

2023 Open Enrollment - CONUS

November 1st – November 30th, 2022

Call-in (844) 712-3250 Participant code: 94500945



Taking Care
**of
YOU**

nafhealthplans.com



14 Oct 2022

2023 Plan Year

3 Changes to Medical/Pharmacy for 2023

1 & 2) \$100 Deductible and \$1,000 Out of Pocket (OOP) maximum Increases

For the first time since 2015, deductibles and out-of-pocket maximums for the International Traditional Choice® plan will increase. While your NAF employers work hard to minimize cost increases year over year, we also need to manage the ever-increasing cost of health care. The chart below outlines the increases.

For Aetna Choice POS II and Aetna Traditional Choice plans	2022	2023
In-network deductible (Employee/Family)	\$500/\$1,500	\$600/\$1,800
In-network out-of-pocket maximum (Employee/Family)	\$4,000/\$8,000	\$5,000/\$10,000

3) Updated Acupuncture Benefit – 10 visits for medically necessary for any of the following indications:

1. Chronic (minimum 12 weeks duration) neck pain; or
2. Chronic (minimum 12 weeks duration) headache; or
3. Low back pain; or
4. Nausea of pregnancy; or
5. Pain from osteoarthritis of the knee or hip (adjunctive therapy); or
6. Post-operative and chemotherapy-induced nausea and vomiting; or
7. Post-operative dental pain; or
8. Temporomandibular disorders (TMD).

5% increase to Medical/RX Rates


2023 Bi-weekly Premiums for CPII and TC Plans		
2023 Payroll Cost Comparison	Choice POS II (CPII) and Traditional Choice (TC) Plans	2023 Dollar Increase Bi-weekly
Employee ONLY	\$108.28	\$5.16
Employee + Spouse	\$250.14	\$11.92
Employee + Child(ren)	\$208.98	\$9.95
Employee + Family	\$331.35	\$15.78

No Plan Changes for HDHP in 2023

5% increase to NAF Dental Rates

2023 Dental Payroll Cost Comparison	2023 Bi-weekly Dental Premium	2023 Bi-weekly Dental Premium Increase
Employee ONLY	\$4.72	\$0.22
Employee + Spouse	\$10.90	\$0.52
Employee + Child(ren)	\$9.10	\$0.42
Employee + Family	\$14.44	\$0.68

0% increase to Stand Alone Dental (SAD) Rates

A large, jagged iceberg floats in the ocean under a clear blue sky. The iceberg's surface is textured with various ridges and crevasses. The water is a deep blue, and the sky is a lighter, clear blue.

\$100 Increase to Deductible??? Our deductible just went up!

I pay too much out of my paycheck for healthcare!

A 5% Premium Increase?!

\$5,000 Out of Pocket Maximum??

Why do we get an increase every year?

Our RX copays are too high. I pay \$125 copay PER MONTH for my script

How can I afford the deductible increase when my other costs are going up? (i.e. groceries, gas, etc.)

The medical copays are too high!

2023 Plan Year – NAFs View

Premiums are set each year by the NAF Committee. Premiums are to cover projected costs for the year. If the projected costs come in higher, your NAF employers pay 100% of the amount over!

\$125 copay for you but total DISCOUNTED price was \$7,600...PER MONTH for a plan top filled drug. You paid \$125 so plan paid \$7,425!!!!

\$100 Increase to Deductible???
Our deductible just went up....

Deductible increase was 8 years ago and last OOP increase was 6 years ago

\$100 Increase to Deductible?

If you paid 1st \$500 of \$1,000 in 2015, plan paid remaining \$500.

Even at 4% average inflation for 8 years, you STILL paid \$500 in 2022....but \$1,000 in 2015 is \$1,368 so plan pays \$868!!!!

Another Premium Increase?!

Economy impacting NAF businesses and inflation is at 40-year high (1981!!!)



Another Premium Increase?!

Total Med/RX costs expected to increase \$26,587,720. You pay 30% of this...but NAFs pay 70%!!!

