

# It's *Your* Benefit

Health insurance and other benefit programs for state and local government employees and retirees



Developing and delivering quality benefits and services to members while safeguarding the integrity of the Trust Funds.

## It's Your Choice Open Enrollment: October 6 - 31

The It's Your Choice Open Enrollment period is set for October 6-31, 2014. This is your annual opportunity to change from one health plan to another, switch from single to family coverage, or add/delete certain dependents.

It is also the only open enrollment opportunity of the year for eligible state employees, retired state employees and active local government employees of participating employers. Changes become effective January 1, 2015.

We encourage you to take the time to review the It's Your Choice materials for any changes to your plan's monthly premium, service area and health care providers. If you want to remain with your current plan, you do not need to do anything if it is still offered in 2015. If you want to switch plans or change your level of coverage for 2015, you must make the change during the It's Your

*It's Your Choice, continued on page 2*

This edition of *It's Your Benefit* provides an overview of some of the changes in the State of Wisconsin Group Health Insurance Program for 2015. To make the most-informed decision possible, review all of the information available to you. These include:

- The It's Your Choice guides, this newsletter, and helpful online resources covering notable changes.
- Our newly-designed, highly-interactive web pages at <http://etf.wi.gov>.
- Your employer's payroll and benefits office.
- The Department of Employee Trust Funds—call us at 1-877-533-5020 or 608-266-3285. Customer Service hours are 7:00 a.m. to 5:00 p.m., Monday through Friday.

## Online Presentations Explain Options and More

The Department of Employee Trust Funds is offering two online presentations on the new high deductible health plan and health savings account options, as well as other notable changes for 2015. These presentations are designed to assist you in making the most-informed decision possible.

*High Deductible Health Plan*, for state employees only, provides a brief introduction to the concepts of HDHP and HSA, along with a glossary of terms. *It's Your Choice Notable Changes*, produced for all members, provides more detailed information about HDHP and HSA options, including:

- the differences between the current health insurance benefit and the new HDHP;
- federal rules and tax impacts of HSAs;
- deductible amounts, out-of-pocket limits, employer contribution amounts, and employee premium amounts; and
- examples that will illustrate eligibility requirements and help you make cost comparisons.

You can easily navigate back and forth throughout the presentations and learn at your own pace. Find them both on our website at <http://etf.wi.gov>.

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September 2014

*It's Your Choice, continued from page 1*

Choice Open Enrollment period. Significant health plan changes will be listed in the *It's Your Choice Decision Guide*, which you will receive prior to the beginning of the enrollment period. The *It's Your Choice Reference Guide* contains important state and federal notices and is the certificate of coverage. Please review these materials to ensure your plan and/or plan service area will be offered in 2015 and review the monthly premium information.

**Active employees (excluding UW System and UW Hospital and Clinics employees):** Your employer will send you an e-mail with links to enrollment materials and information on our website. Use the online myETF Benefits system to make your changes by 4:30 p.m., Friday, October 31, 2014.

**Annuity and Continuity:** Use the online myETF Benefits system to make your changes by 4:30 p.m., Friday, October 31, 2014. If you do not have access to a computer, you may submit your enrollment change on a paper application, which can be found in your *It's Your Choice Decision Guide*. Send the application to ETF, post-marked no later than Friday, October 31, 2014.

See page 6 for more detailed information on how to find and use the myETF Benefits system.

University of Wisconsin employees should go to <http://www.uwsa.edu/abe>. UW Hospital and Clinics employees must complete a paper application and submit it to their payroll and benefits office. Initial enrollment must be established through your employer.

