

Shakopee Public Schools

# WELCOME TO OPEN ENROLLMENT!

Plan Year: 2017/2018



# PICK THE BEST BENEFITS FOR YOU AND YOUR FAMILY

Shakopee Public Schools strives to provide you and your family with a comprehensive and valuable benefits package. We want to make sure you are getting the most out of our benefits—that is why we’ve put together this Open Enrollment Guide.

Open enrollment is a short period each year when you can make changes to your benefits. This guide will outline all of the different benefits Shakopee Public Schools offers, so you can identify which offerings are best for you and your family.

Elections you make during open enrollment will become effective on **July 1, 2017**. If you have questions about any of the benefits mentioned in this guide, please don’t hesitate to reach out to Kelly Kalash in HR ([kkalash@shakopee.k12.mn.us](mailto:kkalash@shakopee.k12.mn.us) or 952-496-5080).

## Table of Contents

Health Insurance.....	4
Pharmacy Information.....	6
Dental Insurance.....	7
Life Insurance.....	9
Flexible Spending Account .....	10
Health Savings Account .....	11
403B/457.....	12
Questions and Answers.....	13
Meeting Schedule.....	14

# HOW TO ENROLL

Our enrollment process is completed on-line. You will receive an email from OneDigital with a link to that website.

**Everyone should log into the system and confirm your benefits.** You'll want to make sure your personal information and beneficiary information is correct even if you are not making any changes to your insurance.

You will receive an email confirmation of your elections. Keep this for your records and to use it to audit against your paychecks.

# WHEN TO ENROLL

Open enrollment begins on **April 24, 2017** and runs through **May 5, 2017**. The benefits you choose during open enrollment will be effective on July 1, 2017.

# HOW TO MAKE CHANGES

Unless you experience a life-changing qualifying event, you **cannot** make changes to your benefits until the next open enrollment period. Qualifying events include things like:

- Marriage, divorce or legal separation
- Birth or adoption of a child
- Change in child's dependent status
- Death of a spouse, child, or other qualified dependent
- Change in residence
- Change in employment status or a change in coverage under another employer-sponsored plan

# WHAT'S NEW FOR 2017/2018

## HEALTH INSURANCE

Preferred One will remain as our medical insurance carrier.

### Highlight of Changes:

- No 4<sup>th</sup> quarter deductible carryover
- This will be the last year of the \$300 deductible plan and there will be no new enrollments allowed onto this plan
- District contributions into the VEBA and HSA will occur for all contracts under the \$1,200/\$2,400 Deductible Plan, \$2,600/\$5,200 Deductible Plan, and \$5,000/\$10,000 Deductible Plan
- Contribution changes for married couples working in the district under the Paraprofessional, Related Service, Custodial, and Secretarial contracts. Please see your contract for that change information.

### District Contributions towards the VEBA/HSA

(amounts listed are for those entering the plan on 7/1/17, if you enter after your amount will be pro-rated)

\$1,200/\$2,400 Deductible Plan	\$1,000 for Employee, \$2,000 for Employee+1 or Family
\$2,600/\$5,200 Deductible Plan	\$1,300 for Employee, \$2,300 for Employee+1 or Family
\$5,000/\$10,000 Deductible Plan	\$1,500 for Employee, \$2,600 for Employee+1 or Family

