

KCTCS EMPLOYEE OPEN ENROLLMENT 2012

October 10 – 28, 2011



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HEALTH INSURANCE HIGHLIGHTS

Passive Enrollment for 2012

- **Health elections for 2011 will automatically roll-over unless you make a change.....**
- IDs were mailed to employees from the DEI to their home addresses
- New passwords will be created on the KHRIS site
 - ✓ Web Enrollment is Mandatory if you have a change
 - ✓ Forms, information and the current Benefits Selection Guide are available on the DEI web-site:
<http://personnel.ky.gov/dei/12oe/>



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DEPENDENT ELIGIBILITY

Dependent Eligibility to Age 26

- The dependent:
 - can be married (coverage does not extend to his/her spouse or children).
 - does not have to reside with the plan-holder.
 - must **NOT** be eligible to enroll in his/her own employer-sponsored plan through his/her employer.
- All contribution deductions are based on a pre-tax basis.
- See **page 17** of the Benefits Selection Guide for further information
- **For All Newly Enrolled Dependent Children Age 19 to 26: Members must submit the affidavit “2012 Certification of Dependent Eligibility” for each dependent child age 19-26. Form available on DEI web-site**



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QUALIFYING EVENTS

Qualifying Events (QE's):

- The qualifying event application must be signed within the QE time frame.
- Qualifying event documentation should be submitted with the application.
- Verification of dependent/spouse must be included with application.
- Effective date of QE will remain under the same rules as currently in effect and if necessary coverage will be activated retroactively.
- Coverage will not be activated until dependent verification is received.



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KCTCS EMPLOYEE SELF-SERVICE

- A new self-service feature in PeopleSoft will be used this Open Enrollment called eBenefits (A navigation guide is provided on thePoint)
- Employees will make elections for Health, Dental, FSA, HRA and \$50 Benefit through this venue
- Employee will log into PeopleSoft and go to Employee Self-Service



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KCTCS EMPLOYEE SELF-SERVICE

- This year the KCTCS Open Enrollment will be a multi-step process. The three steps include:
 1. **October 10-28,2011**: Begin your enrollment through KCTCS self-service directly. You will be able to review the cost of each benefit on the Enrollment Summary
 2. **October 10-28,2011**: If you have changes after completing your KCTCS self-service enrollment, you **MUST** also enroll through the Department of Employee Insurance (DEI) website called KHRIS for health insurance
 3. **November 14-December 2, 2011**: Finally, you will receive e-mail notification in November if you are eligible to enroll in the KCTCS \$50 Benefit allowance. You will then enroll in this benefit through KCTCS self-service



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DEI ONLINE ENROLLMENT

- If you have online enrollment questions, refer to the inside front cover page of the DEI **Benefits Selection Guide** for contact information
- **Reminder**-You will only need to enroll on the DEI KHRIS site if you wish to make changes.



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DEI ONLINE ENROLLMENT

- **Your KEHP Online Access** will be available beginning October 10, 2011 at: <http://www.personnel.ky.gov/dei/>
- You will need your ID (sent by the DEI) to enroll.
- Once the online enrollment process is complete, a confirmation number will appear on the screen.
 - Print this page as proof of enrollment.
- If an e-mail address is entered during the DEI enrollment process, a confirmation message will be sent.



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PAPER APPLICATION REQUIRED FOR

- Paying by cross-reference with a retiree
- A new employee who has not yet enrolled for 2011 or who wants to begin a cross-reference payment option
- Switching the “primary” plan holder on a cross-reference payment option
- Ending a cross-reference payment option
- Retirees who have returned to work and are age 65 or older
- Submit the above applications to your college HR Department for processing



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2012 PLAN YEAR CHANGE HIGHLIGHTS

There are slight increases in Commonwealth Capitol Choice, Commonwealth Maximum Choice and Commonwealth Optimum PPO plans:

- Plan deductibles
- Out-of-pocket maximums
- Premiums

Commonwealth Standard PPO plan has no changes

See the online [Benefits Selection Guide](#) pages 14 and 15 for Details



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KCTCS 2012 PLAN YEAR HIGHLIGHTS

KCTCS Personnel System Contribution Strategy

- The state non-smoking employee contribution schedule is reduced by **25 percent** resulting in KCTCS personnel system employees having reduced out-of-pocket contributions.
- The **\$50 Benefit Allowance** is available to eligible employees to offset out-of-pocket benefit expenses.



