
TO: City Council

CC: Sharon Hanson, City Administrator

FROM: Sheila Dubs, Human Resource Manager

DATE: October 13, 2020 (City Council Work session)

SUBJECT: 2021 Health Insurance Renewal

Last year, the Council approved a transition in carriers to PEIP (Public Employees Insurance Program). The transition to PEIP required a 2-year commitment with no rate guarantee in the 2nd year. The City has received the 2021 rates, please see the PEIP letter dated September 24, 2020 in your background materials.

While the overall pool renewal is 9.7%, the City of Marshall is being "slotted" (underwriters' analysis) for the first time into the pool, which resulted in a favorable lower renewal, at 6.60% for single plans and 6.66% for family plans on the Advantage H.S.A. Option plan. Rates are included in the on the last page of the PEIP renewal letter: see medical rates at the top of the page. (The City does not offer Dental or Life plans through PEIP.) Last year, our rates from PEIP reflected a 6.3% increase over the prior year. This renewal for 2021 reflects a generally stable rate.

Bill Chukuske Insurance Services is our Broker for health insurance. He will be presenting our renewal information to the Council. Staff will also be presenting a 2021 cost-share option with the Council using the same cost-share model that the Council approved in 2020.

Staff projected a budget increase of \$106,670 for the 2021 budget. However, the renewal rates are lower than anticipated at a projected budget increase of \$86,839.16. The projections are based on current plan selection by employees.

Open enrollment information: PEIP delayed sending out renewal rates by one month this year due to the COVID-19 pandemic. Due to this delay, the timing for the employee open enrollment period is impacted. Mr. Chukuske and Staff will present the renewal information in detail at the work session. Staff will be requesting that the Council consider approval of the cost-share option at the regularly scheduled Council meeting being held on the same evening, October 13th. However, should the Council choose to want additional time, a decision would then need to be made at the October 27th regular meeting and the employee open enrollment period would begin immediately thereafter, on October 28th. All renewal information and employee changes are required to be submitted to PEIP by November 12th. To comply with pandemic social distancing laws and guidelines, our employee open enrollment will include in-person and virtual visits with our benefit carriers by appointment.



September 24, 2020

Sheila Dubs
 City Of Marshall
 344 W Main Street
 Marshall, MN 56258

RE: January, 2021 PEIP Renewal for City Of Marshall

Dear Ms. Dubs:

Thank you for your participation in the Public Employees Insurance Program (PEIP) Pool. We hope that the program has fulfilled your insurance needs.

The January 2021 PEIP renewal of 9.7% is higher than the previous 10 year's average of about 3%. Groups being slotted for the first time could be slightly higher or lower than these figures. The reason for the higher increase this year is based largely on two factors:

1. PEIP added approximately 200 groups in the last three years. While claims overall have increased, the loss ratio of the new groups (2017, 2018 and 2019) is 113% (claims/premium). These groups have significantly increased the program's claims projections for 2020.
2. The COVID-19 virus has created a completely unforeseen claims impact. While short term claims (March – July) may have slightly decreased, the long term impact could result in significantly higher future claims. PEIP is taking a cautious view because it is so difficult to project what will happen with the COVID-19 virus. We hope this approach will get us back to the more traditional level of renewal increases.

While this is a difficult renewal, please remember the historical performance of the PEIP pool. Over the past 11 years program renewals have averaged 65% below annual trend/inflation figures. Even with the January renewal factored into PEIP, the average renewal increase has been 3.7% over 11 years. The State and Deloitte (plan actuaries) are reviewing the experience very closely and will react to any future changes in the plan experience.

History of PEIP Pool Renewals

July Group Average	January Group Average	<p><i>By combining all PEIP groups into one pool, the risk is spread over a large group of members (54,000) , providing more stability of rates (historically below healthcare trends in Minnesota).</i></p>
July, 2010 = +8.0%		
July, 2011 = -6.6%		
July, 2012 = -3.3%	January, 2013 = +5.0%	
July, 2013 = +6.0%	January, 2014 = +.5%	
July, 2014 = +1.9%	January, 2015 = +2.4%	
July, 2015 = +2.0%	January, 2016 = +5.5%	
July, 2016 = +5.9%	January, 2017 = +3.5%	
July, 2017 = +1.3%	January, 2018 = +.2%	
July, 2018 = +.2%	January, 2019 = +2.5%	
July, 2019 = +3.7%	January, 2020 = +5.2%	
July, 2020 = +10.7%	January, 2021 = +9.7%	
<p>Combined Pool Average = 3% *History includes all ACA taxes</p>		

Plan Changes for 2021

New to PEIP for 2021, the online enrollment portal is now available to be used for all groups. You should have received an email with the instructions for your group access.