In Network Services	\$300 Deductible	\$1200/\$2400 Deductible	\$2600/\$5200 Deductible	\$5000/\$10,000 Deductible HSA
Deductible	\$300 (individual) \$900 (family)	\$1,200 (individual) \$2,400 (family)	\$2,600 (individual) \$5,200 (family)	\$5,000 (individual) \$10,000 (family)
Out of Pocket Max	\$700 (individual) \$1,400 (family)  Drugs: \$300 (individual) \$500 (family)	\$1,200 (individual) \$2,400 (family)	\$2,600 (individual) \$5,200 (family)	\$5,000 (individual) \$10,000 (family)
Co-Insurance	20%	N/A	N/A	N/A
Preventive Care	100%	100%	100%	100%
Emergency Room Services	\$40 co-pay	deductible	deductible	deductible
Prescription Drugs	Generic: \$8 preferred \$32 non-preferred  Brand: \$16 preferred \$32 non-preferred  Specialty: \$16	Generic: deductible  Brand: preferred – deductible non-preferred – not covered  Specialty: deductible	Generic: deductible  Brand: preferred – deductible non-preferred – not covered  Specialty: deductible	Generic: deductible  Brand: preferred – deductible non-preferred – not covered  Specialty: deductible
Mail Order	2 co-pays for three month supply	90 day supply	90 day supply	90 day supply
Deductible Contribution (All Benefit Eligible Staff)	N/A	\$1,000 (individual) \$2,000 (family)	\$1,300 (individual) \$2,300 (family)	\$1,500 (individual) \$2,600 (family)

# YOUR COST IN 2017/2018

Good news! Despite rising health care costs and an industry average increase of 6% to 8%, we are pleased to announce there will be only a 5% premium increase on the \$1,200/\$2,400, \$2,600/\$5,200, and \$5,000/\$10,000 deductible plans for the new plan year. The \$300 deductible plan will have a premium increase of 15%. These rates have been agreed upon by the district wide insurance committee. Below are the full annual costs for each plan.

	Employee	Employee + 1	Family
<b>\$300/\$900 Deductible</b> <i>(No New Enrollments)</i>	\$9,660.00	\$19,720.00	\$29,380.00
<b>\$1200/\$2400 Deductible</b>	\$8,000.00	\$16,330.00	\$24,180.00
<b>\$2600/\$5200 Deductible</b>	\$6,540.00	\$13,406.00	\$10,445.00
<b>\$5000/\$10,000 Deductible</b>	\$5,116.00	\$10,445.00	\$15,560.00

## PLEASE REFER TO YOUR CONTRACT FOR THE DISTRICT CONTRIBUTION AMOUNT TO YOUR COVERAGE

You can also view your per pay check deduction amounts when you are logged in the online enrollment site.

**REMEMBER:** The Affordable Care Act requires most individuals to obtain health coverage or pay a penalty. In 2016, the penalty is **2.5 percent** of your yearly household income or **\$695 per adult** for the year—whichever is greater. In 2017 and beyond, the penalty will be adjusted for inflation.

# PHARMACY INFORMATION

## Did you know that where you pick up your prescription can be costing you more money than you think?

Whether your drug costs are a co-pay or part of your deductible, shopping to find the lowest costs will help lower your premiums in the future.

As a plan we currently pay for over 16,000 prescriptions in a plan year, equaling over \$1 million or almost 17% of our entire medical plan expenditures.

Savings for each drug varies from store to store, so getting the best price on every drug would require shopping and purchasing different drugs at different stores. Most of us don't have time for that, but for every 5% we can reduce our overall drug spending we lower the required monthly premiums by 1%. This type of consumer involvement is a simple way to reduce our overall medical premiums year after year.

Please take a look at the Clearscript document on how to setup your account and find the lowest cost for your drugs.

## How do I log on to Clearscript?

### Step One

- Go to [www.ClearScript.org](http://www.ClearScript.org) and click on the orange tab.

### Step Two

- Click on information by topic.
- Click Member Log-In to access your claim and drug history.

