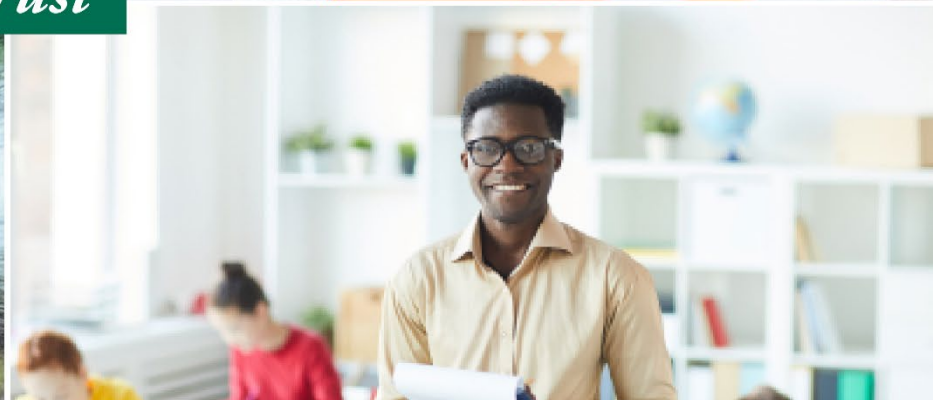




Benefits You Can Trust



Employee Benefits Matter!

Presenters:

Mark Broth, Attorney, Drummond Woodsum
David Salois, Member Relations Representative
Andrew Struth, Benefits Advisor



AGENDA

- Welcome
- Future of Health Care
- Labor Trends
- Why Employee Benefits Matter
- Benefit Considerations
- Wellness Programs
- Win-Win Strategies

GET TO KNOW HEALTHTRUST!

Who is HealthTrust?

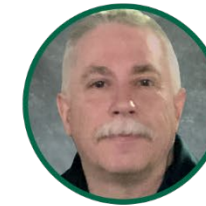
A nonprofit, public risk pool dedicated to serving our Members – New Hampshire's schools, towns, cities, counties and other public entities.

- *Exceptional service with a personal touch*
- *More than 70,000 NH public sector workers and their family members choose HealthTrust for their coverage*

Our Board of Directors Represents You



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Business Administrator,
SAU #48 - Plymouth Schools



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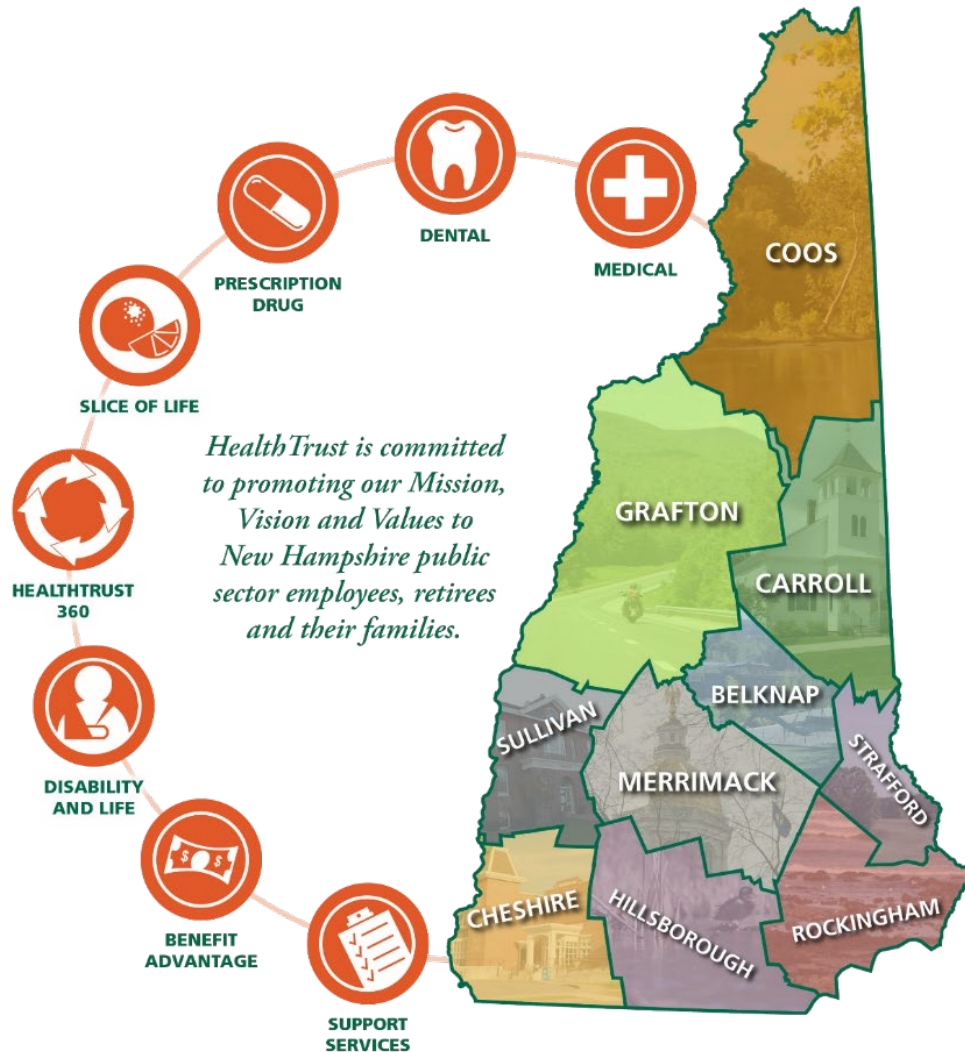
JILL SHEING
HR Payroll Coordinator,
Strafford County



