




2025 VEHI  
Webinar with  
Powerpoint  
Presentation



The information in this webinar was prepared by the [Vermont Education Health Initiative \(VEHI\)](#) to assist **public school employees** in selecting a health care plan during their school's open enrollment process in **2024**, for coverage in calendar year **2025**.

I have VEHI coverage now.  
Do I have to change plans in 2025?

**No employee  
is required to  
CHANGE VEHI  
benefit plans  
in 2025.**

- You may remain in the same plan you are in now.
- Unless required by your central office, you don't need to sign-up again to keep the same plan.

## Are VEHI Plans changing in 2025?

VEHI's benefit plans are **NOT** changing in 2025. VEHI will continue to offer:

- ✓ The same four plans (Platinum, Gold, Gold CDHP & Silver CDHP).
- ✓ Each plan covers:
  - ✓ The same medical services and products
  - ✓ The same medical networks, and with
  - ✓ The same four tiers of coverage (single, two-person, parent/child[ren] and family)
- ✓ You can review the plans [at this link.](#)

# Coverage Eligibility Requirements & Employer Contributions for **Part-Time Employees**

If you work, **on average**, a minimum of **17.5 hours** per week during the **school year or calendar year**, you are entitled to:

A full employer contribution toward **out-of-pocket costs (OOPs)**, either with an HRA or HSA, depending on the VEHI plan you select.

A pro-rata contribution toward **premium costs** based on the percentage of time you work as determined by your local contract.

If you have **questions** about health insurance contributions and part-time status, contact your local union representative or central office staff.

## Remind me: What is an HRA, HSA & FSA?

A **Health Reimbursement Arrangement (HRA)** is an employer-owned account into which an employer contributes funds for employees' qualified, out-of-pocket medical and prescription services as defined by the IRS. Money not used by the employee remains with the employer. An HRA is available with all four VEHI health plans through 2027.

A **Health Savings Account (HSA)** is an employee-owned, account used to pay for qualified, out-of-pocket medical and prescription expenses as defined by the IRS. Money is contributed by the employer and, if desired, by the employee consistent with IRS rules. Funds not spent remain with the employee. The HSA is only available with the **Silver CDHP** through 2027.

A **Flexible Spending Account (FSA)** is money set aside by an employee, pre-tax, to pay for qualified, out-of-pocket medical, prescription, vision and dental expenses as defined by the IRS. In most cases, if the money is not used within the contract period, the money is forfeited by the employee to the employer ("use it or lose it"). Some employers have a roll-over provision. Check with your central office to understand your options.

## Are **HRA**s & **FSA**s available in 2025 with all four VEHI Plans?

In 2025, employees are eligible for an **HRA** (Health Reimbursement Arrangement) with **ANY** of the four VEHI plans (Platinum, Gold, Gold CDHP and Silver CDHP).

In 2025, employees are eligible for an **FSA** (Flexible Spending Account) *if permitted by their local collective bargaining agreement or school district policies*, **AND** if they do **not** elect an HSA with the Silver CDHP. (Only a **Limited-Purpose FSA** can be paired with an HSA.)

Can I elect a  
Health Savings  
Account (HSA)  
in 2025?

Yes. But **ONLY** with ONE VEHI Plan:  
**Silver CDHP**

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Employees **CANNOT** elect an HSA & **CANNOT** receive an employer contribution to an HSA with any other VEHI plan:

- Platinum (non-CDHP) – HRA only
- Gold (non-CDHP) – HRA only
- Gold CDHP – HRA only

You will learn more about HSAs (and HRAs) later in this presentation.

One more  
thing:

If you choose  
an **HRA** in  
2025...

**You will have access to:**

A debit card for Rx expenses.

and

Auto-pay to providers to cover medical  
claims.



