



Los Alamos National Laboratory

Open Enrollment for Retirees without Medicare

Plan Year 2014

October 21- November 15

Maria Russell

UNCLASSIFIED





INTRODUCING

Three Key Themes

LEARN
CHOOSE
ACT



Learn: What's new for 2014, what's the same



Choose: What's best for you and your family



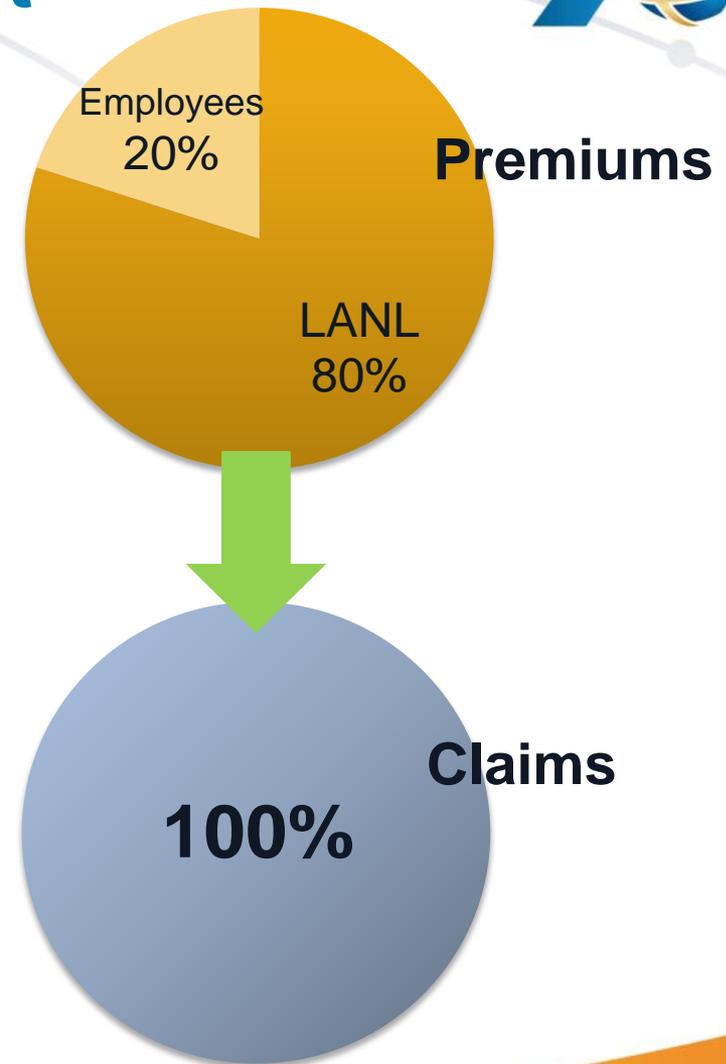
Act: What you can do now and in the future



Our premiums must cover our claims

- LANL pays 80% of premiums
- Employees & retirees pay 20%
- Those premiums cover all Laboratory claim costs
 - We are self-insured

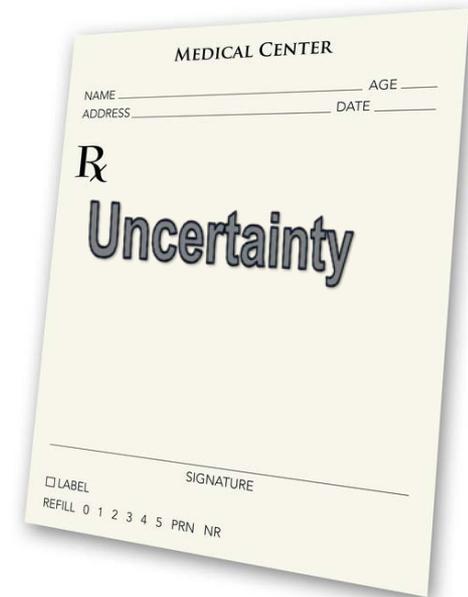
There is no larger risk pool.
WE are the risk pool.





