



DJUSD

DAVIS JOINT UNIFIED
SCHOOL DISTRICT



Keenan

Davis Joint Unified School District

Benefits 101

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EMPLOYEE BENEFITS

PAY RAISE

HEALTH
INSURANCE

COBRA

MEAL
BREAKS

PAID
HOLIDAYS

SOCIAL SECURITY DISABILITY INSURANCE

MATERNITY
LEAVE

PAID PERSONAL
DAYS

OVERTIME

WORKMAN'S
COMPENSATION

ADOPTION
LEAVE

UNEMPLOYMENT
BENEFITS

SICK LEAVE

FAMILY & MEDICAL
LEAVE ACT

WORK
BREAKS

PAID
VACATION

DISABILITY
INSURANCE

HAZARD PAY

PAID
SICK TIME

PATERNITY
LEAVE

TERMINATION PAY

What is Health Insurance?

- Health insurance is an arrangement with an insurance company that can help protect the employee from the high costs of health care
- Health insurance works by spreading the cost of care among large groups (pools) of people—so insurance paid by one person helps pay for the care of others
- In addition to spreading financial risk, health insurance has another important function: improving access to health care services



Types of Health Insurance

- **Group health insurance**
 - Employer-based
 - Discounted coverage for a large pool of mostly healthy people
 - Costs of premiums are split by the employer and employee or covered 100% by employer
- **Individual health insurance**
 - Covers an individual person or family
 - Paid for entirely by the purchaser
 - Premiums typically vary by the age of the purchaser(s)
- **Government-sponsored health insurance**
 - Health insurance obtained through a government agency or program
 - Usually requires a special condition (elderly, low-income, children, veteran or active service member, Peace Corps volunteer)
 - Costs are split between the government and the insured





**Healthcare
Terms**

Healthcare Terms

Types of Plans

- **Health maintenance organization (HMO):** a plan with a more restricted network of doctors; employee is required to see a primary doctor first for a referral to see a specialist – Pays with a capitated contract and by claim
- **High-deductible healthcare plan (HDHP):** compared to traditional plans, a HDHP or HSA has a higher deductible; typically premium is lower than an HMO or PPO – Typically designed like an HMO – Pays with a capitated contract and by claims; if designed like a PPO, pays like a PPO
 - Subject to IRS annual contribution and deductible limits
 - Funded on a pre-tax basis
 - Provides ability to set aside funds for retirement
 - Can have a limited FSA
- **Preferred provider organization (PPO):** access to a wider network of doctors, plans that let's the member choose the doctors, PCP's are not required – Pays by claim
- **Exclusive provider organization (EPO):** Typically provides access to remote providers and is designed like an HMO and pays like a PPO
- **Flexible spending account (FSA):** account used to cover medical expenses through one calendar year, and are usually “use it or lose it”
- **Health reimbursement account (HRA):** a special program where employer reimburses for premium or certain medical expenses usually deductibles, copays, coinsurance



Healthcare Terms

Participants

- **Provider**
 - The clinic, hospital, doctor, laboratory, health care practitioner or pharmacy that provides medical services
- **Insurer or Carrier**
 - The insurance company providing coverage
- **Policyholder**
 - The individual or employer that has entered into a contractual relationship with the insurance company
- **Insured**
 - The person with the health insurance coverage



Healthcare Terms

Premium

- The amount of money charged by an insurance carrier for coverage
- Employers determine how much of the premium employees must pay for coverage (usually paid pre-tax)

Premium Example

Kim has group insurance through her employer, with pre-tax premiums. Every pay period, her share of the health insurance premium to cover the cost of her health insurance is deducted from her paycheck before taxes are calculated.



Healthcare Terms

Copayment

- A copayment, or copay, is a fixed amount that is paid for a covered health care service such as an office visit. The amount can vary by the type of covered health care service.

Copayment Example

Kim takes her son to the pediatrician for a bad cough. She has a copay of \$15 at the doctor's office.

