

2013 Open Enrollment



ARCTIC SLOPE REGIONAL CORPORATION

we believe in **unity**



Overview

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 - Consumer Driven Health Plan & Health Saving Account
 - Dental Plan
 - Vision Plan
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- Voluntary Life and AD&D
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- Enrollment Instructions
- Frequently Asked Questions



Open Enrollment Dates & Reminders

Open Enrollment is November 1 – November 30th 2012!

Reminders:

- Your *2013 Open Enrollment Benefits Program Guide* was mailed late October.
- Be sure to discuss the benefit options available with your family prior to making 2013 elections.
- You may have to **actively enroll to have medical coverage in 2013**. Some elections will not automatically rollover. Thoroughly review all the information provided.



ASRC

- ASRC continues to offer comprehensive, competitive health and wellness benefits.
- For 2013 we are making several plan changes; we will discontinue options and introduce new choices. This is due in part to the financial pressures facing our industry and in particular ASRC, coupled with the 19% increase in healthcare costs ASRC has experienced over the past two years. Some of these changes are also meant to ensure alignment with Health Care Reform (HCR). We as a corporation must continue to focus on what we know about HCR and comply with those provisions.
- As part of the introduction to these changes we have begun the process of evolving our health care benefits to encourage our employees to be more healthy and engage in how they use healthcare services.



Plan Design Changes Since 2008

	2008	2009	2010	2011	2012	2013
Share of Premiums	No change	No change	Minor changes in premium splits.	No change	PPO 1000 changed to 80/20; PPO 250 – N/C; PPO 500 – N/C	No change
Co-insurance	No change	No change	No change	No change	80/20 for all plans, but greater impact to L-48 based participants	No change
Out of Pocket Max.	No change	No change	No change	No change	No change	No change
Plan Changes	No change	No change	Changed H/C provider to Premera – improved networks	Added dependents up to age 26	Added preventive care at 100%*, no deductible	Discontinue PPO 250; Introduce CDHP
Preventive Care	No change	No change	No change	No change	Added preventive care at 100%*, no deductible	Added CDL benefit ; Women’s Preventive at 100%*



What's Changing In 2013?

■ Medical Plan

- PPO 250, PPO FAA and BCBS of Alabama plans are being discontinued. You **must actively elect a new plan** to maintain medical coverage in 2013. If you do not elect one of the other plan options you will not have medical plan coverage in 2013.
- Introducing the Consumer Driven Health (CDHP) – Health Saving Account (HSA) Qualified Plan.
- Certain women's preventive services \$0 cost share when received at a PPO provider
- CDL exam covered under Preventive Care
- Mandatory mail order pharmacy now optional
- PPO 500 mail order pharmacy co-pay structure has changed



What's Changing In 2013?

- Dental Plan - the Alternate Benefit Provision for composite fillings has been removed
- Vision Plan – new Contact Lens Exam covered in full after a never to exceed \$60 co-pay at a participating provider



Benefit Administrators

■ Plan Administrators:

- Medical: Premera Blue Cross
- Dental: United Concordia
- Vision: VSP
- HSA and FSA: HealthEquity

■ This Set Up:

- Allows you to elect medical, dental, and vision benefits as separate plan options
- Provides you and your family with more choices and increased flexibility
- Combats rising healthcare costs through preferred providers discounts
- Allows ASRC to continue to provide employees with a competitive Benefits Program, which helps to control your premiums.



