



# The Torch

The official newsletter for Indiana state employees

## HDHP offers more control over health care decisions

Three years after debuting as an option, the high deductible health plan (HDHP) is now the plan of choice for one-third of the state employee population. Employees are realizing that with an HDHP, they have more say in how they spend their health care dollars.

With an HDHP, or a consumer-driven health plan, employees determine their own course for health care. They decide when and where to seek care. "The HDHP not only saves employees and their families money, but in the long run, helps control health care costs," said Dan Hackler, Director, State Personnel Department. "These consumer-driven

health care plans help to maintain this important benefit for all of us."

coverage will cost the employee \$47.58 per pay period.

### State of Indiana Employees Open Enrollment 2009 *Your Choice, Your Health*

In addition, with an HDHP, the state will contribute money to the employee's Health Savings Account (HSA). HSAs are only allowed with an HDHP and not

The state offers two HDHPs. HDHP 1 has no premium. That means the employee does not have a biweekly payroll deduction for this plan – whether single or family coverage.

with any other health insurance plan. All monies in an employee's HSA belong to the employee. Even if the employee leaves state employment, the money is still his/hers.

HDHP 2 does have premiums. For those with single coverage, the biweekly payroll deduction is \$19.32. Family

For more information about HDHPs and HSAs, visit the open enrollment Web site: [www.in.gov/spd/benefits](http://www.in.gov/spd/benefits).

## Health savings accounts start new year with a hefty balance

The biggest impact on state employees in this year's open enrollment process is that the state will front load its contributions to the Health Savings Accounts (HSA). According to Jack Borgerding, Deputy Director of the State Personnel Department (SPD), the front loading is a positive response to concerns raised during the early years of the High Deductible Health Plan (HDHP).

the HSA, there should be money in the account, should an employee have a significant medical event early in the year.

pay period of 2009. And then make equal payments over the 26 pay periods in 2009 for those on the biweekly payroll. The following chart depicts what those amounts will be for those paid biweekly and those paid monthly:

The state will deposit half of its annual contribution into each HSA with the first

HSA plan	Coverage	Initial contribution by state	Biweekly contribution by state	Monthly contribution by state	Maximum annual state contribution
HDHP 1	Single	\$687.96	\$26.46	\$57.33	\$1,375.92
	Family	\$1,375.14	\$52.89	\$114.60	\$2,750.28
HDHP 2	Single	\$468.00	\$18.00	\$39.00	\$936.00
	Family	\$935.22	\$35.97	\$77.94	\$1,870.44

One of the criticisms in the past has been that if an employee had a medical emergency early in the year, there was not enough money in the HSA to cover the expense. With the state putting half of its annual contribution in the accounts with the first pay in January, that should help lessen the burden.

"It shows commitment by the governor to continually improve the health care offerings for state employees and their families," he added. By front loading

### Need answers to your benefits questions?

#### Call the Benefits Hotline

1-317-232-1167 within Indianapolis area  
1-877-248-0007 outside Indianapolis  
*The hotline is staffed from 7:30 a.m. to 5 p.m. Monday through Friday.*

**E-mail:** [spdbenefits@spd.in.gov](mailto:spdbenefits@spd.in.gov)  
**Web:** [www.in.gov/spd/benefits](http://www.in.gov/spd/benefits)

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## Answers to frequently asked questions about health benefits

Q: I can't afford any increase in premiums for health insurance plans. What alternatives do I have for providing healthcare for my family?

A: *The state offers two health plans with low premiums. The High Deductible Health Plans (HDHP) offer 100 percent coverage for preventive services and if you establish a Health Savings Account (HSA) with the HDHP, the state will contribute money toward your deductible.*

Q: What is my out-of-pocket maximum?

A: *Out-of-pocket expenses are all those expenses you pay yourself. They include deductibles and any co-insurance or co-pays. Once you spend the maximum for your plan, you move to 100 percent coverage. Out-of-pocket maximums for each plan are:*

*HDHP 1: \$4,000 single; \$8,000 family*

*HDHP 2: \$2,400 single; \$4,800 family*

*Traditional II: \$2,000 per enrollee; \$4,000 family*

*Welborn: \$2,000 per person; \$4,000 family*

Q: If my spouse smokes but I don't, is my family still eligible for the tobacco incentive?

