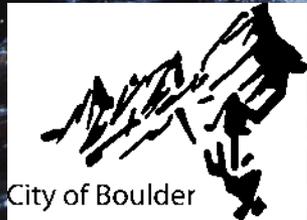


2015 Employee Education Sessions

City of Boulder



Today's Meeting

- Benefits Strategy & Options
- City's Health Care Plans
- *WellnessWorks!*



City of Boulder Strategy



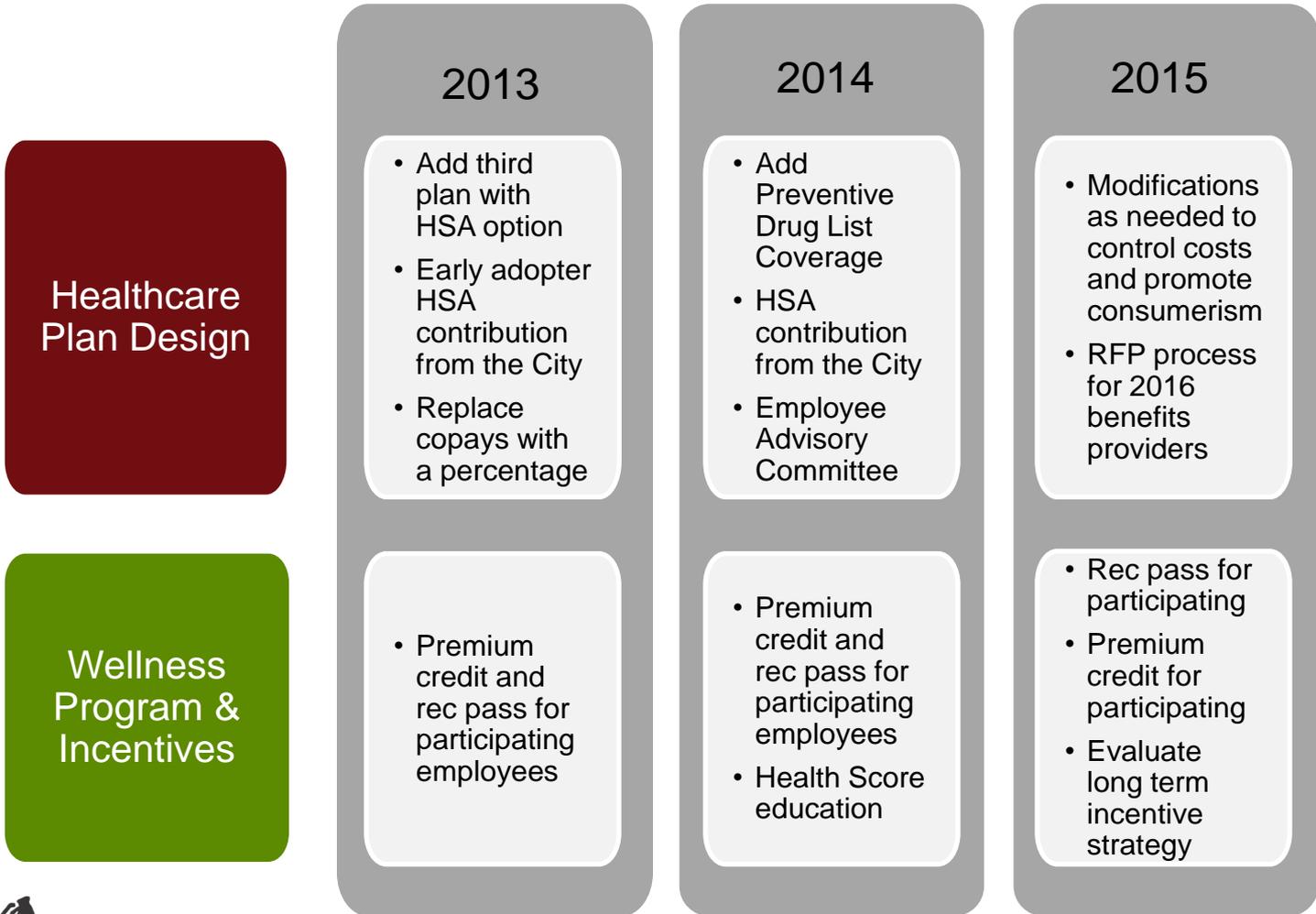
Guiding Principle of the Total Compensation Philosophy

- Our goal is to provide an affordable, financially-sustainable benefits plan that provides an appropriate mix of benefits for our diverse employee population and is competitive with benefits provided by other employers.

Health and Wellness Goals

- Comprehensive coverage
- Affordable and financially sustainable (for employees and the City)
- Focused on wellness, prevention and education
- Employees engaged in health & wellness

Our Current Health and Wellness Strategy





Health Care Reform



Plans to Consider During Open Enrollment

City Plan

- Details are available in the 2015 Benefits Guide online

**Opt Out/
Self Insure**

- Consider the plan of your spouse's employer, your parents' plans, your TriCare/Military coverage, or any other plans available to you

Medicaid

- An excellent option, if you or your family qualify

**State
Exchange**

- www.connectforhealthco.com
- 1-855-PLANS4YOU

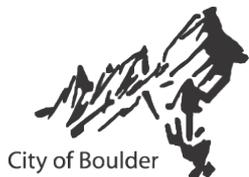


2015 City Health Care Plans

2015 City Health Care Plans

What is NOT Changing?

- The City of Boulder is making *minimal* healthcare plan design changes for 2015
- None of our insurance carriers will be changing
- Preventive care will still be covered at no cost to you on all three medical plans
- In the event of a catastrophic or unexpected health care situation, member costs are still capped at an out-of-pocket maximum for each plan, and the amounts are not changing
- Premium incentives will continue be offered for those who complete enrollment in the wellness program and the amounts are not changing



2015 City Health Care Plans

What is NOT changing?