### Step Three

- First time users: Click the Create New Account link. Enter information from your ID card & password you received via email.
- Returning members: go to Login. Enter User ID and Password.
- *Note: Each member will need to sign up for a password – you can only access your own prescription information.*

## What information can I see on the Clearscript website?

- Mail Service – Mail Service program details, order form and online refills.
- Specialty Pharmacy Program – Information on the specialty pharmacy program and the drugs/diseases that are covered.
- Formulary Guide – See color-coded guide to drugs and their copay pricing categories.
- Pharmacy Locator – Need to know what pharmacies are near your home, or a specific address? This will identify pharmacies available and give you a map.
- Step Therapy – Information sheet available.
- Manual Claim form – Available if needed.
- Claim History – View your prescription history.
- Drug Information/Pricing – Get information about your prescription and see what you can expect to pay for it.
- Drug History – This report enables you to review your healthcare record for accuracy and content and provides information on less expensive drugs, generics, pill splitting and over-the-counter alternatives.
- Preferred Drug Search – This tool will help you determine which copayment applies to your prescription (i.e. brand/generic, formulary/non-formulary).

# DENTAL INSURANCE

Health Partners will remain as our dental insurance carrier. The only change with the dental coverage is that the deductible and annual maximum will be tracked on a plan year (July – June) rather than a calendar year starting July 1, 2017. Please see the plan summary below.

Plan highlights Partial listing of covered services	In-network Care from a network provider	Out-of-Network Care from an out-of-network provider*
<b>Annual Maximum</b>	<b>Annual maximums are combined across all tiers</b>	
<b>Annual maximum</b>	Plan pays \$1,000 per plan year	Plan pays \$1,000 per plan year
<b>Implant maximum</b> <i>included in annual maximum</i>	Plan pays \$500 per plan year	Plan pays \$500 per plan year
<b>Deductible</b>	<b>Deductibles are combined across all tiers</b>	
- Applies to Basic Care, Special Care & Prosthetics	None per plan year	\$25 per person \$75 per family per plan year
<b>Preventive and Diagnostic Care</b>		
- Teeth cleaning, exams, dental x-rays and fluoride treatments	You pay nothing	You pay nothing
- Sealants	You pay 20%	You pay 20%
<b>Basic Care</b>		
<b>Basic Care I</b>		
- Fillings (amalgam and anterior composite)	You pay 20%	You pay 20%
- Posterior composite (white fillings)	You pay 20%	You pay 20%
You also pay the difference between the amalgam and composite fee		
- Simple extractions	You pay 20%	You pay 20%
- Non-surgical periodontics	You pay 20%	You pay 20%
- Endodontics (root canal therapy)	You pay 20%	You pay 20%
<b>Basic Care II</b>		
- Surgical periodontics	You pay 20%	You pay 20%
- Complex oral surgery	You pay 20%	You pay 20%
<b>Special Care</b>		
- Restorative crowns & onlays	You pay 20%	You pay 20%
<b>Prosthetics</b>		
- Bridges, dentures & partial dentures	You pay 50%	You pay 50%
- Dental implants	You pay 50%	You pay 50%
<b>Orthodontic Services</b>	<b>Orthodontic lifetime maximums are combined in and out-of-network</b>	
- Orthodontic care for dependents under age 19	You pay 50% with a Lifetime maximum benefit of \$1,000 paid by the plan	You pay 50% with a Lifetime maximum benefit of \$1,000 paid by the plan

\* If your out-of-network dentist charges more than the maximum allowable amount, you may be responsible for the difference.

# YOUR COST IN 2017/2018

We're happy to say that there are no cost changes to your dental benefits for the 2017/2018 plan year. These rates have been agreed upon by the district wide insurance committee. Below are the full annual costs.

	Employee	Employee + 1	Family
Dental	\$955.80	\$955.80	\$955.80

## PLEASE REFER TO YOUR CONTRACT FOR THE DISTRICT CONTRIBUTION AMOUNT TO YOUR COVERAGE

You can also view your per pay check deduction amounts when you are logged in the online enrollment site.



# BASIC LIFE INSURANCE

Our life insurance will be moving to Lincoln Financial Group.

Shakopee Public Schools provides qualified employees with group life and accidental death and dismemberment (AD&D) insurance. Please refer to your contract for the coverage amount.

Shakopee Public Schools pays for the full cost of this benefit—meaning you are not responsible for paying any monthly premiums. Please refer to your employment contract for the amount of coverage that is provided.

