



HealthCare Spending Accounts 301 – What's Next?

Presented by: HealthEquity, BCBSVT and VEHI

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Building Health Savings[™]



**BlueCross BlueShield
of Vermont**

An Independent Licensee of the Blue Cross and Blue Shield Association.

Objectives for today

- Understand where you are in the decision-making process
- Identify decision points that need to be made when using these accounts
- Learn more about the HRA application and the enrollment process
- Raise awareness of additional resources to assist you

Refresh

- All new plans will all have calendar-year deductibles and out-of-pocket maximums.
- All four plans must be available to all eligible employees
- Health Reimbursement Arrangements (HRA)
 - All four plans can be offered with HRA
 - HRAs are a promise to pay by the employer
 - Money belongs to the employer
- Health Savings Accounts (HSA)
 - Only the two CDHP plans are HSA compatible
 - Employer or Employee can contribute
 - Money belongs to the employee

Types of Tax-Advantaged Accounts

- **Health Reimbursement Arrangement (HRA)**
- Health Savings Account (HSA)
- Medical Flexible Spending Account (MFSA)
- Limited Purpose Flexible Spending Account (LPFSA)
 - For use alongside an HSA
- Post-Deductible Health Reimbursement Arrangements (PDHRA)
 - For use alongside an HSA, use this when wanting to keep your plan HSA compatible
- Dependent Care Reimbursement Account (DCRA)

VEHI does not in any way endorse specific health care plan options or cost-sharing arrangements.

Decisions about health care plans, funding arrangements, cost-sharing mechanisms, and related salary considerations are made through the collective bargaining between school district and local unions.

VEHI shares information about the use of Healthcare Spending Accounts in order to ensure parties have access to information about the options available and to secure cost effective pricing for administering these plans through a third-party vendor.

Next steps... depends where you are at...

- All CBAs are settled
- Some are settled
- None are settled
- Our non-union section has been determined for 2018 – can we get the ball rolling?

All CBAs are settled

- Hooray!
- You can now complete the HRA application with HealthEquity (or contact Future Planning) for each separate CBA.
- Yes, each CBA will need their own HRA application, even if they are the same, BCBSVT has to have a separate account for each HRA, as they may change over time
- We will have separate accounts for Teacher Unions, Support Staff (ESP) Unions, and all non-Union staff
- Applications are on the VEHI.org site under the Healthcare Spending Accounts portion of the Employer site (we'll walk through the application in a few minutes)
- All applications should be sent to veh2018@vsbit.org

Some CBAs are settled

- You're getting close!
- You can start to complete the HRA applications with HealthEquity (or contact Future Planning) for each separate CBA.
- While you can send an app for a completed section now, HealthEquity would prefer to process your applications all together when all decisions are made.
- This would also apply to non-Union sections that are ready to enroll – we're happy to accept the application at VEHI, but will need to hold onto it until the rest are ready

No CBAs are settled

- You can pre-fill the HRA applications with HealthEquity (or contact Future Planning) for each separate CBA in preparation.
- No applications (with a CBA) should be sent in until the decision has been made for 2018 to prevent errors/re-work

Let's look at the application

- Application: <http://vehi.org/assets/Health/VEHI-HRA-FSA-application-20161005.pdf>
- Don't forget to use the checklists as a guide to complete the applications: <http://vehi.org/assets/Health/HRA-checklist-12-08-16.pdf>
- Implementation Guides can be helpful for the timelines: <http://vehi.org/assets/NEW-health-plan-docs/HRA-Int-Implement-Guide-VEHI.pdf>

Applications are in – now what?

- You have completed all of your applications
- Sent them all to vehiz018@vsbit.org
- VEHI team reviews and track them and sends them to the onboarding team
- Onboarding team contacts you to have a 15-30 minute conversation to review the application(s)
- Employer application is processed
- Employee information is sent over from BCBSVT as the membership is transitioned to the new plans/accounts
- Employer portal is created
 - Portal demonstration call is scheduled to review the portal functionality with you

Let's talk funding

- How and when do we pay for the HRA claims?
- What are our options?

	Funding Types (5 options)	Frequency	Amount
1	Fully Fund	Once	Entire Amount of Promised Dollars
2	Pay as you go	Ad hoc	Amount due is automatically withdrawn from your account
3	Reserve Account: Daily	Replenish Account Daily	3% of promised dollars
4	Reserve Account: Weekly	Replenish Account Weekly	10% of promised dollars
5	Reserve Account: Monthly	Replenish Account Monthly	20% of promised dollars

Healthcare Spending Accounts Additional Resources

VEHI Website at:

www.vehi.org

HealthEquity Website at:

www.healthequity.com/sales/bcbsvt

What about HSAs?

- Setting up an HSA with HealthEquity is a much easier process
- No application is required
- Notification to VEHI is required so that the account at BCBSVT can be noted with the appropriate code to send information to HealthEquity about your membership
- VEHI is in the process now of creating a survey to respond with all of the CBA information, including:
 - Premium contribution information
 - HRA or HSA contribution information

Questions?

