

COLLEGE *of*
CHARLESTON

Overview of the Affordable Care Act



What is the Affordable Care Act (ACA)?

- Federal law signed by President Obama on March 23, 2010 overhauling US healthcare system.
 - **Individual Mandate** (1/1/14)
 - **Employer Mandate** (1/1/15)

Employer Mandate

- Employers with 50 or more full-time employees
- Offer affordable healthcare coverage to employees who work on average at least **30 hours per week (full-time per ACA)** with certain limited exceptions
- Effective date is **January 1, 2015**

Measurement Periods

- 12-month period of time used to calculate eligibility
- To determine initial eligibility for 2015 coverage:
 - Initial Measurement Period (October 4, 2013 – October 3, 2014)
- Going forward:
 - Standard Measurement Period (October 4 – October 3 yearly)
 - New variable-hour employees:
 - Initial Measurement Period 12 months from 1st of month following hire date; then eventually transition to standard measurement period

Administrative Periods

- The period of time immediately following the measurement period used to calculate eligibility and notify employees
 - **Annually ongoing:** October 4 – December 31 (with open enrollment October 4-31) for January 1 effective date
 - **New variable-hour employees:** the month following end of initial measurement period

Stability Periods

- The 12-month period of time immediately following the administrative period when healthcare benefits must be provided to an eligible employee (*if elected*)
 - **Annually ongoing:** January 1 – December 31
 - **New variable-hour employees:** 12 month period starting 1st of month following administrative period; then transition to standard measurement period

Categories of Employees

- **Ongoing Employee:** an employee who has been employed with the College for at least one complete standard measurement period (Oct. 4-Oct. 3)
- **New Employee:** an employee who has been employed with the College less than one complete standard measurement period
 - **New Full-time Employee:** College is certain employee will be full-time for 12-month period
 - **New Variable-hour Employee:** College cannot reasonably determine if employee will average 30 hours/week at time of hire
 - Variable-hour full-time
 - Variable-hour part-time

Categories of Employees Cont'd.

- **Part-time Employee:** works less than 30 hours/week
 - no healthcare benefits offered
- **Seasonal Employee:** customary and annual employment is for a period of 6 months or less and where work is typically performed at a certain season or period of the year
 - no healthcare benefits offered

Benefits for Ongoing Employees

- **Ongoing Employee:** an employee who has been employed with the College for at least one complete standard measurement period (Oct. 4-Oct. 3)
 - If full-time for the standard measurement period, benefits are offered in open enrollment (Oct. 4-31) for January 1 effective date
 - Stability period for following calendar year
 - Healthcare benefits are maintained for entire stability period even if hours reduce below 30 hours per work.
 - Healthcare benefits will be cancelled upon termination
 - Eligibility for next calendar year reviewed again in Oct.

Benefits for New Employees

- **New Full-time Employee:** College is certain employee will be full-time for 12-month period
 - Offer benefits upon hire
 - Employee's eligibility reviewed again once employed for an entire standard measurement period (Oct. 4 – Oct. 3)
 - Benefits may be cancelled if status changes or employee terminates before completion of standard measurement period

Benefits for New Employees

- **New Variable-hour Employee:** College cannot reasonably determine if employee will average 30 hours/week at time of hire
 - Variable-hour full-time
 - Reasonable expectation to work 30 hours/week
 - Offer benefits at hire and measure
 - Benefits may be cancelled if status changes, employee takes extended leave, hours drop below 30 over a period of time, or employee terminates before completion of initial measurement period
 - If full-time after initial measurement period, continue benefits for 12 month initial stability period
 - Employee then rolls onto standard measurement period
 - Variable-hour part-time
 - No reasonable expectation to work 30 hours/week
 - Withhold benefits at hire and measure
 - If full-time after initial measurement period, offer benefits for 12 months initial stability period
 - Employee then rolls onto standard measurement period

How Will Work Hours be Tracked?