CATHY ANN STACEY
Register of Deeds,
Rockingham County



SARAH TRAHAN
Social Studies Teacher,
Winnacunnet High School



HealthTrust's Mission, Vision and Values form the foundation of all we do. We are proud to be New Hampshire communities' most trusted partner in achieving optimum health through a culture of wellness. By helping to keep our public sector employees and their families healthy, **HealthTrust** strives to make New Hampshire a better place to live and work – and that's a goal we share with all our Members.

Mission

To provide high quality, cost-effective, employee benefit products and services for public employers and employees in New Hampshire in order to reduce costs through pooling strategies with a commitment to education, health promotion and disease prevention.

Vision

New Hampshire communities' most trusted partner in achieving optimum health through a culture of wellness.

Values

Integrity • Service • Innovation • Collaboration

FUTURE OF HEALTHCARE



FUTURE OF HEALTHCARE

Future of HealthCare:

- National Trend is increasing
- Groups transitioning to higher deductible health plans
- Increase in Consumerism
- Growth of Telehealth
 - Medical
 - Behavioral
- Increased availability of Digital Tools and resources
- Connected Care



FUTURE OF HEALTHCARE



- Healthcare premiums continue to grow faster than employees' pay
- Affordability for employers and employees still a major issue
- Trend is largest component of annual cost projection
 - Trend is an estimate of the amount that medical costs and utilization will increase

MEDICAL INFLATION: THE NATIONAL & LOCAL PICTURE



- Healthcare trend rates over the last five years
 - National average: 5%
 - HealthTrust average: 4.7%
- 2022 – 2023 Trend Forecast
 - Nationally: 5% - 7%
 - HealthTrust: 6.2% (6.1% Medical; 6.5% Prescription Drugs)

THE GREAT RESIGNATION

Labor Trends – Why Completing the Employee Benefit Package Matters!

