

Benefits Open Enrollment Information 2023 Rate Announcement

October 18, 2022

Managing trends in our healthcare programs continues to be a significant financial challenge for the University of South Alabama. We firmly believe that comprehensive, affordable health insurance is one of the most important benefits that we, as an employer, can offer you. Through the years, we have taken great strides to maintain an excellent, comprehensive program that is valued by our employees while continuing to analyze the financial aspect of the program to ensure and maintain its affordability for all. USA remains committed to providing access to quality and affordable health and dental plan benefits to all benefits-eligible employees and their eligible dependents.

Your USA Fringe Benefits Committee (FBC) recommended, and President Jo Bonner approved, a modest employee premium increase of \$2 per month for single coverage and \$7 per month for family coverage for employees enrolled in the USA Choice Plan for the 2023 plan year. The USA Select plan will have no employee increase in premiums for the 2023 plan year.

Like most health insurance plans nationally, medical and prescription drug costs to the USA Choice and USA Select Plans have been increasing each year. This trend is anticipated to continue in 2023. Blue Cross Blue Shield of Alabama has projected that the cost of insuring USA's employees and their dependents in 2023 will be greater than the premiums paid by the University and its employees during 2022. The total cost of the plan in 2023 is projected to be approximately \$72.4 million compared to \$66.5 million paid in employee and employer premiums in 2022. The Plan is self-funded, which means that the University and employees share the costs and responsibility to manage the Plan efficiently. Due to increased claims cost and general inflation in cost for medical care, it is necessary to make benefit design changes for the USA Health network for the USA Choice and USA Select Plans. We realize any changes to your health coverage impacts your decisions during Open Enrollment. Below are the approved benefit design changes for the USA Health network, effective January 1, 2023:

- \$15 copayment for Physician, Physical, Occupational and Speech Therapy visits
- \$150 Outpatient Surgery copayment
- \$200 Emergency Room copayment/waived if admitted

In addition to the modest employee premium increase, your USA Fringe Benefits Committee (FBC) recommended, and President Bonner approved, the following benefit enhancements for the 2023 plan year:

- Increase to the dental annual maximum from \$1,250 to \$1,500 per member per calendar year.
- Expand ABA Therapy coverage services as follows:
 - Ages birth – 9 \$40,000
 - Ages 10 – 13 \$30,000
 - Ages 14 – 18 \$20,000
- Addition of a voluntary Vision Plan through VSP Vision Care,
- Offer VIRTAs for the reversal of Type 2 Diabetes through Blue Cross Blue Shield of Alabama.
- Expanded preventive benefits to include coverage for a blood pressure monitor every 5 years for members diagnosed with hypertension; peak flow meter testing once per year for members diagnosed with asthma; INR testing up to 15 times per year for members with liver or blood disorders; Lipoprotein LDL testing up to 5 times per year for members diagnosed with heart disease, hemoglobin A1c testing up to 4 times per year for members diagnosed with diabetes and retinopathy screening up to 3 times per year for member diagnosed with diabetes.

The University of South Alabama also offers eligible employees the opportunity to enroll in an alternate plan, the USA Select Plan, with claims administered by Blue Cross Blue Shield of Alabama. The USA Select

Plan offers value to employees and their dependents with a low-cost benefit plan that provides access to medical providers within USA Health, but also provides the option of accessing the BCBS PPO network.

The employee cost sharing for USA Select Plan will continue to be the lowest of the plans offered by the University - \$90.00 per month for single coverage and \$300.00 per month for family coverage. The benefits offered include no deductibles and low out-of-pocket copays for outpatient surgery, medical emergency (ER), therapy visits and physician services. All other services are covered within the USA Health network at 100%.

HealthEquity, Inc. will provide claims administration for SouthFlex Flexible Spending Accounts in 2023. We will continue to offer the HealthEquity Visa® Reimbursement Account Debit Card. More information is available online at www.healthequity.com and at www.southalabama.edu/jagsopenenrollment.

During open enrollment, eligible employees may enroll in the USA Choice Plan or USA Select Plan and/or add eligible dependents with coverage to be effective January 1, 2023.

If you are currently enrolled in the USA Choice Plan or USA Select Plan, and do not wish to make a change in coverage, no action is required on your part.

