YOUR UC MEDICAL PLANS
AN OVERVIEW FOR ACTIVE EMPLOYEES

Presented by Guerren Solbach

UC Davis Health Care Facilitator Program
Agenda

- Your options
- Pre-paid medical plans
  - Medical/Mental Health/Rx
- PPO insurance plans
  - Medical/Mental Health/Rx
- Conclusion
UC Medical Plan Overview

YOUR OPTIONS
Your options

UC offers:

- HMO plans (3)
- PPO plans (3)

Availability determined by zip code

- Medical Plan Chooser
- http://ucnet.universityofcalifornia.edu/oe
Pre-paid medical plans

- Health Maintenance Organizations
  - Health Net Blue & Gold
  - Kaiser Permanente
  - Western Health Advantage
Other medical insurance plans

- **Preferred Provider Organizations**
  - Blue Shield Health Savings PPO
  - Core Medical (administered by Blue Shield of CA)
  - UC Care PPO (administered by Blue Shield of CA)
Changing plans

- Changes effective January 1, 2016
Changing plans

- Move outside plan service area
- Acquire a newly eligible family member
- Involuntary loss of other coverage
About UC plans

- No pre-existing conditions exclusions
- No UC-sponsored double coverage
- Primary vs. secondary insurance
  - Employees’ plans are primary for themselves
  - Birthday rule
About UC plans

- Preventive care generally provided at no cost
- Medical benefits often separate from Mental Health benefits and Pharmacy benefits
- For details, see Plan Booklets (Evidence of Coverage)
  - http://ucnet.universityofcalifornia.edu
About HMOs

- The insurance company prepays a monthly per capita rate (called capitation) to each Medical Group.
- Your Primary Medical Group is responsible for your care for that month.
- You choose a Primary Care Physician (PCP) who acts as your gatekeeper to care through the Medical Group (to change PCPs, just call plan).
  - Exception: emergencies call 911 & let PCP know ASAP.
  - PCP must be within 30 miles of home/work/school.
Advantages of HMOs 😊

- Lower monthly premiums
- Low, predictable copayments
- No deductibles/coinsurance
- Encourages relationship with PCP
Limits of HMOs 😞

- Service area limited to certain urban CA zip codes
- Must select PCP from the network of medical groups
- Most specialty care must be referred by PCP
  - Preauthorization process required
- Must use your Medical Group’s network of specialists/hospitals/labs
- May need to get permission from PCP’s office before using Urgent Care Center
HMO cost sharing: Copayments

- Physician office visit: $20
- ER: $75
- Outpatient surgery: $100
- Inpatient hospitalization: $250
HMO $R_x$

- **Generic:** $5/30$-day supply
- **Brand name:** $25/30$-day supply
- **Non-formulary:** $40/30$-day supply
  - (does not apply to Kaiser)
- Some meds require prior authorization
HMO $R_x$ – 90 day supplies

- UC pharmacies:
  - 90-day supplies for 2 copays
  - Does not apply to Kaiser

- Certain other local pharmacies:
  - Health Net Blue & Gold: local CVS pharmacies
  - WHA: local Costco, CVS, Walgreens, and others

- Mail-order:
  - 90-day supplies for 2 copays
  - Kaiser: 100-day supplies for 2 copays
HMOs: Limit on Copays

- Out-of-Pocket Limit: $1,000
  - Per person, per calendar year ($3,000 for family of 3+)
  - Kaiser: $1,500 per person ($3,000 for family of 2+)
  - Includes copayments for mental health and Rx
HMO mental health

Coverage “carved out” to Optum
(United Behavioral Health)

- Call Optum directly for service
- http://www.liveandworkwell.com
  - Provider search: use Access Code 11280
Outpatient mental health benefits:
- First 3 visits free
- Visits 4+: $20

Inpatient mental health benefits:
- $250 per admission

Out-of-Pocket Limit combined with medical and Rx expenses:
- Exception: Kaiser
Optum HMO benefits

- Substance abuse benefits also available
- Prior authorization required for “non-routine” treatments
  - Outpatient therapy sessions longer than 50 minutes
Blue & Gold HMO

- Large provider network, available across urban CA
- Decision Power
  - Track your health issues/knowledge base
  - Health coach (nurse, respiratory therapist, dietician)
  - 24-hour nurse line, case managers
- UC-dedicated Customer Service
WellRewards discount programs
- Massage therapy, fitness centers
- Vitamins, books, videos, weight loss programs, etc.

