2017 NMPSIA Plan Copay Changes and Medical Premium Increases

This notification is to inform you of the upcoming benefit and prescription drug changes for May 1, 2017 and July 1, 2017, as well as medical premium increases effective October 1, 2017.

These changes are necessary in order for the New Mexico Public Schools Insurance Authority (NMPSIA) Group Plan to keep pace with covering claim expenses for its members.

Please keep in mind that the NMPSIA Group Plan is a self-insured plan that covers all claim and program costs with the premium contributions made by you and your employer. Further, NMPSIA does not receive any funding from the Legislature.

In the past, the NMPSIA Board of Directors utilized extra fund balance to offset premium increases and to minimize plan changes. However, the fund balance has depleted to a low level, and NMPSIA has no extra fund balance to assist in absorbing the increased costs this year. The upcoming plan and premium changes have developed due to inflation with prescription drug costs and the increased usage on both the medical and prescription drug plan.

Periodically, NMPSIA’s benefits and actuarial consultant conducts a claims/cost analysis to project the plan design and premiums NMPSIA needs to implement in order to meet its obligation of covering claim costs. Over the last three years, NMPSIA has had a larger number of high cost medical claims and again, inflation of prescription drug prices (especially specialty medications). Some of the specialty medications cost thousands of dollars per month, per fill. These specialty drugs treat conditions such as rheumatoid arthritis, Chron’s disease, diabetes, cancer, Hep C, MS and other inflammatory conditions.

In order to balance the costs, the NMPSIA Board of Directors has made a decision to pass on a combination of small medical premium increases (3.98% on the High Option Plan and the HMO Plan; 1.82% on the Low Option Plan) and medical/Rx plan copayment changes in order to avoid double-digit medical premium increases. Members will continue to have the opportunity to continue using the telehealth services (video/telephone visits) under Blue Cross Blue Shield of New Mexico and Presbyterian Health Plan for a $10 copayment.

Please visit nmpsia.com to view addendums to the NMPSIA Program Guide and the October 1, 2017 premium rates by clicking on the “Members” tab. You can locate updated plan information per medical plan carrier by clicking on the “Insurance Carriers” tab. When you view the information under the “Carriers Tab,” you will all see a wealth of information available with new wellness and care management benefits. Consider participating in these programs and learn how to manage your condition(s) and take control of your lifestyle choices. Member participation may contribute to lower claim costs, which ultimately helps keep premium increases and benefit reductions to a minimum. If you would like to coordinate a wellness activity or health fair for your school in order to promote employee wellness, NMPSIA can help!

We kindly thank you for your understanding and greatly appreciate you as a NMPSIA member. If you have any questions or require further assistance, please contact the NMPSIA Office at 1.800.548.3724.
## NMPSIA Plan and Premium Changes

### Medical Plan

<table>
<thead>
<tr>
<th>Medical Plan</th>
<th>Current Benefit</th>
<th>New Benefit</th>
<th>Effective Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>High Option</td>
<td>Low Option</td>
<td></td>
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<tr>
<td><strong>Office Visits Primary Care</strong></td>
<td>$20 copay In- Network (deductible waived)</td>
<td>$25 copay In- Network (deductible waived)</td>
<td>5/1/2017</td>
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<tr>
<td></td>
<td>Out-of-Network 30% coinsurance after deductible</td>
<td>Out-of-Network 50% coinsurance after deductible</td>
<td></td>
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<tr>
<td></td>
<td>$15 copay In- Network (deductible waived)</td>
<td>$15 copay In- Network (deductible waived)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Out-of-Network 30% coinsurance after deductible</td>
<td>Out-of-Network 50% coinsurance after deductible</td>
<td></td>
</tr>
<tr>
<td><strong>Office Visits Specialist</strong></td>
<td>$30 copay In- Network (deductible waived)</td>
<td>$35 copay In- Network (deductible waived)</td>
<td></td>
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<tr>
<td></td>
<td>Out-of-Network 30% coinsurance after deductible</td>
<td>Out-of-Network 50% coinsurance after deductible</td>
<td></td>
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<tr>
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<td>Out-of-Network 30% coinsurance after deductible</td>
<td>Out-of-Network 50% coinsurance after deductible</td>
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<tr>
<td><strong>Urgent Care</strong></td>
<td>$50 copay In- Network (deductible waived)</td>
<td>$50 copay In- Network (deductible waived)</td>
<td></td>
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<tr>
<td></td>
<td>Out-of-Network 30% coinsurance after deductible</td>
<td>Out-of-Network 50% coinsurance after deductible</td>
<td></td>
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<tr>
<td></td>
<td>$45 copay In- Network (deductible waived)</td>
<td>$45 copay In- Network (deductible waived)</td>
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<tr>
<td><strong>Emergency Room</strong></td>
<td>$150 copay plus 20% coinsurance after deductible</td>
<td>$150 copay plus 20% coinsurance after deductible</td>
<td></td>
</tr>
<tr>
<td></td>
<td>20% coinsurance after deductible</td>
<td>25% coinsurance after deductible</td>
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<tr>
<td></td>
<td>20% coinsurance after deductible</td>
<td>20% coinsurance after deductible</td>
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<tr>
<td><strong>Rx Copay Changes</strong></td>
<td>Retail - $8 Non-Walgreens, $15 Walgreens; Mail Order - $22</td>
<td>All participating retail pharmacies (including Walgreens) - $10; Mail Order - $22</td>
<td>7/1/2017</td>
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<tr>
<td></td>
<td>Retail: 30% ($25 min/ $55 max Non-Walgreens); 30% ($35 min/$65 max Walgreens); Mail Order: $55</td>
<td>All participating retail pharmacies (including Walgreens) 30% ($30 min/$60 max); Mail Order: $60</td>
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</tr>
<tr>
<td><strong>Premium Changes</strong></td>
<td>Visit nmpsia.com to view premium rate sheets</td>
<td>3.98% premium increase – High Option Medical Plan (BCBSNM &amp; Presbyterian) and the HMO Medical Plan (NM Heath Connections); 1.82% premium increase – Low Option Medical Plan (BCBSNM &amp; Presbyterian)</td>
<td>10/1/2017</td>
</tr>
</tbody>
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* Not changing
This is only a summary that lists the member cost-sharing amounts and provides a brief description of the NMPSIA High Option PPO Health Plan benefits. The Summary Plan Description supersedes any information outlined in this summary.

