



# 2022 State of Michigan Employee Benefits Open Enrollment

October 18, 2021 - November 9, 2021



# Contents

## **BOE Information**

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<a href="#">BOE Calendar</a> .....	1
<a href="#">How To Enroll in Benefits</a> .....	1
<a href="#">What's New for BOE</a> .....	2
<a href="#">Other Eligible Adult Individuals (OEAI)</a> ...	3
<a href="#">Eligibility Guidelines</a> .....	4-5
<a href="#">Required Documents</a> .....	6-7
<a href="#">MI HR Service Center Contact Info</a> .....	8
<a href="#">Frequently Asked Questions</a> .....	9-11
<a href="#">Understanding Health Plan</a>	
<a href="#">Deductible Costs</a> .....	12
<a href="#">Insurance Carrier Information</a> .....	13-14
<a href="#">HIPAA Exclusion Notice</a> .....	15
<a href="#">Special Enrollment Rights</a> .....	15



# BOE Calendar

## **Benefits Open Enrollment Period:**

October 18, 2021 through November 9, 2021

## **Documentation Deadline:**

November 12, 2021

## **Coverage Effective Date:**

January 1, 2022

## **Coverage Period:**

January 1, 2022 through December 31, 2022

## How to Enroll in Benefits

Enrolling in benefits remains the same, simple process, either online through HR Self-Service or by phone with the MI HR Service Center.

### **Online:**

Visit the HR Gateway page at [www.mi.gov/selfserv](http://www.mi.gov/selfserv) and log in to HR Self-Service. Click the “Menu” button in the top-left corner to expand the bookmarks tray on the left. Select “Benefits Open Enrollment” from the list to expand the options. From there, you can choose to start the process of adding new dependents to your benefits or begin the enrollment process.



### **Over the Phone:**

Need help from an HR professional who is trained to help guide you through Benefits Open Enrollment? Call the MI HR Service Center, Monday through Friday, 8:00 a.m. to 5:00 p.m., at **877-766-6447**.



# What's New for BOE

There are minimal plan changes to note for BOE this year, but it's important to review your benefits annually to ensure your elections will meet your needs for the coming plan year.

In addition to the BOE Booklet, the Employee Benefit Division's [www.mi.gov/BOE](http://www.mi.gov/BOE) website will be your one-stop resource for comprehensive information and details on all things benefits throughout the year.

## **New: State Dental Plan Annual Benefit Maximum Increase Account<sup>1</sup>**

Starting January 1, 2022, the State Dental Plan's annual benefit maximum will be increasing to \$2,000 for the calendar-based plan year, up from the CY 2021 maximum of \$1,500. This maximum applies to Diagnostic and Preventive Services, Basic Services, and Major Services.

After the changes to open enrollment last year, [this year's BOE](#) should feel much more like past open enrollments. With fewer changes this year, it's the perfect time to review and remind yourself of last year's changes before making your elections for 2022. Below are some of the major changes implemented during 2020's BOE.

## **Insurance and Flexible Spending Accounts (FSA) Enrollments Combined**

BOE combines group insurance and FSA open enrollment into a single, annual enrollment period, held in the fall.

### **Calendar-Based Plan Year**

Group insurances were transitioned to a calendar-based plan year, making it easier to track things like deductibles, out-of-pocket-maximums, FSA Annual Goals and more, all on the same timeline. Changes or new elections made during this fall's BOE will take effect **January 1, 2022**.

## **The State High Deductible Health Plan<sup>2</sup> with Health Savings Account<sup>2</sup>**

The State High Deductible Health Plan (HDHP) with [Health Savings Account \(HSA\)](#) was introduced as the first offering of its type to eligible state employees. The [BOE website](#) contains plan comparisons, scenarios, and other information to help you decide if the State HDHP with HSA is right for you.

<sup>1</sup>**Note:** Michigan State Police Troopers Association (MSPTA) member's plan year continues to be October to September and the annual maximum remains \$1,500 per person total per plan year on Diagnostic and Preventive Services, Basic Services, and Major Services.

<sup>2</sup>**Note:** MSPTA-represented (T01) employees and Other Eligible Adult Individuals (OEAs) are not eligible for this benefit.

# Other Eligible Adult Individuals (OEAI)

## Enrolling an OEAI and an OEAI's Dependent Children

If you wish to enroll an OEAI in your health insurance, you may enroll via [HR Self-Service \(www.mi.gov/selfserv\)](#) or by calling the MI HR Service Center.\* After enrollment the MI HR Service Center\* must receive the following documents by **November 12, 2021** to complete OEAI enrollment or the added dependent(s) will not be enrolled:

- [Enrollment Application and Affidavit \(CS-1833\)](#)
- Copy of age verification that the OEAI is 18 or older:
  - birth certificate,
  - passport,
  - driver's license, or
  - other governmental document indicating date of birth
- Documents establishing joint residence for the past 12 months (e.g., bank statement, utility bills, etc.). In addition, required documentation must be submitted to maintain enrollment of an OEAI's dependent.

OEAI and OEAI dependent coverage will not take effect if documentation is not received by the MI HR Service Center\* by **November 12, 2021**.

