

# FY23 Health Plans: FAQ

## General Information

### 1. How many health plans are available to me?

There are four health plans available for FY23 (July 1, 2022):

- **Two high-deductible health plans** that are compatible with a health savings account.
- **Two copay-driven plans;** one with a deductible and one without. Both health plans are compatible with a medical flexible spending account.

### Additional Benefit Plan Information

- **Dental plan:** Regardless of which plan you enroll in (base or enhanced) or your coverage level, the state will contribute \$16.20 per month to your premium.
- **Wellmark Blue Cross Blue Shield of South Dakota:** As of July 1, 2021, BCBS became our administrator for claims processing, pre-authorization approvals, and first level appeals.
- Care and case management, the pregnancy support program, rare disease management, and Livongo Diabetes Management are coordinated by Wellmark.
- Pharmacy benefits through CVS/Caremark are also administered by Wellmark.
- **Covered eye exam:** Medical insurance coverage includes one eye exam for each covered member per year. This covered exam is available regardless of whether or not you have vision coverage.
- **Married State Employees:** If you and your spouse are both State employees, you will no longer be required to carry separate plans. This means that you and your spouse, along with any covered dependents, can enroll in one health plan.
- **Dependents of State Employees:** If your covered dependent(s) are current state employees, or become a state employee, they can be covered under your health plan as long as they continue to meet the eligibility requirements of a dependent.
- **Dual Coverage:** If your spouse and/or dependent(s) are covered under your health plan and are also state employees, they cannot be dually covered.

- **Dependent Verification:** If you add a spouse and/or dependent to any of your health or flexible benefits throughout the plan year, the dependent verification process is administered by the Benefits Department. You will be able to attach supporting documentation with your electronic request if you experience a qualifying life event. Our goal is to streamline the process, allowing you one point of contact for your qualifying life events

### 2. Do I have to participate in FY23 Open Enrollment?

It depends. While this year is a passive enrollment for most coverage options, you will need to actively elect medical and dependent care flexible spending accounts. If you do not participate in open enrollment, your coverage will default to your current health plan and coverage level. Supplemental Life insurance will roll over into the new plan year as well as all flexible benefits, such as dental and vision, and health savings accounts. The only exception is Flexible Spending Accounts, which require yearly enrollment.

It's also important to check your HSA contributions if you participate in an HSA. There are several reasons for this: you may have elected Ineligible / Decline when you are eligible for the State's contribution to the HSA but did not want to contribute your own pre-tax contributions; you may have become ineligible due to a change in your circumstance, and you should check your current contribution amount to make sure you do not go over the IRS contribution limits for the calendar year. For more information, please visit <https://bhr.sd.gov/benefits/hsa-fsa-hra-benefits/health-savings-account/index.html>.

### 3. When I enroll, when will the changes be effective?

Changes will take effect on July 1, 2022.

## Health Plan Information

### 4. Will I have to pay an employee premium for my health insurance?

The State offers a plan with no premium for employee-only coverage: the Washington Plan. We also offer the Lincoln, Jefferson, and Roosevelt Plans so you can buy up to the coverage that fits you best.

## 5. What will my premium be?

All premiums amounts are listed in the Benefits Guide - <https://bhr.sd.gov/benefitsguide.pdf>

## 6. Is there a tobacco surcharge?

Yes. The tobacco surcharge will still apply.

## 7. How many tiers of coverage will there be for FY23?

There are four tiers of coverage and premiums for the health plans and flexible benefits.

- Employee only
- Employee + child(ren)
- Employee + spouse
- Family (employee + spouse + child(ren))

## 8. What if I want to opt out of coverage?

You will have the chance to opt out of the South Dakota State Employee Health Plan if you provide proof of other creditable group health coverage, including TRICARE or Medicare.

Acceptable proof of coverage includes a Certificate of Creditable Coverage from your other insurance carrier. Please note: Medicaid, Indian Health Services, coverage from the Marketplace, and VA coverage are NOT considered creditable group health coverage.

