



# NORTH CAROLINA Office of *State Human Resources*



# WELCOME

## NCFlex Sensible Saving Session

### 2021

# SSS Agenda

- NCFlex Plans
- Financial Wellness-NC State Employees Credit Union
- BREAK
- NC Total Retirement Plans
  - NC State Retirement System
  - State 401(k)/457-Prudential Retirement

# Questions and Answers

- Place questions in the Q&A section
- Q&A answered end of each section

# NCFlex Agenda

- High Level Overview of NCFlex Plans
- Pre-tax Status
- Review Flex Spending Accounts (FSA) and Recent Changes
- NCFlex Resources to Keep You Informed

# NCFlex Benefits

- State offers group rates as large employer
- Payroll deducted on a pre-tax basis
  - Same as Retirement and State Health Plan
- Saves you 25-30% in taxes on premiums
  - Depending on your tax bracket
- High level overview today
  - Enrollment Guide has plan details
  - [www.NCFlex.org](http://www.NCFlex.org)

# Example of 25% Pre-tax Savings

	Monthly Premium	Monthly Pre-Tax Cost	Monthly Tax Savings	Annual Tax Savings
Dental Classic EE*	\$35.90	\$26.93	\$8.98	<b>\$107.76</b>
Health Flex Spending	\$100.00	\$75.00	\$25.00	<b>\$300.00</b>
Vision Enhanced Family	\$20.52	\$15.39	\$5.13	<b>\$61.56</b>
Accident Plan Family	\$18.20	\$13.65	\$4.55	<b>\$54.60</b>

\* Dental Plan being reviewed

# Health Care Flexible Spending Account



Pre-Tax reduces your taxable income- like having a **25-30% off coupon**

- Pre-tax
- Annual maximum = \$2,750 per employee
- Covers out of pocket eligible expenses
  - Medical
  - Dental
  - Vision
- Expenses for participant and eligible dependents

# Health Care Flexible Spending Account

- Out of Pocket
  - Co-pays
  - Co-insurance
  - Prescriptions
  - Dental
  - Vision
- PPE through 12/31/2022
  - (i.e., face masks, hand sanitizer, sanitizing wipes)
- Is suntan lotion eligible?



**CARES Act of 2020 Update** Over-the-counter (OTC) medications are now reimbursable under FSAs without requiring a prescription or completing a Letter of Medical Necessity Form. This provision is retroactive to January 1, 2020. Menstrual care products are now reimbursable as eligible expenses, including tampons and pads.

