

# ANNUAL ENROLLMENT

MARCH 19-30, 2012

*You do NOT need to do anything during Annual Enrollment if you are satisfied with the plan in which you are currently enrolled. If you take no action, you will remain on your current plan, along with any covered dependents.*

The State Health Plan for Teachers and State Employees will conduct Annual Enrollment March 19-30, 2012. Any plan changes you make during Annual Enrollment will become effective July 1, 2012.

During Annual Enrollment, you can

- **Enroll in the State Health Plan**
- **Switch between plans**
- **Add or remove dependents without a qualifying life event**

Please remember that when adding dependents\* to your benefit plan, you may be asked to provide documentation of your dependent's eligibility under the State Health Plan. An eligible dependent of a covered employee includes:

- **Legal spouse;**
- **Children up to age 26, including natural, legally adopted, foster children, stepchildren of the employee, children for which the employee has legal guardianship;**
- **Children who are physically or mentally incapacitated, to the extent that they are incapable of earning a living, and such handicap developed or began to develop before the dependent's 26th birthday while they were enrolled on the Plan.**

*\*Dependent children must not be eligible for their own or their spouse's employer-sponsored health coverage.*

Once you choose your benefit plan, you may not elect to switch plans until the next Annual Enrollment period. The coverage type you select (for example, employee only) will remain in effect until the next benefit plan year, unless you experience a qualifying life event. Qualifying life events include changes such as marriage, birth, death and retirement. For a complete list of qualifying events, refer to your Benefits Booklet, which is available on the Plan's website at [www.shpnc.org](http://www.shpnc.org) or call Customer Service at **888-234-2416**.

## Rates

Effective July 1, 2012, there has been a 5.3% premium rate increase. Review the table below for detailed information regarding these changes. There has been no change to copays, deductibles and coinsurance maximums.

*Members who make a change during Annual Enrollment can expect to receive a new identification card in June. Members can request additional cards online through Member Services, which is accessible via the Plan's website at [www.shpnc.org](http://www.shpnc.org) or by calling Customer Service at 888-234-2416.*

2012-2013 PREMIUM RATES	Basic Plan 70/30			Standard Plan 80/20		
Employee Contribution	Employee Only Monthly Premium	Dependent Monthly Premium	Total Monthly Employee Contribution	Employee Only Monthly Premium	Dependent Monthly Premium	Total Monthly Employee Contribution
Employee	\$0.00	\$0.00	\$0.00	\$22.76	\$0.00	\$22.76
Employee/Child(ren)	\$0.00	\$198.06	\$198.06	\$22.76	\$263.40	\$286.16
Employee/Spouse	\$0.00	\$510.32	\$510.32	\$22.76	\$606.88	629.64
Employee/Family	\$0.00	\$543.54	\$543.54	\$22.76	\$643.42	666.18

For detailed rate information, visit the State Health Plan website at [www.shpnc.org](http://www.shpnc.org).

## Pharmacy Benefit Change

The Plan's Board of Trustees approved a cap on the maximum amount members must pay to cover the difference between brand and generic medications when a *generic* equivalent is available. For *brand name* drugs with a *generic* equivalent, if the *brand name* drug is chosen, members must pay the *generic copayment* plus the difference between the Plan's cost of the *brand name* drug and the Plan's cost of the *generic* drug not to exceed \$100 per a 30-day supply of the brand medication.



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## How Do I Make Changes to My Coverage?

If you wish to make changes in your health benefits you will need to do so through BEACON's Employee Self Service (ESS) which is available on the BEACON website at <https://mybeacon.nc.gov>.

Select the "My Benefits" link to begin your enrollment. For instructions to guide you through the electronic enrollment process, click on the "Read Before Beginning Online Enrollment" link. Members without ESS access, may contact BEST Shared Services at 919-707-0707 (in Raleigh) or 866-622-3784 (statewide) to complete enrollment by phone. If you have other questions about BEACON, please contact BEST.

