



Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS™

Health Plan Options 2017 Annual Enrollment Meetings

TUESDAY, NOVEMBER 15, 2016

WEDNESDAY, NOVEMBER 16, 2016



KNOX
COLLEGE

Agenda

- What you need to know
 - Overview of what's new for 2017
 - New insurance plans and networks
 - **BlueCross and BlueShield of Illinois for Medical and Dental**
 - **Vision Service Plan for Vision**
 - No changes to payroll deductions or Knox Health Savings Account (HSA) contributions
 - Closer look at medical plan options
- What you need to do
 - Decisions you need to make
 - How and when to enroll

Annual Open Enrollment 2017
Now through December 15, 2016

Things to Consider During Open Enrollment

- Add, change or drop benefits
- Change your coverage option (from individual to family coverage, for example)
- Add eligible dependent children up to age 26 (married or single)
- Only other opportunity during 2017 will be for a qualifying life event

Annual Enrollment is also a good time to review and update your beneficiary designations for life insurance

Why is Knox College Making Benefit Plan Changes?

- Improve service for Knox College health plan participants and their families
- Medical and dental claims administered by BlueCross and BlueShield of Illinois (BCBSIL)
- BCBSIL has nationwide medical and dental PPO networks
- VSP is the largest vision benefit provider in the U.S.
- Increased resources to help employees navigate providers and find cost effective care
- Changes helped Knox maintain current payroll deductions for 2017

Transitioning into 2017

- All medical, dental, and vision treatment received in 2016 will continue to be submitted to BAS through December 31, 2017
- Beginning January, 1st 2017
 - BlueCross BlueShield of IL (BCBSIL)
 - Medical and Dental Coverage
 - Vision Service Plan (VSP)
 - Vision Coverage

Transition of Care

For individuals or covered dependents who will be in the middle of medical care on January 1, 2017 with a provider who is not part of the BCBSIL network.

If approved, benefits would be paid at the in-network level for specified period of time.

- Receiving **cancer** treatment/therapies
- Being treated for a **terminal illness**
- In third trimester of **pregnancy**
- In **cardiac rehabilitation**

- Submit Transition of Care form **prior to** effective date. You will receive a decision by U.S. mail.
- *Completion of the form is not a guarantee of coverage.*

2017 Network Changes

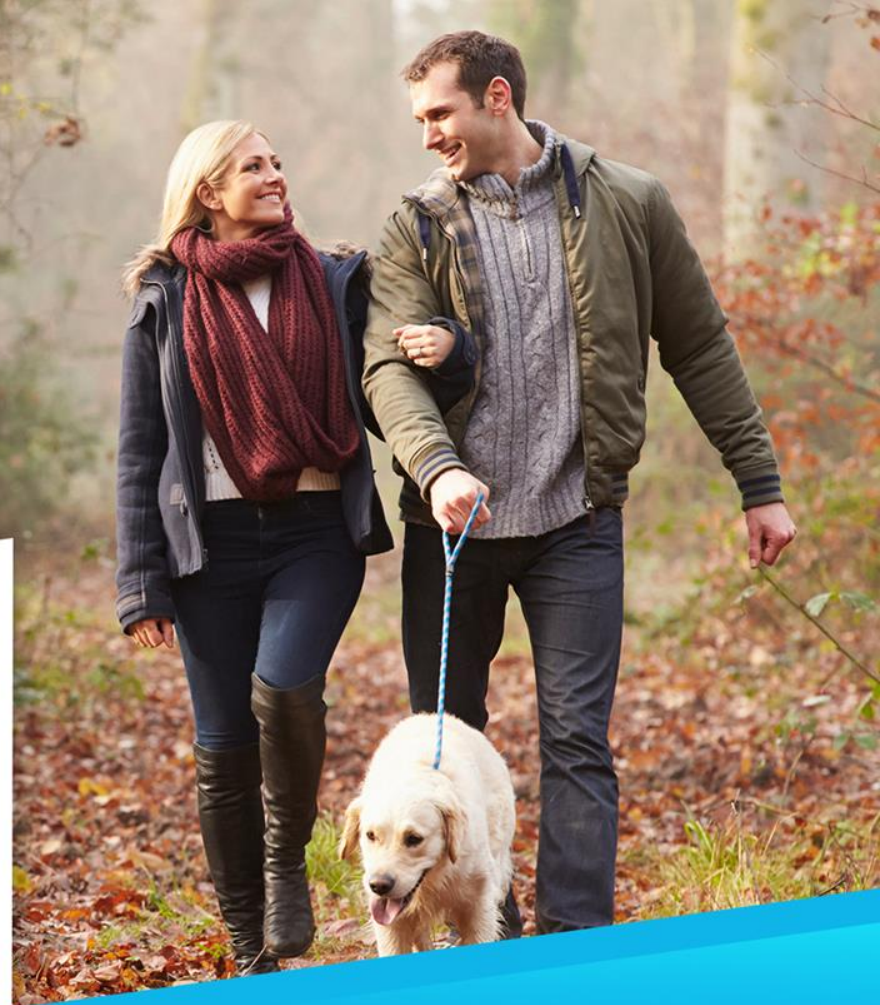
- Galesburg Cottage Hospital
 - Please note that Cottage Hospital is *not* in the BCBSIL network.
 - However, many Cottage doctors (other than emergency service physicians) are in-network.
 - Through an agreement with Knox College, Cottage Hospital has agreed to waive the difference in costs between in-network and out-of-network benefits.
- St. Mary's Hospital is in the BCBSIL network
- OSF St. Francis Medical Center is also in the BCBSIL network
- UnityPoint – Proctor Hospital is in the BCBSIL network

