North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES

Understanding the Consumer-Directed Health Plan

2016

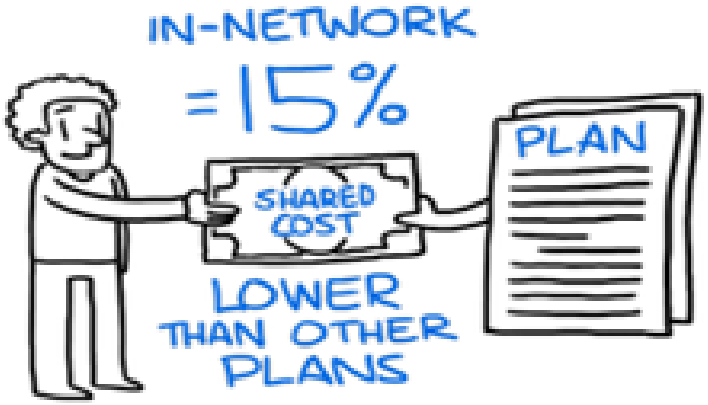
A Division of the Department of State Treasurer

Agenda

- Overview of the Consumer-Directed Health Plan (CDHP)
- Health Reimbursement Account (HRA)
- Deductible, Coinsurance and Out-of-Pocket Maximum
- Medical and Pharmacy Benefits
- Tips to Get the Most from your Health Care Benefits
- Resources
- Q&A

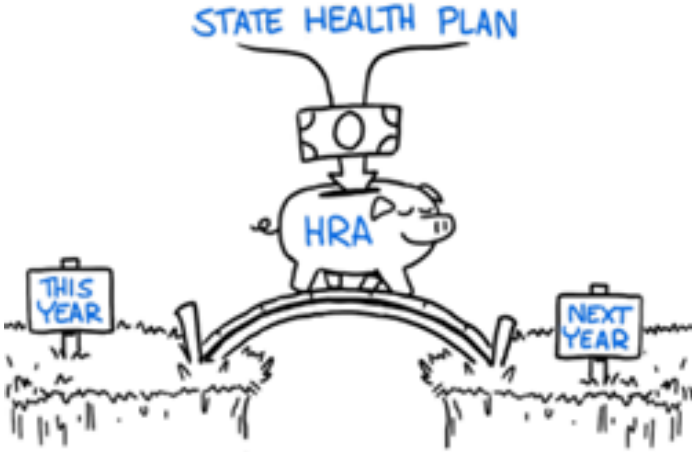
The Consumer-Directed Health Plan (CDHP)

- High Deductible Health Plan
- Health Reimbursement Account (HRA) helps offset the deductible
- No copays
- Wellness Premium Credits available during Open Enrollment
- Wellness Incentives add funds to HRA for visiting certain providers



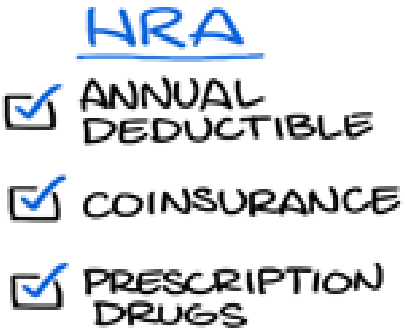
How Your HRA Works

- HRA funding is based on the number of family members covered
- HRA funds are used to cover a portion of the member's deductible and coinsurance
- If HRA funds are depleted, the member must pay the remaining deductible and coinsurance
- If funds remain in the HRA at the end of the benefit year, they will roll over to the following year if the member re-enrolls in the CDHP



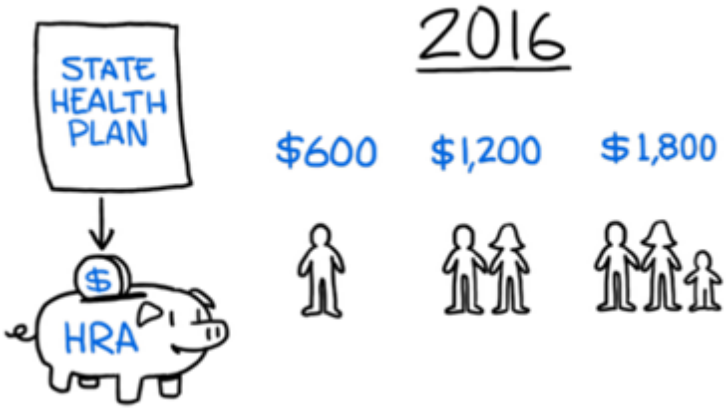
How Your HRA Works, con't.

