

2020 Open Enrollment November 4 – 8, 2019



Open enrollment is your opportunity to review your options and select the benefits that will meet your needs in 2020. This is the only time that you can make enrollment changes unless you have a status change. Please read this newsletter carefully – there is a lot of important information about the changes and what you need to do during open enrollment.

Each year we analyze our plans, the overall cost to Lakeside, and our company philosophy. After careful analysis and a very thorough market review, we have selected new administrators for our medical plan beginning January 1, 2020.

	2019		2020
Medical	EBMS	→	Healthcare Management Administrators (HMA)
Prescription drug	Navitus	→	Express Scripts (ESI)
Flexible spending accounts (FSA)	EBMS	→	HSA Bank

Our new partners will provide better service to you and your family members, including a larger network of providers and hospitals, an enhanced online member portal, a pricing tool for prescription medications, and help controlling health care costs for everyone.

WHAT'S CHANGING?

The following changes will take effect on January 1, 2020.

Medical and Prescription Drug Plan

Our medical and prescription drug plan administrators are changing, but the benefit levels will remain the same (i.e. deductible, coinsurance, out-of-pocket maximum, covered services). Here is what will change:

	Administrator	Change
Network	HMA	With HMA you will have access to the Blue Shield Network in WA, OR, ID, and UT. The Blue Shield Network is larger than our current network. Outside of those states you will access the PHCS national network. You can search the network now at accesshma.com/find-a-provider or call HMA's pre-enrollment line at 1-877-742-6445.
	ESI	ESI has a very large national network with nearly 70,000 pharmacies, including all major chains.

Prior Authorization (PA)	HMA	Certain services and procedures will be subject to PA review to ensure they are medically necessary and covered by the plan. Examples include scheduled inpatient hospital admissions, durable medical equipment that exceed \$2,000, transplants, and hospice care. In-network providers will submit the PA on your behalf.
Prescription Drug Formulary	ESI	Every pharmacy vendor has their own drug formulary (list of covered medications). There are only a few variations between the current drug formulary and ESI's formulary, so we expect minimal disruption. You will be able to check if your medication is covered and the expected cost in December, once we have Lakeside's custom ESI portal built.
Mail order prescriptions	ESI	If you use mail order, you'll need to sign up for mail order with ESI once you have your new ID card.
Specialty medications	Accredo Specialty Pharmacy	ESI partners with Accredo Specialty Pharmacy to provide specialty medications. All specialty medications will need to be filled through Accredo.
Keenan Pharmacy Care Management (KPCM) program	ESI Keenan US-Rx Care	Lakeside is partnering with the Keenan Pharmacy Purchasing Coalition to manage our contract with ESI. Keenan will provide a Pharmacy Care Management (KPCM) program to help you identify drug therapy alternatives based on clinical effectiveness and overall cost. This program is intended to help you find lower cost alternatives that are just as effective and is completely voluntary.
Self-injectable specialty medications	ESI	Self-injectable specialty medications will be covered under the prescription drug plan rather than the medical plan. This will help reduce your costs.

Health Savings Account (HSA)

	2019		2020
Annual HSA maximum contribution	\$3,500 for self-only coverage \$7,000 for employee + one or more dependents coverage	→	\$3,550 for self-only coverage \$7,100 for employee + one or more dependents coverage

Flexible Spending Accounts (FSA)

HSA Bank will be our new FSA administrator. If you have an HSA and FSA, you'll be able to access both on the same card now – including the day care FSA! The card will automatically know which account to pull from when you use it. For example, if you have an HSA and a limited purpose FSA the card will pull from the limited purpose FSA first for any dental and vision transactions.

- If you have an HSA Bank card now, you can continue to use the same card. Your HSA and FSA funds will load on your card on January 1, 2020.

- If you don't have an HSA Bank card already and you enroll in an FSA for 2020, you will receive a new one in the mail in late December.
- If you have a rollover balance in your 2019 FSA (up to \$500 for the general and limited purpose health FSA only) it will be transferred from EBMS to HSA Bank in early April.