Cost of visit:	\$200
Sally pays:	\$15
Health plan pays:	\$185



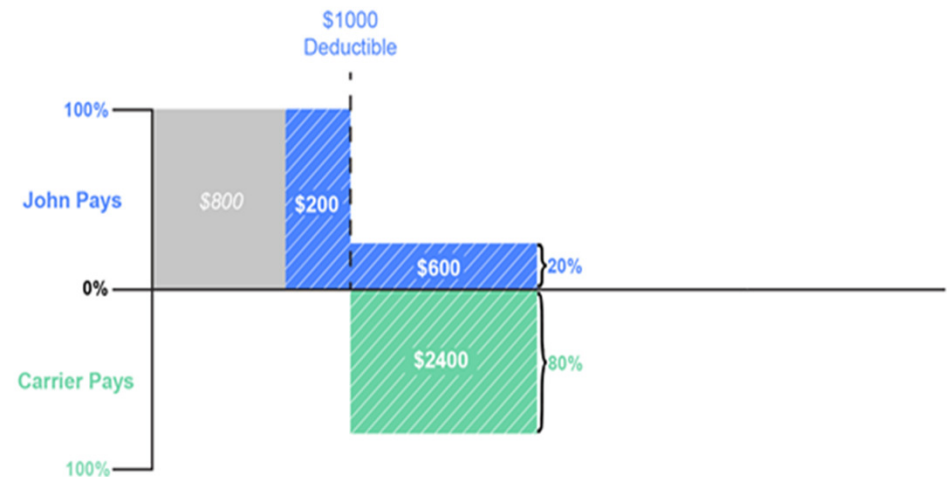
Healthcare Terms

Coinsurance

- The share of the costs of a covered health care service calculated as a percent of the allowed amount for the service

Coinsurance Example

John's second surgery occurs in the same plan year as his first and costs \$3,200. Because he has already paid \$800 toward his \$1,000 annual deductible, John is responsible for the first \$200 of the second surgery. Since he has met his deductible, the carrier will cover 80 percent of the remaining cost, a total of \$2,400. John will still be responsible for 20 percent, or \$600, of the remaining cost. The total John must pay for his second surgery is \$800.



Healthcare Terms

Out-of-Pocket Maximum

- An OOPM is the most that a member should have to pay for health care during a year, excluding the monthly premium. It protects from very high medical expenses.
- After the annual OOPM is reached, the health insurance or plan begins to pay 100 percent of the allowed amount for covered health care services or items for the rest of the year.
- Some plans do not count all out-of-pocket expenses towards the OOPM (for example, some plans do not count the deductible).

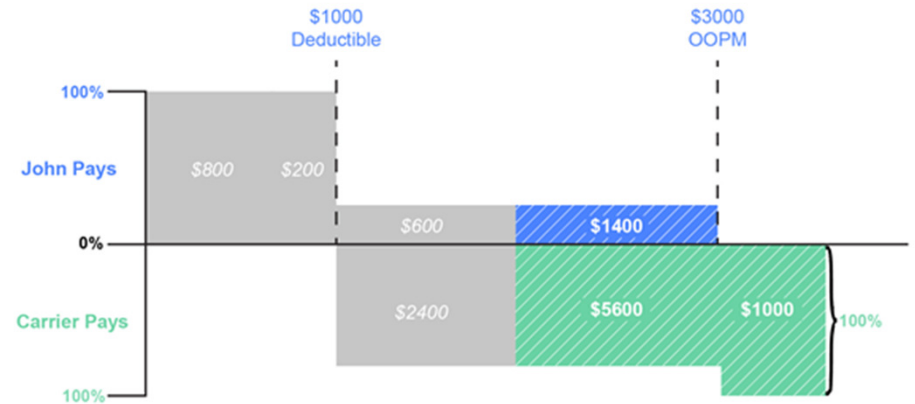


Healthcare Terms

Out-of-Pocket Maximum Example

John's third surgery occurs in the same plan year as his first two and costs a total of \$8,000. John has already met his deductible, so he only needs to pay the coinsurance on this surgery, up to the plan's OOPM of \$3,000. Because John has already spent \$1,600 towards his OOPM on previous health care costs this year, he only needs to spend \$1,400 before he hits his OOPM.