- You cannot take any remaining funds with you when you leave employment or your coverage ends
- If you have a Flexible Spending Account (FSA), you can contribute to the FSA and enroll in the CDHP. However, expenses covered under the CDHP will be reimbursed automatically from your available HRA funds – even if you pay with an FSA debit card.
- The IRS does not allow FSA &HRA funds to be used for the same expense, so use your FSA only after your HRA is depleted or for items not covered by the CDHP (such as eyeglasses). Used HRA funds cannot be refunded.
- To access your HRA account online, go to www.shpnc.org and click Blue Connect. This portal helps you track claims, HRA funds and more.



State Health Plan contributions to HRA account

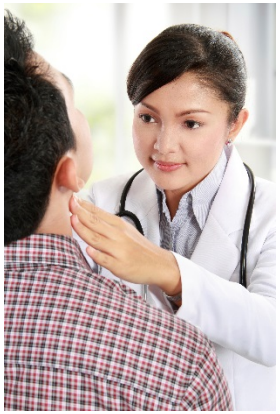
- 2016 State Health Plan HRA contributions by coverage level:
  - Employee – $600
  - Employee+1 – $1,200
  - Employee+2 or more – $1,800
- Additional State Health Plan contributions to your HRA:
  - See your selected Primary Care Provider (PCP) – $25
  - See a Blue Options Designated Specialist – $20
  - Use a Blue Options Designated Hospital – $200



How the Consumer-Directed Health Plan with HRA Works

Member presents HRA ID Card at Office Visit -

Total office visit of $175 submitted to BCBSNC by provider



Claim processes in primary claims system and applies towards $1,500 deductible – EOB/EOP issued

Claim automatically rolls over to HRA for adjudication - $175 remitted to provider-

Member picks up prescription at pharmacy and uses the Rx Debit card for the $65 charge (if HRA funds are available) because deductible has not been met

At end of the month, $25 credited to member's HRA for visiting PCP on ID Card

Member's Individual Deductible	
Beginning Deductible	$1,500
Office Visit	($175)
Rx	($65)
Remaining Deductible	$1,260

HRA Account	
Beginning Balance	**$600**
Office Visit	($175)
Rx	($65)
Remaining HRA Balance	**$360**
PCP Incentive Reward	$25
New HRA Balance	**$385**

How the CDHP Works Step by Step

- **First, the deductible:**
  - If you visit your doctor for services other than preventive care, you pay the full cost until you meet the deductible. You also pay the full cost of non-preventive prescription drugs until the deductible is met. But don't forget – if you have funds in your HRA, you can use those to pay for eligible expenses.
- **Second, the coinsurance:**
  - After you meet the deductible, you pay coinsurance (only 15%) – a percentage of the services or prescription drug costs – until you reach the out-of-pocket maximum
- **Third, the out-of-pocket maximum:**
  - Once you reach the out-of-pocket maximum, the plan pays 100% of all qualified expenses and prescription drugs for the rest of the plan year, and you pay nothing

How The HRA Helps You Meet Your Deductible

Coverage Type	HRA Pays	You Pay	Total Deductible
Employee Only			
In-Network	First $600	Remaining Deductible $900	$1,500
Out-of-Network		Remaining Deductible $2,400	$3,000
Employee + One Family Member			
In-Network	First $1,200	Remaining Deductible $1,800	$3,000
Out-of-Network		Remaining Deductible $4,800	$6,000
Employee + Two or more Family Members			
In-Network	First $1,800	Remaining Deductible $2,700	$4,500
Out-of-Network		Remaining Deductible $7,200	$9,000

NOTE: The HRA is a pooled account and is available to whichever family member needs it first. It is possible for one family member to use all the funds before another family member has a claim.

Out-of-Pocket Maximum

- Services applied to the deductible count toward OOP maximums
- **This includes medical and pharmacy expenses**
- Charges over allowed amounts and charges for non-covered services do not apply to the total out-of-pocket maximum. The total out-of-pocket maximum, which is the deductible plus the coinsurance you pay, is the total amount you will pay for covered services.

