

SAN DIEGO UNIFIED SCHOOL DISTRICT

Date: October 7, 2016

To: All Benefits Eligible Employees in Paid Status in Monthly Salaried Positions

Subject: **2017 OPEN ENROLLMENT FOR MEDICAL/DENTAL/VISION/FSA/
ADDITIONAL SUPPLEMENTAL LIFE INSURANCE PLANS**

**Department and/or
Persons Concerned:** All Benefits Eligible Employees in Paid Status in Monthly Salaried Positions

Due Date: **November 18, 2016**

Reference: None

Action Requested: **Plan changes (with the exception of adding dependents - see instructions below)
must be done online via PeopleSoft Employee Self-Service.**

Brief Explanation:

The Annual Open Enrollment period will be held October 17 through November 18, 2016. Employees are encouraged to review their health benefits coverage each year at this time in order to evaluate their needs and the needs of their families. During this period, eligible employees may enroll in and make changes to medical/dental/vision/Flexible Spending Accounts (FSA) and supplemental life insurance coverage, change plans, and/or add eligible dependents.

All Open Enrollment changes will become effective January 1, 2017.

All Open Enrollment information (medical, dental, vision, FSA and supplemental life insurance) will be posted on the Employee Benefits Department web page from the Staff Portal. **All enrollment changes (except when adding dependents - see instructions below) must be done online via PeopleSoft Employee Self-Service. Employees may login at the following link <https://dwa.sandi.net/psp/hcm/?cmd=login>.** Please have your employee ID number and password ready in order to login. Please contact the IT help desk at 619.209.4357 or go to the following link for assistance with password issues <https://pss.sandi.net/>. Step-by-step instructions for making online changes are available on the Employee Benefits Department web page for your convenience. You may access the department page at <https://www.sandi.net/staff/benefits/benefits>.

Adding Dependents?

Employees adding dependents (spouse, domestic partner, child) to health coverage must complete an Enrollment/Change Form and provide proof of relationship for any dependents being enrolled in your benefit plans. Information about the required dependent eligibility documents can be found on the Employee Benefits Department web page at <https://www.sandi.net/staff/benefits/benefits> along with an electronic version of the Enrollment/Change Form which can be printed out, completed and returned to the Employee Benefits Department. The completed form with the required supporting eligibility documents may be returned in person to the Employee Benefits Department, sent by mail, faxed to 619.725.8132 or scanned and emailed to employeebenefits@sandi.net.

Please remember all forms are due to the Employee Benefits Department no later than November 18, 2016 at 5:00 p.m.

Please review the information located on the website very carefully, including the “Summary of Benefits” for each medical/dental plan to determine which of the medical/dental plans offered best meet your needs and the needs of your family. Please also review the FSA information to see if this benefit helps you with your qualified expenses.

Information regarding changes to any plans/coverage will be delivered to your site to be shared among staff. All provider website links will be available on the Employee Benefits web page from the Staff Portal under the ‘2017 Annual Benefits Open Enrollment Period’ link. When making changes online through PeopleSoft Employee Self-Service, you will be able to select doctors for plans requiring provider designation without the need of a provider booklet.

There will also be opportunities to have your questions addressed directly by our medical, dental, vision, FSA and life insurance providers at various open enrollment meetings and at the Annual Open Enrollment Health Fair on October 17, 2016 on the front lawn of the Eugene Brucker Education Center. Carriers will be in attendance along with the Kaiser Mobile Clinic and flu shots will be provided free of charge.

