



2020 OPEN ENROLLMENT

NOVEMBER 15th to DECEMBER 16th 2019

- ✓ **ENROLLMENT DEADLINE:** You **MUST** enroll no later than 4:30 pm on December 16, 2019. All legal documents and other required documents must be turned in to Stacey Cockcroft at the District Office by the deadline as well.
- ✓ **TRADITIONAL PLAN ENROLLEES:** You **MUST** make a plan selection during this time as the Traditional Plan terminates on 12/31/2019 per your new Collective Bargaining Agreement. If you fail to make a plan selection, you will be enrolled on the HRA Plan.
- ✓ **HDHP HRA ENROLLEES - NO CHANGES?** **No action is required from you; your current enrollment in the HRA Plan will remain the same.**
- ✓ Enrollment forms are included in this packet and will also be available online at <http://www.kpbsd.k12.ak.us/employees.aspx?id=5232>.
- ✓ All changes made during Open Enrollment will be effective **January 1, 2020**.

YOUR MEDICAL OPTIONS

Choice of Two High Deductible Plans:

MEDICAL BENEFITS	*NEW* HSA PLAN	HRA PLAN
Annual Medical Deductible Individual Family	\$1,500 **\$3,000 <i>**Aggregate Family Deductible applies to any policy with more than one enrollee per IRS regulations – individual deductible will not apply.</i>	\$1,500 \$3,000
Out-of-Pocket Maximum (Not including deductible) Individual Family	\$2,000 \$4,000	
HSA / HRA CREDITS	\$800 / fiscal year <i>Upon switching from the Traditional Plan to the HRA/HSA, \$400 will be credited on January 1st for January – June 2020. Another \$800 will be credited on July 1st for the period July 2020 – June 2021. For current HDHP enrollees, you will receive an additional \$50 on 1/1/2020</i>	
Reimbursement Percentage after Deductible	Plan pays 80% of allowable charges for most services; Plan pays 60% for Non-PPO facility charges	
Preventive Care as required by the ACA	Plan pays 100% of allowable charge – not subject to Deductible	
Prescriptions	Subject to Major Medical Deductible – once met current Rx copays will apply	Current Rx copays apply – not subject to Major Medical Deductible
Surgery through Bridge Health Program	Deductible must be met; coinsurance waived	You pay \$0 - Deductible and coinsurance waived
Teladoc Consultations	\$40 Copay per IRS regulations	You pay \$0 - Deductible and coinsurance waived
Monthly Contribution (Jan – June) Prorated (Jan-May paychecks)	*\$369.67 *\$443.60	

**These amounts are subject to change by the Health Care Plan sub-committee*

HSA PLAN *NEW*

An HSA (Health Savings Account) lets you set aside money to pay for future medical costs through your own tax-deferred contributions. The HSA account will be administered by Rehn & Associates and is regulated by the IRS.

- You may make pre-tax contributions through payroll deductions, which reduces the amount of taxable income
- The money stays in your HSA account from year to year. The HSA is yours to keep even if you leave employment with KPBSD
- KPBSD will contribute \$800 per fiscal year to each HSA account. If you switch from the Traditional Plan to the HSA Plan during Open Enrollment, KPBSD will contribute \$400 to your HSA account on January 1, 2020. If you switch from the HRA Plan to the HSA Plan, you will receive a \$50 credit to your HSA Plan (or a prorated amount if you were not employed at the beginning of the FY20 school year)
- When your HSA balance exceeds \$2,000, you may choose to invest your funds. Rehn & Associates will provide you with those options if you choose to invest
- If you and your Spouse are both KPBSD employees and enrolled on KPBSD Health Plans, you ***MUST BOTH*** choose the same plan type (HRA OR HSA). Per IRS Regulations you may not have one enrolled on the HRA Plan and one enrolled on the HSA Plan

FOR YOU (THE EMPLOYEE) TO BE ELIGIBLE TO OPEN AN HSA, PER IRS REGULATIONS YOU ***MUST***:

- Be enrolled in a qualified high deductible health plan (HDHP)
- NOT be enrolled in a non-HDHP including a spouse's plan, Medicare, Tricare or prescription drug only plan
- NOT be claimed as a dependent on another individual's tax return, other than your spouse's
- NOT have received any health benefits from the Veterans Administration or one of their facilities, including prescription drugs, in the last three months, except for preventive care. If you have a disability rating from the VA, this exclusion does not apply
- NOT have received any health benefits through the Indian Health Services in the last three months
- NOT be enrolled in a General Purpose medical Health Flexible Spending Account (Health FSA) or Health Reimbursement Arrangement (HRA) (your spouse cannot have an FSA or HRA either)

Other restrictions and exceptions may also apply. We recommend that you consult a tax, legal or financial advisor to discuss your personal circumstances that may affect your HSA eligibility. KPBSD cannot consult you about your HSA eligibility.

