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WAKE FOREST
UNIVERSITY

April 2017

**Benefits
Updates**

Agenda

- Health Care Trends
- Wake Forest University vs. Peers
- The Future of Health Care
- Fiscal Year 17 - Fringe Budget
- Medical Plan Updates
- Additional Benefits
- What can you do?
- Next Steps

Health Care Trends

Aims to increase health care quality and decrease cost by using incentives to promote efficient health care services and consumer choices.

Ensures all dependents meet plan eligibility requirements.

Health plan fee if using tobacco or if spouse is eligible for other coverage.

One pharmacy to distribute certain medications to control cost and distribution.

Narrow network of providers to reduce cost for members and the plan and to increase positive health outcomes.

Provide members the tools to access care in the most appropriate manner (Emergency Room vs. Urgent Care; Telemedicine).

Wake Forest University vs. Peers

Based on Gallagher National Benefits Survey, Wake Forest University health plans are more generous than higher education benchmarks.

- **WFU's Medical Plans**
 - High Plan: higher premium, lower deductible and out-of-pocket maximums
 - Low Plan: lower premiums, higher deductible
 - Prescription drug and office copayments, in both plans, are very competitive

- **WFU's Dental Plans**
 - Plan designs comparable to other higher education organizations.
 - Faculty and staff premiums and deductibles are lower than peers.

- **Life and Disability Plans**
 - Many peers do not offer employer-paid short- and long-term disability benefits.
 - Life insurance plans remain competitive.

The Future of Health Care

Medical cost increases 6 - 10% on average annually

Aging workforce, new technologies, and inflation rates

Increased focus on improving overall health

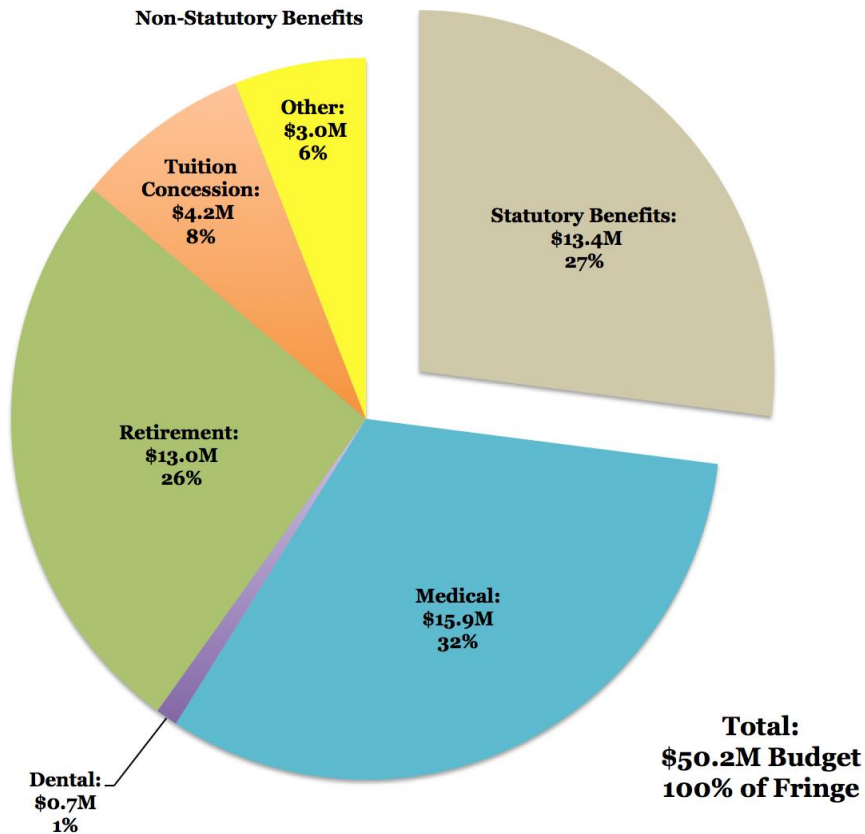
Increased engagement in Wellness and Disease Management programs

Prescription Drug cost increases 10%+ on average annually

Specialty medications increasing 20%+ on average annually

Continued cost for complying with the Affordable Care Act

Fiscal Year 17 – Fringe Budget



Fiscal Year 2017 Medical

Budget	Year-end Projection	Variance (unfavorable)
\$15.9	\$17.8	(\$1.9)

- WFU invests an additional 28.4%, on top of salary, for full-time faculty and staff fringe benefits.
- WFU pays 70 – 80% of total medical costs for faculty and staff.
- WFU invests 2/3 of total operating budget on faculty and staff salaries and benefits.