Once he hits the OOPM, his plan covers the remaining costs. Therefore, John's coinsurance total for the third surgery is \$1,400—the 20 percent coinsurance cost, up to the \$3,000 maximum—and his plan's total is the remaining \$6,600 (on the chart, this is shown as \$5,600 before the OOPM, plus \$1,000 after John hits his OOPM).



Healthcare Terms

Preventive Care

- “Preventive care” refers to measures taken to prevent chronic illnesses
 - The intent is to keep members healthy and catch illnesses in their earliest, most treatable stages
 - Medical tests, immunizations, screening tests, preventive medications and any other services that would prevent disease

Preventive Care Example

Kim schedules an appointment with her in-network health care provider for an annual physical and bi-annual mammogram. Because Kim is eligible for these preventive services under the ACA’s preventive care coverage guidelines, the total cost of the visit is covered by her health insurance.

Cost of Physical	\$200
Cost of Mammogram	\$200
Mary Pays	\$0
Health Plan Pays	\$400

Healthcare Terms

Other Terminology

- Essential Health Benefits
 - A set of health care service categories that the ACA requires certain plans to cover, beginning in 2014.
- Annual Limit
 - A cap on the benefits the insurance company will pay in a given year while enrolled in a particular health insurance plan. Under the ACA, annual dollar limits on essential health benefits no longer apply starting in 2014.
- Lifetime Limit
 - A cap on the total lifetime benefits a member may get from the insurance company. Lifetime dollar limits on essential health benefits no longer apply by the ACA.
- Qualified Medical Expense
 - IRS-defined costs attached to the diagnosis, cure, mitigation, treatment or prevention of disease. If not covered by insurance, they can be reimbursed tax-free from a health account, such as an HSA, HRA or health FSA.
- Pre-existing Condition
 - Any condition, either physical or mental, including a disability, that occurred before health plan coverage went into effect. Beginning in 2014, insurers cannot deny coverage or charge extra for pre-existing conditions.



Healthcare Terms

Other Terminology

- Grandfathered Plan
 - A health insurance plan that was in effect before the ACA became law and has basically stayed the same since then. Grandfathered plans are exempt from some of the ACA's reforms.
- Summary of Benefits and Coverage (SBC)
 - An easy-to-read outline that provides a comparisons of costs and coverage between health plans. SBC's are provided when employees sign up for, renews or changes coverage.
- Prescription Insurance
 - Helps pay for prescription drugs and medications
 - Includes generic, brand and specialty medications and the cost of insurance and formularies varies among health plans
- Dental Insurance
 - Used for dental care and usually includes regular checkups, cleanings, X-rays and certain services required to promote general dental health
 - Some plans may also provide coverage for certain types of oral surgery, dental implants or orthodontia



Healthcare Terms

Other Terminology

- Vision Insurance
 - Covers routine eye exams and other procedures, and provides specified dollar amounts or discounts for the purchase of eyeglasses and contact lenses
 - Some vision insurance policies also offer discounts on refractive surgery, lens enhancements, 2nd pair glasses, etc.
- Life Insurance
 - Protects against financial hardship after the death of the insured by paying out a lump sum to beneficiaries upon the insured's death
 - Term life insurance offers policies that cover a set period of time
 - Permanent life insurance, such as whole and universal life, provides lifetime coverage
- Disability Insurance
 - Protects the insured against disability by awarding a disability benefit as a partial replacement of income lost due to illness or injury
 - Short-term disability insurance helps the employee to remain financially stable when injured or ill and cannot work; typically lasts up to 52 weeks
 - Long-term disability insurance protects against permanent injury by paying out over a longer period of time