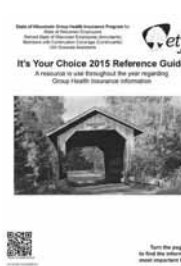


## Take a Note: Six Things to Know for 2015

1. All health plans will offer a uniform \$150 incentive for completing a biometric screening and health risk assessment through the Well Wisconsin Program. The incentives are subject to income and payroll taxes (see page 3).
2. The State of Wisconsin Group Health Insurance Program will offer the option of a high deductible health plan (HDHP). Each participating health plan will offer an HDHP (see pages 4 and 5).
3. State employees who enroll in an HDHP will be required to participate in the state-sponsored health savings account (see pages 4 and 5).
4. Local government employees: HDHPs are optional for employers participating in the Wisconsin Public Employers (WPE) program. Check with your employer to see if HDHPs will be available to you in 2015 (see pages 4 and 5).
5. State employees participating in the Employee Reimbursement Accounts Program can carryover up to \$500 of health care ERA balances remaining at the end of 2015; you also have a new plan administrator, TASC. (see page 6).

6. ETF has created user-friendly web pages with new features and functions and loads of information that will help you make informed decisions. See page 8 or go to <http://etf.wi.gov>.

### What's the Difference Between the Decision Guide and the Reference Guide?



The *It's Your Choice Decision Guide* is your best resource during the annual It's Your Choice Open Enrollment period. This guide is filled with information about important changes for the coming year, premium rates, comparison of benefit options and plan description pages—all will help you learn more about your health insurance coverage choices.

The *It's Your Choice Reference Guide* contains important information about eligibility, enrollment opportunities and Medicare requirements for coverage. This guide provides specifics about what your insurance covers under Uniform Benefits and Uniform Dental Benefits.

## Financial Incentives Available from Health Plans

Did you know that you could be rewarded by your health plan for practicing healthy behaviors? It's true: Check out what your health plan has to offer. Rewards vary by health plan, but examples include partial reimbursements for the following:

- participating in a Community Share Agriculture vegetable share
- participating in a fitness class
- your health club/gym membership

Some health plans will also offer incentives for participating in programs that help you address your current state of health.

### Well Wisconsin

All health plans offer a uniform \$150 incentive for completing a biometric screening and health risk assessment. This is known as the Well Wisconsin program. The goal is to help you stay aware of your current state of health and identify areas that may need some improvement monitoring, or further discussion with your physician. Biometric screenings can be done with your physician or at a worksite event hosted by the state biometric screening vendor, Optum. **Health risk assessments are administered by your health plan. Once information for both requirements is received by your health plan, the plan will issue you an incentive payment of \$150.**

The Well Wisconsin program is available to all adults enrolled in the State of Wisconsin Group Health Insurance Program, except for annuitants who are also enrolled in Humana Medicare Advantage. For more information, including a calendar of biometric screenings in your area and a link to your health plan's health risk assessment, visit [wellwisconsin.wi.gov](http://wellwisconsin.wi.gov).

### Stay Informed: Sign up for ETF E-Mail Updates

Find out about important health insurance benefits-related information in between regularly scheduled editions of *It's Your Benefit* by signing up for *ETF E-mail Updates*. We will notify you when our website is updated with such information as enrollment news and information, premiums, guides, and program

### Health Plan-Issued Incentives are Taxable

According to the Internal Revenue Service, all incentives issued by your health plan to you and your enrolled family members are classified as a fringe benefit of employment and must be treated as a taxable wage by your employer. This means incentives are subject to income and payroll taxes.



**Beginning in 2014, you will see withholdings for all incentives issued to you during the current calendar year reflected on your December pay stub. This will include the incentives issued to eligible family members.**

In addition, due to this year-end reporting requirement, health plans will need to delay incentives normally paid during the months of November and December until the next calendar year. The only information provided to your employer will be incentive payment information. Your health information is protected by federal privacy regulations and is not shared with your employer.

For more information on all of the incentives available to you and your enrolled family members, contact your health plan or go to [wellwisconsin.wi.gov](http://wellwisconsin.wi.gov).

changes; benefits presentations in your area; new educational webinars and other educational opportunities. Registration for this free service is easy and quick. Look for the red envelope icon on our website and join the more than 35,000 subscribers who have already signed up!



## New for 2015: High Deductible Health Plans, Health Savings Accounts

Beginning January 1, 2015, the State of Wisconsin Group Health Insurance Program will offer the option of a high deductible health plan (HDHP). In addition, those who enroll in an HDHP will enroll in a health savings account (HSA).