Medical Plan Administrator

- Premera Blue Cross is the medical plan administrator
 - Network features more than 625,000 participating doctors and 8,000 healthcare facilities nationwide
 - Visit www.premera.com or call 877.370.2772 to find an in-network doctor near you
- Plans Offered
 - \$500-Deductible PPO, \$1000-Deductible PPO, CDHP \$1,500-Deductible
- www.premera.com



BLUE CROSS



Medical Plan Comparison

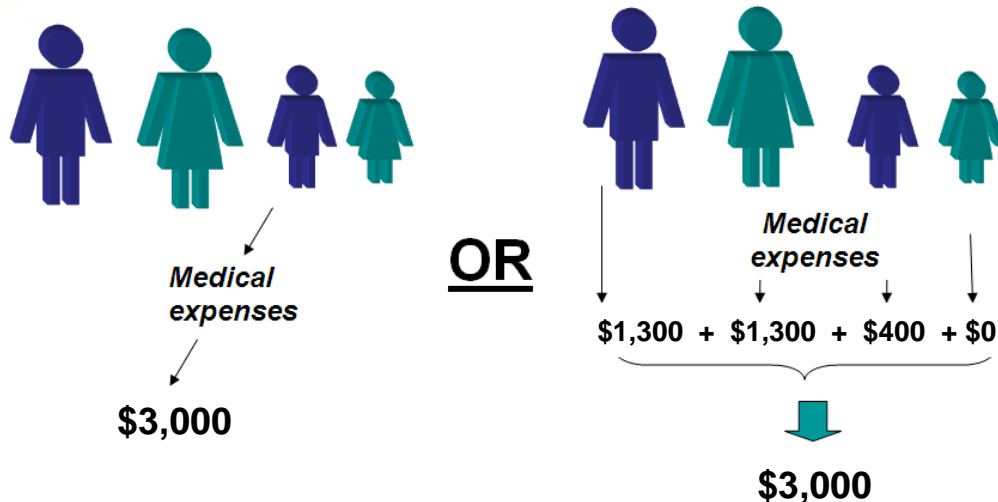
	\$500-Deductible			\$1,000-Deductible			CDHP \$1,500-Deductible	
	PPO Provider	Non-PPO Provider	Alaska Plan	PPO Provider	Non-PPO Provider	Alaska Plan	PPO Provider	Non-PPO Provider
Annual Deductible	\$500 Per Person			\$1,000 Per Person			\$1,500 Individual	\$3,000 Individual
	\$1,500 Per Family			\$3,000 Per Family			\$3,000 Agg Family	\$6,000 Agg Family
Annual Out-of-Pocket Max	\$2,500 Per Person	None	\$2,500 Per Person	\$5,000 Per Person	None	\$5,000 Per Person	\$4,000 Individual	\$7,750 Individual
	\$7,500 Per Family	None	\$7,500 Per Family	\$10,000 Per Family	None	\$10,000 Per Family	\$9,000 Agg Family	\$17,750 Agg Family
Lifetime Max	Lifetime Maximum: Unlimited							



Consumer Drive Health Plan (CDHP)

Consumer Drive Health Plan Aggregate Family Deductible and Out-of-Pocket Max

- If you and one or more of your dependents are enrolled in this plan, the aggregate deductible and out-of-pocket maximum will apply. This means that any combination of family members' expenses can satisfy the aggregate deductible and out-of-pocket expenses.





Medical Plan Comparison

	\$500-Deductible			\$1,000-Deductible			CDHP \$1,500-Deductible	
	PPO Provider	Non-PPO Provider	Alaska Plan	PPO Provider	Non-PPO Provider	Alaska Plan	PPO Provider	Non-PPO Provider
Office Visit	100% after \$30 co-pay	60% after deductible	80% after deductible	100% after \$30 co-pay	60% after deductible	80% after deductible	80% after deductible	60% after deductible
Outpatient Hospital Care	80% after deductible	60% after deductible	80% after deductible if PPO; 60% after deductible if Non-PPO	80% after deductible	60% after deductible	80% after deductible if PPO; 60% after deductible if Non-PPO	80% after deductible	60% after deductible
Preventive Care	100%	60%; deductible waived	100% if PPO; 80% if Non-PPO deductible waived	100%	60%; deductible waived	100% if PPO; 80% if Non-PPO deductible waived	100%	60%; deductible waived



Consumer Drive Health Plan (CDHP)

