



## ATTENTION: 2017-18 Open Enrollment Announcement

Each year, prior to Open Enrollment, the Benefits Committee reviews our benefit plans and completes a thorough evaluation in order to provide the Puyallup School District with a comprehensive and cost effective benefits package. This year, four Regence BlueShield plans are being offered, two Kaiser Permanente plans and the Premera Blue Cross plan was eliminated. With all of these choices, it is especially important for you to carefully assess which plan is right for you and your family.

The monthly cost of coverage and the benefit plan design should both be considered when choosing a medical plan that is right for you and your family. Prior to Open Enrollment please remember to:

- Review all the medical plans offered at PSD through Regence and Kaiser Permanente.
- Review your current medical plan usage by logging into your personal portal found via the appropriate carrier website:
  - [www.Regence.com](http://www.Regence.com)
  - [www.kp.org](http://www.kp.org)

Consider any anticipated procedures for the upcoming plan year (surgery, pregnancy and delivery, medications, etc.)

- The plan with the richest benefits (highest monthly cost) may not save you money depending on your utilization. Review example calculations (see reverse side) to see how plan utilization and the type of plan you enroll in can impact your out-of-pocket cost.
- **Come to a Benefits Depot to get personalized assistance in selecting a medical plan!**

The 2017-2018 benefit year will provide you with complete transparency in regard to your employee cost of coverage under the “State Allocation Model.” You will be provided a monthly state allocation amount based upon your Benefit FTE (a full-time employee has a 1.0 Benefit FTE and receives \$820 per month). Your 2017-2018 Benefit Guide has detailed instructions regarding this calculation. To calculate the monthly amount you have available to pay for medical coverage, deduct the cost of mandatory benefits from your state allocation amount. There is a \$15.00 minimum toward the cost of medical coverage.

**REMINDER:** Open Enrollment begins August 28, 2017 and runs through September 29, 2017. Any changes you make at Open Enrollment are effective November 1, 2017 and are binding for the plan year unless you experience a federally defined qualifying event. Benefit Depots will be held in both August and September to provide you with one-on-one benefit guidance.

## EXAMPLE CALCULATIONS

Assumes Employee Only Enrollment for a 1.0 Benefit FTE Teacher			
	Regence Innova B	Kaiser Permanente PPO	Regence QHDHP with HSA
<b>State Allocation Amount</b>	\$820.00	\$820.00	\$820.00
<b>Mandatory Cost of Coverage</b> (assumes enrollment on Delta Dental)	\$157.09	\$157.09	\$157.09
<b>Allocation Amount Available for Medical Coverage</b> (allocation amount – mandatory benefit cost)	\$662.91	\$662.91	\$662.91
<b>Monthly Medical Premium</b>	\$850.40	\$747.32	\$703.90
<b>Employee Cost After State Allocation</b> (medical premium – allocation amount for medical coverage)	<b>\$187.49</b>	<b>\$84.41</b>	<b>\$40.99</b>

### Scenario 1 (When Utilizing a PPO Provider)

**Benefit Usage:** 4 office visits, 2 monthly prescriptions (1 generic and 1 brand name drug), and 1 diagnostic lab test.

<b>Employee Cost for 4 Office Visits</b>	\$120.00 (30 copay x 4)	\$100.00 (25 copay x 4)	Approx. \$600.00 (you pay total cost of each visit, \$150 x 4)
<b>Employee Cost for Prescriptions</b>  Actual cost of generic: \$15/Rx Actual cost of brand: \$125/Rx	\$550.00  (\$0 for generic + you pay \$125 for first two months until \$250 deductible met then \$30 copay per month for brand)	At KP Pharmacy: \$540.00  (\$15 copay x 12 for generic + \$30 copay x 12 for brand)	\$776.00  (you pay total cost until you meet \$1,500 deductible then pay 20% of cost)
<b>Employee Cost for Lab Test</b> (\$350 cost)	\$0 (100% coverage for first \$400)	\$35.00 (you pay 10% of \$350)	\$350.00 (you pay total cost until you've met deductible)
<b>Total Cost for medical plan usage</b>	\$670.00	\$675.00	\$1,726.00
<b>Annual out-of-pocket cost</b> (Employee annual cost after state allocation + Total Cost for medical plan usage)	<b>\$2,919.88</b>  (2,249.88 + 670.00)	<b>\$1,687.92</b>  (1,012.92 + 675.00)	<b>\$2,217.88</b>  (491.88 + 1,726.00)

### Scenario 2 (When Utilizing a PPO Provider)

**Benefit Usage:** You are hospitalized and meet your out-of-pocket maximum after a surgery that cost \$30,000.

<b>Out-of-pocket maximum (OOP max)</b>  OOP max = most you would have to pay out of your own pocket for eligible expenses. Includes annual deductible, coinsurance and plan copayments. Plan pays all eligible expenses for covered services at 100% for the remainder of the calendar year.	\$3,500  (you pay \$750 deductible then 25% of the cost of services until you meet \$3,500 OOP max)	\$2,000  (you pay \$350 deductible then 10% of the cost of services until you meet \$2,000 OOP max)	\$2,500  (you pay \$1,500 deductible then 20% of the cost of services until you meet \$2,500 OOP max)
<b>Annual out-of-pocket cost</b> (Employee annual cost after state allocation + OOP max)	<b>\$5,749.88</b>  (2,249.88 + 3,500)	<b>\$3,012.92</b>  (1,012.92 + 2,000)	<b>\$2,991.88</b>  (491.88 + 2,500)

\*\* Medical premiums for PAEOP are different from these sample calculations.