

# HDHP 101

**Local Government Employer Training**  
It's Your Choice High Deductible Health Plan  
*(Recorded Webinar)*

Plan Year 2018



# Overview

High Deductible  
Health Plan  
(HDHP)

Eligibility

Resources

Local Only

# What is an HDHP?



Lower annual  
premium



Higher annual  
deductible

# Eligibility

## HDHP 101

# Who is Eligible for HDHP?

Employees of and Employer participating in P07/P17

- Employers will determine who else might be eligible (e.g. annuitants, LTEs, etc)
- Employers must elect P07/17 in order for employees to choose this option

Dependents also eligible

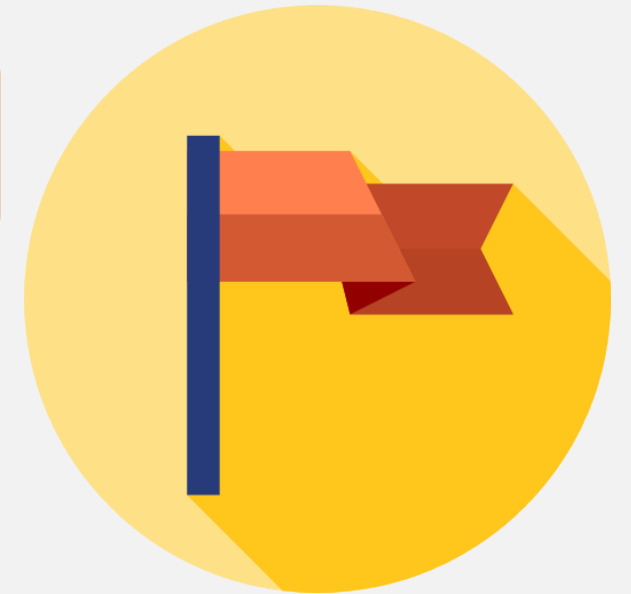
# Who is Not Eligible?

Employers not in  
P07/P17

# Disqualifying Coverage

Unlike the State's program, the Local Employer's choices determine if disqualifying coverage is an issue:

- If the local employer provides a Health Savings Account (HSA), then disqualifying other coverage rules apply
- If the local employer does not offer a HSA, member may be allowed to have other coverage
- ETF does not monitor other coverage on behalf of local employers



