



Memo

To: Pastors, Priest Administrators, Pastoral Coordinators, Principals, Parish, School, and Agency Administrators
From: Darlenn Sanford, Director of Benefits and Payroll (IPBS)
Date: March 9, 2024
Re: Open Enrollment and Rates for the 2024-2025 Plan Year

What's New for 2024/2025

New lower family rates: The process that started last year to introduce a more affordable and competitive family rate option through Christian Brothers will be continued for 2024/2025 with further reductions. As a result of this reduction, the Kaiser CDHP and Christian Brothers CDHP Employee-only coverage will have an employee premium cost share.

New tools to assist in plan selection: New this year, we are adding "Jellyvision" an interactive tool that will help employees make more informed decisions about their enrollments in the medical plans including the HSA and FSA options.

Attached to this memo are instructions that employees can use to search for In-Network Providers affiliated with Christian Brothers. This will provide time for employees who may be considering a change from Kaiser to Christian Brothers to search for providers prior to July 1.

New Employer Seed for the HSA (Health Savings Account): Deductibles for Christian Brothers CDHP and Kaiser CDHP plans are increasing to \$2,000/\$4,000 to keep up with the annual increase required by the IRS. **As a result**, the employer seeds will be increased to help provide support to employees and families in high-deductible plans (CDHP):

- Christian Brothers CDHP and Kaiser CDHP: employees only will receive up to \$1000 per year.
- Christian Brothers CDHP and Kaiser CDHP: employees and one or more dependents will receive up to \$2000 per year.

Please note:

If an employee enrolls in a CDHP and is ineligible for an HSA, the employer seed will be contributed to a FSA instead if the employee elects the Full Health FSA. The FSA seed remains the same at \$500, which is the maximum allowed by IRS. The FSA and HSA seeds are all prorated by enrollment date. We are able to fund the FSA seed using the FSA Forfeiture Accounts. You will see the line-item (FSR) Flexible Spending Account Employer deduction on your payroll, but this amount will not be swept during the payroll process.

New Paycom change that removes the HSA limits on Form 13 during benefit enrollment.

This change reflects common practice across most employers and will give employees the ability to determine their contributions more easily in Paycom. This also means that employees will be responsible for tracking their annual contributions and making sure they are not going over the IRS maximums in the calendar year. This will be clearly communicated through the Open Enrollment Guide that will be electronically sent to benefited employees mid-April.

Please note:

If an employee elects to enroll in an HSA and discovers they were not eligible due to Medicare or other disqualifying coverage, the employee will not receive a reimbursement. Instead, they will be responsible for any taxes due on these funds when filing their annual tax returns. It will be the employee's responsibility to stop the HSA in Paycom. Employees can contact the team for assistance at IPBS@seattlearch.org or 206-382-4566.

Rate Information

While we continue to collaborate with our providers to manage expenses, the cost of healthcare continues to escalate nationally. To account for these increased costs and provide a more cost-effective option for family medical coverage, we rebalanced the subsidy dollars for each of the four medical plans. As a result, employees will have a cost-effective option through the Christian Brothers plans, but there will be increases in the Kaiser plans.

Enclosed are the Lay Health and Welfare Plan rates for 2024-2025. These rates will become effective in the first payroll period in July 2024.

Medical Premiums

- Our renewals came in as projected for the medical plans (Christian Brothers and Kaiser) with increased premiums.
- Premiums will continue to be included in the sweep as part of the payroll process.
- Finally, it is important to note that we have simplified the way that employer premiums for medical plans are structured to be a single rate. The new flat rate will be \$400.50 (\$801.00 monthly) and deducted from each payroll for the employer's cost of the medical premiums.

Other Insurance Plans

The following remain in effect for the upcoming plan year beginning on July 1:

- Delta Dental and Vision Plan Services (VSP) election can be waived (declined) and the coverage level is no longer bundled together.

The following plans have small rate changes:

- Delta Dental
- Long-Term Disability Insurance

The following plans have no changes:

- VSP
- Employer-provided Dependent Life Insurance
- Optional Group Life Insurance
- Accidental Death and Dismemberment (AD&D)
- Identity Theft Protection
- Critical Illness
- Accidental Indemnity
- Hospital Indemnity
- Long-Term Care Insurance- John Hancock Grandfathered plan.

Open Enrollment

The Open Enrollment dates remain the same as prior years – May 1 through May 15.

The Open Enrollment platform in Paycom is based on Central Standard Time, meaning your employees must complete their election **prior to May 15 at 10:00 pm Pacific Standard Time (PST)**. We will not be able to accommodate exceptions for those who missed the enrollment period.

Please note:

If you have Covenant Teachers, they must make enrollment elections during this time. All rates change and HSA or FSA plans reset on July 1, 2024. This will ensure their coverage continues through August, which is the end of the current covenant year.

This year we are offering hybrid Open Enrollment.

This means that all employees are encouraged to review their current election. If no changes are made, their current plans will be rolled over into the new plan year starting July 1, 2024, except for the HSA and FSA plans.

It is critical that employees re-elect into ALL FSA and HSA each plan year. If no election is made these current plan deductions (employee and employer) will end June 30, 2024.

- HSA can be enrolled into at any time in the plan year.
- FSA plans have few qualified life status changes that allow employees to enroll into an FSA outside of Open Enrollment.

FSA carryover is \$610 per the IRS rules. These funds will be rolled into the FSA Accounts by November 1, 2024, which is the normal timing for funding to roll into the employee's Full Health FSA account. This does not include the Dependent Care FSA.

Administrative Fees and Things to Know

Our administrative fees, as announced in the Budget letter, will be part of the Cost of Labor that will be swept monthly from your accounts. The details related to the overall Cost of Labor charge were outlined in a separate communication from the Finance team. For IPBS fees, this will include:

- The Benefit Services administration fees
- The Payroll Services fees.
- The administrative fees for HSA and FSA (\$1.85 and \$1.95)

Things to know:

1. If an employee is terminating mid-month, be sure to collect the employee premiums due for the termination month during the final payroll process.
 - a. If the employee's premiums are not deducted through the payroll process, we will use a misc. deduction coded to collect EE premiums from the employer.
2. John Hancock LTC- Grandfathered plan will continue to be deducted from Form 2.
3. All plan limits and rates start on July 1, 2024, and go through June 30, 2025. **As a reminder, Deductible and Out-of-Pocket maximums reset each January 1 for all medical plans.**
4. Employees who are changing medical coverage can provide the new carrier the most current EOB (Explanation of Benefits) that shows the deductible that has been met in the current calendar year. The new carrier will apply the deductible to the coverage starting July 1.
 - a. Example if an employee met \$1,000 towards their Kaiser CDHP deductible between January 1 and June 30, and then elects to move to Christian Brothers CDHP on July 1, the employee can send Christian Brothers a copy of their EOB and Christian Brothers will apply the \$1,000 to their new deductible.
5. For those who have Incardinated Priests
Christian Brothers medical will continue to show in payroll but will not be swept from your account. Instead, we will pull from the Priest Health Plan (PHP) deduction code. This amount, as shown in the Budget Letter, is \$12,000 annually. We will deduct this over 24 pay periods at \$500 per pay period. The Priest Pension (PP) annual deduction is \$3,000, which will be deducted over twenty-four pay periods at \$125 per pay period.

If you have questions, please contact do not hesitate to reach out to us. We are here to serve you.

Benefits Services Office at (206) 382-4566 or 1-800-950-4904 or IPBS@SeattleArch.org