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HRA/FSA INTEGRATION: COMMONWEALTH MAXIMUM CHOICE PLAN

- A Health Care Flexible Spending Account (FSA) may be used to fund member responsibility expenses on a pre tax basis
- Premium savings from selection of the Commonwealth Maximum Choice plan versus other selections may fund or assist in funding an FSA
- Example KCTCS personnel system:
 - Annual premium for Couple Maximum Choice= \$ 3,339.84
 - Annual Premium for Couple Optimum PPO = \$ 4,685.28
 - Annual Premium savings difference= \$ 1,345.44



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WAIVING HEALTH INSURANCE

- If health insurance coverage is waived, the employer contribution towards a Health Reimbursement Account (HRA) will continue to be **\$175** per month for a total of **\$2,100** for the year
- Unused money carries to the next year if there is a continuance of waived coverage from year to year
- If an employee is hired with an effective date later than January 1, 2012, the \$175 per month for the waiver will be prorated

If you waived coverage for 2011, your enrollment will carry-over in the DEI system but you MUST make an election for 2012 and waive in PeopleSoft Employee Self-Service



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PLAN OUT-OF-POCKET EMPLOYEE INCREASES GRID

Employee Benefit Plan Increase(s)- Out-of-Pocket Expenses (In Network)	Standard	Capitol Choice	Optimum	Maximum Choice
Annual Deductible				
Single	N/A	\$ 25	\$ 10	\$ 25
Family	N/A	\$ 75	\$ 30	\$ 75
Annual Out-of-Pocket Max				
Single	N/A	\$ 100	\$ 55	\$ 95
Family	N/A	\$ 100	\$ 110	\$ 95
Physician Copay				
PCP (includes Chiropractor)	N/A	N/A	N/A	N/A
Specialist (include Maternity)	N/A	N/A	N/A	N/A
Inpatient Hospital				
Admission Copay	N/A	N/A	N/A	N/A
Outpt Surgery Copay				
Laboratory (outside physician office)	N/A	N/A	N/A	N/A
Emergency Room Copay	N/A	N/A	N/A	N/A
Prescription Drug Copays				



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Health Plan Comparisons (changes in red)

Health Plan Comparisons	Benefit Allowance /HRA Amount	Deductible	Out of Pocket Maximum (includes Deductible-excludes Office & RX co -pays)	Office Visit Co-Pay	Benefit Payments (hospital, surgery, etc)	Your Co-Insurance (payment amount)	RX Co - pays
Standard	N/A	\$ 500 Ind \$1,500 Fam	\$3,500 Ind \$7,000 Fam	N/A	75%	25%	Min Max \$10 \$25 \$20 \$50 \$35 \$100
Optimum	N/A	\$355 Ind \$720 Fam	\$1,350 Ind \$2,700 Fam	\$15 \$20	85%	15%	\$10 \$25 \$45
Capitol choice	\$500	\$ 600 Ind \$1,800 Fam	\$2,400 Ind \$7,000 Fam	\$20 \$25	80%	20%	\$10 \$25 \$45
Maximum Choice	\$1,000 single \$1,500 Parent & Couple \$2,000 Family	\$2,325 Ind \$3,530 Fam	\$3,550 Ind \$5,280 Fam	N/A	90%	10%	Deductible then 10%

HEALTH REIMBURSEMENT ACCOUNTS (HRA)