Total Out-of-Pocket Maximum	In-Network	Out-of-Network
Individual, per *benefit period*	$3,500	$7,000
Family, per *benefit period*	$10,500	$21,000

Medical Benefits

- Preventive Care Services, covered at 100%
  - Available at an in-network provider in an office-based, outpatient or ambulatory surgical setting, or urgent care provider
  - This benefit is only for services that indicate a primary diagnosis of preventive or wellness
  - Visit the Plan's website at www.shpnc.org for the most up to date information on preventive care covered under federal law

TAKE ADVANTAGE OF FREE PREVENTIVE CARE

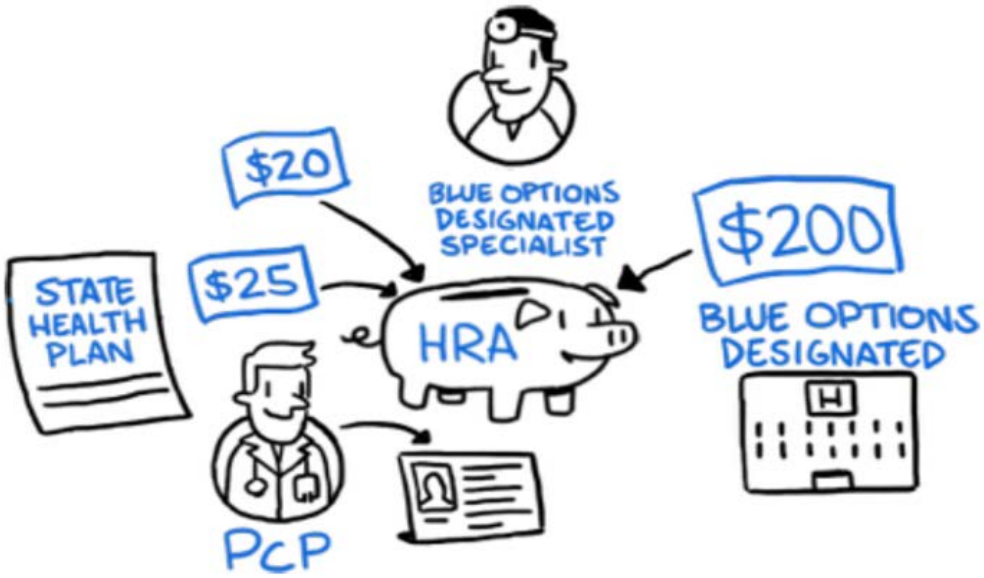
Preventive care is free under the CDHP. These visits can help you and your family members catch conditions early, which reduces the amount of care you may need later. Preventive care can save you money, too.

EXAMPLES OF FREE PREVENTIVE SERVICES INCLUDE:

- Immunizations
- Annual adult checkups
- Nutritional and weight loss counseling
- Well-child and well-baby visits
- Screenings for conditions such as diabetes, high blood pressure, cholesterol and obesity
- Screenings for colon, prostate and breast cancer

Medical Benefits, con't.

- Wellness Incentives – additional HRA funds for visiting certain providers
  - See your selected Primary Care Provider (PCP) – $25
  - See a Blue Options Designated Specialist – $20
  - Use a Blue Options Designated Hospital – $200



Medical Benefits, con't.

- What is a Blue Options Designated Provider? A provider who meets Blue Cross and Blue Shield of North Carolina (BCBSNC) criteria for:
  - Delivering quality health outcomes
  - Cost effectiveness
  - Accessibility by members
- The Blue Options Designated provider network includes hospitals and certain types of specialties:
  - General Surgery
  - Ob-Gyn
  - Gastroenterology
  - Orthopedics
  - Cardiology
  - Neurology

To find a Designated Blue Options provider, members may go online to www.shpnc.org and click on "Find a Doctor" or call 888-234-2416

Pharmacy Benefits

- Prescription drugs are subject to the deductible and both deductible and coinsurance amounts apply to the out-of-pocket maximum
- After the out-of-pocket maximum is reached, the plan pays 100% of allowed prescription drug charges
- A prescription cannot be refilled until three-fourths (3/4) of the medication has been used as prescribed by your physician; exceptions may apply to certain prior authorized drugs
- The convenience of mail order pharmacy is available for your maintenance medications
- New for 2016 – Prescription Benefit Card

Pharmacy Benefits, con't.