A: *Yes, the Non-Tobacco Use Incentive is based on your pledge, as a state employee, to remain tobacco free.*

Q: What are the differences between the HDHP 1 and HDHP 2 plans?

A: *HDHP 1 has no employee premium. HDHP 2 has a small employee premium. However, the maximum out-of-pockets and the deductibles are higher with the HDHP 1.*

Q: In addition to the state's contributions to my HSA, can I also deposit money into the account?

A: *Yes, up to the federal maximum (employee and employer combined) of \$3,000 for a single plan and \$5,950 for*

*a family plan. If you are 55 or older, you can contribute an additional \$1,000 in 2009.*

Q: Are preventive care costs covered under any of the insurance plans?

A: *Yes, preventive care is covered 100 percent under the HDHP 1 and HDHP 2. Traditional II and Welborn have a flat co-pay, depending on the service.*

Q: Can I still use my flexible spending account (FSA) in conjunction with my HSA?

A: *Yes, but your FSA is a limited-purpose account, meaning that you can use it for dental, vision and post-deductible expenses. You can not use an FSA to cover your deductible with an HDHP/HSA.*

Q: Do prescriptions contribute to my out-of-pocket maximum with the HDHP?

A: *Yes, prescriptions accumulate toward your out-of-pocket maximum with the HDHPs.*

Q: What if I choose an HDHP and have a catastrophic event in January 2009? How do I pay for that?

A: *For 2009, the state will pre-fund half of the employer contribution to the employee's HSA. With the first pay in January, those with HDHP/HSAs will receive a lump sum contribution and bi-weekly contributions spread out over 26 pay periods. However, as with any unexpected cost, you may want to establish a payment plan with the provider or pay the expense with a credit card and then reimburse yourself from your HSA, when there is sufficient money in the account.*

Q: What is the discounted/negotiated rate and is it the same for all physicians or hospitals?

A: *The discounted or negotiated rate is the fee for service the physician or facility has agreed to accept as payment*

*in full from an insurance company. For example, a hospital billed the patient \$1,023 for an emergency room visit, but Anthem's negotiated fee is \$622. The patient will owe the hospital \$622 and the hospital will accept that as payment in full. The negotiated rate varies by provider and is only applicable to in-network providers.*

Q: If I haven't changed any of my information, do I have to do anything?

A: *Yes, if you are participating in the FSA or making additional contributions to your HSA, you will need to re-enroll and elect a new contribution, even if it is the same as last year. Also, in order to receive the non-tobacco use incentive you must access PeopleSoft and agree to remain tobacco free in 2009. Regardless, it is always a good idea to access PeopleSoft and verify that all of your information and elections are accurate, including coverage for your over-age dependents who are full-time students.*

Q: Where can I get information on rates and plans?

A: *Rates, benefit plan descriptions and benefit summaries are posted on SPD's Web site at [www.in.gov/spd/benefits](http://www.in.gov/spd/benefits).*

Q: What if I don't have computer access?

A: *You can access the internet and PeopleSoft at your local library or your agency may have terminals available to you during the open enrollment period.*

Q: Who do I call if I have questions?

A: *If you need your PeopleSoft ID or PeopleSoft password, contact the IOT help desk at 317-234-HELP (4357). If you have questions about benefits, call the Benefits Hotline at 317-232-1167 within the Indianapolis area or 1-877-248-0007 toll free outside Indianapolis. Your agency's human resource office will also be able to assist you.*

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## State of Indiana 2009 Rates

Plan	Coverage	Bi-Weekly Employee Premium	Bi-Weekly Employer Premium	Bi-Weekly Total Premium	Monthly Premium Rate	COBRA
HDHP 1	Single Family	\$0.00	\$121.92	\$121.92	\$264.16	\$269.44
		\$0.00	\$375.00	\$375.00	\$812.50	\$828.75
HDHP 2	Single Family	\$19.32	\$138.84	\$158.16	\$342.68	\$349.53
		\$47.58	\$408.84	\$456.42	\$988.91	\$1,008.69
Anthem Traditional II	Single Family	\$62.73	\$174.84	\$237.57	\$514.74	\$525.03
		\$184.86	\$480.78	\$665.64	\$1,442.22	\$1,471.06
Welborn HMO	Single Family	\$33.03	\$174.84	\$207.87	\$450.38	\$459.39
		\$91.47	\$480.78	\$572.25	\$1,239.87	\$1,264.67
Delta Dental	Single Family	\$0.00	\$9.63	\$9.63	\$20.85	\$21.27
		\$0.00	\$27.57	\$27.57	\$59.73	\$60.92
Eye Med	Single Family	\$0.00	\$1.58	\$1.58	\$3.43	\$3.50
		\$2.43	\$1.58	\$4.01	\$8.69	\$8.86