- For hourly temporary employees, HR will review appointment forms and monitor hours recorded in Banner
- For salaried temporary employees, HR will use contracts as provided by managers
- Hours for multiple CofC jobs will be combined
- Hours worked at other State Agencies not included

Calculating Hours Worked for Adjunct Faculty...

- Adjuncts will be credited with 3.0 hours of work for every 1 hour of course credit taught and every 1 hour of lab contact taught
- 10 or more credit hours/lab contact hours per semester equals 30 work hours/week
- Certain exceptions may apply
- Provost's Office will determine eligibility for adjuncts and advise HR

2014 Open Enrollment

- Notices will be sent via campus mail to eligible temporary employees during the week of Oct. 6th
- Employees can enroll in coverage from Oct. 4-31 for a January 1 effective date
- If eligible and spouse is a PEBA subscriber, must have separate coverage
- If an employee feels he/she was not offered healthcare in error, see appeal process on the HR Benefits ACA website.

CofC ACA Website

- <http://hr.cofc.edu/benefits/affordable-care-act.php>
- College of Charleston
 - Human Resources
 - Benefits
 - Affordable Care Act

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Affordable Care Act – Full-time Temporary Employee Insurance Benefits



Public Employee Benefit Authority
(PEBA) Insurance Benefits

Important Information

This overview is not meant to serve as a comprehensive description of the benefits offered by PEBA Insurance Benefits. For more detailed information, please read the 2014 *Insurance Benefits Guide (IBG)* which can be found on the PEBA Insurance Benefits Website, www.eip.sc.gov.

Insurance Available to You

- Health
- Dental
- Vision
- MoneyPlu\$ Pretax Group Insurance Premium Feature
- Health Savings Account

Who is Eligible for Coverage?

Under the ACA, employees who work an average of 30 hours or more per week are considered ACA Full-time and are eligible for healthcare coverage with certain limited exceptions.

Who is Eligible for Coverage?

Spouse

- Current spouse or former spouse if coverage is court-ordered
- Spouse employed by PEBA Insurance-covered employer or eligible to be covered as a funded retiree cannot be covered

Children

- Natural child
- Stepchild
- Adopted child
- Child placed for adoption
- Foster child
- Child for whom employee has legal custody.
- Under age 26
- Coverage may continue beyond age 26 if the child is approved for incapacitation
- If employed with participating employer, your child may enroll as an active employee or enroll as a dependent child.

Documentation

- Required for any covered family member
- Must be provided at time of enrollment

Special Eligibility Situations

- **Within 31 days of a special eligibility situation**
 - Marriage
 - Birth, adoption or placement of a child
 - Involuntary loss of coverage

Terminations

- **Ineligible Spouse**
 - Legal separation-must provide documentation
 - Divorce (unless court ordered)
 - Death
 - Gains state insurance coverage
- **Ineligible Dependent Children**
 - Child turns 26, unless approved for incapacitation

Coordination of Benefits

- Plan that covers person as employee is primary to plan that covers person as dependent.
- Children – Plan of parent whose birthday occurs earliest in year is primary
- Deductibles and coinsurance linked for married EIP covered members enrolled in same health.

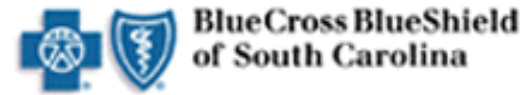
COBRA Continuation Coverage

Consolidated Omnibus Budget Reconciliation Act

- COBRA applies to employers that maintain a “group health plan”
- Employee may continue coverage for 18 months
- May continue coverage for 29 months if approved for Social Security disability within the first 18 months of COBRA continuation coverage
- Dependents may continue coverage for 36 months
- You must pay the required monthly premium

Health Plan Options

- **State Health Plan**
 - Standard Plan or
 - Savings Plan
- **AMRA TRICARE Supplemental Plan**