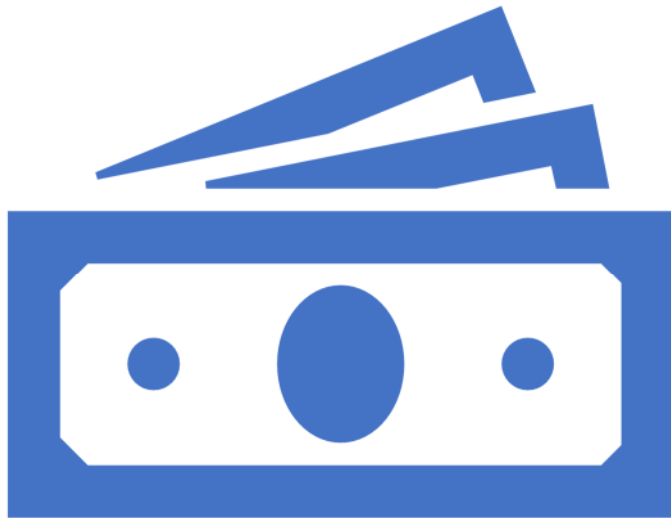




Let's talk about money  
– premium and out-of-  
pocket (OOP) costs

Lowest Overall  
Cost Exposure  
for School  
Employees in  
2025

In 2025, **licensed** and **non-licensed** staff will have the **lowest overall financial exposure** -- premiums and out-of-pocket costs (OOP) combined -- if they elect coverage in the **Gold CDHP**.



Employer & Employee  
**Premium** Payments for  
**Licensed Staff**

Premium  
Payment  
Formula for  
**Licensed** Staff

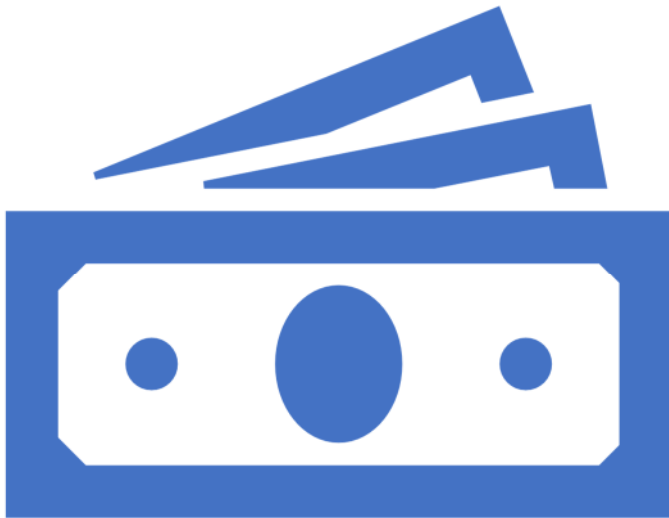
- ✓ Districts will pay **80 percent** of the premium for the Gold CDHP and the Silver CDHP.
- ✓ Districts will pay **the dollar amount** equal to 80 percent of the **Gold CDHP** premium toward enrollment in the Platinum and Gold [non-CDHP] plans.

## More on Premium Payment Formula for Licensed Staff

- ✓ Employees in the **Gold CDHP or Silver CDHP** will pay **20 percent** of the premium.
- ✓ Employees in the **Platinum or Gold [non-CDHP]** plans will **pay the difference** between 80 percent of the cost of Gold CDHP and the cost of the same coverage in the Platinum and Gold [non-CDHP] plans.

### Take Note:

You will pay **higher premiums** if you enroll in the Platinum and Gold [non-CDHP] plans. Click [here](#) to see the cost comparison.



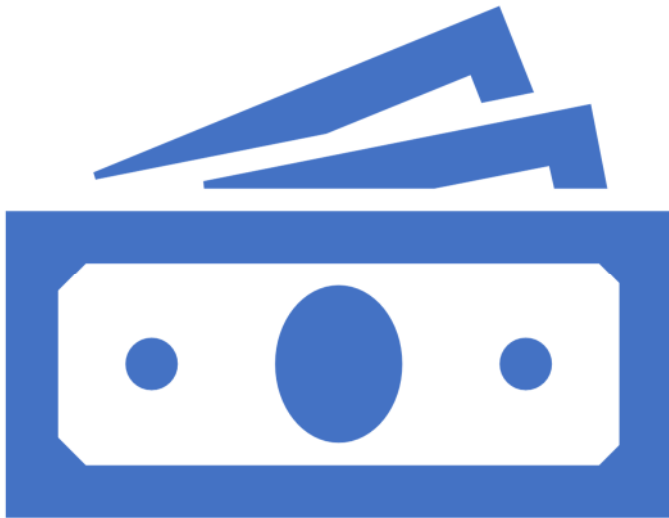
Employer & Employee  
**Premium** Payments for  
Non-Licensed Staff