Increase OOP max by \$1,000 for 2023

once you hit OOP max, the plan pays 100% of covered medical and pharmacy expenses

More plan changes??

Both deductible and OOP max plan changes for 2023 reduced total costs by 1% (\$4,431,286)

Increase OOP max by \$1,000 for 2023

because 2021 Average High Cost Claimant was \$226.5K. You hit OOP max so plan picked up \$222.5K!!!!

2023 – The “Big Picture”

\$465,285,110 for 2023 Medical and RX for 34,525 employees/pre65 retirees

+

\$27,973,067 for 2023 Dental for 45,441 employees/retirees

+

\$33,663,216 for 2023 MAPD for 12,200 post65 retirees

=

\$526,921,393

(to be divided by 70%/30%)



2023 Medical/RX Cost per employee/pre65 retiree = \$13,476.76

2021 Pharmacy = 93.5%!!!! paid by plan and 6.5% paid by member copays

2021 Medical/Pharmacy = 88.3% paid by plan and 11.4% paid by member (0.4% COB with other coverage). By “value”, this is a PLATINUM plan!!!

Industry Survey shows \$500 deductible was average deductible in 2006!!!

Your View – Reminders!!



I pay too much out of my paycheck for healthcare!

In 2020, your NAF employer added a HDHP with HSA. The premiums for this plan are 23% less and it comes with money from your employer into a Health Savings Account.

If you are not using ALEX, your personalized benefits counselor EVERY OE to see if this plan works for you, you might find out you could save yourself some money!!

2020 Aetna Inc.

Our RX copays are too high. I pay \$125 copay PER MONTH for my script

If you're using a Tier 3 drug, you should talk to your doctor as there may be a generic (\$10) or therapeutic equivalent brand on Tier 2 (\$35) that would work for you.

Take advantage of MOD when you can as you pay 2 copays vs. 3 every 3 months.

If you're on a specialty medication, you are paying a small % of the total cost with your max \$125 copay

How can I afford the deductible increase when my other costs are going up? (i.e. groceries, gas, etc.)

Your NAF employer pays up to \$300 for you and up to another \$300 for a covered spouse in health incentives which applies to your deductible. You can earn \$\$ for healthy actions EVERY YEAR!!!! If you're not doing the health incentives, you're leaving free money on the table!!