Disease Management programs

New for *Quit for Life* program: Smoking cessation phone based behavioral coaching

Telehealth no copay consults 24/7 through MDLive
Blue & Gold HMO

- Chiropractic/acupuncture
  - 24 visits/person/year combined for $20 copayment; self-refer to American Specialty
- Online tools include a mobile app
- Allergy shots $20
- Pharmacy Benefit Manager: CVS/Caremark

*Be sure to specify a PCP when choosing this plan*
Kaiser Permanente HMO

- Kaiser Foundation Health Plan contracts with one large group, the Permanente Medical Group
- Clinics tend to offer pharmacies, imaging, laboratories, urgent care all at one location
- Classes, pamphlets, and videos on a wide variety of health topics; online weight, stress management & nutrition programs
- No cost access to wellness coaches by phone
Kaiser Permanente HMO

- Advanced electronic medical records, online tools
  - My Health Manager mobile app
- Discount programs
  - Massage therapy, fitness club, vitamins, books & videos, etc.
- Disease management programs
Kaiser Permanente HMO

- Mental health: two choices
  - Go through PCP: $10 for group therapy
  - And/or use Optum
    - Use Kaiser pharmacy for meds prescribed by Optum psychiatrists

- Rₚ: 30-/60-/100-day supplies at 1x/2x/3x copays
  - Use Kaiser pharmacies
  - Mail order: 100-day supply for 2x copays
Kaiser Permanente HMO

- Chiropractic/acupuncture
  - 24 visits/person/year combined for $15 copayment; self-refer to American Specialty
  - $20 for Permanente acupuncturists
- Allergy shots: $5
- No DME outside service area
Western Health Advantage HMO

- Local health plan, only available in certain local counties
- Owned in part by UC Davis Health System, Mercy, and NorthBay hospitals
- Advantage: “Advantage Referrals”
Western Health Advantage

- Travel insurance: Assist America
- Prescription drugs:
  - Pharmacy Benefit Manager: Express Scripts
- Allergy shots: $5
- Gym discounts
Western Health Advantage

- Chiropractic/acupuncture
  - 24 visits/person/year combined
  - $20 copayment; self-refer to Landmark
- R\textsubscript{x} 90-day supplies @ local Costco, CVS, Walgreens, and other pharmacies for 2 copayments
- Be sure to specify a PCP when choosing this plan
About PPOs

- Insurance; no providers are pre-paid
- Members self-refer to medical providers
- Coverage for contracting providers is greater than for those with no contract
  - Contracting providers are Preferred Providers
  - When hospitalized make sure surgeon, anesthesiologist, radiologist, etc. are preferred
- Coverage is generally world-wide
Advantages of PPOs 😊

- No need to designate a PCP or stay within a medical group
- Care can be received anywhere, mostly without referrals or authorizations
- Preferred providers cannot charge above contract rates (no balance billing)
- Provider network is large in CA and nationally
- Out-of-network coverage
Limits of PPOs 😞

- Other than preventive care, no coverage until deductible is met
- Patients don’t know their out of pocket costs in advance
- More expensive to use than HMOs; members must keep track of medical bills
- Out-of-network providers very expensive to use
- **Preauthorization** required for imaging, inpatient services, in-office injections, bariatric surgery, transplants & more
Large Preferred Provider network:

- In California: 70,000+ Blue Shield network providers including 370+ network hospitals
- More than 97% of hospitals and 92% of physicians across the country are Blue Cross/Blue Shield (BlueCard) providers

UC-dedicated customer service
Discount access to health & wellness
Disease Management programs
Variety of online tools & mobile website
  • Treatment/R_x cost estimator
Pharmacy Benefit Manager: Blue Shield
  • Mail order service called PrimeMail
Core Medical

- Custom plan for UC
- No cost preventive care
- For everything else:

“Catastrophic coverage”
Core coverage

- **Blue Shield Preferred Providers**
  - Self-refer to preferred providers
    1. $3,000 deductible
       - Per person per year
    2. 20% coinsurance
    3. $6,350 Out-of-Pocket Limit
       - Per person, per year
       - $12,700 per family

- **Out-of-network providers**
  - Self-refer to non-Blue Shield providers
    1. $3,000 deductible
       - Per person, per year
    2. 20% coinsurance
    3. $6,350 Out-of-Pocket Limit ($12,700 per family)
       - Per person, per year
  - **Balance billing**
## Core coverage

**Example: Single employee**

<table>
<thead>
<tr>
<th></th>
<th>Preferred Providers</th>
<th>Out-of-Network Providers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1: Deductible</strong></td>
<td>$3,000</td>
<td>$3,000</td>
</tr>
<tr>
<td><strong>2: Coinsurance</strong></td>
<td>20%</td>
<td>20% + balance</td>
</tr>
<tr>
<td><strong>3: Out-of-Pocket Limit</strong></td>
<td>$6,350</td>
<td>$6,350 + balance</td>
</tr>
</tbody>
</table>
Core $R_x$