Open Enrollment meetings are scheduled as shown below:

DATE	SITE	TIME
October 17, 2016	Annual Health Fair Eugene Brucker Education Center Front Lawn (Over-flow parking available at the New Vision Church, main parking lot on the corner of Park Blvd and Meade Ave.)	3:00 p.m. –6:00 p.m.
October 20, 2016	Mission Bay High School	2:00 p.m. – 5:00 p.m.
October 24, 2016	Lincoln High School	2:00 p.m. – 5:00 p.m.
October 26, 2016	Transportation Department	9:00 a.m. – 1:00 p.m.
November 2, 2016	Mira Mesa High School	2:00 p.m. – 5:00 p.m.
November 7, 2016	Eugene Brucker Education Center (Front Lawn)	2:00 p.m. – 5:00 p.m.

MEETING FOR RETIREES

November 1, 2016	Ballard Center (Auditorium)	2:00 p.m. – 5:00 p.m.
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WHAT'S CHANGING FOR PLAN YEAR 2017?

This is a summary of changes. See the attached 2017 VEBA Medical Benefits flyer for further details.

New UnitedHealthcare Alliance 1200 HMO Plan Being Added for Plan Year 2017

- Includes Scripps Coastal Medical Center, Scripps Clinic, Scripps Physicians Medical Group, Primary Care Associates Medical Group, UCSD, Mercy Physicians Medical Group and possibly Rady Children's (pending final contract negotiations).
- An alternative for employees with the UnitedHealthcare Select Plus PPO who use Scripps and UCSD providers and for employees with UnitedHealthcare Performance HMO Plan A Network 3 looking to expand the provider network.
- Includes a \$1,200 Health Reimbursement Account (HRA) loaded to an Optum Financial Services debit card. Employees may also have a Flexible Spending Account (FSA) however a reimbursable expense cannot be claimed under both the HRA and FSA.
- Unused HRA funds up to a maximum of \$500 can rollover to the next plan year provided the employee stays with the same plan election.
- Deductible (individual/family) of \$2,000/\$2,000
- Annual Out-of-Pocket Maximum (individual/family) of \$3,000/\$6,000
- Prescription Out-of-Pocket Maximum (individual/family) of \$1,600/\$3,200

UnitedHealthcare Performance HMO Plan A Network 3

- Prescription (Rx) brand deductible (individual/family) increasing from none to \$250/\$500
- Annual Out-of-Pocket Maximum (individual/family) increasing from \$3,000/\$6,000 to \$5,000/\$10,000
- Prescription (Rx) Out-of-Pocket Maximum (individual/family) is decreasing from \$3,000/\$6,000 to \$1,600/\$3,200
- Specialist Office Visit copay is increasing from \$40 to \$60
- Inpatient Hospital Care is changing from \$250 admit copay to 20% coinsurance (payment of 80% by the insurer and 20% by the insured with no deductible up to the Annual Out-of-Pocket Maximum)

UnitedHealthcare Select Plus PPO

- ENRP (Extended Non-Network Reimbursement Program) – New reimbursement method.
- UnitedHealthcare will pay the same rate that it would pay any other out-of-network provider for non-emergency covered health services and will pay an amount for emergency covered health services delivered based on federal regulations.
- Members may be balance-billed the difference between what was paid by UnitedHealthcare as an eligible expense based upon the UnitedHealthcare network reimbursement schedule and the amount the out-of-network provider actually billed. Amounts paid on a balance-bill do not go towards the out-of-pocket maximum.

UnitedHealthcare Prescription Drug Plans (through Express Scripts)

- Intranasal Steroids, Antihistamines and Proton Pump Inhibitors will no longer be covered. Members will be required to pay 100% of the cost of all medication in these three drug classes.

WHAT’S NOT CHANGING FOR 2017?

The UnitedHealthcare Performance HMO Plan A Networks 1-2 and the Kaiser Permanente HMO plan will remain in force with no changes for plan year 2017. There are also no changes to the structure of the district’s vision or dental plans.

