

# CASCADE DESIGNS®

## 2022 benefit open enrollment announcements

### Open enrollment: Nov. 8 – 19, 2021

Cascade Designs is committed to helping you and your family experience the best possible health and well-being. That's why we offer you a comprehensive, competitive benefits package with the flexibility to make choices that meet your needs.

Open enrollment is your opportunity to review your options and select the health benefits that will meet your needs in 2022. 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 benefit changes and what you need to do during open enrollment.

### A message from Jim Osgood, President

As we started the benefit renewal process in anticipation of the 2022 open enrollment, we reviewed CDI's benefits to make sure they are grounded in our values and support our efforts to retain our current employees and attract our team of the future. Our workforce is incredibly diverse, which makes us a stronger organization, and we feel it's important for our benefits to support all types of employees and their families.

We also recognize that benefits are an important part of CDI's investment in you — our employees. Although we face rising costs each year, we remain committed to offering valuable programs so that you can be well physically, financially and in life.

This year we focused our strategy on making our medical plans more affordable for our employees without reducing benefits. We are happy to announce that we are significantly reducing the cost of coverage for the Health Savings Plan (the high deductible plan), one of our two medical plan offerings. In fact, **the Health Savings Plan will be offered at no premium cost for employee coverage.** CDI will cover 100% of the employee share of the monthly premium – all you need to do is:

1. Sign up for the Health Savings Plan, and
2. Participate in our wellness program.

**Note:** CDI will pay 100% of the employee's share of the monthly premium – you must still pay a portion of the monthly premium if you enroll a spouse or children. Although you'll pay to cover dependents, **the premium for your individual employee coverage will be \$0 per month.** Also, CDI will continue contributing to the Health Savings Account (HSA) that goes with the Health Savings Plan. We contribute \$600 if you have employee-only coverage or \$1,200 if you cover at least one family member.

**The Health Savings Plan will be offered at no premium cost for employee coverage!**

If you have not considered the Health Savings Plan before, now is the time to see if it's the right plan for you.

To retain the current Traditional Plan medical benefits, we will slightly increase the cost of that plan; however, we will help you offset that change by increasing the wellness premium discount from \$20 to \$25 per month. We are also making it easier to qualify for the wellness premium discount! You no longer need to get a biometric screening (or physical exam) – to qualify, you just need to complete the health assessment questionnaire on your myRGA online member portal.

These enhancements give every employee a way to select the best medical plan for their needs, while minimizing or avoiding an increase to their medical insurance premium this year. We hope you will take full advantage of the benefits CDI offers to help you be well.

## What's changing?

The following changes will take effect on Jan. 1, 2022.

### Medical plan changes

The demand for and capabilities of telemedicine have changed significantly. We are aligning the cost-shares for telemedicine with those for in-person visits. These cost shares apply if you have a telemedicine visit with an in-network provider – virtual care visits with MDLive will continue to have a lower cost.

Telemedicine visits	2021		2022	
	Traditional Plan	Health Savings Plan	Traditional Plan	Health Savings Plan
Preventive			→	Covered at 100%
Primary Care	\$25 copay	10% coinsurance, after deductible	→	\$25 copay 20% coinsurance, after deductible
Specialist			→	\$50 copay

### Health Savings Account (HSA) changes

The IRS increased the annual maximum contributions for 2022. Keep in mind that CDI's HSA contribution counts towards your maximum contribution amount.

	2021		2022
Annual HSA maximum contribution	<b>\$3,600</b> for self-only coverage <b>\$7,200</b> for employee + one or more dependents coverage	→	<b>\$3,650</b> for self-only coverage <b>\$7,300</b> for employee + one or more dependents coverage

### New copay assistance program for specialty medications – *Traditional Plan only* Coming Feb. 1, 2022

CVS Caremark has a new program called PrudentRx for specialty medications. Specialty medications, for complex or rare conditions, are typically very expensive. PrudentRx will maximize manufacturer coupons available for specialty medications, lowering your cost for eligible medications to zero and significantly reducing the cost to CDI. You will receive a letter and phone call from PrudentRx in December if your specialty

medication is eligible for the program. It is very important you respond to the outreaches from PrudentRx; those who qualify for PrudentRx and choose not to participate will see an increase in their prescription drug costs. If your specialty medication is not eligible, continue to use the usual specialty pharmacy. This program is available to Traditional Plan members only; it is not permissible for Health Savings Plan members under IRS regulations.

## Dental plan changes

The 12-month waiting period for major services (dentures, implants, bridges, crowns) for new enrollees will be waived.