**Eligible Health FSA Expenses**

<ul style="list-style-type: none"> <li>• Acupuncture</li> <li>• Alcoholism treatment</li> <li>• Allergy medication, nasal sprays</li> <li>• Ambulance</li> <li>• Analgesics, fever reducers, pain reducers (aspirin, ibuprofen, acetaminophen)</li> <li>• Antacids and heartburn relief</li> <li>• Antibiotic ointments</li> <li>• Anti-itch creams and hydrocortisone creams</li> <li>• Arthritis pain relieving creams</li> <li>• Athlete's foot treatment, anti-fungal creams</li> <li>• Artificial teeth/ventures</li> <li>• Bandages</li> <li>• Birth control</li> <li>• Blood pressure monitors</li> <li>• Braces</li> <li>• Braille-books and magazines</li> <li>• Breast pumps and lactation supplies</li> <li>• Cancer screening</li> <li>• Chiropractors</li> <li>• Chondroitin</li> <li>• Co-insurance amount you pay</li> <li>• Cold/hot packs</li> <li>• Cold medicines, tablets, syrups, cough drops &amp; lozenges</li> <li>• Co-pay amount you pay</li> <li>• Compression hose (30-40 mmHg or higher)</li> <li>• Condoms</li> <li>• Contact lenses and eyeglasses</li> <li>• Contact lens solutions</li> <li>• Cost of medically necessary operations and related treatments</li> <li>• Crutches</li> <li>• Deductible medical coverage (amounts you pay)</li> <li>• Dental fees</li> <li>• Diabetic supplies</li> </ul>	<ul style="list-style-type: none"> <li>• Diaper rash ointment</li> <li>• Dietary supplements</li> <li>• Drug addiction treatment</li> <li>• Doula</li> <li>• Ear wax removal kits</li> <li>• Eye exams, eye surgery</li> <li>• Eye glasses (protection plans/warranties are NOT eligible expenses)</li> <li>• Eczema treatments</li> <li>• Feminine hygiene products</li> <li>• Fertility treatments (in vitro fertilization, surgery)</li> <li>• First-aid cream</li> <li>• Glucosamine</li> <li>• Hearing devices and batteries</li> <li>• Hemorrhoid treatments</li> <li>• Hospital services</li> <li>• Incontinence products</li> <li>• Infertility treatments</li> <li>• Insulin</li> <li>• Laboratory fees</li> <li>• Lactose intolerance tablets</li> <li>• Lamaze classes</li> <li>• Latex gloves</li> <li>• Laxatives</li> <li>• Medical alert bracelets</li> <li>• Medical information plan</li> <li>• Menstrual pain relievers</li> <li>• Mentally handicapped persons cost of special home care</li> <li>• Motion sickness pills</li> <li>• Nasal spray and strips</li> <li>• Nicotine gum, patches</li> <li>• Nurses fees (including nurses' board and social security tax paid by you)</li> <li>• Obstetrical expenses</li> <li>• Orthotics</li> <li>• Over-the-counter medications</li> <li>• Oxygen</li> <li>• Petroleum jelly</li> </ul>	<ul style="list-style-type: none"> <li>• Prosthesis</li> <li>• Pregnancy tests</li> <li>• Prenatal vitamins</li> <li>• Psychiatrists' and psychologists' fees</li> <li>• Radial keratotomy and lasik eye surgery</li> <li>• Routine physical &amp; other non diagnostic services or treatments</li> <li>• Sinus medication</li> <li>• Smoking cessation programs</li> <li>• Speech therapy</li> <li>• Special education for the blind</li> <li>• Special plumbing for handicapped</li> <li>• Sterilization (i.e., tubal ligation, vasectomy) and reversal</li> <li>• Stomach and digestive relief items</li> <li>• Sunburn cream (Solarcaine)</li> <li>• Surgical fees</li> <li>• Telephone, special for hearing impaired</li> <li>• Television audio display equipment for hearing impaired</li> <li>• Therapeutic care for drug and alcohol addiction received as medical treatment</li> <li>• Thermometers</li> <li>• Toothache and teething pain relievers</li> <li>• Transportation expenses for person to receive medical care</li> <li>• Urinary pain relief medication</li> <li>• Vaccines</li> <li>• Walkers</li> <li>• Wart removal, i.e., W Freeze Off (certain wart medicines may require a prescription)</li> <li>• Wheelchair</li> <li>• X-rays</li> <li>• Yeast infection medication</li> </ul>
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**Eligible Health FSA Expenses Only with a Letter of Medical Necessity Form**

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# Health Care Flexible Spending Account

- Out of Pocket
  - Co-pays
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  - Dental
  - Vision
- PPE through 12/31/2022
  - (i.e., face masks, hand sanitizer, sanitizing wipes)
- Is suntan lotion eligible?
  - Yes, SPF 15+
- Most merchants have updated their systems to accept the convenience card for these products – if not, file manual claims



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# Health Care Flexible Spending Examples

- **Suntan Lotion SPF 15+**
  - Retail \$9.50
    - FSA Cost \$7.22-save \$2.28
- **Contact Lens Solution**
  - Retail \$12.00
    - FSA cost \$9.00-save \$3.00
- **Specialist Office Visit Co-pay**
  - Visit \$80.00
    - FSA Cost \$60.00-save \$20.00



Pre-Tax reduces your taxable income-  
like having a **25-30% off coupon**

# Health Care FSA Changes

- Temporarily allows the rollover of 100% of unused 2020 account balance into 2021. The maximum carry forward limit of \$550 is temporarily removed.
- Temporarily allows the rollover funds to become available immediately.
  - Before funds were held until after the runout period (filing deadline for prior year, i.e. 4/30/21 for the 2020 plan year).
- Temporarily allows the rollover of 100% of 2021 account balance into 2022. If you have unspent funds in your 2021 Health Care FSA, as well as unspent funds still left over in your 2020 Health Care FSA, those dollars will roll over into 2022 plan year.
- Note: New year fund used prior to rollover funds.

# Health Care FSA Changes

- New year funds cannot be used for prior year dates of service. Example: You cannot use 2021 elected contribution amount for any claims dated prior to 1/1/2021.
- You cannot prepay for services.
- You can use 2020 roll over funds for dates of service 1/1/2020 – 12/31/2021 and then 2021 roll over funds (which may be combined with 2020 unused money) for dates of service 1/1/2021 – 12/31/2022.
- New runout period (last date to submit claims) for the 2020 contributions is 4/30/2022.
- Runout period for 2021 contributions is 3/31/2023.