Appendix

HealthEquity Fees*

	Cost	Frequency
HSA Administration	\$2.50	Per Account Per Month
LPFSA Administration	\$1.95	Per Account Per Month
HRA and/or MFSA Administration	\$3.45	Per Account Per Month
HRA/MFSA set-up fee and annual maintenance	Included	Initial and Annual
Post-Deductible HRA Administration (with HSA)	\$1.95	Per Account Per Month

*Find all fees at www.healthequity.com/sales/bcbsvt, see: *Integrated Fee Schedule*

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Health Plans	VEHI Platinum Member Cost Share	VEHI Gold Member Cost Share	VEHI Gold CDHP Member Cost Share	VEHI Silver CDHP Member Cost Share
Medical Deductible	\$500/\$1,000	\$1,200/\$2,400	\$1,800/\$3,600	\$3,000/\$6,000
Medical Out of Pocket Maximum	\$1,500/\$3,000	\$1,800/\$3,600	\$2,500/\$5,000	\$4,000/\$8,000
Prescription Deductible	\$0	\$0	Included in medical deductible	Included in medical deductible
Prescription Out of Pocket Maximum	\$1,300/\$2,600	\$1,300/\$2,600	\$1,300/\$2,600 (included in Medical OOPM)	\$1,300/\$2,600 (included in Medical OOPM)
Total Out of Pocket Exposure (Medical and Rx)	\$2,800/\$5,600	\$3,100/\$6,200	\$2,500/\$5,000	\$4,000/\$8,000
Preventive PCP Visit	\$0	\$0	\$0	\$0
Primary Care Physician / Mental Health or Substance Abuse Visit	\$25	\$25	Deductible, then 20% coinsurance	Deductible, then 20% coinsurance
Specialist Visit	\$35	\$35	Deductible, then 20% coinsurance	Deductible, then 20% coinsurance
Urgent Care	\$75	Deductible, then 20% coinsurance	Deductible, then 20% coinsurance	Deductible, then 20% coinsurance
Emergency Room	\$250	Deductible, then 20% coinsurance	Deductible, then 20% coinsurance	Deductible, then 20% coinsurance
Inpatient, Outpatient, Radiology	Deductible, then 20% coinsurance	Deductible, then 20% coinsurance	Deductible, then 20% coinsurance	Deductible, then 20% coinsurance
Generic tier 1 / tier 2 / Brand / NP Brand	\$4 / \$10 /\$20 / 50%	\$4 / \$10 /\$20 / 50%	Deductible, then 20% coinsurance	Deductible, then 20% coinsurance
Wellness Prescriptions	Same as above	Same as above	No member cost	No member cost
Monthly Rates (filed FY 18)	Platinum	Gold	Gold CDHP	Silver CDHP
Single	\$657.55	\$622.94	\$523.29	\$456.34
Two Person (Two Adults)	\$1,315.10	\$1,245.88	\$982.75	\$912.69
Parent & Child(ren)	\$1,099.51	\$1,042.53	\$809.02	\$769.27
Family	\$1,860.19	\$1,763.38	\$1,449.51	\$1,298.60

New Health Plans Cost Overview	VEHI Platinum Cost Share	VEHI Gold Cost Share	VEHI Gold CDHP Cost Share (aggregate)	VEHI Silver CDHP Cost Share
Single				
Maximum Out-of-Pocket Exposure	\$2,800	\$3,100	\$2,500	\$4,000
Annual Single Plan Rate*	\$7,891	\$7,475	\$6,279	\$5,476
Combined Total Exposure	\$10,691	\$10,575	\$8,779	\$9,476
Two Person (Two Adults)				
Maximum Out-of-Pocket Exposure	\$5,600	\$6,200	\$5,000	\$8,000
Annual Two-Person Plan Rate*	\$15,781	\$14,951	\$11,793	\$10,952
Combined Total Exposure	\$21,381	\$21,151	\$16,793	\$18,952
Parent/Child(ren)				
Maximum Out-of-Pocket Exposure	\$5,600	\$6,200	\$5,000	\$8,000
Annual Parent/Child(ren) Plan Rate*	\$13,194	\$12,510	\$9,708	\$9,231
Combined Total Exposure	\$18,794	\$18,710	\$14,708	\$17,231
Family				
Maximum Out-of-Pocket Exposure	\$5,600	\$6,200	\$5,000	\$8,000
Annual Family Plan Rate*	\$22,322	\$21,161	\$17,394	\$15,583
Combined Total Exposure	\$27,922	\$27,361	\$22,394	\$23,583
*These rates are filed, but not yet approved, for FY 18				
<p>This chart presents the premium and maximum exposure of out-of-pocket (OOP) costs for each new VEHI plan, and the combined cost of premiums and OOP costs for each plan.</p> <p>These costs may be shared by the employer and employees as determined by collective bargaining agreements.</p>				