## New life and disability insurance carrier

### & special opportunity to purchase additional life insurance

After careful analysis and thorough market review, we have selected a new insurance carrier for our life and disability benefits. CDI's life, accidental death & dismemberment (AD&D), short term disability, and long term disability insurance will transfer from Prudential to Mutual of Omaha. Your current elections will automatically transfer to Mutual of Omaha.

Benefit-eligible employees can purchase life and accidental death and dismemberment (AD&D) insurance with Mutual of Omaha without having to provide proof of good health **during this open enrollment period only**. You can elect coverage amounts up to \$200,000 for employee, \$30,000 for spouse, and \$10,000 for children without having to go through Mutual of Omaha's underwriting review process.

## Will I get a new ID card?

ID and debit cards will be mailed to your home address in late December. Please begin using your new card on Jan. 1, 2022 – show it to your doctor, hospital, dentist, pharmacy, etc. and let them know you have new insurance.

Vendor	Plans	ID/debit cards
<b>RGA</b>	Medical, prescription drug, vision	<ul style="list-style-type: none"> <li>Everyone will get a new RGA ID card.</li> </ul>
<b>Delta Dental of Washington</b>	Dental	<ul style="list-style-type: none"> <li>If you enroll in the dental plan for the first time you will receive a Delta Dental of WA ID card.</li> <li>Current enrollees will not receive a new ID card.</li> </ul>
<b>Allegiance</b>	FSA	<ul style="list-style-type: none"> <li>If you enroll in the Health Care FSA for the first time you will receive a debit card from Allegiance.</li> <li>Current participants will not receive a new debit card, unless your card is expiring.</li> </ul>
<b>HealthEquity</b>	HSA	<ul style="list-style-type: none"> <li>If you open an HSA for the first time you will receive a debit card from HealthEquity.</li> <li>Current participants will not receive a new debit card, unless your card is expiring.</li> </ul>

## Cost of coverage 2022

Cost per paycheck 24 pay periods/year	Total cost	Your cost	
		With wellness discount*	No wellness discount
<b>Health Savings Plan*</b>			
Employee	\$278.00	\$0.00	\$12.50
Employee + spouse	\$601.50	\$113.50	\$126.00
Employee + 1 child	\$416.50	\$39.50	\$52.00
Employee + children	\$508.50	\$66.00	\$78.50
Employee, spouse + 1 child	\$740.50	\$153.00	\$165.50
Employee, spouse + children	\$833.00	\$179.00	\$191.50
<b>Traditional plan*</b>			
Employee	\$313.50	\$34.50	\$47.00
Employee + spouse	\$679.50	\$167.00	\$179.50
Employee + 1 child	\$471.00	\$81.00	\$93.50
Employee + children	\$575.00	\$112.50	\$125.00
Employee, spouse + 1 child	\$836.00	\$213.50	\$226.00
Employee, spouse + children	\$941.00	\$245.00	\$257.50
<b>Dental plan</b>			
Employee	\$21.50	\$5.00	
Employee + spouse	\$44.00	\$17.00	
Employee + 1 child	\$33.00	\$11.00	
Employee + children	\$48.50	\$19.50	
Employee, spouse + 1 child	\$55.50	\$23.00	
Employee, spouse + children	\$71.00	\$31.50	
<b>Vision plan</b>			
Employee	\$4.00		
Employee + spouse	\$8.00		
Employee + 1 child	\$5.80		
Employee + children	\$7.10	\$0.00	
Employee, spouse + 1 child	\$9.80		
Employee, spouse + children	\$11.10		

**\*You must complete the RGA health assessment questionnaire online by the deadline to qualify for the discounted premium.**

- Employees hired prior to November 1, 2021: Questionnaire due by December 15, 2021.
- Employees hired on or after November 1, 2021: Questionnaire due within 90 days of your benefit eligibility date.

## Flexible Spending Account (FSA) reminders

### If you have an FSA for 2021

Temporary COVID-19 relief makes it easier for you to use your FSAs during the pandemic:

- You can carry over all unused funds from your 2021 Health Care FSA into your 2022 Health Care FSA. The carryover will take place automatically in March 2022.
- No carry over is allowed on the Dependent Care FSA. You have until 12/31/2022 to incur dependent care costs and submit claims to your 2021 FSA.

### If you elect an FSA for 2022

- The IRS has not yet announced the maximum Health Care and Dependent Care FSA contribution limits for 2022. The limit will either remain \$2,750 for Health Care and \$5,000 for Dependent Care or increase slightly. We will notify you if there is an increase.