CalPERS Kaiser

Plan Name	HMO
General Plan Information	
Annual Deductible/Individual	\$0
Annual Deductible/Family	\$0
Coinsurance	100%
Office Visit/Exam	\$15 copay
Outpatient Specialist Visit	\$15 copay
Annual Out-of-Pocket Limit/Individual	\$1,500 (does not include Rx)
Annual Out-of-Pocket Limit/Family	\$3,000 (does not include Rx)
Lifetime Plan Maximum	Unlimited
Primary Care Physician Required	Yes
Outpatient Services	
Preventive Services	
Adult Periodic Exams with Preventive Tests	100%
Well-Child Care	100%
Immunizations	100%
Well Woman/Mammogram Exams	100%
Diagnostic X-Ray/Lab Tests (Non-Preventive)	100% (some procedures may require a copay)
Vision/Hearing Screening	100%
Outpatient Facility Charge	\$15 copay
Outpatient Rehabilitative Therapy	\$15 copay

Plan Name	HMO
Maternity Care	
Pregnancy and Maternity Care (Pre-Natal Care)	100%
Inpatient Hospital (Pre-Auth. Required)	
Inpatient Hospitalization	100%
Emergency Services	
Emergency Room	\$50 copay waived if admitted
Ambulance/Air & Ground	100%
Urgent Care Facility	\$15 copay
Mental Health/Substance Abuse Benefits	
Inpatient Care	100% (See EOC for more detailed coverage)
Outpatient Care	copay/group (See EOC for more detailed)



CalPERS Kaiser

Plan Name	HMO
Prescription Drug Benefits	
Prescription Drug Annual Out-of-Pocket Limit/Individual	\$7,200 (in addition to Medical OOP limit)
Prescription Drug Annual Out-of-Pocket Limit/Family	\$14,400 (in addition to Medical OOP limit)
Retail	
Generic	\$5 copay
Brand (Formulary/Preferred)	\$20 copay
preferred)	\$20 copay
Number of Days Supply	30 days
Mail Order	
Generic	\$10 copay
Brand (Formulary/Preferred)	\$40 copay
preferred)	\$40 copay
Order	for certain drugs)

Plan Name	HMO
Other Services and Supplies	
Durable Medical Equipment & Prosthetic Devices	100%
Home Health Care	100%
Skilled Nursing or Extended Care Facility	100% Up to 100 days/benefit period
Hospice Care	100%
Chiropractic Services	medically necessary); Up to 20 visits/calendar year; combined w/Acupuncture
Acupuncture	medically necessary); Up to 20 visits/calendar year; combined w/Chiropractic
Infertility-Diagnosis & Treatment	50% of covered charges; See Plan Certificate



CalPERS Non-Kaiser HMO

Carrier	Non-Kaiser *
General Plan Information	
Annual Deductible/Individual	\$0
Annual Deductible/Family	\$0
Coinsurance	100%
Office Visit/Exam	\$15 copay
Outpatient Specialist Visit	\$15 copay
Annual Out-of-Pocket Limit/Individual	\$1,500 (does not include Rx)
Annual Out-of-Pocket Limit/Family	\$3,000 (does not include Rx)
Lifetime Plan Maximum	Unlimited
Primary Care Physician Required	Yes
Outpatient Services	
Preventive Services	
Adult Periodic Exams with Preventive Tests	100%
Well-Child Care	100%
Immunizations	100%
Well Woman/Mammogram Exams	100%
Diagnostic X-Ray/Lab Tests (Non-Preventive)	100%
Vision/Hearing Screening	100%
Outpatient Facility Charge	100%
Outpatient Rehabilitative Therapy	\$15 copay

Carrier	Non-Kaiser *
Maternity Care	
Pregnancy and Maternity Care (Pre-Natal Care)	100%
Inpatient Hospital Services (Pre-Authorization Required)	
Inpatient Hospitalization	100%
Emergency Services	
Emergency Room	\$50 copay waived if admitted
Ambulance/Air & Ground	100%
Urgent Care Facility	\$15 copay
Mental Health/Substance Abuse Benefits	
Inpatient Care	100% (See EOC for more detailed coverage)
Outpatient Care	\$15 copay (See EOC for more detailed coverage)