The Hartford Life, Supplemental and AD&D Insurance

The Hartford, the district’s carrier for life, supplemental life and accidental death & dismemberment (AD&D) insurance, opened up a web-based platform for employees in 2015. This web tool houses all enrollment, coverage details, beneficiary information and provides for new visibility into your life insurance policy, what The Hartford offers in coverage and additional services. If you have not set-up your account to review your basic life insurance policy and define beneficiaries, please do so during this open enrollment period at the following web address: <https://enroll.thehartfordatwork.com/Enroll/Login.aspx>. Defining beneficiaries is a critical element to managing your life insurance policy and the open enrollment period is the perfect time each year to review your coverage.

If you are logging in for the first time, please follow these instructions:

Your Login ID	Your Password	Questions?
Your User ID is your district Employee ID # For example: John Smith’s Employee ID # is 123456. His User ID is 123456.	Your password is the first letter of your first name and the first letter of your last name (all lowercase) followed by your date of birth in MMDDYYYY format. For example: John Smith’s birth date is October 25, 1963. His password is js10251963. You will be required to reset your password during your initial login.	Once you log into the site you will have access to tools and information to assist with your election process. In the event that you require assistance and need to speak with a customer service representative, you can contact The Hartford at 855.EZ.NROLL (855.396.7655). Representatives are available Monday through Friday, 5am to 5pm Pacific Time.

Flexible Spending Accounts (FSA)

Eligible employees who wish to participate in the Flexible Spending Account (FSA) Plans for calendar year 2017 will have the opportunity to enroll online via PeopleSoft Employee Self-Service during the open enrollment period, October 17 through November 18, 2016. **Enrollment in a Flexible Spending Account is not automatic. Employees who participated during the 2016 calendar year must re-enroll if participation is desired for the 2017 calendar year.** The following FSA Plans are allowed under Section 125 of the Internal Revenue Code which enables employees to set aside pre-tax money from their paychecks to pay for certain:

- Out-of-pocket health care expenses Annual limit: \$2,550
- Dependent child/elder day care expenses Annual limit: \$5,000

The claims administrator for Plan Year 2017 will continue to be American Fidelity Assurance. You can access them on the web at www.mywealthcareonline.com/americanfidelity. A reimbursable expense cannot be claimed under both an FSA and a Health Reimbursement Account (HRA).

PLEASE NOTE THE FOLLOWING VERY IMPORTANT INFORMATION:

Once this enrollment period is closed, you will not have the opportunity to make additional changes until the next open enrollment period scheduled for October/November 2017. The only exception to this rule is if you experience a qualifying event, as defined under the 'Enrollment Changes Allowable Outside the Annual Open Enrollment Period' link on the Employee Benefits Department web page.

If you need additional information or have any uncertainty about your employee/dependent enrollment status, please contact Employee Benefits located in Room 1150-A at the Eugene Brucker Education Center. Our regular office hours are 8:00 a.m. to 5:00 p.m. Hours will be modified during the open enrollment period as follows:

Date	Time
Monday, October 17, 2016 (Annual Health Fair)	8:00 a.m. to 6:00 p.m.
Thursday, October 27, 2016 Benefits Office closed until 12:00 pm for Staff Development	
Monday through Thursday, November 14, 15, 16 and 17, 2016	8:00 a.m. to 6:00 p.m.
Friday, November 11, 2016 district offices are closed in observance of Veterans Day.	
Friday, November 18, 2016 the office will close at 5:00 p.m.	

Please visit the Employee Benefits Department online at www.sandiegounified.org under the Staff Portal for more information regarding Open Enrollment.

For telephone inquiries, the central number is 619.725.8130. We can also be reached by email at employeebenefits@sandi.net. Please be advised that open enrollment results in a high volume of calls and visits to the department. This may result in delayed response times based on the volume at any given time. Be assured, our staff is committed to providing the highest level of customer service possible during this extremely busy period.