### FSAs and HSAs

- IRS regulations don't allow you to contribute to both an HSA **and** a general-purpose Health Care FSA. If you enroll in the Health Savings Plan and make or receive HSA contributions, your FSA options are restricted to the Limited Health Care FSA (for dental and vision expenses only) and Dependent Care FSA.
- If you enroll in the Health Savings Plan for the first time in 2022 and have funds remaining in your 2021 Health Care FSA your remaining 2021 Health Care FSA balance will automatically carry over to a Limited Health Care FSA for 2022. This is to prevent you from being eligible for reimbursement under a General Health Care FSA, which would make you ineligible to make or receive HSA contributions.

## Reminder: New Washington State payroll tax

The Washington State legislature has established a long-term care (LTC) program for eligible Washington residents. **It is funded by employee payroll deductions of .58% of W-2 income, beginning January 1, 2022.**

The Washington LTC plan ("WA Cares") provides eligible residents with a \$36,500 lifetime benefit to help pay the cost of assistance performing certain activities of daily living, such as bathing, dressing, or eating. The earliest LTC benefits will be available is January 1, 2025.

**CDI will begin payroll deductions on January 1, 2022**, as required by this new law. For more information about the Washington State LTC program, please visit the [Washington Cares](#) website.

If you currently have an individual LTC policy, you can apply for a permanent exemption and if approved, avoid paying into WA Cares. To do so, you must have purchased a qualifying private LTC policy before November 1, 2021; be at least 18 years old; and apply to the Employment Security Department (ESD). Exemption applications will be available beginning October 1, 2021 and will be accepted only through December 31, 2022.

If you are approved for an exemption, you will be permanently disqualified from accessing WA Cares benefits in your lifetime. You must present your ESD approval letter to all current and future employers; any payroll deductions you pay into WA Cares while awaiting your exemption approval letter are not refundable.

To learn more about applying for an exemption, visit <http://www.wacaresfund.wa.gov/private-insurance/>

## What you need to do

**All forms must be completed and returned to HR by Friday, Nov. 19.** Your FSA participation will end if you do not re-enroll.



### Employee Benefit Enrollment/Change Form

**All employees must complete this form** – even if you aren't making any changes or are waiving coverage.



### Dependent Eligibility Verification

If you enroll a spouse and/or child(ren) in the health plans for the first time, you must provide proof that they are an eligible dependent. Please refer to the list of required documents in the Benefit Guide.



### Flexible Spending Accounts (FSAs)

- To enroll in the health care and/or dependent care FSA, you must complete the Allegiance FSA Enrollment Form, even if you are currently participating.
- Health Savings Plan participants who wish to enroll in a health care FSA must elect the *limited purpose* FSA, using the Allegiance Limited Purpose FSA Enrollment Form. The limited purpose FSA may only be used for vision and dental expenses.

**Note:** If you enroll in a health care FSA and your spouse has a Health Savings Account (HSA), your health care FSA enrollment will disqualify your spouse from making and receiving pre-tax HSA contributions.



### Life and Accidental Death and Dismemberment (AD&D) Insurance

If you want to purchase more life insurance – for the first time, or to increase your current coverage – you can enroll in Optional Life/AD&D coverage with Mutual of Omaha. You can purchase coverage up to the guarantee issue amounts (\$200,000 for employee, \$30,000 for spouse, and \$10,000 for children) without having to provide proof of good health **during this open enrollment period only**.

Amounts over the guarantee issue will require you complete an Evidence of Insurability form, which will be reviewed by Mutual of Omaha for approval or denial.

If you need to change your beneficiary, please update the beneficiary section on the Employee Benefit Enrollment/Change Form.

Benefit enrollment forms available in fillable PDFs online!

[cascadebenefits.com](https://cascadebenefits.com)

Email completed forms to

[Vivian.Gould@cascade-designs.com](mailto:Vivian.Gould@cascade-designs.com).

## Questions?

We want to make sure you have all the information you need to make the right decisions about your benefits. If you have questions, please contact HR or the AssuredPartners Employee Service Center at 1-888-343-3330 or [mcm.esc@assuredpartners.com](mailto:mcm.esc@assuredpartners.com).

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Summary of Material Modifications (SMM): This letter describes changes to the Cascade Designs, Inc. Welfare Benefits Plan and is intended to serve as a Summary of Material Modifications (SMM). The SMM supplements the Summary Plan Descriptions (SPDs) for the Cascade Designs, Inc. Welfare Benefits Plan. The effective date of these changes is January 1, 2022. You should read this SMM very carefully and retain this document with your copy of the SPDs.