Emergency Care – In the event of an emergency, it's important to get care at the hospital closest to you. BCBSIL has a nationwide network of ER hospitals, but you do not need prior approval if the ER closest to you is out-of-network.



**BlueCross BlueShield
of Illinois**

Open Enrollment 2017



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A Division of Health Care Service Corporation, a Mutual Legal Reserve Company, an Independent Licensee of the Blue Cross and Blue Shield Association

PPO – How It Works

In-Network Providers

Advantages

- Pay less for care – receive the highest level of benefits
- Protection from billing of amounts over allowed amounts
- No claim forms – provider files claim
- No referrals required
- You do not have to select a PCP
- National BCBS PPO Network

Out-of-Network Providers

Drawbacks

YOU DO HAVE COVERAGE, BUT

- You pay a greater share of the costs
- Lower benefits out-of-network
- You may need to file your own claims
- You may be balance billed for amounts over the allowed amount



Preventive Coverage

What's covered?

- **Recommended routine gender and age-specific preventive care and screenings** – such as physical and ob-gyn exams, mammograms and other cancer screenings, well-child care and immunizations – both facility and professional services
- **Coverage provided in-network at 100% with no copay, no deductible. *Out-of-network benefits may vary.***

IMPORTANT to remember: Lab tests related to a condition such as diabetes or asthma – are not considered preventive and are covered under applicable deductible and coinsurance levels.



Stay Healthy by Getting Regular Check-Ups



What's Preventive, What's Not?

Mammogram example

Preventive

- Jane has a regular preventive mammogram performed in July (in-network)
- (Preventive coverage = 100%, no copay)

Diagnostic

- Jane's mammogram results showed signs of suspicious growths
- Jane is asked to go in for a second mammogram
- **This second mammogram is diagnostic or medical** – not preventive, and subject to deductible and coinsurance

Jane's out-of-pocket expense is based on the discounted PPO cost of the mammogram



Your Benefits

Benefit	PPO Plan	
	In-Network	Out-of-Network
Individual Deductible	\$750	\$1,500
Family Deductible	\$1,500	\$3,000
Individual Out-of-Pocket Max	\$2,750	\$5,500
Family Out-of-Pocket Max	\$6,500	\$13,000
Office Visit	90%*	70%*
Preventive Care	100%	70%*
Inpatient Admission	90%*	70%*
Emergency Room	90%*	
All Other Covered Services	90%*	70%*
Retail Rx – Generic/ Preferred/Non-Preferred	\$10/\$25/\$40	N/A
Mail Order Rx – Generic/Preferred/Non-Preferred	\$20/\$50/\$80	N/A

*After deductible



Benefits Comparison

Benefit	PPO Plan		BlueEdge SM Plan	
	In-Network	Out-of-Network	In-Network	Out-of-Network
Individual Deductible	\$750	\$1,500	\$1,300	\$2,600
Family Deductible	\$1,500	\$3,000	\$2,600	\$5,200
Employer HSA Contribution			\$300 Individ. / \$600 Family	
Individual Out-of-Pocket Max	\$2,750	\$5,500	\$3,300	\$6,600
Family Out-of-Pocket Max	\$6,500	\$13,000	\$7,600	\$15,200
Office Visit	90%*	70%*	90%*	70%*
Preventive Care	100%	70%*	100%	70%*
Inpatient Admission	90%*	70%*	90%*	70%*
Emergency Room	90%*		90%*	
All Other Covered Services	90%*	70%*	90%*	70%*
Retail Rx – Generic/ Preferred/Non-Preferred	\$10/\$25/\$40	N/A	\$10/\$25/\$40*	N/A
Mail Order Rx – Generic/ Preferred/Non-Preferred	\$20/\$50/\$80	N/A	\$20/\$50/\$80*	N/A