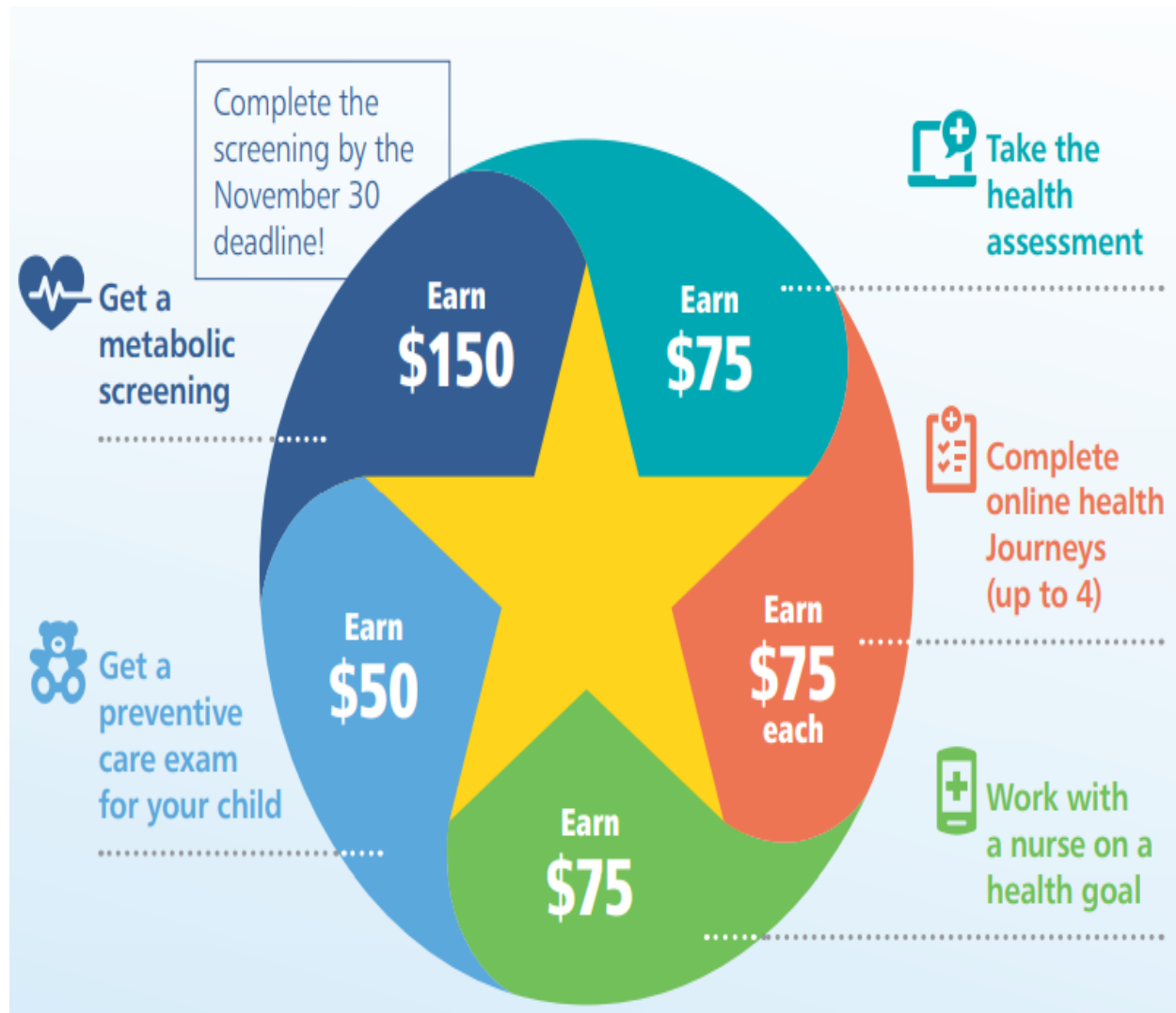
Medical copays are too high!

You have a \$0 copay for Teladoc General Medicine (and it's 24/7/365!!

Preventive Care is 100% (no copay) and a routine eye exam each year is \$0

You are paying a set cost (copay) but the plan picks up the remaining costs that increases from inflation

**Most of You
are Leaving
Money on
the Table....
Year after
Year!!!**



2023 Health Incentives

- **No changes to the Health Incentive program from 2023.**
- Employees and covered spouses can EACH earn up to \$300 each year. Here's the healthy actions to take to earn the health incentives:
 - \$150 each for Biometric Screening for employee and covered spouse. Deadline is 11/30
 - \$75 each for employee and covered spouse to complete an online health assessment by 12/31
 - \$75 each for online wellness journey (up to 4 each) for employee and covered spouse completed by 12/31
 - \$75 each for completing 3 calls to work on a goal with a Disease Management Nurse for employee and covered spouse (Program covers 36 conditions) by 12/31
- Any health incentives earned while enrolled in the HDHP and HSA will deposit to your HSA. If you enroll in the HDHP but are not eligible for the HSA or do not enroll in the HSA, you will not be eligible to earn the health incentives. Incentive monies deposited to HSA are always there. Incentives earned under the CPII or TC medical plans roll over up to 3 years and are used as you have deductible and/or coinsurance claims.
- Information about how to earn health incentives and to register for a biometric screening are on <https://www.nafhealthplans.com/wellness>. It's not too late to earn incentives in 2022!!!

Want to Pay Lower Premiums While Saving for Future Healthcare costs?

- A High Deductible Health Plan (HDHP) is a medical plan that meet the IRS requirements so that your NAF employer can also offer you a Health Savings Account (**HSA**) to enroll in if you are eligible.
- The HDHP premiums are **23%** less than premiums for other available options
- Be sure to use ALEX for a personalized cost comparison!!