- Present your Rx Debit Card at the Pharmacy
  - Present debit card to pharmacy at time of service. If there are funds available, the card can be used to cover the member's Rx deductible and/or coinsurance
- If your HRA funds are depleted:
  - Present member ID card to pharmacy at time of service. If deductible is not met, member pays for prescription (non-preventive medication) in full. If deductible is met, member pays 15% coinsurance for in network pharmacy and 35% for out of network pharmacy.
  - Monitor HRA balances and claim payments through Blue Connect, which is accessible on the Plan's website
  - You could also use your Flexible Spending Account card, once your HRA funds are depleted

Pharmacy Benefits, con't.

- If you use prescription mail order services, you will need to set up your Pharmacy Debit card in the Express Script website so your payment is deducted from your HRA automatically
- For questions regarding your Pharmacy benefit, please call Express Scripts Customer Service at 800-336-5933
- Note: Under the Affordable Care Act, many ACA preventive medications are covered at 100% with a prescription.
- In addition, designated CDHP preventive medications are subject to 15% coinsurance with no deductible. Examples: Medications to treat heart disease, stroke, asthma, diabetes.

Pharmacy Benefits, con't.

- Different coinsurance rates apply for in-network and out-of-network medications, and for preventive medications

	In-Network	***Out-of-Network****
Prescription Drugs (*Generic*, Brand-Name, and Specialty Drugs) **Diabetic Supplies**	15% *coinsurance* after *deductible*	35% *coinsurance* after *deductible*
Affordable Care Act Preventive Medications	0% *coinsurance*	0% *coinsurance*
A list of *Affordable Care Act Preventive Medications* is on the Plan's website at www.shpnc.org.		
CDHP Preventive Medications	15% *coinsurance*, no *deductible* required	15% *coinsurance*, no *deductible* required
A list of *CDHP Preventive Medications* is on the Plan's website at www.shpnc.org under Pharmacy Benefits.		
NOTICE: All non-acute specialty drugs covered under the pharmacy benefit, excluding cancer medications, must be obtained through Accredo Specialty Pharmacy.		

Health Engagement Program (HEP)

Coming soon, ways to earn funds in your HRA by taking healthy steps towards a healthier you!

REWARDS YOU FOR TAKING AN ACTIVE ROLE IN MANAGING YOUR HEALTH

Beginning April 1, if you are enrolled in the CDHP, you may participate in the new Health Engagement Program to earn more State Health Plan-provided contributions to your HRA.

FOR ALL CDHP MEMBERS

Earn additional HRA contributions by working with an NC HealthSmart lifestyle coach and by tracking your daily physical activity or nutrition intake.

FOR CDHP MEMBERS WITH CHRONIC CONDITIONS

Earn additional HRA contributions when you get the regular care you need to manage your condition, such as diabetes, asthma, high cholesterol, chronic obstructive pulmonary disease (COPD), high blood pressure (hypertension), coronary heart disease and congestive heart disease.

Resources for Members

- The Plan website, at www.shpnc.org, offers a wealth of information regarding your benefits including tools to help you save!
- Remember to **READ** all your mail from the State Health Plan.
- Sign up for Member Focus, the Plan's free monthly e-newsletter, on the Plan website.
- Find us on Facebook.
- Eligibility and Enrollment Support Center: 855-859-0966
- Customer Service for benefits/claims/HRA: 888-234-2416
- Express Scripts: 800-336-5933
- NC Health*Smart*/24 Nurse Line: 800-817-7044

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Tips to Get the Most from Your Health Care Benefits

- **Understand your health care plan.** *Refer to your Benefit Booklet on the Plan's website for detailed information regarding your coverage.*
- **Manage your out-of-pocket costs by managing the locations in which you receive care.** *Use in-network Blue Options Designated Providers and Hospitals.*
- **Save on prescription drugs.** *Talk to your Provider and see if there are generic options available.*
- **Have a Primary Care Provider.**
- **Participate in the Health Engagement Program.** *Enroll in the program and earn extra funds in your HRA.*

Questions?

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