You are not required to provide proof of other coverage for family members.

## 9. Is there a credit if I choose to opt out of the health plan?

No. We will not offer a credit.

## 10. My spouse and I are both State employees.

### Can we request a combined family deductible?

Since you are allowed to cover your spouse and/or dependent children who are also State employees on any of your benefits, a combined deductible will no longer be needed.

## 11. How will I know which medications are covered for FY23?

Please review the Wellmark Prescription Drug Formulary Search document at <https://bhr.sd.gov/fy23plans> for instructions on reviewing covered medications for FY23.

## 13. Do both HDHPs still have the no-cost preventive therapy drug list?

Yes, the Washington and Lincoln Plans both include the no-cost preventive drug benefit.

## 14. I have a specialty prescription with a co-pay card. How will that work with the prescription plans?

You can still use any copay cards, but any expenses paid by the copay card will not apply towards your deductible or your out-of-pocket maximum.

## 15. Do prescriptions have separate deductibles and out-of-pocket maximums?

None of the plans will have a separate prescription deductible, nor a separate prescription out-of-pocket maximum.

## 16. Does the copay for prescriptions go toward the deductible or the out-of-pocket max (OPM)?

On the Jefferson and Roosevelt Plans, prescription copayments will apply to the OPM, but not to the deductible. On the Lincoln and Washington Plans, prescriptions will apply to the deductible and coinsurance until the OPM is met. Preventive prescriptions with a fixed dollar amount will apply to the OPM.

## 17. How does the covered eye exam work? Will it be covered under a medical claim?

Your health benefits include one eye exam per year for each covered member of your family. In order to receive this eye exam, you do need to have this done with a Wellmark participating provider. You should inform your eye care provider of this benefit when making your appointment and present your health insurance card when you arrive.

## benefIT Well-being Program Details

### 18. Is there an incentive for participating in the wellness program?

The beneFIT well-being program is a part of your benefits package, with tools and resources to support your physical, mental, social, emotional, and financial health.

If you and your covered spouse (if applicable), complete the biometric screening and the online health assessment qualifications before April 1, 2022, you can earn an incentive based on the health plan you select during Open Enrollment. You as the primary policy holder can also complete a variety of activities on the beneFIT Well-being Portal by April 1, 2022, to earn up to an additional \$100 - \$400.

- **Low-deductible health plan:** You will receive up to \$500 in a health reimbursement account (HRA) to offset costs during the plan year. Please note that you are no longer required to complete the wellness qualification to enroll in a low-deductible health plan.
- **High-deductible health plan:** You will receive a state contribution of \$500 in a health savings account (HSA) if you are eligible based on IRS rules. Employees who do not qualify for an HSA may enroll in one of the low-deductible health plans and receive the funds in an HRA, or you may choose a high-deductible health plan and decline the HSA.

### 19. What are the requirements for earning the wellness incentive this year?

You and your covered spouse (if applicable) must complete the biometric screening and the online health assessment qualifications before April 1, 2022, to earn the incentive.

### 20. Am I required to participate in the wellness program?

Participation in the beneFIT well-being program is and always has been optional. Employees who do not want to participate **will be able to enroll in any of the four health plan options.**

However, because it is important to know and understand your health numbers, an incentive will be provided to employees (and their covered spouse, if applicable) who complete the health screening and online health assessment.

### 21. Do I need to complete the wellness qualifications to access one of the low deductible health plans?

No. All four health plans are available to anyone who wants to enroll in them.

### 22. I cover my spouse on my health plan. Do we each receive a \$500 incentive?

No. The \$500 incentive is a flat amount for both state employed and non-state employed spouses.

### 23. Where can I learn more about the beneFIT well-being program?

Go to [bhr.sd.gov/benefits/benefit](http://bhr.sd.gov/benefits/benefit) to learn more about the beneFIT well-being program, or go to [webmdhealth.com/benefit/](http://webmdhealth.com/benefit/) to access resources, set wellness goals, connect your tracking device, and more.