- HRAs are not available to :
 - An employee or spouse who has a Health Savings Account (HSA)*
 - A retiree who has gone back to work and elects coverage under the retirement system
 - Retirees
 - Spouse of a hazardous duty retiree

***NOTE: the DEI is offering a limited purpose Waiver Dental/Vision ONLY HRA. It is NOT available to KCTCS employees**



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MEDICARE AND HRAs

If you are an active employee over the age of 65:

- The KCTCS Health Plan is considered primary over Medicare.
 - You do not need to sign up for Medicare Part “B” until you cease employment.
 - The prescription drug plan offered through the KEHP is considered “Creditable Coverage.” There is no need to sign up for a Medicare part “D” plan.
- If you are over age 65 and enrolled in Medicare and choose to waive health insurance through the KEHP, your waiver HRA will be your primary health plan over Medicare for you and any of your eligible dependents
- For more information on HRAs, consult Page 8 in the Benefits Selection Guide.



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MEDICARE AND HRAs

New for 2012

- Due to federal Medicare reporting requirements, you will need to enroll **ALL** your dependents who would have claims reimbursed under your HRA account. This entry will be made in PeopleSoft employee self-service and will be a necessary part of your enrollment



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FSA VS. HRA

- In addition to the **HRA**, an employee may fund a Health Care **Flexible Spending Account (FSA)** to reimburse unpaid qualified medical expenses (ex: Deductible, Co-pays, Co-insurance, Dental, Vision, etc.)
- If you have both a FSA and a HRA, reimbursement will come from your FSA account balance first.
- The FSA balance is forfeited at the end of the plan year (12/31/11) and 2 ½ month grace period (3/15/12).
- The HRA balance will roll-over from year to year as long as you remain a waiver or enrolled in the Commonwealth Maximum Choice Plan.
- The HRA will not roll-over if you change your plan selection.



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USING BENNY PRE-PAID BENEFITS CARD FOR HRA AT PHARMACIES – “WAIVERS” ONLY

- If an employee is covered under a spouse’s health plan, he/she would use that health insurance card first.
- Then use Chard-Snyder Benny Card for any co-pay or coinsurance amounts due.



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SAVE YOUR RECEIPTS: HRA AND FSA REIMBURSED EXPENSES

- **It is important to save all itemized receipts**
 - The IRS requires proof (substantiation) that expenses are qualified under your plan's benefits.
 - Always save receipts and explanation of benefits (EOB) in case there is a request to verify an expense that could not be matched automatically.
 - If a refund is needed:
 - ✓ The card should be credited by the provider.
 - ✓ If the provider refunds the member directly, the member will be required to refund the card (per IRS guidelines).



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FLEXIBLE SPENDING ACCOUNTS (FSA)

- There are two kinds of FSA's
 - Health Care Spending Account for medical expenses
 - Minimum **\$ 5** per paycheck (including \$50 benefit); total annual maximum of **\$5,004**
 - Dependent Day Care Account for dependent care expenses
 - Minimum **\$ 5** per paycheck; total annual maximum **\$4,992**
 - Refer to the FSA materials for further information.



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FLEXIBLE SPENDING ACCOUNTS

- FSA enrollees can either use the Benny card or file a paper claim for reimbursement.
Reimbursement can be claimed for any dependents up to age 26.
- Substantiation for a Benny card charge may be required.
- Federal regulations require that employees that wish to enroll in a FSA do so every year
- The carrier for 2012 will continue to be Chard Snyder and Associates
- The termination date for an FSA and an HRA is the day employment ends or the day the employee retires
- You will have 90 days in which to file claims for reimbursement for expenses incurred through your last date of service
- **Enrollment must be made in PeopleSoft Employee Self-Service**



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DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT

- Retirees are not eligible to participate.
- The amount that can be contributed is based on the individual's tax filing status.
- Reimbursement is done by claim form.
- The Benny card is not available for use with the Dependent Care FSA.
- The plan maximum contribution is **\$4,992** per year.



