YOUR UC MEDICAL PLANS
AN OVERVIEW FOR ACTIVE EMPLOYEES

Presented by Guerren Solbach

UC DAVIS
HEALTH CARE FACILITATOR PROGRAM
Agenda

- Your options
  - Changes for 2018 to be noted
- Pre-paid medical plans
  - Medical/Rx/Mental Health
- PPO insurance plans
  - Medical/Rx/Mental Health
- Conclusion
UC Medical Plan Overview

YOUR OPTIONS
Your options

- UC offers:
  - HMO plans (3)
  - PPO plans (3)

- HMO availability determined by county/zip code
  - UC’s HMOs are usually not available outside of urban California
Pre-paid medical plans

- Health Maintenance Organizations
  - Health Net Blue & Gold
  - Kaiser Permanente
  - Western Health Advantage

- See HMO Service Areas chart on http://ucnet.universityofcalifornia.edu/oe
  - If partial county, check with health plan
Medical insurance plans

- **Preferred Provider Organizations**
  - Core
    - Coverage worldwide
  - UC Care
    - Coverage worldwide
  - UC Health Savings Plan
    - U.S.A.-only due to tax advantaged account
Changing plans

Changes effective January 1, 2018
Changing plans

- Move outside plan service area
- Acquire a newly eligible family member
- Involuntary loss of other coverage
About UC plans

- No pre-existing conditions exclusions
- No UC-sponsored double coverage
- Primary vs. secondary insurance
  - Employees’ plans are primary for themselves
  - Birthday rule
About UC plans

- Preventive care generally provided at no cost
- Medical benefits may be separate from Mental Health and Pharmacy benefits
- For details, see Plan Booklets (Evidence of Coverage)
  - [http://ucnet.universityofcalifornia.edu/oe](http://ucnet.universityofcalifornia.edu/oe)
UC Medical Plan Overview

PRE-PAID MEDICAL PLANS
About HMOs

- The insurance company **prepays** a monthly per capita rate (called capitation) to each Medical Group.
- Your Primary Medical Group is responsible for your care for that month.
- You choose a **Primary Care Physician (PCP)** who acts as your gatekeeper to care through the Medical Group (to change PCPs, contact plan directly).
  - Exception: emergencies call 911 & let PCP know ASAP
  - PCP must be within 30 miles of home/work/school
  - Each family member can have a different PCP/group
Advantages of HMOs 😊

- Premiums generally lower
- Low, predictable copayments
- No deductibles/coinsurance
- Significantly lower financial liability
- Encourages relationship with PCP
Limits of HMOs 😞

- Service area limited to certain urban CA zip codes
- Must select PCP from the network of medical groups
- Most specialty care must be referred by PCP
  - Preauthorization process required
- Must use your Medical Group’s network of specialists/hospitals/labs
- May need to get permission from PCP’s office before using Urgent Care Center
HMO cost sharing: Copayments

- Physician office visit: $20
- ER: $75
- Outpatient surgery: $100
- Inpatient hospitalization: $250
HMO $Rx$

- **Generic:** $5/30$-day supply
- **Brand name:** $25/30$-day supply
- **Non-formulary:** $40/30$-day supply
  - (does not apply to Kaiser)
- Some meds require prior authorization
- **New for 2018:** *Copayments waived for low- to moderate-dose statins*
HMO $R_x$ – 90 day supplies

- **UC pharmacies:**
  - 90-day supplies for 2 copays
  - Does not apply to Kaiser

- **Certain other local pharmacies:**
  - Health Net Blue & Gold: local CVS pharmacies
  - WHA: local Costco, CVS, Walgreens, and others

- **Mail-order:**
  - 90-day supplies for 2 copays
  - Kaiser: 100-day supplies for 2 copays
HMO mental health

Coverage “carved out” to Optum (United Behavioral Health)

- Call Optum directly for service
- http://www.liveandworkwell.com
  - Provider search: use Access Code 11280
Optum HMO benefits

- Outpatient mental health benefits:
  - First 3 visits free
  - Visits 4+: $20

- Inpatient mental health benefits
  - $250 per admission

- Out-of-pocket limit combined with medical and Rx expenses
  - Exception: Kaiser
Optum HMO benefits

- Substance abuse benefits also available
- Prior authorization required for “non-routine” treatments
  - Outpatient therapy sessions longer than 50 minutes
# HMOs: Limit on Copayments

## Out-of-pocket maximum

Includes medical, mental health, Rx

<table>
<thead>
<tr>
<th></th>
<th>Health Net Blue &amp; Gold</th>
<th>Kaiser Permanente*</th>
<th>WHA</th>
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<tbody>
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<td><strong>$1,000/person</strong></td>
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<td>$1,500/person</td>
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<td><strong>$3,000/family</strong></td>
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*Kaiser maximum does not include Optum copayments*
Health Net Blue & Gold HMO

