

AUGUST, 2016 MEUHP NEWSLETTER

Missouri Educators Unified Health Plan, Inc.

A Missouri Non-Profit Corporation

www.meuhp.com

For Schools, By Schools™



Executive Director's Report

As another summer draws to a close and a new school year begins, it's always a time of year for reflection and planning. This is the time of year for the Missouri Educators Unified Health Plan that is analogous to our New Year's Day. We've successfully completed another renewal and open enrollment and have recently held our Annual Board of Director's Summer Meeting and there are many things to be thankful for and excited about going forward.

Membership Update

On a global level, the MEUHP program is thriving. Over the past year, our membership has grown by 10% to 12,500 with 122 covered districts thanks to the additions of new Districts:

- * West Plains * Logan-Rogersville * Glenwood * East Prairie R-II
- * School of the Osage * Green Ridge * Livingston R-III

Welcome to all of you and we are excited to have you on board!

Financial Update

One of the most important components of any insurance program, including our MEUHP self-funded health program, is maintaining adequate financial reserves. I'm happy to report that our plan reserves have continued to conservatively grow and are healthy. At the time of this writing, our total plan reserve is over the \$13M mark. Our legally required reserve fund, as determined by our independent actuary, is approximately \$4.2M for Incurred But Not Reported claims (IBNR), plus another \$.4M for our required ACA taxes and \$.6M for a Loss Adjustment Expense to pay any run out claims, for a total of \$5.2M. This still leaves us with a healthy contingency

reserve of approximately \$7.8M to help with our future claim fluctuations and greater premium stability for member Districts.

Strong fiscal management in our program is the single best indicator of our strength and stability statewide and reflects a committed effort by our Board of Directors to do what's best for all member districts and truly have a solid long-term plan that is "For Schools, By Schools." As a program, we have also recently completed a successful audit by the State Department of Insurance. It's important for all districts and members to know that our transparent program has been closely reviewed by the State Department of Insurance.

Moving Forward

As we look forward, our continued focus will be on providing the best statewide health insurance plan for school districts and their employees, retirees and families. We have renewed our focus and commitment to striving to keep our members healthy through Wellness programs and a dedicated Wellness Coordinator. Along those lines, we are excited to hear some immediate positive feedback about the new Preventive Rx Medication program for the 72% of our members that are on an HSA plan. This benefit has already saved our members significant amounts of money and will help them to maintain their health and wellness by providing the medications they need on a daily basis at no cost to them! It's a win-win for everyone.

One final statistic that I find astonishing is directly tied to our members fully embracing the future of health care and understanding the benefits of high deductible health plans and Health Savings Accounts. As referenced above, 72% of our members are covered by a high deductible HSA eligible plan! The national average is approximately 24%. But what's really exciting is that almost \$8M dollars of tax-free money (Board paid and member contributions combined) is being deposited annually into member's own Health Savings Accounts! Selecting plans with lower premiums combined with significant dollars deposited in member's accounts means our MEUHP members are actively engaged in working for quality and sustainable health insurance for many years to come.

Thank you for your continued support of the MEUHP program and have a safe, healthy and successful new school year!

Tom Quinn

Executive Director and Chief Financial Officer
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About Tom Quinn. Tom is a former teacher, principal, superintendent and DESE Assistant Commissioner of Education. Tom began service with the MEUHP on June 1, 2014, as Executive Director & Chief Financial Officer. With an office in the Missouri Council of School Administrators building in Jefferson City, Tom carefully invests and monitors member's dollars in MEUHP accounts at Central Bank in Jefferson City. Additionally, he travels across the state to serve the MEUHP Board and member superintendents, and recruits new members to help MEUHP provide great health insurance for Missouri's Public Schools, Staff & Retirees.

How much money will be contributed to "Members" Health Savings Accounts this year?

Almost \$8,000,000!

July 1, 2016 open enrollment results through MEUHP's online enrollment portal, FTJConnect, show **72% of MEUHP members have selected Health Savings Account (HSA) based plans**. More importantly, employees and MEUHP Districts are helping to fund those HSA accounts so that members will have funds to pay for medical and prescription expenses before they meet their deductible.*

The chart below shows the MEUHP Districts' projected contributions are over \$5,000,000 while employees are projected to contribute almost \$3,000,000. This is just for one year! With a one year total like this year, it's easy to see how many members have already accumulated in excess of \$10,000 in their HSA accounts from consistent contributions in prior years.

We're excited that the MEUHP continues to lead the way in HSAs and helping employees to fund their future health care needs. While other companies are just now considering these options, the MEUHP has been helping employees - and employers - save since 2009!