Plan	Coverage	Annual Employee Premium Contribution	Annual Employer Premium Contribution	Annual Employer HSA Contribution	Annual Employer Contribution	Annual Total
HDHP 1	Single Family	\$0.00	\$3,169.92	\$1,375.92	\$4,545.84	\$4,545.84
		\$0.00	\$9,750.00	\$2,750.28	\$12,500.28	\$12,500.28
HDHP 2	Single Family	\$502.32	\$3,609.84	\$936.00	\$4,545.84	\$5,048.16
		\$1,237.08	\$10,629.84	\$1,870.44	\$12,500.28	\$13,737.36
Anthem Traditional II	Single Family	\$1,630.98	\$4,545.84	\$0.00	\$4,545.84	\$6,176.82
		\$4,806.36	\$12,500.28	\$0.00	\$12,500.28	\$17,306.64
Welborn HMO	Single Family	\$858.78	\$4,545.84	\$0.00	\$4,545.84	\$5,404.62
		\$2,378.22	\$12,500.28	\$0.00	\$12,500.28	\$14,878.50
Delta Dental	Single Family	\$0.00	\$250.38	\$0.00	\$0.00	\$250.38
		\$0.00	\$716.82	\$0.00	\$0.00	\$716.82
Eye Med	Single Family	\$0.00	\$41.16	\$0.00	\$0.00	\$41.16
		\$63.12	\$41.16	\$0.00	\$0.00	\$104.28

**Employees participating in the HDHP plans are reminded that they must open an HSA account in order to receive the State's HSA contribution.**

Continued from pg. 2

### Frequently asked questions about health benefits

**Q:** When do the new rates take effect? And when will the deductions show up on my pay stub?

**A:** The new rates will take effect for coverage beginning Jan. 1, 2009. Some deductions, like your health premiums, will begin on the Dec. 17 and Dec. 24 pay dates. The premiums will be pro-rated on the first check. Other deductions, like FSAs and HSAs, will

*not appear until your first pay date in January.*

**Q:** If I change plans, do I have to notify my doctor(s)?

**A:** No, you do not need to contact your physician to make a plan change, but you will need to present your new plan ID at your next visit after January 1, so billings can be submitted correctly.

**Q:** What happens if I don't select a plan?

**A:** Your plan election from 2008 will continue through 2009. However, it is important to note the non-tobacco use agreement will not carry over. If you do not access PeopleSoft and accept the agreement you will not receive the incentive in 2009.

**Q:** I signed up last year for the tobacco

## Frequently asked questions about health benefits

incentive; do I need to do it again, since I never have smoked?

*A: Yes, last year you pledged to be tobacco free in 2008. This year during open enrollment, you must agree to be tobacco free in 2009 to receive the incentive.*

Q: When do I call the benefits hotline and when do I call the insurance company?

*A: Call the Benefits Hotline when you have any questions about benefits. A Benefit Specialist will direct you to contact the insurance company directly if your question is specific to the benefit plan. For example, if you want to know if your prescription for XYZ drug is a tier 2 or tier 3 drug, you should call the insurance company.*

Q: If I had a qualifying event this past year, but missed the deadline to make the change on my health plan, can I change it during open enrollment? If so, when will it take affect?

*A: Yes, open enrollment is the time to make changes to your plans and your dependents. Changes to your health, dental, vision, FSAs and HSAs will be effective Jan. 1, 2009. Changes to your life insurance will be effective Jan. 11 (A payroll) or Jan. 18 (B payroll), or in accordance with your pay, after evidence of insurability and has been submitted and your change has been approved by American United Life.*

Q: Can I change plans during the year if I decide that I don't like what I've

selected?