There are no material plan changes for 2021.

The PEIP 2021 clinic directory will be available on the PEIP website by October 15, 2020. Please make sure members review their clinics for any cost level changes.

During open enrollment, your insurance eligible employees will have the opportunity to change health plans and carrier networks. Please have the open enrollment completed by November 12, 2020. Updated plan summaries and other enrollment information will be forwarded to you in a separate email. Forms can also be found on PEIP's website at www.innovomn.com. Retirees over age 65, individual Medicare Advantage and Cost policies are available. Please call Innovo Benefits Administration at 1-800-829-5601 or contact your plan administrator for more details or visit our website at www.innovomn.com.

Employees and dependents who wish to change health plans or networks must complete an Enrollment Form (or online enrollment) for the change. A primary care clinic number for each member is required. **Participants staying with the same carrier who wish to change their primary care clinic must contact the carrier directly.** Primary care clinics can be changed at any time by calling the customer service number on the member's ID card.

All completed Enrollments and any changes to your group's eligibility requirements must be submitted to Innovo Benefits Administration, PEIP's administrator, by November 12, 2020 (please plan your open enrollment to meet that deadline).

****** Please send enrollment/changes to Innovo for those employees making a plan, carrier or family changes only. No form is required for those employees maintaining current coverage. ******

As the sponsor of the group insurance, you may change or add additional PEIP product options (e.g. life and dental coverages) and change your eligibility requirements at this time. Eligibility criteria includes number of hours worked per week to be eligible, new employee waiting periods before coverage becomes effective, etc. Any changes made to your current eligibility policy must be made in writing and sent to Innovo.

A PowerPoint presentation that explains the plan choices and instructions on completing the employee enrollment will be sent in a separate email with the enrollment materials.

Please submit all forms via fax, email or mail to:

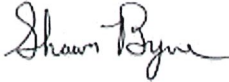
Innovo Benefits Administration
Attn: PEIP
7805 Telegraph Road, Suite 110
Bloomington, MN 55438
Secure Fax: 952-746-3108
Email: service@innovomn.com

Page 3

Please forward the renewal rate information to your COBRA, Minnesota continuation, disabled, and early retiree participants (if any). If PEIP manages your COBRA, Innovo will send out the information to these participants.

If you have any questions, please call 952-746-3101 or 1-800-829-5601 or email shawn@innovomn.com. We look forward to another year of serving you.

Sincerely,

A handwritten signature in cursive script that reads "Shawn Byrne".

Shawn Byrne
Manager

CC: Agent (if applicable)

Follow-up Email: benefit charts, enrollment forms, renewal rates

CITY OF MARSHALL
1/1/2021 Renewal Rates
Advantage Plans

In accordance with MN Stat.471., renewal rates for retirees who are under age 65 are blended with the rates for active employees. Eligible retirees currently on continuation are included in the rate structure.

2020 vs 2021 MEDICAL RATES

		<i>Current Rates</i>	<i>Renewal Rates 2021</i>
Advantage High Option	Single	\$981.84	\$1023.02
	Family	\$2604.78	\$2714.54
Advantage Value Option	Single	\$882.76	\$920.58
	Family	\$2340.28	\$2441.14
Advantage HSA Option	Single	\$673.82	\$718.32
	Family	\$1782.36	\$1901.10

If you work with an agent, please confirm commission amount with them. Rates shown include commission, if Applicable.

2020 VS 2021 DENTAL RATES – PREVENTIVE PLAN (CLOSED TO NEW ENROLLMENT), if applicable

	<i>Current</i>	<i>Renewal</i>
Monthly Rate - Employer Pays 90% or More of Cost	\$11.30	\$11.72
	\$34.27	\$35.57
Monthly Rate - Employer Pays 50-89% Of Cost	\$12.29	\$12.76
	\$38.02	\$39.48

2020 VS 2021 DENTAL RATES – COMPREHENSIVE PLAN, if applicable

	<i>Current</i>	<i>Renewal</i>
Monthly Rate - Employer Pays 90% or More of Cost	\$38.70	\$40.16
	\$92.24	\$95.73
Monthly Rate - Employer Pays 50-89% Of Cost	\$42.81	\$44.43
	\$101.15	\$104.95