▪ **Health Savings Account (HSA) Incentive:**

- The HSA incentive will be extended for another year

- In 2015, employees who select the \$1,500/\$3,000 deductible plan will receive an HSA contribution of:
 - \$800 for single coverage
 - \$1,600 for family coverage

- The incentive will be processed during pay period 1 of 2015 and will be deposited on **January 14**

2015 City Health Care Plans

What is NOT changing?

▪ **Prescription Drug Enhancement:**

- All medications identified on the United Healthcare “Expanded Preventative Drug List” (PDL) will be covered at 100% by the plan at the time of service (such as certain blood pressure and cardiovascular medications)
- A current list of the medications included in the coverage can be found on the “2015 Benefits” tab of the benefits webpage, www.bouldercolorado.gov/benefits

Note: The Prescription Drug List (PDL) for 2015 will be changing

2014 City Health Care Plans

What IS changing?

▪ **Acupuncture:**

- For each health care plan option, acupuncture coverage has been reinstated under our plans due as a result of member requests

▪ **Copays:**

- \$25 for a primary care visit
- \$50 for a specialist visit
- \$15 / \$45 / \$60 for prescriptions filled at a retail pharmacy
 - Mail order copays are 2.5x retail amounts
 - Does not include specialty pharmacy

2014 City Health Care Plans

What IS changing?

	2015 PLANS		
Plan Name	\$500 Deductible	\$1,000 Deductible	\$1,500 Deductible (HSA Eligible)
In-Network Benefits - Single / Family			
Office Copay	\$25 primary care \$50 specialist	\$25 primary care \$50 specialist	80%, after ded.
IP/ER/UC Copay	80%, after ded.	80%, after ded.	80%, after ded.
Deductible	\$500/\$1,000	\$1,000/\$2,000	\$1,500/\$3,000
HSA Contribution	not eligible	not eligible	+\$800/+\$1,600
Coinsurance	80%	80%	80%
Out-of-Pocket Max	\$2,000/\$4,000	\$3,000/\$6,000	\$4,000/\$8,000
Retail Pharmacy	\$15/\$45/\$60	\$15/\$45/\$60	80%, after ded.
Preventive Pharmacy	Covered at 100%	Covered at 100%	Covered at 100%
Out of Network Benefits - Single / Family			
Deductible	\$500/\$1,000	\$2,000/\$4,000	\$3,500/\$7,000
Coinsurance	60%	60%	60%
Out of Pocket Max	\$3,500/\$7,000	\$10,000/\$20,000	\$10,000/\$20,000



2014 City Health Care Plans

What IS changing?

▪ **Pharmacy – A Changing PDL**

- The tiers of your medications are changing
- The total cost of your medication will stay the same, unless the manufacturer changes the cost of the medication
- Approximately 85% of utilized drugs will remain on the same tier
- Fewer Prior Authorization requirements
- Far fewer Step Therapy requirements
- During open enrollment, please see the posted PDL for drug tier information

2014 City Health Care Plans

What IS changing?

■ Pharmacy – Tier Changes

Tiering Changes for Top 20 Utilized Maintenance Medications Generics & Brands

Same – 17 of the top 20 medications will remain on the same cost Tier

Down Tier – Synthroid, used to treat low thyroid conditions, will be downtiered from Tier 3 to Tier 2

Up Tier – Fluticasone nasal spray will be on tier 2 in 2015 – This was not on the preventive list for 2014 or 2015.

ProAir HFA and Ventoline HFA (Asthma Inhalers) are preventive and will be covered at 100%

2014 City Health Care Plans

What IS changing?

▪ Pharmacy - Engagement Programs

- **Refill & Save** is an adherence program which provides members who refill their prescription for a qualifying medication as prescribed a \$20 savings off their usual copayment or coinsurance
- Members who refill their prescriptions by mail order receive an average reduction of \$50 based on a 90-day supply
- **Select Designated Pharmacy** encourages members on select high-cost (non-specialty) medications to save money by moving to mail service, switching to a lower-cost option, or doing both
- **Mail Service Member Select** – Auto enrolls members with new maintenance prescriptions in mail service as a cost-saving measure, with an option to opt-out

2014 City Health Care Plans

What IS changing?

■ **Pharmacy - New ID Cards for 2015**

- ID cards will be shipped to you 10-20 days before the start of the plan year (January 1)
- For members using the Health4Me app, virtual ID cards are available
- Your ID number will stay the same, but the Rx group and bin number will change
- Please present your new ID card at the beginning of the year to your pharmacy
- If you have mail order, most scripts will transfer, but payment information will not
- Please contact the number on the back of your ID card to update payment information

2014 City Health Care Plans

What IS changing?

■ **Cost Sharing on Premiums:**

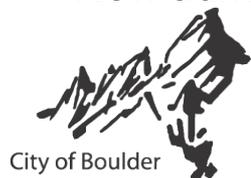
- The overarching strategy is to align the City’s healthcare program with current market trends for cost-sharing between the city and the employee for healthcare premium

- Employee contributions for 2015 will change for two of our four employee units

Tax-Advantaged Accounts

- **Health Savings Account (HSA)**
 - Available only to those in the IRS-qualified \$1,500 Deductible Plan
 - Maximum contribution of **\$3,350 single/\$6,650** family for the 2015 tax year
 - Your balance rolls over every year and is yours to keep
- **Healthcare Flexible Spending Account (FSA)***
 - Available to those in the \$500 or \$1,000 Deductible Plans
 - Maximum election of **\$2,500** for medical, Rx, dental, and vision expenses
 - Use it by the end of the year or lose your balance (grace-period)
- **Dependent Care Flexible Spending Account (FSA)***
 - Maximum election of **\$5,000** for dependent care expenses
 - Available to all employees regardless of medical plan selection
 - Use it by the end of the year or lose your balance