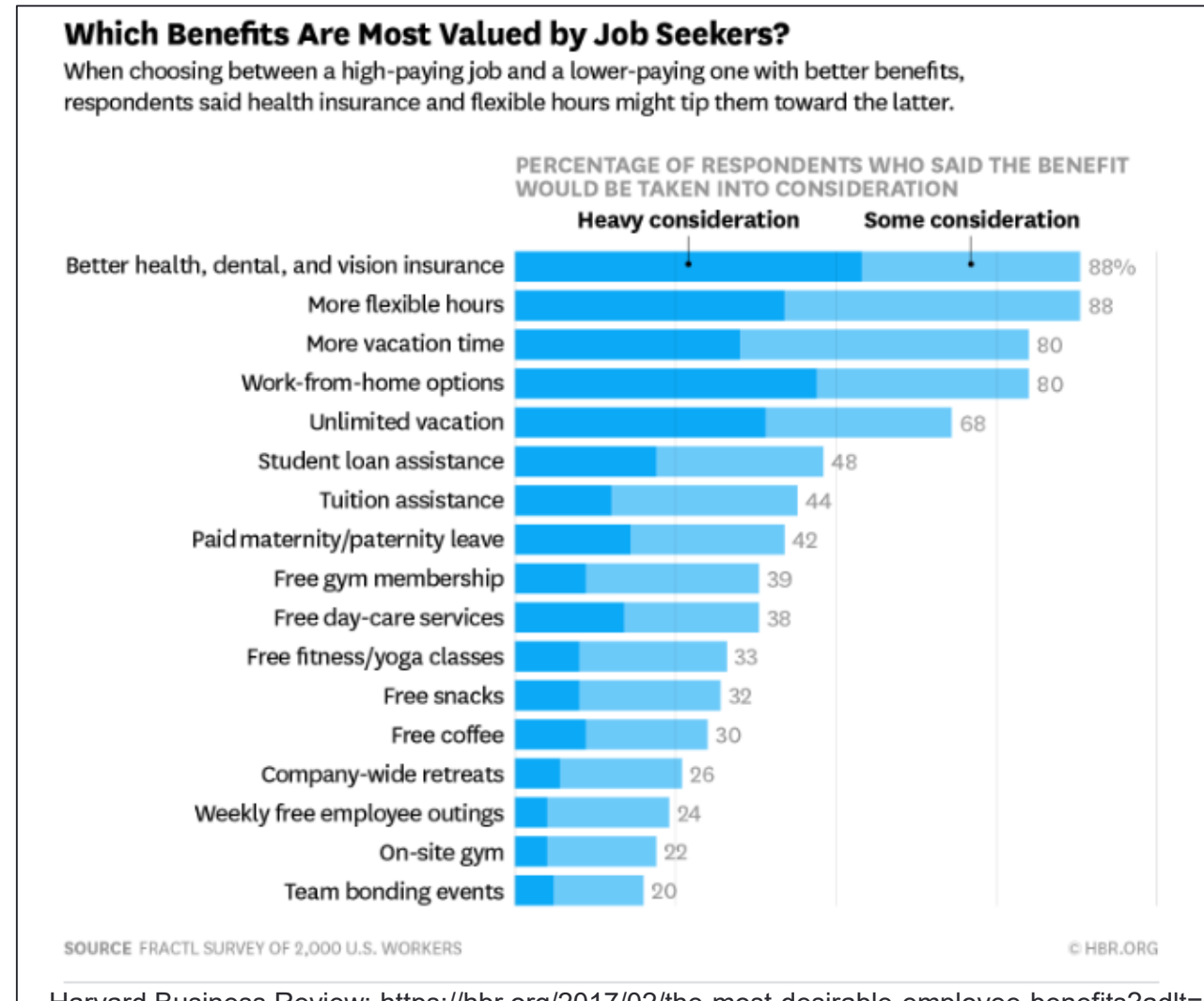


Mark T. Broth, Attorney

DrummondWoodsum
ATTORNEYS AT LAW

WHY EMPLOYEE BENEFITS MATTER

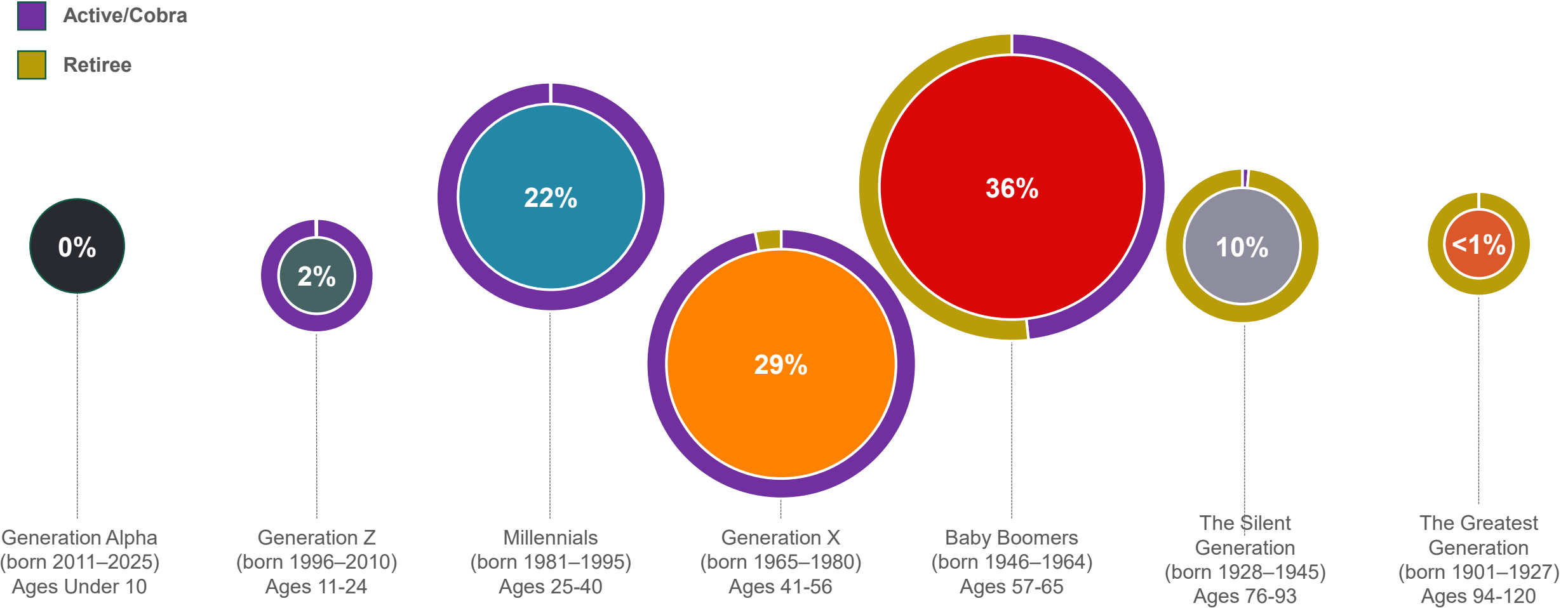
- Prospective Employees are looking past higher pay for better benefits.
- Health Coverage is the most costly benefit provided to an employee.
- Consider strategies for offsetting deductible exposure for employees.
- Providing employees access to benefit resources helps keep them informed.
- Investing in your benefits and wellness programs is investing in your employees



Harvard Business Review: <https://hbr.org/2017/02/the-most-desirable-employee-benefits?adit=strict>

HEALTHTRUST MEDICAL POPULATION BY GENERATIONS

ENROLLEES



*Based on HealthTrust Enrollee population as of 8/1/2022

BENEFIT CONSIDERATIONS



CONSIDERATIONS

Medical and Prescription Benefits

- Providing comprehensive, quality and affordable benefits shows your employees you are invested in their overall health and future.
- Offering choices for employees gives them control and flexibility.
- Medical plans pay for all or a portion of healthcare expenses if an employee or their family members become ill or injured.
- They also provide coverage for preventive care services, such as routine physical exams, screenings and immunizations.
- Two common types of comprehensive plans to consider are Health Maintenance Organizations (HMOs) and High Deductible Health Plans (HDHPs). These plans generally cost the least while still providing comprehensive coverage for employees and their family members.



MEDICAL PLANS



Health Maintenance Organization (HMO) Plans

- HMO plans are easy-to-use and generally offer the least in out-of-pocket costs for individuals.
- A Primary Care Provider (PCP) must be selected from the network and coordinates the majority of an individual's care, ensuring consistency and continuity of care.
- On a HealthTrust HMO plan, individuals can choose a PCP from a network of providers throughout the six New England states. (CT, MA, ME, NH, RI, VT) As long as network providers are utilized, no referrals are needed. Referrals are required for out-of-network care.

Site of Service (SOS) HMO Plans

- ***The difference:*** These plans encourage medical consumerism by offering a preferred cost-effective network for medical labs, radiology services and certain outpatient surgeries potentially avoiding deductible expenses.
- Individuals may still use the provider of their choice within the network and the cost is subject to their deductible.

MEDICAL PLANS CONT.

Preferred Provider Organization (PPO)

- PPO health plans offer a broad network of providers and do not require a Primary Care Provider (PCP) or referrals to see specialists.
- PPO plans generally provide both in-network and out-of-network benefits. Out-of-pocket costs are usually higher and subject to deductible and/or coinsurance when out-of-network providers are utilized.