2021 LIFE RATES, if applicable

Basic Life/AD&D		N/A
Dependent Life		\$1.18
Supplemental Life (Per Thousand)	<i>Age</i>	
	<35	\$.11
	35-39	\$.13
	40-44	\$.17
	45-49	\$.26
	50-54	\$.44
	55-59	\$.71
60-64	\$.79	
65-69	\$1.49	

Monthly Financial Report

Start Date: 01/01/2020
Org Unit: CITY OF MARSHALL

End Date: 08/31/2020
Company: PEIP

Month	Premium Paid	Carrier Paid Claims (P1, HP, BC)	Contracts	Dependents
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CITY OF MARSHALL

2020

January	140,111	35,019	101	171
February	140,111	35,382	101	173
March	140,111	68,270	101	174
April	140,111	20,867	113	218
May	140,111	45,959	101	174
June	140,111	225,015	100	172
July	145,023	21,486	103	179
August	135,872	77,403	105	182

Total High Claims > \$100,000 (Total Claim Shown)

2020

City of Marshall \$227,500.00

City of Marshall History of Premium Increases

	SWWC Service Cooperative	
2011	10.65%	
2012	1.0%	
2013	6.0%	
2014	6.9%	
2015	0.0%	
2016	17.5%	
2017	6.5%	
2018	7.1%	
2019	12.3%	
2020	<i>renewal at 15.00%</i> <i>2nd offer of 12.30%</i> <i>final offer of 7.44%</i>	first offer elimination of lower deductible plan final offer rejected by the Council
	<i>PEIP</i>	
2020	6.3%	Council approved transition to PEIP
2021	6.6%	

(Current) 2020 PEIP Plan Summary

Plan design: EE/ER equal share of 6.31% increase (over 2019 SWWC Coop rates), balanced to Low Plan 1

	Low Plan 1 HSA or VEBA		Low Plan 2 HSA or VEBA		Value Plan **		Advantage (High) Plan**	
	Single	Family	Single	Family	Single	Family	Single	Family
1 PEIP Premium Cost (monthly)	\$673.82	\$1,782.36	\$673.82	\$1,782.36	\$882.76	\$2,340.28	\$981.84	\$2,604.78
2 ER Contribution (monthly)	\$586.13	\$1,517.68	\$502.80	\$1,309.35	\$711.13	\$1,684.35	\$711.13	\$1,684.35
3 EE Contribution (monthly)	\$87.69	\$264.68	\$171.02	\$473.01	\$171.63	\$655.93	\$270.71	\$920.43
4 ER Premium (annually)	\$7,033.56	\$18,212.16	\$6,033.60	\$15,712.20	\$8,533.56	\$20,212.20	\$8,533.56	\$20,212.20
5 EE Premium (annually)	\$1,052.28	\$3,176.16	\$2,052.24	\$5,676.12	\$2,059.56	\$7,871.16	\$3,248.52	\$11,045.16
6 ER HSA/VEBA Contribution (annually)	\$1,500.00	\$2,000.00	\$2,500.00	\$4,500.00	N/A	N/A	N/A	N/A
7 TOTAL ANNUAL ER CONTRIBUTION	\$8,533.56	\$20,212.16	\$8,533.60	\$20,212.20	\$8,533.56	\$20,212.20	\$8,533.56	\$20,212.20

Proposal 2021 PEIP Plan Summary

Plan design: EE/ER equal share of 6.60% single and 6.66% family premium increase, balanced to Low Plan 1

Estimated cost increase excluding retirees, Library, and PHC employees: \$86,839.16