CalPERS Non-Kaiser HMO

Carrier	Non-Kaiser *
Prescription Drug Benefits	
Prescription Drug Annual Out-of-Pocket Limit/Individual	\$7,200 (in addition to medical OOP limit)
Prescription Drug Annual Out-of-Pocket Limit/Family	OOP: \$1,000/family in addition to Medical OOP
Retail	
Generic	\$5 copay
Brand (Formulary/Preferred)	\$20 copay
Brand (Non-Formulary/Non-preferred)	\$50 copay
Specialty	Same as Brand
Number of Days Supply	30 days
Mail Order	
Generic	\$10 copay
Brand (Formulary/Preferred)	\$40 copay
Brand (Non-Formulary/Non-preferred)	\$100 copay
Number of Days Supply for Mail Order	90 days

Carrier	Non-Kaiser *
Other Services and Supplies	
Durable Medical Equipment & Prosthetic Devices	100%
Home Health Care	100%
Skilled Nursing or Extended Care Facility	100% Up to 100 days/calendar year
Hospice Care	100%
Chiropractic Services	\$15 copay Up to 20 visits/calendar year; combined w/Acupuncture
Acupuncture	\$15 copay Up to 20 visits/calendar year; combined w/Chiropractic
Infertility-Diagnosis & Treatment	50% of covered charges; See Plan Certificate

* Includes: Anthem Blue Cross Traditional, Anthem Blue Cross Select, Blue Shield Access+, Blue Shield Trio, United Healthcare



CalPERS PPO

Plan Name	PERS Platinum		PERS Gold	
	In-Network	Out-of-Network	In-Network	Out-of-Network
General Plan Information				
Annual Deductible/Individual (Not transferable between plans)	\$500	\$500	\$1,000	\$1,000
Annual Deductible/Family (Not transferable between plans)	\$1,000	\$1,000	\$2,000	\$2,000
Coinsurance	90%/10%	60%/40%	80%/20%	60%/40%
Office Visit/Exam	\$20 copay	60%	copay/PCP enrolled; (deductible does not apply)	60%
Outpatient Specialist Visit	\$35 copay	60%	\$35 copay (deductible does not apply)	60%
Annual Out-of-Pocket Limit/Individual	insurance max; does not include Rx OOP)	No Limit	\$3,000 (does not include Rx OOP)	No Limit
Annual Out-of-Pocket Limit/Family	insurance max; does not include Rx OOP)	No Limit	\$6,000 (does not include Rx OOP)	No Limit
Deductible Included in Out-of-Pocket Limits	Yes	Not applicable	Yes	Not applicable



CalPERS PPO

Plan Name	PERS Platinum		PERS Gold	
	In-Network	Out-of-Network	In-Network	Out-of-Network
General Plan Information				
Outpatient Services				
Preventive Services				
Adult Periodic Exams with Preventive Tests	100%	60%	100%	60%
Well-Child Care	100%	60%	100%	60%
Immunizations	100%	60%	100%	60%
Well Woman Exams	100%	60%	100%	60%
Mammograms	90%	60%	80%	60%
Diagnostic X-Ray/Lab Test (Non-Preventive)	90%	60%	80%	60%
Outpatient Facility Charge	90%	60% (benefit limited to \$350/visit)	Tier 2 facility (services & supplies limited for certain)	60% (benefit limited to \$350/visit)
Occupational/Physical Therapy Services	90%	60%	80% Up to 24 visits/cal yr	60% Up to 24 visits/cal yr
Speech Therapy	90% Up to 24 visits/cal yr	60% Up to 24 visits/cal yr	80% Up to 24 visits/cal yr	60% Up to 24 visits/cal yr