*New administrator: Rocky Mountain Reserve





How to Choose Between Plans

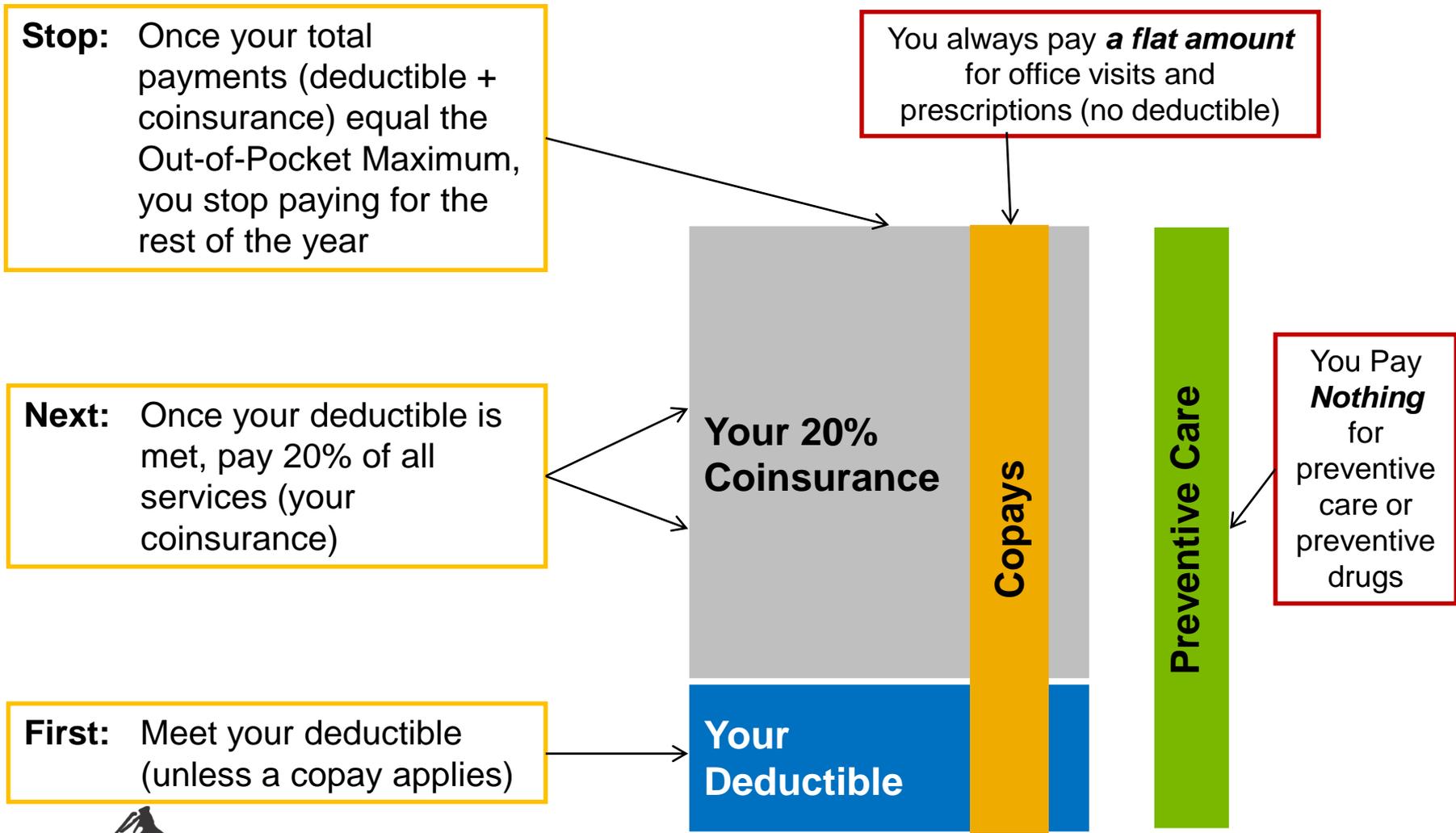
2013 Deductible and Out-of-Pocket Exposure

- City Wide
 - 18.8% of participants met their deductible
 - 4.5% of participants met their out-of-pocket maximum

2013	\$500 Deductible Plan		\$1,000 Deductible Plan		\$1,500 Deductible Plan				Total All Plans	
	Met Deductible	Met Out of Pocket Max	Met Deductible	Met Out of Pocket Max	Met Deductible		Met Out of Pocket Max		Met Deductible	Met Out of Pocket Max
					Indiv	Fam	Indiv	Fam		
All Participants	127	35	146	45	71	161	10	30	505	120