*A: Unfortunately no. The plan you choose during open enrollment will be your plan unless and until you experience a qualifying event that allows you to drop coverage or until the next open enrollment period.*

Q: How do I sign up for benefits? Do I have to go online to do it and can I sign up from home?

*A: To sign up for benefits, log-in to PeopleSoft using your User ID and password from any computer with internet access during the open enrollment period. You will then navigate through open enrollment to make new elections, change current elections or just verify your information. The Web address is [www.in.gov/spd/benefits](http://www.in.gov/spd/benefits).*

## PeopleSoft ID is necessary to enroll

To help state employees log in to PeopleSoft to successfully enroll for 2009 benefits, IOT customer service has put together a list of tips and tricks.

### Know your PeopleSoft ID

*If you have a state-issued computer that is used only by you, click on the Helpdesk Assistant icon located on your desktop. The third box from the top contains your PeopleSoft ID.*

*If you do not have a state-issued computer that only you use, but you work on the Indiana Government Center campus, you may be able to find your ID number on the backside of your state-issued ID badge under the barcode at the bottom. Add the first initial of your first name to the last six digits of your ID number to create your PeopleSoft ID. For example, Joe Smith's ID number is 10000239272, so his username would be J239272.*

*If you do not have a state-issued computer or a state ID badge, call your agency's human resources director for more information.*

### Remember your PeopleSoft password

*If you have a state-issued computer and access the Internet via the state network, the password used to log on to your computer can now be used to log in to PeopleSoft while still using your PeopleSoft ID.*

*If you have do not remember the password used to log in to your computer, you can use IOT's new Self-Service Password Reset to reset your password over the phone anytime. Enrollment is required so if you have not enrolled yet, go to <http://passwordreset.iot.in.gov> to get started.*

*If you have not logged in to PeopleSoft in the past six weeks, your password has been reset to a default password which is the first initial of your first name, last four digits of your social security number and the first initial of your last name. Both initials should be capitalized. For example, the password for Joe Smith with Social Security # 123-45-7890 would be J7890S.*

## Need PeopleSoft help?

- Check out IOT's open enrollment/PeopleSoft information page and FAQs at [www.IN.gov/iot/OE.htm](http://www.IN.gov/iot/OE.htm).
- Contact your agency's human resources staff for guidance.
- Contact IOT Customer Service. ICS is bumping up its support during open enrollment to accommodate its customers. Call ICS at (317) 234-HELP (4357) or (800) 382-1095. Or e-mail at [ICS@iot.IN.gov](mailto:ICS@iot.IN.gov).



Original artwork by Jerry Williams

## Open Enrollment briefs

### Cover your daycare expenses

A Dependent Care Flexible Spending Account (FSA) allows parents working or continuing their education fulltime to deduct most out-of-pocket costs for daycare expenses for eligible children under the age of 13. It is also extended to those dependents physically and/or mentally unable to care for themselves.

The state of Indiana provides the Dependent Care FSA option for employees during open enrollment with a maximum deduction amount of \$5,000 (or \$2,500 if you are married and filing separate tax returns). On a 26-pay schedule, the \$5,000 would amount to \$192.31 each payday, set aside “pre-tax” – if you are in a 20 percent federal income tax bracket. This amounts to \$38.46 back in your pocket, plus an additional 7.65 percent for FICA, or \$14.71. The total amount saved in taxes for this example would be \$1,382.42 for the year’s 26 pays.

The Dependent Care FSA is a very attractive and viable option for most working parents. Check out the details during the state’s upcoming open enrollment and see how you may benefit from utilizing this account.

### Shop for prescription savings

Before you rush to have a prescription filled or refilled, consider asking your physician for the generic alternative and then shop around for the best price. Some of the larger retailers are offering prescription drugs either free or at substantial savings.

For instance, Meijer is offering free antibiotics for children, and Wal-Mart, Sam’s Club and Target are offering \$4 prescriptions for certain generic drugs. Kmart pharmacies offer \$5 generic medications for coughs, cold and infections.