*After deductible



How the Health Savings Account Works

The Health Savings Account (HSA) consists of two parts:

1

**High Deductible
Health Plan (HDHP)**

2

**The Health
Savings Account**

HSAs must be used in combination with a qualified High Deductible Health Plan (HDHP) such as the BlueEdge HSASM

With HDHPs:

- A higher annual deductible applies
- Out-of-pocket maximums apply only to covered benefits
- Preventive care benefits may be provided without a deductible



Health Savings Account Eligibility

- **To be an eligible individual and qualify for an HSA you:**

- Must be enrolled in an HSA-compatible High Deductible Health Plan (HDHP)
- May not have other first dollar medical coverage (other types of insurance, accident, disability, etc.)
- May not be claimed as a dependent on another person's tax return
- May not be enrolled in Medicare
 - An individual can be Medicare-eligible and have an HSA. However, once enrolled in Medicare contributions to the HSA account must stop. The individual can keep any funds in the account prior to enrolling in Medicare and use those funds to pay for qualified medical expenses tax-free.

- **HSA Contributions**

The IRS determines the minimum/maximum amounts. The amounts are adjusted annually for inflation. Employee, employer or any other person may make contributions on behalf of an eligible individual.



Maximum HSA Contributions

U.S. Treasury Guidelines

	2016 Maximum HSA Deposit	2017 Maximum HSA Deposit
Single Coverage	\$3,350	\$3,400
Family Coverage	\$6,750	\$6,750
Individuals age 55 and older can make catch-up contributions: \$1,000		

The IRS determines the minimum/maximum amounts. The amounts are adjusted annually for inflation.



Enroll in the CDHP and Realize Tax Savings With a Health Savings Account

- Knox contributes to your PNC Bank HSA for 2017
 - \$300/ Single
 - \$600/E+1 and Family
 - Made on the first payroll in January 2017
- You can contribute additional money on a pre-tax basis through payroll deduction to your PNC HSA account
- You can open an HSA at a bank of your choice and deduct HSA contributions on your tax return



Benefit Plan Options – Your Choice

	Pros	Cons
PPO	<ul style="list-style-type: none">• Full PPO network• No referrals required• Lower deductibles than HSA	<ul style="list-style-type: none">• Highest employee contributions• No tax benefit• No savings or balance possible
HSA	<ul style="list-style-type: none">• Full PPO network• No referrals required• HSA contributions are tax-free• Can accumulate balances• Employee premium contributions are lower than PPO• Once the deductible and out-of-pocket maximums are satisfied, all benefits, including pharmacy are paid at 100%	<ul style="list-style-type: none">• Higher deductible than PPO• The deductible must be met before benefits are available for non-preventive services



Service that Takes You Out of the Middle

Call your BCBS customer service team for:

- Claim questions or status
- Medical benefit coverage questions
- Help with finding network providers
- Membership and eligibility
- Help with navigating online tools
- ID card requests
- Health education and transfer to other health programs
- Transition of care

800-828-3116



The Benefits Value Advisor

- Specially trained customer service champions use proprietary data and leading-edge tools to guide you to take a deeper dive into navigating the health care universe
- Smarter decisions help drive improved quality of care and cost savings for you and your employer



- Real-time access to current cost and quality transparency
- Appointment scheduling
- Clinical decision support tools
- Understanding benefits and how to best use them
- Referrals to clinical staff/programs
- Precertification coordination

Your BCBS ID Cards



Subscriber Name:
FIRSTNAME M. LASTNAME

Identification Number:
ABC111223333

Group Number: **1xx0xxx0**

Plan Code: 621/121

RxBIN: 01552x
Rx PCN: ILDR

PPO Rx



All employees will receive new ID cards

Two medical cards are provided when electing family coverage

You can call Customer Service or log on to Blue Access for MembersSM to order additional or replacement ID cards



Your benefit plan requires that you contact the Preauthorization number one day prior to hospitalization or within two days of an admission for emergency or maternity care. Failure to preauthorize may reduce your benefits.

For questions regarding benefits, membership and claims please call the Customer Service number and select the appropriate prompt.

Medical Providers: Please file all medical claims with your local Blue Cross and Blue Shield Plan.