High Deductible Health Plan (HDHP)

- HDHP plans allow access to care from any provider however the costs are lower if the individual sees network providers.
- All covered medical *and* prescription expenses, with the exception of in-network preventive care services, are subject to the deductible and/or coinsurance.
- Once the deductible and/or coinsurance maximums are satisfied, all covered medical and prescription expenses are paid in full.
- HDHP plans qualify to be used in conjunction with a Health Savings Account (HSA).

MEDICARE SUPPLEMENTAL RETIREE PLANS

- While Medicare provides a basic healthcare foundation for individuals age 65 and older and Medicare-disabled individuals, supplemental plans provide additional comprehensive coverage by lowering or eliminating out-of-pocket cost for care.
- Individuals can choose a provider who accepts Medicare assignment to receive the maximum benefits.
- Supplemental plans may consist of two parts:
 - **Medicare Complementary Benefits**, which picks up where Medicare leaves off, paying the required deductibles and coinsurance for Medicare-approved services, and
 - **Major Medical Benefits**, which may cover services that Medicare does not.
- These plans can be offered with or without prescription drug coverage to 65+ retirees.

CONSIDERATIONS



Dental Benefits

- Dental coverage is a relatively low cost benefit that encourages regular dental care and helps employees cover their out-of-pocket costs.
- While most dental plans provide coverage for preventive services such as cleanings and fluoride treatments, some include coverage for more costly services, such as fillings, prosthodontics (crowns, etc.) and orthodontics (child and adult).
- Many plans range from providing a \$1,000 to \$2,000 benefit for individuals per year.
- Good oral health equals good health, and employees really value this coverage!

DENTAL PLANS

- Plans can include coverage for services at differing percentage levels.
- May select to cover adult or children orthodontics.
- Benefit Maximums and Deductibles differ per plan.
- Northeast Delta Dental has the largest network of dental providers.

BENEFITS
COVERAGE A (no deductible)* Diagnostic: Evaluations; X-rays Preventive: Cleanings (4x per Calendar Year); fluoride; space maintainers; sealants for children
COVERAGE B* Fillings - Amalgam (silver) and composite (white); extractions; root canal therapy; periodontal treatment; repair of a removable denture; emergency treatment
COVERAGE C* Prosthodontics: Removable and fixed partial dentures (bridges); crowns; dentures; onlays; implants
COVERAGE D*+ Orthodontics: Correction of crooked teeth for dependent children to age 19
DEDUCTIBLE (person/family) per Plan Year (for Coverages B & C)
Benefit Maximum per person, per Plan Year

CONSIDERATIONS

Flexible Spending Account (FSA)

FSAs can accompany traditional medical plans. They allow employees to put away pre-tax dollars to pay for qualified medical and dependent care expenses throughout the year. Employers may also elect to contribute funds to these accounts for employees.

Health Reimbursement Arrangement (HRA)

HRAs can accompany traditional medical plans and must be funded solely by the employer. Employees are reimbursed tax free for qualified healthcare expenses as allowed by plan terms to a maximum dollar amount for a coverage period.

Health Savings Accounts (HSAs)

HSAs are paired with High Deductible Health Plans. They allow employees to use the funds to pay for plan deductibles and other out-of-pocket costs. As with FSAs, employees can put money away pre-tax to pay for qualified medical, dental, vision and medication expenses. Employers may also elect to contribute funds to these accounts for employees.



HSA

Health Savings Account

- Combined Limit (CY2023) – \$3,850 single/\$7,750 2P or Fam; \$1,000 catch-up for age 55
- Employees must be enrolled in a HDHP in order for contributions to be made to the HSA
- Employees may contribute through pre- or post-tax payroll contributions. Employers may also contribute
- HSA contributions can be made at any time throughout the year, or all at once by the employee or employer
- Funds can be withdrawn with no taxes or penalties for qualified healthcare expenses
- Funds remain in Employee account

HRA

Health Reimbursement Arrangement

- Must be funded solely by an employer
- Employees are reimbursed tax free for qualified healthcare expenses as allowed by plan terms to a maximum dollar amount for a coverage period
- HRA may be offered with other health plans, including FSAs
- Unused funds are typically forfeited at the end of the plan year (but may be rolled to the following year if allowed by the plan terms)