In the online enrollment system, you can designate and/or update your beneficiary information. Please remember it is important that your beneficiaries are up to date.

# VOLUNTARY LIFE/AD&D INSURANCE

While Shakopee Public Schools offers basic life insurance, some employees may want to purchase additional coverage. Think about your personal circumstances. Are you the sole provider for your household? What other expenses do you expect in the future (for example, college tuition for your child)? Depending on your needs, you may want to consider buying supplemental coverage.

With voluntary life/ad&d insurance, you are responsible for paying the full cost of coverage through payroll deductions. You can purchase coverage for yourself in \$10,000 increments. The minimum coverage level is \$10,000 and the maximum is \$150,000. Lincoln has agreed to a one-time full open enrollment, meaning you can elect supplemental life/ad&d coverage without having to complete the evidence of insurability form and go through underwriting.

**Monthly Cost for Every \$1,000 of Employee Life Insurance Coverage**

Age	<35	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74
Life	\$0.06	\$0.10	\$0.12	\$0.17	\$0.25	\$0.45	\$0.68	\$1.29	\$2.08

# FLEXIBLE SPENDING ACCOUNTS

Select Account will remain as our reimbursement carrier.

## WHAT ARE THE BENEFITS OF AN FSA?

- **It saves you money.** Allows you put aside money tax-free that can be used for qualified medical expenses.
- **It is a tax-saver.** Since your taxable income is decreased by your contributions, you'll pay less in taxes.
- **It is flexible.** You can use your FSA funds at any time, even if it's the beginning of the year.

You cannot stockpile money in your FSA. **If you do not use it, you lose it.** You should only contribute the amount of money you expect to pay out of pocket that year.

## WHAT TYPES OF FSAs ARE OFFERED?

- **Medical FSA** — This type of FSA allows you to pay for eligible expenses that are not covered by the health plan, such as deductibles, co-insurance, dental care, orthodontia, and vision care. The total amount you choose to contribute is available to you on the first day of the plan year, even if you have not actually contributed that much yet. The maximum amount you can elect for the 2017/2018 plan year is \$2,600.
- **Dependent Care FSA** — This type of FSA allows you to pay for day care expenses for your children or adult dependents. With a dependent care FSA, the money must be in your account before you can request reimbursement. The maximum amount you may contribute each year is \$5,000 (or \$2,500 if married and filing separately).

	Without FSAs	With FSAs
Gross income	\$30,000	\$30,000
FSA contributions	0	-\$5,000
Gross income	\$30,000	\$25,000
Estimated taxes		
Federal tax	-\$2,550*	-\$1,776*
State tax	-\$900**	-\$750**
FICA tax	-\$2,295	-\$1,913
After-tax earnings	\$24,255	\$20,314
Eligible out-of-pocket expenses		
Medical and dependent care expenses:	-\$5,000	\$0
Remaining spendable income	\$19,255	\$20,561
Spendable income increase		\$1,306

\*Assumes standard deductions and four exemptions. \*\*Varies, assume 3 percent.



# HEALTH SAVINGS ACCOUNTS

Health savings accounts (HSAs) are a great way to save money and budget for qualified medical expenses. HSAs are tax-advantaged savings accounts that accompany high deductible health plans (HDHPs). HDHPs offer lower monthly premiums in exchange for a higher deductible (the amount you pay before insurance kicks in). The HSA is an option with the election of our \$5,000/\$10,000 deductible plan.

## WHAT ARE THE BENEFITS OF AN HSA?

- **It saves you money.** HDHPs have lower monthly premiums, meaning less money is being taken out of your paycheck.
- **It is portable.** The money in your HSA is carried over from year to year and is yours to keep, even if you leave the company.
- **It is a tax-saver**—HSA contributions are made with pre-tax dollars. Since your taxable income is decreased by your contributions, you'll pay less in taxes.