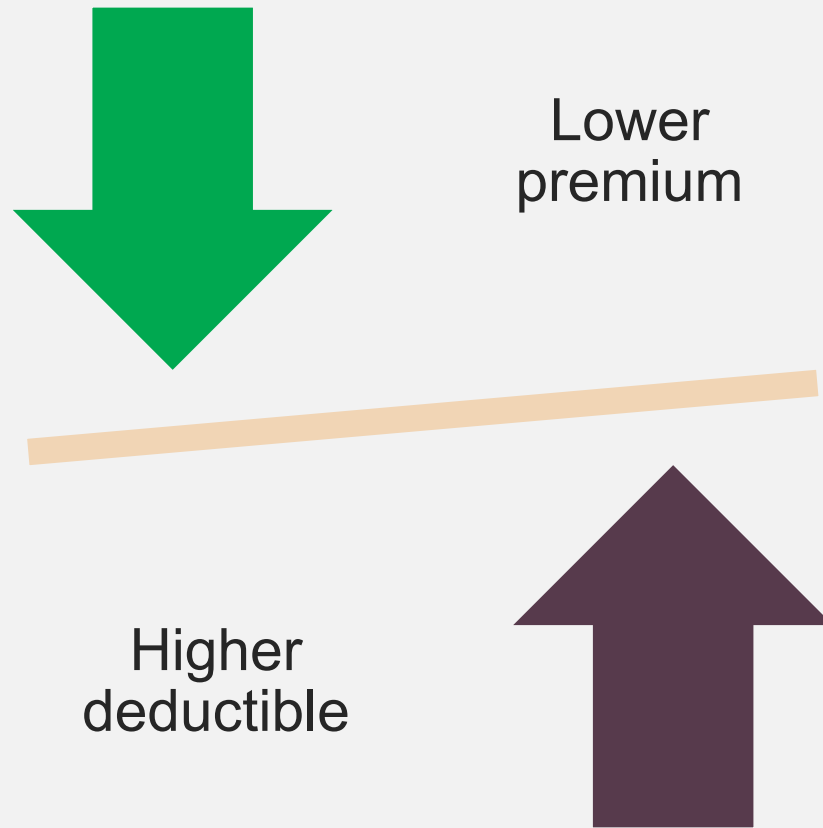
# How It Works

## HDHP 101

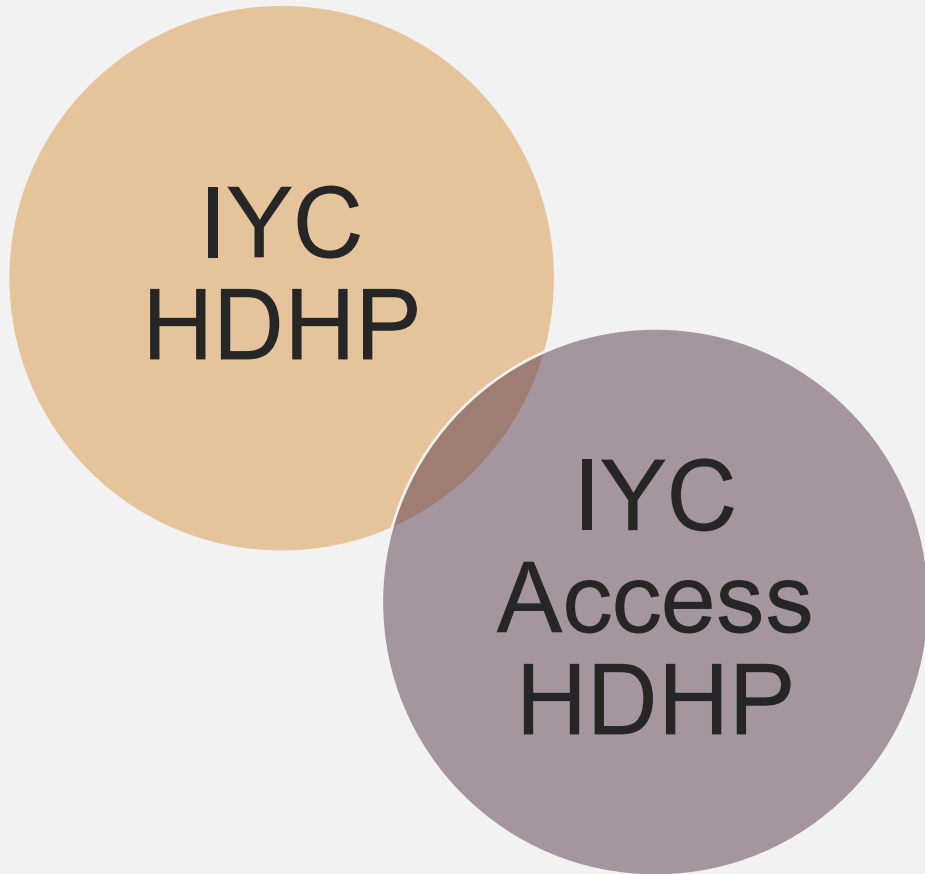
HDHP 101 – Local Employer Training for Plan Year 2018



# How Does an HDHP Work?



# IYC HDHP Plan Designs



- **IYC HDHP** and **IYC Access HDHP** have similar cost breakdowns, including:
  - Annual medical deductible
  - Out-of-Pocket Limit (OOPL)
  - Copay amounts
  - Post-deductible coinsurance amounts
- IYC Access HDHP benefits utilized out-of-network have different limits
- Visit **It's Your Choice 2018** at [etf.wi.gov/IYC2018](http://etf.wi.gov/IYC2018) for a complete breakdown of costs by plan design