- A Consumer Driven Health Plan (CDHP)
 - Provides an alternative to traditional health insurance
 - Contains a savings product (the HSA)
 - Offers a different way for consumers to pay for their Healthcare
- You must be enrolled in a qualified Consumer Driven Health Plan (CDHP) to be able to take advantage of the HSA
 - You own and control the money in your HSA
 - You decide how to spend the money for qualified medical expenses
 - You decide what types of investments to make with the money in the account
- A Consumer Driven Health Plan has three (3) common elements
 - High Deductible PPO Plan (The CDHP) which equates to a lower premium for EE & ER
 - Except for preventive care and preventive Rx, the employee is responsible for all dollars spent up to the deductible
 - Savings Account (The HSA)



Consumer Drive Health Plan: How Does It Work

	High-Deductible PPO Plan (CDHP)	Traditional PPO (500/1000)
BlueCard® PPO Network	x	x
Preventive medical care	Covered 100% in-network	Covered 100% in-network
Deductible	Higher (Deductible ≥ \$1,500/\$3,000)	Lower \$500/\$1,500 (PPO 500) \$1,000/\$3,000 (PPO 1000)
Prescription Drugs	Counts towards deductible	Does not count toward deductible
HSA For current or future medical expenses	x	
ASRC contributes \$\$ to your HSA in 2013	x	
FSA to pay for eligible medical expenses		x
Dependent Care FSA	x	x



Health Savings Account

- The savings account (Health Savings Account – HSA)
 - Used to pay current or future medical expenses
 - Can fund the high deductible
 - Provides a potential saving opportunity for retirement
 - Belongs to the Employee - The HSA is portable
 - Rolls over year after year
 - Similar to an IRA, you may choose to invest when you reach \$2,000 balance

- The HSA represents triple tax saving opportunities
 - Your contributions are pre-tax which reduces your taxable income
 - Your money earns interest tax-free
 - Withdrawals for qualified medical expenses are tax-free



Health Savings Account - Contributions

- Contributions can come from the employee and/or the employer
- The annual contribution limit set by the IRS for 2013 is
 - \$3,250 for individual
 - \$6,450 for families
- Catch-up Contribution for individuals 55 and older - \$1,000
- Your employer will contribute monthly toward the annual limit
 - Individual - \$500 annual contribution (\$41.67 per month)
 - Family (individual + 1 or more) - \$1,000 annual contribution (\$83.33 per month)



Who is Eligible for the HSA?

- You are qualified for an HSA if:
 - You are enrolled in a individual or family HSA-qualified health plan (CDHP)
 - You are not covered by any other health plan that provides any of the same benefits as the CDHP
 - VA Benefits (may or may not be eligible)
 - Indian Health Services (may or may not be eligible)
 - Tri-Care and/or Medicaid (not eligible)
 - You are not enrolled in Medicare
 - You cannot be claimed as a dependent on another person's tax return
- The employee or their spouse cannot be enrolled in a general purpose Flexible Spending Account (FSA) Healthcare Reimbursement
- For more information about eligibility rules contact HealthEquity or your tax advisor



Learn More About CDHP / HSA

- HealthEquity is the Health Savings Account plan administrator
- Visit www.healthequity.com/asrc
- Contact HealthEquity Customer Service at 877.299.4426 available 24/7
- Visit <http://office.asrc.com/office/SBC/> to watch a short informative video



Prescription Drug Program

- Express Scripts is the program administrator. Express Scripts purchased Medco
- Retail supply
 - For immediate or short-term (less than 90 days) medications
- Mail Order
 - Maintenance drugs (taken on a regular basis or for more than 90 days) are available through the mail order program
 - Prescriptions shipped directly to your home
- Order refills by phone at 888.327.9791 or through the pharmacy section at www.premera.com
- Prior Authorization