An HDHP is a health plan that has a minimum annual deductible and a maximum annual out-of-pocket limit. An HDHP generally begins paying for health care costs once the annual deductible has been met (exception: preventive services mandated by federal law are covered at 100%, regardless of the deductible).

An HSA is a savings or investment account set up to pay for qualified health care expenses. See the information on pages 4 and 5—as well as your It's Your Choice materials—for more details about this new option. **In the meantime, review these key facts about HDHPs as they relate to our program:**

1. HDHPs will be offered through each of the health plans that are a part of the State of Wisconsin Group Health Insurance Program.
2. Each health plan's HDHP will provide the same package of benefits.
3. The plan is designed to offer a lower monthly premium in exchange for more shared health care costs.
4. State employees: If you enroll in an HDHP you are required to participate in the state-sponsored HSA.
5. Local government employees: HDHPs are optional for employers

participating in the Wisconsin Public Employers program. **Check with your employer to see if HDHPs will be available to you in 2015.**

6. The HDHP annual deductibles will be as follows:

| Coverage Level | Deductible Amount |
|----------------|-------------------|
| Single Plan    | \$1,500           |
| Family Plan    | \$3,000           |

**What are the main differences between my current health insurance and the new option of an HDHP?** Among other things, there are differences in deductibles and out-of-pocket limits. The *It's Your Choice Decision Guide* will have detailed information to help you compare your benefit options side by side in order to make an informed decision.

**How do monthly premiums for HDHPs differ from the non-HDHP?** For state employees only, premium information for 2015 is listed in the table below. All other members should review the *It's Your Choice Decision Guide*, our website, or check with their employer's payroll and benefits office during the open enrollment period.

| 2015 Monthly Premiums<br>State Employee Contribution*   |  |  |
|---|--|--|
| Current Uniform Benefits**  |  | HDHP Uniform Benefits                    |
| Tier 1 Plan   | Single Plan: \$92<br>Family Plan: \$230  | Single Plan: \$32<br>Family Plan: \$81   |
| Tier 2 Plan   | Single Plan: \$136<br>Family Plan: \$341 | Single Plan: \$76<br>Family Plan: \$192  |
| Tier 3 Plan   | Single Plan: \$267<br>Family Plan: \$666 | Single Plan: \$207<br>Family Plan: \$517 |
| * excludes: state patrol titled classifications and graduate assistants<br>**in 2015 this will be known as Coinsurance Uniform Benefits |  |  |

# Health Savings Accounts: Things to Know

*Note: This information is not inclusive of everything you need to know about health savings accounts. To make an informed decision, please review all of the information available to you, including the It's Your Choice materials, our online resources and your employer.*

An HSA is a savings or investment account set up to pay for qualified health care expenses. These accounts are owned by the individual employee and balances roll over from year to year. In addition, the funds in an HSA are portable—the employee keeps them if they leave the plan or state employment. HSA contributions are tax-free provided the funds are used for qualified health care expenses.

## Eligibility

The Internal Revenue Service has set eligibility requirements for HSAs. You can have an HSA if you meet all four of these qualifying criteria:

1. You are enrolled in a specifically-qualified high deductible health plan (HDHP)
2. You are not covered by another disqualifying health plan
3. You are not eligible for Medicare coverage
4. You are not a dependent of another person for tax purposes

## Contribution limits

The IRS also sets HSA contribution limits—the amount of money that can be placed in your account. They are shown in the accompanying table.

**State employees** must enroll in an HDHP in order to have the state of Wisconsin-sponsored HSA. This state-sponsored HSA will be administered by TASC (see page 6).

If you are a **local government employee**, you must also enroll in an HDHP in order to have an HSA. Your employer is not eligible to participate in the state-sponsored HSA, so check with your employer to see if HDHPs will be available to you in 2015 and, if so, ask about setting up an HSA.

