**MEMO** grouphealthmemo2025

To: All Employees

From: Mike Ratkiewicz

Subj: ***Group Heath, Life & Dental Renewal Effective January 1, 2025***

Aetna (Med) Policy # 284011 Hartford Life (Life) Policy # 805843 Aetna Dental (Dental) Policy # 284011 Aetna Vision #284011

Date: September 1, 2024

This year we started the 2024 health renewal discussions in July and finished up mid\August. Our claims are presently right at 79% thru seven months which likely means by the time we get all the claims tallied thru year end including the “runout” of 2024 claims paid in 2025, the loss ratio will be in the high 70s. **Please remember that insurance is “claims driven”; the more the claims, the higher the premiums**. This year our group had more claims, hence the insurance premiums did increase slightly. **We are not going to change the employee contribution, thank Kory and Brock for that.** Your administrator for the program is Tammy Kratky at Ext 1141; she will handle the day-to-day administration, billings and routine questions/forms. Also, Aetna offers an easy health care access point through CVS Virtual Care/Virtual Primary Care. CVS Virtual Care gives 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 CVS (CVS.com/virtual-care ) If you need to speak to a live person, see the phone numbers on the back of your insurance i.d. cards. Open enrollment from 11/1/24 through 11/30/24 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\_\_ Plan A \_ \_Plan B**

 **2016 2016 2017 2017 2018 2018 2019 2019 2020 2020 2021 2021 2022 2022 2023\_\_\_ 2023\_\_\_2024\_\_\_\_ 2024 2025 2025\_**

**S**  569.35 380.22 639.56 381.73 715.97 428.58 749.98 445.57 797.13 475.18 836.05 498.99 898.79 538.30 928.99 555.88 903.56 541.65 929.97 556.26

**F** 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 2325.08 1396.75 2392.83 1440.85

 **Plan A Existing continuation Plan B Higher Deductible/Out of Pocket (unchanged)**

**Coverage Item Expiring Policy 2024 New Policy (1/1/25) In Network Out of Network**

Lifetime Benefit $Unlimited $Unlimited $Unlimited $Unlimited

Deductible: $1000 Individual per Year $1000 Individual per year $5,000 Individual $10,000 Individual

per year $2000 Family per year $2000 Family per year $10,000 Family $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 $1500 In Network individual $1500 In network individual $6350 Individual $12,700 Individual

 $2000 Out Network individual $2000 out network individual $12,700 Family $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

**RX Plan In Network Out Network**

Generic $15 Copay +20% of submitted $15 Copay +20% of submitted Deductible and Co-Insurance

 cost after copay cost after copay

 $45 Copy mail order $45 mail order

Formulary $45 Copay Same $45 Copay Same Deductible and Co-Insurance

 $135 copay mail order $135 copay mail order

Non-Formulary $75 Copay Same $75 Copay Same Deductible and Co-Insurance

 $225 copay mail order $225 copay mail roder

Specialty Drugs $90 Copay Not Covered $90 Copay Not Covered Deductible &Co-Insurance In network only

**Dental** Benefit Per Person $500 Year $500 Year 500 Year

 $50 Deductible $50 Deductible $50 Deductible

 80% Coinsurance 80% Coinsurance 80% Coinsurance

**Vision Coverage** 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 $l30 Allowance Contacts $130 Allowance

**Life Insurance:** $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 1/1/25 to 12/31/25:**

 **Plan A** **After Tax Wage Plan B After Tax Wage**

 **Gross Deduction Net HR 125 Plan Effect Gross Deduction Net HR 125 Plan Effect**

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**:

 **Plan A**  **Plan B**

**Comparison Item 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)

**Net Take Home Pay: $659.00 $557.00 $681.00 $605.00 $688 $588 $703 $629**

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.

