Reynolda Campus Healthcare Forum Q&A

(Note: these questions/answers pertain to the employees of the Reynolda Campus of WFU

(1) Who do I call if I have questions concerning my explanation of benefits that I receive from ACS?

Answer: Denise Porterfield is our designated representative at ACS. Her number is 759-2013 extension 1202. ACS operates on a mandatory one day telephone call return. If you leave a message, you should receive a telephone call back from ACS within one business day.

Notes from the EOB (explanation of benefits):

(a) "Date of Service" is the date you visited the doctor.

(b) "Ineligible Amount" does not necessarily reflect the amount you owe!! It may also include discounts, copays, etc.

(c) Important line to note on EOBS:
"Applied to deductible + Applied to Out of Pocket":
This is the total cost to the employee.

(d) There are counters on the EOB forms that provide you up-to-date stats on where you stand meeting your deductibles. These counters also will show you how much has been spent in network and out of network.

(e) How do I know what the CPT codes mean on the explanation of benefits forms?
Answer: CPT codes can be found at the following site:
https://webstore.ama-assn.org/search/CptLookup.jhtml;$sessionid$X4QIF54ONVYKJLA0MQGRNWQ?_requestid=6201

(f) An employee has 180 days to appeal a claim. Once the 180-day period passes, ACS does not have to honor the claim. Thus it is critical that EOBs are reviewed immediately upon receipt.

(g) How often are EOBs sent out?
If you have had some sort of medical treatment, you should receive an explanation of benefits report from ACS within a 7-10 day period. If you do not, you should contact ACS to see if they have received the claim from the doctor's office.

(h) ACS is processing both medical and dental claims for WFU. Be sure to note on the form for which plan the claim is being submitted.

(i) Questions concerning claims for healthcare should be first directed to ACS's Denise Porterfield at 759-2013 ext. 1202.

(j) Questions concerning claims for the dental plan should be directed to ACS's Sabrina Sapp at 759-2013 ext. 1262.

(2) How do I reconcile bills that come from WFU Physicians, LabCorp, etc. with my ACS explanation of benefits, my deductibles, etc.?

Answer: If you have a question concerning an invoice that comes from an outside organization such as those listed, you should call Denise Porterfield at ACS at 759-2013 ext. 1202.

(3) If I am out of town/out of the country, whether on University or personal business (i.e. out of network), how am I covered?

Answer:
(a) Visits to an emergency room are covered as in network.
(b) Visits to an emergency room that lead to admission to the hospital are covered as in network.
(c) The cost to the employee to an employee who visits the emergency room, whether in or out of network, would be a $75 copay.
(d) If an admission is made to the hospital following the emergency room visit, the plan picks up 90% of the costs after the employee has met his/her deductible.

(4) What are the calendar year deductibles?

Answer:
(a) For individual coverage, the in-network deductible is $200 per yr.
(b) For family coverage, the in-network deductible is $500 per family.
(c) Once the deductibles are met, the plan pays 90%. The employee pays the 10%.

(5) If I have family coverage and my child is out of town (away at college) and has an emergency, how are the costs charged?

Answer:
(a) Visits to the emergency room for a family member covered under the family plan are covered as in network.
(b) Visits other than of an emergency status are out of network.

(6) If I plan to be out of the town and need to get my prescriptions refilled before the usual and customary refillable period, how can I do this?

Answer: The employee should call Teresa Brown in Human Resources at 758-1885. Approval can be provided to allow the employee to obtain these prescriptions as needed.

(7) What costs do I incur when I have my routine annual physical? Is it the copay only? Does the copay count toward the deductible?

Answer: The copay should be the only cost you incur for annual routine physicals. Copays are never considered as a part of the deductible.

(8) If I have my physical and a mammogram is suggested, when I go to have the mammogram at a different location (other than my regular physician) on a different date, is the mammogram covered as part of my annual physical? Do I incur a copay at the time of the mammogram?

Answer: Yes, the mammogram is a part of the annual physical. It doesn't matter if it's performed on a different date than your physical. You should not have another copay.

(9) I am on the family coverage plan and have a child that will be a freshman at WFU next fall. Is Wake Forest Student Health Service a network provider for my child?

Answer: The Student Health Services is not a provider of any network. They don't file insurance claims either. If the student gets a physical or other services at Student Health, the charges are covered under the out-of-network.

(10) Are there any in-network chiropractic care?

Answer: All chiropractic care is considered out-of-network.