	Low Plan 1 HSA or VEBA		Low Plan 2 HSA or VEBA		Value Plan **		Advantage (High) Plan**	
	Single	Family	Single	Family	Single	Family	Single	Family
8 PEIP Premium Cost (monthly)	\$718.32	\$1,901.10	\$718.32	\$1,901.10	\$920.58	\$2,441.14	\$1,023.02	\$2,714.54
9 ER Contribution (monthly)	\$624.84	\$1,618.79	\$541.51	\$1,410.46	\$749.84	\$1,785.45	\$749.84	\$1,785.45
10 EE Contribution (monthly)	\$93.48	\$282.31	\$176.81	\$490.64	\$170.74	\$655.69	\$273.18	\$929.09
11 ER Premium (annually)	\$7,498.08	\$19,425.48	\$6,498.12	\$16,925.52	\$8,998.08	\$21,425.40	\$8,998.08	\$21,425.40
12 EE Premium (annually)	\$1,121.76	\$3,387.72	\$2,121.72	\$5,887.68	\$2,048.88	\$7,868.28	\$3,278.16	\$11,149.08
13 ER HSA/VEBA Contribution (annually)	\$1,500.00	\$2,000.00	\$2,500.00	\$4,500.00	N/A	N/A	N/A	N/A
14 TOTAL ANNUAL ER CONTRIBUTION	\$8,998.08	\$21,425.48	\$8,998.12	\$21,425.52	\$8,998.08	\$21,425.40	\$8,998.08	\$21,425.40

Deductible for ALL plans will vary based on Primary Care Clinic Cost Level

**Value and Advantage Plans are NOI H.S.A compatible

Projections based on 25 Singles and 62 Families

2021 Health Insurance Cost Projections

Est Total Employer cost	\$ 1,553,332.08	
2021 Estimated Increase in Employer Cost		<u>\$ 86,839.16</u>

Increase by Fund

General Fund	66	\$	68,098.32
EDA	0	\$	-
Red Baron	3	\$	3,639.96
Merit	1	\$	1,213.32
Waste Water	13	\$	12,029.16
Tall Grass Liquor	4	\$	1,858.08

Minnesota Public Employees Insurance Program (PEIP)

Advantage Health Plan 2020 - 2021 Benefits Schedule - HSA Compatible

Low Plan 1 & 2

Benefit Provision	Cost Level 1 – You Pay	Cost Level 2 – You Pay	Cost Level 3 – You Pay	Cost Level 4 – You Pay
A. Preventive Care Services <ul style="list-style-type: none"> Routine medical exams, cancer screening Child health preventive services, routine immunizations Prenatal and postnatal care and exams Adult immunizations Routine eye and hearing exams 	Nothing	Nothing	Nothing	Nothing
B. Annual First Dollar Deductible * Combined Medical/Pharmacy (single coverage) Combined Medical/Pharmacy (family coverage)	\$1,500 \$2,800 per family member \$3,000 per family	\$2,000 \$3,200 per family member \$4,000 per family	\$3,000 \$4,800 per family member \$6,000 per family	\$4,000 \$6,400 per family member \$8,000 per family
C. Office visits for Illness/Injury, for Outpatient Physical, Occupational or Speech Therapy, and Urgent Care <ul style="list-style-type: none"> Outpatient visits in a physician's office Chiropractic services Outpatient mental health and chemical dependency Urgent Care clinic visits (in & out of network) 	\$45 copay per visit annual deductible applies	\$55 copay per visit annual deductible applies	\$105 copay per visit annual deductible applies	\$130 copay per visit annual deductible applies
D. Network Convenience Clinics & Online Care	\$0 copay annual deductible applies	\$0 copay annual deductible applies	\$0 copay annual deductible applies	\$0 copay annual deductible applies
E. Emergency Care (in or out of network) <ul style="list-style-type: none"> Emergency care received in a hospital emergency room 	\$150 copay annual deductible applies	\$150 copay annual deductible applies	\$150 copay annual deductible applies	50% coinsurance annual deductible applies
F. Inpatient Hospital Copay	\$400 copay annual deductible applies	\$650 copay annual deductible applies	\$1,500 copay annual deductible applies	50% coinsurance annual deductible applies
G. Outpatient Surgery Copay	\$250 copay annual deductible applies	\$400 copay annual deductible applies	\$800 copay annual deductible applies	50% coinsurance annual deductible applies
H. Hospice and Skilled Nursing Facility	Nothing after annual deductible	Nothing after annual deductible	Nothing after annual deductible	Nothing after annual deductible
I. Prosthetics and Durable Medical Equipment	20% coinsurance annual deductible applies	25% coinsurance annual deductible applies	30% coinsurance annual deductible applies	50% coinsurance annual deductible applies
J. Lab (including allergy shots), Pathology, and X-ray (not included as part of preventive care and not subject to office visit or facility copayments)	20% coinsurance annual deductible applies	25% coinsurance annual deductible applies	30% coinsurance annual deductible applies	50% coinsurance annual deductible applies
K. MRI/CT Scans	20% coinsurance annual deductible applies	25% coinsurance annual deductible applies	30% coinsurance annual deductible applies	50% coinsurance annual deductible applies
L. Other expenses not covered in A – K above, including but not limited to: <ul style="list-style-type: none"> Ambulance Home Health Care Outpatient Hospital Services (non-surgical) <ul style="list-style-type: none"> Radiation/chemotherapy Dialysis Day treatment for mental health and chemical dependency Other diagnostic or treatment related outpatient services 	20% coinsurance annual deductible applies	25% coinsurance annual deductible applies	30% coinsurance annual deductible applies	50% coinsurance annual deductible applies
M. Prescription Drugs 30-day supply of Tier 1, Tier 2, or Tier 3 prescription drugs, including insulin; or a 3-cycle supply of oral contraceptives.	\$30 tier one \$50 tier two \$75 tier three annual deductible applies	\$30 tier one \$50 tier two \$75 tier three annual deductible applies	\$30 tier one \$50 tier two \$75 tier three annual deductible applies	\$30 tier one \$50 tier two \$75 tier three annual deductible applies
N. Plan Maximum Out-of-Pocket Expense** (including prescription drugs) Single Coverage Family Coverage	\$3,000 \$5,000 per family member \$6,000 per family	\$3,000 \$5,000 per family member \$6,000 per family	\$4,000 \$6,900 per family member \$8,000 per family	\$5,000 \$6,900 per family member \$10,000 per family