Customer Service	1-800-xxx-xxxx
BlueCard Access	1-800-xxx-xxxx
Pre-Notify Medical	1-800-xxx-xxxx
Preauthorization (MH/CD)	1-800-xxx-xxxx
Provider Locator	1-800-xxx-xxxx
24/7 Nurseline	1-800-xxx-xxxx
Pharmacy Program	1-800-xxx-xxxx

Blue Cross and Blue Shield of Illinois, an independent licensee of the Blue Cross and Blue Shield Association, provides administrative claims payment services only and does not assume any financial risk or obligation with respect to claims.



2017 Premiums

Plan	Income	Employee & One (Employee and spouse/partner or Employee and one child)		
		Employee Only		Employee & Family
PPO Plan (including Dental/Vision)	Under \$25,000	\$196.00	\$367.00	\$550.00
	\$25,000 - \$49,999	\$198.00	\$371.00	\$555.00
	\$50,000 - \$74,999	\$200.00	\$375.00	\$560.00
	\$75,000 - \$99,999	\$202.00	\$378.00	\$567.00
	\$100,000 +	\$204.00	\$383.00	\$572.00
CDHP Plan (including Dental/Vision)	Under \$25,000	\$155.00	\$283.00	\$429.00
	\$25,000 - \$49,999	\$156.00	\$286.00	\$433.00
	\$50,000 - \$74,999	\$157.00	\$289.00	\$437.00
	\$75,000 - \$99,999	\$159.00	\$291.00	\$442.00
	\$100,000 +	\$160.00	\$295.00	\$446.00
Dental/Vision (excluding Medical)	Under \$25,000	\$10.00	\$17.00	\$26.00
	\$25,000 - \$49,999	\$10.00	\$17.00	\$26.00
	\$50,000 - \$74,999	\$10.00	\$17.00	\$26.00
	\$75,000 - \$99,999	\$10.00	\$17.00	\$27.00
	\$100,000 +	\$10.00	\$18.00	\$27.00

BCBSIL Dental Coverage

Benefit	In-Network	Out-of-Network
Individual Deductible	\$100	\$100
Family Deductible	\$300	\$300
Annual Maximum Benefit	\$1,000	\$1,000
Preventive Care	100%	100%
Basic Services	80%	80%
Major Services	50%	50%
Orthodontia	50%	50%
Lifetime Orthodontia Maximum	\$1,500	\$1,500

- Nationwide network of dentists and specialists
- No penalties for going out of network
- HSA funds can be utilized for out of pocket dental expenses





VSP Vision Care

Value and Savings – You'll enjoy more value and the lowest out of pocket costs

High quality Vision Care – You'll get the best care from a VSP provider including a WellVision Exam

Choice of Providers – The decision is yours to make, choose a VSP doctor, a participating retail chain, or an out-of-network provider

Great Eyewear – It's easy to find the perfect frame at a price that fits your budget



Vision Plan

In-Network Benefits

Benefit	Description	Copay	Frequency
Vision Exam	Routine eye exam	\$10	Every calendar year
Glasses		\$10	See frame and lenses
• Frame	\$150 allowance \$170 allowance on featured brands	Included in glasses copay	Every other calendar year
• Lenses	Single, bifocal and trifocal	Included in glasses copay	Every calendar year
• Lens Enhancements	Standard, premium, and custom progressives	\$55 \$95-105 \$150-\$175	Every calendar year
Contacts (instead of glasses)	\$130 allowance	Up to \$60	Every calendar year

Visit www.VSP.com



Vision Plan

Out-of-Network Benefits

Benefit	Allowance
Vision Exam	Up to \$45
Frame	Up to \$70
Single Vision Lenses	Up to \$30
Lined Bifocal Lenses	Up to \$50
Lined Trifocal Lenses	Up to \$65
Progressive Lenses	Up to \$50
Contacts	Up to \$105

Visit www.VSP.com



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How to Enroll for 2017



How to Enroll

- If you wish to enroll in the medical, dental, and vision plans effective January 1, 2017
 - *Complete the Knox College Group Enrollment Form / Change Form, returning it to Jamie Ball, Human Resources Department by December 15, 2016*



Choices & Resources

Each Knox College employee should consider his or her unique set of needs and circumstances to determine the best plan choice for 2017 based on those needs and circumstances.

We will continue to be available and happy to assist you in finding the tools and resources you need to make the best choice for you.

Where to find additional resources to help you make the best choice:

<http://www.knox.edu/offices/human-resources/resources-and-links>



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