(11) Why do we have a new healthcare card?

Answer: Employees should have received two new cards—a healthcare card *and* a prescription card. Because of the increase in identity theft nationwide, these new cards do not list social security numbers.

(12) What if there is an unusual, catastrophic emergency, how is coverage affected?
Scenario: Explosion in classroom lab that causes no deaths, but great physical harm (burns, etc.).

Answer: As a self-insured provider of medical services, the University protects itself from costs that exceed the University's cost projections through the purchase of stop-loss insurance that covers

the cost of claims above established levels. The University has stop loss insurance for both individual claims and aggregate claims. The current individual stop loss coverage would pay individual claims that exceed $175,000 in any given year. The aggregate stop loss coverage would pay all claims that exceed approximately $10.3 million during the plan year (July 2003 – June 2004).

(13) Would a wellness plan help reduce our healthcare plan costs?

Answer: A wellness plan over time can be shown to reduce costs, but a three-four year period is usually needed to see any cost savings . Such a plan also requires significant funding to be implemented. Ralph Pedersen of human resources and Peter Brubaker of health and exercise science have been reviewing/studying other programs. The medical school is currently piloting some programs.

(14) Why isn't the medical school and the University together on one plan?

Answer: Each operates as a separate entity, as two separate employers with separate benefits.

(15) Are the medical school benefits plan better than that of the Reynolda Campus?

Answer: The medical school has seen increasing healthcare costs as well. This year they have implemented incentives to encourage their employees to use the medical center as their primary healthcare provider rather than using outside physicians. Their new plan calls for no increases in deductibles, a 5% increase in coinsurance, pharmacy copays at the same fees, but a mandatory requirement for use of generic drugs.

Note: both plans are comprehensive in coverage. Utilization affects the costs. Presently the medical school coverage is a 75% medical center/25% employee costs, whereas the Reynolda Campus allocation is around a 60/40 split, in theory. Benefits were not reduced but rather plan changes were made that resulted in shifting more of the costs of these unreduced benefits to employees.

Data from Marc Sears, Director of Benefits & Compensation, School of Medicine Human Resources:

"For the first 9 months this year our drug plan is running 24% of the total health plan. The national average is about 12-14%. We average 1.0 prescription per member per month. National average is.55 scripts per member per month. For the fiscal year end 6/30/03 our plan lost $1.4 million. NCBH's plan lost @ $3.0 million for the same period. Our employees and dependents hyper use the medical plan.

We are increasing premiums 11% on Jan 1, 2004. Office copays will be:

PCP

WFUP & Aegis providers	$15
Non-WFUP providers	$25

Specialists

WFUP providers	$30
Non-WFUP providers	$45

In hospital copays

NCBH	$250
Non-NCBH	$750

Since we don't deliver babies, members can use other hospitals at the $250 copay level if they complete the prenatal plan.

Out patient copays

NCBH	$150
Non-NCBH	$450

Rx copays

$10 generic
$25 brand
$50 non-preferred, note in all cases there is a tier 1 or tier 2 drug option in place of the tier 3 drugs
Required generics if available

School continues to pay 75% of the health & dental premiums

1/1/04 monthly employee rates:

Employee only	$75
Employee & spouse	$180
Employee & child	$145
Family	$220

We are projecting to spend a total of $24 M on employee health next year. NCBH will spend @ $38 M."

(16) The plan is based on estimates. If the claims/costs are less than estimated, where does the savings go?

Answer: Hopefully the savings on a plan would be reflected on reduced increases passed on to the following year's plan. This could help stabilize premiums and the cost shifting to employees would be less. Current expectations are that health care costs will increase around 15-20% per year for the foreseeable future. That is why the best that we can hope for under a savings scenario is a smaller increase.

(17) Why is the coverage for a husband/wife more than double that of an individual?

Answer: Actuarial studies show that the cost of claims for an Employee and Spouse are more than double the claims for two Employees only.

(18) Is there an out-of-network maximum?

Answer: The family out-of-pocket maximum is $5,000. The individual out-Of-pocket maximum is $2,000.

(19) How can I reduce my costs?

Answer:
(a) ALL tests should be ordered with a yearly physical. If so, then they are covered as part of the exam and do not affect the deductible or coinsurance. Thus, you must tell you physician to specifically order and code the tests as part of the routine physical for them to be charged as such.
(b) Be informed of the options for prescription medicines. Ask about generic options. Human Resources is working on a list of these drugs and will post them on the site as soon as

possible.

