YOUR UC MEDICAL PLANS
AN OVERVIEW FOR ACTIVE EMPLOYEES

UC Davis Health Care Facilitator Program

Presented by Guerren Solbach
Agenda

- Your options
  - Changes for next year to be noted
- Pre-paid medical plans
  - Medical/Rx /behavioral health
- PPO insurance plans
  - Medical/Rx /behavioral 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 in urban CA only
  - See Medical Plan Availability Tool on HCF site
Pre-paid medical plans

- Health Maintenance Organizations
  - UC Blue & Gold HMO (Health Net)
  - Kaiser Permanente
  - Western Health Advantage
Medical insurance plans

- **Preferred Provider Organizations**
  - **Core** (Anthem Blue Cross)
    - Coverage worldwide
  - **UC Care** (Anthem Blue Cross)
    - Coverage worldwide
  - **UC Health Savings Plan** (Anthem Blue Cross)
    - U.S.A. only
Changing plans

Open Enrollment

Enroll: Oct. 25 – Nov. 20, 2018

Changes effective January 1, 2019
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)
  - ucal.us/oe
UC Medical Plan Overview

PRE-PAID MEDICAL PLANS
About HMOs

- The insurance company **pre-pays** 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 $R_x$

- **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
- 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:
  - UC Blue & Gold HMO: 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 Behavioral Health

<table>
<thead>
<tr>
<th>HMO</th>
<th>Provider Network</th>
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</thead>
<tbody>
<tr>
<td>UC Blue &amp; Gold HMO (Health Net)</td>
<td>New for 2019: <strong>MHN</strong> (Managed Health Network)</td>
</tr>
<tr>
<td>Kaiser</td>
<td><strong>Kaiser</strong> and/or <strong>Optum</strong> (United HealthCare)</td>
</tr>
<tr>
<td>Western Health Advantage</td>
<td><strong>Optum</strong> (United HealthCare)</td>
</tr>
</tbody>
</table>
## HMO behavioral health

<table>
<thead>
<tr>
<th>Behavioral Health Plan</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>MHN</td>
<td>healthnet.com/uc</td>
</tr>
<tr>
<td>Kaiser</td>
<td>my.kp.org/universityofcalifornia</td>
</tr>
<tr>
<td>Optum</td>
<td>liveandworkwell.com (access code 11280)</td>
</tr>
</tbody>
</table>
HMO behavioral health benefits

- Outpatient mental health benefits:
  - First 3 visits free (exception: Kaiser)
  - Visits 4+: $20

- Inpatient mental health benefits
  - $250 per admission

- Out-of-pocket limit combined with medical and Rx expenses
**HMOs: Limit on copayments**

<table>
<thead>
<tr>
<th></th>
<th>UC Blue &amp; Gold HMO (Health Net)</th>
<th>Kaiser Permanente*</th>
<th>WHA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Out-of-pocket max.</td>
<td>$1,000/person</td>
<td>$1,500/person</td>
<td>$1,000/person</td>
</tr>
<tr>
<td></td>
<td>$3,000/family</td>
<td>$3,000/family</td>
<td>$3,000/family</td>
</tr>
</tbody>
</table>

* Kaiser maximum does not include Optum copayments
Kaiser Permanente

- 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

- 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

- Mental health: two choices
  - Go through PCP: $10 for group therapy
  - And/or use Optum
    - Use Kaiser pharmacies for meds prescribed by Optum psychiatrists

- $R_x$: 30-/60-/100-day supplies at 1x/2x/3x copays
  - Use Kaiser pharmacies
  - Mail order: 100-day supply for 2x copays
Kaiser Permanente

- 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
UC 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
UC Blue & Gold HMO

- **Omada Health** weight loss and management program (for those with diabetes and heart risks) includes scale
- **Welvie** surgery decision program
- Disease Management programs
- Discount programs
  - Massage therapy, fitness centers, vitamins, books, videos, etc.
- **Quit for Life** program: Smoking cessation program
- Telehealth no copay consults 24/7 through MDLIVE Teladoc
UC 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
- New for 2019: CVS MinuteClinics $20/visit
- Be sure to specify a PCP when choosing this plan
Western Health Advantage

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

- Travel insurance: **Assist America**
- Prescription drugs:
  - Pharmacy Benefit Manager: **Express Scripts**
- Allergy shots: $5
- Gym discounts
- New for 2019: **Real Appeal Effect:** Pre-diabetes virtual coaching, app, digital scale, pedometer, etc.
Western Health Advantage

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

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
  * **myStrength** behavioral health site
Discount access to health & wellness
Disease Management programs
**Welvie** surgery support
Pharmacy Benefit Manager: **Anthem Pharmacy**
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**
  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**
  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>
</tr>
</tbody>
</table>
Core $R_x$

- No flat copays; covered like medical
- Drug expenses apply toward your deductible/out-of-pocket 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)
UC Health Savings Plan: HSA (cont.)

- Maximum annual contribution: $3,500 single/$7,000/family (+$1,000 if age 55+)
- 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>
</thead>
<tbody>
<tr>
<td><strong>1: Deductible</strong></td>
<td>$1,350</td>
<td>$2,550</td>
</tr>
<tr>
<td><strong>2: Coinsurance</strong></td>
<td>20%</td>
<td>40% + balance</td>
</tr>
<tr>
<td><strong>3: Out-of-Pocket Limit</strong></td>
<td>$4,000</td>
<td>$8,000 + balance</td>
</tr>
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</table>

* UC contributes $500 to the HSA
# UC Health Savings Plan: Coverage

<table>
<thead>
<tr>
<th>Self + Dependents Coverage</th>
<th>Preferred Providers</th>
<th>Out-of-Network Providers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: Shared Deductible*</td>
<td>$2,700</td>
<td>$5,100</td>
</tr>
<tr>
<td>2: Coinsurance</td>
<td>20%</td>
<td>40% + balance</td>
</tr>
<tr>
<td>3: Shared Out-of-Pocket Limit</td>
<td>$6,400</td>
<td>$16,000 + balance</td>
</tr>
</tbody>
</table>

* UC contributes $1,000 to the HSA
UC Health Savings Plan: $R_x$ coverage

- No flat copays; covered like medical
- Drug expenses apply toward your deductible/out-of-pocket 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, lower out-of-pocket limit (shared by family)
- 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
  - 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>
<thead>
<tr>
<th></th>
<th>UC Select Providers</th>
<th>Preferred Providers</th>
<th>Out-of-Network</th>
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<tbody>
<tr>
<td><strong>Self only coverage</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<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>
</tr>
</tbody>
</table>
**UC Care R_x**

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, CVS, Safeway/Vons, Walgreens
     - Mail order: Express Scripts
4. **Specialty R_x:** 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): ucal.us/oe
Help is available

Health Care Facilitator Program

- Guerren Solbach:
  - (530) 752-4264

- Erika Castillo:
  - (530) 752-7840

http://hr.ucdavis.edu/hcf
YOUR UC MEDICAL PLANS
AN OVERVIEW FOR ACTIVE EMPLOYEES

UC DAVIS
Health Care Facilitator Program

Presented by Guerren Solbach