



L.H. Unified School District #1

Employee Benefit Trust

Know Your Benefits
Plan Year 2018–2019

Employer Provided Benefits Summary– Full-Time Employees (working 30+hours per week)

- ▶ Group Term Life & AD&D (accidental death & dismemberment)
Insurance
- ▶ Medical/Prescription Coverage
- ▶ Dental Coverage
- ▶ Vision Coverage
- ▶ LHSEBT Health and Wellness Center
- ▶ Work On Wellness Program (W.O.W.)

Voluntary Benefits Summary– Full-Time Employees (Your Cost)

- ▶ Medical, Dental and Vision for Dependents;
- ▶ Supplemental Life Insurance for Self and Dependents;
- ▶ Supplemental Accidental Death and Dismemberment (AD&D) for Self and Dependents;
- ▶ Employee Only: Short Term Disability Protection;
- ▶ Flexible Spending Account;
- ▶ Dependent Care Account;
- ▶ 403b Supplemental Retirement Benefits; and
- ▶ AFLAC Supplemental Benefits
 - ❖ Accident Plan
 - ❖ Cancer/Specified Disease Coverage
 - ❖ Critical Illness Coverage
 - ❖ Hospital Confinement Coverage

Benefit Plans Eligibility

- ▶ Benefits become effective as follows:
- ▶ 1st day of the month following 30 days of full-time employment.
 - Employee, covered spouse and child(ren)
- ▶ Coverage notes:
 - Proof of dependent eligibility:
 - Spouse – valid/current marriage license
 - Children – birth certificate or court paperwork (foster, adoption, legal custody, etc.)
 - Dependent Child(ren) – coverage extended up to end of the month in which they attain age 26 if enrolled with employee.
 - Changes outside initial and Open Enrollment – Subject to IRS rules on “Qualifying Event”

LHSEBT Structure

- ▶ Self-Funded Employee Benefit Trust per A.R.S. 15-382 and 15-502
- ▶ Operated by a Board of five (5) Trustees appointed by the Governing Board
- ▶ Self-Funded means...
 - The Trust pays the first \$130,000 per “belly button” per year for Medical/Rx
 - 100% for Dental
 - Much like operating a mini-insurance company

LHSEBT Structure

- ▶ Administrative Partners:
 - Blue Cross Blue Shield of Arizona (BCBSAZ) – Arizona medical network
 - CVS/Caremark (through Wisconsin Rx) – Prescriptions
 - Gilsbar – Medical claims processing
 - Cerner – Near site clinic
 - American Health Group (AHG) – Pre-certification and case management
 - Ameritas – Dental network and claims processing

LHSEBT Structure

- ▶ Operational Partners:
 - Erin P. Collins & Associates, Inc. (ECA) – Broker/Consultant
 - Cheiron – Actuary
 - Legal – Jones, Skelton & Hochuli
- ▶ Entire program structure currently under review
 - Cerner Clinic
 - Benefit offerings
 - Costs
 - Administration, etc.
- ▶ Process expected to be completed by 12/31/2018 – Stay tuned!

Medical Benefits Summary



Exclusive Provider Organization (EPO)

Outline of Benefits

MEDICAL PLAN FEATURES:	IN-NETWORK	OUT-OF-NETWORK
Plan-Year Deductible per Member	\$2,500	N/A
Per Family	\$5,000	N/A
Out-of-Pocket Maximum per Member	\$6,500	Unlimited
Per Family	\$13,000 (Includes Deductible)	Unlimited (Includes Deductible)
Inpatient Hospital	20% After Deductible	Not Covered
Outpatient Facility	20% After Deductible	Not Covered
Office Visits		
Physician's Office	\$55 Co-Pay	Not Covered
Health & Wellness Clinic	\$20 Co-Pay	N/A
Urgent Care Facility	\$55 Co-Pay	Not Covered
Preventive Services* (as mandated by federal law)	0% No Deductible	Not Covered
Chiropractic Care (limited to 30 visits)	\$100 Co-Pay	Not Covered
Diagnostic testing, X-ray and Lab Services (outpatient)	0% After Deductible	Not Covered
Maternity	20% After Deductible	Not Covered

Medical Benefits Summary



Emergency Room	\$200 Co-Pay + 20% After Deductible	\$200 Co-Pay + 20% After Deductible
Non-Emergency Medical Condition	Not Covered	Not Covered
Mental Health & Substance Abuse Inpatient	20% After Deductible	Not Covered
Mental Health & Substance Abuse Outpatient	\$55 Co-Pay	Not Covered

*NOTE: Routine/Preventive Mammograms are available throughout the year from Mobile On-Site Mammography (MOM) with no member cost share. Mammograms performed at locations other than MOM and without a letter of necessity from your physician will be subject to deductible and co-insurance.