- No flat copays; covered like medical
- Drug expenses apply toward your deductible/OOP Limit
Core mental health

- Behavioral health covered the same way medical and pharmacy are covered
  - Coverage not “carved out”
Advantages of Core 😊

- No monthly premium
- No PCP, self-refer to specialists
- Large, national preferred provider network
- Out-of-network/world-wide coverage
- Drug expenses apply toward OOP Limit
Limits of Core 😞

- **High** deductible per person & per family
- **High** OOP Limit per person & per family
- Out-of-network coverage severely limited
  - Outpatient surgery @ surgery center: 80% of $350
  - Hospital: 80% of $600/day
- No coverage for hearing aids
- Chiropractic/acupuncture 24 visit limit
Blue Shield Health Savings PPO

- Low premium, high deductible PPO with a HSA (Health Savings Account)
- HSA partially funded by UC
- Pay for medical expenses with HSA “smart card” or website
- Teladoc 24/7 telemedicine
  - $40 until you meet the deductible and 20 percent ($8) after the deductible is met
Blue Shield Health Savings PPO: HSA

- UC contributes toward the HSA; $500 for employee or $1,000 for employee + dependents
- HSA has a triple Federal tax advantage:
  - Pay no taxes on contributions/earnings/withdrawals for health care expenses (CA taxes contributions & earnings)
- Not “use it or lose it” like Health FSA (above $500)
Blue Shield Health Savings
PPO: HSA (cont.)

- Balance above $2,000? Money can be invested
- Have a balance at age 65? Distributions taxed as normal income (unless used for eligible expenses)
- Single? Adding new family members mid-year does not get you an additional UC contribution until the following January
<table>
<thead>
<tr>
<th>Blue Shield Preferred Providers</th>
<th>Out-of-Network providers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. $1,300 deductible</td>
<td>1. $2,500 deductible</td>
</tr>
<tr>
<td>○ $2,600 for self + dependents</td>
<td>○ $5,000 for self + dependents</td>
</tr>
<tr>
<td>2. 20% coinsurance</td>
<td>2. 40% coinsurance</td>
</tr>
<tr>
<td>3. $4,000 Out-of-Pocket Limit</td>
<td>3. $8,000 Out-of-Pocket Limit</td>
</tr>
<tr>
<td>○ $6,400 per family</td>
<td>○ $16,000 per family</td>
</tr>
<tr>
<td></td>
<td>• Balance billing</td>
</tr>
</tbody>
</table>
### Blue Shield Health Savings

#### PPO coverage

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<tr>
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<th>Preferred Providers</th>
<th>Out-of-Network Providers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Self Only Coverage</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1: Deductible*</td>
<td>$1,300</td>
<td>$2,500</td>
</tr>
<tr>
<td>2: Coinsurance</td>
<td>20%</td>
<td>40% + balance</td>
</tr>
<tr>
<td>3: Out-of-Pocket Limit</td>
<td>$4,000</td>
<td>$8,000 + balance</td>
</tr>
</tbody>
</table>

* UC contributes $500 to the HSA
### Blue Shield Health Savings PPO coverage

<table>
<thead>
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<th>Self + Dependents Coverage</th>
<th>Preferred Providers</th>
<th>Out-of-Network Providers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: Deductible*</td>
<td>$2,600</td>
<td>$5,000</td>
</tr>
<tr>
<td>2: Coinsurance</td>
<td>20%</td>
<td>40% + balance</td>
</tr>
<tr>
<td>3: Out-of-Pocket Limit</td>
<td>$6,400</td>
<td>$16,000 + balance</td>
</tr>
</tbody>
</table>

* UC contributes $1,000 to the HSA
Blue Shield Health Savings

PPO $ Rx coverage

- No flat copays; covered like medical
- Drug expenses apply toward your deductible/OOP Limit
Blue Shield Health Savings PPO: mental health coverage

Coverage “carved out” to Optum (United Behavioral Health)

- Call Optum directly for service
- www.liveandworkwell.com
  - Provider search: use Access Code 11280
- Optum providers are preferred providers

- Prior authorization required for “non-routine” treatments
  - Outpatient therapy sessions longer than 50 minutes
Advantages of Blue Shield Health Savings PPO 😊

- Low monthly premium
- Tax advantaged HSA funded by UC
  - Members can contribute additional pretax amounts
  - Unused HSA dollars roll to next year; can be used as retirement money at age 65
  - Use HSA pay for deductibles and other out of pocket costs
- Advantages of a PPO
Limits of Blue Shield Health Savings PPO 😞

- Numerous disqualifying circumstances:
  - **Incompatible with Health FSA** (FSA balance must be zero by the end of the year; cannot roll over up to $500)
  - **Incompatible with Medicare Parts A & B** and other coverage that is not also a qualified high deductible plan
  - Consult a financial advisor before choosing this plan

- **High** deductible/OOP Limit per person & per family

- Acupuncture/chiropractic visits limited to 24 visits combined

- Out-of-network coverage severely limited
  - Outpatient surgery @ surgery center: 60% of $350
  - Hospital: 60% of $600/day

- Emergency coverage only outside U.S.A.