## Tax-advantaged Account Information

### 24. What is the difference between an HRA, a medical FSA and an HSA?

All of these are accounts you can use to set aside pre-tax dollars to pay for qualified medical, dental and vision care expenses.

- A **health reimbursement account (HRA)** is funded by the employer. State employees on a low-deductible health plan who complete the wellness incentive will receive \$500 in an HRA. Like a medical FSA (outlined below), it is a use-it or lose-it account. You have until June 30, 2022, to incur claims for the FY22 plan year.
- A **medical flexible spending account (medical FSA)** is funded by you, the employee, and is only available to those who select a low deductible health plan for coverage. It is a use-it or lose-it account. You have until September 14th of the current plan year to incur expenses, and until October 28th of the current plan year to submit expenses for reimbursement.
- A **health savings account (HSA)** can be funded by both employer and employee and is only available to those who select a high-deductible health plan for coverage and meet the eligibility requirements. HSAs are unique in that they are triple tax-advantaged, they roll over from year to year, and the money is yours to keep, even if you change jobs or retire.

### 25. Can I still elect the medical FSA up to the 2022 limit even if I receive the \$500 in an HRA?

Yes. Employees can elect up to the 2022 IRS maximum annual contribution of \$2,850 even if they are receiving funds in an HRA.

### 26. Can I contribute to an HSA and a medical FSA in the same plan year?

If you qualify for an HSA by electing the Washington or Lincoln plan, you cannot elect to set up both an HSA and an FSA per IRS regulations. You can contribute to a limited purpose FSA that works like a regular FSA but can only be used for vision care and dental expenses until your deductible is met. Once you've met your deductible, you can [submit verification to WEX](#), and then the FSA can be used for medical and prescription expenses as well.

### **27. If I currently have a medical FSA, can I elect the Washington or Lincoln High Deductible Health Plans with an HSA?**

Due to IRS Regulations, if you choose one of the two high deductible health plans (Washington or Lincoln) during open enrollment, you must spend your remaining FSA balance by June 30, 2022. If you choose one of the two low deductible health plans (Jefferson or Roosevelt), you will have the normal grace period to use your Medical FSA dollars, which ends September 14, 2022.

## **Important Dates to Keep in Mind**

### **28. For new hires, what will the insurance effective dates and deadlines be?**

Coverage begins the first day of the month following date of hire. New hires will have 30 days to enroll.

### **29. Will I still have 30 days to make changes to my health plan and flexible benefits after a qualifying event?**

Yes. After a qualifying event – a major life change that makes you eligible to update your benefits – you will still have 30 days to make changes to your health plan and flexible benefits. You must submit sufficient supporting documentation within 30 days of the event, as well.

### **30. If I experience a qualifying event, can I elect different benefits?**

Yes. For example, if you are currently enrolled in the Washington High Deductible Plan, and then get married, you can change to the Lincoln, Jefferson, or Roosevelt Plan. However, keep in mind that if you switch from a High Deductible Plan to a Low Deductible Plan, or vice versa, and contribute to a tax advantaged account, you may want to check compatibility with the Benefits Program.

Please refer the Life Events Page by visiting <https://bhr.sd.gov/benefits/lifeevents/index.html>.

### **31. If someone is hired on the first day of a month, would they have insurance starting that day or on the first day of the next month?**

Coverage begins on the first of the month following date of hire. For example, if an employee begins work on August 1, their coverage would be effective on September 1.

### **32. If someone resigns on 12/23, and if they use vacation time until 1/23, when would their coverage end?**

Because they are considered an active employee until January 23, coverage would end on January 31. The exception to this is flexible spending accounts and health reimbursement accounts, which terminate on the last day of employment per IRS regulations.