The low cost/no cost prescriptions are available for people with or without prescription drug coverage. For more information on each of the offerings, check out the respective Web sites of [Meijer](#), [Wal-Mart/Sam’s Club](#), [Target](#), [Kroger](#) or [Kmart](#).

### Help sessions scheduled

If you need help figuring out how to enter your health care benefits or sign onto PeopleSoft, say no more. The State Personnel Department’s (SPD) Training Division has arranged for help sessions for those in the Indianapolis area.

Help sessions will be available weekdays during open enrollment, except on designated state holidays. There will be times set aside for particular agencies. However, according to Kathy Hicks, SPD Training Consultant, “no individual will be turned away who needs assistance entering their benefits.”

Hicks said the training lab will be open from 8 a.m. to 4 p.m. weekdays each day. The lone exception is the last day of open enrollment, which ends at noon. The training lab is located in the Indiana Government Center South Conference Room 31. Staffing the lab will be employees from SPD’s training and benefits divisions, as well as a technician from the Office of Technology.

### No change in vision care costs

There will be no change in the costs associated with EyeMed, the state’s vision care provider. While there will be no change in costs, there will be some improvements to the program.

As we reported earlier this fall, EyeMed has partnered with LensCrafters so that employees will receive a premium base lens at no extra charge. The upgraded lens will include scratch resistance and UV coating, as well. According to EyeMed, the lens is four times more scratch resistant than a standard, uncoated lens and comes with built-in UV protection.

In addition, all LensCrafters locations now have a wider selection of frames that retail for \$100 or less, providing members with quality products. This selection also allows for greater control of out-of-pocket costs.

If you have questions about this benefit, contact EyeMed Vision Care at 1-866-9EYE-MED (toll free) or log onto EyeMed’s Web site: [www.eyemedvisioncare.com](http://www.eyemedvisioncare.com).

### Remain tobacco-free and reap the reward

Smoke, don’t smoke. But if you agree to the tobacco-free incentive, you better not use any tobacco products. Starting in 2009, ignoring your commitment to not use tobacco products may cost you your job.

As a state employee who accepts the Non-Tobacco Use Agreement and Request for Deductible Reduction form, you agree to not use tobacco products during 2009 and submit to random testing. If you commit to honoring the agreement it will result in a \$500 reduction in your state employee group health insurance deductible for 2009.

However, just as there are rewards for remaining tobacco free; there are consequences if you do not. First, you lose the \$500 reduction in your health insurance deductible. And second, if you agree to not use tobacco products, but do so anyway, your actions may result in disciplinary action, up to and including termination.

“Make it easy on yourself and do not agree to give up tobacco if you have no intention of doing so, or if you plan to try tobacco,” explained Dan Hackler, Director of State Personnel. “The bottom line is if you agree to avoid tobacco products, make sure you do.”

Hackler said that there will be random testing across the state of those employees who have agreed to remain tobacco-free. Amnesty will be offered only if an employee who confesses to using tobacco products (and had previously stated they would not) – but it must be before the testing starts. Even then, however, the employee will still lose the \$500 incentive. “Amnesty will apply to discipline only,” said Hackler. “The \$500 must be returned to the state.”

He added that offices and work locations will not be forewarned when the tests will be conducted. “We will be testing more people in more locations and with more frequency,” he said. “And there will be consequences for everyone who violates the agreement.”

## Take your medicine – to Marsh

Do not flush old or unused medications down the toilet. Take it to Marsh instead.

Marsh Pharmacies is holding a one-day event, Saturday, Oct. 25 from 9 a.m. to 5 p.m., in which persons may drop off qualified items to any of the 41 Indiana Marsh Pharmacies locations. Collected medications will be sent for destruction by incineration.

### Basic guidelines:

- A pharmacist's decision to not accept any product for destruction is final.
- All product must be in the original container, labeled accurately with the name of the medication. Each type of medication must be in its own container.
- Acceptable product is generally capsules, tablets and securely sealed liquids—both prescription and over the counter.
- No pill organizers accepted. Properly labeled, sealed unit dose packaging is acceptable.
- No controlled substances of any type.
- Thermometers, household cleaning chemicals and bulk chemicals will not be accepted.