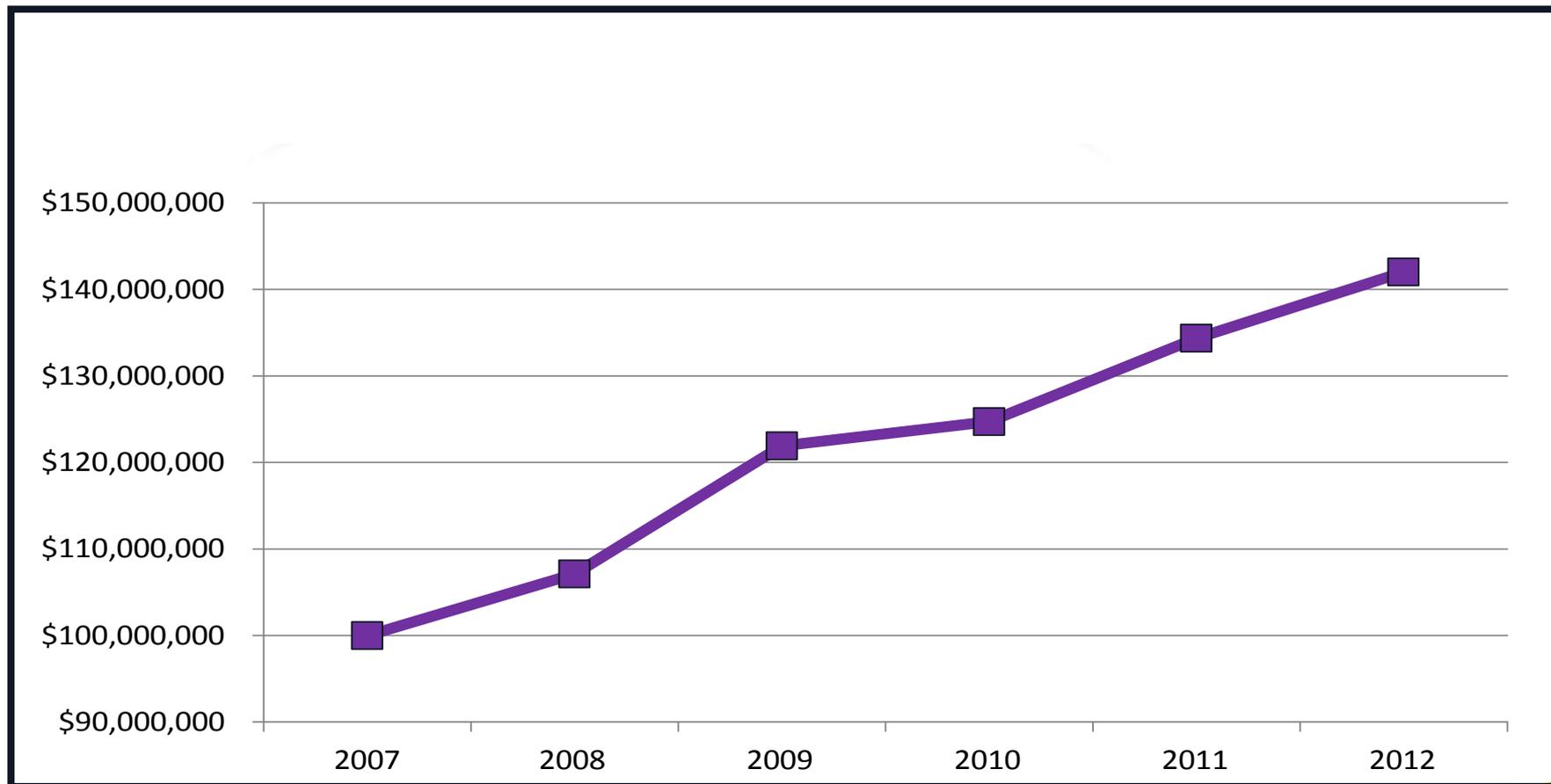
Why: It's time to think differently

- Our health plan designs have remained stable over the last decade
- Elsewhere: Major shifts and uncertainty in health care environment + competitive landscape
- Continued priorities:
 - Commitment to health benefits value & flexibility for employees, retirees and their families
 - Stay competitive in changing environment
 - Encourage healthier employees/retirees





Our health care costs





LANL's Possible Choices



-  Increase employee/retiree share of premiums
-  Go to a single plan, less flexibility
-  Change providers
-  Healthier employees/retirees, more responsibility



2014 Health Care Options

- Preferred Provider Organization
- High Deductible Health Plan can be paired with a Health Savings Account (HSA)
- New Plans same national BCBS network
- No change to dental, vision, or legal



A plan that preserves traditional approach

Choice 1: Preferred Provider Organization (PPO)

- **Increases** premiums by approximately 11%
- Your premium cost sharing **remains** 20% / 80%
- Copays **increase** to \$30 (primary doctor) / \$45 (specialist)

Preventive care covered 100% (no more copays)

Deductible \$300 single / \$900 family (in-network)

Co-insurance 10%

Out-of-pocket maximum \$3,000 single/ \$9,000 family (in-network)

Rx:\$7 generic/\$35 brand-name on BCBS drug list/\$55 brand-name not on drug list / 15% of covered charge to max copayment of \$125 specialty



A new plan for engaged health care consumers

Choice 2: High Deductible Health Plan (HDHP); option for a Health Savings Account (HSA)

- **Lowers** premiums by approximately 19%
- Your premium cost sharing **decreases** to 15% / 85%

Preventive care covered 100%

Deductibles \$1,500 single / \$3,000 family (True Family Deductible)

Co-insurance remains 10%

Rx 20% after deductible

Maximum out-of-pocket \$3,000 single / \$6,000 family (in-network)

New: Can possibly be paired with a Health Savings Account:

- Interest bearing
- Unspent balances roll over every year



What is an HSA?