Before You Choose a Health Plan

- Read the plan overviews listed in the *Insurance Benefits Guide (IBG)*
- Review the exclusions and limitations listed for each plan
- Determine if your doctor is in the network
- Ask questions – contact PEBA Insurance, your BA or the plan administrator for assistance

Common to Both Standard Plan and Savings Plan

- Worldwide coverage
- In- and out-of-network benefits
- Pharmacy network
- Online access available –
www.southcarolinablues.com

Preauthorization

- Refer to *Insurance Benefits Guide* for information regarding
 - Medi-Call
 - National Imaging Associates
 - Companion Benefit Alternatives
 - Catamaran

Providers In-Network

- Provider files claims and accepts allowed amount as payment in full
- Standard Plan members pay deductibles, copayments and coinsurance
- Savings Plan members pay deductibles and coinsurance (Savings Plan members do not pay copayments)

Providers Out-of-Network

- Member
 - May have to file claims
 - Can be balance billed
 - Pays higher coinsurance
- No benefits paid for out-of-network prescription drugs in the U.S.

SHP Limited Preventive Benefits*

- **Routine mammography**
- **Pap test**
- **Well child care**
- **Routine colonoscopy**

*Refer to IBG for plan guidelines

SHP - Wellness Incentive Program

- State Health Plan is primary
- At network pharmacies, 12 months free generic drugs to treat conditions
- Conditions Include:
 - Cardiovascular disease
 - Congestive heart failure
 - Diabetes

Contact BCBSSC for more information

SHP Standard Plan

Administered by Blue Cross Blue Shield of South Carolina

Standard Plan

-Annual Deductible

\$450 individual

\$900 family

-Coinsurance In-Network

Plan pays 80%

You pay 20%

Out-Network

Plan pays 60%

You pay 40%

-Out-of-pocket maximum:

In Network: \$2,600 & \$5,200

Out Network: \$5,200 & \$10,400

- \$13 per Physician office visit
- Applicable to mental health/substance abuse providers
- \$97 outpatient facility services
- \$160 emergency room visit (waived if admitted)

Copayments do not apply toward annual deductible or out-of-pocket maximum.

SHP Standard Plan

Prescription Drugs Copay

31 Days Supply

- \$9 Tier 1 Generic
- \$39 Tier 2 brand-higher cost alternative
- \$65 Tier 3 brand-highest cost alternative
- Copayments apply toward annual Rx **\$2,500** per person out-of-pocket maximum
- Must use a participating Select RX Network pharmacy

90 Days Supply

- \$22 Tier 1
- \$98 Tier 2
- \$163 Tier 3
- Can obtain 90-day supplies at participating pharmacies in the Retail Maintenance Network

SHP Savings Plan

Administered by Blue Cross/Blue Shield

Health Savings Plan

-Annual Deductible

\$3,600 individual

\$7,200 family (no embedded deductible)

-Coinsurance

In-Network

Out-of-Network

Plan pays

80%

60%

You pay

20%

40%

-Out-of-Pocket
maximum

\$2,400 individual
\$4,800 family

\$4,800 individual
\$9,600 family

SHP Savings Plan Prescription Drug Program

- Participating pharmacies and mail order only
- Pay allowable cost until the annual deductible is met.
- Plan pays 80%; you pay 20%.
- Coinsurance maximum is reached, plan will reimburse 100% of allowable cost.