Medical Benefits Summary

- ▶ In-network benefits are limited to Arizona BCBS providers only.
- ▶ Except in the case of *“emergency,”* the use of non- BCBSAZ contracted providers in or outside the state of Arizona **ARE NOT COVERED!**
 - ▶ Accident-True emergency: An unintentional, unforeseeable and undesirable happening that results in bodily Injury for which medical treatment is required.
 - ▶ Eligible Out-of-Network charges are, however, subject to UCR maximums*. You must pay the balance of the provider charges in excess of UCR*.
 - ▶ *(UCR=Usual Customary and Reasonable determined by zip code)

Medical Benefits Summary

- ▶ *Wellness Benefits: In-network or at the LHSEBT Wellness Center ONLY.*
 - Plan pays 100% of eligible expenses for:
 - Physical exam;
 - X-ray & Lab;
 - GYN exam;
 - Pap smear;
 - Prostate/testicular exam;
 - All immunizations;
 - Mammograms (limited to one baseline age 35–39, and one annually thereafter); and
 - Screening Colonoscopies (age 50+ per guideline).
- ▶ See:
<http://www.healthcare.gov/center/regulations/prevention/taskforce.html> for other covered wellness expenses.

Prescription Benefits Summary

Prescription Plan Outline of Benefits



30-day supply at a Retail Pharmacy	
• Prescribed preventive medication as required by federal law	\$0 Co-Pay
• Prescriptions received at the LHSEBT Health and Wellness Center	\$10 Co-Pay
• Generic Drugs	\$10 Co-Pay
• Preferred Drug*	\$35 Co-Pay
• Non-Preferred Drug*	\$65 Co-Pay
90-day supply at a Retail Pharmacy or Mail Order	
• Prescribed preventive medication as required by federal law	\$0 copay
• Generic Drugs	\$25 Co-Pay
• Preferred Drug*	\$105 Co-Pay
• Non-Preferred Drug*	\$195 Co-Pay
Specialty	20% to Max of \$300

***Brand Name Penalty:** If your physician authorizes the use of a Generic drug but you choose to use a Brand Name drug, you must pay the difference between the actual cost of the Generic and Brand in addition to the Brand Name co-payment.

Additional Plan Benefit–Case Management

- ▶ Case Management is a program whereby a Nurse Case Manager works with the patient and their provider to monitor a patient's treatment and educate the patient on their condition as well as available options for care and potential outcomes. With the patient's permission, the Case Manager consults with the patient, family and the attending Physician in order to develop a plan of care for approval by the patient's attending Physician and the patient. This plan of care may include some or all of the following:
 - Personal support and assistance to the patient and family;
 - Finding in-network providers;
 - Disease education and referrals to community resources;
 - Monitoring of Hospital or Skilled Nursing Facility stays;
 - Review and discussion regarding alternative care options; and
 - Assisting in obtaining any necessary equipment and/or services.
- ▶ Case Management occurs when these education and support services are deemed to be beneficial for both the patient and the medical Plan.
- ▶ The Case Manager will coordinate and implement the Case Management program by providing guidance and information on available resources and suggesting the most appropriate treatment plan. The Plan may consider care outside its normal benefit limitations if the use of an alternative treatment plan results in savings for the Plan and is endorsed by the participant. The objective of this service is to direct the patient toward the most appropriate care in a cost-effective environment.

Failure to participate in required Case Management services will result in up to a 50% reduction in benefits!