2023 Premium rates	The amount you'll pay each bi-weekly pay period for medical benefits		2023 annual premium savings with HDHP
	For Choice POS II or Traditional Choice plans	For the HDHP	
Employee only	\$108.28	\$83.29	You save \$649.74
Employee + spouse	\$250.14	\$192.41	You save \$1,500.98
Employee + child(ren)	\$208.98	\$160.76	You save \$1,253.72
Employee + family	\$331.35	\$254.88	You save \$1,988.22

How the HDHP coverage works

1	Covers the same preventive care as the CII and TC plans at 100%	Preventive care	
2	You pay 100% until you meet the deductible, then only pay part of the cost. On HDHP plans, covered pharmacy must have deductible apply (not on CII or TC)	Deductible - resets each January	Out-of-pocket maximum
		75% Plan coinsurance kicks in	
3	Plan pays 100% for remainder of the plan year after you meet your out-of-pocket maximum	Plan pays 100% of covered services	

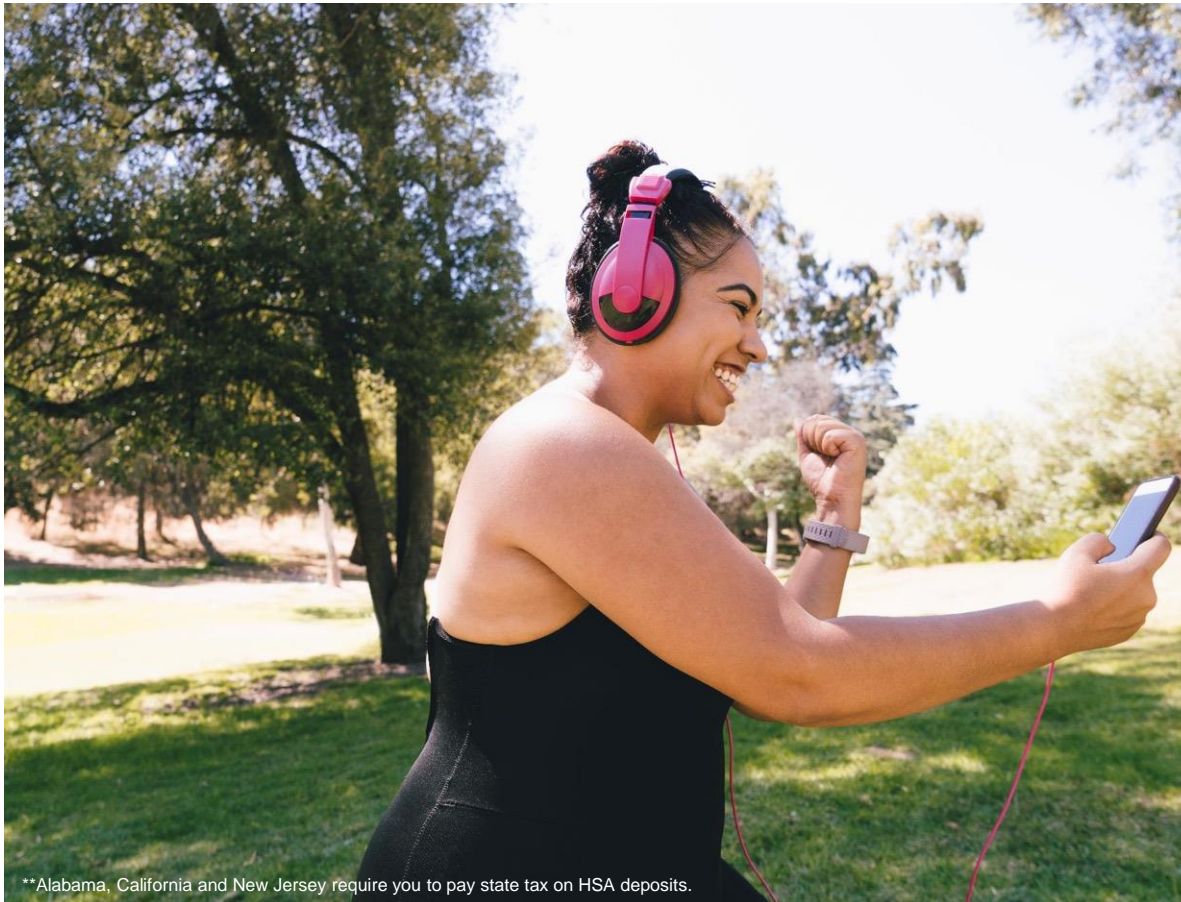
What is different on HDHP medical vs the Choice POS II (CPII) medical?