### **33. If a new employee starts at the end of the month, would their insurance start in a day or two? Or would they have a 30-day waiting period?**

There would not be a 30-day waiting period. Coverage begins the first of the month following date of hire. For example, if an employee begins work on August 30, their coverage would be effective on September 1.

### **34. When someone terminates employment, does their insurance go through the month in which they are terming, or does the coverage go through the end of the next month?**

Employees pay premiums in the current month, not one month in advance. Therefore, when an employee terminates employment, their coverage will cease at the end of the month they terminate. For example, if an employee terms as of September 15, their coverage would end on September 30.

## **Wellmark® Blue Cross® and Blue Shield®**

### **35. Who is the State's third party health insurance administrator?**

Wellmark Blue Cross and Blue Shield is the third-party administrator for the South Dakota State Employee Benefits Program.

### **36. If I have questions regarding my specific health questions and/or prescription questions, who should I contact?**

You can contact Wellmark's dedicated Customer Service line. The number is **800.846.9183**. Be sure to have your identification card when you call.

### **37. Do I have to choose a primary care provider?**

No, you can see any primary care provider of your choice. A primary care provider refers to general and family practice providers, internal medicine physicians, OB/GYNs, and pediatricians. A non-primary care provider refers to a provider who offers specialized areas of practice, such as dermatology, oncology, or cardiology.

### 38. How do I find out if a provider or pharmacy is in-network.

Please see the instructions on finding a primary care provider: <https://bhr.sd.gov/fy23plans/IsMyDoctorInNetwork.pdf>

### 39. How broad is Wellmark's coverage across South Dakota?

Wellmark offers the largest health care provider network in South Dakota. Approximately 386,000 South Dakotans have health care coverage through Wellmark, and they're in good company: One in every three Americans is covered by a Blue Cross and Blue Shield plan. As a Wellmark member, you will enjoy access to a broad range of doctors, hospitals and telehealth benefits. To find in-network care:

- Go to [Wellmark.com/Provider](https://www.wellmark.com/Provider).
- Select *Find a provider or facility*.
- Enter your location.
- Enter the three letters *SDF* for the prefix.
- Begin your search. You can search by a doctor's name or specialty, places by name, or places by provider type.

### 40. What will Wellmark's coverage be like for members living across the country?

In addition to coverage at 95% of doctors and 100% of hospitals in South Dakota, Wellmark also offers coverage at 95% of doctors and 96% of hospitals across the U.S.

### 41. How does the Care management Program with Wellmark Work?

The Wellmark Care Team includes a dedicated care manager nurse and an integrated team of specialists including pharmacists, behavioral health specialists, and care advocates. They are accessible any time by calling the number on the back of your Wellmark ID card.

### 42. How do I enroll?

If you have a health condition, you can call the Wellmark Care Team at any time to request support. Wellmark will also reach out to members who are identified for program participation through hospital admission notifications, health, and pharmacy claims information, and through provider referral. This program is free, voluntary, and confidential.

### 43. What is Wellmark's Blue365® discount program?

As a Wellmark member, you are automatically eligible to get personalized access to [Blue365](#) – a free portal that offers discounts on health and wellness brands to keep you engaged in a healthy lifestyle. Blue365 gets you deals on personal care items like glasses and hearing aids, gym memberships, gear like fitness trackers and wireless ear buds, financial health programs, healthy meal kits, weight loss coaching, pet insurance, travel packages, and more.

Blue365 deals and discounts are updated regularly, and you can stay informed with a weekly email sent to your inbox.

### 44. In addition to Blue365, what else is included with my Wellmark membership?

Being a Wellmark member has its perks. Along with your health insurance coverage, you get free tools and resources that make your life easier, including:

- **myWellmark®**, your secure member portal for access to all your health benefits information at home or on the go.
- **BeWell 24/7<sup>SM</sup>**, a free phone line to answer your health questions and help you navigate the health care system 24/7.
- **IDX Identity®** for identity theft protection, including credit monitoring and \$1 million of theft recovery insurance, all at no cost to you.

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