

# \$750 Deductible Health Plan

## \$750 Deductible Health Plan

- To be eligible for this plan, you and your covered spouse must have already completed a Health Screening, Health Assessment and earned 100 Wellness Program points during the designated time frames in FY16 unless you were hired or added to the health plan after July 1, 2015.
- If you and your covered spouse did not complete the annual wellness qualifications for FY17 then you, your covered spouse and your covered dependents will be defaulted to the \$1,800 Deductible Health Plan.
- You must meet a \$750 per person or a \$1,875 family deductible (per family of three or more).
- Copayment: Emergency Room \$250.
- After the deductible has been met when using a DAKOTACARE network provider, 25% coinsurance applies until the out-of-pocket maximum has been met.
- A separate prescription drug deductible of \$50 per person applies before prescription drug copayments begin.

## How Prescription Drug Coverage Works

- Under the \$750 Deductible Plan there is a separate \$50 deductible (per person, per plan year) for prescription drugs. Copayments apply after the deductible is satisfied. If the price is less than the defined copayment, you will pay the lesser of the two amounts.
- If a physician indicates Dispense As Written (DAW) or if the member requests the brand name product when a generic is available, the member will pay the applicable copayment PLUS the difference between the brand name medication and the contracted rate. This cost difference is referred to as an ancillary charge.
- The formulary list is available at <http://benefits.sd.gov/Forms.aspx> under the pharmacy section.
- Brand Preferred medications are products that contain no generic equivalent, but are recognized by the Pharmacy and Therapeutics Committee to be preferred treatment options on the basis of clinical outcomes.
- Specialty Preferred medications are prescription medications that are typically developed on DNA-based technologies. These medications require specialized management, monitoring and/or delivery. For more information, call DAKOTACARE at 800.831.0785.

### PRESCRIPTION DRUG COVERAGE UNDER THE \$750 DEDUCTIBLE HEALTH PLAN

Tiered Prescription Drug Coverage	Up to 30 Day Supply Copayment
Tier 1 - Generic	\$10
Tier 2 - Brand Preferred	\$40
Tier 3 - Brand Non-Preferred	\$60
Tier 4 - Specialty Preferred	\$60
Tier 5 - Specialty Non-Preferred	\$85

# \$1,800 Deductible Health Plan

## \$1,800 Deductible Health Plan with Health Savings Account (HSA)

- All eligible health plan expenses, including prescription drugs, apply toward the deductible.
- There is a \$1,800 deductible for single coverage and a \$3,600 deductible for family coverage (per family of two or more).
- New this year, there is a lower out-of-pocket maximum of \$3,600 for single coverage and \$8,175 for family coverage with a new provision to cap the maximum when one family member meets \$3,600.
- After the deductible has been met when using a DAKOTACARE network provider, 25% coinsurance applies for in-network services until the out-of-pocket-maximum has been met.
- An HSA enables you to pay for covered medical expenses with pretax dollars. The contributions you and the State make to the HSA grow with interest over time and can be taken with you when you retire or if you terminate employment with the State.
- If you complete the paperwork to open an HSA with Discovery Benefits by the deadline, you will receive an employer contribution from the State. The Benefits Program will email HSA information following Annual Enrollment.
- New this year, employer contributions and payroll deductions will be made to your HSA established with Discovery Benefits.
- Employees of the Board of Regents can now make pretax payroll deductions to an HSA with Discovery Benefits.
- If you have questions about an HSA, please email [benefitswebsite@state.sd.us](mailto:benefitswebsite@state.sd.us).

### HSA MAXIMUM CONTRIBUTIONS

In addition to the State contribution, you may also make tax-free contributions to your HSA, up to limits established by the Internal Revenue Service (IRS). The following are the maximum contributions you can make to your HSA in FY17 according to IRS regulations.

	Employer	Employee	Total HSA Contribution 2016*
Employee only	\$500	\$2,850	\$3,350
Employee and spouse	\$1,000	\$5,750	\$6,750
Employee and child(ren)	\$1,000	\$5,750	\$6,750
Family	\$1,000	\$5,750	\$6,750

\* Catch-up contributions are allowed for individuals age 55 or older and each individual age 55 or older can contribute an additional \$1,000 in FY17. Consult your financial planner or accountant for more information.

## How Prescription Drug Coverage Works

### PRESCRIPTION DRUG COVERAGE UNDER THE \$1,800 DEDUCTIBLE HEALTH PLAN

#### Prescription Drug Coverage

Member pays for eligible prescription drug expenses directly to the pharmacy at the time of service, which then apply to the deductible.

Pharmacy charges are applied to deductible: \$1,800 single coverage or \$3,600 family coverage per family of two or more.

After the deductible has been met, the member pays 25% coinsurance for covered prescription charges. Coinsurance continues up to the plan year out-of-pocket maximum.

- DAKOTACARE is available to assist you with determining your prescription costs on the \$1,800 Deductible Health Plan. During Annual Enrollment, DAKOTACARE can look at your prescription costs from last year and let you know the charges under the \$1,800 Deductible Health Plan. Complete the form available at <http://benefits.sd.gov/annualenrollment.aspx> and return it to DAKOTACARE.
- If a physician indicates Dispense As Written (DAW) or if the member requests the brand name product when a generic is available, the member will pay the applicable coinsurance PLUS the difference between the brand name medication and the contracted rate. This cost difference is referred to as an ancillary charge.
- The formulary list is available at <http://benefits.sd.gov/Forms.aspx> under the pharmacy section.
- Brand Preferred medications are products that contain no generic equivalent, but are recognized by the Pharmacy and Therapeutics Committee to be preferred treatment options on the basis of clinical outcomes.
- Specialty Preferred medications are prescription medications that are typically developed on DNA-based technologies. These medications require specialized management, monitoring and/or delivery. For more information, call DAKOTACARE at 800.831.0785.