# How Does the HDHP Work?

1

**Annual  
Deductible**

2

**Copay /  
Coinsurance**

3

**Out-of-Pocket Limit  
(OOPL)**

# How the HDHP Works

1

## Annual Deductible

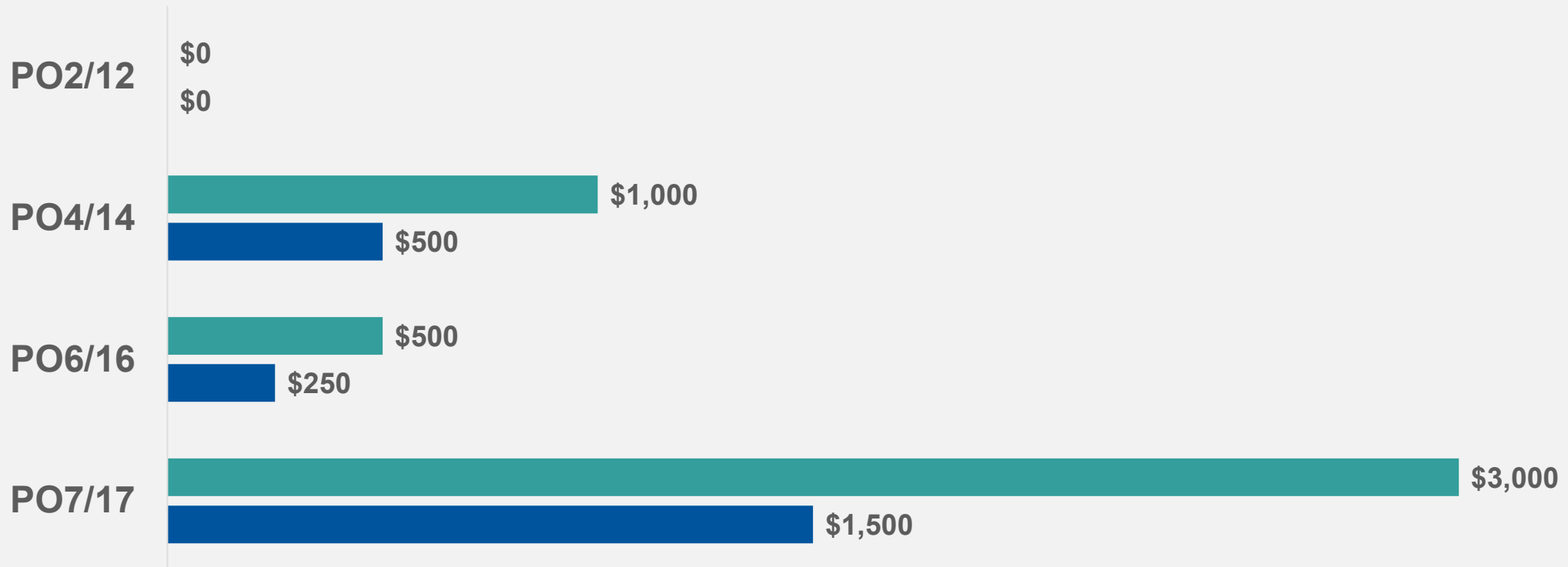
*Member pays all*

- **Deductible** – The amount members pay before the plan will pay for covered services
  - Members pay **all costs** until the annual deductible is met
  - Includes prescription drug costs
  - Applies to the OOPL
  - *Exception:* Routine preventive care is covered 100% when using an in-network medical provider