**NMPSIA MEDICAL PLAN BENEFITS**

- **Calendar Year Deductible**
  - In-Network Provider: $750 Individual, $2,500 Family
  - Out-of-Network Provider: $1,500 Individual, $5,000 Family
- **Annual Out-of-Pocket Limit**
  - In-Network Provider: $3,750 Individual, $10,500 Family
  - Out-of-Network Provider: $5,000 Individual, $15,000 Family

**Office Visit/Care Management**
- Office Visit Copay
- No Charge
- Self-covered
- Office Visit Copay
- No Charge
- Self-covered

**Primary Preventive Services**
- Flu Vaccines and Pneumonia Vaccines
- Cholesterol Screenings

**Emergency Room Treatment**
- No Charge (deductible waived)
- No Charge (deductible waived)

**Cardiac and Pulmonary Rehabilitation (office/outpatient)**
- For specified medical conditions only

**Biofeedback**
- No Charge (deductible waived)

**NMPSIA LOW OPTION PPO BENEFITS**

- **Primary Preventive Services**
  - Flu Vaccines and Pneumonia Vaccines
  - Cholesterol Screenings

**Outpatient Services**
- Doctor or Surgical Services
- Obstetric Services
-低い

**Therapies**
- 50% coinsurance after deductible

**NMPSIA HOSPICE BENEFITS**

- **Hospice Services**
  - No Charge (deductible waived)

**NMPSIA MEDICAL PLAN BENEFITS**

- **Ambulance Services:**
  - Ambulance Services:
  - Ambulance Services:

**NMPSIA LOW OPTION PPO BENEFITS**

- **Medical Care**
  - In-Network Provider: $2,000 Individual, $4,000 Family
  - Out-of-Network Provider: $4,000 Individual, $8,000 Family

**NMPSIA MEDICAL PLAN BENEFITS**

- **NMPSIA MEDICAL PLAN BENEFITS**
  - In-Network Provider: $500 Individual, $1,500 Family
  - Out-of-Network Provider: $1,500 Individual, $5,000 Family

**NMPSIA LOW OPTION PPO BENEFITS**

- **Office Visit Copay**
  - $25 copay (deductible waived)

**NMPSIA MEDICAL PLAN BENEFITS**

- **NMPSIA MEDICAL PLAN BENEFITS**
  - In-Network Provider: $750 Individual, $2,500 Family
  - Out-of-Network Provider: $1,500 Individual, $5,000 Family

**NMPSIA LOW OPTION PPO BENEFITS**

- **Office Visit Copay**
  - $25 copay (deductible waived)

**NMPSIA MEDICAL PLAN BENEFITS**

- **NMPSIA MEDICAL PLAN BENEFITS**
  - In-Network Provider: $750 Individual, $2,500 Family
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- **Office Visit Copay**
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**NMPSIA MEDICAL PLAN BENEFITS**

- **NMPSIA MEDICAL PLAN BENEFITS**
  - In-Network Provider: $750 Individual, $2,500 Family
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**NMPSIA LOW OPTION PPO BENEFITS**

- **Office Visit Copay**
  - $25 copay (deductible waived)