

UTICA COLLEGE'S HEALTH INSURANCE PLAN

How does Utica College's health insurance plan work?

The easiest way to understand the College's health insurance plan is to think of it in three stages:

Stage One: Meeting Your Deductible

The deductible is the amount that you must pay, out of pocket, before coinsurance and co-pays begin to apply. If you have an individual plan, your deductible is \$1,800; if you have a family plan, your deductible is \$3,600. Until you reach your deductible, you will pay 100 percent of the negotiated price of the medical service or prescription. Note that in most cases, negotiated prices are substantially less than full market prices.

In addition, each year Utica College will contribute 80 percent of this initial deductible to a Health Savings Account (HSA) to offset your medical and prescription expenses. That's \$1,440 for employees with individual plans and \$2,880 for employees with family plans. You can also make arrangements to have additional pre-tax dollars from your paycheck deposited into your HSA to further cover your medical and prescription expenses.

Stage Two: Deductible Has Been Met

Once you meet your deductible, you will pay 10 percent of the negotiated price for medical services and a \$5, \$35, or \$70 co-pay for prescriptions. You can use your HSA to pay these expenses.

Stage Three: Out-of-Pocket Maximum Has Been Met

You will continue paying the 10 percent coinsurance and \$5, \$35, and \$70 co-pays until you reach your out-of-pocket maximum, which is \$3,600 for employees with individual plans and \$7,200 for employees with family plans. Once you reach that maximum, all medical services and prescriptions will be provided at no charge.

Note that the money Utica College contributes toward your HSA counts toward your out-of-pocket maximum. For instance, if you are on an Individual plan with an out-of-pocket maximum of \$3600, the College contributes \$1440 into an HSA. That \$1440 can be used for medical expenses that will go toward meeting that \$3600 deductible.

What counts toward my deductible?

Anything that is an Excellus BCBS covered service applies toward the deductible. Employees need to check with Excellus BCBS if there are any doubts. For instance, hearing aids are not covered under Excellus BCBS.

How does the Health Savings Account (HSA) work?

The HSA works just like a checking account – you pay your bills with checks or your HSA debit card. Unlike contributions to flex plans, the money that’s in your HSA is yours to keep, and it can be rolled over from year to year. Again, you can also make arrangements to have additional pre-tax dollars from your paycheck deposited into your HSA to further cover your medical and prescription expenses.

Two cautions when it comes to using your HSA:

- Unlike flex plans, HSAs do not allow you to exceed your balance. With a flex plan, if you submit claims for more than you have in your account, you will simply not be reimbursed. If you write a check for more than you have in your HSA, however, you will be charged an overdraft fee.
- Because of IRS rules, employees with HSAs may not submit claims to flex plans – either their own or those of their spouses or partners – for any expenses other than dental and vision. Dental and vision expenses may be paid through either HSA or flex plan accounts. But medical and prescription charges **must** be paid through your HSA, not through a flex plan.

What if I have significant medical expenses at the beginning of the year and I don't have enough money in my HSA to cover my expenses?

It is possible to arrange for Utica College to make advanced contributions to your account. For more information, instructions on requesting an advance, and the form to download:

- Go to the Utica College Office of Human Resources Web site: <http://www.utica.edu/finance/hr/>
- Click on Benefits/Wellness
- Click on Health Savings Account – Requesting Funds in Advance

What should I do if a health care provider asks for payment at the time of service?

As a general rule, except in the case of prescriptions, payment is not required at the point of service. In fact, you should wait to receive a bill before you pay for a medical service, because the bill will reflect Excellus BCBS’s adjustment to the negotiated rate.

However, a provider does have the right to ask for payment of the negotiated fee at the time the service is rendered. Prior to a first visit, it may be a good idea to call the provider’s office ahead of time to ask what may be required from you at the visit.

If you are required to pay at the time of service, remember to bring the checkbook or your HSA debit card for your Health Savings Account (HSA). If you pay for service out of your own pocket using cash, a credit card, or your personal (non-HSA) account, you can always reimburse yourself from your HSA. Just be sure to keep copies of your bill and your receipt.

What if I'm traveling out of town and incur medical expenses?

You should be able to present your Excellus BCBS card and receive services just as you would at home. However, if you encounter any difficulty, make payment arrangements with the provider, and when you return home, contact the Benefits Coordinator for assistance .

Can I use my HSA to reimburse myself for elective procedures and purchases?

Yes. Again, be sure to keep copies of your bills and receipts so that if you are audited, you can prove that you reimbursed yourself for a covered expense.

To see what kinds of expenses can be paid for using your HSA:

- Go to the Utica College Office of Human Resources Web site: <http://www.utica.edu/finance/hr/>
- Click on Benefits/Wellness
- Click on Health Savings Account (HSA) Medical Expenses

What are the changes for 2011 to the HSAs that affect over-the-counter drugs?

