Office of Human Resources
Benefits Department

FY 14 Benefits Overview

Please refer to Summary Guide to Benefits, the Benefits Web site, the Open Enrollment Web site and applicable documentation for details.
Overview

• Benefits Offered by the University – In Brief
  – Medical Plans
    • Panther Gold – HMO
      – Most popular
      – 90% of faculty and staff elect it
      – HMO plan design
        » Rich in-network benefits
        » No deductible and no coinsurance
        » No out-of-network benefits
    • Three PPO plan options
      – Panther Premier, Plus, and Basic
        » All have different levels of deductibles and co-insurance
Overview

• Dental Plans
  – Options
    • Two traditional indemnity plans (Flex I and Flex II)
    • One Dental Health Maintenance Organization (DHMO)
      – Very popular – Nearly 7000 members elect
      – Predominant provider is the University Dental Health Services

• Vision
  – Options
    • Fashion Plan
    • Gold Plan
Overview

• **Life Insurance**
  – University-paid Life and AD&D
  – Optional employee-paid Life and AD&D
  – Optional employee-paid Dependent Care Coverage

• **Long-term Care**
  – Group offering of individualized coverage
  – Employees should be encouraged to consider when it is first offered since a statement of health form is not required at that time only
Overview

• **Flexible Spending Accounts**
  – What is Offered
    • Health Care
    • Dependent Care
    • Parking
    • Mass Transportation
  – Why elect it?
    • Has the effect of reducing your taxable income
FY14 Renewal
FY14 Benefits Program

- Contributors to Increased Costs
  - Higher cost of claims
  - Greater utilization of services
  - Increased enrollment
  - Health care reform
FY14 Benefits Program

• Information about the Renewal Process
  – Claims experience is under constant review
  – Future premiums are based on:
    • Prior claims history
    • Projecting ahead for the next 18-20 months with medical inflation
FY14 Benefits Program

• Issues and Options
  – Issues:
    • University does not have additional revenue to cover the cost of the increase
    • Employees would not welcome a large deduction from their paycheck
    • Need to strike a balance
FY14 Benefits Program

- **Medical Advisory Committee and its Important Role**
  - Consists of members from faculty and staff
  - Part of commitment to shared governance
  - Benefits Department and an outside consultant present survey data, claims utilization information, and issues to consider
  - Consensus is sought with the goal of taking some of the expense out of the program to keep it affordable for members and the University
FY14 Benefits Program

- **Current Cost of Medical Coverage**: $112M/yr.
- **Initial Projected Cost of Medical Coverage**: $125M/yr.
- **Final Renewal Cost**: $118M/yr.
  - $2,270,000 per week
  - $324,000 per day
  - $13,507 per hour

- **University is self-insured**
  - Pays claims once per week plus an administrative fee of roughly $500,000 each month
FY14 Benefits Program

- Final Outcome
  - Modest increase in monthly premiums
  - Reduced percent increase from 11.3% to 6.1%
  - Reduced cost increase from $13M to $6.8M ($6.2M reduction)
  - Implementation of broad based increases in co-payments
# FY14 Benefits Program
## Rates – Panther Gold

<table>
<thead>
<tr>
<th>Tier Level</th>
<th>Total Rate</th>
<th>University Contribution</th>
<th>Employee Contribution</th>
<th>Prior Employee Contribution</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>$455</td>
<td>$385</td>
<td>$70</td>
<td>$63</td>
<td>$7</td>
</tr>
<tr>
<td>Parent &amp; Child(ren)</td>
<td>$1,006</td>
<td>$842</td>
<td>$164</td>
<td>$156</td>
<td>$8</td>
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<tr>
<td>Two Adults</td>
<td>$1,138</td>
<td>$901</td>
<td>$237</td>
<td>$229</td>
<td>$8</td>
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<tr>
<td>Family</td>
<td>$1,259</td>
<td>$934</td>
<td>$325</td>
<td>$317</td>
<td>$8</td>
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## FY14 Benefits Program
### Plan Design Changes – Panther Gold

<table>
<thead>
<tr>
<th>Service</th>
<th>Current</th>
<th>New</th>
<th>Change</th>
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</thead>
<tbody>
<tr>
<td>PCP Office Visit</td>
<td>$20</td>
<td>$25</td>
<td>$5</td>
</tr>
<tr>
<td>Specialist Office Visit</td>
<td>$35</td>
<td>$40</td>
<td>$5</td>
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<tr>
<td>Outpatient Behavioral Health</td>
<td>$20</td>
<td>$25</td>
<td>$5</td>
</tr>
<tr>
<td>Urgent Care</td>
<td>$40</td>
<td>$60</td>
<td>$20</td>
</tr>
<tr>
<td>Emergency Room</td>
<td>$80/$40</td>
<td>$125/$75</td>
<td>$45/$35</td>
</tr>
<tr>
<td>Outpatient Facility</td>
<td>$100</td>
<td>$200</td>
<td>$100</td>
</tr>
<tr>
<td>Inpatient Facility</td>
<td>$300</td>
<td>$500</td>
<td>$200</td>
</tr>
<tr>
<td>Basic Diagnostics</td>
<td>$5</td>
<td>$20</td>
<td>$15</td>
</tr>
<tr>
<td>High Tech Diagnostics</td>
<td>$25</td>
<td>$80</td>
<td>$55</td>
</tr>
<tr>
<td>Retail Rx</td>
<td>$12/$36/$72/$80</td>
<td>$14/$40/$80/$90</td>
<td>$2/$4/$8/$10</td>
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<tr>
<td>Therapy</td>
<td>$10</td>
<td>$25</td>
<td>$15</td>
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</table>
### FY14 Benefits Program
#### Changes – PPO

