2023 Open Enrollment Overview

October 2022
Agenda

1. Our Health Care Journey
2. Medical Plans
3. Health Accounts
4. Prescription, Dental, & Other Benefits
5. People Like Me
6. Enrollment Checklist & Key Dates
7. Question & Answer
Our Healthcare Journey
Our Journey So Far And Next Steps

Last year, we embarked on a multiyear, multiphase journey to refine and realign our benefits to ensure we invest our dollars wisely to offer you a comprehensive, competitive, and progressive benefits package.

Here is an overview of where we are and where we’re going.

2021
We conducted the CMU benefits survey and market analysis to collect your feedback and compare our offering to our peer group.

2022
We consolidated medical plan carriers and reduced copays to address pandemic needs.

2023
We are enhancing plan designs to provide you greater choice and manage costs.

2024 and beyond
We will assess voluntary benefits to invest in what you value most.
Medical Plans
Key Terms – Medical Plans

**Health Maintenance Organization (HMO) / Exclusive Provider Organization (EPO)**
Lower out-of-pocket costs at the point of care but no out-of-network coverage, except in the case of an emergency.

**Preferred Provider Organization (PPO)**
Allows you to use in- or out-of-network providers, although you receive a higher level of benefits when you stay in network for services.

**High-Deductible Health Plan (HDHP)**
Lower monthly contributions and a higher annual deductible than a traditional health plan. You pay all costs out of pocket or with an HSA until the annual deductible is met.
Key Terms – Health Accounts

**Health Reimbursement Account (HRA)**
Accompanies High Deductible Health Plans and is used to pay for qualified medical, prescription, dental, and vision expenses. CMU owns the HRA account, which means that if you leave, the account dollars stay with the university. Only CMU can contribute to an HRA.

**Health Care Flexible Spending Account (HCFSA)**
Accompanies non-HSA PPO or HMO/EPO health plans and allows you to use pre-tax dollars for qualifying medical, dental and/or vision expenses incurred within the plan year for you and your federal tax dependents. If you or your spouse are enrolled in a HCFSA, you can’t enroll in an HSA.

**Health Savings Account (HSA)**
Similar to HRAs but have several tax advantages. Unlike an HRA, you own this account and can take the account dollars with you if you leave the university. In addition, you can contribute to an HSA with tax-free dollars.

**Limited Purpose Flexible Spending Accounts (LPFSA)**
A special type of FSA that can be used with an HSA and lets you use pre-tax dollars to pay for qualified dental and vision expenses. Using funds from your LPFSA instead of your HSA to pay for eligible expenses allows your HSA to continue to grow tax-free into retirement.
## Reviewing Medical Plan Options: 2022 vs 2023

<table>
<thead>
<tr>
<th>2022</th>
<th>Starting 2023</th>
<th>What's Different</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PPO Option 1</strong></td>
<td><strong>PPO Option 1</strong></td>
<td>Greater differentiation to provide better choice</td>
</tr>
<tr>
<td>UPMC or Highmark</td>
<td>UPMC or Highmark</td>
<td></td>
</tr>
<tr>
<td><strong>PPO Option 2</strong></td>
<td><strong>PPO Option 2</strong></td>
<td></td>
</tr>
<tr>
<td>UPMC or Highmark</td>
<td>UPMC or Highmark</td>
<td></td>
</tr>
<tr>
<td><strong>High Deductible PPO w/ HRA</strong></td>
<td><strong>High Deductible PPO w/ HSA</strong></td>
<td>New HSA plan to provide tax savings, opportunities, flexibility, and control</td>
</tr>
<tr>
<td>UPMC or Highmark</td>
<td>UPMC or Highmark</td>
<td></td>
</tr>
<tr>
<td><strong>HMO</strong> – UPMC</td>
<td><strong>HMO</strong> – UPMC</td>
<td>Changes to plan design to align with our peers and increase plan sustainability</td>
</tr>
<tr>
<td><strong>EPO</strong> – Highmark</td>
<td><strong>EPO</strong> – Highmark</td>
<td></td>
</tr>
</tbody>
</table>
A Closer Look: HDHP with HSA

Introducing a High-Deductible PPO with an HSA:
• We are replacing the HRA with an HSA.
• The HSA offers increased flexibility, more control, and tax savings opportunities—and it’s yours to spend now, in the future, or even if you leave CMU. To help those transitioning from the HRA to the HSA, CMU will contribute some initial funds to seed your HSA.