# Dependent Day Care FSA

- Eligible expense examples
  - Child day care through age 12
  - Before/after-school care beginning with kindergarten through age 12
  - Payments to day camps, but not overnight camps
  - Day Care expenses for a qualifying child of any age, spouse, or other dependent, who is physically or mentally incapable of caring for himself or herself (page 7 of guide has additional details)
- **Ineligible** expense examples
  - Virtual day camps
  - Overnight camps
  - Tuition expenses beginning with kindergarten and higher grades



# Dependent Daycare FSA Changes

- Your Dependent Care FSA grace period, which give you additional time in incur eligible dependent daycare expenses and use your funds, is typically March 15. Under the new provision, however, the grace period is extended through December 31<sup>st</sup> of the following year. This provision applies to the 2020 and 2021 plan years.
- The maximum age is temporarily extended from age 12 to age 13, for dependent care children who aged out in 2020 plan year. This allows for the unused 2020 contributions to be used for children who turned 13 in 2020.
  - Only until they turn 14
- New runout period (last day to submit claims) for the 2020 contributions is 4/30/2022.
- Runout period for 2021 contributions is 3/31/2023.

# Dependent Daycare FSA Changes

- 2020 contributions will be used before 2021 contributions (opposite of HCFSA) for 2021 dates of service.
- New year funds cannot be used for prior year dates of service. Example: You cannot use 2021 elected contribution amount for any claims dated prior to 1/1/2021.
- You cannot prepay for services.
- You can use 2020 funds for date of service 1/1/2020 – 12/31/2021 with the extended grace period.

# NCFlex Convenience Card

- You can use the card to pay for **eligible** DDCFSA expenses and **eligible** HCFSA expenses – save documentation
- Cards issued at no cost to participants
- No additional charge for dependent or replacement cards
- National Web sites some employees have utilized
  - FSAstore.com
  - Amazon



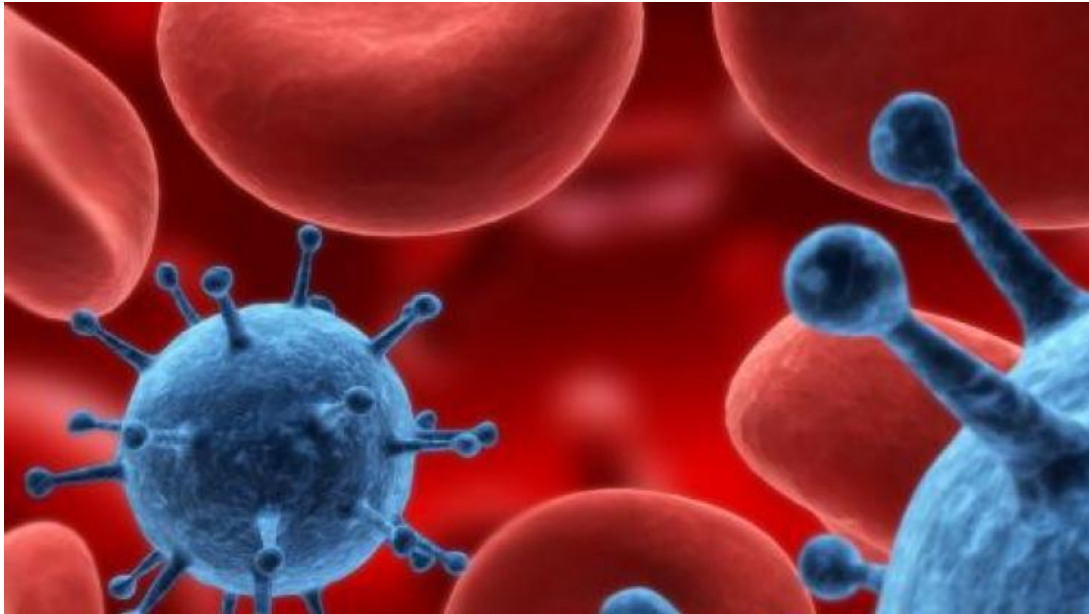
# Accident Plan-Voya

- Pays out benefit for specific injuries and events resulting from a covered accident and seeking medical attention
  - Car Accident
  - Skiing Accident
  - Fall off Ladder
- Helps with out of pocket cost
- Sports Rider
  - Additional payout for organized sports activity