# Employer & Employee Premium Payment Formula for Non-Licensed Staff

## Premium Cost Sharing Varies Across the State for non-licensed staff:

On **January 1, 2025**, support staff who are **not** already paying 20 percent of their premium will pay **1 percent more than** what they paid in 2024. But a non-licensed staff person will **not** pay more than 20 percent.

Click [here](#) to see a cost comparison chart and enter your specific percentage.



Employer & Employee  
**Out-of-Pocket** (OOP)  
Costs for **Licensed Staff**



Employer OOP  
Funding in the:  
**Gold CDHP** with  
an **HRA** for  
**Licensed Staff**

- ✓ The employer will contribute to an **HRA** for single coverage **\$1,900** and **\$4,000** for all other tiers of coverage.
- ✓ The employer's contribution will be a **first-dollar contribution** – the employer's contribution must be paid first before the employee pays any out-of-pocket (OOP) balance that may be incurred.
- ✓ **Remember:** Contributions by employer or employee to an **HSA** are **NOT** permitted with the **Gold CDHP** plan.

## Employer OOP Funding in the: Silver CDHP with an HRA for Licensed Staff

- ✓ The employer will contribute to an **HRA** for single coverage **\$1,900** and **\$4,000** for all other tiers of coverage.
- ✓ The employer's contribution will be a **first-dollar contribution** – the employer's contribution must be paid first before the employee pays any out-of-pocket (OOP) balance that may be incurred.

### Take Note:

You have a **higher OOP exposure** with this plan than in the Gold CDHP.

- ✓ **Remember:** You may choose an HRA or an HSA with the Silver CDHP option only.

Employer OOP  
Funding in the:  
**Silver CDHP**  
with an **HSA** for  
**Licensed Staff**

- ✓ The employer will contribute to an **HSA** for single coverage **\$1,900** and **\$4,000** for all other tiers of coverage.
- ✓ The employer's full contribution must be deposited in the HSA by **January 1**.

**Take Note:**

You have a **higher OOP exposure** with this plan than in the Gold CDHP.

- ✓ **Remember:** This is the only plan that is allowed to have an HSA Contribution.

Employer OOP  
Funding in the:  
**Platinum Plan**  
[non-CDHP]  
with an **HRA** for  
**Licensed Staff**

- ✓ The employer will contribute to an **HRA** for single coverage **\$1,900** and **\$4,000** for all other tiers of coverage.
- ✓ The employer's contribution must be **first dollar** – the employer's contribution must be paid first before the employee pays any out-of-pocket balance that may be incurred.

**Take Note:**

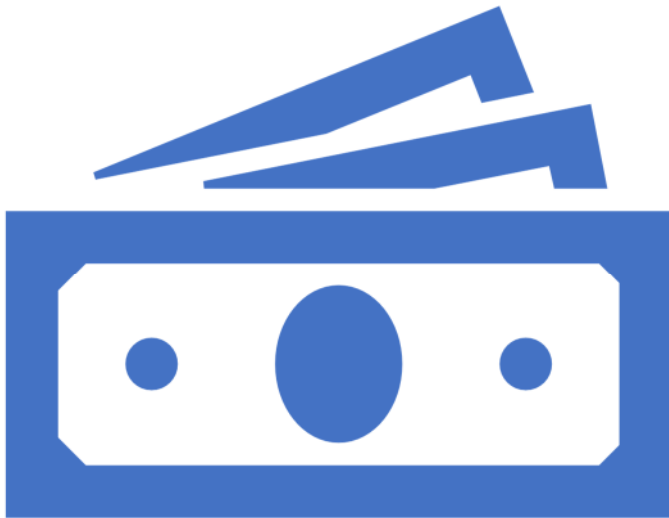
You have a **higher OOP exposure** with this plan than in the Gold CDHP.