For answers to the following—and many more—questions about HSAs and HDHPs, please review the frequently asked questions section found in your *It's Your Choice Decision Guide* and posted on our website:

- How will having an HSA affect my participation in the ERA program?
- How will I know my HSA account balance?
- How will I know when I've met my deductible?
- What happens to the funds in my HSA if I leave my job?
- Are prescription and dental benefits still offered under the HDHP?

## HSA Contribution Limits

| Coverage level | Annual contribution limit* | Additional annual catch-up contributions for those 55-65 years old |
|----------------|----------------------------|--|
| Single Plan    | \$3,350                    | \$1,000  |
| Family Plan    | \$6,650                    | \$1,000  |

\* Contributions from all sources, such as employee and employer, count toward meeting the annual contribution limits

## State Employees Only

**Who is eligible for the HDHP and HSA option?**

- State employees, including domestic partners and non-tax dependent adult children less than 26 years old
- Limited term employees eligible for the State of Wisconsin Group Health Insurance Program
- Annuitants under the age of 65

**Who is ineligible for this option?**

- Medicare-eligible annuitants 65 and older
- Anyone enrolled in any part of Medicare
- Anyone covered by another disqualifying health plan (e.g., spouse's health plan, TRICARE)
- Employees who are eligible for the graduate assistant/short-term academic staff benefits

## State Employees

# ERA Program News for 2015

Since 1990, state employees have been saving money by paying for qualifying out-of-pocket medical and dependent day care expenses via the Employee Reimbursement Accounts Program. Through pre-tax payroll deductions, last year alone employees contributed \$25.4 million to their ERA accounts, saving \$7.6 million in income taxes.\*

With an ERA account you can use pre-tax dollars of up to \$2,500 to pay for 2015 health care expenses for you and/or your dependents. This includes coinsurance, dental, orthodontia and vision expenses. You can also use up to \$5,000 for dependent day care expenses. Do you use the Commuter Benefits program? If so, use your ERA account to pay for transportation costs such as parking, van-pool and public transit.

### New for 2015

#### \$500 Carryover

A new carryover provision will be implemented for the 2015 plan year. Up to \$500 of health care ERA balances remaining at the end of the 2015 run-out period can be carried over into the next plan year (2016), reducing the risk of forfeiting unused dollars.

#### Administrator change

The ERA program will have a new third-party administrator: Total Administrative Services Corporation (TASC). TASC will handle ERA

enrollment during the It's Your Choice Open Enrollment period. Look for more information in your *It's Your Choice Decision Guide*.

Enroll online for medical and/or dependent day care expenses from October 6-31. Find TASC online at <http://tasconline.com>.

#### Can I have both an ERA account to pay for medical expenses and an HSA?

No, you may not enroll in both an HSA and a health care flexible spending account (FSA) at the same time. While both types of accounts allow you to set aside money pre-tax to pay for health care expenses, there are some key differences between the two. For example, a health care FSA works with any type of health insurance plan, but an HSA works with an HDHP only.

**New this year:** You can establish a Limited Purpose Flexible Spending Account (LPFSA). An LPFSA works with an HSA and can be used for vision, dental and post-deductible expenses only. The annual contribution limit for an LPFSA is \$2,500—the same as a regular health care FSA. The LPFSA will be administered by TASC.

Note: If you choose the HDHP and HSA option, you can also have a flexible spending account to pay for dependent day care expenses and another one to pay for transit/parking (commuter benefits).

*\*Employee tax savings estimates are based on a 30% total tax rate. Individual taxes will vary.*

## How to Find and Use myETF Benefits

Most employees\* and annuitants covered under the group health insurance program should submit It's Your Choice Open Enrollment changes via the myETF Benefits for Members system. Find the link to this system on our website, under both the Members and Retirees tabs. Making changes is a quick and easy process. Note the following:

- If you have **not** previously registered for access to myETF Benefits, select "Register

Now". Follow the instructions to set up a Wisconsin user ID and password. You will need your ETF Member ID.

- If you already have a Wisconsin user ID and password, then click on the login button.
- You will also find instructions and links if you forgot your Wisconsin user ID, need to change your password, etc.