# Accident Plan-Voya

Service	State Health Plan 80/20	State Health Plan 70/30	Accident Benefit
Initial doctor visit	\$80 specialist copay \$25 primary care copay	\$94 specialist copay \$45 primary care copay	\$100
Emergency room treatment	\$300 copay	\$337 copay	\$300
Physical therapy	\$52 copay	\$72 copay	\$60
Hospital Admission	\$300 copay	\$337 copay	\$1,250
Laceration	\$70 urgent care copay	\$100 urgent care copay	\$60 - \$480
Torn knee cartilage (surgical repair)	deductible/coinsurance	deductible/coinsurance	\$800

# Cancer & Specified Disease-Allstate



- Three plan options: Low, High, and Premium
- Plan covers cancer treatments and 29 specific diseases
  - Rabies
  - Lyme Disease
  - Rocky Mounted Spotted Fever
- Helps cover expenses
- Wellness Benefit for cancer prevention and screenings
- Who has utilized their wellness benefit?

# Critical Illness-Allstate

- Select a lump sum benefit of \$15,000 or \$25,000
  - For each covered illness at time of diagnosis
- Up to two payouts per diagnosis
  - 12 month waiting period for reoccurrence
- Assist with expenses

Maximum Benefit Amount: \$15,000 or \$25,000	
Pays 100% of benefit in the event of:	Pays 25% of benefit in the event of:
<ul style="list-style-type: none"><li>• Heart Attack</li><li>• Stroke</li><li>• Major Organ Transplant</li><li>• Bone Marrow Transplant</li><li>• Invasive Cancer</li><li>• Paralysis</li><li>• End Stage Renal Failure</li></ul>	<ul style="list-style-type: none"><li>• Carcinoma in Situ (non-invasive cancer)</li><li>• Coronary Artery Bypass Surgery</li></ul>

# Dental-MetLife



- Mobile app (**MetLife**)
  - Find a provider
  - View ID card
  - View plan summary and claims
- Three plan options
  - Low for preventative care
  - Classic for robust coverage
  - High for very robust coverage/needing multiple procedures
- No waiting periods
- Check network for providers
- ID cards and claims available online

# Vision-EyeMed



- Three plan options
- Core Wellness: \$20 eye exam co-pay, discount on materials (premium free for state employees)
- Basic Plan
  - \$20 eye exam co-pay
  - Frames \$125 every two years
  - Contacts \$120-instead of glasses lenses

# Vision-EyeMed



- Enhanced Vision
  - \$20 eye exam co-pay
  - Frames \$200 every year
  - Contacts \$175-instead of glasses lenses
- Vision Network
  - NC Correctional Enterprises

# Term Life Insurance-Voya



- Pays a benefit to the beneficiary(ies) as a result of death while covered under the policy
- Beneficiary can use for mortgage, car payments, education or help to replace lost income
- Premium is based on age and the covered amount you elect from \$20,000 up to \$500,000
- Evidence of Insurability (EOI) during annual enrollment outlined in NCFlex Enrollment Guide



# Accidental Death & Dismemberment-Voya



- Pays a benefit for a loss or certain dismemberment injuries as a result of a covered accident
- Core AD&D: enrollment required in order to have \$10,000 of coverage, premium free!
- Voluntary AD&D: Range \$50,000 - \$500,000
- Beneficiary can use for mortgage, car payments, education or help to replace lost income

# Tricare Supplement for Retired Military



Available to retired Military uniformed service members:

- Eligible for Federal military TRICARE
- Not eligible for Medicare
- Under age 65
- Pays secondary benefits after Tricare pays

# NCFlex Disability Plan

- Covers disability on or off the job
  - Provide income replacement if become unable to work due to a medical disability
- Assist employees
  - Less than one year of service with NC State Retirement System for DIP
  - Less than five years of service with NC State Retirement System for DIP
  - Personal Health Advocate coordinate health care with specialists and manage billing questions
  - Reasonable Accommodation Benefit, help cover cost of accommodations that allow employee to stay at work or return to work
- University HR's have own disability plan in place for University employees

# NCFlex Benefits

- Resources:
  - NCFlex.org
    - Videos, plan information, benefit websites
  - NCFlex Enrollment Guide
    - Review for all the details
  - Your Health Benefits Representative/Benefits staff
  - Newsletters
- Annual Enrollment in Fall (October 11<sup>th</sup> – 29<sup>th</sup>)

# Thank You



**Annual Enrollment coming this Fall**  
**Refer to Annual Enrollment Booklet for details**