



# COBRA *newsletter*

Medical, Prescription Drug, Dental and Vision Insurance

For Participants **Eligible** for the University of Nebraska's Insurance Coverage

The University of Nebraska annual benefits enrollment period is currently underway. We would like to take this opportunity to share some information about the university's health plans for 2014. Several changes will be made to the medical, prescription drug, dental and vision insurance plans next year. Please take time to read all of the information in this newsletter carefully since it may impact your insurance if you choose to elect COBRA continuation coverage.

If you would like to elect COBRA continuation coverage, you must complete the COBRA Continuation Election Form that you received with your initial notice and return it to your Campus Benefits Office. You will be enrolled in the same coverage that you had before your qualifying event.

Between now and Dec. 6, you also have the opportunity to change your medical plan option, drop dependents, or add eligible dependents. If you would like to make changes to your group health plans under COBRA, you must complete the COBRA Insurance Change Form enclosed and return it to your Campus Benefits Office by Dec. 6, 2013.

Additional benefits information is available on the University of Nebraska benefits webpage at [www.nebraska.edu/benefits](http://www.nebraska.edu/benefits). If you have any questions or need assistance, please contact your Campus Benefits Office.

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# What You Need to Know

**Remember to  
make changes  
to coverage by  
December 6**

## How to Continue Coverage

You have 60 days to decide if you would like to continue your group health benefits under COBRA. This “election period” is counted from the date your initial notice is sent to you, or the date that you lost your health insurance coverage.

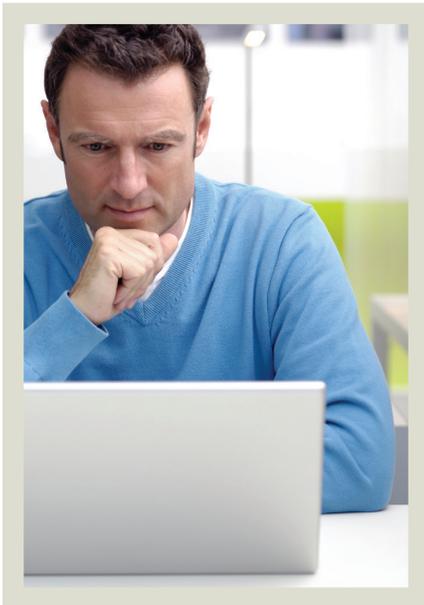
To continue your coverage, please complete the COBRA Continuation Election Form that you received with your initial COBRA notice and submit it to your Campus Benefits Office. You will be enrolled in the same coverage that you had before your qualifying event.

Your COBRA coverage will be retroactive to the date your insurance ended, i.e. if your benefits ended October 31, your COBRA coverage would be effective Nov. 1. Your COBRA enrollment will be processed and coverage activated once your premium payment has been received. All future premiums must be postmarked by the last day of the month **prior** to the due date (i.e., the December 2013 premium payment must be postmarked no later than November 30, 2013).

## How to Make Changes

During the annual benefits enrollment period, you can change your group health plans, drop dependents, or add eligible dependents. If you would like to make changes, please complete the COBRA Insurance Change Form enclosed and return it to your Campus Benefits Office by Dec. 6, 2013.

If you would like to add dependents to coverage, please complete the Dependent Information Request Form and submit it to your Campus Benefits Office with the required dependent verification documents by Dec. 6. The form is available online at [www.nebraska.edu/benefits](http://www.nebraska.edu/benefits). All changes will take effect on Jan. 1, 2014.



## COBRA Administration

**New:** COBRA administration will be outsourced to WageWorks in early 2014. Additional information will be forthcoming when it is available.

## Update your Records

Please remember to keep your contact information up-to-date should the university need to contact you. Please contact your Campus Benefits Office to update your personal contact information.



# Medical Coverage

## Highlights for 2014

### New: Price Decreases for 2014

Medical insurance premiums will decrease in 2014. Decreases will vary depending on the option and coverage category you are enrolled in. Enclosed is a document showing the COBRA medical premiums for all options and coverage categories.

There will be no increases to deductibles, coinsurance, stop-loss limits and prescription drug copays.

### Schedule of Benefits

The 2014 Blue Cross Blue Shield of Nebraska Medical Certificate of Coverage (plan booklet) will be available on the university's benefits webpage at [www.nebraska.edu/benefits](http://www.nebraska.edu/benefits) in January 2014.

