

**MEMO**

grouphealthmemo2023

To: All Employees

From: Mike Ratkiewicz

Subj: **Group Health, Life & Dental Renewal Effective January 1, 2023**  
 Aetna (Med) Policy # 284011 Hartford Life (Life) Policy # 805843 Aetna Dental (Dental) Policy # 284011 Aetna Vision #284011

Date: October 25, 2022

This year we started 2023 health renewal discussions in July and finished up mid\August. Our claims are presently right at 82% thru seven months which likely means by the time we get all the claims tallied thru year end including the “runout” of 2022 claims paid in 2023, the loss ratio will be in the 80’s **Please remember that insurance is “claims driven”; the more the claims, the higher the premiums.** This year, because of claims/losses, we saw a 3.5% overall increase in premiums for the 2023 renewal which is again claims driven, given the uncertainty of healthcare. Your administrator for the program is Tammy Kratky at Ext 1141; she will handle the day-to-day administration, billings and routine questions/forms. Aetna does have a “Teladoc” program that will give you 24/7/365 access to a doctor through the convenience of phone or video consults; **I strongly urge each subscriber to use this program to its fullest extent. Live healthy, use Teledoc, (855-835-2362) Because of our excellent ongoing relationship with Aetna, what normally would have been 12% increase in premium ended up at 3.5%. Open enrollment from 11/1/22 thru 11/30/22 can enroll, add dependents or switch plans at your option.**

				Plan A	Plan B	Plan A	Plan B	Plan A	Plan B	Plan A	Plan B	Plan A	Plan B	Plan A	Plan B	Plan A	Plan B	Plan A	Plan B	Plan A	Plan B	
	2011	2012	2013	2014	2015	2015	2016	2016	2017	2017	2018	2018	2019	2019	2020	2020	2021	2021	2022	2022	2023	2023
S	410.28	410.28	418.55	435.83	512.91	300.74	569.35	380.22	639.56	381.73	715.97	428.58	749.98	445.57	797.13	475.18	836.05	498.99	898.79	538.30	928.99	555.88
F	1056.45	1056.45	1077.64	1121.82	1318.82	775.92	1464.66	979.54	1646.07	984.73	1848.45	1106.15	1931.48	1152.47	2051.20	1227.00	2151.54	1286.95	2311.75	1387.07	2388.72	1431.68

<b>(unchanged)</b> <b>Coverage Item</b>	<b>Plan A Existing continuation</b>		<b>Plan B Higher Deductible/Out of Pocket</b>	
	<b>Expiring Policy 2022</b>	<b>New Policy (1/1/23)</b>	<b>In Network</b>	<b>Out of Network</b>
Lifetime Benefit	\$Unlimited	\$Unlimited	\$Unlimited	\$Unlimited
Deductible: Individual per year	\$1000 Individual per Year \$2000 Family per year	\$1000 Individual per year \$2000 Family per year	\$5,000 Individual \$10,000 Family	\$10,000 \$20,000 Family
Co-Insurance Levels	90% In Network/80% out	90% In Network/80% out network	50%	50%
Out of Pocket Including Deductible Per Year Individual	\$1500 In Network individual \$2000 Out Network individual	\$1500 In network individual \$2000 out network individual	\$6350 Individual \$12,700 Family	\$12,700 \$25,400 family

	\$3000 family in network		\$3000 family in network		
	\$4000 family out network		\$4000 family out network		
Office Visit Co-Pay	\$30		\$30		Deductible and Co-insurance
Emergency Room Co-pay	\$225		\$225		Deductible and Co-Insurance
Urgent Care Co Pay	\$50		\$50		Deductible and Co-Insurance
<b>RX Plan</b>			<b>In Network</b>	<b>Out Network</b>	
Generic	\$15 Copay	+20% of submitted	\$15 Copay	+20% of submitted	Deductible and Co-Insurance
	cost after copay			cost after copay	
Formulary	\$45 Copay	Same	\$45 Copay	Same	Deductible and Co-Insurance
Non-Formulary	\$75 Copay	Same	\$75 Copay	Same	Deductible and Co-Insurance
Specialty Drugs only	\$90 Copay	Not Covered	\$90 Copay	Not Covered	Deductible and Co-Insurance In network only
<b>Dental</b>	Benefit Per Person \$500 Year		\$500 Year		500 Year
	\$50 Deductible		\$50 Deductible		\$50 Deductible
	80% Coinsurance		80% Coinsurance		80% Coinsurance
<b>Vision Coverage</b>			Exams - \$10 copay	Ltd Reimbursement	Exams \$10 copay
			Lenses \$10 copay		Lenses \$10 copay
			Prem progr lenses \$95co		Prem prog lenses \$95copay
			Frames \$130 allowance,		Frames \$130 Allowance
			Contacts \$130 Allowance		Contacts \$130 Allowance
<b>Life Insurance:</b>	\$10K Employee		\$10K Employee		\$10K Employee
	\$5K Spouse		\$5K Spouse		\$5K Spouse
	\$2K Children over 6 Mos		\$2K Children over 6 mos		\$2K Children over 6 Months

**The employee contribution levels for our group for the year 1/1/23 to 12/31/23:**

<u>Plan Effect</u>	<b>Plan A</b>		<b>Plan B</b>	
	<b>Gross Deduction</b>	<b>After Tax Wage Net HR 125 Plan Effect</b>	<b>Gross Deduction</b>	<b>After Tax Wage Net HR 125</b>
Individual Medical, Life & Dental	\$91.00 per week	\$68.00 per week	\$62 per week	\$47 per week
Family Medical, Life & Dental	\$193.00 per week	\$145.00 per week	\$162 per week	\$121 per week

Here's how the Section 125 HR works:

Comparison Item	Plan A				Plan B			
	Without HR 125		With HR 125		Without HR 125		With HR 125	
	Individual	Family	Individual	Family	Individual	Family	Individual	Family
Gross Weekly Income	\$1000	\$1000	\$1000	\$1000	\$1000	\$1000	\$1000	\$1000
Less Premium Charge			(\$91.00)	(\$193.00)			(\$62)	(\$162)
Taxable Income	\$1000	\$1000	\$909.00	\$807.00	\$1000	\$1000	\$938	\$838
Est. State, Fed & FICA	(\$250)	(\$250)	(\$228)	(\$202)	(\$250)	(\$250)	(\$235)	(\$209)
Income After Taxes	\$750.00	\$750.00			\$750	\$750		
Less Premium Charges:	(\$91.00)	(\$193.00)			(\$62)	(\$162)		
<b>Net Take Home Pay:</b>	<b>\$659.00</b>	<b>\$557.00</b>	<b>\$681.00</b>	<b>\$605.00</b>	<b>\$688</b>	<b>\$588</b>	<b>\$703</b>	<b>\$629</b>

K&B continues with a plan, which compared to other employers has significantly lower deductibles and out of pocket totals, plus better co-insurance levels. Once again remember, it's all claims-driven and the healthy pay for the sick; that's what insurance is, a pooling of premium dollars and likewise a pooling of claims. We were able to continue with Aetna Vision this year, which is designed for the once-a-year visit for exams, then glasses, contacts, etc. Let's all do our part and live the healthiest lifestyle we can and use all available Aetna features to assist in controlling our group health claims. Unless we hear from you on any changes, we will presume you are opting to retain your current insurance options and programs.