FSA

Flexible Spending Account

- 2023 Health FSA Contribution Limits – **Employee:** Up to \$3,050; **Employer:** \$500 (unless employer matches employee contributions). Dependent Care FSA \$5,000
- Tax savings – 20% to 35% on qualified healthcare expenses paid for with the Health FSA
- Funds are deducted from paycheck in equal installments; available on day one of the plan year (Health FSA only)
- Unused funds are forfeited at end of plan year ("use-or-lose"). Only exceptions are either 2 1/2 month grace period or up to a \$610 carryover if available under plan terms

CONSIDERATIONS

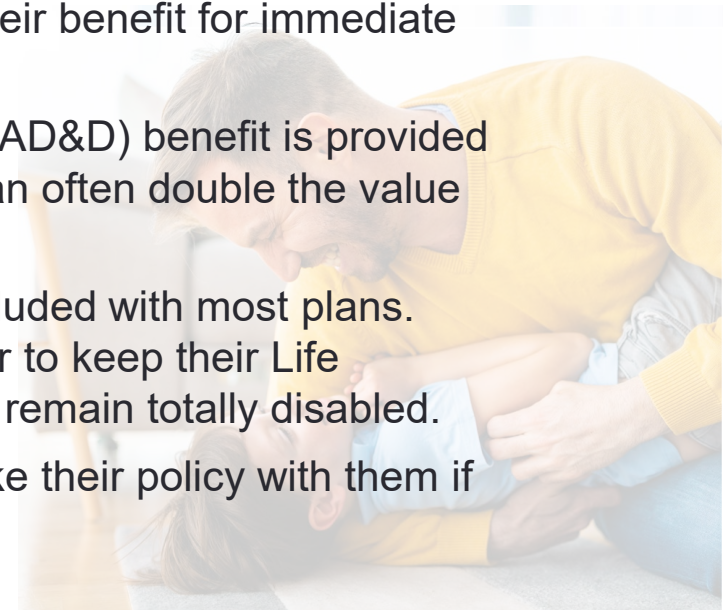
Why Offer Life Coverage?

For relatively little cost, you can:

- Give your employees greater peace of mind; they know if tragedy strikes, their families will be protected.
- Make your benefits package more robust to attract and retain talented employees.
- Increase productivity. Studies show that employees who have comprehensive benefit packages tend to work harder and are more dedicated to their jobs.

Life Benefits

- May be offered in either a flat dollar amount or a multiple of an employee's salary.
- Customizable Options: Supplemental and Dependent Life policies provide an added level of protection and benefits for employees at their own expense.
- Increased benefits are offered for beneficiaries of covered individuals who were wearing seatbelts at the time of death. Coverage allows terminally ill employees to receive part of their benefit for immediate use.
- An Accidental Death and Dismemberment (AD&D) benefit is provided automatically with any Life coverage and can often double the value of the coverage.
- A Life Waiver of Premium component is included with most plans. This waiver allows employees disabled prior to keep their Life coverage free of charge for as long as they remain totally disabled.
- Conversion Benefit allows employees to take their policy with them if they leave your Group's employment.



CONSIDERATIONS

Disability Benefits

Disability coverage is a safety net that can prevent a health issue from becoming a financial crisis. By offering employees short-term disability and long-term disability coverage for low costs, you can make your benefits package more robust and ensure your employees have the protection they need.

Short-term Disability Coverage (STD)

When sick leave is not enough, STD benefits provide employees a percentage of their salary if they become temporarily disabled due to an accident or ongoing health condition and are unable to work for a short period of time.

Long-term Disability Coverage (LTD)

LTD picks up where sick leave or STD benefits ends to provide income over a longer period. LTD also provides a percentage of the employee's salary.