# Local Program Deductible Comparison

2018 Annual Deductible Comparison

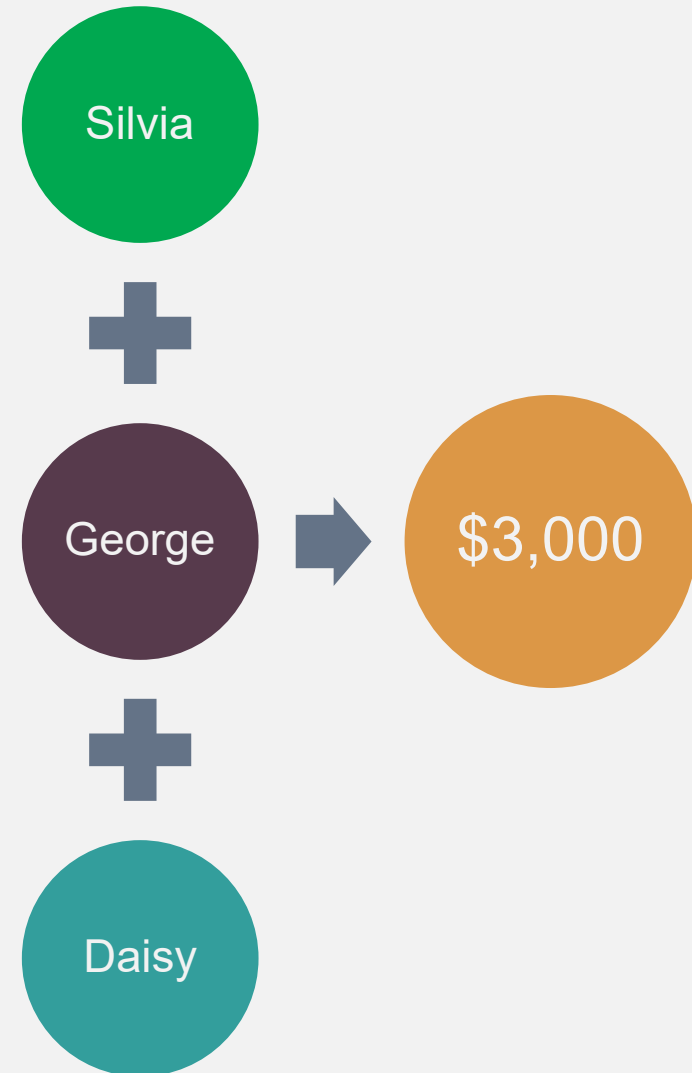
■ Family ■ Individual



# Family Deductible

The full family deductible **must** be met before coverage begins

- The \$3,000 family deductible applies to all covered members
- There is no embedded individual deductible amount



# Annual Deductible

Below is **partial** list of expenses that count toward the annual IYC HDHP deductible

- |   |   |
|---|---|
| <ul style="list-style-type: none"><li>• Chiropractic office visits</li><li>• Emergency room visits</li><li>• Gynecological / obstetrician office visits</li><li>• Internist office visits</li><li>• Lab work</li><li>• Physical / occupational / speech therapy office visits</li></ul> | <ul style="list-style-type: none"><li>• Prescription drugs</li><li>• Primary care office visits</li><li>• Specialty office visits</li><li>• Transplants</li><li>• Urgent care visits</li><li>• Vision exams in an office visit setting</li><li>• X-rays</li></ul> |
|---|---|



- Visit **It's Your Choice 2018** at [etf.wi.gov/IYC2018](http://etf.wi.gov/IYC2018) for a complete breakdown of costs by plan

# Covered Pre-Deductible Costs

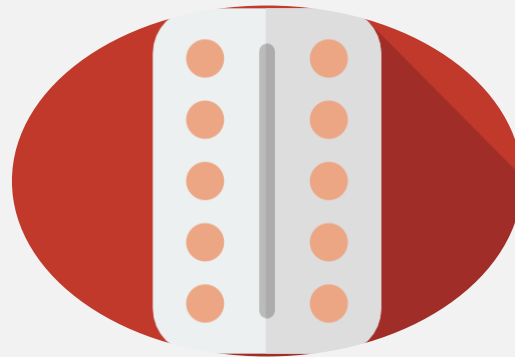
The plan will **not** pay medical or prescription costs until the deductible is met, except for:



Routine preventive services



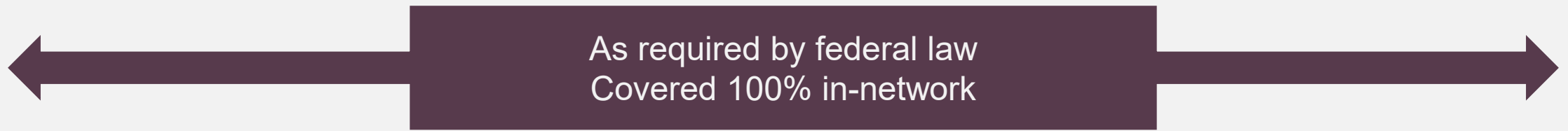
Preventive prescription drugs



Contraceptive prescription drugs



Certain additional preventive/maintenance drugs





# Routine Preventive Services

Below is **partial** list of preventive services that are covered before the deductible is met

Adults	Women
<ul style="list-style-type: none"><li>• Blood pressure screenings</li><li>• Cholesterol screenings</li><li>• Depression screenings</li><li>• Diet counseling</li><li>• HIV screenings</li><li>• Immunization vaccinations</li><li>• Tobacco use screenings</li></ul>	<ul style="list-style-type: none"><li>• Anemia screenings</li><li>• Breast cancer mammography screenings</li><li>• Contraception</li><li>• Cervical cancer screenings</li><li>• Osteoporosis screenings</li><li>• Urinary tract infection screenings</li><li>• Well-woman visits</li></ul>

- Visit **HealthCare.gov** for a complete list of federally required preventive services

# How the HDHP Works

2

## Copay/Coinsurance

Member \$ + Plan \$

- **Copay** – Members pay a fixed dollar amount for certain health care services
- **Coinsurance** – Members pay a fixed percentage of costs (typically 10%) for certain health care services post-deductible
  - Plan pays remaining percentage / dollar amount
  - Amount and type of member share varies by type of service