Medical Utilization Review

- ▶ Members must pre-certify the following services:
 - Non-emergent inpatient hospitalizations prior to admission;
 - Emergency admissions within 48 hours;
 - Diagnostic tests & outpatient surgical procedures over \$1,000 (when in doubt-pre-certify);
 - Maternity admissions that exceed 48 hours (or 96 hours for C-section); and
 - Psychological & Neurological testing.
- ▶ Failure to pre-certify may result in up to a 50% reduction in benefits

2018-2019 Premium Rates

Medical

Medical/Rx

	Monthly Premium	Employer Contribution	Employee Contribution	24 Pays	18 Pays
Employee Only	\$667.70	\$667.70	\$0	\$0	\$0
Employee+Spouse	\$534.60	\$83.60	\$451.00	\$225.50	\$300.67
Employee+1 Child	\$400.40	\$229.90	\$170.50	\$85.25	\$113.67
Employee + Children	\$756.80	\$437.00	\$319.80	\$159.90	\$213.20
Employee+Family	\$1,136.30	\$538.65	\$597.65	\$298.83	\$398.43

2018–2019 Premium Rates

Dental/Vision

Dental

	Monthly Premium	Employer Contribution	Employee Contribution	24 Pays	18 Pays
Employee Only	\$29.70	\$29.70	\$0	\$0	\$0
Employee+Spouse	\$31.90	\$0	\$31.90	\$15.95	\$21.27
Employee+1 Child	\$22.00	\$0	\$22.00	\$11.00	\$14.67
Employee + Children	\$50.60	\$0	\$50.60	\$25.30	\$33.73
Employee+Family	\$82.50	\$0	\$82.50	\$41.25	\$55.00

Vision

	Monthly Premium	Employer Contribution	Employee Contribution	24 Pays	18 Pays
Employee Only	\$5.70	\$5.70	\$0	\$0	\$0
Employee+Spouse	\$5.68	\$0	\$5.68	\$2.84	\$3.79
Employee+1 Child	\$4.66	\$0	\$4.66	\$2.33	\$3.10
Employee + Children	\$4.66	\$0	\$4.66	\$2.33	\$3.10
Employee+Family	\$13.14	\$0	\$13.14	\$6.57	\$8.76

Monthly Premiums cont.

- ▶ You may enroll your dependents in medical, dental and vision, or:
 - Medical only
 - Medical and Dental only
 - Medical and Vision only
- ▶ You cannot enroll yourself or dependents in Dental or Vision only. Enrollment in Dental or Vision is tied to your enrollment in Medical.
- ▶ You cannot enroll dependents only.

LHSEBT Health and Wellness Center

- ▶ Covered members and their covered dependents have access to:
 - Primary care;
 - Common generic prescription drugs;
 - Complete physical exams;
 - And a host of other medical services.(1)
- (1) see district website for a complete list of services.

Effective July 01, 2018, the following copays apply to services rendered at the Center:

Non-Preventive Office Visits = \$20

Prescriptions =\$10



LHSEBT Health & Wellness Center

brought to you by the Employee Benefit Trust

89 Civic Center Blvd.
Lake Havasu City, Arizona
928-854-6120



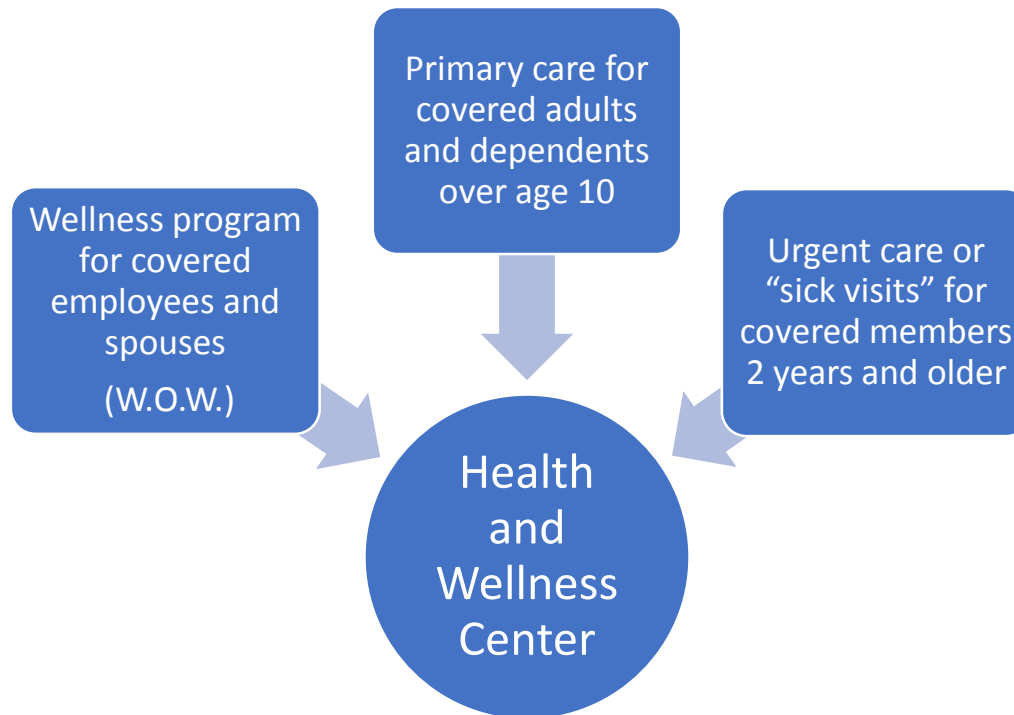


Current Hours of Operation

- Monday 7-5
- Tuesday 7-5
- Wednesday 12-6 (8-2 during the summer)
- Thursday 7-5
- Friday 7-5
- Saturday 7-12

*Closed on major holidays

Services Offered at the Center





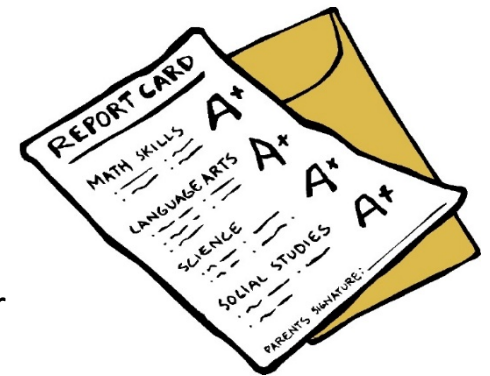
Wellness Program Offered by the LHSEBT to Promote Healthy Lifestyles

1. Covered employees and their spouses create an account online through the W.O.W. dashboard and complete a personal health assessment
2. Schedule your wellness visit online through the W.O.W. dashboard July 11, 2018- through December 21, 2018
3. Evaluate blood pressure, A1C (diabetic test), weight/body fat, body measurements and cholesterol during your scheduled face to face appointment with a provider at the center and specify target ranges. Discuss strategies to keep measures normal or meet measures
4. Work with the center staff to establish a plan for good health for you and your adult covered dependent

LHSEBT Health & Wellness Center

Health Report Card 2018-2019

- Our theme this year is “Making A’s in Health”. Our goal is to keep you involved in healthy activities throughout the year. Most wellness activities are offered at no charge to you
- A variety of wellness activity opportunities are planned throughout the year by the center staff: biometric screenings, flu shots, weight loss classes, health information lectures and more. We will be making new “assignments” each quarter to keep you engaged
- Individuals who complete the required “assignments” each quarter will have their name entered into a quarterly raffle
- Report cards and quarterly raffle prizes will be provided by Cerner



We look forward to seeing everyone succeed and make an “A” on their [Health Report Card](#). More information to come!

Dental Benefits Summary



Benefit Type	In Network Providers	Non-Network Providers
Type 1 Preventive	100% MAC (maximum allowable coverage)	70%* UCR (usual customary & reasonable)
Type 2 Basic	80%/90%*/100%* MAC *subject to annual exam and cleanings	60%* UCR
Type 3 Major	50%* MAC	40%* UCR
Periodontal Coverage	80%/90/100* MAC *subject to annual exam and cleanings	60%* UCR
Endodontics	80%/90/100* MAC *subject to annual exam and cleanings	80%* UCR
*Annual Deductible (individual/Family)	\$50/\$150 Type 2&3 Combined	\$50/\$150 Type 1, 2, & 3 Combined
Annual Maximum Benefit Amount	\$2,000	\$1,000
Type 1 waiting period	None	None
Type 2 waiting period	6 months (newly enrolled)	6 months (newly enrolled)
Type 3 waiting period	12 months (newly enrolled)	12 months (newly enrolled)
Orthodontia	\$1,000 Life Time Max	No Coverage
Ortho waiting period	12 months (newly enrolled)	N/A