If you do not have access to a computer, submit

*myETF Benefits, continued on page 7*

## State Employees

# 2015 Changes to Other Insurance Plans

Changes are coming to several of the employee-pay-all voluntary insurance plans—changes that will maintain or enhance their value to employees who subscribe. All plans listed below will have an enrollment opportunity for 2015 during It's Your Choice (for active state employees whose employers offer the plan).

**Anthem DentalBlue** will make the following adjustments:

- Supplemental: Increase coverage from 50% to 60% for major and complex services (crowns, bridges, endodontics), with no change in premiums
- Dentacare HMO: Decrease premiums by 20.08%, no change in benefit
- Preferred PPO: Decrease premiums 12.88%, no change in benefit

### EPIC Benefits+

- 50% increase in accidental death and dismemberment (AD&D) benefits
- 100% increase in hospital indemnity benefits (from \$100 to \$200 per day)
- Enhanced benefits for optional vision materials rider

### EPIC Dental Wisconsin

- Decrease premiums by 10% for active subscribers in the PPO plan, with no change in benefits
- Members enrolling in Dental WI PPO or Select will be subject to the applicable waiting periods if no prior dental coverage:
  - Basic Services: 3 months
  - Major Services: 3 months
  - Orthodontic Services: 12 months

### VSP-Vision Service Plan

- Increase monthly premiums for VSP Choice Plans for active members by 3%
- Decrease premiums for annuitants by 10%

For more information on any of these changes, see the individual plan websites. Find a list on our website at <http://etf.wi.gov>.

**Note:** University of Wisconsin System employees are not eligible to use VSP's internet or telephone enrollment process. Instead, go to the UW System Annual Benefit Enrollment website at <http://www.uwsa.edu/abe> for enrollment information. Contact your UW institution's payroll and benefits office if you have questions about the enrollment process.



## Attend a Benefit/Health Fair to Learn More About Your Benefits

The Department of Employee Trust Funds has scheduled benefit/health fairs throughout the state during the It's Your Choice Open Enrollment period. The fairs are a great opportunity for members to ask questions about all ETF-administered benefit programs, including health insurance.

For ETF's interactive map showing benefit/health fairs by region, go to the It's Your Choice section on our website at <http://etf.wi.gov> or call ETF at 1-877-533-5020 or 608-266-3285.

### *myETF Benefits, continued from page 6*

your enrollment change on the *Health Insurance Application/Change* form (ET-2301), found in your *It's Your Choice Decision Guide*. Employees should submit the form to their benefits/payroll office. Retirees and continu-

ants should send the form to ETF. All changes must be entered online, submitted, faxed or postmarked no later than October 31, 2014.

\*UW employees go to <http://www.uwsa.edu/abe>.

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## New! Web-Only Pages Provide Extra Resources, Interactive Links

New for 2015: We have moved a number of sections from the paper-based *It's Your Choice Reference Guide* and *It's Your Choice Decision Guide* to a user-friendly menu on our website. Find the newly-designed, highly-interactive pages at <http://etf.wi.gov>. New features include:

### Interactive health plan map

For a detailed listing of health plans available by county in Wisconsin, simply click on a county to see that county's qualified and non-qualified plans. You'll also find convenient links to the plan information pages that are in the *It's Your Choice Decision Guide*.

### Frequently-asked questions

Here you will find easy-to-navigate, understandable explanations of the most frequently asked questions, including those on the high deductible health plan/health savings account option, enrollment, coverage, dependent eligibility, benefits and services, Medicare and much more.

### Benefit fairs

Benefit fairs, held throughout the state during the It's Your Choice Open Enrollment period, are a great opportunity to ask questions on the full range of ETF-administered benefit programs, including health insurance. Navigation on this page puts the information—including links to a Google map—in front of you quickly and easily.

### Health plan report cards

A number of organizations provide useful information about health care quality. Find out how the health plans in our program measure up in terms of overall performance, quality, care coordination, grievances and overuse of services. You can also review individual measures by plan and learn more about data collection.

### Quality resources, glossary of terms

This page contains links to organizations that provide useful information about health care quality, and a federal glossary of health coverage and medical terms.