# How the HDHP Works

3

## Out-of-Pocket Limit

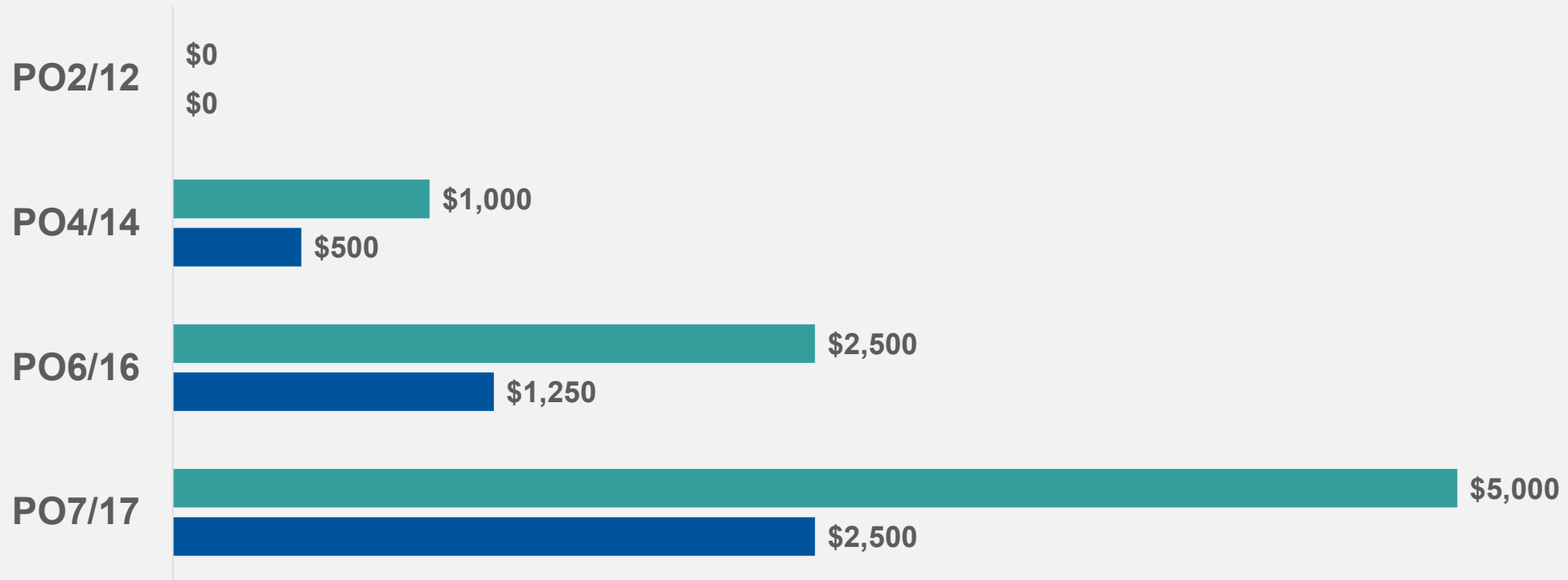
*Plan pays  
100%*

- **Out-of-Pocket Limit (OOPL)** – The most members will pay for covered services
  - Deductible and coinsurance payments accumulate towards the OOPL
  - Plan will pay 100% of covered services for the rest of the plan year
  - OOPL protects members in the event of a major medical event

# Annual Out-of-Pocket Limit Comparison

2018 Annual OOPPL Comparison

■ Family ■ Individual



# Primary Care Office Visit

*Pre-Deductible*

Member pays 100%

*Post-Deductible*

\$15 copay per visit in-network, up to OOP

- Additional services such as lab work, X-rays, etc., count toward the deductible and are subject to coinsurance
- Includes internist, chiropractor, pediatrician, and gynecologist visits
- Visit **It's Your Choice 2018** at [etf.wi.gov/IYC2018](http://etf.wi.gov/IYC2018) for a complete list of providers considered to be primary care

# Specialty Office Visit

## *Pre-Deductible*

Member pays 100%

## *Post-Deductible*

\$25 copay per visit in-network, up to OOPPL

- Additional services such as lab work, X-rays, etc., count toward the deductible and are subject to coinsurance
- Includes specialty providers, urgent care, and adult vision exams in an office visit setting

# Emergency Room Visits

## *Pre-Deductible*

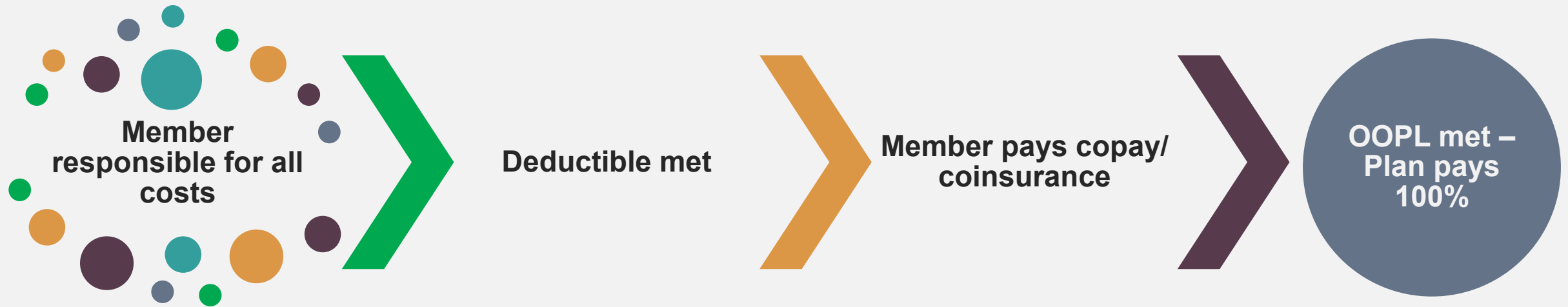
Member pays 100%

## *Post-Deductible*

\$75 copay per visit,  
up to OOP

- Copay waived if admitted as inpatient directly from ER or for observation for 24+ hours
- Coinsurance may apply to other services beyond copay, up to OOP

# HDHP Recap





# HDHP Recap



Lower annual premium



Higher annual deductible



Increased member responsibility

# HDHP Pairable Accounts

## HDHP 101

# Account Examples

## HRA

### Health Reimbursement Account

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- Account owned by the employer
- Left over funds returned to the employer each year