Prescription Drug Comparison

	\$500-Deductible	\$1,000-Deductible	CDHP \$1,500 Deductible
Retail (30 day supply)			
➤ Generic	\$15 Co-pay	50% Coinsurance	\$10 Co-pay after deductible
➤ Preferred Brand	\$40 Co-pay	50% Coinsurance	\$25 Co-pay after deductible
➤ Non-Preferred Brand	\$65 Co-pay	50% Coinsurance	\$40 Co-pay after deductible
Mail Order (90 day supply)			
➤ Generic	\$30 Co-pay	20% Coinsurance	\$20 Co-pay after deductible
➤ Preferred Brand	\$60 Co-pay	20% Coinsurance	\$50 Co-pay after deductible
➤ Non-Preferred Brand	\$60 Co-pay	20% Coinsurance	\$80 Co-pay after deductible
Specialty Rx (Self-injectable)	\$75 Co-pay	\$75 Co-pay	\$75 Co-pay after deductible
Rx from Non-PPO	Plan pays 60% after deductible	Plan pays 60% after deductible	Plan pays 60% after deductible
Preventive Drug Coverage under HCR	Covered in full	Covered in full	Covered in full
Preventive Drug Coverage for CDHP (to treat heart disease & diabetes)	n/a	n/a	Generic covered in full



Dental Plan Administrator

- United Concordia is the plan administrator.
- Two plans are offered:
 - Concordia Preferred
 - Lower premiums
 - You pay more if you see an out of network provider
 - Orthodontia claims are only covered with an in-network provider
 - Concordia Flex
 - Higher premiums
 - Claims are paid at the same percentage regardless of provider status
 - You can see an out-of-network orthodontist
- www.ucci.com



Dental Plan Comparison

	Preferred PPO Provider	Preferred Non-PPO Provider	Flex PPO or Non-PPO Provider
Deductible	\$50 per person/\$150 family		\$50 per person/\$150 family
Annual Limit (per person)	\$2,000	\$1,250	\$2,000
Orthodontia Limit	\$4,000	N/A	\$4,000
Preventive and Diagnostic (routine cleanings, exams and most X-rays)	100%	80%	100%
Basic (extractions, space maintainers, nonsurgical periodontics, endodontics, etc....)	80%	60%	80%
Major (inlays, onlays, crowns, bridges, & dentures, etc...)	80%	60%	80%
Orthodontia	80%	Not Covered	80%



Vision Plan Administrator

- VSP is the vision plan administrator.
- As a VSP member, you can take advantage of additional discounts and savings on:
 - Glasses and sunglasses
 - Laser vision correction discounts
 - Contact lenses
- **No ID card necessary – Remember to mention that you are a VSP member!**
- www.vsp.com



Vision Plan Comparison

The VSP plan provides you with the following benefits. One exam and glasses or contacts are covered once each calendar year.

Service	VSP Provider	Non-VSP Provider
WellVision® Annual Exam	Covered in full after \$20 co-pay*	Covered up to \$43*
Lenses	Single, lined bi-focal, tri-focal, and progressive lenses are covered after co-pay*	Single Vision Lenses: up to \$26* Lined Bifocal Lenses: up to \$43* Lined Trifocal Lenses: up to \$60* Progressive Lenses: up to \$60*
Frames	Covered up to \$175 – 1x every 24 months	Covered up to \$40 – 1x every 24 months
Elective Contacts (in lieu of glasses)	Covered up to \$130*	Covered up to \$100*
Contact Lens Exam Fitting & Evaluation	Standard & Premium fit: Covered in full after never to exceed \$60 co-pay	Combined with Elective Contact allowance noted above



Mid-Year Changes Medical, Dental & Vision

- Due to federal regulations, mid-year changes are **generally not allowed**. There are a few limited situations called “qualifying life events” which allow you to make mid-year changes. **If you experience a QLE, you must submit an election change form** within the specified time frame, or you will lose your opportunity to make a mid-year change. Examples of common life events and notification deadlines.
 - Adoption of a child ... 31 days after the adoption date
 - Marriage... 31 days after date of marriage
 - Divorce ... 31 days after date of divorce
 - Birth of a Child ... 60 days after date of birth



Healthcare and Dependent Care FSA*

- As part of the ASRC Benefits Program, employees can elect to participate in the Healthcare and Dependent Care FSAs
 - Healthcare FSA - \$150 to \$2,500 per calendar year
 - Dependent Care FSA - \$150 to \$5,000 per calendar year
- Health Care Reform has set a \$2,500 cap on the Healthcare FSA
- To participate in these programs, you **MUST** enroll during Open Enrollment
- This is a “use it or lose it” benefit. Account balances for FSAs do not roll over from year to year so make sure to carefully consider your contribution amount for 2013.



