

HUMAN RESOURCES



UPDATE



Office of Human Resources
Smith College



October 2017
Vol. 25

JOIN US AT THE HR FAIR!



**Mark your
calendar!**

- Find out more about Smith benefits, provider organizations, and services
- Win a prize by entering the drawing
- Relax with a seated-chair massage provided by Harvard Pilgrim Health Care

This year's annual **Open Enrollment** period will run from **November 8 through November 22**. "Open Enrollment" refers to the official period during the year when employees can make changes to their benefit plans. This is the time to enroll in our health, dental, and/or vision plans; add a dependent; switch health- or dental-plan options; or drop a plan.

It's also the only time when employees can opt to continue or open a flexible medical or dependent care spending account. **Employees who would like to open or continue a flexible spending account are required by the IRS to enroll every year.**

OPEN ENROLLMENT

Similar to recent years, if you are *not* making any changes to your health, dental, or vision insurance, you are *not* required to complete the 2018 Open Enrollment Form. If you're making changes to your health, dental, or vision insurance, you must complete the 2018 Open Enrollment Form; however, you aren't required to complete separate carrier enrollment forms. You're still required to complete the Certification of Eligibility for Dependent Benefit Coverage if you cover a spouse, ex-spouse, or children on your benefit plans even if you aren't making any changes for 2018.

**WEDNESDAY,
NOVEMBER 8**

11 a.m. to 4 p.m.

**Carroll Room, 2nd
floor, Campus Center**

Open Enrollment forms for benefits-eligible employees will be available at the HR Fair. You'll find forms for making changes and the Certification for Dependent Eligibility at the Human Resources table at the fair and on the HR website after it; please visit www.smith.edu/about-smith/hr/forms. All forms must be returned to Human Resources no later than noon on **November 22, 2017**.

For employees who are not benefits-eligible, health insurance options can be found through the Commonwealth Health Connector by calling 1-877-MA-ENROLL (1-877-623-6765) or online at www.mahealthconnector.org.

FSA ENROLLMENT

Open enrollment for flexible spending accounts will again be completed through an online open-enrollment process with Benefit Strategies. In order to enroll, you'll need to have an online account with Benefit Strategies. Information and detailed instructions about how to register and enroll will be available at the HR Fair and on the HR website during the open enrollment period after November 8. HR staff and Benefit Strategies will be available during open enrollment for any employees who would like assistance in signing up online.

HR FORUM

Thursday, November 16
2-3 p.m.
Stoddard Hall Auditorium



Human Resources will be holding an open session for all employees. This is a great opportunity to ask questions about policies, benefits, and any other HR-related topics.

HEALTH INSURANCE UPDATE

Each year we engage in a detailed review of our employee benefit programs. Our goal remains to provide you and your family access to comprehensive benefits at competitive costs. This goal gets more difficult to reach as the college faces cost pressures related to significant increases in medical and prescription drug costs.

In the past, Smith has been able to successfully manage costs. Our average annual fully insured healthcare-program renewal over the past seven years (+5.0%) compares favorably to the national average of 8.4% during the same period. We have achieved these figures through negotiations with our vendor and by making slight plan-design and employee-contribution adjustments. However, our underlying costs continue to increase due to a slightly less favorable claims history and sharp rises in the costs of pharmaceuticals. To mitigate the financial impact of this renewal on you and on the college, we're making modest changes. For the Value HMO and the HMO plans, the emergency room co-pay will increase to \$150. The emergency room co-pay will increase to \$200 for the POS plan. The annual out-of-pocket maximums will increase to \$2,500 per individual/\$5,000 per double or family for all plans.

What Is an Annual Out-of-Pocket Maximum?

This is the most you are required to pay in out-of-pocket costs (for example, office-visit, emergency room, inpatient, and day-surgery co-pays; deductibles; and co-insurance) each plan year, **excluding** payments for prescription drugs and premiums. When you meet the out-of-pocket maximum, the plan will pay the full cost of all eligible expenses for the remainder of the year.

This year's renewal will increase the same percentage for employees & the college. The 2018 full-time biweekly health plan rates will be as follows:

	Value HMO	HMO	POS
Individual	\$20.28	\$50.54	\$102.31
Double	\$127.62	\$190.24	\$287.68
Family	\$185.01	\$275.87	\$417.17

Smith pays for a significant majority of health insurance premiums: the college's contribution to health insurance for 2017 will total almost \$13 million!

