

2011 -2012 Blue Springs School District Benefits Open Enrollment – Frequently Asked Questions

OPEN ENROLLMENT DATE: APRIL 1, 2011–APRIL 30, 2011

Please see frequently asked questions below. The questions and answers are provided as a general rule. Please refer to your specific plan booklet for more detailed information.

When is Open Enrollment?

- April 1, 2011 – April 30, 2011

When does the plan year start?

- The plan year begins on July 1, 2011 and ends on June 30, 2011. This date range does not apply to deductibles or out of pocket limits (these are on a calendar year, Jan – Dec). This date is simply when plan changes take effect.

What plan options do I have?

- The Blue Springs School District Health Plan offers four medical plan options:
 - Consumer Driven Plan (QHDHP), HMO 1, HMO 2, and POS
- The Blue Springs School District offers two dental plans:
 - Delta Dental Base Plan
 - Delta Dental Buy Up Plan
- The Blue Springs School District offers one vision plan:
 - VSP Base Plan

Is there a side by side comparison of the plans available?

- Yes, please see the attached plan comparison and summaries. These are also located on the district staff benefits webpage.

What if I change plans? What happens to my deductible or out of pocket expenses?

- Deductibles and Out of Pocket Maximums are specific to the plan you are currently enrolled in. Deductibles and Out of Pocket Maximums do not roll over if you choose to enroll in a different plan.

What does it mean if a claim was denied based on Medical Necessity?

- Unless specifically stated otherwise, in order for benefits to be covered, they must be “Medically Necessary”. For the purpose of coverage, Aetna may determine whether any benefit provided under the certificate is medically necessary, and Aetna has the option to only authorize coverage for a Covered Benefit performed by a particular Provider.

If I choose to waive the districts coverage, will this affect my retirement?

- The state retirement system reviews your three best consecutive compensation years (includes salary and board paid benefits) to determine your monthly retirement benefit. Therefore, waiving coverage will only affect a participant if he/she is in one of their three best consecutive years.

Can I change my plan mid-year?

- Due to the benefit being pre-tax, a participant must have a qualifying event to add or drop coverage or dependents mid-year. Otherwise, participants must wait until Open Enrollment. The benefits department must be notified of a qualifying event within 31 days of the event. If the benefits department is not notified in the allotted time frame modifications will not be allowed.

Blue Springs School District Benefits Links

You may click on the following links for quick access:

Blue Springs R-IV Website

- [Blue Springs School District Staff Benefits Webpage](#)

Carrier Websites

- [Aetna](#)
- [Delta Dental of MO](#)
- [Vision Service Plan \(VSP\)](#)
- [Colonial Voluntary Products](#)
- [Tri Star Systems \(FSA\)](#)
- [Forrest T. Jones Life](#)

Blue Springs School District Benefits Department

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What is the process for maternity coverage?

- Participants in the Blue Springs School District Health Plan must inform the benefits department upon or prior to the birth of a child. It is the participants' responsibility to notify the district as to their intent regarding insuring the newborn. The district will hold pending claims until we have been notified. If the district is not notified within 31 days, the plan will assume that you are covering the child on an outside plan and will deny all claims. If you choose to cover the newborn on the Blue Springs School District Health Plan you will be charged the monthly premium and will be subject to any deductibles or coinsurance that applies.

What is the difference between a Flexible Spending Account and a Health Savings Account?

- **Health Savings Accounts (HSA):** Health Savings Accounts are personal accounts, like a checking account, which means they are portable. HSA balances roll over from year to year. Health Savings Accounts can only be used for qualified medical expenses. Any distributions that are not qualified will result in taxes and penalties (20%). You can deduct money out of your paycheck pre-tax. This annual election is not pre-funded, but participants have the ability to modify their contribution throughout the year. You should always keep your receipts when using a Health Savings Account.
- **Flexible Spending Account (Benny Card or FSA):** Contributions not used during the plan year (July 2011 – June 2012) are forfeited. This is referred to as the “use it or lose it” rule. FSA money can only be used to pay for qualified medical expenses. FSA is not portable and is forfeited upon leaving the Blue Springs School District. You can deduct money out of your paycheck pre-tax. Your annual election is pre-funded, but you cannot change your contributions throughout the year. You must submit your receipts for many charges.
- *After January 1, 2011 you will not be able to purchase over the counter meds using your FSA or HSA. This is due to the Healthcare Reform Law.

Questions specific to the Consumer Driven Plan (QHDHP)

What is the deductible?