If you have additional questions about Annual Enrollment or your benefits, please visit the State Health Plan website at [www.shpnc.org](http://www.shpnc.org), or call Customer Service at 888-234-2416. Customer Service hours have been extended from 8 a.m. to 8 p.m. throughout Annual Enrollment, March 19-30, 2012.

## NC HealthSmart

An initiative of the State Health Plan

As a State Health Plan member\*, you have access to NC HealthSmart, the Plan's healthy living initiative that includes a variety of wellness resources and tools. These resources, many of which are provided at no extra cost, are designed to help you build confidence, develop a plan you can stick to, stay motivated and remain **committed to a healthier you**. NC HealthSmart resources are available to active employees, non-Medicare retirees and their non-Medicare dependents. Resources include:

- Personal Health Portal
- Health coaches
- Maternity coaches
- 24-hour nurse line
- Tobacco cessation support
- Nutrition and weight loss support

For details regarding these resources, including informative videos, visit the State Health Plan website at [www.shpnc.org](http://www.shpnc.org) and click on NC HealthSmart or call 800-817-7044.

\*Members eligible for NC HealthSmart services are members whose primary health coverage is through the State Health Plan. Federal law prohibits the Plan from using your personal health information to discriminate against you in any way or from giving this information to your employing agency/school or other unauthorized third party, unless required by law.



## Planning on Retiring?

If you plan to retire effective April 1, 2012, through July 1, 2012, you must select a plan for retirement separate and apart from your Annual Enrollment selection with your active agency. This must be done electronically through ORBIT, accessible at [www.myncretirement.com](http://www.myncretirement.com).

## LEGAL NOTICES

### Notice of Grandfather Status

The State Health Plan believes this plan is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer pro-

tections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits. Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to Customer Service at 888-234-2416. You may also contact the U.S. Department of Health and Human Services at [www.healthcare.gov](http://www.healthcare.gov).

As a plan “grandfathered” under the Affordable Care Act – cost sharing for preventive benefits will continue as it does currently and will be based on the location where the service is provided.

### Enrollment for Flexible Benefit Plan (IRS Section 125) for the State Health Plan

If you are an active employee, you are eligible for participation in the Flexible Benefit Plan to have your health benefit plan premium payments deducted on a pre-tax basis. Retirees and members with COBRA continuation coverage are not eligible for participation since they must have current earnings from which the premium payments can be deducted. The Flexible Benefit Plan allows any premiums you pay for health benefit coverage to be deducted from your paycheck before Federal, State, and FICA taxes are withheld. By participating, you will be able to lower your taxable income and lower your taxable liability, thereby in effect, lowering the net cost of your health plan coverage.

The Flexible Benefit Plan is designed so that your participation will be automatic unless you decline. If you wish to decline participation and have your contributions paid on an “after tax” basis, you must do so in the BEACON system. You will have the opportunity to change your participation election during each Annual Enrollment period. The Flexible Benefit Plan administered by the State Health Plan is for the payment of health benefit plan premiums on a before tax basis only and is separate and distinct from NCFlex, which is administered by the Office of State Personnel.

If you elect to have your premiums paid on a before tax basis, your health benefit coverage can only be changed (dependents added or dropped) during the Annual Enrollment period or when one of the following events occurs:

- You change your legal marital status, which includes marriage, death of spouse, divorce, legal separation, or annulment.
- Your dependents change due to birth, adoption, legal guardianship, placement for adoption, or death of the dependent.

- You, your spouse, or your dependents terminate or commence employment.
- You, your spouse, or your dependents reduce or increase their hours of employment.
- Your dependents cease or commence to satisfy the requirements for coverage due to attainment of age or attainment or loss of their own employer sponsored health care coverage.
- You, your spouse, or your dependents commence or return from an unpaid leave of absence such as Family and Medical Leave or military leave.
- You receive a court order to provide coverage for your children.
- There is a substantial change (at least \$50 per month) in the premiums and/or benefits in the plan covering dependents. Example: Spouse covers dependent child(ren) and the cost of spouse's coverage increases at least \$50 per month, dependents can be added to the State Health Plan.
- The employee stops withholding of premiums from their pay.