### Summary of Benefits and Coverage

The Summary of Benefits and Coverage (SBC) is a document that summarizes important information about your health benefits. The SBC is designed to help you make informed decisions about which medical plan to choose. As part of the federal health care reform legislation, we have made the SBCs available to you at [www.nebraska.edu/benefits](http://www.nebraska.edu/benefits).

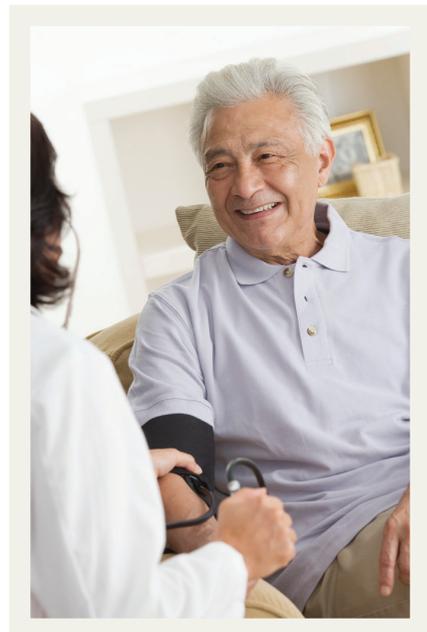
### New: Blue Cross Blue Shield Identification Cards

Blue Cross Blue Shield of Nebraska will be issuing new medical and dental insurance identification cards in early January 2014.

### New: Blue Cross Blue Shield Has Gone Mobile

Blue Cross Blue Shield has announced a new addition to their website – "We've Gone Mobile!" Blue Cross now has multiple applications with the latest technology that will adapt to any device for the best mobile experience available.

Check out their newest mobile assets at [www.nebraskablue.com/mobile](http://www.nebraskablue.com/mobile) where you will find mobile sites, free apps and resources to stay healthy and connected wherever you go.



## Choosing the Right Medical Plan

You have three medical plan options through Blue Cross Blue Shield – low, basic and high. All options include prescription drug coverage through CVS Caremark. The plans differ in the premium, deductible, coinsurance and stop-loss amounts. Please see the enclosed document for COBRA medical insurance premiums for all options and coverage categories. Take time to compare the three options and find the right plan for you and your lifestyle.

	LOW	BASIC	HIGH
What do you prefer?	<b>Low:</b> You would rather pay less each month and pay more when you receive medical care. You don't expect to have many medical expenses, but you have enough money on hand to pay the full deductible if you do need care.	<b>Basic:</b> You prefer a balance between the amount you pay each month and the amount you pay out-of-pocket when you receive medical care. Many people find that the basic option is the best choice, from a purely economic perspective.	<b>High:</b> You prefer to pay more each month so you can pay less when you receive medical care. Please note that the premiums for the high option are significantly higher than the premiums for the low and basic options. If you are currently enrolled in the high option, you may want to consider changing to the low or basic option.
Annual Deductible (the amount you pay out-of-pocket for health care before the plan begins to pay. You are responsible for the deductible <i>when you receive care.</i> )			
-PPO -Non-PPO	\$1,550 single; \$3,100 family \$1,950 single; \$3,900 family	\$450 single; \$900 family \$650 single; \$1,300 family	\$300 single; \$600 family \$450 single; \$900 family
Coinsurance (the percentage of an insurance claim that you are responsible for paying)			
-PPO -Non-PPO	You pay 30% You pay 45%	You pay 30% You pay 45%	You pay 20% You pay 35%
Stop-loss (the maximum amount you will have to pay per year – not including your deductible)			
-PPO -Non-PPO	\$2,500 single; \$5,000 family \$2,900 single; \$5,800 family	\$1,600 single; \$3,200 family \$2,000 single; \$4,000 family	\$1,400 single; \$2,800 family \$1,700 single; \$3,400 family

We encourage you to discuss your unique needs, financial status and health coverage concerns with your Campus Benefits Office to make sure you find the right plan for you and your family. More information is also available at [www.nebraska.edu/benefits](http://www.nebraska.edu/benefits).

# Prescription Drug Coverage

## Prescription Drug Coverage

Prescription drug coverage through CVS Caremark is included in your medical coverage – you do not have to pay an additional premium to participate. You can fill your prescriptions in person at a participating CVS Caremark retail network pharmacy or by mail order.

**New:** Prescription drug deductible and copay amounts will not increase in 2014.



DAY SUPPLY	UP TO 30
Generic	\$9 copay
Brand (on Formulary/Primary Drug List)	\$31 copay
Brand (not on Formulary/Primary Drug List)	\$52 copay
*An annual \$57 deductible is also required for brand-name drugs for each covered person. Once you meet the deductible, you will pay the applicable prescription drug copay listed above.	