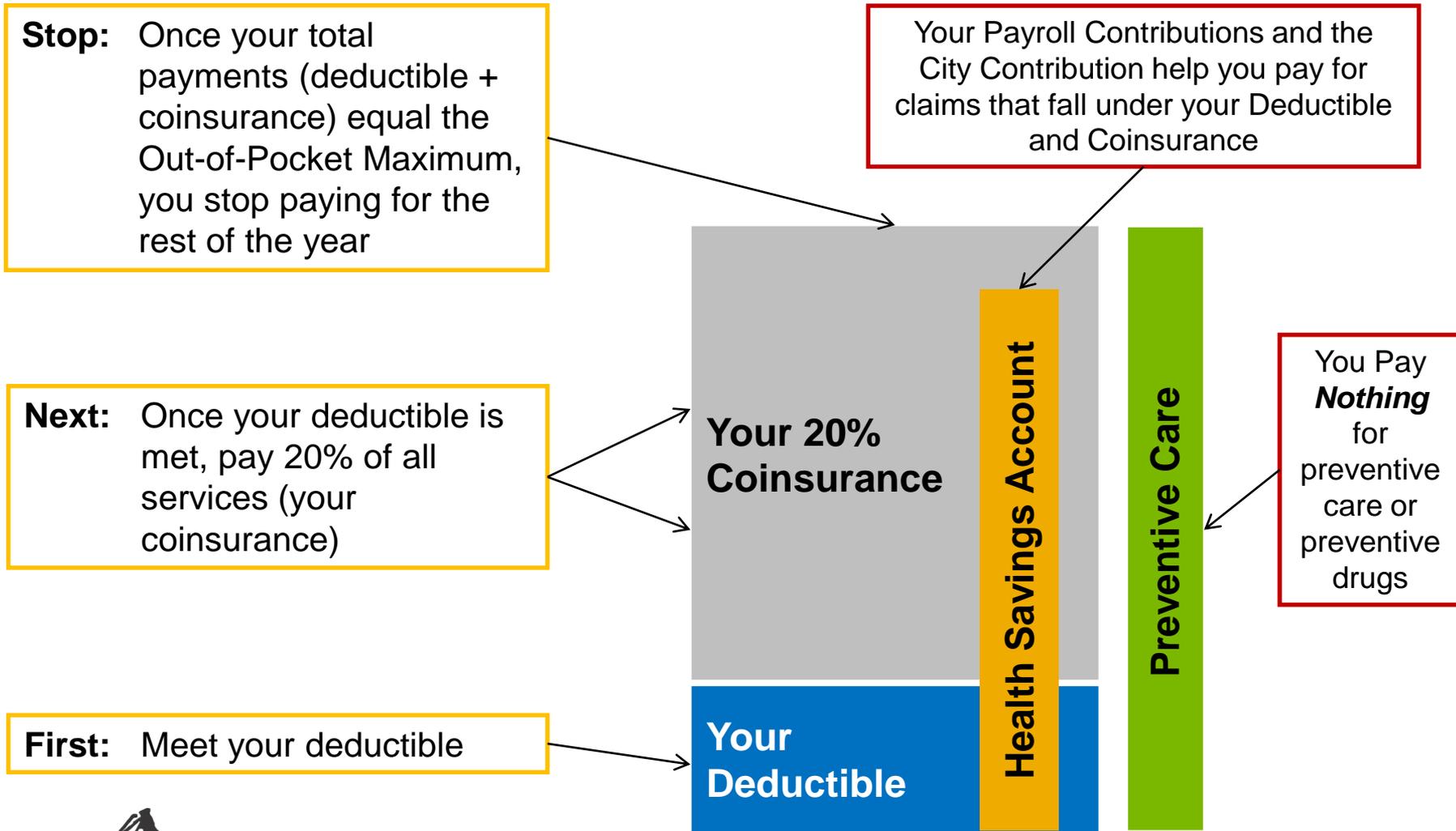
Understanding Copays with Deductibles and Coinsurance

(assuming In-Network Services)



Understanding Deductibles and Coinsurance with an HSA

(assuming In-Network Services)



Benefits of Our Plan Types

- **Benefits of Copay Plans** (\$500 Deductible and \$1,000 Deductible)
 - Defined risk for services
 - Promotes care of chronic conditions
 - Limits spending on an individual

- **Benefits of Health Savings Account Plan** (\$1,500 Deductible)
 - Tax free spending on services
 - Savings vehicle as unused contributions roll-over
 - Employer contribution
 - Lower premiums deducted from paycheck
 - Higher wellness incentive

Understanding the Options – Example 1



Peter has a family of 4. They all had their annual well exams and had two sick visits with two prescriptions.

Plan	\$500/\$1,000 Deductible	\$1,000/\$2,000 Deductible	\$1,500/\$3,000 Deductible with HSA
Preventive/Well Visits (4)	\$0	\$0	\$0
Sick Visits (2)	\$50	\$50	\$160
Tier 1 Rx (1)	\$15	\$15	\$35
Tier 2 Rx (1)	\$45	\$45	\$60
HSA Fund	N/A	N/A	(\$1,600)
Net Member Cost	\$110	\$110	(\$1,345)
Annual Premium*	\$5,719	\$4,306	\$3,573
TOTAL Member Cost	\$5,829	\$4,416	\$2,228

* after wellness credit

Understanding the Options – Example 2

Frank has diabetes. His family is very healthy, but he requires care throughout the year to maintain his health and address his condition.



Plan	\$500/\$1,000 Deductible	\$1,000/\$2,000 Deductible	\$1,500/\$3,000 Deductible with HSA
Preventive/Well Visits (4)	\$0	\$0	\$0
Diabetes Care Visits to PCP (4 = \$320)	\$100 (copays)	\$100 (copays)	\$320 (deductible)
Emergency Room (1 = \$4,000)	\$1,200 (deductible + 20%)	\$1,600 (deductible + 20%)	\$2,944 (deductible + 20%)
Lab Tests (8 = \$1,400)	\$280 (20% coinsurance)	\$280 (20% coinsurance)	\$280 (20% coinsurance)
Preventive Rx	\$0	\$0	\$0
HSA Fund	N/A	N/A	(\$1,600)
Net Member Cost	\$1,580	\$1,980	\$1,944
Annual Premium*	\$5,719	\$4,306	\$3,573
TOTAL Member Cost	\$7,299	\$6,286	\$5,517

* after wellness credit

Understanding the Options – Example 3

Joe's wife has cancer.

His son, Johnny, has Autism requiring ongoing therapy. He also had a sports accident requiring emergency care and imaging services.

While Joe and his daughter are very healthy, his wife and son require significant therapies and pharmaceuticals.