Considering an HSA?
• You and your spouse can enroll in either an HSA or HCFSA, not both.
• If you are currently enrolled in the HRA, you must spend down your account balance by December 31, 2022; remaining dollars will be forfeited.
• If you are considering enrolling in the HSA for 2023, you will need to use your Health Care FSA funds before December 31, 2022, before enrolling in the HSA on January 1, 2023. (Otherwise, you will not be able to use your HSA funds until April 2023, after the HCFSA grace period ends.)
• If you are currently enrolled in Medicare (Parts A, B, or D), you cannot contribute to an HSA.
A Closer Look: PPO and HMO/EPO Plans

Refining our PPO plan options:

• We are providing you greater choice between our PPO offerings.

• The increased differentiation lets you decide how to manage your healthcare costs.

Aligning our HMO/EPO plans with our peer group:

• We are adjusting the cost of copays to ensure we are in line with our peers and to spend our healthcare dollars wisely.

• These changes make the plan design more sustainable for everyone.

Please note: Faculty and staff located inside Western Pennsylvania can choose either Highmark EPO or UPMC HMO; those located outside the area will only have access to the Highmark EPO.
Choosing The Right Fit For You

<table>
<thead>
<tr>
<th>EPO (Highmark only)</th>
<th>HMO (UPMC only)</th>
<th>PPO 1 (Highmark &amp; UPMC)</th>
<th>PPO 2 (Highmark &amp; UPMC)</th>
<th>HDHP w/ HSA</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMU Contribution to Account</td>
<td>N/A</td>
<td>$250/$500</td>
<td>$1,600/$3,200</td>
<td>$1,600/$3,200</td>
</tr>
<tr>
<td>Deductible (Individual/Family)</td>
<td>$0/$0</td>
<td>$500/$1,000</td>
<td>$750/$1,500</td>
<td>$3,200/$6,400</td>
</tr>
<tr>
<td>Out-of-Pocket (OOP) Maximum (Individual/Family)</td>
<td>$1,000/$2,000</td>
<td>$3,000/$6,000</td>
<td>$3,500/$7,000</td>
<td>$6,400/$12,800</td>
</tr>
<tr>
<td>Coinsurance**</td>
<td>100%</td>
<td>90% IN 60% of UCR OON*</td>
<td>75% IN 60% of UCR OON*</td>
<td>80% IN 60% of UCR OON*</td>
</tr>
<tr>
<td>PCP/Specialist/ER</td>
<td>$20/$35/$100</td>
<td>$20/$35/$100</td>
<td>$25/$40/$100</td>
<td>$25/$40/$100</td>
</tr>
<tr>
<td>Need PCP and/or referrals for specialist visits</td>
<td>No</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

*Usual, customary, and reasonable charges the carrier has established for medical services. Out-of-network providers may bill you for their charges in excess of the UCR. Expenses in excess of the UCR do not count toward the out-of-pocket maximum.

** Coinsurance = What the plan pays
## Choosing The Right Network For You

<table>
<thead>
<tr>
<th>In-Network Benefits</th>
<th>EPO (Highmark only)</th>
<th>HMO (UPMC only)</th>
<th>PPO 1 (Highmark &amp; UPMC)</th>
<th>PPO 2 (Highmark &amp; UPMC)</th>
<th>HDHP w/ HSA (Highmark only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes*</td>
<td>Yes</td>
</tr>
<tr>
<td>Out-of-Network Benefits</td>
<td>Emergency Only</td>
<td>No National coverage only available for eligible dependents outside of Western PA (e.g., children away at college)</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>National Network Access</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Local Access: UPMC Allegheny Health Network</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