SHP Savings Plan Added Benefits

- Annual flu shot
- Annual physical that includes specific services
- Eligibility to contribute to Health Savings Account (HSA)

AMRA TRICARE Supplemental Plan

Administered by Selman & Company/ASI

Sponsored by American Military Retirees Association (AMRA)

Features

- Available to retired military personnel under age 65
- Pays secondary after TRICARE
- No deductible, coinsurance or out-of-pocket expenses for covered services
- Enrollment in AMRA is required
- Reimbursement of prescription drug copayment
- Can Choose any TRICARE-authorized provider
- Coverage is portable

AMRA TRICARE Supplemental Plan

Administered by Selman & Company/ASI

Sponsored by American Military Retirees Association (AMRA)

Exclusions/Limitations

- No COBRA rights
- No employer contribution per federal regulations
- Not subject to tobacco surcharge

Health Insurance Premiums

State Health Plan Standard Plan

Employee: \$ 97.68
Emp/Spouse: \$253.36
Emp/Child: \$143.86
Family: \$306.56

State Health Plan Health Savings Plan

Employee: \$ 9.70
Emp/Spouse: \$77.40
Emp/Child: \$ 20.48
Family: \$113.00

TRICARE Supplement

Employee: \$62.50
Emp/Spouse: \$121.50
Emp/Child: \$121.50
Family: \$162.50

Tobacco Users Surcharge

- \$40 per month for subscriber
- \$60 per month for subscribers who cover at least one dependent
- Automatically charged unless certify no one uses tobacco
- May certify by completing *Certification Regarding Tobacco Use* form
- Can be waived if your physician provides a letter stating that it is unreasonably difficult due to a medical condition for you to stop using tobacco or it is medically inadvisable for you to attempt to stop using tobacco.

To avoid the surcharge you must be tobacco free for six months to certify as non-tobacco user

The SHP offers a free tobacco cessation program

State Vision Plan

Insured and administered by EyeMed Vision Care

Vision Care Services

- Eye exams
- Frames
- Lenses
- Contact lens services and materials
- Diabetic Eye Care benefit
- Discounts on LASIK and PRK vision correction

Providers

- In-network
 - No claims to file
 - Pay copayment and charges above the plan's allowance
- Out-of-network
 - Pay provider for service
 - EyeMed will reimburse you for a portion of expenses for certain services

Locate a provider online – www.eip.sc.gov Click on the “Links” section



State Vision Plan

Insured and administered by EyeMed Vision Care

Eye Exams

- \$10 copayment
- Standard contact lens fitting
 - No copayment
- Premium contact lens fitting
 - 10% discount and
 - \$55 allowance toward discounted price

Eyeglasses

- Frames every year
 - \$140 allowance (cannot be combined with any other promotion or discount)
 - 20% discount off balance
- Lenses every year
 - \$10 copayment for single vision, bifocal, trifocal and lenticular plastic lenses
 - \$45 copayment for standard progressive lenses



State Vision Plan

Insured and administered by EyeMed Vision Care

Contact Lenses*

- Every 12 months
- Conventional lenses
 - \$130 allowance
 - 15% discount off balance
- Disposable lenses
 - \$130 allowance

*Member may choose either eyeglass lenses or contact lenses, but not both in the same plan year

Monthly Premiums

| | |
|---------------------|---------|
| Employee only | \$7.00 |
| Employee/Spouse | \$14.00 |
| Employee/Child(ren) | \$14.98 |
| Full Family | \$21.98 |

Premiums can be paid with pre-tax money under MoneyPlu\$ Pre-tax Feature



Vision Care Program

- No enrollment or premium
- Discount program
- Participating providers only
- \$60 for routine eye exam – excludes contact lens exam
- 20% discount on eyewear except disposable contact lenses
- You do not have to be enrolled in a health plan





State Dental Plan



- Self-insured plan
- BlueCross BlueShield of South Carolina administers claims
- Free to choose any dentist
- No pre-existing condition exclusions
- \$1,000 annual maximum benefit

State Dental Plan

| Class | Services | Yearly Deductible | Percent Covered |
|-------|---------------------------|-------------------|---|
| I | Diagnostic and Preventive | None | 100% of allowed amount |
| II | Basic | \$25 | 80% of allowed amount |
| III | Prosthodontics | \$25 | 50% of allowed amount |
| IV | Orthodontics | None | \$1,000 lifetime maximum. Covered children age 18 and younger only |