MEUHP Projected Plan Year HSA Contributions

Based on 7-1-2016 enrollment data



Why is saving for health expenses so important? As you may guess, health care will likely be an employee's biggest expense in retirement. According to [HeathView Services](#) a 65-year-old, healthy couple can expect to spend \$266,600 over the course of their retirement on Medicare premiums alone. This does not include out-of-pocket expenses or long term care costs. You can read the [entire study here](#). **We encourage all MEUHP members on HSA Plans to continue to fund their accounts as much as possible** up to the annual maximum limit (see new limits below). It's never too early (or too late) to add tax-free dollars to your Health Savings Account.

*Out-of-pocket limits on most MEUHP HSA plans for high cost medical care are lower than some traditional PPO plans.

2017 Limits Applicable for HSA-Qualified Plans

The IRS has updated the annual HSA contribution amounts for High Deductible Health Plans (HDHPs) for 2017

Self-Only Coverage: \$3,400 (an increase of \$50 from 2016).

Family Coverage: \$6,750 (unchanged from 2016).

Catch-Up Contributions: \$1,000 for an account holder age 55 or older (unchanged from 2016).

HDHP Minimum Required Deductibles:

Self-Only Coverage: \$1,300 (unchanged from 2016).

Family Coverage: \$2,600 (unchanged from 2016).

HDHP Out-of-Pocket Maximums:

Self-Only Coverage: \$6,550 (unchanged from 2016).

Family Coverage: \$13,100 (unchanged from 2016).

Back to School - Already?

Back to school means new students, new employees - and new records. Along with the W-2 and I-9, don't forget all new employees are required to receive the [New Health Insurance Options: \(Exchange Notice\)](#) within 14 days of the employee's start date. For question 14, "Does the employer offer a health plan that meets the minimum value standard?", the answer for all MEUHP districts is Yes.

Your FTJ Representative will also be available if you would like to schedule time for them to visit with your new staff. *Coming soon*--NEW short videos posted at www.meuhp.com on the video page to help explain MEUHP health insurance program and Health Savings Account based plans. And...don't forget to have all new employees enroll for their new benefits and list their beneficiaries on FTJConnect. Contact Missy Maxwell at 800-821-7303, ext. 1179 or mmaxwell@ftj.com, or your FTJ Regional Director should you need assistance.



With health insurance becoming increasingly complex, it's important that your new employees understand how their benefits work, how to enroll in the plan and all of the features in the health plan. For those considering HSAs for the first time, it's critical they know if they are eligible, how the High Deductible Health Plans work and how HSAs can save taxes - and get them prepared for future health care costs.

We also offer "Wellness Coaching" seminars for your staff. Rod Weaver, our MEUHP Wellness Advocate, has an excellent presentation on how your employees - and your district - can save money with cost saving wellness tools and common sense plan education tips. For more

information about an in-service presentation, please contact Rod Weaver at rweaver@ftj.com, your FTJ Regional Director or Tom Quinn. **The more your employees know, the more they can save.**

Preventive Rx - One more way HSAs can benefit your staff!

As you know, the MEUHP Board voted to add the Preventive Rx benefit at no cost effective July 1, 2016 for those members on HSA plans who also take certain ongoing maintenance medications for asthma, blood clots, diabetes, high blood pressure, high cholesterol, osteoporosis and strokes. Some of these medications can be quite costly and will save MEUHP Members and their families significant dollars.

The response during the open enrollment meetings was terrific. "I've stopped taking my medication because it was so expensive." was a theme heard frequently. That's exactly why MEUHP felt it important to add this benefit. By helping keep members on their maintenance medications this will potentially reduce future health problems and even more expensive treatments down the road. A win-win!



A quick look at some of the RX prices from www.goodrx.com will show you how beneficial this benefit is. One Advair inhaler for asthma treatment can cost around \$350. Nimodipine, used to treat high blood pressure, runs around \$800 for 120 capsules. Premarin, used to treat osteoporosis, can cost around \$150 for a 30 tablets. Janumet, used to treat diabetes, can cost around \$380 for 60 tablets. These are just a few examples of the over 200 drugs that are now covered at 100% for members on HSA plans.

All of the drugs on the Preventive Rx Drug list are also on the National Drug list. As the formularies for the No Cost maintenance medications do change from time to time, member's will need to access the current Preventive Rx formulary info at www.anthem.com. We will also keep the current listing posted on the Wellness page at www.meuhp.com.

Time Well Spent

Did you know that you have access to all of the employer resources through the [Time Well Spent](#) link at Anthem.com? There are a variety of resources you can use with your staff:

- [9 steps to launch your wellness program](#)
- [Why wellness at work infographic](#)
- [Health Kits on a variety of topics, such as diabetes.](#)
- [Wellness Flyer exam chart](#)



Take a few minutes to browse through the employer resources available. You can download posters too for your office and break rooms. Posting the [BMI Chart](#) on the refrigerator for example, may make employees think about their food choices.

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