- **LOWER PREMIUMS.** The HDHP option costs 23% lower than the 2023 cost of the CPII or TC plan.
- **HSA is available when you elect the HDHP.** Per the IRS, you are NOT eligible to elect an HSA unless you enroll in the HDHP plan.
- **Employer Deposit to the HSA.** With an HSA, your NAF employer is able to make a contribution (one amount for individual coverage, a different amount for family coverage). It will be a one-time deposit that will occur once you have **enrolled in both the HDHP and the HSA.** For 2023, your NAF will deposit \$500 Employee Only and \$1,000 Family (employee + spouse, employee + child/ren and employee + family) into your HSA account. Your NAF employer will make a contribution deposit to your HSA each plan year you are **enrolled in both the HDHP and the HSA.**
- **The HDHP plan has ONLY deductible & coinsurance.** IRS requires ALL covered expenses have the deductible apply. This includes PCP and Specialist office visit, Teladoc consults and Rx. **The only 3 exceptions on the HDHP where deductible does not apply are:** 1) the same as current plan 100% preventive screenings in-network, 2) the same as current vision benefit for each covered dependent of up to \$150 reimbursement for contact lenses and lenses and frames for glasses as well as the pediatric vision benefit and 3) if your prescription drug is on the 2023 Preventive Medicine list issued by the IRS.

This means that Primary Care Office visits will not be a \$40 copay or \$60 Specialist copay like current plan but rather you pay the full discounted (Aetna allowed) amount until the HDHP deductible has been met. Once the deductible has been met, you will share in the cost with the plan paying 75% and you paying 25% until the Out-of-Pocket maximum has been met.

Your HSA is yours to keep

TAX-FREE X 3 = FOR ME!!!



**Alabama, California and New Jersey require you to pay state tax on HSA deposits.

**2023 NAF Employer
Contribution:**
Employee Only \$500
Family \$1,000

**Your HSA*
is yours to keep**

- Your contributions are tax-free**
- Money earns interest, tax-free
- Money used on eligible expenses isn't taxed
- Money rolls over from year to year
- You own your HSA choose how and when to use it
- You can invest with your HSA

**2023 HSA Contribution
Maximums:**
\$3,850 Individual
\$7,850 Family
**\$1,000 “catch up” for those 55+
by 12/31/2023**

Triple tax savings? I'm in!!

Am I eligible for an HSA?

- The IRS rules to be eligible for a Health Savings Account:
- You have to be enrolled in a qualified HDHP, and the DoD NAF HBP HDHP is a qualified plan.
- You cannot have any other health coverage that pays for out-of-pocket health care expenses before you meet your plan deductible. You CAN have dental but can NOT have other medical/RX coverage.
- You cannot have an FSA in the same plan year (and neither can your spouse). You CAN have Dependent Care FSA but not Health Care FSA.
- You cannot have Medicare or TRICARE. Your spouse or children CAN have other coverage.
- You cannot have someone claim you as a tax dependent on their tax return
- You cannot have had VA benefits used in the prior 3 months before HSA setup (unless for a service-related disability)

NOTE: Even if you are not eligible for the Health Savings Account, you could still enroll in the HDHP medical plan

Health Care Flexible Spending Account (HCFSA)