Emergency care or urgent care at a hospital emergency room or urgent care center out of the plan's service area or out of network is covered as described in sections C and E above.

This chart applies only to in-network coverage. Point of Service coverage is available only to members whose permanent residence is both outside the State of Minnesota and the Advantage Plan's service area. This category includes employees temporarily residing outside Minnesota on temporary assignment or paid leave [including sabbatical leaves] and college students. It is also available to dependent children and spouses permanently residing outside the service area. Members pay a \$1,500 single or \$3,000 family deductible (separate and distinct from the deductibles listed in section B above) and 30% coinsurance that will apply to the out-of-pocket maximums described in section N above. Members pay the drug copayment described at section M above to the out-of-pocket maximum described at section N. This benefit must be requested.

The PEIP Advantage Plans offer a standard set of benefits regardless of the selected carrier. There are some differences in the way each carrier administers the benefits, including the transplant benefits, in the referral and diagnosis coding patterns of primary care clinics, and in the definition of Allowed Amount.

*The family Deductible is the maximum amount that a family has to pay in deductible expenses in any one calendar year. The family Deductible is not the amount of expenses a family must incur before any family member can receive benefits. Individual family members only need to satisfy their individual deductible once to be eligible for benefits. Once the family Deductible has been met, deductible expenses for the family are waived for the balance of the year.

**The family Out-of-Pocket Maximum is the maximum amount that a family has to pay in any one calendar year. The per-family member embedded Out-of-Pocket Maximum is the maximum amount that a family has to pay in any one calendar year on behalf of any individual family member.

Minnesota Public Employees Insurance Program (PEIP) Advantage Health Plan 2020 - 2021 Benefits Schedule

