

# COMPARING THE MILLARD HEALTH PLAN OPTIONS

For Teachers / Nurses

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NEW CHI Network  
High Deductible  
Plan with a Health  
Savings Account  
("H.S.A.")

Standard High  
Deductible Health  
Plan with a Health  
Savings Account  
("H.S.A.")

Traditional  
Preferred Provider  
Plan ("PPO")

# Four-Tier Plan

All three plans will have four tiers of coverage for you to elect.

- (1) Covered Member (“Single”)**
- (2) Covered Member + Spouse**
- (3) Covered Member + Children**
- (4) Covered Member + Spouse and Children.**

In all of the following slides, any references to “Family” insurance include all three tiers of family coverage (2, 3, & 4 above) regardless of whether you choose coverage for your spouse, your children, or both.

# Deductibles

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## NEW CHI Network HDHP

Single - \$3,100  
Family - \$6,200

## Standard HDHP

Single - \$3,500  
Family - \$7,000

## Traditional PPO

Single \$900  
Family \$1,800

***Question - What is a deductible?***

**Answer** – A deductible is the dollar amount that the Covered Member pays before health insurance pays anything towards a claim.

# Medical Coinsurance

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<p>NEW CHI Network HDHP</p> <p>Insurance – 100% Employee – 0%</p>	<p>Standard HDHP</p> <p>Insurance – 100% Employee – 0%</p>	<p>Traditional PPO</p> <p>Insurance – 80% Employee – 20%</p>
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**Question - What is coinsurance?**

**Answer** – Coinsurance is the shared payment between the insurance company and covered member. The percentage of costs you pay after you've met the deductible, but before you reach the out-of-pocket maximum. HDHPs do not have coinsurance.

# Out of Pocket Maximums

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<b>NEW CHI Network HDHP</b>  Single - \$3,100 Family - \$6,200	<b>Standard HDHP</b>  Single - \$3,500 Family - \$7,000	<b>Traditional PPO</b>  Single - \$4,650 Family - \$9,300
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***Question - What is out of pocket maximum?***

**Answer** – The out of pocket maximum is the maximum amount you will have to pay out of your pocket for qualifying expenses (including deductibles and coinsurance) before health insurance begins to pay 100%.

# Prescription Co-Pays

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<b>NEW CHI Network HDHP</b>  <b>Not Applicable</b>	<b>Standard HDHP</b>  <b>Not Applicable</b>	<b>Traditional PPO</b>  <b>Generic - \$10</b> <b>Formulary - \$45</b> <b>Non-Formulary - \$75</b>
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**Question - What is a prescription co-pay?**

**Answer** – In the traditional PPO, you are charged a co-pay for prescriptions depending on what level of prescription you choose. This is a fixed amount in addition to the normal deductible (but it is included when figuring your out of pocket maximum). Under a HDHP, prescriptions are treated as other medical expenses subject to the deductible.

# The Network

## NEW CHI Network HDHP

Network is limited  
to CHI and CHI  
affiliates.

## Standard HDHP

Network includes  
more than 95% of all  
local doctors and  
100% of local  
hospitals.

## Traditional PPO

Network includes  
more than 95% of  
all local doctors  
and 100% of local  
hospitals.

### ***Question – Why would I choose a more limited network?***

**Answer** – A more limited network does restrict which doctors will be covered as in-network services. However, there are four significant potential benefits of choosing a limited network:

- (1) Premiums are lower.
- (2) Costs of medical procedures may be lower because of cost containment within a single network.
- (3) HDHP Deductibles are lower in the new CHI Network option.
- (4) With medical services all provided within a single network, CHI may be better able to assist you through improved coordination and communication between you and participating doctors.

# Examples of Coverage

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- Each of the following slides assumes that medical expenses are qualifying medical expenses provided by an in-network provider.
- For simplicity, prescriptions and qualifying preventative care expenses are not included in the examples.
- While per procedure costs may be lower in the CHI Network, those are not factored into the examples.
- Examples assume premiums levels of a full time person participating in wellness.