Sue Weir
Director, Payroll/Benefits

APPROVED:



Jenny Salkeld, Ph.D
Chief Financial Officer

SW:pa

Attachment

Distribution: List G



VEBA Medical Benefits San Diego Unified School District: HMO Plans

Plans Effective January 1, 2017– December 31, 2017

Changes from 2016 are highlighted in red

Benefit Summary	Kaiser 10 Rx: \$10/10 100-day What You Pay	UHC Performance HMO Plan A Network 1 What You Pay	UHC Performance HMO Plan A Network 2 What You Pay	UHC Performance HMO Plan A Network 3 What You Pay	NEW PLAN! UHC Alliance HMO \$1200 HRA What You Pay
Deductible (individual/family)	None	None	None	None	\$2,000/\$2,000
Medical Out-of-Pocket Maximum (individual/family)	\$1,500/\$3,000	\$3,000/\$6,000	\$3,000/\$6,000	\$5,000/\$10,000	\$3,000/\$6,000
RX Out-of-Pocket Maximum (individual/family)	N/A	\$3,000/\$6,000	\$3,000/\$6,000	\$1,600/\$3,200	\$1,600/\$3,200
Health Reimbursement Account	None	None	None	None	\$1,200
PCP Office Visit	\$10 copay	\$10 copay	\$20 copay	\$40 copay	\$35 copay
Specialist Office Visit	\$10 copay	\$10 copay	\$20 copay	\$60 copay	\$50 copay
Preventive Care	No charge	No charge	No charge	No charge	No charge
Inpatient Hospital Care	No charge	No charge	No charge	20% Coinsurance	20% copay (after deductible)
Mental Health Services (outpatient/inpatient)	\$10 copay/No charge	\$10 copay/ No charge	\$20 copay/ No charge	\$40 copay/ 20% Coinsurance	\$40 copay/ 20%copay (after deductible)
Substance Abuse Services (outpatient/ inpatient)	\$10 copay/No charge	No charge	No charge	No charge	No charge
Infertility	\$10 copay	Not covered	Not covered	Not covered	Not covered
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge	No charge	No charge
Complex Radiology (PET & MRI)	No charge	No charge	No charge	\$200 copay	20% coinsurance (after deductible)
Outpatient Surgery	\$10 copay	No charge	No charge	\$500 copay	20% (after deductible)
Outpatient Physical/Rehabilitation Therapy (PCP/Specialist)	\$10 copay	\$10 copay/\$10 copay	\$20 copay/\$20 copay	\$40 copay/ \$60 copay	\$35 copay
Urgent Care (your medical group/other medical group)	\$10 copay (Kaiser Facility)	\$10 copay/\$50 copay	\$20 copay/\$50 copay	\$40 copay/\$50 copay	\$35 copay/ 20% coinsurance (after deductible)
Emergency Room (Copay waived if admitted)	\$50 copay	\$100 copay	\$100 copay	\$300 copay	20% (after deductible)
Short-Term Prescription Drugs generic/preferred/non-preferred drugs	\$10 copay (up to a 100-day supply)	\$5/\$25/50%* ^{1&2} (\$5 extra if filled at non-EAN pharmacy)	\$10/\$30/50%* ^{1&2} (\$5 extra if filled at non-EAN pharmacy)	\$15/\$30/50%* ^{#1&2} (\$5 extra if filled at non-EAN pharmacy)	\$10/\$30/50%* ^{1&2} (\$5 extra if filled at non-EAN pharmacy)
Maintenance Prescription Drugs generic/preferred/non-preferred drugs	\$10 copay (up to a 100-day supply)	\$10/\$50/50%** ³	\$20/\$60/50%** ³	\$30/\$60/50%** ^{#3}	\$20/\$60/50%** ³
Chiropractor Services ⁴	\$10 copay	\$10 copay	\$20 copay	\$30 copay	\$30 copay

¹You will pay standard copays if you fill your prescription at an EAN Pharmacy (EAN Pharmacies include Costco, Ralpins, Kmart, Vons, Heggen, Safeway, SuperValue, WinnDixie, Walmart, and many independent pharmacies) visit www.Express-scripts.com for a complete list of EAN pharmacies