- Large provider network, available across urban CA
- Decision Power
  - Track your health issues/knowledge base; CareAlerts
  - Health coach (nurse, respiratory therapist, dietician)
  - 24-hour nurse line, case managers
  - In-home biometric monitoring for those with heart disease/COPD
- UC-dedicated customer service
Health Net Blue & Gold HMO

- *Omada Health* weight loss and management program (for those with diabetes and heart risks)
- *Welvie* surgery decision program
- Disease Management programs
- Discount programs
  - Massage therapy, fitness centers, vitamins, books, videos, weight loss programs, etc.
- *Quit for Life* program: Smoking cessation program
- Telehealth no copay consults 24/7 through *MDLIVE*
Health Net Blue & Gold HMO

- Chiropractic/acupuncture
  - 24 visits/person/year combined for $20 copayment; self-refer to American Specialty providers
- Online tools include a mobile app
- Allergy shots $20
- Pharmacy Benefit Manager: CVS/Caremark
- Be sure to specify a PCP when choosing this plan
Kaiser Permanente HMO

- Kaiser Foundation Health Plan contracts with one large group, the Permanente Medical Group
- Clinics tend to offer pharmacies, imaging, laboratories, urgent care all at one location
- Classes, pamphlets, and videos on a wide variety of health topics; online weight, stress management & nutrition programs
- No cost access to wellness coaches by phone
Kaiser Permanente HMO

- Advanced electronic medical records, online tools
  - *My Health Manager* mobile app
- Discount programs
  - Massage therapy, fitness club, vitamins, books & videos, etc.
- Disease management programs
**Kaiser Permanente HMO**

- Mental health: two choices
  - Go through PCP: $10 for group therapy
  - And/or use Optum
    - Use Kaiser pharmacies for meds prescribed by Optum psychiatrists
- $\text{Rx}$: 30-/-60-/-100-day supplies at 1x/2x/3x copays
  - Use Kaiser pharmacies
  - Mail order: 100-day supply for 2x copays
Kaiser Permanente HMO

- Chiropractic/acupuncture
  - 24 visits/person/year combined for $15 copayment; self-refer to *American Specialty* providers
  - $20 for Permanente acupuncturists

- Allergy shots: $5

- No DME outside service area
Western Health Advantage HMO

- Local health plan, only available in certain Northern CA counties
- Owned by UC Davis Health, Mercy, and NorthBay hospitals
- Yes, UC employees/retirees can choose UC Davis Medical Group
- Advantage: “Advantage Referrals”
Western Health Advantage

- Travel insurance: Assist America
- Prescription drugs:
  - Pharmacy Benefit Manager: Express Scripts
- Allergy shots: $5
- Gym discounts
Western Health Advantage

- Chiropractic/acupuncture
  - 24 visits/person/year combined
  - $20 copayment; self-refer to Landmark providers
- Rx 90-day supplies @ local Costco, CVS, Walgreens, and other pharmacies for 2 copayments
- Be sure to specify a PCP when choosing this plan
UC Medical Plan Overview

PPO PLANS
About PPOs

- Insurance; no providers are pre-paid
- Members self-refer to medical providers
- Coverage for contracting providers is greater than for those with no contract
  - Contracting providers are Preferred Providers
  - When hospitalized make sure surgeon, anesthesiologist, radiologist, etc. are preferred
- Coverage is generally world-wide
Advantages of PPOs 😊

- No need to designate a PCP or stay within a medical group
- Care can be received anywhere, mostly without referrals or authorizations
- Preferred providers cannot charge above contract rates (no balance billing)
- Provider network is large in CA and nationally
- Out-of-network coverage
Limits of PPOs 😞

- Other than preventive care, no coverage until deductible is met
- Patients don’t know their out of pocket costs in advance
- More expensive to use than HMOs; members must keep track of medical bills
- Out-of-network providers very expensive to use
- **Prior Authorization** required for imaging, inpatient services, durable medical equipment, transplants, etc.
Large Preferred Provider network:

- In California: 60,000+ Blue Cross network Anthem Preferred providers (87% of doctors) including 400+ network hospitals (90% of facilities)
- More than 96% of hospitals and 92% of physicians across the country are Blue Cross/Blue Shield (BlueCard) providers
- Preferred providers in 200+ foreign countries

New website: ucppoplans.com
UC-dedicated customer service

24/7 nurse line & behavioral health resource center

Variety of online tools & mobile app

- *Castlight* personalized cost estimator
- *LiveHealth Online* medical and psychology care
  - *New for 2018: Psychiatry*
- *myStrength* behavioral health site
Discount access to health & wellness
Disease Management programs
Welvie surgery support
New Pharmacy Benefit Manager for 2018

