

Dear Colleagues,

The Benefits Advisory Committee (BAC) would like to share some upcoming changes in Stetson University benefits.

- We will switch from our current group health insurance provider, United Healthcare, to Cigna, effective January 1, 2019.
- We will add a mid-tier dental PPO option, which will be available for selection in October for use beginning January of 2019.
- Our retiree Medicare Advantage plan and Medicare Supplement plans will remain with their current vendors, United Healthcare and Florida Blue respectively.
- The University will continue to provide a premium subsidy so that no employee pays more than 7.2% of their Stetson salary, based on the HMO single rate.

### **Why we are changing health care providers**

- After a 4% increase in health care rates last year, United presented an initial quote of a 24.8% increase due to a significant increase in large claims. After negotiation, United reduced the increase to 18.4%. In addition, United planned to phase out our current prescription drug plan at the end of 2018.
- Beginning in March, and guided by the University's health care consultant, Brown and Brown, the BAC worked diligently to look at alternatives to provide quality health insurance with similar plan design.
- On a self-insured basis, Cigna had a much lower overall average increase of approximately 11% of current rates. (Individual rates vary based on plan and tier structure.)
- Cigna offers the opportunity to expand our wellness offerings, with more funding available for marketing, incentives, screenings, and other wellness opportunities.
- Cigna offers a dedicated customer care line for our transition to help employees and their dependents manage any issues prior to the January 1, 2019 start date.
- Cigna has a nationwide network of providers. Employees have in-network options wherever they travel in the US, and emergency coverage for international travel.
- Approximately 93% of providers (doctors, hospitals, lab companies, etc.) utilized by Stetson members last year are part of Cigna's network. The percentage was also 93% under United. However, there will be a different mix of providers in and out of network under Cigna. About 5% move onto the plan, and about 5% move off.
- Cigna covers both Labcorp and Quest Diagnostics as in-network lab providers.
- While there is some anticipated disruption related to prescription drug coverage, only about 5% of total prescriptions written in 2018 are facing negative disruption (moving up in tier, or are excluded), and 3% of prescriptions facing positive disruption (moving down in tier).

Human Resources will work with Cigna to provide information starting in September in anticipation of the annual open enrollment period for benefits, which begins October 1, 2018. To aid in the transition, HR will be providing information about the following resources when they are available:

- Cigna customer care line that employees can call to get answers to questions related to doctors, prescriptions, and claims in anticipation of the change. Representatives familiar with the Stetson plan will staff this line.
- Lists of prescription tiers and providers for you to review and discuss with family and doctors to get ready for the January transition

As members of the Benefits Advisory Committee, we understand this is a significant change and we did our best to keep that in mind as we developed our recommendation. Please feel free to contact us, or Human Resources, if you have any questions.

Sincerely,

Benefits Advisory Committee:

Dr. Kimberly Reiter, Associate Professor of History

Dr. William Nylen, Professor of Political Science

Glenna Roof, Administrative Support I Department of Political Science

JR Swanegan, Associate Dean for International Programs, COL

Jane Bradford, Professor of Library, Emerita- Retiree Representative

Patty Johnson, AVP of Budget and Finance, COL

Melissa Peters, University AVP for Budget

Theresa Radwan, Professor of Law

Tonya Curran, Director of the Hand Art Center

HR Representatives:

Drew Macan, AVP of Human Resources

Pam Skoularakos, Director of Human Resources, COL

Betty Whiteman, Director of Human Resources, DeLand

Christopher Chellberg, Assistant Director of Total Rewards

Lori Kasbeer, Benefits Administrator

University Liaison:

Bob Huth, Executive VP and CFO