(c) If a claim or other cost does not appear to be covered, call ACS or Human Resources.

(d) Use the flexible spending account for tax savings. (See #20 below for more details.)

(e) Stay in network! A provider list of those in network can be downloaded at http://www.healthcaresavings.com/provdir.htm.

(f) Avoid extra costs by minimizing emergency services.

(20) How do I use the flexible spending account?

Answer: Open enrollment is until December 12. Employees can choose to have funds deducted from their paycheck, which thus reduces his/her taxable income. Savings usually range from 25-40% depending on income tax level. There are two types of accounts: child care and unreimbursed medical. The child care flexible spending account can be used on daycare and the unreimbursed medical account can be used on normally unreimbursed medical services including deductibles, copayments, dental expenses, orthodontics, vision care (glasses, contacts, contact supplies, etc.), hearing care, and prescription drugs. The account is open to your spouse and dependents regardless of whether they are covered by the WFU plans or not as long as they are claimed on your federal tax return.

Many employees have had a hard time estimating their expenses for the year based on the end-of-year enrollment period which does not correspond with the fiscal year (when/if salary increase are begun). Thus, a plan to change the plan to reflect that of the fiscal year is being reviewed.

Special Notes:

(a) All dollars unspent at the end of the year are lost.

(b) New items that can now be reimbursed through the flexible spending account include: allergy medicine (Actifed, Claritin, Sudafed, Vicks), cold relief (Dimetapp, Advil, Theraflu, Chloraseptic), cold sore relief (Novitra, Abreva), eye & ear treatment (Visine, Ocu Hist, Swim-ear), foot treatment (Micatin, Lotriman, Fungi Care), hemorrhoid relief (Hemorid, Anusol, Preparation H), jock itch (Tinactin, Micatin, Lamisil AT), pain relievers (Aspirin, Advil, Ibuprofin, Excedrin, Tylenol), smoking cessation (Endit, Smoke Away, Nicorette, NicoDerm), stomach remedies (Pepcid, Prolosec, Tagemet, Zantac, Rolaids),

toothache (Orajel, Zilactin, Orabased, Den Tek), topical products that are not cosmetic (BenGay, IcyHot, Hydrogen Peroxide, Lodine), wart treatment (Compound W, Dr. Scholl's, Pedifix), yeast infection (Monistat, Vagistate 3, Vaginex), etc. A full list is available for download at http://www.wfu.edu/hr/forms/otc-drugs.pdf.

(c) Employees can file claims as they occur or submit them in one lump sum at the end of the year. Employees who opt to hold them to the end of the year should note that all claims must be made by the end of February.

(d) Employees who incur a cost in the early part of the year can go ahead and submit a flexible spending claim reimbursement for the medical account even though that amount of funds have yet to be deducted from his/her paycheck. This can be done because the employee has already stipulated the yearly amount for deduction.

(e) Flores & Associates, who manages the flexible spending accounts, provides up-to-date statements so that employees can know where they stand on their account. These can also be access through their website at http://www.flores-associates.com/

(21) Why did we opt for a single provider plan?

Answer: The choice of a single provider is significantly cheaper.

(22) Is it true that if a person has a catastrophic healthcare claim, he/she can be dropped from a healthcare plan?

Answer: There is a $2 million limit on a single claim for the WFU plan. Legally, it is possible for someone to be dropped from a plan, but that is would be the employer's decision. Ralph Pedersen indicated that it would be unlikely that the University would make a decision to drop someone from the plan.

(23) Some employers are opting to offer employee coverage at zero cost to the employee, while shifting the cost of total family coverage onto the employee. Has WFU considered this?

Answer: Some employers are offering this option, but WFU has found this plan option to be in the best interests of its employees. If this occurred and the employee was covered at 100%, family coverage cost would rise on average by $500. This would thus not be "family friendly" and thus has not been considered further.

(24) What changes are being looked at?

Answer: The healthcare plan will be reviewed in detail beginning in January. Possible changes include some changes to the prescription plan (a 4th-tier options for lifestyle drugs ie. Viagra, Propecia, etc.), possibly incentives for the use of generic drugs, etc.

(25) How do we compare in healthcare coverage compared to our cross-admit universities?

Answer: When comparing WFU versus the comparison list of cross-admit institutions, on average, employees pay $1,000 more for healthcare coverage than employees at the other institutions. Please see report entitled "Healthcare Cost to Employees."