Value Option

Benefit Provision	Cost Level 1 – You Pay	Cost Level 2 – You Pay	Cost Level 3 – You Pay	Cost Level 4 – You Pay
A. Preventive Care Services <ul style="list-style-type: none"> Routine medical exams, cancer screening Child health preventive services, routine immunizations Prenatal and postnatal care and exams Adult immunizations Routine eye and hearing exams 	Nothing	Nothing	Nothing	Nothing
B. Annual First Dollar Deductible * (single/family)	\$600 / 1,200	\$850 / 1,700	\$1,300 / 2,600	\$2,100 / 4,200
C. Office visits for Illness/Injury, for Outpatient Physical, Occupational or Speech Therapy, and Urgent Care <ul style="list-style-type: none"> Outpatient visits in a physician's office Chiropractic services Outpatient mental health and chemical dependency Urgent Care clinic visits (in or out of network) 	\$35 copay per visit annual deductible applies	\$40 copay per visit annual deductible applies	\$100 copay per visit annual deductible applies	\$125 copay per visit annual deductible applies
D. Network Convenience Clinics and Online Care	Nothing	Nothing	Nothing	Nothing
E. Emergency Care (in or out of network) <ul style="list-style-type: none"> Emergency care received in a hospital emergency room 	\$125 copay annual deductible applies	\$125 copay annual deductible applies	\$125 copay annual deductible applies	30% coinsurance annual deductible applies
F. Inpatient Hospital Copay	\$150 copay annual deductible applies	\$325 copay annual deductible applies	\$750 copay annual deductible applies	30% coinsurance annual deductible applies
G. Outpatient Surgery Copay	\$100 copay annual deductible applies	\$175 copay annual deductible applies	\$350 copay annual deductible applies	35% coinsurance annual deductible applies
H. Hospice and Skilled Nursing Facility	Nothing	Nothing	Nothing	Nothing
I. Prosthetics and Durable Medical Equipment	20% coinsurance	20% coinsurance	25% coinsurance	35% coinsurance annual deductible applies
J. Lab (including allergy shots), Pathology, and X-ray (not included as part of preventive care and not subject to office visit or facility copayments)	10% coinsurance annual deductible applies	15% coinsurance annual deductible applies	25% coinsurance annual deductible applies	35% coinsurance annual deductible applies
K. MRI/CT Scans	10% coinsurance annual deductible applies	15% coinsurance annual deductible applies	25% coinsurance annual deductible applies	35% coinsurance annual deductible applies
L. Other expenses not covered in A – K above, including but not limited to: <ul style="list-style-type: none"> Ambulance Home Health Care Outpatient Hospital Services (non-surgical) <ul style="list-style-type: none"> Radiation/chemotherapy Dialysis Day treatment for mental health and chemical dependency Other diagnostic or treatment related outpatient services 	10% coinsurance annual deductible applies	10% coinsurance annual deductible applies	20% coinsurance annual deductible applies	35% coinsurance annual deductible applies
M. Prescription Drugs 30-day supply of Tier 1, Tier 2, or Tier 3 prescription drugs, including insulin; or a 3-cycle supply of oral contraceptives.	\$25 tier one \$45 tier two \$70 tier three	\$25 tier one \$45 tier two \$70 tier three	\$25 tier one \$45 tier two \$70 tier three	\$25 tier one \$45 tier two \$70 tier three
N. Plan Maximum Out-of-Pocket Expense for Prescription Drugs (excludes PKU & Infertility) (single/family)	\$1,250 / 2,500	\$1,250 / 2,500	\$1,250 / 2,500	\$1,250 / 2,500
O. Plan Maximum Out-of-Pocket Expense (excluding prescription drugs) (single/family)	\$2,600 / 5,200	\$2,600 / 5,200	\$3,800 / 7,600	\$4,800 / 9,600

Emergency care or urgent care at a hospital emergency room or urgent care center out of the plan's service area or out of network is covered as described in sections C and E above.

This chart applies only to in-network coverage. Point of Service coverage is available only to members whose permanent residence is outside both the State of Minnesota and the Advantage Plan's service area. This category includes employees temporarily residing outside Minnesota on temporary assignment or paid leave [including sabbatical leaves] and college students. It is also available to dependent children and spouses permanently residing outside the service area. Members enrolled in this category pay a \$350 single or \$700 family deductible (separate and distinct from the deductibles listed in section B above) and 30% coinsurance that will apply to the out-of-pocket maximums described in section O above. Members pay the drug copayment described at section M above to the out-of-pocket maximum described at section N. This benefit must be requested.

The PEIP Advantage Plans offer a standard set of benefits regardless of the selected carrier. There are some differences in the way each carrier administers the benefits, including the transplant benefits, in the referral and diagnosis coding patterns of primary care clinics, and in the definition of Allowed Amount.

* This Plan uses an **embedded deductible**: If any family member reaches the individual deductible then the deductible is satisfied for that family member. If any combination of family members reaches the family deductible, then the deductible is satisfied for the entire family.

Minnesota Public Employees Insurance Program (PEIP)