# Example #1 – Single Coverage with \$2,000 of expenses during the year.

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## NEW CHI Network HDHP

- (1) The Covered Member pays the \$2,000 in deductible.
- (2) The Covered Member has \$1,500 in District Contribution to a Health Savings Account to pay medical expenses.
- (3) Member pays \$0 in premiums.

In total, the Covered Member pays \$500.

## Standard Network HDHP

- (1) The Covered Member pays the \$2,000 in deductible.
- (2) The Covered Member has \$1,500 in District Contribution to a Health Savings Account to pay medical expenses.
- (3) Member pays \$0 in premiums.

In total, the Covered Member pays \$500.

## Traditional PPO

- (1) The Covered Member pays \$900 in deductible.
- (2) The Covered Member pays \$220 (20% of the remaining \$1,100).
- (3) The Health Plan pays \$880 (80% of the remaining \$1,100).
- (4) Member pays \$384 in premiums.

In total, the Covered Member pays \$1,504.

# Example #2 – Employee + Children Coverage with \$2,000 of expenses during the year.

## NEW CHI Network HDHP

- (1) The Covered Member pays the \$2,000 in deductible.
- (2) The Covered Member has \$3,000 in District Contribution to a Health Savings Account to pay medical expenses.
- (3) Member pays \$0 in premiums.

In total, the Covered Member pays \$0 and has \$1,000 H.S.A. money to carry forward into a future year.

## Standard Network HDHP

- (1) The Covered Member pays the \$2,000 in deductible.
- (2) The Covered Member has \$3,000 in District Contribution to a Health Savings Account to pay medical expenses.
- (3) Member pays \$0 in premiums.

In total, the Covered Member pays \$0 and has \$1,000 H.S.A. money to carry forward into a future year.

## Traditional PPO

- (1) The Covered Member pays \$1,800 in deductible.
- (2) The Covered Member pays \$40 (20% of the remaining \$200).
- (3) The Health Plan pays \$160 (80% of the remaining \$200).
- (4) Member pays \$710 in premiums.

In total, the Covered Member pays \$2,550.

# Example #3 – Single Coverage with \$8,000 of expenses during the year.

## NEW CHI Network HDHP

- (1) The Covered Member pays the \$3,100 in deductible.
- (2) The Health Plan pays the remaining \$4,900.
- (3) The Covered Member has \$1,500 in District Contribution to a Health Savings Account to pay medical expenses.
- (4) Member pays \$ 0 in premiums.

In total, the Covered Member pays \$1,600.

## Standard Network HDHP

- (1) The Covered Member pays the \$3,500 in deductible.
- (2) The Health Plan pays the remaining \$4,500.
- (3) The Covered Member has \$1,500 in District Contribution to a Health Savings Account to pay medical expenses.
- (4) Member pays \$0 in premiums.

In total, the Covered Member pays \$2,000.

## Traditional PPO

- (1) The Covered Member pays \$900 in deductible.
- (2) The Covered Member pays \$1,420 (20% of the remaining \$7,100).
- (3) The Health Plan pays \$5,680 (80% of the remaining \$7,100).
- (4) Member pays \$384 in premiums.

In total, the Covered Member pays \$2,704.

# Example #4 – Employee + Spouse Coverage with \$8,000 of expenses during the year.

## NEW CHI Network HDHP

- (1) The Covered Member pays the \$6,200 in deductible.
- (2) The Health Plan pays the remaining \$1,800.
- (3) The Covered Member has \$3,000 in District Contribution to a Health Savings Account to pay medical expenses.
- (4) Member pays \$0 in premiums.

In total, the Covered Member pays \$3,200.

## Standard Network HDHP

- (1) The Covered Member pays the \$7,000 in deductible.
- (2) The Health Plan pays the remaining \$1,000.
- (3) The Covered Member has \$3,000 in District Contribution to a Health Savings Account to pay medical expenses.
- (4) Member pays \$0 in premiums.