Choose the Right Plan for You

The *Summary of Benefits* for all plan options will be available at the HR Fair, on the Open Enrollment page of

the HR website, and on the Harvard Pilgrim website, www.harvardpilgrim.org/smithcollege. When deciding which plan is best for you, take a very careful look at the Schedule of Benefits for the Value HMO.

Value HMO Members Save Money

Employees who choose the Value HMO will continue to see significant savings in premiums as compared to those of the traditional HMO.

Plan	Annual Premium Saved
Individual	\$786.76
Double	\$1,628.12
Family	\$2,362.36

Health Plan Comparison Tool

To help you choose which plan will work best for you, we'll have available a Health Plan Comparison Tool on the Open Enrollment website after the HR Fair. The tool will estimate your total out-of-pocket costs (combined premiums and out-of-pocket costs) for all three plans. This tool enables you to estimate your health needs for 2018 and uses average costs for different services along with Smith's actual premiums to arrive at your estimated cost for each plan.

Additional Health Updates

Allergy injections. Beginning in 2018, allergy injections under the Value HMO plan will be covered in full and not subject to the deductible.

New mail-order pharmacy. Beginning October 1, 2017, MedImpact Direct is Harvard Pilgrim's new mail-order pharmacy.

Members who had been receiving prescriptions through Walgreens Mail Service have already been notified about this change. Any prescriptions with refills remaining with Walgreens Mail Service have been transferred to MedImpact Direct. Prescriptions that don't have any refills were not transferred.

Prescription-drug formulary. Harvard Pilgrim is updating its prescription-drug formulary effective January 1, 2018. The formulary used by Smith employees is the Premium formulary. "Formulary" is a term used for the set of drugs your plan covers. Some drugs will change tiers and others will no longer be covered.

Although the 2018 prescription-drug formulary will cover fewer drugs, it's important to know that FDA-approved alternatives will be available for most non-



covered medications. When they are available, generic equivalents will be offered in place of brand-name drugs. Some medications will have over-the-counter alternatives, which you can buy without a prescription. There will be a formulary exception request procedure for prescriptions for which your doctor believes there are no clinically appropriate substitutions. To see if any of your medications will be affected, you can also use the online Drug Tier Look-Up:
www.harvardpilgrim.org/2018Premium3T.

EMERGENCY OR URGENT CARE?

According to data received from Harvard Pilgrim, in 2016, 33 percent of visits to the ER by Smith employees and their family members were either a nonemergency situation or treatable with an office visit to a primary-care physician. This use of the emergency room affects the overall costs to Smith employees and to the college.

One good question to ask yourself is: “Am I thinking about going to the ER because it’s *convenient* or because it’s *necessary*?” If you choose the ER because you can get in without an appointment, keep in mind the high price you will pay for that convenience. You may also have to wait a long time before you are seen by a doctor.

Go to the ER if you think you’re undergoing a medical emergency. Otherwise, call your doctor’s office first or consider one of the options listed below. It could save you money and time.

Understanding Your Options

If you *don’t* think the problem is an emergency:

- Call your doctor’s office and see if there’s a number to call for after-hours service.
- Call a nurse line for advice. The nurse can help you decide whether you should get help now or if it’s safe to wait.
- Access Harvard Pilgrim telemedicine services through the Doctor on Demand app.
- Go to a HP participating urgent-care center or convenience-care clinic. Some local options are:
 - On Call Urgent Care, Northampton
 - Cooley Dickinson Urgent Care, at CDH
 - Medexpress Urgent Care, Hadley, Chicopee, and Springfield
 - AFC Urgent Care, West Springfield
 - Concentra Urgent Care, Springfield
 - AEIOU, Amherst
 - Minute Clinic, Amherst and West Springfield



For more options and details on urgent-care centers or convenience-care clinics, visit the HR News & Policy Updates webpage: www.smith.edu/about-smith/hr.

Looking Toward 2018 and Beyond

All indications point to increases in the costs of health care, and prescription-drug costs are projected to continue to increase at double-digit rates. Along with the continued management of our healthcare program, we have a multiyear strategy that will:

- Encourage enrollment in the Value HMO plan through its design and the college’s contribution to it.
- Review the current contribution structure and consider alternative strategies that other institutions are using. One method that many other schools and colleges have adopted is a four-tier contribution design that includes employee + spouse and employee + child/children. In looking at Smith’s claims data, spouses cost 27 percent more than employees whereas children cost 37.5 percent less than employees. Given these numbers, a more appropriate cost-sharing method may be considered.
- Add an option of a low-cost, high-deductible health plan (HDHP) with a Health Savings Account (HSA).