### Acronyms Key
- HD – High Deductible
- IN – In Network
- OOP – Out of Pocket
- OON – Out of Network
- PCP – Primary Care Provider
- UCR – Usual, Customary and Reasonable
Finding In Network Providers

• Highmark:
  https://www.highmarkbcbs.com/find-a-doctor/

• UPMC:
  https://findcare.upmchealthplan.com/find
Understanding the difference: HSA vs LPFSA vs HCFSA

When you enroll in the HD PPO with HSA, you will have the option to contribute to a Limited Purpose FSA in addition to the HSA. However, if you enroll in an HSA, you cannot use a Health Care FSA.

<table>
<thead>
<tr>
<th>Set Up</th>
<th>HSA</th>
<th>LPFSA</th>
<th>HCFSA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligible Expenses</td>
<td>Medical, dental, vision</td>
<td>Dental, vision</td>
<td>Medical, dental, vision</td>
</tr>
<tr>
<td>Tax Implications</td>
<td>Federal tax-free</td>
<td>Federal tax-free</td>
<td>Federal tax-free</td>
</tr>
<tr>
<td>Deadline to Use Funds</td>
<td>None</td>
<td>March 15; Grace Period</td>
<td>March 15; Grace Period</td>
</tr>
<tr>
<td>Receipts</td>
<td>May be required</td>
<td>May be required</td>
<td>May be required</td>
</tr>
<tr>
<td>Payment Card</td>
<td>Debit card</td>
<td>Debit card</td>
<td>Debit card</td>
</tr>
</tbody>
</table>

Unique Advantages

- **HSA**: Accompanies an HD PPO plan and bridges the cost of care. Funds grow tax-free and are yours even if you leave CMU or retire.
- **LPFSA**: Pairs with an HSA and can be used to pay for qualified dental and vision expenses. You can use rather than dipping into your HSA.
- **HCFSA**: Can be used to pay for qualified medical, dental, and vision expenses. However, if you enroll in an HSA, you cannot use a HCFSA.
Simplifying & Enriching: Prescription Plans

• Freezing enrollment in the CVS Plan A effective January 1, 2023, to streamline plans and allow for a simplified decision process.

• Adding a No-Cost Preventive Drug Schedule, which will make the cost for all generic preventative medications $0.

• Introducing PrudentRx Specialty Drug Copay Program, designed to make prescriptions more affordable for you and your family. Faculty and staff members who enroll in the program will have their cost reduced to a $0 copay from the current $100 copay for their specialty drug prescriptions.

Please note: Participants in the High Deductible PPO with HSA plan will need to meet their deductible before the PrudentRx Specialty Drug Copay program applies.
Enhancing: Dental Plans

- Rebranding plan names:
  - PPO1 is now “Standard Dental Plan”
  - PPO2 is now “Enhanced Dental Plan”
- Increasing maximums for dental plans so more of your dental work will be covered throughout the year before having to pay fully out of pocket for care.
  - Standard Dental max is now $1,500
  - Enhanced Dental max is now:
    - $2,000 for Calendar Year
    - $2,000 for Lifetime Orthodontics
    - $4,000 for Lifetime Implant

Please note: The DHMO plan remains the same.
Reviewing Your Other Benefits

CMU’s other health and well-being benefits are not changing.

- Vision
- Life Insurance
- Disability Insurance

Pro Tip
For more information on these and other benefits, refer to the 2023 Benefits Guide.
Making the Most of Your Benefits

**Your Money**
- Retirement Savings
- Tuition Benefits
- Transportation Benefits
- Aetna Travel Insurance
- Discounts and Perks

**Your Family**
- Care@Work Family Care Benefits
- Family Care Concierge Services

**Your Well-being**
- Employee Assistance Program
- Paid Time Off
- Retiree Medical Benefits
People Like Me
Welcoming a Child – Meet Paloma

**Personal overview**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>28</td>
</tr>
<tr>
<td>Family</td>
<td>Partner, expecting a child</td>
</tr>
</tbody>
</table>