In total, the Covered Member pays \$4,000.

## Traditional PPO

- (1) The Covered Member pays \$1,800 in deductible.
- (2) The Covered Member pays \$1,240 (20% of the remaining \$6,200).
- (3) The Health Plan pays \$4,960 (80% of the remaining \$6,200).
- (4) Member pays \$805 in premiums.

In total, the Covered Member pays \$3,845.

# Example #5 – Single Coverage with \$20,000 of expenses during the year.

## NEW CHI Network HDHP

- (1) The Covered Member pays the \$3,100 in deductible.
- (2) The Health Plan pays the remaining \$16,900.
- (3) The Covered Member has \$1,500 in District Contribution to a Health Savings Account to pay medical expenses.
- (4) Member pays \$0 in premiums.

In total, the Covered Member pays \$1,600.

## Standard Network HDHP

- (1) The Covered Member pays the \$3,500 in deductible.
- (2) The Health Plan pays the remaining \$16,500.
- (3) The Covered Member has \$1,500 in District Contribution to a Health Savings Account to pay medical expenses.
- (4) Member pays \$0 in premiums.

In total, the Covered Member pays \$2,000.

## Traditional PPO

- (1) The Covered Member pays \$900 in deductible.
- (2) The Covered Member pays \$3,750 (20% up to the out of pocket maximum).
- (3) The Health Plan pays \$15,350.
- (4) Member pays \$384 in premiums.

In total, the Covered Member pays \$5,034.

# Example #6 – Family Coverage with \$20,000 of expenses during the year.

## NEW CHI Network HDHP

- (1) The Covered Member pays the \$6,200 in deductible.
- (2) The Health Plan pays the remaining \$13,800.
- (3) The Covered Member has \$3,000 in District Contribution to a Health Savings Account to pay medical expenses.
- (4) Member pays \$0 in premiums.

In total, the Covered Member pays \$3,200.

## Standard Network HDHP

- (1) The Covered Member pays the \$7,000 in deductible.
- (2) The Health Plan pays the remaining \$13,000.
- (3) The Covered Member has \$3,000 in District Contribution to a Health Savings Account to pay medical expenses.
- (4) Member pays \$0 in premiums.

In total, the Covered Member pays \$4,000.

## Traditional PPO

- (1) The Covered Member pays \$1,800 in deductible.
- (2) The Covered Member pays \$3,640 (20% of the remaining \$18,200).
- (3) The Health Plan pays \$14,560 (80% of the remaining \$18,200).
- (4) Member pays \$1,081 in premiums.

In total, the Covered Member pays \$6,521.

# Prescriptions as a part of the calculation.

## Example of \$2,000 in medical expenses plus \$6,000 per year in prescriptions.

- Traditional Employee + Spouse Plan - \$500 Monthly Prescription costing member \$45 and Plan \$455 per month:
  - Member pays \$540 for the prescriptions on the year, plan pays \$5,460.
  - Other Medical expenses are \$2,000 (member pays \$1,840).
  - Member pays \$805 in premiums.
  - Total member cost = **\$3,185**.
- On HDHP, prescriptions are treated like other expenses. Therefore, total member cost is based on \$8,000 total expenses. Netting out H.S.A. contributions and adding in premiums, that means:
  - CHI Network HDHP = **\$3,200**.
  - Standard HDHP = **\$4,000**.

# Which Plan to Choose?

- The District may not provide advice on which plan would be better for you.
- We are not able to tell your future as to what your medical expenses might be in 2017.
- You may want to review your own medical expense history looking at explanations of benefits for 2015 and/or 2016 to get a sense of what you have paid in the past.



# Premium Costs

per pay check for full time  
teachers/nurses

[http://hr.mpsomaha.org/  
documents/benefits-  
documentation](http://hr.mpsomaha.org/documents/benefits-documentation)

<https://goo.gl/vjbDCH>

# Questions?

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