<table>
<thead>
<tr>
<th>Plan</th>
<th>Current</th>
<th>FY14</th>
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<tbody>
<tr>
<td><strong>Panther Premier</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost Share</td>
<td>80/20</td>
<td>80/20</td>
</tr>
<tr>
<td>Deductible</td>
<td>$250/$500</td>
<td>$500/$1,000</td>
</tr>
<tr>
<td>Out-of-Pocket Maximum</td>
<td>$750/$1,000</td>
<td>$1,500/$3,000*</td>
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<tr>
<td><strong>Panther Plus</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost Share</td>
<td>80/20</td>
<td>80/20</td>
</tr>
<tr>
<td>Deductible</td>
<td>$400/$800</td>
<td>$750/$1,500</td>
</tr>
<tr>
<td>Out-of-Pocket Maximum</td>
<td>$1,200/$2,400</td>
<td>$2,250/$4,500*</td>
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* OOP Maximum will include deductible
Introducing
Panther Advocate

“The plan of the future”
FY14 Benefits Program

• Panther Advocate
  – A medical plan design similar to other PPOs

  – Differences
    • Deductible that can be reduced by completing healthy lifestyle activities
      – Plan has a $750 individual deductible that can be reduced to $250
      – Plan has a $1,500 family deductible that can be reduced to $500
    • By completing healthy lifestyle activities credits are placed in a Health Incentive Account (HIA)
FY14 Benefits Program

• Panther Advocate
  – Healthy Lifestyle Activities
    • Year 1 is a focus on gathering baseline data (examples)
      – Completion of biometric screenings $50
      – Completion of health risk assessments $100/$50
      – Participation in health coaching $50/$150
      – Preventive Screenings $100
      – Immunizations $50

• Year 2 and beyond will include “outcomes based” incentives
  – Incentives for reductions in BMI
FY14 Benefits Program

- **Panther Advocate**
  - It is possible to have the credits from your HIA cover the cost of services before you start paying out-of-pocket expenses
  - PPO programs in general make for wiser health care consumers
    - Greater awareness of costs
  - For the wise consumer, Panther Advocate may be the most cost effective program
    - Consider monthly premiums and co-payments.
    - Understand your healthcare costs
FY14 Benefits Program

- **Becoming a Smarter Consumer**
  - View UPMC MyHealth Online
    - Go to my.pitt.edu
    - Logon
    - Click on “My Resources” from the top menu
    - Select UPMC Health Plan from the drop down menu
    - Click on “MyHealth”

- **Health Traks**
- **Phone apps are coming!**
Next Steps
Calendar

- Packets were mailed on or around April 25
- Open enrollment runs through May 22
- Benefit Fairs will be conducted for Oakland and Regional Campuses
- Additional meetings will be offered to promote the Panther Advocate plan design
# FY14 Benefits Program
## Open Enrollment Meetings

<table>
<thead>
<tr>
<th>Date</th>
<th>Day</th>
<th>Location</th>
<th>Room</th>
<th>Time</th>
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</thead>
<tbody>
<tr>
<td>April 30</td>
<td>Tuesday</td>
<td>WPU</td>
<td>Lower Lounge</td>
<td>11:30am–1:30pm</td>
</tr>
<tr>
<td>May 1</td>
<td>Wednesday</td>
<td>WPU</td>
<td>Lower Lounge</td>
<td>11:30am–1:30pm</td>
</tr>
<tr>
<td>May 2</td>
<td>Thursday</td>
<td>Scaife Hall</td>
<td>1103 ABC</td>
<td>11:30am–1:30pm</td>
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<tr>
<td>May 3</td>
<td>Friday</td>
<td>Johnstown</td>
<td>Cambria Room</td>
<td>11:00am–1:00pm</td>
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<tr>
<td>May 7</td>
<td>Tuesday</td>
<td>Greensburg</td>
<td>Village Hall</td>
<td>11:00am–1:00pm</td>
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<tr>
<td>May 9</td>
<td>Thursday</td>
<td>Bradford</td>
<td>Mukaiyama University Room</td>
<td>11:00am–1:00pm</td>
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<td>May 10</td>
<td>Friday</td>
<td>Titusville</td>
<td>Student Union Lobby</td>
<td>11:00am–1:00pm</td>
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## FY14 Benefits Program
### Panther Advocate – Wellness Meetings

<table>
<thead>
<tr>
<th>Date</th>
<th>Day</th>
<th>Location</th>
<th>Room</th>
<th>Time</th>
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<tbody>
<tr>
<td>May 6</td>
<td>Monday</td>
<td>Posvar</td>
<td>1500</td>
<td>12:10 pm – 12:50 pm</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1:10 pm – 1:50 pm</td>
</tr>
<tr>
<td>May 14</td>
<td>Tuesday</td>
<td>WPU</td>
<td>548</td>
<td>12:10 pm – 12:50 pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
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<td>1:10 pm – 1:50 pm</td>
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<tr>
<td>May 15</td>
<td>Wednesday</td>
<td>Craig Hall</td>
<td>342</td>
<td>1:10 pm – 1:50 pm</td>
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<td></td>
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<tr>
<td>May 16</td>
<td>Thursday</td>
<td>Scaife Hall</td>
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<td></td>
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<td>1:10 pm – 1:50 pm</td>
</tr>
<tr>
<td>May 20</td>
<td>Monday</td>
<td>WPU</td>
<td>548</td>
<td>12:10 pm – 12:50 pm</td>
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<td></td>
<td></td>
<td></td>
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<td>1:10 pm – 1:50 pm</td>
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