We will have more information and updates in future communications.

LIFE & LONG-TERM DISABILITY INSURANCE

New Carrier

After a comprehensive search process, Smith College will move to Liberty Mutual for its Life and Long-Term Disability administration beginning January 1, 2018. Plan options and benefits will remain the same. Visit Liberty Mutual’s table at the HR Fair to learn about value-added benefits.

Remember to Update HR with Family Changes

Children are eligible to be covered under Smith’s child life insurance until age 19 if unmarried and until age 25 if unmarried and a full-time student (see Health & Welfare SPD for specifics). If you no longer have eligible children and carry the child life insurance, you must contact HR to cancel that coverage; it *does not* happen automatically. In addition, if you carry the spousal life insurance benefit and have divorced or have lost your spouse, you must contact HR to cancel that insurance.

VISION INSURANCE

Last year Smith added vision insurance to its menu of benefits. The coverage is offered through EyeMed, a leading provider of vision insurance. The plan offers coverage for eye exams, contact-lens fittings, and allowances for glasses and contact lenses at an affordable premium.

The 2018 biweekly, full-time rates will be as follows:

Individual	\$2.60
Double	\$5.20
Family	\$7.79



Enrollment in EyeMed will take place only during the Open Enrollment period. Representatives from EyeMed will be at the HR Fair with plan details and to answer your questions.

DENTAL INSURANCE UPDATE

Smith's dental rates for 2018 will increase modestly. There are two options: the High plan and the Value plan. There are no changes to the plans for 2018. For more information about both plans, visit the Delta Dental table at the HR Fair or the Open Enrollment page on the HR website after November 8. The 2018 rates will be as follows:

Plan	Individual	Double	Family
High	\$4.45	\$23.03	\$32.28
Value	\$2.02	\$11.82	\$16.59

MAKING CHANGES OUTSIDE OF THE OPEN-ENROLLMENT PERIOD

Employees can make changes to health, dental, vision, or a flexible-spending account outside of the open enrollment period only under certain circumstances, known as "qualified status changes" or "qualifying events."

If you'd like to change your elections as a result of a qualified status change, you must provide Human Resources with the necessary documentation within **30 days** of the date of the qualified status change. Otherwise, you may not change your coverage until the next annual open-enrollment period or until you experience another qualified status change.

Your election change must be on account of and consistent with the event that caused your qualified status change. For example, if you get married, you may add your spouse to your Smith College healthcare coverage or drop your coverage to join your spouse's plan.

A list of qualified status changes and a general summary of the plans under which you may make election changes are in our Summary Plan Description, available on the Human Resources Benefits website: www.smith.edu/about-smith/hr/benefits.

FSA DEADLINES REMINDER

Smith employees have two months *beyond* the end of the calendar year in which to spend their FSA election dollars. This year's deadline for spending 2017 FSA election dollars is February 28, 2018. **The deadline for submitting receipts for reimbursement is March 31, 2018.** This applies to both medical flexible spending accounts and dependent care flexible spending accounts. For details about how to manage your flexible-spending account, please contact Lynn Cocco, in HR, at ext. 2273.

RETIREMENT UPDATE

Your daily cup of coffee, or . . .

Have you considered starting or increasing your voluntary contribution to the retirement plan? Did you know that you can start with as little as 1 percent of your gross earnings per paycheck? Giving that 1 percent more time to grow is really important! A \$60-per-month contribution could grow to \$10,000* in ten years. Wait just one additional year to get started, and the same 1 percent contribution may grow \$1,300* less in ten years. Visit the Voya table for a give-away when you start or increase your voluntary contribution at the HR Fair, November 8.



*Illustration assumes a \$60 per month contribution earning interest at 6% annual rate of return compounded monthly.

Health-Insurance Subsidy 2018

Information for the health-insurance subsidy will be mailed to potentially eligible employees in February 2018 rather than during the 2017 open-enrollment period. The FSA contribution will happen in April and any additional annual subsidy amount will be dispersed from April through December.

HR ON FACEBOOK & TWITTER



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