Advantage Health Plan 2020 - 2021 Benefits Schedule

HIGH PLAN

Benefit Provision	Cost Level 1 – You Pay	Cost Level 2 – You Pay	Cost Level 3 – You Pay	Cost Level 4 – You Pay
A. Preventive Care Services <ul style="list-style-type: none"> Routine medical exams, cancer screening Child health preventive services, routine immunizations Prenatal and postnatal care and exams Adult immunizations Routine eye and hearing exams 	Nothing	Nothing	Nothing	Nothing
B. Annual First Dollar Deductible * (single/family)	\$250 / 500	\$400 / 800	\$750 / 1,500	\$1,500 / 3,000
C. Office visits for Illness/Injury, for Outpatient Physical, Occupational or Speech Therapy, and Urgent Care <ul style="list-style-type: none"> Outpatient visits in a physician's office Chiropractic services Outpatient mental health and chemical dependency Urgent Care clinic visits (in & out of network) 	\$30 copay per visit annual deductible applies	\$35 copay per visit annual deductible applies	\$65 copay per visit annual deductible applies	\$85 copay per visit annual deductible applies
D. Network Convenience Clinics & Online Care	Nothing	Nothing	Nothing	Nothing
E. Emergency Care (in or out of network) <ul style="list-style-type: none"> Emergency care received in a hospital emergency room 	\$100 copay annual deductible applies	\$100 copay annual deductible applies	\$100 copay annual deductible applies	25% coinsurance annual deductible applies
F. Inpatient Hospital Copay	\$100 copay annual deductible applies	\$200 copay annual deductible applies	\$500 copay annual deductible applies	25% coinsurance annual deductible applies
G. Outpatient Surgery Copay	\$60 copay annual deductible applies	\$120 copay annual deductible applies	\$250 copay annual deductible applies	25% coinsurance annual deductible applies
H. Hospice and Skilled Nursing Facility	Nothing	Nothing	Nothing	Nothing
I. Prosthetics and Durable Medical Equipment	20% coinsurance	20% coinsurance	20% coinsurance	25% coinsurance annual deductible applies
J. Lab (including allergy shots), Pathology, and X-ray (not included as part of preventive care and not subject to office visit or facility copayments)	10% coinsurance annual deductible applies	10% coinsurance annual deductible applies	20% coinsurance annual deductible applies	25% coinsurance annual deductible applies
K. MRI/CT Scans	10% coinsurance annual deductible applies	15% coinsurance annual deductible applies	25% coinsurance annual deductible applies	30% coinsurance annual deductible applies
L. Other expenses not covered in A – K above, including but not limited to: <ul style="list-style-type: none"> Ambulance Home Health Care Outpatient Hospital Services (non-surgical) <ul style="list-style-type: none"> Radiation/chemotherapy Dialysis Day treatment for mental health and chemical dependency Other diagnostic or treatment related outpatient services 	5% coinsurance annual deductible applies	5% coinsurance annual deductible applies	20% coinsurance annual deductible applies	25% coinsurance annual deductible applies
M. Prescription Drugs 30-day supply of Tier 1, Tier 2, or Tier 3 prescription drugs, including insulin; or a 3-cycle supply of oral contraceptives.	\$18 tier one \$30 tier two \$55 tier three	\$18 tier one \$30 tier two \$55 tier three	\$18 tier one \$30 tier two \$55 tier three	\$18 tier one \$30 tier two \$55 tier three
N. Plan Maximum Out-of-Pocket Expense for Prescription Drugs (excludes PKU & Infertility) (single/family)	\$1,050 / 2,100	\$1,050 / 2,100	\$1,050 / 2,100	\$1,050 / 2,100
O. Plan Maximum Out-of-Pocket Expense (excluding prescription drugs) (single/family)	\$1,700 / 3,400	\$1,700 / 3,400	\$2,400 / 4,800	\$3,600 / 7,200

Emergency care or urgent care at a hospital emergency room or urgent care center out of the plan's service area or out of network is covered as described in sections C and E above.

This chart applies only to in-network coverage. Point of Service coverage is available only to members whose permanent residence is outside both the State of Minnesota and the Advantage Plan's service area. This category includes employees temporarily residing outside Minnesota on temporary assignment or paid leave [including sabbatical leaves] and college students. It is also available to dependent children and spouses permanently residing outside the service area. Members enrolled in this category pay a \$350 single or \$700 family deductible (separate and distinct from the deductibles listed in section B above) and 30% coinsurance that will apply to the out-of-pocket maximums described in section O above. Members pay the drug copayment described at section M above to the out-of-pocket maximum described at section N. This benefit must be requested.

The PEIP Advantage Plans offer a standard set of benefits regardless of the selected carrier. There are some differences in the way each carrier administers the benefits, including the transplant benefits, in the referral and diagnosis coding patterns of primary care clinics, and in the definition of Allowed Amount.

* This Plan uses an **embedded deductible**: If any family member reaches the individual deductible then the deductible is satisfied for that family member. If any combination of family members reaches the family deductible, then the deductible is satisfied for the entire family.