### Participating Marsh Pharmacies

**Anderson:** 2810 Nichol Ave., 2938 N. Broadway; **Bloomington:** 123 S. Kingston Dr., 1825 Kinser Pike, 3600 W. Third St.; **Brownsburg:** 843 E. Main St.; **Carmel:** 1960 E. Greyhound Pass, 2140 E. 116th St.; **Columbus:** 3075 E. 25th St.; **Fishers:** 12520 E. 116th St., 7400 E. Fishers Station, 8766 E. 96th St.; **Greenwood:** 2904 S. SR 135.; **Indianapolis:** 10901 E. Washington St., 1435 W. 86th St., 5830 W. 86th St., 2350 Broad Ripple Ave., 320 N. New Jersey St., 3633 Kentucky Ave., 5151 E. 82nd St., 6121 Crawfordsville Rd., 6965 W. 38th St.; **Kokomo:** 208 E. Southway Blvd.; **Lafayette:** 2300 Teal Rd., 3825 SR 26 E; **Marion:** 1013 N Forest; **Muncie:** 1500 W. McGalliard Rd., 1900 N. Walnut, 1900 S. Hoyt, 3910 W. Bethel, 715 S. Tillotson Ave.; **Noblesville:** 14450 Mundy Dr., 17901 River Ave.; **Pendleton:** 3015 W. US 36; **Plainfield:** 2002 Stafford Rd.; **Shelbyville:** 1015 E. SR 44; **Tipton:** 899 E. Jefferson St.; **West Lafayette:** 2410 N Salisbury St.; **Warsaw:** 500 S. Buffalo St.; **Zionsville:** 10679 N. Michigan Rd., 5 Boone Village.

- Syringes and needles will be accepted if properly packaged. Needles and syringes must be within a "sharps" container or hard plastic, puncture-proof container, like a laundry detergent bottle. The container must also be closed with a solid lid.
- This program is for individuals only and not health centers, clinics, doctor's offices, or other organizations.
- This is a free, public service program. No refunds, exchanges or payments.
- No hazardous materials. The general categories of product considered hazardous and unacceptable are:
  - Aerosols of any form
  - Inhalers, such as Albuterol
  - Alcohol-based products or those that contain alcohol
  - Nitroglycerin-containing products -- both tablets, sprays and patches
  - Anything labeled with a symbol or the words toxic, corrosive, reactive, ignitable, flammable or poison
- If you are unable to participate in this event, here are the guidelines for proper disposal of unwanted medications at home:
- Add water to the medicine container to dissolve the medication or dilute the liquid. Capsules may need to be opened to allow for mixing with water.
- Empty medication and water from its container into a disposable and sealable bag.
- Mix in a handful of undesirable solid material such as kitty litter or coffee grounds.
- Remove and destroy all identifying personal information from the prescription label on the original medication container.
- Place bag in trash. Flushing medications down the toilet is not recommended since it may contaminate ground water, public sewage, cause growth and/or reproductive problems in fish and other aquatic wildlife.

## Cheer on our troops



Lt. Governor Becky Skillman has announced the start of her third letter and card campaign for our deployed men and women.

"Hoosier Cheer for Our Heroes" is aimed at sending thoughts and prayers to our U.S. troops away from their homes and loved ones this holiday season. Last year, the campaign collected more than 15,000 holiday wishes.

The campaign encourages Hoosiers to write a note to our troops and let them know just how much we appreciate the job they are doing for our country. Send a letter of appreciation or a holiday card to our troops by Nov. 17 to:

**Office of Lt. Governor Becky Skillman**  
c/o Hoosier Cheer for Our Heroes  
200 W. Washington St., Suite 333  
Indianapolis, IN 46204

You also can send an electronic note to [lg@lg.in.gov](mailto:lg@lg.in.gov). If you send mail in bulk, do not put each card in an envelope and do not include any money, candy or other gifts.

### Two-nights-for-the-price-of-one

*Sunday through Thursday  
at Indiana State Park Inns*

- Nov. 30 through Feb. 26, 2009
- Deal good for two nights stays
- Subject to availability
- Not available Dec. 21 through Jan. 1, 2009 or for group business
- Call toll-free 1-877-LODGES1 to make your reservations



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Submit your story ideas in an e-mail to: [spdcommunications@spd.in.gov](mailto:spdcommunications@spd.in.gov)  
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