- Individual Plan: If you are on an employee only plan, the medical deductible is \$2,500.00. There is an integrated deductible on prescriptions which means that once you hit your medical deductible you will pay the HMO 1 co-pay tier for prescriptions in between \$2,500.00 and \$3,500.00. If you were to hit \$3,500.00, you would no longer have a payment for prescriptions.
- Family Plan (more than 1 individual): The medical deductible is \$5,000.00. This is an embedded deductible which means there is an individual cap of \$2,500.00 on each member. There is an integrated deductible on prescriptions which means that once you hit your medical deductible you will pay the HMO 1 co-pay tier for prescriptions in between \$5,000.00 and \$7,000.00. If you were to hit \$7,000.00, you would no longer have a payment for prescriptions.

What period is the deductible based on?

- Deductibles and Out of Pocket Limits are based on a Calendar Year (January 1 – December 31)

What are negotiated rates?

- Negotiated rates are rates negotiated by Aetna with individual providers and facilities. These “negotiated rates” are what is paid by the member under a high deductible based plan. “Negotiated Rates” can vary dramatically. It is in your best interest to determine the negotiated rates of your common health care needs prior to enrolling in a high deductible based plan.
 - How do I find these?
 - Go to www.aetna.com, Login, and go to COST OF CARE. Please follow the instructions as they appear. You can also go to aetna.com to review your current claims.

What is the difference between preventive and diagnostic?

- Processing of insurance by the carrier is determined by the code that is submitted by the provider. The provider submits a code that is either preventive or diagnostic. If a provider submits a diagnostic code for a specific service it will not be covered as a preventive exam under the high deductible health plan. Make sure you are communicating with your provider to ensure that the claim is processed correctly.
- Preventive Care is based on what is considered preventive under your specific plans “Schedule of Benefits”. These “Schedule of Benefits” are available on the Blue Springs School District Staff Benefits webpage. If you do not have access to a computer please contact the benefits department.

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Why do some participants receive a contribution to their Health Savings Accounts (HSA) and others do not?

- Contributions to the Health Savings Account are based on the premium differential. When there is a positive differential in the premium versus the board contribution, such as the “Employee Only Consumer Driven Plan”, then the participant would receive the differential in the form of a contribution.
 - 2011 – 2012 Health Saving Account Employer Contribution
 - Employee Only Consumer Driven Plan (QHDHP) premium: \$379.35
 - Board Contribution: \$446.02
 - Premium Differential: \$66.67
 - Contribution every 6 months: \$66.67 * 6 months: \$400.02
 - IF you are in a family plan (more than 1 individual), then you do not have a differential and therefore WILL NOT receive a contribution.

When will the employer contribution be deposited into my Health Savings Account?

- Employer Contributions are deposited in two installments. The first installment will be on July 25, 2011 and the second will be on January 25, 2012.

When will my employee contribution be deposited into my Health Savings Account?

- Employee Contributions are deposited on your pay date each month.

Is there a limit to how much I can contribute to my Health Savings Account?

- Yes, these limits are set by the IRS.
- 2011 Calendar Year Contribution Limits to Health Savings Accounts
 - Individual Plan: \$3,050.00 (includes employer and employee contributions)
 - Family Plan: \$6,150.00 (includes employer and employee contributions)

When am I allowed to make changes to my Employee Health Savings Account contribution?

- You may make changes to a Health Savings Account employee contribution at anytime by contacting the benefits department.

What are the rules regarding having a Flexible Spending Account (FSA) and a Health Savings Account (HSA) at the same time?

- If you have a Flexible Spending Account (FSA) and a Health Savings Account (HSA) then the Flexible Spending Account (FSA) becomes what is referred to as a “Limited Use Flexible Spending Account” and can only be used to reimburse for dental and vision expenses. The Health Savings Account (HSA) must be used for all medical expenses.

Can I be covered under the district’s HDHP and my spouse’s insurance coverage?

- Yes, you can be covered under both, but you will be ineligible for a Health Savings Account if your spouse’s plan is not a Qualified High Deductible Health Plan. The board contribution for employee only plans to the HSA would be placed in a FSA. For specific rules regarding this, please call your spouse’s insurance administrator for information on how they coordinate benefits.

Is there a situation where I would be ineligible for a Health Savings Account?

- Yes, if you carry secondary insurance coverage through a spouse or some other form (Tri-care, Union, etc), AND the plan is not a qualified high deductible health plan you would be ineligible to open and contribute to a Health Savings Account. However, you are still eligible to participate in a Flexible Spending Account.