Dental Plus

- Supplement to State Dental Plan (SDP)
- Must have same level of coverage as in SDP
- Higher allowed amount for Class I, II, and III services
- Combined maximum benefit of \$2,000

Dental Plus

- Rates

| | <u>SDP</u> | <u>Dental Plus</u> |
|-----------------|------------|--------------------|
| Employee | \$0.00 | \$24.58 |
| Employee/Spouse | \$7.64 | \$49.66 |
| Employee/Child | \$13.72 | \$57.26 |
| Family | \$21.34 | \$74.22 |

Premiums can be paid with pre-tax money
under MoneyPlu\$ Pre-tax Feature

MoneyPlu\$



Pre-tax Premium feature

Premiums are deducted before taxes from your paycheck for:

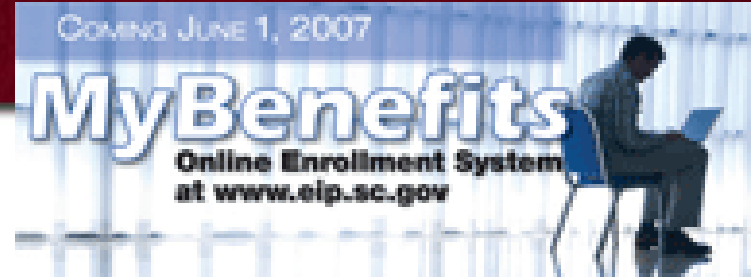
- State Health Plan
- TRICARE Supplement Plan
- Tobacco Surcharge
- Dental and Dental Plus
- State Vision Plan

There is a \$.28 monthly administrative fee



Health Savings Accounts (HSA)

- Employee must be enrolled in the SHP Savings Plan
- Money deposited into account carries forward from year to year
- Account is portable
- Contributions:
 - \$3,350 for individuals
 - \$6,650 for family
 - Additional \$1,000 catch-up provision for individuals age 55 and older
- Fees
 - \$1.50 per month to administrative fee to Wageworks (taken pre-taxed from your paycheck)
 - \$2.00 per month bank fee to Wells Fargo
 - Waived with \$2,500 balance
 - Includes free Visa debit card
 - \$15 one-time fee for basic order of checks



MyBenefits

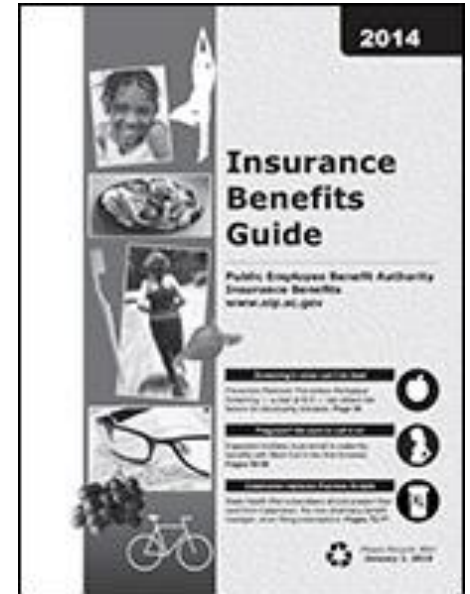
With MyBenefits, you can access your benefits information online anytime:

- See your benefits statement
- Change your contact information

MyBenefits is online at www.eip.sc.gov

For More Information

Refer to your
“Insurance Benefits Guide”



Visit the PEBA Insurance Benefit's
website at: www.eip.sc.gov

Remember

- Open Enrollment is October 4-31, 2014
- Coverage is effective January 1, 2015
- Dependents must meet eligibility requirements
- You are responsible for your benefits
- Nothing is automatic
- **Documentation is required if you are covering dependents**
- **Social Security numbers and birth dates for your dependents are needed to avoid delay in processing your enrollment forms.**

Questions