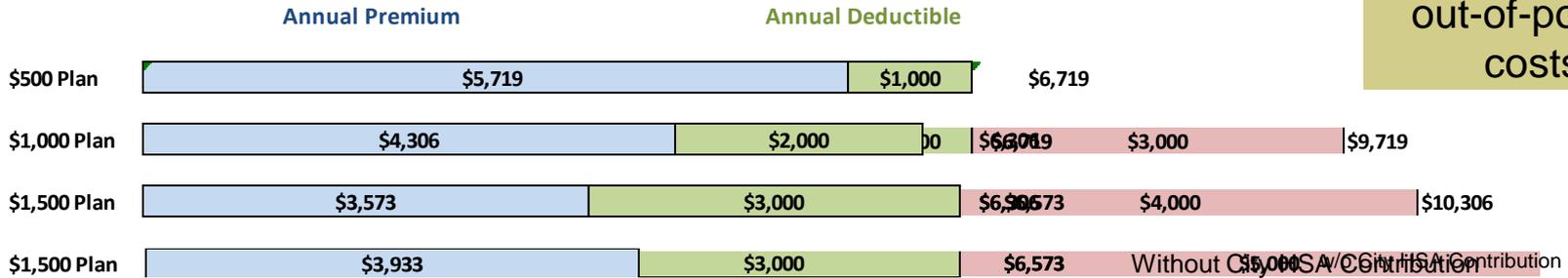


Plan	\$500/\$1,000 Deductible	\$1,000/\$2,000 Deductible	\$1,500/\$3,000 Deductible with HSA
Preventive/Well Visits (4)	\$0	\$0	\$0
Emergency Room - Child (\$8,000)	\$2,000 (deductible + 20%)	\$2,400 (deductible + 20%)	\$4,000 (deductible + 20%)
MRI, X-Ray and Injection - Child (\$4,000)	\$0 (20% coinsurance)	\$600 (20% coinsurance)	\$800 (20% coinsurance)
Specialist Visits - Child (12 visits, \$150 per, \$1,800)	\$0 (OOP max reached)	\$0 (OOP max reached)	\$360 (20% coinsurance)
Prescriptions - Child Tier 2 Rx (3)	\$0 (OOP max reached)	\$0 (OOP max reached)	\$240 (20% coinsurance)
Specialist Visits - Spouse (9 visits, \$300 per, \$2,700)	\$450 (copays)	\$450 (copays)	\$540 (20% coinsurance)
Radiation Therapy - Spouse (2 mos = \$9,000)	\$1,550 (ded + 20%, OOP max reached)	\$2,150 (deductible + 20%)	\$2,060 (20% coins, OOP max reached)
Chemo Therapy - Spouse (6 mos = \$30k)	\$0 (OOP max reached)	\$400 (20% coins, OOP max reached)	\$0 (OOP max reached)
Specialty Rx - Spouse (6 mos = \$60k)	\$0 (OOP max reached)	\$0 (OOP max reached)	\$0 (OOP max reached)
HSA Fund	N/A	N/A	(\$1,600)
Net Member Cost	\$4,000	\$6,000	\$8,000
Annual Premium*	\$5,719	\$4,306	\$3,573
TOTAL Member Cost	\$9,719	\$10,306	\$11,573

Medical Plan Cost Illustration

Employee with Family Coverage WITH Wellness

Note: the \$1,000 Plan exposes families to the most potential out-of-pocket costs



Your out-of-pocket costs will be lowest on the \$1,500 plan UNLESS you exceed \$6,000 in family medical expenses (in which case the \$500 Plan is best).

In the past two years on these plan designs, only 4.5% of City plan participants reached their out-of-pocket maximum each year.



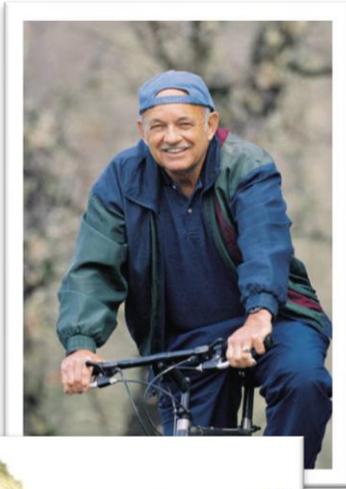
Wellness Works!

AON Hewitt

Why is Wellness So Important?

Optimal wellness makes it easier for individuals to do what is really important in their lives.