## FSA

### Flexible Spending Account

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- Employee funds the account
- Can only roll over a limited amount of money each year

## HSA

### Health Savings Account

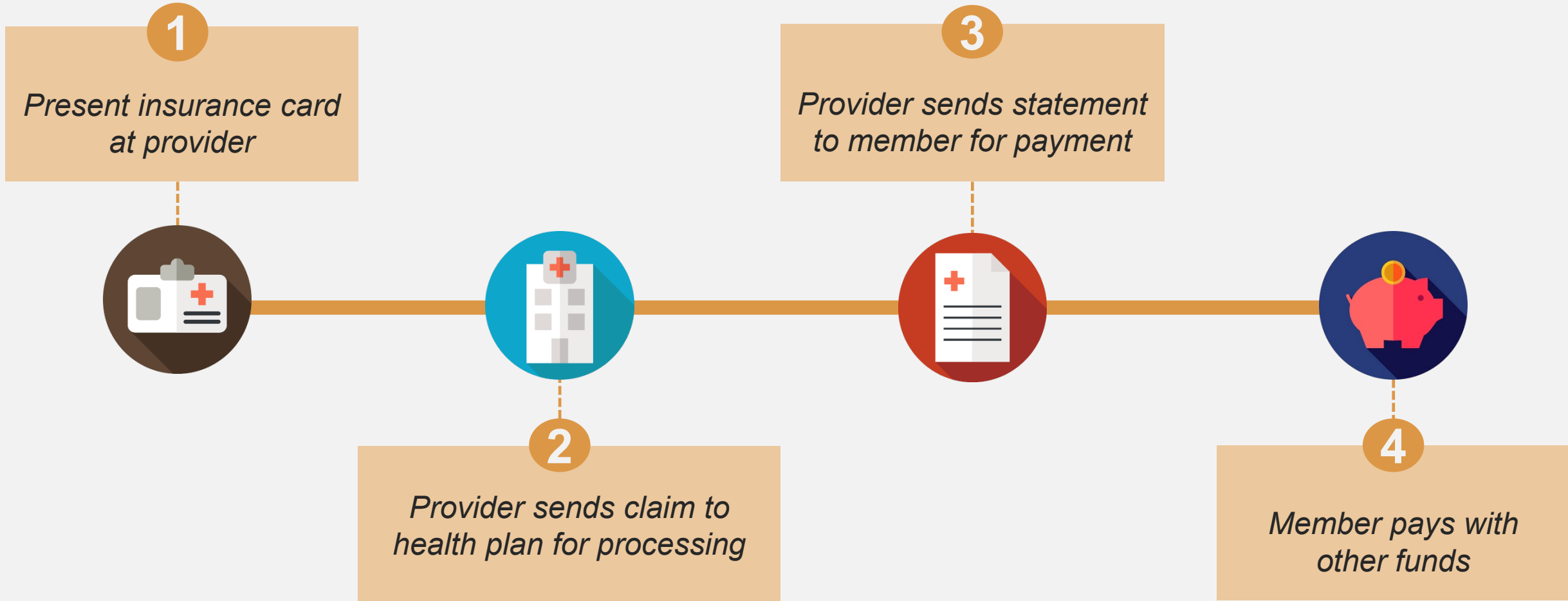
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- Account owned by the employee
- Travels with the employee when they leave employment

# Local Employers Have Options

- Can offer one, several, or none of the accounts just described
- NOT and CANNOT offer ETF's HSA or FSA

# Claims Payment Process



# Resources

## HDHP 101

# Customer Service

- Members frequently have questions about their HDHP coverage

*For HDHP questions, members should contact...*

- Their human resources/benefit office
- Their health plan
- ETF Member Services



# Employer Assistance

- If a high-level question or issue arises, employers also have resources available to them

*For HDHP questions, employers should contact...*

- The health plan offering the HDHP coverage
- ETF Employer Services





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# Thank you

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