When one of these events occurs, the completion of online enrollment must occur within 30 days of the event. If you do not inform your Health Benefits Representative within 30 days, you must wait until the next Annual Enrollment to make the coverage change. Whenever you report a change due to a qualifying event, your premium deduction will be on a pre-tax basis. Employees who stop the withholding of premiums and terminate coverage on their dependents may only re-enroll their dependents if one of the above status changes occur or at the next Annual Enrollment.

### Notice to Members of the State Health Plan for Teachers and State Employees Regarding Your Mental Health Benefits

Under a Federal law known as the Health Insurance Portability and Accountability Act of 1996 (HIPAA) Public Law 104- 191, as amended, group health plans must generally comply with the requirements listed below. However, the law also permits State and local government employers that sponsor health plans to elect to exempt a plan from certain of these requirements for the part of the plan that is “self funded” by the employer, rather than provided through an insurance policy. The State of North Carolina has elected to exempt the State Health Plan for Teachers and State Employees (State Health Plan) from the following requirements:

- The requirement calling for parity in the application of certain limits to mental health benefits. That requirement states that group health plans (of employers that employ more than 50 employees) that provide both medical and surgical benefits and mental health or substance abuse disorder benefits must ensure that financial requirements and treatment limitations applicable to mental health or substance abuse benefits are no more restrictive than the predominant financial requirements and treatment limitations applicable to substantially all medical and surgical benefits covered by the plan. A state law, N.C.G.S. § 58-3.220, also calls for parity in medical and mental health benefits. However the Plan's mental health benefits are specifically set forth in separate laws, N.C.G.S. § 135-45.9 and Session Law 2009-16. The current mental health benefits are in compliance with these state laws.

- The exemption from these Federal requirements will be in effect for the July 1, 2012, plan year, beginning July 1, 2012, and ending June 30, 2013. The election may be renewed for subsequent plan years.

#### What does this mean to you?

Please note that you will not lose your health coverage as a result of these elections, and your mental health benefits are not changing. The State Health Plan's mental health benefits are established under North Carolina statutes and Plan policy. Members pay a copayment for in network office services; after 26 mental health office visits per benefit year, members must seek authorization for additional visits to verify medical necessity. It is also the member's responsibility to ensure that all out-of-network inpatient and outpatient hospital services are authorized prior to services being rendered and that out-of-network emergency admissions are authorized as soon as reasonably possible following admission. Services performed in an outpatient hospital setting are subject to deductible and coinsurance, and inpatient services are subject to an inpatient copayment, deductible and coinsurance. For additional information, read your Benefits Booklet, or go to [www.shpnc.org](http://www.shpnc.org), select “My Medical Benefits,” and review the “Plan Comparison Chart.”

### Notice Regarding Mastectomy-Related Services

As required by the Women's Health and Cancer Rights Act of 1998, benefits are provided for mastectomy-related services including all stages of reconstruction and surgery to achieve symmetry between the breasts,

prostheses, and complications resulting from a mastectomy, including lymphedema. For more information, contact Customer Service at 888-234-2416.

### Pre-Existing Condition Waiting Period

If adding dependents age 19 and older during Annual Enrollment, a pre-existing condition(s) waiting period may apply.



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U.S. POSTAGE  
**PAID**  
BLUE CROSS AND  
BLUE SHIELD OF  
NORTH CAROLINA



## NEWSLETTER SIGN-UP

Stay up-to-date on your State Health Plan benefits – and how to maximize them — by signing up for the free monthly *Member Focus* and quarterly *PharmacyWise* e-newsletters. Just go to the Plan website at [www.shpnc.org](http://www.shpnc.org) and sign up today!

## CONTACT US

CUSTOMER SERVICE: 888-234-2416	NC HEALTHSMART: 800-817-7044	BEACON QUESTIONS: 866-622-3784
PRESCRIPTION QUESTIONS: 800-336-5933		

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