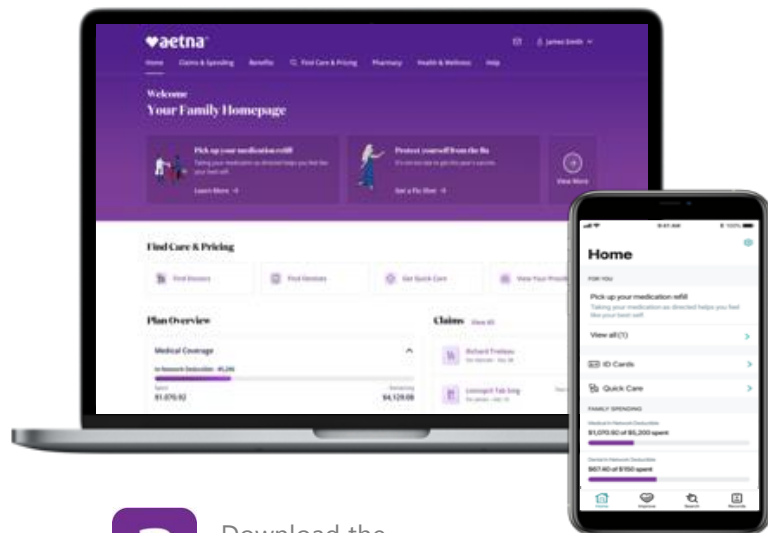
- IRS pretax employee payroll contribution. Administered by PayFlex.
- Health Care FSA is available even if you don't have DoD NAF HBP medical coverage
- "Use it or lose it" up to \$550 rollover each year. 2022 FSA Rollover maximum was increased in Spring 2022 due to COVID so there is up to \$1,000 rollover for your 2022 HCFSA account. For 2023, you'll only be able to roll over \$550 from 2023. Please note: Air Force does not have rollover but does have a 2 1/2 month grace period to use funds from prior year.
- **REMEMBER:** You must make an annual election each year during Open Enrollment to enroll or re-enroll. This annual election amount is available in January
- You need to submit receipts for reimbursements for eligible expenses that were not paid for with the debit card and will need to submit receipts for some debit card purchases as well. Use the PayFlex mobile app to make this really easy!
- You or your spouse can NOT have a Health Care FSA in the same year that you have contributions to an HSA. You can still elect the Dependent Care FSA in the same year that you elect a HSA.
- **If you have a HCFSA in 2022 and will be enrolling in the DoD NAF HBP HDHP and HSA effective 01/01/2023, you will not be eligible to rollover any unused 2022 election funds, as this is considered as having a HCFSA for 2023, which would make you NOT eligible to enroll in or contribute to an HSA in 2023.** You can enroll in the DoD NAF HBP HDHP for 2023 but not the HSA if you have 2023 FSA rollover. Also, if you want to avoid forfeiting funds remaining in your 2022 HCFSA on 12/31/2022, you must file claims for reimbursement by your 2022 Plan Year claim filing deadline.
- If you have a remaining 2022 Dependent Care FSA (DCFSA) Available Balance after the 2022 Plan Year claim filing deadline, the remaining balance will be forfeited.

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View claims

- Check up to two years of claims for your whole family.
- Pay claims.