Washington Paid Family and Medical Leave (PFML)

Beginning in January 2020, workers in Washington may apply for paid leave benefits under the state's Paid Family and Medical Leave (PFML) program. In general, eligible employees may take up to 12 weeks of paid leave per year to care for themselves, their family members, or to bond with new children. For information about how to apply for benefits, please refer to the state's website at <https://www.paidleave.wa.gov/workers>.

WHAT YOU NEED TO DO

All employees must complete the following paperwork and return it to Rhianna in HR by **Friday, November 8.**

- Benefit Enrollment Form
- HSA Enrollment Form
- FSA Enrollment Form
- Dependent Eligibility Verification Form (if you cover a spouse and/or children)

ID CARDS

Everyone will receive a new ID card from HMA in late December. The HMA ID card will include all your medical and prescription drug coverage information. It will be mailed to your home address. Please start using your new HMA ID card on Jan. 1, 2020 – show it to your doctor, hospital, pharmacy, etc. and let them know you have new insurance.

QUESTIONS?

Please contact Rhianna Argudo in HR at (425) 313-2625 or Rhianna.Argudo@LakesideIndustries.com. You can also contact Health Advocate at 1-866-799-2691 – a Personal Health Advocate will be able to assist you with any healthcare and insurance-related issues or will route you directly to the appropriate vendor.

Summary of Material Modifications (SMM): This newsletter describes changes to the Lakeside Industries, Inc. Health Care Benefit Plan and is intended to serve as a Summary of Material Modifications (SMM). The SMM supplements the Summary Plan Descriptions (SPDs) for the Lakeside Industries, Inc. Health Care Benefit Plan. The effective date of these changes is January 1, 2020. You should read this SMM very carefully and retain this document with your copy of the SPDs.

REMINDERS!



Delta Dental wellness incentive

Any member who gets a Healthy Checkup will increase their annual benefit maximum by \$100 the following year.

- A Healthy Checkup is any diagnostic or preventive service (i.e. preventive exam, cleaning, fluoride treatment, x-rays, and sealants). Get one in 2019 to earn your incentive for 2020!
- Increase is cumulative, so you can earn an extra \$100 each year up to a maximum of \$2,500.
- Each year you don't get a Healthy Checkup your benefit maximum will decrease back to the previous year's level the following year but not below \$2,000.

One-stop access point for benefits information

Contact Health Advocate at 1-866-799-2731 for any benefit questions you have 24/7. You don't have to remember any other contact information! Lakeside's personal advocate will be able to assist you or will route you directly to the appropriate contact.

Visit a doctor virtually

Lakeside employees and family members have access to telemedicine with MeMD. You can have a visit, get diagnosed, and have a prescription sent to your pharmacy all from your phone 24/7. A visit is only \$35 vs. \$100+ for an in-office primary care visit.

Go to memd.me/group/lakesideindustries

Refill your prescriptions by Dec. 31 (just in case)

You won't be able to fill a prescription without your new ESI ID card. We highly recommend that you refill any prescriptions you need by Dec. 31 using your current EBMS/Navitus prescription drug coverage, which will end at midnight on Dec. 31 – just in case you don't have your new HMA ID card in time.

FSA transition from EBMS to HSA Bank

Your EBMS FSA debit card will remain active through Dec. 31, 2019. After that you will need to manually submit 2019 claims to EBMS. EBMS will process all FSA claims incurred between Jan. 1, 2019 and Dec. 31, 2019 that are received by Mar. 30, 2020.

FSA contribution limits for 2020

The IRS has not yet announced the maximum health care FSA contribution limit for 2020. The limit will either remain \$2,700 or increase slightly. We will notify you if there is an increase.

Urgent care is cheaper than ER

Urgent care is covered and is much cheaper than an ER visit! You pay 20% after deductible for all services, but urgent care visits typically cost \$150 vs. \$1,500 for ER.