Employer OOP  
Funding in the:  
**Gold Plan** [non-  
**CDHP**] with an  
**HRA** for  
**Licensed Staff**

- ✓ The employer will contribute to an **HRA** for single coverage **\$1,900** and **\$4,000** for all other tiers of coverage.
- ✓ The employer's contribution must be **first dollar** – meaning the employer's contribution must be paid first before the employee pays any OOP balance that may be incurred.

**Take Note:**

You have a **higher OOP exposure** with this plan than in the Gold CDHP.



Employer & Employee  
**Out-of-Pocket (OOP)**  
Costs for **Non-Licensed  
Staff**

## Employer OOP Funding in the Gold CDHP with an HRA for Non-Licensed Staff

- ✓ The employer will contribute to an **HRA** for single coverage **\$2,200** and **\$4,400** for all other tiers of coverage.
- ✓ The employer's contribution will be a **first-dollar contribution** – the employer's contribution must be paid first before the employee pays any out-of-pocket (OOP) balance that may be incurred.
- ✓ Contributions to an HSA are **NOT** permitted with the Gold CDHP plan.

## Employer OOP Funding in the Silver CDHP with an HRA for Non-Licensed Staff

- ✓ The employer will contribute to an **HRA** for single coverage **\$2,200** and **\$4,400** for all other tiers of coverage.
- ✓ The employer's contribution will be a **first-dollar contribution** – the employer's contribution must be paid first before the employee pays any out-of-pocket (OOP) balance that may be incurred.
- ✓ You may choose an HRA or an HSA with a Silver CDHP.
- ✓ **Remember:** This is the only plan that is allowed to have an HSA Contribution.

### Take Note:

You have a **higher OOP exposure** with this plan than in the Gold CDHP.



## Employer OOP Funding in the Silver CDHP with an HSA for Non-Licensed Staff

- ✓ The employer will contribute to an **HSA** for single coverage **\$2,200** and **\$4,400** for all other tiers of coverage.
- ✓ The employer's contribution must be deposited in full on January 1.
- ✓ You may choose an HRA or an HSA with a Silver CDHP.
- ✓ **Remember:** This is the only plan that is allowed to have an HSA Contribution.

### Take Note:

You have a **higher OOP exposure** with this plan than in the Gold CDHP.

Employer OOP  
Funding in the  
**Platinum Plan**  
[non-CDHP]  
with an **HRA** for  
**Non-Licensed**  
Staff

- ✓ The employer will contribute to an **HSA** for single coverage **\$2,200** and **\$4,400** for all other tiers of coverage.
- ✓ The employer's contribution will be a **first-dollar contribution** – the employer's contribution must be paid first before the employee pays any out-of-pocket (OOP) balance that may be incurred.

**Take Note:**

You have a **higher OOP exposure** with this plan than in the Gold CDHP.

Employer OOP  
Funding in the  
Gold Plan  
[non-CDHP]  
with an HRA  
for Non-  
Licensed Staff

- ✓ The employer will contribute to an **HSA** for single coverage **\$2,200** and **\$4,400** for all other tiers of coverage.
- ✓ The employer's contribution will be a **first-dollar contribution** – the employer's contribution must be paid first before the employee pays any out-of-pocket (OOP) balance that may be incurred.

**Take Note:**

You have a **higher OOP exposure** with this plan than in the Gold CDHP.



## Maximum Financial Exposure

What is it?

Why should you care?