²Pay standard copays plus \$5/prescription if you fill your prescription at a non-EAN Pharmacy (Non-EAN Pharmacies include CVS, Target, Walgreens, and certain independent pharmacies)

³You will pay the Retail Refill Allowance (RRA) penalty (equal to 2 times short-term medication copay for 30-day supply) if you fill maintenance prescriptions at a network pharmacy other than Smart90

⁴Services must be medically necessary and may be subject to prior authorization from Optum Health

⁵Drugs obtained at non-participating pharmacies are not covered unless medically necessary for a covered emergency

*Subject to a \$40 minimum and \$175 maximum

**Subject to a \$80 minimum and \$350 maximum

#\$250 brand deductible for individual and \$500 brand deductible for family

Disclaimer: This summary is merely a brief description of the major benefits of the plan(s) and is not intended to alter or expand benefits, rights or liabilities as set forth in the official plan documents and contracts. Limitations may apply. See the Certificate/Evidence of Coverage for details.





VEBA Medical Benefits San Diego Unified School District: PPO Plan

Changes from 2016 are highlighted in red

Benefit Summary	UHC Select Plus PPO (SD) 80/50	
	In Network What You Pay	Out of Network What You Pay
Deductible (individual/family)	\$2,000/\$4,000	\$2,000/\$4,000
Medical Out-of-Pocket Maximum (individual/family)	\$5,000/\$10,000	\$5,000/\$10,000
RX Out-of-Pocket Maximum (individual/family)	\$1,600/\$3,200	N/A
Health Reimbursement Account	None	None
PCP Office Visit	Tier 1 Physician: \$30 copay Other In-Network Physician: 20% coinsurance after deductible	50% coinsurance (after deductible)
Specialist Office Visit	Tier 1 Physician: \$50 copay Other In-Network Physician: 20% coinsurance after deductible	50% coinsurance (after deductible)
Preventive Care	No charge	No coverage for non-network services
Inpatient Hospital Care	20% coinsurance (after deductible)	50% coinsurance with Prior Authorization (after deductible)
Mental Health Services (outpatient/inpatient)	\$30 copay/ 20% coinsurance (after deductible)	50% coinsurance (after deductible)
Substance Abuse Services (outpatient/inpatient)	\$30 copay/ 20% coinsurance (after deductible)	50% coinsurance (after deductible)
Infertility	Not covered	Not covered
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	Freestanding Facility or Physician Office: No charge Hospital-based Lab or Radiology: 20% coinsurance (deductible does not apply)	50% coinsurance (after deductible)
Complex Radiology (PET & MRI)	Freestanding Facility or Physician Office: 20% coinsurance (after deductible) Hospital-based Lab or Radiology: 20% coinsurance plus \$100 copayment (after deductible)	50% coinsurance (after deductible)
Outpatient Surgery Ambulatory Surgery Center or Physician's Office	20% coinsurance plus \$100 copayment (after deductible)	50% coinsurance (after deductible) Pre-authorization is required
Outpatient Hospital-based Surgical Center	20% coinsurance plus \$100 copayment (after deductible)	50% coinsurance (after deductible) Pre-authorization is required
Outpatient Physical/Rehabilitation Therapy (PCP/Specialist)	\$30 copay	50% coinsurance (after deductible)
Urgent Care (your medical group/other medical group)	\$50 copay	50% coinsurance (after deductible)
Emergency Room (Copay waived if admitted)	\$100 copay	\$100 copay
Short-Term Prescription Drugs ^{1&2} (up to 3 refills and up to 30 day supply) generic/preferred/non-preferred drugs	\$10/\$30/50%* (\$5 extra if filled at non-EAN pharmacy)	No coverage for non-network pharmacy
Maintenance Prescription Drugs ³ (4th and following fills for up to 90 day supply) generic/preferred/non-preferred drugs	\$20/\$60/50%**	No coverage for non-network pharmacy
Chiropractor and Acupuncture Services ⁴	\$30 copay	50% coinsurance (after deductible)

