

TOBACCO AND WELLNESS FAQ'S FOR 2019

Incentive Programs in Wellness and Tobacco Cessation for 2019

What are the programs?

ONE: Wellness Incentives – Employees who participate in the University's Health Plan can earn wellness incentives with two simple steps (1) complete a qualified doctor's visit between November 1, 2017 and November 1, 2018 and (2) complete the tobacco pledge.

Employees who complete these two steps will receive lower Out-of-Pocket (OOP) expense for themselves and their enrolled dependents in the Classic and Premier Health Plans and will avoid paying a \$50 per month tobacco surcharge (\$66.67 a month for 9-month faculty and staff). Those enrolled in the Health Savings Plan election will receive an additional H.S.A. contribution of \$90 and will avoid the tobacco surcharge.

Annual Out of Pocket Maximum:

Classic Plan with wellness savings - \$3,850 (**\$1,400 savings**) individual/\$7,700 (**\$2,800 savings**) family
Classic Plan without wellness savings - \$5,250 individual/\$10,500 family

Premier Plan with wellness savings - \$2,500 (**\$500 savings**) individual/\$5,000 (**\$1,000 savings**) family
Premier Plan without wellness savings - \$3,000 individual/\$6,000 family

TWO: Tobacco Surcharge Only – Employees who participate in the University's Health Plan but are not interested in the lower Out-of-Pocket expenses or H.S.A. contributions can complete the tobacco pledge only and still avoid the \$50 monthly tobacco surcharge (\$66.67 monthly for 9-month faculty and staff).

Is this mandatory?

No. Participation is completely voluntary. You don't have to see your PCP or complete the Tobacco Pledge. But you will not receive the reduced OOP max reward or additional H.S.A contribution unless you complete both steps. However, you will have an extra \$50 tobacco surcharge each month (\$66.67 monthly for 9-month faculty and staff) if you do not complete the Tobacco Pledge.

I am not enrolled in the University's medical plan. Does this apply to me?

No. These programs apply only for employees enrolled in the University health plan. If you use tobacco and you are not enrolled in the University health plan, the surcharge does not apply to you.

What is a medical out-of-pocket maximum?

The "OOP max" is the most you pay during the calendar year before the health plan starts to pay 100% for covered health expenses. The OOP max includes the deductible, coinsurance and copayments you pay for covered health plan services.

What is the Out-of-Pocket savings?

If you complete the required wellness steps and you are in the Classic plan, your out-of-pocket max (called "OOP max") is reduced by \$1400 single/\$2800 family in 2019. If you are in the Premier plan, your OOP max is reduced by \$500 single/\$1000 family. If you are in the Health Savings plan (the high deductible plan), your reward is an additional UA contribution to your HSA.

I'm healthy and don't need the reduced OOP max. Why should I do this?

First, you are to be commended for being healthy. The need for health care can be unpredictable. Accidents happen. Unexpected diagnoses occur. Protect yourself by completing the two wellness steps. What you do now will impact your medical benefits next year. Think of your completion of these two wellness steps as a safety net for your potential future medical costs. Visiting your PCP for regular preventive care is one of the best ways to identify and treat health issues before they get worse. It just might be the best thing you do for your health this year.

I don't care about the wellness reward or the reduced out of pocket maximum, is it true that I only have to take the

tobacco pledge to avoid the surcharge?

Yes, that's correct. It is a two-step process for the wellness reward: 1) qualified office visit (if you started coverage before July 2018), and 2) take the Tobacco Pledge in November 2018. But to avoid the surcharge you only have one step – complete the Tobacco Pledge.

If I don't complete the two wellness steps, will my spouse/children default to the lower OOP max?

No, the employee must complete the wellness requirements for the lower OOP max to be applied to covered family members. Even if your spouse works for the University, if enrollments are under your name, your participation is counted, not your spouse's.

Are dependents eligible to participate to get the wellness reward?

No. Only your action determines their eligibility for the wellness reward.

What is considered a qualifying office visit?

For 2019, a qualified office visit includes preventive exams or screenings, any visit for treatment of a condition or diagnosis, or to manage a chronic disease. You do not have to have a physical to meet this requirement.

A qualified visit includes any office visit received from an in-network Primary Care provider (Family, General, Geriatrics, or Internal Medicine) or Specialist (Cardiologist, OB/GYN, Oncologist, Gastroenterologist, Endocrinologist, Hematologist, Pulmonologist, Nephrologist, Infectious Disease, or Rheumatologist).

How will I know that I've completed the steps to get my 2019 wellness reward?

UMR will track your claims for step one, which is a qualified office visit between 11-1-2017 and 11-1-2018. There is no form to complete and no need to contact UMR to report your visit. You can log into [UMR](#) to review your claims and make sure you've had such a visit.