USA Choice Plan - Base Premiums

for employees hired prior to January 1, 2013

Single coverage - \$124 per month
(\$174 per month without the non-tobacco wellness incentive)
Family coverage - \$415 per month
(\$465 per month without the non-tobacco wellness incentive)

USA Choice Plan - Standard Premiums

for employees hired on or after January 1, 2013

Single coverage - \$144 per month
(\$194 per month without the non-tobacco wellness incentive)
Family coverage - \$479 per month
(\$529 per month without the non-tobacco wellness incentive)

USA Select Plan

Single coverage - \$90 per month
(\$140 per month without the non-tobacco wellness incentive)
Family coverage - \$300 per month
(\$350 per month without the non-tobacco wellness incentive)

More information will also be available on the open enrollment web site at SouthAlabama.edu/jagsopenenrollment beginning **November 1, 2022**. You may also call your Human Resources office or email us at employeebenefits@southalabama.edu.

Annual Open Enrollment Period

The open enrollment period is from November 1, 2022, through November 30, 2022.

During open enrollment, eligible faculty, staff and administrative employees may enroll in the USA Choice Plan or USA Select Plan and/or add eligible dependents with coverage to be effective January 1, 2023. The USA Choice Plan and USA Select Plan enrollment form is available online at an open enrollment link on the Human Resources website at SouthAlabama.edu/jagsopenenrollment and in the Human Resources offices **beginning November 1, 2022**. You may scan and email the enrollment form to employeebenefitshr@southalabama.edu. Note that if you send your form by email, it is not necessary to send the original by regular mail. **USA Health employees who wish to hand deliver forms must deliver those forms to the USA Health HR Cox Street location only. Please be advised that completed forms will not be accepted by fax.**

SouthFlex – Flexible Spending Accounts (FSA)

If you have not already done so, now may be a good time for you to consider participating in SouthFlex, a plan designed to increase your disposable income by reducing the amount of taxes you pay. Enrollment in SouthFlex Health FSA will allow you to be reimbursed for copays and deductibles on a pre-tax basis. Enrollment in SouthFlex Dependent Care FSA allows reimbursement on a pre-tax basis for dependent care expenses. ***The annual limit on employee salary reduction contributions to the Health FSA will be \$3,050 for 2023.*** The annual maximum employee salary reduction for Dependent Care FSA for calendar year 2023 will remain at \$5,000, or \$2,500 for married taxpayers filing separate returns. **Beginning November 1, 2022**, SouthFlex information and 2023 enrollment forms will be available online at an open enrollment link on the Human Resources website at SouthAlabama.edu/jagsopenenrollment. The enrollment form may be completed online. Completed forms may be emailed to employeebenefitshr@southalabama.edu. If you send your form by email, it is not necessary to send the original by regular mail. **USA Health employees who wish to hand deliver forms must deliver those forms to the USA Health HR Cox Street location only. Please be advised that completed forms will not be accepted by fax.**

As a reminder, if you are currently enrolled in SouthFlex, you must re-enroll during Open Enrollment to participate during the 2023 benefit year.

Forms Submission Deadline

USA Choice Plan or USA Select Plan change/enrollment forms and SouthFlex enrollment forms must be received in the Human Resources department **no later than 4:30 p.m. on Wednesday, November 30, 2022**. Please contact your Human Resources office should you have any questions.

USA Benefits & Wellness Expo

As your work schedule permits, and with supervisory approval during normal working hours, we invite University General Division employees to participate in the *USA Benefits & Wellness Expo* being held this year on **Wednesday, November 2, 2022**, from 8 a.m. to 12 noon in the University Student Center Ballroom. The *USA Benefits & Wellness Expo* is an excellent opportunity for you to speak directly with vendor representatives including Blue Cross Blue Shield of Alabama, Prime Therapeutics, HealthEquity, Teachers' Retirement System, TIAA-CREF, and Sun Life Insurance Company.

USA Health Human Resources will sponsor pop-up events at various USA Health locations for the ease and convenience of employees. Details on dates, times and locations will be provided by email, available online, and through the USA Health Insider.

Disclosure: Any reference to the University of South Alabama also applies to the USA HealthCare Management, LLC and USA Health Care Authority.