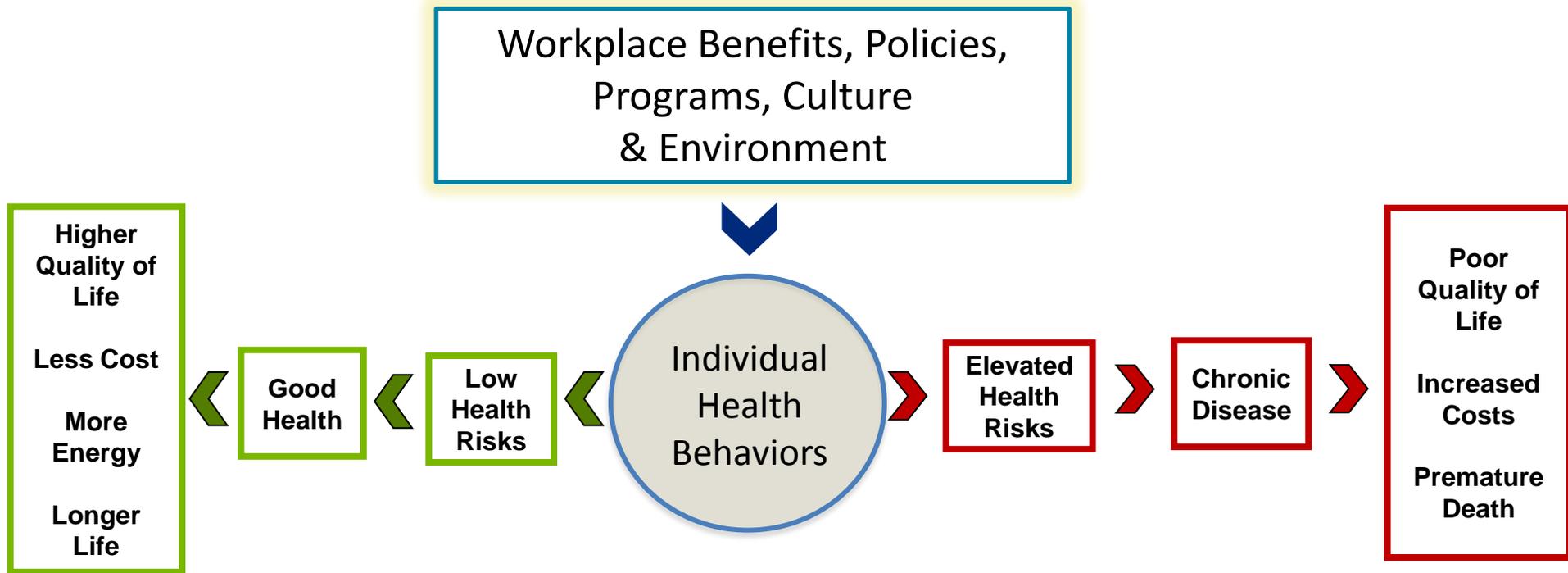
- Family
- Job
- Community
- Ambitions



“Wellness is the fuel for prosperity.”

Dr. James Hill, Anschutz Health and Wellness Center

Wellness, Behaviors and The Workplace



Behaviors Impact on Health and Costs



1. Diabetes
2. Coronary Artery Disease (CAD)
3. Hypertension
4. Back Pain
5. Obesity
6. Cancer
7. Asthma

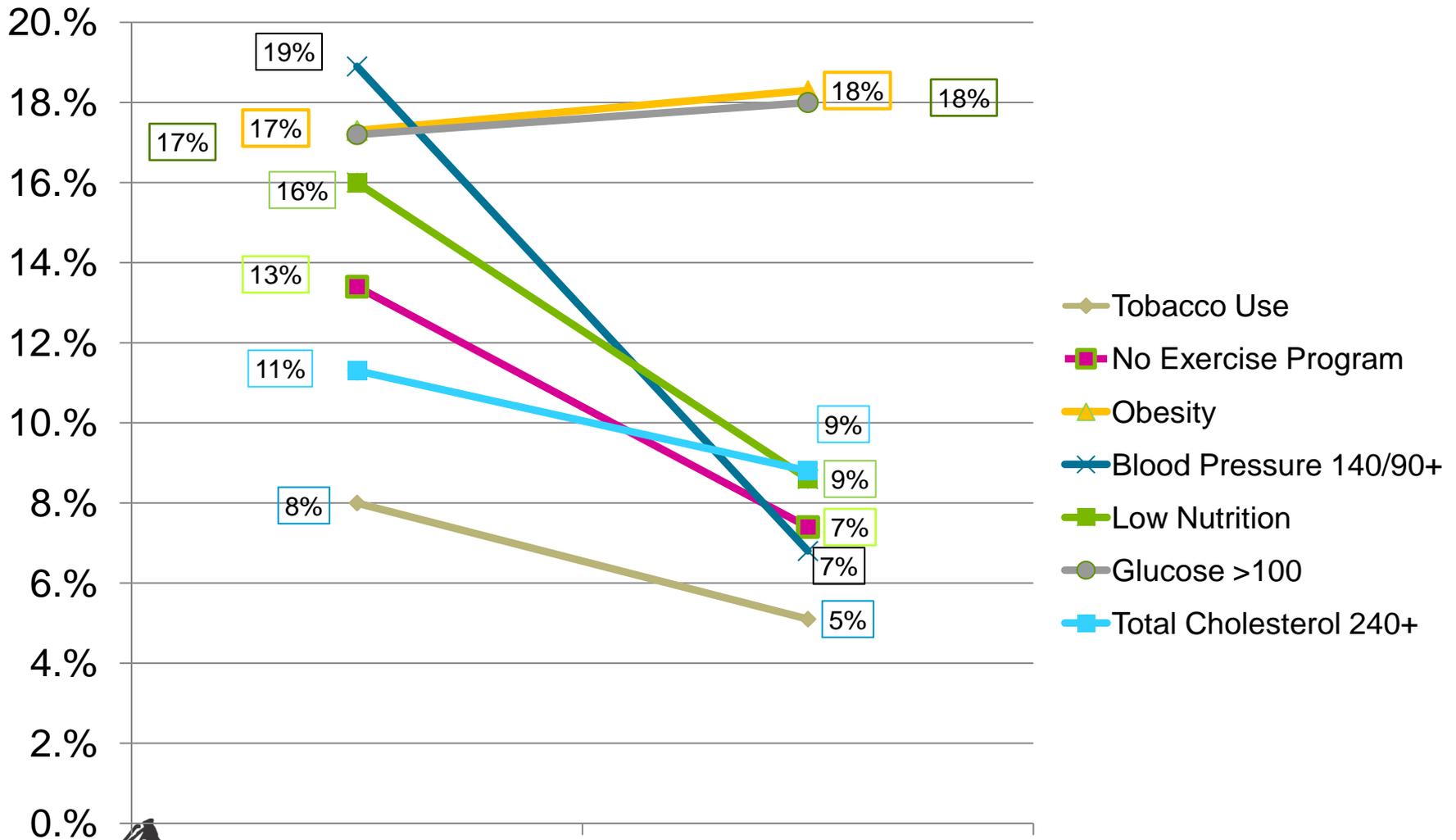
drive **15** chronic conditions

8. Arthritis
9. Allergies
10. Sinusitis
11. Depression
12. Congestive Heart Failure (CHF)
13. Chronic Obstructive Pulmonary Disease (COPD)
14. Chronic Kidney Disease (CKD)
15. High Cholesterol

account for
80%
of total costs
for all chronic
illnesses
worldwide

Source: 2010 World Economic Forum

City's High Risk Status: 5 Year Repeats

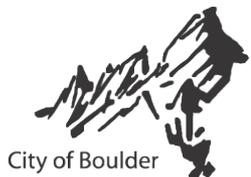


N=463

City's Repeat Personal Wellness Scores – 5 Years

The Wellness Score is based on a number of lifestyle & clinical indicators under these major areas:

- ✓ *Coronary Risk*
- ✓ *Cancer Risk*
- ✓ *Nutrition Status*
- ✓ *Fitness Status*
- ✓ *Stress Status*
- ✓ *Substance Use*
- ✓ *Safety Status*

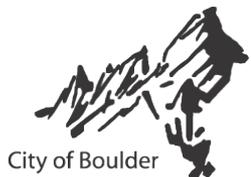
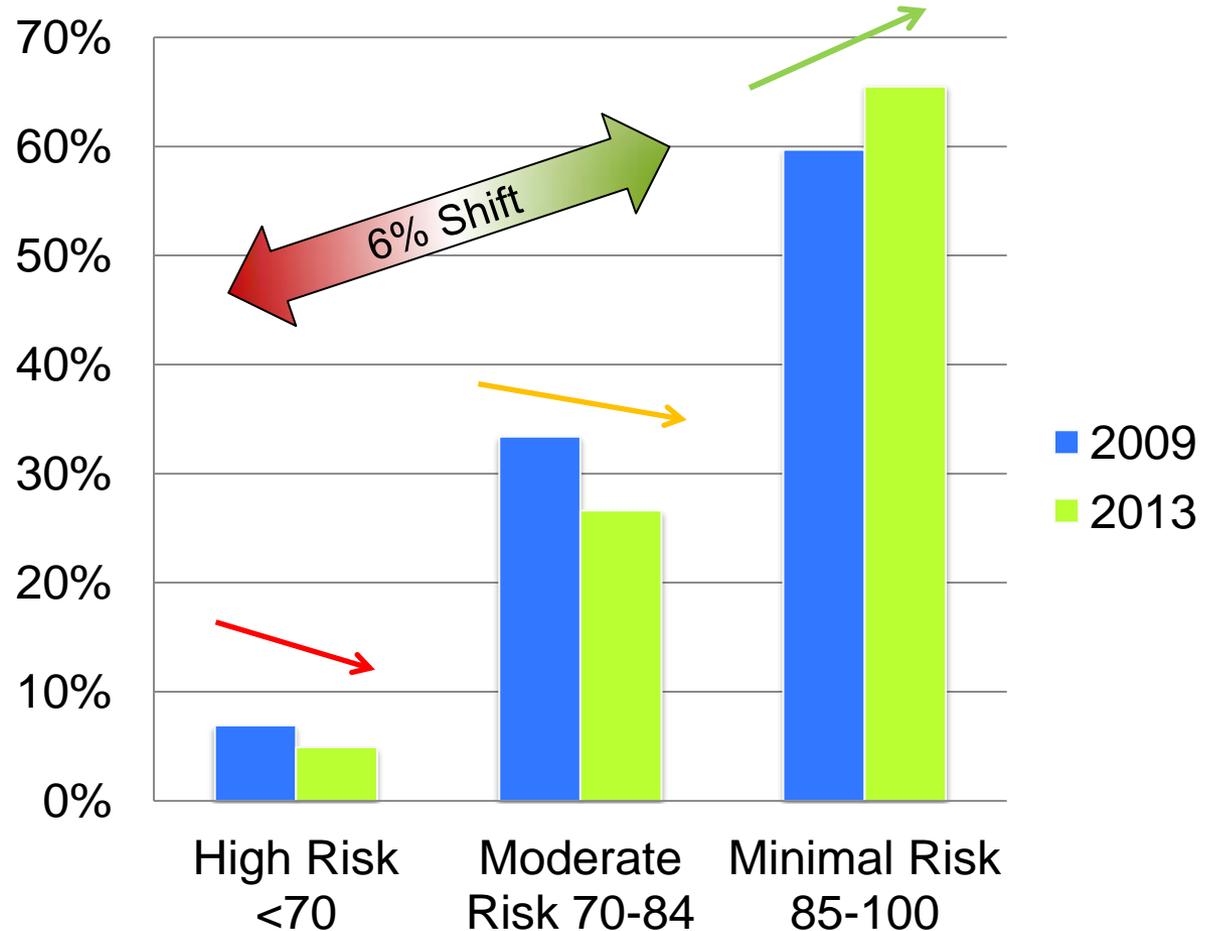


N= 419

City's Repeat Health Scores – 5 Years

The Health Score is a 100-point clinical only score based on:

- ✓ *Body Mass*
- ✓ *Systolic Blood Pressure*
- ✓ *Diastolic Blood Pressure*
- ✓ *HDL Cholesterol*
- ✓ *LDL Cholesterol*
- ✓ *Triglycerides*
- ✓ *Glucose*
- ✓ *Nicotine*



N= 409

2014-15 Enrollment: Action & Reward

- Complete the health questionnaire ***and*** attend a health screening you will earn:
 - **A credit toward your share of the health insurance premium, if you enroll in the city health coverage**
 - This credit is \$15 per month for the \$500 or \$1,000 deductible plans and \$30 per month for the \$1,500 deductible plan
 - **A taxable City of Boulder Recreation Pass for the 2015 calendar year**

2014-15 Enrollment *Began September 16*



Why SimplyWell?

