



VEHI Health Plans

Paying Out-of-Pocket Costs for Prescriptions

This document provides a general overview of how pharmacy costs will be paid for in VEHI's new health plans. It is relevant to all employees enrolled in the new plans, but particularly for those in the CDHP plans (Gold and Silver), which require deductible and co-insurance charges for all tiers of drugs (generic, preferred and brand). Wellness drug prescriptions, however, which include diabetic medications, are not subject to cost-sharing by employees. Find a list of CDHP wellness drugs at www.bcbsvt.com/wellnessrx.

Please see your district HR staff or DataPath Administrative Services for information specific to your situation. For a step-by-step overview on the life of a prescription claim, see the last page.

Overview

When you go to a pharmacy, the cost of a prescription is due when it is picked up, unless the VEHI maximum out-of-pocket cost has already been met. The pharmacy does not know the cost-sharing terms in your collective bargaining agreement (CBA). If you have a benefits debit card linked to a Health Reimbursement Arrangement (HRA), Health Savings Account (HSA), or Flexible Spending Account (FSA), you can use it to help cover out-of-pocket costs. If you do not have a benefits debit card, you must pay for the prescription using cash, check or credit card and then file for reimbursement. If you pay with a method other than a benefits debit card, keep your itemized receipts.

All VEHI health plans have a maximum cap on pharmacy costs during each calendar year (January – December).

- Gold and Silver CDHP maximums are \$1,350 for single coverage and \$2,700 for two-person, parent/child[ren] and family tiers of coverage.
- Platinum and Gold Plan (non-CDHP) maximums are \$1,300 per individual and \$2,600 per two-person, parent/child[ren] or family coverage.

HRA Only

For employees with a Health Reimbursement Arrangement (HRA) only plan.

You can access a school district's HRA funds according to the terms of your district's HRA document. Consult your Summary Plan Description (SPD) or Collective Bargaining Agreement (CBA). If you need assistance, contact your district's HR staff or your local union leader.

- If the HRA (school district) pays first, you will typically have a debit card to use at the pharmacy up to the maximum HRA dollars provided. If all HRA funds on the debit card have been exhausted, and you still have further pharmacy costs, you must pay by cash, check or credit card until you meet the VEHI maximum out-of-pocket exposure.

- If you must pay first but do not have a debit card, you will have to pay for the full prescription amount up to the VEHI maximum out-of-pocket exposure for pharmacy costs. Once eligible for reimbursement by the HRA, you will have to submit pharmacy receipts to DataPath for reimbursement. Check with your district's HR staff to see what system has been set up to facilitate this.
- You can access your district's online HRA portal to monitor HRA payments. Register for the portal at www.datapathadmin.com/vermont

HRA and FSA

For employees with both an HRA and a Flexible Spending Account (FSA).

If you elected to contribute to an FSA, please refer to the following sections. You can only elect to contribute to an FSA during open enrollment. If you did not elect an FSA for 2018, you may elect for 2019 during open enrollment.

- When an HRA requires you to pay some portion of out-of-pocket costs, you may elect to fund your out-of-pocket exposure, in part or in full, through an FSA.
- You can access the full amount of your FSA to pay for qualified medical expenses on the first day of the plan year (contact your employer to confirm the date), even though your contributions to the FSA are deducted from your wages over the course of the full year.
- If your HRA and FSA are managed by DataPath, you can access your FSA, like your HRA, through the online portal at datapathadmin.com/vermont

FSA Only

- You can access the full amount of your FSA on the first day of the plan year (contact your employer to confirm the date), even though your contributions to the FSA take place over the course of the full year through payroll deductions.
- Contact your district HR staff to understand how to access your FSA funds. Some FSAs come with a debit card you can use at the pharmacy. Others require employees to pay at the pharmacy and send receipts to DataPath for reimbursement from the FSA.
- You may use your FSA for other out-of-pocket eligible medical expenses, as determined by the IRS. For a list of eligible expenses, visit datapathadmin.com/vermont

HSA Only

For employees who have a Health Savings Account (HSA) only plan, without another healthcare savings account (HRA or FSA).

To open an HSA, you must be enrolled in a qualified high deductible health plan (HDHP). Once you're enrolled in a qualified HDHP, you may open an HSA at any time.

- If you have an HSA, you will have an account-linked debit card. The debit card can be used at the pharmacy, provided your HSA has sufficient funds.
- If the HSA does not have sufficient funds to pay any or all of the payment due, you must pay for prescriptions with cash, check or credit card. You can reimburse yourself from the HSA at a future date, once funds are available, by submitting a Request for Distribution form.

Access your HSA information via datapathadmin.com/vermont to track claims and HSA dollars. More information on HSAs and how they work can be found at:

<https://www.irs.gov/credits-deductions/individuals/health-savings-account-hsa-at-a-glance>

If you do NOT have a healthcare spending account

- If you do not have an HSA, FSA or HRA, you must pay pharmacies directly by cash, check or credit card.

Life of a Prescription Claim



Step 1: Member goes to the pharmacy to pick up a prescription.



Step 2: Pharmacy submits bill to BCBSVT first. BCBSVT provides cost, based on prescription and member health plan.



Step 3: Pharmacy charges the member their portion of the cost, at the time of pickup.



Step 4: Member pays full out-of-pocket costs of the prescription using one or more of the following:

- HRA/FSA/HSA debit card¹
- Cash/Check/Credit Card



Step 5: BCBSVT pays Pharmacy any remaining amount due from the health plan.



Step 6: BCBSVT sends determination of benefits to:

- Member (via EOB²)
- HRA/HSA vendor (if applicable)

¹ Check your summary plan description (SPD) or CBA for plan details

² Explanation of Benefits – Members can find their EOBs online at the BCBSVT Member Resource Center