The maximum amount that you can contribute to an HSA in 2017 is \$3,400 for individual coverage and \$6,750 for family coverage. Maximum contribution amounts include employee and employer amounts.

Additionally, if you are age 55 or older, you may make an additional “catch-up” contribution of \$1,000. You may change your contribution amount at any time throughout the year as long as you don't exceed the annual maximum.

# 403B/457

You can make a change to your 403B/457 at this time. If you are adding the 403B at this time, the form must be completed and your financial planner will have to sign the form indicating the account is set up to receive funds. If you are increasing or decreasing your contribution, you do not need the agent to sign the form. Completed forms need to be returned to Kelly Kalash in HR either via email, inter school mail, or fax (952-496-5091). The form is available on the district website and the online enrollment site.

The district will match contribution amounts based on years of service. If you are a licensed staff member with 0-3 years of service, you are eligible for a 1% match. If you are a licensed staff member with 3 or more years of service, you are eligible for up to a 2.5% match. If you are a non-licensed staff member with 3 or more years of service, you are eligible for a 2.5% match.

*The information in this Enrollment Guide is presented for illustrative purposes and is based on information provided by the employer. The text contained in this guide was taken from various summary plan descriptions and benefit information. While every effort was taken to accurately report your benefits, discrepancies or errors are always possible. In case of discrepancy between the guide and actual plan documents, the actual plan documents will prevail. All information is confidential, pursuant to the Health Insurance Portability and Accountability Act of 1996. If you have any questions about the guide, please contact HR.*

# QUESTIONS & ANSWERS

## WHAT CHANGES ARE EFFECTIVE JULY 1, 2017?

- Changes to a health plan (for example, changing from an HMO to a PPO)
- Enrollment or termination of individual and/or dependent coverage in a health plan
- Enrollment in a FSA plan
- Enrollment in a pre-tax insurance premium plan
- Changes to the Voluntary Life and AD&D plan

## IF I WANT TO MAKE CHANGES, WHAT MUST BE COMPLETED?

- If you want to make a change to your medical, dental, or flexible spending elections, those changes will be made through the online enrollment process.
- You must complete the 403B/457 form if you want to add or change your contribution amount.
- If you are electing to add or increase supplemental life insurance, an evidence of insurability form will be sent to you to complete and return.

## WHEN ARE THE FORMS DUE AND WHERE DO I RETURN THEM?

- The last day to complete the online enrollment process is May 5, 2017. The system will close at mid-night on May 5, 2017.
- The 403B/457 form with changes is due to HR by May 5, 2017.

## WHEN WILL I SEE A CHANGE IN PREMIUMS ON MY CHECK?

- Year Round Employees = 7/1/17
- School Year Employees = 9/1/17

## WHAT IS THE DEDUCTIBLE PLAN YEAR?

- Medical = July through June
- Dental = July through June

## OTHER INFORMATION:

- New elections must be made in order to continue participating in an FSA.
- If you do not make changes to your current medical and dental elections, those elections will remain the same for the plan year July 1, 2017 to June 30, 2018.

## Open Enrollment Meetings

Date	Time	Location
Tuesday, April 25, 2017	7:30am	Senior High School Lecture Room
Friday, April 28, 2017	7:15am	Pearson 6 <sup>th</sup> Grade Center East Computer Lab
Friday, April 28, 2017	3:15pm	Sun Path Elementary Elm Cluster
Monday, May 1, 2017	7:00am	West Junior High Media Center
Monday, May 1, 2017	2:30pm	East Junior High Room 226
Monday, May 1, 2017	4:00pm	Red Oak Elementary Room 142
Tuesday, May 2, 2017	8:00am	Eagle Creek Elementary Media Room
Tuesday, May 2, 2017	4:00pm	Sweeney Elementary North Computer Lab
Wednesday, May 3, 2016	7:00am	Central Family Center Room 306
Wednesday, May 3, 2016	3:15pm	Jackson Elementary JE Computer Lab