Top 5 Reasons to Offer Your Employees HealthTrust Disability Coverage

- 1) Your employees need this coverage. Disability coverage can prevent a health issue from becoming a financial crisis:**
 - Most Americans live paycheck to paycheck.
 - More than 1 in 4 people will experience a disability before reaching age 67.
 - Medical problems contribute to 62 percent of all personal bankruptcies and more than half of all home foreclosures.
- 2) Your employees want this coverage. Offering disability coverage can help you recruit and retain the best employees. When surveyed, nearly 9 out of 10 workers say having disability coverage is important to them and they would be willing to help pay for it.**
- 3) It's affordable. For relatively low cost, disability coverage can make your benefits package much more robust.**
- 4) HealthTrust makes it easy for you.**
 - Short-term disability claims are processed directly by HealthTrust in-house within seven days, usually sooner.
 - HealthTrust Claims Specialists work closely with our trusted partners to advocate for enrollees and coordinate claims processing.
- 5) We offer exceptional service.**
 - Our Benefits Advisors can help you determine the best plan options for your group.
 - Our Claims Specialists can advocate for your employees throughout the claims process.
 - Our Enrollee Services Representatives answer your employees' questions by phone or in person – resolving 93 percent of issues the same day.

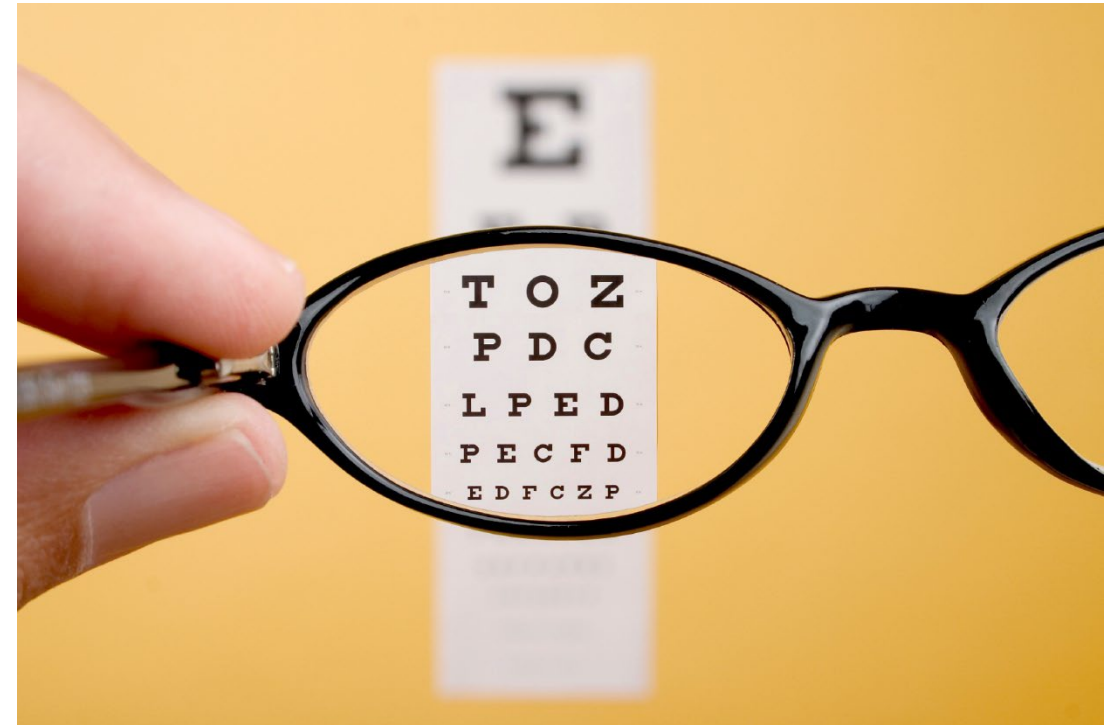
For a more detailed brochure or to discuss the best options for your group, contact your HealthTrust Benefits Advisor.

PO Box 617 • Concord, NH 03302-0617 • Tel. 603.226.2861 • Toll Free 800.527.5001
Fax: 603.226.2988 • Email: enrolleeservices@healthtrustnh.org • Website: www.healthtrustnh.org

CONSIDERATIONS

Vision Benefits

- Vision benefits can reduce an employee's costs for routine preventive care and prescription eyewear.
- Plans cost very little to both the employer and employee and are an attractive addition to any benefits package.



Provides resources to help achieve and maintain optimal health, and rewards individuals when they make smart lifestyle choices.