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WEB ENROLLMENT: FSA AND HRA

- KCTCS employees will **NOT** enroll for FSA and/or HRA coverage through the **DEI Website**
 - ❖ A message will appear that states that KCTCS is non-participating and to contact the Insurance Coordinator
 - ❖ You must enroll through PeopleSoft Employee Self-Service
- There will be no Chard-Snyder Web Enrollment site as in previous years.



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\$50 BENEFIT ALLOWANCE

- Eligibility is open to KCTCS personnel system regular, full-time employees who are enrolled in single healthcare coverage or who have waived healthcare coverage.
- The \$50 monthly benefit may be used :
 - ❖ For health insurance premiums
 - ❖ For dental insurance premiums
 - ❖ For a Healthcare FSA (FSA enrollment must be completed)
 - ❖ To purchase voluntary supplemental benefit
- A new \$50 Benefit Enrollment election must be completed to participate in 2012
- The \$50 Benefit may **not** be used to purchase Group Life Insurance or Supplemental Long Term Disability



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\$50 BENEFIT ALLOWANCE

- Enrollment must be made in PeopleSoft Employee Self-Service
- You will need to pre-plan for your \$50 Benefit Allowance election during the initial enrollment period (October 10-28)
- **In November**, an email notice will be sent to you if you qualify to enroll in the \$50 Benefit Allowance in PeopleSoft Employee Self-Service and direct your allocation(s)



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DENTAL OPEN ENROLLMENT

- Dental Open Enrollment is **October 10 through October 28, 2011**
- Dental choices:
 - Dental Care Plus (changes/terminations only, **no new enrollments**)
 - Delta Dental
 - Comp Benefits
 - HealthResources
- Dental coverage will “rollover” from 2011 to 2012.
- If you wish to add or drop family members, terminate coverage or change carriers, a new enrollment must be completed.
- **Enrollment will be made in PeopleSoft Enrollment Self-Service**



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LIFE AND AD&D INSURANCE OPEN ENROLLMENT

- Changes may be made to Optional Life and AD&D coverage during Open Enrollment
- No proof of insurability for an increase of one level of coverage is required. (Ex. 2x to 3x salary)
 - An Optional Life and AD&D plan must be held to exercise this option.
 - Moving from Basic coverage to 1x salary is **not** an option.
- **Paper applications** will need to be completed and should be returned to your college HR office. This enrollment will **NOT** be done in Self-Service



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2012 INSURANCE/BENEFIT CARDS

- Health Insurance and Prescription Drugs

- A new ID card may be issued depending upon the plan selection.

- Dental

- A new ID card will be issued only if coverage is changed.

- HRA and FSA

- A card for Chard-Snyder Benny Pre-paid HRA Benefits will be issued if the individual is a new enrollee or if the holder's current card expires at the end of 2011.
- If the current HRA and Benny card is valid, the 2012 election will be loaded onto it.
- 2011 HRA balances do not roll over until April 2012.
- The same Benny card is used if an individual has both an FSA and HRA.



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REMINDER: DOUBLE DIPPING

KRS 18A.225 (13)

“Any employee who is eligible for and elects to participate in the state health insurance program as a retiree, or the spouse or beneficiary of a retiree, under any one (1) of the state-sponsored retirement systems shall not be eligible to receive the state health insurance contribution toward health care coverage as a result of any other employment for which there is a public employer contribution. This does not preclude a retiree and an active employee spouse from using both contributions to the extent needed for purchase of one (1) state sponsored health insurance policy for that plan year.”



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REMINDER: DOUBLE DIPPING

KTRS Retiree

- KTRS Retirees that have returned to active employment **MUST** select coverage through the active employer (KCTCS).

KERS Retiree

- KERS retirees that have returned to active employment have the option to select coverage either through KRS or the active employer (KCTCS).



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