- Health savings account used to pay for qualified medical expenses (IRS guidelines) not covered by the HDHP: deductibles, co-pays, vision, and dental care; tax deductible
- Pair with a qualified High Deductible Health Plan (HDHP)
- Unused funds roll over year to year. There's no "use or lose it" penalty.
- Potential to build more savings through investing.
- Additional retirement savings. After age 65, funds can be withdrawn for any purpose without penalty





PPO and HDHP Comparison

	PPO		HDHP	
Deductible	In-Network	Out-of-Network	In-Network	Out-of-Network
Individual Deductible	\$300	\$500	\$1,500	\$3,000
Family Deductible	\$900	\$1,500	\$3,000	\$6,000
	<p>Family deductible is aggregate of three times the Individual Amount. PPO In network and PPO out-of-network deductibles do NOT cross-apply.</p>		<p>There is no Individual deductible under Family coverage.</p>	
Out-of-Pocket Limit				
Individual Out-of-Pocket Max	\$3,000	\$6,000	\$3,000	\$6,000
Family Out-of-Pocket Max	\$9,000	\$18,000	\$6,000	\$12,000
<p>After a member (or family) reaches the out-of-pocket limit, the medical program pays 100 percent of most of that member's (or family's) covered charges for the rest of the year.</p>	<p>Out-of-pocket limit includes deductible, copays, and percentage coinsurance. Does NOT include: out-of-network inpatient hospital copay, residential treatment center copay, or drug plan copays.</p>		<p>Out-of-pocket limit includes deductible, percentage coinsurance and amounts paid by you under the drug plan. Does NOT include: residential treatment center.</p>	



Comparing the features

2014 Plan Year Options

Medical Options

- Premiums
- Deductibles
- Co-pays
- Out-of-pocket maximum

Preferred Provider Organization (PPO)

- Higher
- Lower
- Yes
- Higher (family)

High Deductible Health Plan (HDHP)

- Lower
- Higher
- N/A
- Lower (family)



Understand your options & your cost

- Get informed:
 - External website 2014 Medical Plan Options For Non-Medicare Retirees
 - Aon Hewitt, Your Benefits Resources (YBR)
 - Online decision tools
 - Medical Expense Estimator
 - Decision Direct
 - Open enrollment guide available in October





CHOOSE

Do the math Compare the Results

FACTORS TO COMPARE:

- Premiums
- Out-of-pocket max
- Deductible



medical plan decision toolkit



Your Estimated Annual Medical Expenses 📄

Keep in mind this is an estimate of your projected total out-of-pocket expenses based on the information you provided and LANL and national averages. Be sure to look at plan designs & plan comparisons located on your benefits website for each of the plans before making your decision.

	PPO Employee + Family	HDHP Employee + Family
▼ Your Total Estimated Annual Expenses	\$5,409	\$5,156
•Your Estimated Annual Medical Expenses		
•Your Annual Medical Plan Prices	\$4,272	\$3,060
This is your net annual premium for medical coverage		
•Your Out-of-Pocket Expenses		
—These are the estimated expenses that you would pay out of your own pocket for the services you and your dependents use during the year:		
— Deductible amount paid	\$860	\$3,000
— Coinsurance payments	\$26	\$12
— Office visits (copayments)	\$225	\$0
— Prescription drug expenses (coinsurance, copayments)	\$126	\$85
— Facility use—emergency care (copayments)	\$0	\$0
— Facility use—hospital stays (copayments)	\$0	\$0
•Out-of-Pocket Expense Subtotal	\$1,237	\$3,096
•Wellness Incentive		
Additional wellness incentives may apply if your spouse is also a LANL employee.		
— HSA employer contribution amount	--	\$250
— Deductible credit	\$100	--
•LANL Transition Contribution		
This is your net annual premium for medical coverage		
Your Total Out-of-Pocket Expenses	\$ 1,137	\$ 2,096
Your Total Estimated Expenses	\$5,409	\$5,156

▶ [View your results as a bar chart](#)

Your best choice depends on
your circumstances.



Be a smart health care consumer



- Use Preventive Care
- Use in-network providers for greatest value
- Use BCBSNM's member liability estimator within the Integrated Provider Finder to compare cost of care (Available in January 2014)
- Mail order drugs (90 day supply for the price of 60 day)
- Shop around
 - Ask about costs for planned non-urgent procedures, use cost estimator tools
 - Check Rx prices at different pharmacies to find the best deal
 - Consider generic vs. brand drugs
 - Consider walk-in clinics or urgent care facilities (\$30 facility copay) vs. ER (\$150 facility copay) for minor problems





Take control of your health and your care

- What you do has an impact on your health and all of our costs
- Be proactive



LEARN
CHOOSE
ACT



Open Enrollment

Oct 21 – Nov 15

Must Actively Enroll for 2014 Coverage

For enrollment questions contact :

- Aon Hewitt, YBR ww.ybr.com/benefits/lanl
1-866-934-1200

For plan design questions contact:

- BlueCross BlueShield of New Mexico
1-877-878-5265