coverage**
 - **\$6,750 for family coverage**



Catch-Up Contributions

- For individuals ages 55-plus, the IRS allows additional “catch-up contributions.”
- Eligible individuals may contribute an extra \$1,000 for the year.
- This rule is meant to help save additional money for retirement.



Claiming From Your H.S.A

LAKE FOREST
COLLEGE

- Distributions from your HSA are tax-free if they are taken for “qualified medical expenses.”
- Your HSA can only be used for expenses that are incurred on or after the date the HSA was established.
- However, HSA funds can be used for expenses from a prior year, as long as the expenses incurred on or after the date the HSA was established.



Claiming from your H.S.A

LAKE FOREST
COLLEGE

- HSA distributions can be taken for qualified medical expenses for the following people:
 - The account holder (person covered by the HDHP)
 - Spouse of that individual (even if not covered by the HDHP)
 - Dependents of that individual (even if not covered by the HDHP)



LAKE FOREST
COLLEGE

Claiming from H.S.A –age 65+

- For individuals age 65 and older, HSA distributions can be used for non-qualified medical expenses without facing the 20 percent penalty.
 - However, income taxes will apply for non-medical distributions.
 - This rule is regardless of whether the individual is enrolled in Medicare.



Qualified Expenses (Tax Free)

LAKE FOREST
COLLEGE

- The IRS defines expenses that are considered “qualified medical expenses” for HSA distributions (Sect. 213d of IRS code)
- Expenses must be primarily to treat or prevent a physical or mental defect or illness.
- If you use HSA funds for expenses beyond what the IRS defines as qualified, you will be subject to income tax on the distribution and an additional 20 percent penalty.



LAKE FOREST
COLLEGE

Qualified Expenses (Tax Free)

- Examples of qualified medical expenses include:
 - Most medical care that is subject to your deductible (copays, coinsurance, doctor visits, inpatient or outpatient treatment, etc.)
 - Prescription drugs
 - Over-the-counter drugs, only if you obtain a prescription
 - Insulin (with or without a prescription)
 - Dental and vision care
 - Select insurance premiums
 - COBRA, qualified long-term care insurance, health insurance premiums paid while receiving unemployment benefits, health insurance after you turn 65 except for a Medicare supplemental policy

Human Resources can provide you with a full list of eligible expenses upon request.



Ineligible Expenses

LAKE FOREST
COLLEGE

- Expenses that are **not** considered “qualified medical expenses” include:
 - Insurance premiums (other than the exceptions listed on the previous slide)
 - Over-the-counter drugs (unless a prescription is retained from a physician—insulin is an exception)
 - Surgery purely for cosmetic reasons
 - Expenses covered by another insurance plan
 - General health items such as tissues, toiletries and hand sanitizer

Human Resources can provide you with a longer list of ineligible expenses upon request.



Recordkeeping Guidelines

LAKE FOREST
COLLEGE

- Whenever you use HSA funds to pay for a medical expense, you should keep your receipt.
- You may need to demonstrate to the IRS that HSA distributions were for qualified medical expenses if you get audited.
- If the IRS requests receipts for verification purposes, failure to provide those receipts could result in having to pay a penalty.



LAKE FOREST
COLLEGE

Manage your benefits at myuhc.com.®

- ✓ Track claims and expenses.
- ✓ Pay health care bills.
- ✓ Find network providers.
- ✓ Find and compare medications.
- ✓ Refill prescriptions.



Access your benefits and get help anytime,
anywhere with the UnitedHealthcare
HEALTH4ME™ app





LAKE FOREST
COLLEGE

Get your information on the go

Use myuhc.com wherever you are —
download the **UnitedHealthcare
Health4Me™** mobile app.

Health4Me provides instant access to your family's health information — anytime and anywhere.

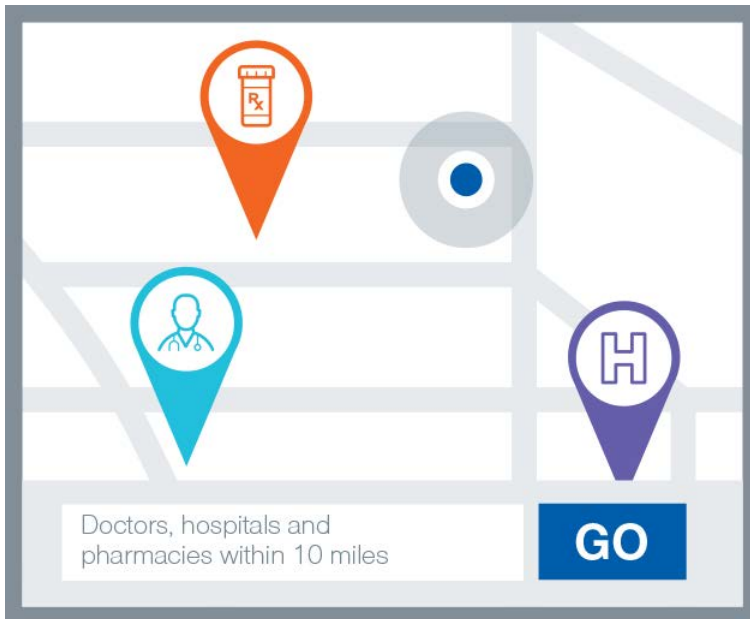
- ✓ Find a physician near you
- ✓ Check the status of a claim
- ✓ Speak directly with a health care professional





LAKE FOREST
COLLEGE

UHC network is available in 96% of all U.S. counties.



- ✓ **800,000+**
doctors and health care professionals
(clinics, labs, care centers, etc.)
- ✓ **5,700+** hospitals
- ✓ **30,000+** pharmacies

Search our **NETWORK** at welcometouhc.com





LAKE FOREST
COLLEGE

Searching the UHC network is easy.



1

Look for the find a doctor button on **myuhc.com**[®]

2

Call the number on the back of your **health plan ID card**

3

Search using the **Health4Me**[™] mobile app

Search at: welcometouhc.com





Online access to care

A virtual visit lets you see and talk to a doctor from your mobile device or computer

- ✓ No driving or crowded waiting rooms
- ✓ 24/7 access
- ✓ Log in to myuhc.com or the Health4Me app to learn more





Other Benefits

- Vision and Dental will continue with VSP and Delta Dental (no open enrollment on those plans)
- Basic Life/Long Term Disability will transition to Mutual of Omaha from The Hartford



LAKE FOREST
COLLEGE

Flexible Spending Accounts

- Health Care Up To \$2,600 per year (PPO Plan Only)

Use Healthcare Flexible Spending for:

- Deductible
- Medical, Dental, Vision, Prescription Drugs, and Doctor Visit CoPays

- Dependent Care Up To \$5,000 per year

Reduce your taxable earnings by paying for these out-of-pocket expenses with pre-tax dollars!



Passive Open Enrollment

- **MUST elect coverage**
 - **Dependent Care and Health Care Flexible Spending**
- Coverage **will continue**
 - Choice Plus PPO
 - Dental
 - Vision
 - Life/LTD
- Open Enrollment ends on November 18th

2017 Open Enrollment

Questions?



LAKE FOREST
COLLEGE