How do I complete the Tobacco Pledge and Notice?

During Open Enrollment (The month of November):

Go to webBASIS.uark.edu & log in using your UARK ID & password.

Go to My Benefits and then Annual Benefits Enrollment to select one of the following options for the following question:

Please read the Tobacco Pledge and Notice prior to entering any changes:

- I attest that I am not a tobacco user, I will continue to NOT USE tobacco products and understand that I will not be charged a \$50 per month Tobacco Surcharge (\$66.67 for 9-month faculty and staff).
- I attest that I am currently a tobacco user and I am willing to enroll in a formal "Tobacco Cessation Program" and begin participation in that program no later than January 2019. I will complete the program so that I will not be charged a \$50 per month Tobacco Surcharge (\$66.67 for 9-month faculty and staff).
- Or, I choose not to participate in a smoking cessation program. Therefore, I understand that I will be charged a \$50 per month tobacco surcharge beginning in January 2019 (\$66.67 for 9-month faculty and staff).

Remember, you must Validate and Save before your transaction is finalized.

I am concerned about my privacy. What information is being reported back to my employer?

Privacy is understandably a great concern for most of us. As part of the wellness reward, tracking includes only completion status – a yes/no "completed/not completed" indicator used for determining the eligibility for the lower OOP reward in 2019. No individual medical information such as tests results, physician information or diagnoses is necessary or used in determining wellness-qualified status.

What is the concept behind the surcharge, why is this being done?

At the most basic level, using tobacco contributes to chronic and serious diseases, which results in increased health care costs that affect all medical plan members. The goal isn't to collect money from participants. The risk of the surcharge is

intended to draw attention to tobacco use and create an additional financial incentive for tobacco users to begin the process of quitting.

A 2016 CDC report shows that over 25% of the general population in Arkansas uses some form of tobacco products. While we hope that the rate among the University's population is less, it is logical to expect that tobacco use is significant. With tobacco linked to heart disease, hypertension and cancer, tobacco use costs everyone.

Do other universities have similar Tobacco Use Surcharges?

Yes. In their efforts to bring attention to tobacco use, a number of universities currently applying similar fees include: University of South Carolina - \$40, University of Georgia System - \$75, University of Missouri System -\$50 and Texas A&M University - \$30 per member/\$90 Family.

Is the tobacco surcharge added to my medical premium?

No. The tobacco surcharge will be a separate, after-tax deduction on your paycheck stub.

What if I don't answer the question truthfully?

For the first year we won't know, the honor-system approach will be used. It is up to you to answer honestly. If it appears that employees are not answering truthfully, a different approach may be used in the future.

Remember, the program is intended to encourage your participation in better health and it makes no-cost cessation support available for you.

How will you know whether I am a tobacco user?

Employees will be asked to self-report their tobacco use status during open enrollment and select one of the options available regarding tobacco usage which includes the following options:

- I attest that I am not a tobacco user, I will continue to NOT USE tobacco products and understand that I will not be charged a \$50 per month Tobacco Surcharge (\$66.67 for 9-month faculty and staff).
- I attest that I am currently a tobacco user and I am willing to enroll in a formal "Tobacco Cessation Program" and begin participation in that program no later than January 2019. I will complete the program so that I will not be charged a \$50 per month Tobacco Surcharge (\$66.67 for 9-month faculty and staff).
- Or, I choose not to participate in a smoking cessation program. Therefore, I understand that I will be charged a \$50 per month tobacco surcharge beginning in January 2019 (\$66.67 for 9-month faculty and staff).

What if I don't take the Tobacco Pledge?

That's your choice. Two things will happen if you fail to take the pledge: 1) you will not receive the 2019 wellness reward, and 2) you will pay the tobacco surcharge, deducted from your paycheck. Even if you don't smoke or use tobacco, failure to take the pledge means you'll pay up to \$600 more each year to remain enrolled in a UA medical insurance plan.

I smoke and want to quit. Where can I get help?

Great! Visit www.umar.com for resources. Support includes no-costs prescriptions for Chantix, patches or gum.

Where does money from the tobacco surcharge go?

The tobacco surcharges will not apply to medical insurance premiums. Instead, those funds will be retained by each campus for health and wellness activities. Each UA campus will make a decision how to spend those dollars.

Do new employees have to do this?

The program is voluntary, no one has to participate. However, all employees covered under the University Health Plan will need to complete the Tobacco Pledge to avoid the surcharge. Recognizing that scheduling a doctor's visit can take time, employees starting in the Health Plan July 1, 2018 or later don't have to complete a qualified doctor's visit for this year, but they still need to complete the Tobacco Pledge to avoid the surcharge.