## Maximum Financial Exposure (MFE)

*MFE = Your **premium cost share** + your portion of **out-of-pocket (OOP) costs** after the district's HRA/HSA funds have been used.*

*MFE will vary from year to year depending on your personal medical experiences and the VEHI plan you are in.*

MFE for  
**Licensed  
Educators** in  
FY25 (if they  
“max out” their  
OOP costs)



**Single Coverage (FY25): Rounded to nearest dollar**



Platinum: \$4,780



Gold: \$4,779



**Gold CDHP: \$3,239**



Silver CDHP: \$4,533

MFE for  
**Licensed**  
**Educators** in  
FY25 (if they  
“max out” their  
OOP costs)



**Two-Person Coverage: (FY25): Rounded to Nearest Dollar**



Platinum: \$10,648



Gold: \$10,646



**Gold CDHP: \$5,956**



Silver CDHP: \$8,867

MFE for  
**Licensed**  
**Educators** in  
FY25 (if they  
“max out” their  
OOP costs)



Parent/Child[ren] (FY25): Rounded to Nearest Dollar



Platinum: \$9,420



Gold: \$9,536



**Gold CDHP: \$5,080**



Silver CDHP: \$8,102



MFE for  
**Licensed**  
**Educators** in  
FY25 (if they  
“max out” their  
OOP costs)



**Family (FY25): Rounded to Nearest Dollar**



Platinum: \$13,200



Gold: \$12,973



**Gold CDHP: \$8,310**



Silver CDHP: \$10,925

Where can licensed educators find more information on MFE and other insurance costs?

Click on:

<https://vehi.org/licensed-employee/>

You will also find at these links a:

[Plan Comparison for Licensed Employees](#)

[Cost Comparison for Licensed Employees](#)

## *Why VEHI can't produce the same MFE Slides for Non-Licensed Staff*

1. Unlike licensed staff, non-licensed staff have **different premium cost sharing** across the state.
2. Different premium cost sharing = Different MFE Costs per school district.
3. Non-licensed staff can calculate their MFE by going to this link on the VEHI website: <https://vehi.org/non-licensed-employee/>. Follow these steps:
  - Click on the [Cost Comparison for Non-licensed Employees](#). Open the excel spreadsheet and fill in **Cell A-2** with your district's premium co-share. Then compare the total employee exposure based on your tier of coverage.
  - There is also a [Plan Comparison for Non-Licensed Employees](#).

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Know the Eligibility  
Rules for  
HSAs & HRAs

(It really matters.)

## Spouses:

- \* Marriage
- \* Domestic Partners
- \* Civil Unions

“Spouses” for insurance purposes are those by:

- ✓ Marriage
- ✓ Domestic Partnership
- ✓ Civil Unions

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Domestic partners are generally **NOT** considered **tax dependents** by the IRS.

If you elect a **Health Savings Account (HSA)**, in order to pay for a Domestic Partner’s medical bills from the HSA, your partner must be considered a **“qualifying relative”** under IRS rules. Check with your central office to make sure your domestic partner satisfies these rules.

## Under IRS Rules:

Not Every  
Employee Can  
Contribute to or  
Receive an  
Employer  
Contribution to  
a Health Savings  
Account (HSA)

- The IRS does not allow an employee to make or receive a contribution to an HSA if the person is enrolled in:
- **Medicare** (Parts A, B, C or D) or **Social Security**
- **TRICARE** (military health benefits).
- Employees **not** in TRICARE, but who get certain treatments at the V.A., **cannot** make or receive HSA contributions for **3 months**. There are exceptions to this rule.
- A **spouse's health plan**, for primary or secondary coverage, if it is **NOT** HSA-qualified.
- A **flexible spending account (FSA)** – even if the FSA is under a spouse's employer.

## HSA's & Adult Children

*Under federal law, your adult children, ages 19-26, can be enrolled in your VEHI Plan.*

**But IRS rules say:**

*HSA funds can be used to pay medical bills for your children 19- to 23-years-old **only if...***

Your adult children are **tax dependents** and meet all the following criteria of tax dependency:

- ✓ age
- ✓ relationship to the taxpayer
- ✓ financial support derived from the taxpayer
- ✓ full-time student status, and
- ✓ if they are claimed on your taxes as dependents

What about HSAs Funds & Adult Children, Ages 24 to 26?