Medical Plan Updates

Effective July 1, 2017:

1. Add Wellbeing Program in collaboration with WF Baptist Health.
 - \$100 incentive if health risk assessment, a biometric test, and a one-time health coaching session are completed. Details in the Fall 2017.
2. Expand Autism benefits to include Adaptive Behavioral Treatment.
 - \$40,000/member/year
3. Health Care Flexible Spending
 - IRS increased annual maximum from \$2,550 to \$2,600

Medical Plan Updates

4. Move from BCBS Blue Options to BCBS Blue Value Network.

- **Blue Value:** A Narrower network to drive utilization to high-quality and cost-effective providers in North Carolina. The network provides deeper discounts for both members and the University. Service outside of North Carolina will be provided through BCBS Blue Options network.
- **In-Network Hospitals:** WF Baptist, Novant Health Forsyth Medical, High Point Regional, Moses H. Cone, Davie County, and Lexington Memorial.
- **Out-of-Network Hospitals:** Duke and Pioneer Community.
- **Out-of-Network Single Providers:** Wayne Cannon Physical Therapy, Mark Nelson Ophthalmology, Neurology, and Pain Consultants.

This is not an exhaustive list of hospitals, facilities, or providers. It is recommended that you verify network status, as the network is evaluated and updated each January. Members may still utilize the out-of-network hospitals, facilities, or providers, however the out-of-network charges will apply.

Medical Plan Updates

5. Medical Premiums

Low Plan	Monthly	\$ Increased By	Biweekly	\$ Increased By
Employee Only	\$97	\$9	\$45	\$4
Employee and Spouse	\$284	\$26	\$131	\$12
Employee and Child	\$186	\$17	\$86	\$8
Employee and Children	\$248	\$23	\$114	\$11
Family	\$359	\$33	\$166	\$15

High Plan	Monthly	\$ Increased By	Biweekly	\$ Increased By
Employee Only	\$182	\$17	\$84	\$8
Employee and Spouse	\$486	\$44	\$224	\$20
Employee and Child	\$317	\$29	\$146	\$13
Employee and Children	\$424	\$39	\$196	\$18
Family	\$614	\$56	\$283	\$26

6. Deductibles and Out-of-Pocket Maximums

	Low Plan		High Plan	
	FY18	\$ Increased By	FY18	\$ Increased By
Deductible (Individual)	\$1,000	\$100	\$500	\$200
Deductible (Family)	\$2,500	\$250	\$1,250	\$500
Out-of-Pocket Maximum (Individual)	\$4,000	\$400	\$2,500	\$400
Out-of-Pocket Maximum (Family)	\$10,000	\$1,000	\$6,250	\$1,000

Additional Benefits

No changes to the following:

- Medical plan cost-sharing, coinsurance, copayments, preventive care, and spousal surcharge.
- Prescription plan
- Behavioral health plan
- Dental plans
- Vision plan
- Dependent care flexible spending account
- Legal plans
- Supplemental plans: Long-term care, life insurance, and short- and long-term disability plans.

What Can You Do?

- Take advantage of 100% preventive care benefits in the medical plans.
 - Earlier detection and management of conditions can reduce your out-of-pocket expense in the short- and long-term.
- Manage overall health and wellbeing by taking advantage of:
 - Wake Forest's: New Wellbeing program, Tobacco Cessation program, Weight Management program, Healthy Exercise & Lifestyle program, and new Wellness Center (membership fee waived this year).
 - BCBS's assistance with managing chronic conditions.
 - OptumRx's Medical Adherence program and Diabetes Management program.
 - Cigna's Health Advocacy Services.
- Be a health care consumer by:
 - Learning where to receive appropriate medical care, such as an office visit, urgent care center, emergency room, or retail clinic and potentially find savings.
 - Verifying if your provider is a hospital-based out-patient facility to find savings.
 - Using the prescription drug tool to compare retail vs. mail order to find savings.
 - Using BCBSNC transparency tool to compare pricing for medical services to find savings.
 - <http://www.bcbsnc.com/content/providersearch/treatments/index.htm#/>

Next Steps

- **Annual Benefits Enrollment: May 3 – May 10**
 - Complete an online enrollment form if: planning to update benefit elections and/or covered dependents, covering a spouse on the medical plan, and/or enrolling or re-enrolling in a Flexible Spending Account.
 - Confirmation statement will be sent to your email after submitting the form.
 - Benefit elections in WIN June 14 and effective July 1.

- **Benefits Information Sessions:**
 - April 24, 10:30 - 11:30 a.m.: WFU Charlotte Center
 - April 25, 4:00 - 5:00 p.m.: Benson Pugh Auditorium
 - April 26, 10:00 - 11:00 a.m.: Benson Pugh Auditorium

- **WFU Streakin' Deacon (Mobile Online Enrollment)**
 - May 3**
 - 9:00 - 10:30 a.m.: Manchester Hall; 11:00 a.m. - 12:30 p.m.: Z. Smith Reynolds Library; 1:00 - 2:30 p.m.: Alumni Hall; 3:00 - 4:30 p.m.: Scales Fine Arts Center
 - May 8**
 - 9:00 - 10:30 a.m.: Reynolda House; 11:00 a.m. - 12:30 p.m.: Graylyn; 1:00 - 2:30 p.m.: UCC; 3:00 - 4:30 p.m.: on campus Outside Bostwick and Johnson Halls



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Thank You

Jeff Ries | Area Vice President
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