- Save your receipts in case audited by I.R.S.
UC Care PPO

- Custom plan for UC
- Administered by Blue Shield
- Like a standard PPO, but offers access to a special **UC Select** provider network for low copays
UC Care PPO coverage

Tier 2: Blue Shield Preferred providers
- Self-refer to preferred providers
  1. $250 deductible
    - Per person per year
    - $750 for 3 or more
  2. 20% coinsurance
  3. $3,000 Out-of-Pocket Limit
    - Per person, per year
    - $9,000 for 3 or more

Tier 3: Out-of-network providers
- Self-refer to non-Blue Shield providers
  1. $500 deductible
    - Per person, per year
    - $1,500 for 3 or more
  2. 50% coinsurance
  3. $5,000 Out-of-Pocket Limit
    - Per person, per year
    - $15,000 for 3 or more
- Balance billing
UC Care: Tier 1 – UC Select

- All UC medical centers and select other providers located near UC campuses (CA only)

- Certain services for flat copayments:
  - Physician office visit: $20
  - ER (not just UC Select), ambulance: $200
  - Outpatient surgery: $100
  - Inpatient hospitalization: $250
  - Teladoc 24/7 telemedicine: $20

Multiple copays can apply per service
Tier 1 – UC Select providers

- Local UC Select hospitals
  - UC Davis Medical Center
  - Marshall Medical Center
  - Lodi Memorial Hospital

- Copayments for UC Select providers apply to the Blue Shield Preferred Out-of-Pocket Limit
# UC Care PPO coverage

<table>
<thead>
<tr>
<th>Self only coverage</th>
<th>UC Select Providers</th>
<th>Preferred Providers</th>
<th>Out-of-Network</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: Deductible</td>
<td>None</td>
<td>$250</td>
<td>$500</td>
</tr>
<tr>
<td>2: Coinsurance</td>
<td>Flat copayments</td>
<td>20%</td>
<td>50% + balance</td>
</tr>
<tr>
<td>3: Out-of-Pocket Limit</td>
<td>$1,500</td>
<td>$3,000</td>
<td>$5,000 + balance</td>
</tr>
</tbody>
</table>
1. **Generic:** $5/30-day supply
2. **Brand name:** $25/30-day supply
3. **Non-formulary:** $40/30-day supply
   - 90-day supplies available for 2 copays:
     - UC pharmacies
     - Costco, Safeway, Walgreens, and others
     - Mail Order through PrimeMail
4. **Specialty Rx** 30% up to $150/script
   - Rx counts toward separate out-of-pocket maximum ($3,600/person or $4,200/family)
Coverage “carved out” to **Optum** (United Behavioral Health)

- Call Optum directly for service
- [http://www.liveandworkwell.com](http://www.liveandworkwell.com)
  - Provider search: use Access Code 11280
- Optum providers covered similar to “UC Select”

**UC Care PPO mental health coverage**

- Outpatient visits 1-3, no copay; additional visits $20
- Prior authorization required for “non-routine” treatments
  - Outpatient therapy sessions longer than 50 minutes
Advantages of UC Care 😊

- Care from UC Select providers for low copays
- Lower deductibles than Core and the Health Savings PPO
- No PCP, self-refer to medical providers
- Large, national preferred provider network
- Out-of-network coverage
- World-wide coverage at Blue Shield Preferred level of benefit
Limits of UC Care 😞

- Many services not available at UC Select level of coverage
- Acupuncture/chiropractic visits limited to 24 visits combined
- Out-of-network coverage severely limited
  - Outpatient surgery @ surgery center: 50% of $350
  - Hospital: 50% of $600/day
- Specialty drugs have especially high copays
Help is available

Health Care Facilitator Program

- **Guerrin Solbach:**
  - (530) 752-4264 (Davis)
  - (916) 734-8880 (Sacramento)

- **Erika Castillo:**
  - (530) 752-7840 (Davis)
  - (916) 734-4341 (Sacramento)

http://www.hr.ucdavis.edu/hcf
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