An HSA can pay for a qualified medical expense only if the medicine or drug: (1) requires a prescription, (2) is an over-the-counter medicine or drug and the individual obtains a prescription, or (3) is insulin. The new definitional change does not affect HSA purchases for medicines or drugs made before January 1, 2011, or distributions made after December 31, 2010, for medicines or drugs purchased on or before that date.

Do payments and/or reimbursements out of HSAs need to take place in the same year in which the expenses were incurred?

No, payment for an incurred expense does not have to be made with contributions from the same year. For instance, you may pay for a December 2010 doctor appointment with funds from February 2011.

You may not pay for services or reimburse yourself for services that were rendered prior to opening the HSA.

What should I do if I receive a bill for a wellness service – aren't wellness services covered in full?

Doctors' offices code each claim before sending them to Excellus BCBS. Services coded as "diagnostic" are not covered as "wellness" services.

If you receive a bill for a service that you believe should have been covered in full as a wellness service, call your doctor's office and ask how and why the service was coded as it was. If the doctor's office coded the service in error, he or she will need to correct and resubmit the claim. If the service was truly diagnostic in nature, it will not fall under the "wellness" umbrella of covered services.

Is it true that I may receive a discount on my hospital bill if I pay it in full as soon as I receive it?

Yes, some local hospitals do give this type of discount. If you are having surgery or other procedure that requires hospitalization, you may want to ask if this is an option.

PRESCRIPTIONS

Pharmacies are telling me that they can't tell me how much a prescription costs until they actually fill it. How can I "shop" for better drug prices?

The rates that Excellus BCBS negotiates vary by only about 1 percent from pharmacy to pharmacy. PrimeMail mail-order refills are typically lower in cost because of the "buying power" consumers get when purchasing a three-month supply.

That being said, you can compare prices of generic drugs by checking out these Web sites:

Target: http://sites.target.com/site/en/spot/generic_drugs_alpha_print.html

Walmart: <http://www.walmart.com/cp/4-Prescriptions-Program/546834>

Hannaford: <http://www.hannaford.com/content.jsp?pageName=HSPlus&leftNavArea=PharmacyLeftNav>

Rite Aid: http://www.riteaid.com/pharmacy/rx_savings.jsf

Walgreens:

<https://webapp.walgreens.com/MYWCARDWeb/servlet/walgreens.wcard.proxy.WCardInternetProxy/RxSavingsRH>

If I refill my prescription using the Walmart 3-month supply for \$10 generic plan, does that \$10 count toward my deductible?

If the pharmacy will run their Excellus BCBS card through the system while filling the prescription, the \$10 should be applied to the deductible.

Some employees have reported that pharmacies will not take their Excellus BCBS cards for filling their prescriptions – what should I do if that happens to me?

Employees need to present their Excellus BCBS card at the pharmacy when filling prescriptions and should insist that it be run through the system. If a pharmacy staff member tells you this is not possible, you can manually submit a claim form. Claim forms can be found at www.excellusbcbs.com; the Print Forms link is located under Member Tools on the left side of the page.

Why don't I receive an Explanation of Benefits (EOB) for my prescriptions?

Excellus does not generate paper EOBs for prescriptions. However, EOBs for prescriptions can be found at www.excellusbcbs.com. NOTE: You may need to allow pop-ups on the Excellus Web site in order to view your claim reports.

HEALTHY REWARDS

I'm participating in the Healthy Rewards program, but I'm concerned about providing my personal medical history. Is that information ever used or connected with my health insurance?

No. Your health insurance and the Healthy Rewards program are run on two separate server systems and are not connected in any way.

Is the money I earn through Healthy Rewards taxable?

No. The maximum an individual can earn is \$500 per year, which is under the \$600 threshold that triggers a 1099 form from the IRS.

How do I claim my rewards?

You can claim your rewards through the Excellus BCBS Web site, www.excellusbcbs.com:

- Log in using your user name and password.
- Click on the Earn Rewards Now link under Healthy Rewards
- Click on the Get Rewards tab at the top of the page

Do I have to wait until the end of the year to claim my rewards?

No. You can submit full or partial claims at any time during the year or you may roll money from one year to the next.

Will I receive a check?

You can receive your rewards in the form of a check, a Visa gift card, or a reloadable Visa card, or you can use your dividends to purchase health and fitness products.

Does my participation in Healthy Rewards affect the health insurance premium I will pay?

No. Your health insurance and the Healthy Rewards program are run on two separate server systems and are not connected in any way.

For additional information, please contact:

Linda Madore
Benefits Coordinator
315-792-3024
LTMadore@utica.edu

The information provided above is a summary of certain terms and conditions of the Plan. The summary is intended to provide general guidance and information and is not intended to address the circumstances of a particular participant.

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