UHC Vision Benefits Summary

Benefit Type	UnitedHealthcare In Network Providers	Non-Network Providers
Service Frequency: Exams/Lenses/Frames/Contacts	Every rolling 12 months	Every rolling 12 months
Eye Exam	\$10 Copay then 100%	Up to \$40
Lenses: Single Vision Lined Bifocal Lined Trifocal Lenticular	100% after \$10 copay 100% after \$10 copay 100% after \$10 copay 100% after \$10 copay	Up to \$40 Up to \$60 Up to \$80 Up to \$80
Frames: Retail Frame Allowance	Up to \$100	Up to \$40
Elective Contact Lenses: Covered Selection Contacts: Non-Selection Contacts: Medically necessary Contact Lenses	Up to 4 Boxes Up to \$105 100%	Up to \$105 Up to \$105 Up to \$210
Lens Options: Covered in full lens options Non-Covered Lens Options	Standard Scratch Coating; Polycarbonate Lenses for Children up to age: 19 Price Protection available for non-covered lens options ranging from 20-60% off retail at participating providers.	Not Applicable Price Protection available for non-covered lens options ranging from 20-60% off retail at participating providers.
Value Services: Laser Vision Discount	UnitedHealthcare offers discounted laser vision through Laser Vision Network of America of between 5 and 15%.	UnitedHealthcare offers discounted laser vision through Laser Vision Network of America of between 5 and 15%.

Group Employer Paid Term Life/AD&D Insurance Plan Details:

Life & AD&D

Employee (Life/AD&D): 1.5x annual earnings rounded to the next higher \$1,000.

Minimum benefit of \$25,000. Not to exceed \$150,000.

Spouse (Life only): \$5,000

❖ *Not to exceed 100% of employee coverage amount. Benefits will be paid to the employee.*

Child (Life only): \$2,500

❖ *The maximum death benefit for a child between the ages 14 days and 6 months is \$250. Benefits will be paid to the employee.*

Eligible Retirees (hired before 6/30/2005) Life coverage

Retiree (Life only): Flat \$20,000

Portability/ Conversion

If you terminate employment or become ineligible for coverage, you may take coverage with you either through Conversion or Portability.

Group **Voluntary** Term Life/AD&D Insurance Plan Details:

Life coverage amounts

Employee: Up to 5 times salary in increments of \$10,000 to a maximum of \$500,000.

Spouse: Up to 100% of employee amount in increments of \$5,000 to a maximum of \$250,000.

Child: Up to 100% of employee coverage amount in increments of \$2,000 to a maximum of \$10,000

The maximum death benefit for a child between the ages of 14 days and 6 months is \$250.

- ❖ In order to purchase Life coverage for your spouse and/or child, you must purchase Life coverage for yourself.

Employee AD&D-Accidental Death and Dismemberment coverage amounts

Employee: Up to 5 times salary in increments of \$10,000

Not to exceed \$500,000

- ❖ You may purchase AD&D coverage for yourself regardless of whether you purchase Life coverage.

Non-Medical Maximum

If you enroll within 31 days of your eligibility date or the open enrollment period, you may apply for any amount of Life insurance coverage up to \$200,000 for yourself and any amount of coverage up to \$50,000 for your spouse. **If you enroll outside of your 31 day** enrollment or you request an amount of coverage over the non-medical maximum, evidence of insurability will be required. Some restrictions

apply. See application for complete details.

Guardian Voluntary Employee Benefits –Life Insurance–

► Standard features:

- Portability;
- Employee life insurance premium waver;
- Accelerated Death Benefit (a one time lump sum payment of a portion of the **death benefit** if the insured person is diagnosed with a terminal illness with a life expectancy of 12 months or less): 75% to a maximum of \$500K;
- Survivor Financial Counseling Service;

► Rate Sample:

Age	\$10,000	\$30,000	\$50,000
30	\$.74	\$2.22	\$3.70
40	\$1.47	\$4.41	\$7.35
50	\$4.18	\$12.54	\$20.90
60	\$10.24	\$30.74	\$51.20

Group Voluntary Short Term Disability Plan Details:

Your benefit amount

If you meet the definition of disability, you would be eligible to receive a weekly benefit equal to 60% of your basic weekly earnings, up to \$1,000 per week.