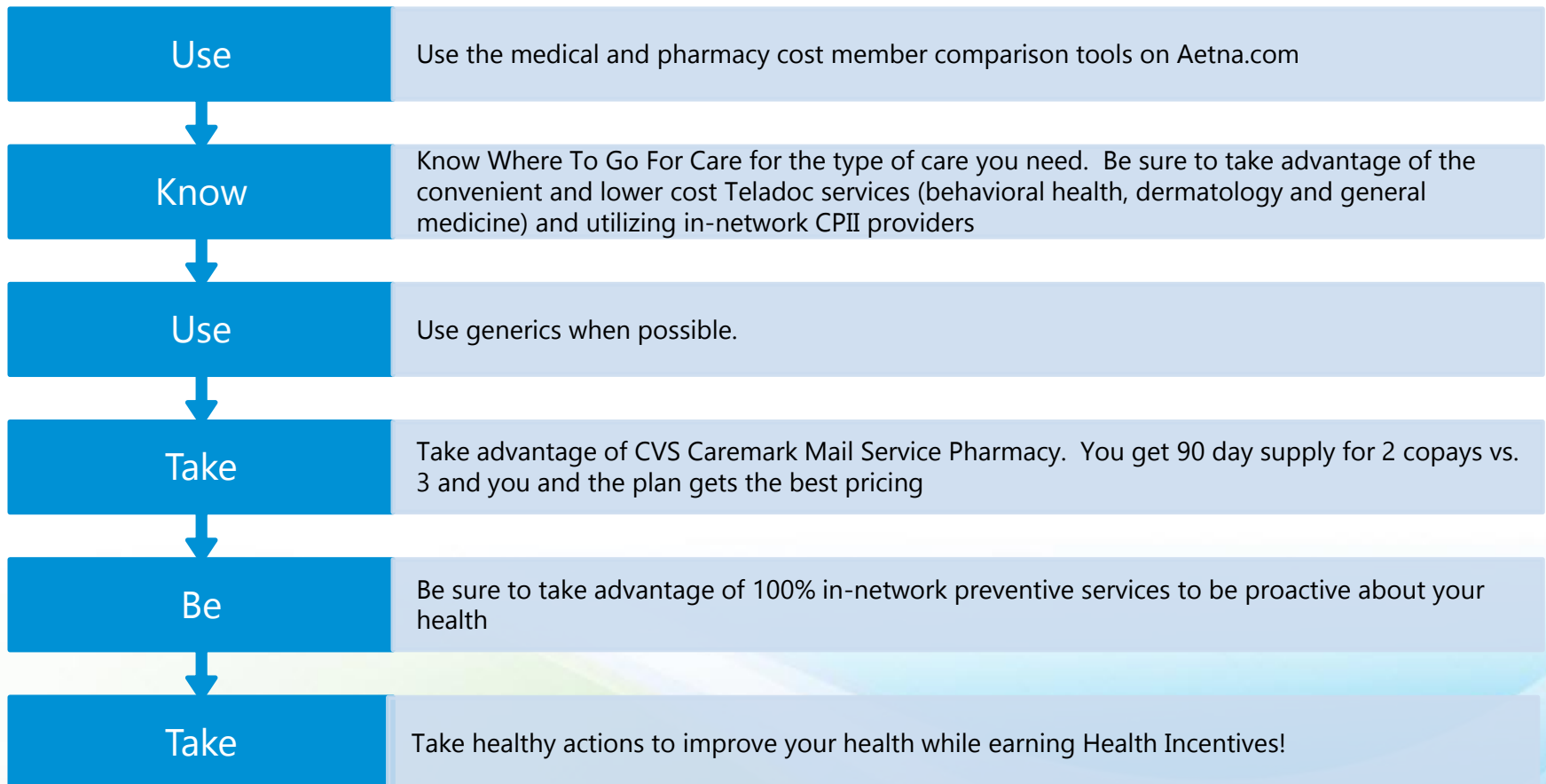
Improve your health

- Receive personalized reminders to improve your health.

Do Your Part!



Think “iceberg”! Why? The premium rates are developed to cover total plan costs and YOU PAY 30% of the premium rates out of your paycheck



What to Do for 2023 OE

- **Open Enrollment (November 1 – 30, 2022) is the time to make your elections for next year.** You may switch plans, add or remove eligible dependents, or waive coverage for 2023. The elections you make no later than November 30th will take effect January 1, 2023.
- **For HCFSa and/or DCFSa - You must make an annual election each year during Open Enrollment to enroll or re-enroll.** This annual election amount is available in January
- **All information related to 2023 OE is on www.nafhealthplans.com website.** The 2023 premium rates and the 2023 OE call schedule are located on the home page.
- Attend any of the employee **calls** that will be scheduled during OE to hear about what's new and have the opportunity to ask questions.
- Use **ALEX** during Open Enrollment to help you decide which plan is best. It's a great tool that will guide you through benefit comparison so you can input your personal healthcare scenario for **ALEX** to make a recommendation of which plan may be better for you and your family.