About Us

News

Contact Us

LOG IN



Providing Integrated Health Solutions

We build well-integrated health solutions and objective medical foundations.

Current Users

Log in Here!

Please enter your User ID and Password and select the Log in button to continue.

User ID:

Password:

Log in

[Forgot your User ID or Password?](#)

First Time Users

Register Now!

Welcome to SimplyWell. It's easy to register! Just click on the Register Now button below and follow the instructions.

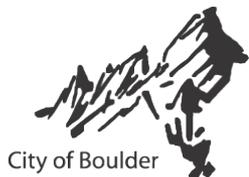
Note: to register for SimplyWell, you must be referred by your employer.

[Register Now](#)

Returning users start here.

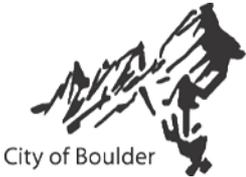


*** Your User ID is COB plus your 6-digit employee ID number! (e.g. COB012345)**





Information Resources



How to Access the Tool

myuhc.com®

UnitedHealthcare®

[Message Center](#) : [Account Settings](#) : [Print](#) : [Help](#) : [Contact Us](#) : [Feedback](#) : [Sign Out](#)

[Home](#) [Claims & Accounts](#) [Physicians & Facilities](#) [Pharmacies & Prescriptions](#) [Benefits & Coverage](#) [Personal Health Record](#) [Health & Wellness](#)

Hello, Chrisdemo

My Coverage: Active 01/01/08
[More Details](#)

Plan Name: Choice Plus

Group/Acct#: 111111

Member ID: 7891234567

Plan Details

[Account Balances](#)

[Benefit Details](#)

Deductible

\$1,000 individual
\$3,000 family

Out-of-Pocket Max

\$3,000 individual
\$9,000 family

myClaims Manager

Managing your claims just got easier – now with online bill payment.

[Learn More](#)

Your Responsibility	\$1,249.00
- HRA paid to provider	\$138.00
- Paid via this website	\$10.00
You Owe	\$1,101.00

[Make Payment](#)

1 2 3 4 5

What would you like to do today?

- [Manage My Claims](#)
- [View Online Statement](#)
- [Look up My Benefits](#)
- [+/- View Account Balances](#)
- [Find a Doctor](#)
- [Print an ID Card](#)
- [Manage My Prescriptions](#)
- [Health Assessment](#)
- [Estimate Health Care Costs](#)
- [Extra Programs & Discounts](#)
- [Look Up Health Topics](#)



Information Center

- [Important Information About Appeal Rights](#)
- [Possible delay in processing of FSA, HRA and Dependent Care Claims](#)

[View All](#)

Related Web Sites

- [African American Health](#)
- [Source4Women](#)

Ask a Nurse

[Emergency? Dial 911](#)



Information Resources

- See the **Frequently Asked Questions** documents
 - Specialty additional FAQs on Domestic Partners, PERA, and FSAs
- Visit **myuhc.com** to search for network providers, research the cost of services, or see your previous claims
- Contact **Nurseline/Care 24** anytime of day for health questions **888-887-4114**
- Review the **Benefits Guide**
(www.bouldercolorado.gov/benefits)

Information Resources

- Contact **Advocacy** for any questions about the plans
 - You have access to Aon Hewitt’s Advocates which will provide one-on-one support on all benefits issues
 - This service is free to you, your immediate family, and even your parents or in-laws
 - Advocacy is available all throughout the year, not just during open enrollment
 - They can help you with:
 - Claim resolution
 - Questions about how your plans work
 - Finding an in-network provider
 - Searching for the best pharmacy for your prescriptions

The phone number for Advocacy is **(866) 279-0495**



Open Enrollment



Open Enrollment

- Consider your medical plan options
- Consider making an additional HSA, FSA or Dependent Care contribution, depending on the plan you select
- Register for a health screening on SimplyWell
- Attend a health screening and benefits enrollment help session
- All employees are required to complete benefits enrollment for 2015 online from October 1 through October 24
- Keep in mind that if you opened an HSA in 2014 all of the funds remaining in your account will rollover to 2015 and you will still receive a new city contribution in 2015 if you remain enrolled in that plan

Open Enrollment – 2014 Screenings, Help Sessions, & Flu Shots

	Benefits Vendors	Benefits Enrollment Help	Wellness Enrollment Help (HRQ)	Wellness Screening	Flu Shots	Time	Location
Weds, Oct. 1	✓	✓	✓	✓	✓	6:30-10:30 am	HealthFair - East Bldr Community Ctr
Thurs, Oct. 2		✓	✓	✓	✓	6:30-8:30 am	City Yards - Public Works
Tues, Oct. 7		✓	✓	✓	✓	6:30-9:30 am	Municipal Building - Council Chambers
Weds, Oct. 8		✓	✓	✓	✓	6:30-9:30 am	OSMP Annex
Thurs, Oct. 9		✓	✓	✓	✓	6:30-9:30 am	Public Safety Building (PSB) - East
Tues, Oct. 14		✓	✓	✓	✓	6:30-9:30 am	Municipal Building - Council Chambers
Tues, Oct. 14		✓	✓	✓	✓	1:00-3:00 pm	Public Safety Building (PSB) - East
Weds, Oct. 15		✓	✓	✓	✓	6:30-8:30 am	City Yards - Public Works
Fri, Oct. 17		✓	✓	✓	✓	6:30-9:30 am	Municipal Building - Council Chambers
Tues, Oct. 21		✓	✓	✓	✓	6:30-9:30 am	Municipal Building - Council Chambers
Fri, Oct. 24		✓	✓	✓	✓	6:30-9:30 am	Municipal Building - Council Chambers

