



BENEFIT ENROLLMENT GUIDE

PRESCRIPTION BENEFITS

A prescription drug benefit is included with your medical plan and works the same way as covered medical expenses. Prescription drug coverage is commingled with the deductible and out-of-pocket maximum. Under each of the three medical plans, you will pay the entire cost of your prescription drugs until you meet your deductible. Fortunately, you will be paying negotiated discounted rates when you purchase covered prescriptions in-network. Keep in mind, you can also use HSA funds to help cover prescription costs as you work toward meeting your deductible and out-of-pocket maximum.

MOVE TO EXPRESS SCRIPTS DIRECTLY

While prescription drug coverage will continue with Express Scripts (ESI), Galaxy will have a direct contract with ESI. What does this mean to you?

- **You will receive a new ID card separate from your medical card with a new ID number.**
- Your online access will be through www.express-scripts.com. If you are already registered through Anthem, you will not need to re-register through Express Scripts.
- Your prescription drug history will be available on the web.
- If you use the home delivery pharmacy option and have refills remaining, you do not need to get a new prescription.
- Your prescription history will follow you to your new Identification Number.

PREVENTIVE RX PROGRAM

An enhancement to the prescription plan coverage has been added that provides many preventive medications at no cost to you. Preventive medications are prescription drugs that are taken with the intent of preventing new illnesses or conditions and promoting wellness. Types of preventive prescriptions that will be included in this program consist of the following categories:

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|------------------------------|----------------------------|----------------------------|
| • Asthma/COPD | • Diabetes | • Miscellaneous antivirals |
| • Bone disease and fractures | • Heart disease and stroke | • Obesity |
| • Cavities | • High blood pressure | • Smoking-cessation |
| • Cholesterol lowering | • Malaria | • Vaccination |
| • Colonoscopy preparation | • Migraine prevention | • Vitamins or minerals |

For a complete list of preventive medications covered, please refer to the CDH Preventive Medications Flyer in the Files section of the *Benefits: USA* Hub site.



Tips to Save Money on Prescription Drugs

- 1. Stay in-network.** If you fill your prescriptions outside the network, you will pay the full non-discounted cost.
- 2. Go generic.** Generic medications are often just as effective but much less expensive than their brand name counterparts.
- 3. Use mail order.** If you take medication for an extended period of time, you can save money by purchasing up to a 90-day supply through the mail order program.
- 4. Shop around.** Prescription costs vary by pharmacy and are subject to change. Do not expect them to cost the same every time you fill the same prescribed medication.

HEALTH SAVINGS ACCOUNT (HSA)

WHAT IS A HEALTH SAVINGS ACCOUNT?

The Health Savings Account (HSA) is a tax-advantaged account that you may use throughout the year to pay for eligible healthcare expenses. This account is meant to help you pay for your out-of-pocket costs as you work toward meeting your deductible and out-of-pocket maximum. You are not required to enroll in an HSA to use your medical insurance. However, the HSA can be used for minimizing healthcare costs.

KAR has partnered with WageWorks to offer you the HSA. If you are enrolling in an HSA for the first time, WageWorks will send you an HSA welcome kit and debit card. The debit card expires three years from the issue date, and WageWorks will reissue a new card once it expires. The welcome kit will provide you with details on how to use your HSA debit card for eligible healthcare expenses. You should receive your welcome kit from WageWorks in December.

WHO IS ELIGIBLE?

The Internal Revenue Service (IRS) requires that you participate in a qualifying high-deductible medical plan such as the HealthChoice K, HealthChoice A, or HealthChoice R in order for you or KAR to contribute to an HSA.

The IRS **prohibits** you and Galaxy from contributing to an HSA if you fall into one of these categories:

- You are enrolled in Medicare.
- You are enrolled in TRICARE (Department of Defense healthcare program).
- You are enrolled in a Healthcare Flexible Spending Account (FSA). However, enrolling in a Dependent Care FSA is allowed.
- You are covered by another health plan that is not a high-deductible health plan.
- You are claimed as a dependent on another person's tax return.
- You have received medical benefits from the Veterans Administration during the preceding three months.

FUNDING YOUR HSA

You can contribute money to your HSA through pre-tax payroll deductions up to the federal limits. The limits are \$3,500 for employee only or \$7,000 for employee plus dependents. Employees age 55 or older can add an additional \$1,000 in catch-up contributions.

If you enroll in any of the three medical plans and enroll in an HSA, Galaxy will make an annual company contribution of \$750 for employee only or \$1,500 for employee plus dependents. **You will receive the full company contribution in January.**

2019 HSA CONTRIBUTION AMOUNTS

Contributions made by KAR	\$750 for employee only \$1,500 for employee + dependents*
Contributions made by you	Up to \$2,750 for employee only Up to \$5,500 for employee + dependents*
Total amount legal contribution limit**	\$3,500 for employee only \$7,000 for employee + dependents*

*Employee + dependents refers to employee + spouse, employee + child(ren), and family.

**If you are age 55 or older now or will turn age 55 in 2019, you may make a catch-up contribution of \$1,000 into the HSA in 2019.