- Anthem Pharmacy (Replaces OptumRx)
- Copayments waived for low- to moderate-dose statins
Core Medical

- No premium, high deductible PPO
- No cost preventive care, but for everything else: “Catastrophic coverage”
Core coverage

- **Anthem Preferred**
  - Self-refer to preferred providers
    1. $3,000 deductible
      - Per person per year
    2. 20% coinsurance
    3. $6,350 Out-of-pocket limit ($12,700 per family)
      - Per person, per year

- **Out-of-network**
  - Self-refer to non-contracting providers
    1. Same $3,000 deductible
      - Per person, per year
    2. 20% coinsurance
    3. Same $6,350 Out-of-pocket limit ($12,700 per family)
      - Per person, per year

  - + Balance billing
## Core coverage

<table>
<thead>
<tr>
<th>Example: Single employee</th>
<th>Anthem Preferred</th>
<th>Out-of-Network Providers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: Deductible</td>
<td>$3,000</td>
<td>$3,000</td>
</tr>
<tr>
<td>2: Coinsurance</td>
<td>20%</td>
<td>20% + balance</td>
</tr>
<tr>
<td>3: Out-of-Pocket Limit</td>
<td>$6,350</td>
<td>$6,350 + balance</td>
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</tbody>
</table>
Core $R_x$

- No flat copays; covered like medical
- Drug expenses apply toward your deductible/OOP Limit
Core mental health

- Behavioral health covered the same way medical and pharmacy are covered
  - Coverage not “carved out”
Advantages of Core 😊

- No monthly premium
- One deductible, out-of-pocket limit whether in- or out-of-network
- No PCP, self-refer to specialists
- Large, national preferred provider network
- Out-of-network/world-wide coverage
Limits of Core 😞

- **High** deductible per person & per family
- **High** out-of-pocket limit per person & per family
- Out-of-network coverage severely limited
  - Outpatient surgery @ surgery center: 80% of $350
  - Hospital: 80% of $600/day
- No coverage for hearing aids
- Chiropractic/acupuncture 24 visit limit
UC Health Savings Plan

- Low premium, high deductible PPO with a HSA (Health Savings Account)
- HSA partially funded by UC
- Pay for medical expenses with HSA “smart card” or website
UC Health Savings Plan: HSA

- **UC contributes** to the HSA every January 1: $500 for self-only or $1,000 for employee + dependents.

- HSA has a triple Federal tax advantage:
  - Pay no taxes on contributions/earnings/withdrawals for health care expenses (CA taxes contributions & earnings).

- Not “use it or lose it” like Health FSA (above $500).
Balance above $1,000? Money can be invested.

Have a balance at age 65? Distributions taxed as normal income (unless used for eligible expenses).

Single? Adding new family members mid-year does not get you an additional UC contribution until the following January.
UC Health Savings Plan coverage

- **Anthem Preferred**
  1. $1,350 deductible
     - $2,700 for self + dependents
  2. 20% coinsurance
  3. $4,000 Out-of-pocket limit
     - $6,400 per family

- **Out-of-Network**
  1. $2,500 deductible
     - $5,000 for self + dependents
  2. 40% coinsurance
  3. $8,000 Out-of-pocket limit
     - $16,000 per family
     - + Balance billing
## UC Health Savings Plan coverage

<table>
<thead>
<tr>
<th>Self Only Coverage</th>
<th>Preferred Providers</th>
<th>Out-of-Network Providers</th>
</tr>
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<tbody>
<tr>
<td>1: Deductible*</td>
<td>$1,350</td>
<td>$2,550</td>
</tr>
<tr>
<td>2: Coinsurance</td>
<td>20%</td>
<td>40% + balance</td>
</tr>
<tr>
<td>3: Out-of-Pocket Limit</td>
<td>$4,000</td>
<td>$8,000 + balance</td>
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* UC contributes $500 to the HSA
## UC Health Savings Plan coverage

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<tr>
<td>1: Deductible*</td>
<td>$2,700</td>
<td>$5,100</td>
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<td>2: Coinsurance</td>
<td>20%</td>
<td>40%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>+ balance</td>
</tr>
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<td>3: Out-of-Pocket Limit</td>
<td>$6,400</td>
<td>$16,000</td>
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<tr>
<td></td>
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<td>+ balance</td>
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* UC contributes $1,000 to the HSA
UC Health Savings Plan

Rx coverage

- No flat copays; covered like medical
- Drug expenses apply toward your deductible/OOP Limit
UC Health Savings Plan: mental health coverage

- Behavioral health covered the same way medical and pharmacy are covered
  - Coverage not “carved out”
Advantages of UC Health Savings Plan 😊