Voluntary Life Insurance - Unum

- This benefit is optional and is 100% paid by the employee.
- If you're currently enrolled, your coverage will continue.
- Minimal rate increase for children coverage.
- Employee enrollment is required for dependent enrollment.
- Medical underwriting is required if:
 - You don't currently have coverage
 - You want to increase your coverage over the guarantee issue amount

Coverage options	
Employee Life	<ul style="list-style-type: none">• Up to 5 times your salary in increments of \$10,000, not to exceed the lesser of 5 x annual earnings or \$500,000
Spouse Life	<ul style="list-style-type: none">• Up to 100% of employee amount in increments of \$10,000, not to exceed \$500,000
Child Life	<ul style="list-style-type: none">• \$10,000 benefit• Maximum death benefit for a child between the ages of live birth and 6 months is \$1,000



Voluntary AD&D Insurance - Unum

- This benefit is optional and is 100% paid by the employee.
- If you're currently enrolled, your coverage will continue.
- Minimal rate increase for children coverage.
- Employee enrollment is required for dependent enrollment.
- Medical underwriting is **not** required.

Coverage options	
Employee AD&D	<ul style="list-style-type: none">• Up to 5 times your salary in increments of \$10,000, not to exceed the lesser of 5 x annual earnings or \$500,000
Spouse AD&D	<ul style="list-style-type: none">• Up to 100% of employee amount in increments of \$10,000, not to exceed \$500,000
Child AD&D	<ul style="list-style-type: none">• \$10,000 benefit• Maximum death benefit for a child between the ages of live birth and 6 months is \$1,000



Employer-Paid Benefits

- These benefits are provided by and 100% paid for by your employer:
- Life Insurance
- AD&D Insurance
- Short Term & Long Term Disability (this is a voluntary benefit for AES – paid for by the employee)
- Business Travel Accident Insurance
- Employee Assistance Program



How to Enroll

Three ways to enroll:

- **On-site enrollment meetings if available**
- **Online if available**
 - Use the online instructions provided
- **By Phone (If no other option for enrollment.)**
 - Contact your Benefit Specialist as indicated in your packet



Contact Information

■ **Call (877) 370-2772 and select from the following options:**

1. Premera
2. NurseLine (available 24/7)
3. Health Saving & Flexible Spending Accounts
4. COBRA – COBRA Management Services
5. United Concordia (Dental)
6. VSP (Vision)
7. Additional Options: EAP – Magellan; Life & Disability – Unum; 401K – Schwab and ASRC Benefit Team

□ **Visit www.premera.com and register to access:**

- My plan information
- Find a Doctor
- Pharmacy
- Health & Symptoms Evaluation and so much more

□ **Visit www.healthequity.com/asrc to access:**

- Interactive Enrollment Comparison Tool
- Learn more about Health Savings Accounts



Frequently Asked Questions

Q: Can I add my spouse or children to the medical, dental or vision plans?

A: Yes. In order to establish eligibility marriage certificates are required to add your spouse and birth certificates for children (marriage and birth certificates for step-children).

Q: Will my current elections rollover into 2012?

A: **Action is required** by you if you are enrolled in PPO 250, PPO FAA or BCBS of Alabama. If you are currently enrolled in PPO 500, PPO 1000, dental or vision coverage, then no action is required to maintain your current level of coverage. Flexible spending accounts: healthcare reimbursement and dependent care will **not** renew annually. Eligible employees will have to enroll or re-enroll in these benefits on an annual basis.