*HSAs can be used to cover medical bills for your 24- to 26 year-old children **only if...***

Your adult child[ren] are:

- ✓ Totally Disabled  
or
- ✓ Permanently Disabled



Before you  
choose an  
**HSA** for  
2025...

## Do Your HOMEWORK.

- ✓ Are you **eligible** under IRS rules to make or receive a contribution to an HSA?
- ✓ Will you be able to cover the medical & Rx bills for your **adult children**, ages 19-26, with your HSA?
- ✓ Adult children on your policy can open **their own tax-free HSA** account and contribute up to the annual family IRS maximum
- ✓ Adults 55 and older can contribute up to the annual maximums, **plus an additional \$1,000 per year** until they are Medicare eligible
- ✓ Does your **domestic partner** meet the **four IRS tests** of a “qualifying relative” so you can be reimbursed for that partner’s medical bills? Check with your central office to see if your domestic partner satisfies these tests.

### Take Note:

If you are **NOT** eligible to make or receive contributions to an HSA, you can be **penalized and taxed** by the IRS. Please confirm eligibility before choosing an HSA.

Before you  
choose an  
**HSA** for  
2025...

### Keep in mind...

- ✓ Your school district **is not obligated** to make **contributions** to an HSA if you lose your job and elect **COBRA** coverage. However, funds in an HSA can be used **by an employee** for qualified expenses during a COBRA period.
- ✓ HSAs are also subject to a **“last month rule”** and **“testing period”** requirement. There can be tax and penalty consequences with these. They can be avoided, but you must know the rules first – learn them, please.

# One more thing about HSAs....

If you have funds in an HSA at the end of 2024, but elect a VEHI plan with an HRA in 2025, what happens to the HSA funds?

end of 2024

The HSA money remains with you, the employee.  
It is not forfeited if you elect an HRA in 2025.

2025

HSA funds can pay for medical expenses in 2025 or later, provided those same expenses were NOT paid for by HRA funds – no “double dipping” allowed.

2025 and later

## If you choose an **HRA** for 2025...

- You and your spouse **can** also be in Medicare, TRICARE, and Social Security.
- You **can** cover the medical & Rx bills for your adult children up to **age 26**, even if the children are NOT tax dependent(s).
- You **can** have secondary coverage under a spouse's plan.
- Your employer **is obligated** to keep making contributions to an HRA if you elect **COBRA and is added to the COBRA premium**.
- There is no **last-month rule** or **testing requirement** as there is with an HSA.
- Your **domestic partner's** medical bills can be covered without concern about tax dependency issues or qualifying relative rules.

One More  
Thing:

Before you  
choose an  
**HSA** for  
2025...

**Ask your central office or Third Party Administrator (TPA) for more details:**

Does enrollment in the Silver CDHP with an HSA come with access to a **debit card** for Rx expenses and **auto-pay to providers**?

- Debit cards are included with most HSAs.
- An **employee** can choose auto-pay to providers, but an **employer cannot** elect that option for an employee. This is because, with an HSA, an employee determines when these funds are used.

# What are the benefits of an HSA...

## Ask your central office or Third Party Administrator (TPA) for more details:

- An HSA is a tax-preferred savings vehicle that provides tax-free dollars to an employee for qualified health expenses, now or in the future.
- Employees who use little health care can save HSA dollars over the years to build up an account that can be used at any time, tax- and penalty-free, for medical, dental, vision, or even COBRA premiums.
- HSA dollars can be used anytime tax-free for qualified medical expenses or can be withdrawn penalty-free after the account owner turns 65.
- Account owners that use HSA dollars for **non-qualified** medical expenses are subject **to taxes and penalties.**

Where can you learn more about IRS rules for an HRA & HSA?

- Speak to your central office personnel.
- Speak to customer service representatives with the Third Party Administrator (TPA) for your school district.
- Read the [general guidance](#) on VEHI's website.