**Key Considerations**

- Relatively healthy overall
- Expecting a baby next year
- Trying to budget health care costs to save for the baby

**What this Means**

Paloma should consider the trade-off between paying more in monthly contributions and less at the time of care versus pay less each month and more at the time of care.
Chronic Condition – Meet Connie

**Personal overview**

<table>
<thead>
<tr>
<th>Age</th>
<th>49</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependents</td>
<td>Husband, 3 children</td>
</tr>
</tbody>
</table>

**Key Considerations**

- High health care utilization
- Frequent specialist visits
- Wants the flexibility to seek care OON if needed

**What this Means**

Connie should consider a plan that provides access to specialist care, both in- and out-of-network. And since she knows she’ll need ongoing care, she should consider how much she’d prefer to pay in monthly contributions versus at each visit.
Retirement – Meet Richard

**Personal overview**

<table>
<thead>
<tr>
<th>Age</th>
<th>64</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family</td>
<td>Wife, 1 child (out of state)</td>
</tr>
</tbody>
</table>

**Key Considerations**

- Regular visits to the doctor to monitor ongoing conditions
- Spends summer breaks out of state
- Prefers in-network treatment

**What this Means**

Richard should ensure he selects a plan with a national network for when he is living out of state.
Enrollment Checklist & Key Dates
3-Step Enrollment Checklist

- Check: Consider the services you’ll need for 2023
- Check: Mark your calendar to attend an information session
- Check: Enroll by November 14
Consider the Services You’ll Need for 2023

1. Do you need out-of-network benefits?

2. Would you rather pay more for monthly contributions or at the time of service?

3. Have you or your dependents been diagnosed with a new health condition that requires additional care or new providers?

4. Do you anticipate any upcoming major medical costs like surgeries?

5. Are you expecting a child or planning to expand your family?

6. Will you need to add or remove dependents?
Key Dates

**October 14 and 19:**
Virtual benefits information

**Week of October 17:**
Your 2023 Benefits Guide and other enrollment materials available

**October 24 – November 14:**
- Open Enrollment is live in Workday
- Carrier Meetings every Tue/Wed at 12 – 1pm ET

**October 24:**
Virtual Benefits & Fitness Fair is live

**November 2:**
In-person Benefits & Fitness Fair
Enroll by November 14

• Elect your benefits from October 24 – November 14 through Workday

• Log in with your Andrew ID, password, and DUO 2fa

• Make your selections

• Include SSNs for dependents

• Print and save your confirmation

Pro Tip
Be proactive. Review your choices to make sure they align with your needs.
Preparing for the HSA: Spend down your HRA and Health Care FSA

- **For those currently enrolled in the HRA:** You must spend down your account balance by December 31, 2022; remaining dollars will be forfeited.

- **For those who enroll in the HSA for 2023:** You will need to use your Health Care FSA funds before December 31, 2022, in order to enroll in the HSA on January 1, 2023.
  
  - *Note:* IRS regulations forbid concurrent enrollment in a Healthcare FSA and an HSA. Though you may enroll in a Limited Purpose FSA in addition to your HSA, if you want.
What if You Don’t Make Open Enrollment Elections?

Your benefit elections will roll over to 2023 at the new contribution rates, with the following exceptions:

• Health Care Flexible Spending Account (HCFSA)
• Dependent Care Flexible Spending Account (DCRA)
• If you are currently enrolled in the High Deductible PPO with HRA plan and don’t enroll, you will be defaulted into the PPO Option 2 plan with UPMC.

You will not be able to make any changes until the next Open Enrollment period, unless you experience a qualified life event, like birth, adoption, divorce, marriage, or loss of coverage under another health plan.
Reach Out for Support

If you need help with:

• Understanding your medical plan options
• Navigating CMU’s benefit-related resources

Contact the HR Services:

Monday – Friday
8:30 am – 5:00 pm ET
412.268.4600 or 844.625.4600
cmu.edu/hr/service-center/help
Questions?