¹UHC members pay standard copays if you fill your prescription at an EAN Pharmacy (EAN Pharmacies include Costco, Giant Eagle, Kmart, Kroger, Meijer, Safeway, Super-Value, WinnDixie, Walmart, and many independent pharmacies) visit www.Express-scripts.com for a complete list of EAN pharmacies

²UHC members pay standard copays plus \$5/prescription if you fill your prescription at a non-EAN Pharmacy (Non-EAN Pharmacies include CVS, Target, Walgreens, and certain independent pharmacies)

³You will pay the Retail Refill Allowance (RRA) penalty (equal to 2 times short-term medication copay for 30-day supply) if you fill maintenance prescriptions at a network pharmacy other than Smart90

⁴Services must be medically necessary and may be subject to prior authorization from Optum Health

*Subject to \$40 minimum and \$175 maximum

**Subject to \$80 minimum and \$350 maximum

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VEBA Medical Benefits

San Diego Unified School District

District Changes

- ◆ New Plan: UnitedHealthcare Alliance 1200

Performance HMO Plan Changes

The Performance HMO is designed to help members make informed decisions about their Primary Care Provider (PCP) by ranking medical groups in three networks based on quality scores and pricing. Medical groups in Network 1 have the highest quality and lowest costs. With the introduction of the Affordable Care Act and the possible ramifications of the Excise tax (Cadillac Tax), VEBA evaluated its plans to consider the financial impact of the 'Cadillac Tax'. Changes in Network 3 will allow VEBA to continue to offer high quality plans at an affordable cost and minimize the risk of unnecessary tax in the event the 'Cadillac Tax' is implemented. Changes from 2016 to 2017 are noted in red on the comparison chart.

Express Scripts Advantage Network Changes

UnitedHealthcare members receive their prescription drug benefits through Express Scripts. VEBA members are able to use an Express Scripts Advantage Network (EAN) pharmacy to receive the lowest copays for short-term drugs. Beginning January 1, 2017, Target pharmacies will no longer be participating in the EAN network, due to the CVS acquisition and re-branding of all Target pharmacies. You can still use Target pharmacies, but will pay more for your prescriptions.

What Members Need to Know:

- ◆ A mailing will be sent to members approximately 30-60 days prior to 1/1/2017 notifying them of the change in the network.
- ◆ All other EAN pharmacies will remain in the EAN network for the 2017 plan year.
- ◆ There are no changes to the Express Scripts Smart90 network.

Express Scripts Members to Pay 100% of the Cost of Intranasal Steroids

Intranasal steroids (such as Flonase) may be available over-the-counter and/or through a doctor's prescription. No matter how you purchase this drug, you will be required to pay 100% of the cost (copays do not apply)

Shop around to get the lowest cost for these medications:

- ◆ Choose a prescription or over-the-counter option; whichever is less expensive
- ◆ Drugs in this category will not be available through Express Scripts Mail Order

UnitedHealthcare PPO Plan Changes

UnitedHealthcare is tightening up its existing policies for out-of-network charges in the PPO plans. When members use out-of-network doctors, health care professionals, or facilities, their costs may be higher, and they may be balance billed.

What Members Need to Know:

- ◆ UnitedHealthcare network providers should be used when possible. Members should consult with their doctor prior to having a health care procedure, about the facility and other specialists who may be involved, to ensure they participate in the network.
- ◆ If balance billed, members are able to talk to the out-of-network facility or doctor to see if their provider will lower the charges or set up a payment plan.
- ◆ Any balance billed amount a member may pay for services from an out-of-network provider does not apply to your out-of-pocket limit.
- ◆ As always, members who are experiencing a medical emergency, should seek services at the nearest emergency facility.