Your elimination period

The Elimination Period is the length of time of continuous disability which must be satisfied before you are eligible to receive benefits.

The elimination period is **7** days for non-occupational injuries or illnesses.

Your benefit duration

If you meet the residual definition of disability you may receive a benefit for 25 weeks. The residual definition offers a continuous benefit up to 25 weeks as long as you sustain a 20% or greater loss of earnings.


Pre-existing condition exclusion

You have a pre-existing condition if:

- you received medical treatment, consultation, care or services including diagnostic measures, or took prescribed drugs or medicines in the 3 months just prior to your effective date of coverage; and
- the disability begins in the 12 months after your effective date of coverage.

Guardian Voluntary Employee Benefits –Short Term Disability–

- ▶ * A “pre-existing condition” means the insured employee:
 - Received medical treatment, consultation, care or services including diagnostic measures or took prescribed drugs or medicines in the 6 months just prior to his/her effective date of coverage;
 - And the disability begins in the first 12 months after the employee’s effective date of coverage.
- ▶ Sample of calculating Monthly premium cost

EE Annual Salary	Weeks	Weekly Benefit %	Weekly Benefit
\$30,000/	 52	60% =	\$346.15
Age	Weekly Benefit	Rate \$.629	Cost
30 @	\$346.15	/10 x \$.629	= \$21.77

Flexible Spending Account

- ▶ Employees may elect to have their salary reduced (pre-tax) up to \$2,550 per Plan year and the dollars placed in a personal Flexible Spending Account (FSA).
- ▶ These dollars can be used to pay for such things as deductibles, copayments and coinsurance, (medical, Rx, dental or vision).
- ▶ Member saves taxes such as FICA, FUTA, Income taxes. Savings can range from 25% to 40%.
- ▶ Total funds are available upon enrollment in the health plan and your Flex Plan election.
- ▶ Take care due to the “use it or lose it rule”.

How much can I save with an FSA?

	With FSA Plan	Without FSA Plan
Annual Pay	\$30,000	\$30,000
Pre-tax Contribution to FSA or CDCE	\$5,400	\$0
Remaining Taxable Income	\$24,600	\$30,000
Federal, State, and Social Security taxes*	\$6,802	\$8,295
After-tax dollars spent on eligible expenses	\$0	\$5,400
Net spendable income	\$17,798	\$16,305
Tax Savings	\$1,493	\$0

*Assumes 15% federal tax, 5% state tax and 7.65% Social Security Tax

Child Daycare Expenses (CDCE)

- ▶ Employees may also set aside, **Pre-tax**, up to \$2,500/married filing separately and \$5,000/married filing together or head of household, to pay for eligible expenses for children under the age of 13 and dependents of any age who are physically or mentally unable to care for themselves.
- ▶ Monies set aside in the CDCE account go in **tax free** and come out **tax free**. Funds are available on a month-to-month basis as deductions are made.
- ▶ They are a dollar for dollar offset and therefore cannot also be claimed on tax filings.
- ▶ Savings will range from 25% to 40% depending on your tax bracket.




- ▶ Your Insurance Consultants/Brokers: Jaime Schulenberg and Erin Collins
- ▶ 928.753.4700 x302 Jaime Phone
- ▶ 877.866.5732 Fax
- ▶ jaimes@ecollinsandassociates.com

403(b) Supplemental Retirement

- ▶ Lake Havasu Unified School District offers its eligible employees the opportunity to save for retirement by participating in a 403(b) plan. You can participate in this plan by making pre-tax contributions and 403(b) Roth after-tax contributions. Once an account is set up your financial representative will have you sign a Salary Reduction Agreement that you will send to the districts payroll department.

Other Benefits Available

- ▶  Aflac.
- ▶ Accident Plan.
- ▶ Cancer/Specified Disease coverage.
- ▶ Critical Illness coverage.
- ▶ Hospital Confinement Indemnity coverage.

Acknowledgement of Benefits

I have viewed this power point presentation and I understand the benefits that LHUSD #1 provides to me as an employee.

Signature/Printed Name

Date

Comments or Questions:

Please sign, date, add any comments or questions and return to your Cheri or Bonnie TODAY before you leave. Thank you.