HSA CONTRIBUTION LIMITS

2020 Calendar Year Maximum Contribution	
Annual Contribution Limit For Employee Only	\$3,550
Annual Contribution Limit for Family	\$7,100
Additional "catch-up" if 55 or older	\$1,000

Remember that your HSA is IRS regulated. IRS Publication 502 provides the detailed list for medical, dental and vision expenses. If you enroll in the HSA plan and you are not eligible, the IRS will penalize you. That issue is between you and the IRS. ***KPBSD is not a tax consultant. If you are unsure of your HSA eligibility, we recommend that you consult a tax, legal or financial advisor to discuss your personal circumstances that may affect your HSA eligibility. KPBSD cannot consult you about your HSA eligibility.***

HRA PLAN

WHAT IS A HEALTH REIMBURSEMENT ARRANGEMENT (HRA)?

An HRA allows KPBSD to set aside funds for you to spend on qualified health care expenses. Money not used in one calendar year will be rolled over from year-to-year. If you switch from the Traditional Plan to the HRA Plan during Open Enrollment, KPBSD will contribute \$400 to your HRA account on January 1, 2020. If you are enrolled in the HRA on July 1st (the first day of the fiscal year), KPBSD will contribute another \$800 to your HRA account.

You may use these funds for you and your dependents who are enrolled in the HDHP. If you terminate KPBSD employment, the funds will be forfeited.

Your HRA funds can be used towards medical, prescription, dental, and vision expenses. The HRA will be administered by Rehn & Associates. A claim form is available to submit for HRA reimbursements.

HOW THE HRA WORKS WITH A HEALTH CARE FLEXIBLE SPENDING ACCOUNT (FSA):

You may have both an HRA and enroll in a Health Care Flexible Spending Account. Expenses are paid from the Health Care FSA first, because that account is “use it or lose it.” A Flexible Spending Account is available to employees through American Fidelity. It is not a part of the health plan. For questions relating to the Flexible Spending Account, please contact Nate Leslie at nate.leslie@americanfidelity.com.

PRESCRIPTION DRUG BENEFITS

Retail & Mail Order Pharmacy (up to a 100 day supply per fill)	*HSA OR HRA PLAN
Generic Copay	\$5
Preferred Brand Copay	\$25
Non-Preferred Brand Copay	\$50
Specialty Copay	\$100 (limited to a 30-day supply)

***Major Medical Deductible for the HSA plan must be met prior to these copays taking effect. \$3,000 Aggregate Family Deductible applies to any HSA policy with more than one enrollee per IRS regulations – individual deductible will not apply for a Family Plan.**

DENTAL AND VISION COVERAGE OPTIONS

DENTAL	HSA OR HRA PLAN
Annual Deductible Individual Family	\$50 \$150
Reimbursement Percentage Preventive Basic Major	Plan pays 100% (not subject to the deductible) Plan pays 100% Plan pays 50%
Calendar Year Benefit Maximum	\$2,500

VISION	HRA OR HSA PLAN
Eye Exam	Plan pays 80%
Frames	Plan pays 80% up to \$100 every two years
Lenses	Plan pays 80%
Contacts	Plan pays 80%

Allowable charges and all plan provisions apply. Please see the Summary Plan Description for more information.

YOU MAY BE ABLE TO DECLINE COVERAGE

- You may decline coverage if you have other health coverage outside of the KPBSD health plan that meets the minimum requirements of the Affordable Care Act (ACA). If you decline coverage, you pay no employee contribution. ***Please start this process early to ensure you are able to obtain the necessary Certificate of Coverage and Summary of Benefits and Coverage (SBC) from your current health plan by the December 16, 2019 deadline.***
- If you are double covered within the KPBSD health plan because you are both a KPBSD employee and a spouse or dependent of a KPBSD employee, you may not decline coverage.
- **DECLINING DENTAL/VISION COVERAGE:** ***You may decline coverage in the dental/vision plan, but your employee contribution amount will not change.*** The dental/vision plan is separate from the medical and prescription plan. If you enroll in medical and prescription coverage, you are automatically enrolled in the dental/vision plan.

HOW DO I ENROLL?

- **STEP 1:**
Review your options. Select the option that is best for you and your family. If you are currently enrolled in the HRA Plan and do not want to make any changes, you do ***not*** need to submit a form. **IF YOU ARE CURRENTLY ENROLLED IN THE TRADITIONAL PLAN YOU MUST SELECT BETWEEN THE HSA & HRA PLAN. IF YOU FAIL TO MAKE A PLAN SELECTION, YOU WILL BE ENROLLED ON THE HRA PLAN.**
- **STEP 2:**
Complete an enrollment form with applicable changes and submit documentation to Stacey Cockroft at the District Office by the 4:30 pm December 16, 2019 deadline. For newly enrolled dependents, legal documentation is required (copy of marriage certificate for spouse and birth certificate for dependent child). The enrollment form is included in this packet. Forms are also available online at:
<http://www.kpbsd.k12.ak.us/employees.aspx?id=5232>
- **STEP 3:**
If you are selecting the new HSA Plan, you must also complete an HSA enrollment form and submit to Stacey Cockroft at the District Office by the 4:30 pm December 16, 2019 deadline. Rehn requires you to return pages 1, 2 & 6. This packet is attached to the Open Enrollment email.

FOR MORE INFORMATION:

- Go to our website: <http://www.kpbsd.k12.ak.us/employees.aspx?id=5232>
All documents and forms will be posted on the website.
- **QUESTIONS?** Contact Stacey Cockroft, Employee Benefits Manager, at 907-714-8879 or scockroft@kpbsd.k12.ak.us.