CalPERS PPO

Plan Name	PERS Platinum		PERS Gold	
	In-Network	Out-of-Network	In-Network	Out-of-Network
General Plan Information				
Maternity Care				
Pregnancy and Maternity Care (Pre-Natal Care)	90%	60%	80%	60%
Inpatient Hospital Services				
Inpatient Hospitalization	\$250/admission + 90%	\$250/admission + 60%	80%	60%
Emergency Services				
Emergency Room	\$50 copay/ER room; 90% all other services	\$50 copay/ER room; 90% all other services	\$50 copay waived if admitted; 80% for ER services rendered	\$50 copay waived if admitted; 80% for ER services rendered
Ambulance	90%	90%	80%	80%
Urgent Care Facility	\$35 copay/physician services; 90% for other services rendered	60%	\$35 copay (deductible does not apply)	60%
Mental Health/Substance Abuse Benefits				
Inpatient Care	90% after \$250 admit fee	60% after \$250 admit fee	80% for Tier 1 facility; 70% for Tier 2 facility	60%
Outpatient Care	\$20 copay	60%	\$35 copay (non-PCP); \$10 copay/PCP enrolled	60%



CalPERS PPO

Plan Name	PERS Platinum		PERS Gold	
	In-Network	Out-of-Network	In-Network	Out-of-Network
Prescription Drug Benefits				
Prescription Drug Deductible	N/A	N/A	N/A	N/A
Prescription Drug Annual Out-of-Pocket Limit/Individual	required for Mail Order; in addition to Medical OOP limit)	No Limit	required for Mail Order; in addition to Medical OOP limit)	No Limit
Prescription Drug Annual Out-of-Pocket Limit/Family	required for Mail Order; in addition to Medical OOP limit)	No Limit	required for Mail Order; in addition to Medical OOP limit)	No Limit
Retail (Managed by OptumRX)				
Generic	\$5 copay	Not covered	\$5 copay	Not covered
Brand (Formulary/Preferred)	\$20 copay	Not covered	\$20 copay	Not covered
Brand (Non-Formulary/Non-preferred)	\$50 copay	Not covered	\$50 copay	Not covered
Number of Days Supply	34 days	N/A	30 days	N/A
Mail Order				
Generic	\$10 copay (\$1,000 OOP max/member; included in Rx OOP; excludes non-preferred brands)	Not covered	\$10 copay (\$1,000 OOP/member; included in Rx OOP; excludes non-preferred brands)	Not covered
Brand	\$40 copay (\$1,000 OOP max/member; included in Rx OOP; excludes non-preferred brands)	Not covered	\$40 copay (\$1,000 OOP/member; included in Rx OOP; excludes non-preferred brands)	Not covered
Brand (Non-Formulary/Non-preferred)	\$100 copay	Not covered	\$100 copay	Not covered



CalPERS PPO

Plan Name	PERS Platinum		PERS Gold	
	In-Network	Out-of-Network	In-Network	Out-of-Network
General Plan Information				
Other Services and Supplies				
Durable Medical Equipment & Prosthetic Devices	90% (pre-certification required for equipment \$1,000+)	60% (pre-certification required for equipment \$1,000+)	80% (pre-certification required on equipment)	60% (pre-certification required on equipment)
Home Health Care	90% (Up to 100 visits/cal yr)	60% (Up to 100 visits/cal yr)	80% (Up to 45 visits/cal yr; pre-authorization required)	60% (Up to 45 visits/cal yr; pre-authorization required)
Skilled Nursing or Extended Care Facility	days (pre-certification required; Up to 180 days/calendar year)	60% (pre-certification required; Up to 180 days/calendar year)	days (pre-certification required; Up to 100 days/calendar year)	60% (pre-certification required; Up to 100 days/calendar year)
Hospice Care	90%	90%	80%	60%
Chiropractic/Acupuncture (Up to 20 visits/year combined)	\$15 copay	60%	\$15 copay	60%
Infertility - Diagnosis & Treatment	Not covered	Not covered	Not covered	Not covered
Hearing - Screening	90%	60%	80%	60%
Hearing Aid(s)	0% (Up to \$1,000 every 36 months)	0% (Up to \$1,000 every 36 months)	0% (Up to \$1,000 every 36 months)	0% (Up to \$1,000 every 36 months)





Questions