**New:** The three prescription drug programs listed below will be expanded in 2014. CVS Caremark will contact you if you are impacted by one of the programs. More information about these programs, including a list of the impacted drugs, is available at [www.nebraska.edu/benefits](http://www.nebraska.edu/benefits).

### Formulary Drug Exclusion Program

The CVS Caremark formulary drug exclusion program will be expanded in 2014. The program impacts non-formulary brand name drugs and products, and requires you to get documentation from your physician to demonstrate the medical necessity for you to receive the specific drug or product. If medical necessity is documented and approved, you will pay the brand non-formulary copay. If medical necessity is not demonstrated, the drug will not be covered by the prescription drug plan and you will be responsible for the full cost of the drug.

### Generic Step Therapy Program

The generic step therapy program will also be expanded in 2014 to encourage members to use preferred drugs instead of non-preferred drugs. This program enhances the use of safe, equally effective, and less expensive drugs before “stepping up” to a more expensive alternative. Generally, members are required to try a generic or preferred brand drug before a non-preferred brand is dispensed.

### Specialty Drug Step Therapy Program

The step therapy program for specialty drugs is similar to the generic step therapy program. It requires members to try a preferred brand drug before the non-preferred brand drug can be dispensed. This program impacts users of prescription drugs in the Auto-Immune and Multiple Sclerosis drug class.

### New CVS Caremark Identification Card

The CVS Caremark group identification number has recently changed. The new ID card may be accessed at [www.nebraska.edu/benefits](http://www.nebraska.edu/benefits) (click on the “Benefit Forms” link).

# Dental and Vision Coverage

## Dental Coverage

Dental coverage is offered through Blue Cross Blue Shield. Coverage includes a Preferred Provider option, which lowers your out-of-pocket expenses. You may want to review your need for coverage by comparing your actual dental expenses versus the annual cost of premiums.

**New for 2014:** Some dental plan premiums will increase in 2014. Enclosed is a document showing COBRA dental premiums for all coverage categories.

The 2014 Blue Cross Blue Shield of Nebraska Dental Certificate of Coverage (plan booklet) will be available on the university's benefits webpage at [www.nebraska.edu/benefits](http://www.nebraska.edu/benefits) in January 2014.



## Vision Coverage

Vision coverage is offered through EyeMed Vision Care. Coverage includes eye exams, glasses or contact lenses, and other services at a reduced cost.

**New:** Vision care premiums will increase in 2014. Enclosed is a document showing COBRA vision premiums for all coverage categories.

# Contact Information

If you have any questions or need additional information, please contact your Campus Benefits Office.

<b>UNL</b> Campus Benefits Office	<b>Call:</b> (402) 472-2600 <b>E-mail:</b> <a href="mailto:benefits@unl.edu">benefits@unl.edu</a> <b>Send forms to:</b> 32 Canfield Administration, Lincoln, NE 68588-0409
<b>UNMC</b> Campus Benefits Office	<b>Call:</b> (402) 559-4340 <b>E-mail:</b> <a href="mailto:benefits@unmc.edu">benefits@unmc.edu</a> <b>Send forms to:</b> 985470 Nebraska Medical Center, Omaha, NE 68198-5470
<b>UNO</b> Campus Benefits Office	<b>Call:</b> (402) 554-3660 <b>E-mail:</b> <a href="mailto:benefits@unomaha.edu">benefits@unomaha.edu</a> <b>Send forms to:</b> 205 Eppley Administration Building, Omaha, NE 68182
<b>UNK</b> Campus Benefits Office	<b>Call:</b> (308) 865-8516 <b>E-mail:</b> <a href="mailto:benefitsunk@unk.edu">benefitsunk@unk.edu</a> <b>Send forms to:</b> 1200 Founders Hall, Kearney, NE 68849
<b>UNCA</b> Campus Benefits Office	<b>Call:</b> (402) 472-7162 <b>E-mail:</b> <a href="mailto:benefits@nebraska.edu">benefits@nebraska.edu</a> <b>Send forms to:</b> 217 Varner Hall, Lincoln, NE 68583-0742

The University of Nebraska believes its medical 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 (e.g. the requirement for the provision of preventive health services without any cost sharing). However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act (e.g. 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 your Campus Benefits Office. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform). This website has a table summarizing which protections do and do not apply to grandfathered health plans.