- Low monthly premium
- Tax advantaged HSA funded by UC
  - Members can contribute additional pretax amounts
  - Unused HSA dollars roll to next year; can be used as retirement money at age 65
  - Use HSA pay for deductibles and other out-of-pocket costs
- Advantages of a PPO
Limits of UC Health Savings Plan 😞

- Numerous disqualifying circumstances:
  - Incompatible with Health FSA (FSA balance must be zero by the end of the year; cannot roll over up to $500)
  - Incompatible with Medicare Parts A & B and other coverage that is not also a qualified high deductible plan
  - Consult a financial advisor before choosing this plan
- High deductible/oop limit per person & per family
- Acupuncture/chiropractic visits limited to 24 visits combined
- Out-of-network coverage severely limited with addl ddbl/oop limit
  - Outpatient surgery @ surgery center: 60% of $350
  - Hospital: 60% of $600/day
- Emergency/urgent coverage only outside U.S.A.
- Save your receipts in case audited by I.R.S.
**UC Care PPO**

- High premium, low deductible PPO
- Like a standard PPO, but with two levels of in-network providers
  - Choose regular *Anthem Preferred* providers and pay 20%
  - Or, access a special *UC Select* provider network for low copayments
UC Care PPO coverage

- **Tier 2: Anthem Preferred providers**
  1. $250 deductible
     - Per person per year
     - $750 for 3 or more
  2. 20% coinsurance
  3. $6,600 Out-of-pocket limit (includes Rx)
     - Per person, per year
     - $13,200 per family

- **Tier 3: Out-of-network providers**
  1. $500 deductible
     - Per person, per year
     - $1,500 for 3 or more
  2. 50% coinsurance
  3. $8,600 Out-of-pocket limit (includes Rx)
     - Per person, per year
     - $19,200 per family
     - +Balance billing
UC Care: Tier 1 – UC Select

- All UC medical centers and select other providers located near UC campuses (CA only)
- Certain services for flat copayments:
  - Physician office visit: $20
  - New: Urgent Care $30 (not just UC Select)
  - ER (not just UC Select), ambulance: $200
  - Outpatient surgery: $100
  - Inpatient hospitalization: $250
  - LiveHealth Online 24/7 telemedicine: $20

Multiple copays can apply per service
Tier 1 – UC Select providers

- Local UC Select hospitals
  - UC Davis Medical Center
  - Marshall Medical Center
  - Lodi Memorial Hospital
- Copayments for UC Select providers apply to the Anthem Preferred out-of-pocket limit
# UC Care coverage

<table>
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<th>UC Select Providers</th>
<th>Preferred Providers</th>
<th>Out-of-Network</th>
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<tbody>
<tr>
<td>1: Deductible</td>
<td>None</td>
<td>$250</td>
<td>$500</td>
</tr>
<tr>
<td>2: Coinsurance</td>
<td>Flat copayments</td>
<td>20%</td>
<td>50% + balance</td>
</tr>
<tr>
<td>3: Out-of-Pocket Limit</td>
<td>$5,100</td>
<td>$6,600</td>
<td>$8,600 + balance</td>
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*Note: Flat copayments include a 20% coinsurance rate.*
UC Care $Rx$

1. **Generic:** $5/30-day supply
2. **Brand name:** $25/30-day supply
3. **Non-formulary:** $40/30-day supply
   - 90-day supplies available for 2 copays:
     - UC pharmacies
     - Costco, Safeway/Vons, Walgreens, **New: CVS**
     - Mail order: **Express Scripts**
4. **Specialty $Rx$:** 30% up to $150/script (UC pharmacies or Accredo)
UC Care behavioral health coverage

- Coverage not “carved out”
- Use Anthem Preferred providers
- Outpatient visits 1-3, no copay; additional visits $20
Advantages of UC Care 😊

- Care from UC Select providers for low copays
- Lower deductibles than Core, UC Health Savings Plan
- No PCP, self-refer to medical providers
- Large, national preferred provider network
- Out-of-network coverage
- World-wide coverage at Anthem Preferred level of benefit
Limits of UC Care 😞

- Many services not available at UC Select level of coverage
- Acupuncture/chiropractic visits limited to 24 visits combined
- Out-of-network coverage severely limited
  - Outpatient surgery @ surgery center: 50% of $350
  - Hospital: 50% of $600/day
- Specialty drugs have especially high copays
Choosing a plan

- Every plan has a different drug formulary
- Match your priorities with the services available
- Do a cost/benefit analysis based on plan premiums and your expected medical, behavioral and pharmacy needs
- Review the Plan Booklets (Evidence of Coverage)
  - UCnet ➔ Open Enrollment
Help is available

Health Care Facilitator Program

◎ Guerren Solbach:
  • (530) 752-4264

◎ Erika Castillo:
  • (530) 752-7840

http://hr.ucdavis.edu/hcf
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