Engagement, Resources, and activities include:

- **Daily Cards** – quick tips, fun facts, reminders, and more.
- **Healthy Habits** – trackers and challenges to support and reinforce healthy habits.
- **Journeys** – digital coaching journeys that cover nutrition, physical activity, sleep, stress, financial wellness, condition management, and many other topics.
- **Challenges** – including destination challenges, non-step based challenges, healthy habit challenges, family challenges, and challenges customized to HealthTrust Enrollees and Retirees.
- **Invite 10 Friends** – build healthy social connections with friends and family to share accomplishments, healthy habits and challenges.
- **Health Coaching** – certified professionals work with you to help you achieve your well-being goals. They provide holistic, whole-person support across the spectrum of health risks.
- **Nutrition and Sleep Guide** – personalized tips and trackers to help you improve your nutrition and sleep and develop healthy habits.
- **Device Integration** –over 100 devices and apps that will automatically sync with the platform to help you track your activities



With HealthTrust, Connected Care is available 24/7 and accessible via a smartphone, laptop, webcam or other electronic device. Scan the QR code below to learn more about HealthTrust 360 and Slice of Life programs.



CONNECTED
SCAN ME TO LEARN MORE... **CARE**



Slice of Life
WELLNESS PROGRAM

Get healthy your way with resources and rewards from the Slice of Life program.



HOW DEDUCTIBLES WORK

- A deductible is the amount of money an individual will have to pay for their health care before the medical plan begins to pay.
- For example, if the plan has a \$1,000 deductible, each plan year the individual will need to pay the first \$1,000 of the covered medical expenses subject to the deductible before the plan begins coverage. *(Note, some plan designs, like Site of Service plans, provide ways an individual can avoid copays or deductible for certain services by utilizing a preferred cost-effective provider.)*
- Copays do not apply toward deductibles.

Often confused with Out-of-Pocket Limits:

- An Out-of-Pocket Limit is the maximum amount an individual has to pay for covered medical and prescription expenses in a plan year.
- This includes all deductibles, coinsurance, and copayments. It does not include the premium, amounts over the Maximum Allowable Amount, penalties, or charges for non-covered services.
- Once the combined medical/prescription out-of-pocket limit is satisfied, the individual will not have to pay additional deductibles, coinsurance, or copayments for the rest of the plan year.



STRATEGIES TO OFFSET HIGHER DEDUCTIBLES

Health Savings Accounts (HSAs), Health Reimbursement Arrangements (HRAs) and Flexible Spending Accounts (FSAs) are tax-favored arrangements for qualified expenses. They can be valuable tools for managing medical plan costs for both employers and employees.

- Both employees and employers can contribute funds to HSA accounts to pay for qualified healthcare expenses, long-term care premiums, COBRA premiums, Medicare and other healthcare premiums at age 65, excluding Medicare Supplemental Plans.
- HRAs are employer-funded arrangements that reimburse employees for qualified healthcare expenses as allowed by plan terms, such as deductibles, incurred under the employer's medical plan.
- FSAs are primarily employee-funded accounts in which money is deposited pre-tax to pay for qualified healthcare expenses and/or dependent care expenses throughout the plan year.



WIN-WIN STRATEGIES

Home of the Falcons



The Bow School District leveraged a HealthTrust Site of Service Medical Plan, combined with a HRA through HealthTrust Benefit Advantage, to provide cost savings for the employee and employer.

Cost Savings through plan design:

Subunit - 2019 Annual Meeting Insurance Savings \$198,000

Subunit - 2020 Annual Meeting Insurance Savings \$142,000

HRA Design - Employee responsible for first \$1,000 of deductible - District responsible for remaining \$2000 of deductible - Budget 40% of exposure - spent 15.15% in 2020-21



LEBANON
NEW HAMPSHIRE

Through negotiations the City was able to move most of the eligible employees to the Lumenos HDHP with HSA funding. This change was possible by utilizing HealthTrust Advisors to educate employees how the Lumenos Plan worked in conjunction with a HSA.

Benefits of transition:

Reduced costs for the City and employees:

- Lumenos compared to the Access Blue plan would save the City \$129,034 (2021)
- Lumenos compared to the BlueChoice plan would save the City \$506,096 (2021)

A scenic mountain landscape with a valley and a blue sky with clouds. The word "QUESTIONS?" is overlaid in large, white, bold letters with a black outline.

QUESTIONS?