



## Your Health. Your Decisions.



## Open Enrollment Season Starts Soon Time to Match Your Plan with Your Needs

### The power of prevention

Preventive care is powerful. It can help your PCP catch health problems early, when they may be easier—and less costly—to treat. Preventive care includes immunizations and screenings for cholesterol, blood pressure, cancers, and other potential risks.

Many plans cover preventive care at no out-of-pocket cost to you.

Are you and your family up-to-date on your preventive care?

### How can KnovaSolutions help?

KnovaSolutions® is available to help you understand your health care—and that includes understanding your health plan. Let us know how we can help! Give us a call at **1-800-355-0885**. Representatives are available Monday through Friday from 8 a.m. to 8 p.m. MST.

### Open Enrollment is here!

It's that time of year: Open Enrollment. Now's the time to make sure your health insurance plan matches your health care needs. You can typically make changes only once a year (unless you've experienced a qualifying life event, such as a job change or birth of a child). However, because of the coronavirus pandemic, you may have already had a chance to make changes to your health plan this year. Open Enrollment will give you another chance to determine whether your insurance plan is meeting your needs.

Health insurance plans and network types can be confusing, but understanding them is critical to determining which plan is best for you. Here's an overview of the types of health plans that are most commonly offered by employers:

### Health maintenance organization (HMO) plans offer care through a network of providers that contract with the health insurer. You select a primary care provider (PCP) from the network for regular checkups. If you want to see a specialist—such as a dermatologist (skin doctor) or physical therapist—you need a referral from your PCP. If you choose to use an out-of-network provider, you may be responsible for the full cost of the services you receive (except in the case of or emergency care).

**Preferred provider organization (PPO) plans offer care through both in- and out-of-network providers; however, you may pay less if you use participating providers. You don't need a referral to see specialists.**

### Point-of-service (POS) plans are hybrids of HMOs and PPOs. You need a referral from your PCP to see a specialist, but you can see out-of-network providers at a higher cost.

**High-deductible health plans (HDHPs) have lower monthly premiums and higher deductibles than traditional plan options. The IRS defines HDHPs as those with a deductible of at least \$1,400 for an individual or \$2,800 for a family. After the deductible is met, the insurance company begins to pay its share for covered health care services.**

The advantage of HDHPs is that they can be combined with health savings accounts (HSAs). An HSA is a type of savings account that lets you set aside pre-tax income to pay for medical expenses. For 2021, individuals can contribute up to \$3,600 and families can contribute up to \$7,200. Members who are 55 or older are allowed to contribute a \$1,000 catch-up contribution per year.

Unspent HSA funds roll over from year to year. If you leave an employer or switch to a traditional plan, you can continue to use your



### Don't forget!

During Open Enrollment, be sure to verify that your phone number, email address, and mailing address are correct. Keeping your insurer informed about changes to your contact

### COVID-related changes to medical savings accounts

The Coronavirus Aid, Relief, and Economic Security (CARES) Act added over-the-counter medications (without a doctor's prescription) and menstrual care products as medical savings account-eligible expenses. This change may be time-limited, so be sure to check changes to your spending account before purchasing these products.

The CARES Act also allowed for midyear plan changes for FSA participants. Eligible employees were given a one-time opportunity to enroll in, withdraw from, or change their FSA elections for the 2020 calendar year. The carryover limit from 2020 to 2021 was also increased from \$500 to \$550.

*The information contained in this newsletter is for general, educational purposes. It should not be considered a replacement for consultation with your healthcare provider. If you have concerns about your health, please contact your healthcare provider.*

HSA. Your employer may also contribute to your account.

Health reimbursement arrangements (HRAs) can also be linked to HDHPs. HRAs are owned and funded by an employer. Each year, a fixed amount is deposited into the account as a tax-free reimbursement for medical expenses. Unused amounts roll over from year to year but are lost if you leave your job with the employer who owns the HRA.

HRAs and flexible spending accounts (FSAs) can also be linked to other types of plans. FSAs are set up by employers for employees to pay for medical expenses or dependent/child care.

The first step is to estimate your health or dependent care expenses for the year.\* You will then fund the spending account by paying an equal portion of your pre-tax income into it each pay period.

At the end of the year, you will lose any unused funds, so it's important to accurately estimate your costs. If you leave your job with the employer who operates your FSA, you will lose any unused funds.

### Get the details!

No matter what health insurance plan you choose, you'll want to have a good understanding of the details. Be sure to ask the following questions before choosing a plan: Which providers are in the plan's network?

Will you have to change providers or pay more to continue to see an out-of-network provider you like?

What are the deductibles for individuals and families, and what expenses count toward those deductibles?

Does the plan have copays or coinsurance (the percentage of costs you must pay after your deductible is met)? How much is the copay, and what percentage is the coinsurance?

What is the out-of-pocket maximum (the most you will pay for covered health care expenses in a plan year)?

This amount includes deductibles, copays, and coinsurance but not premiums. Are you eligible for an HSA, HRA, or FSA? These accounts are designed to help you save money and exercise more control over how your health care dollars are spent. If you choose to open one of these accounts, be sure to consult your plan's list of eligible expenses and follow any other guidelines set by the plan.

### Transitioning to Medicare?

If you are approaching age 65, you'll want to start learning about Medicare, the government-sponsored health insurance program for those 65 and older. You can have Medicare coverage along with other insurance.

It's important to sign up for Medicare Part B right when you become eligible. This will help you avoid a penalty.

*Medicare has different offerings that cover different services. You can choose the options best meet your needs.*

**Medicare Advantage** (previously known as Part C) includes the following services covered by parts A and B:

**Part A** is hospital insurance. It covers in-patient hospital stays as well as care in short-term skilled nursing facilities after qualifying hospital stays. In addition, it covers some home health and hospice care. **Part B** is medical insurance that helps pay for medical services, home health care, medical equipment, and preventive services. **Part D** helps cover the cost of prescription medications.