**Note:** OEAI's are excluded from enrollment in the State High Deductible Health Plan with HSA.

## Tax Implications

In accordance with IRS regulations, State of Michigan employees are responsible for paying taxes associated with the fair-market value of enrolling an OEAI and the OEAI's dependents. Additional information on [OEAI tax implications](#) is available on the Employee Benefits Division web site at [www.mi.gov/BOE](#).

## Termination of Benefits

When criteria for enrollment are no longer met, you must notify the MI HR Service Center\* within 14 calendar days. Coverage will end effective the date [OEAI eligibility criteria](#) are no longer met.

### Documentation

\*Auditor General and Judicial employees should submit all supporting documentation to their agency HR office.

### OEAI Bargaining Group Eligibility

OEAI's are eligible to be added to health plans for all represented and non-exclusively represented (NERE) bargaining groups except:  
**MSPTA and Legislative**

# Eligibility Guidelines

## Eligible Dependents

Eligible dependents may be enrolled in your health, dental, vision, and dependent life insurance plans (an OEAI and their dependents can only be enrolled in health insurance\*). Children by birth or legal adoption and stepchildren are eligible for dependent life insurance until the day before their 23rd birthday, and eligible for health, dental, and vision insurance through the last day of the month in which they turn 26.

Children for whom the employee has legal guardianship or provides foster care (placed in your home by a state agency or court) are eligible for health, dental, vision, and dependent life insurance until the day before their 18th birthday, unless the placement expires prior to that date.

State-employed married or divorced employees carrying independent enrollments may cover their children in either parent's plan, as long as each child is only covered once. If both employees elect to carry the children and cannot come to an agreement regarding which parent will cancel their election, the parent who covered the children first during their employment with the State of Michigan will be allowed to cover the dependent children.

For a grandchild to be eligible, the parent of the grandchild must be a covered dependent for whom you provide at least 50% financial support AND, if the parent of the grandchild is from 19 up to their 25th birthday, a student as well.

**\*Note:** OEAI's are excluded from enrollment in the State HDHP with HSA.

## Dependent Life Insurance

Eligible dependents can include your spouse and unmarried children from the age of 14 days up to their 23rd birthday for whom you provide at least 50% of their support. Your spouse is also eligible if they are not a state employee or state retiree.

As a state employee you are automatically enrolled in life insurance. If this coverage is maintained, you are not eligible to be covered as a spouse or dependent on another employee or retiree dependent life insurance plan.

# Eligibility Guidelines

## Eligibility Exclusions

If you and your retiree or active state employee spouse are both covered by state group insurance plans, you may maintain separate coverage through your individual plans or enroll in one plan with one of you listed as a dependent. If you choose to maintain separate coverage, your children can only be listed as a dependent on one plan. This applies even if you are divorced.

An employee's spouse, OEAI, and dependents are not eligible for coverage if he or she is in the armed forces on active duty. Those individuals are eligible for coverage under TRICARE, effective the date of active duty orders.

## Continuing Coverage for Incapacitated Children

Your child who is unmarried and unable to sustain employment because of a developmental or physical disability can continue enrollment in health, dental, vision, and dependent life insurance beyond the age limits outlined in the Eligibility Guidelines if all the following conditions establishing incapacitated status are met:

- Your child became incapacitated before reaching the age limit for the coverage (age 23 for dependent life insurance and the end of the month in which they turn age 26 for health, dental and vision).
- You have submitted documentation verifying your child's incapacity within 31 days after the child reaches the age limit for termination of the coverage.
- Your child is unmarried and continues to be incapacitated and chiefly dependent on you for support and maintenance.
- Your coverage does not terminate for any other reason.

## Canceling Coverage

Immediately notify the MI HR Service Center to cancel your dependent's coverage when he or she no longer meets the definition of an eligible individual. Ex-spouses are not eligible and must be removed from coverage effective the date of the divorce.

# Required Documentation

The documents listed in this section are acceptable proof of dependent and OEAI eligibility for insurance coverage. Documents must be provided to the MI HR Service Center by email, fax, or mail. Contact information is provided at the end of this section. Legible copies are required for each type of document. Please do not provide originals; documents will not be returned. Copies of documentation emailed, faxed, or mailed to the MI HR Service Center must be received by **November 12, 2021** or dependent(s) will not be added to coverage.

## Qualifying Life Events

To add or change eligible dependents due to a qualifying life event (QLE) such as marriage, birth, divorce, etc., call the MI HR Service Center as soon as possible, but **no later than 31 days following the QLE**. Do not wait until you have the official documentation to contact the MI HR Service Center.

## Required Documents for Health, Dental, Vision, and Life Insurance Coverage

- **Adopted Child**
  - ◆ *Adoption Papers* or sworn statement with the date of placement
- **Biological Child**
  - ◆ *Birth Certificate* (hospital verifications are not accepted)
- **Foster Child**
  - ◆ *Court Document* placing the child in the employee's home for foster care
- **Grandchild**
  - ◆ *Birth Certificate* (hospital verifications are not accepted)
  - ◆ *Documentation* proving you provide at least 50% support to the parent of the grandchild (e.g., copy of most recent federal 1040 form filed showing the grandchild's parent was claimed as a dependent)
  - ◆ **Note:** For a grandchild to be eligible, the grandchild's parent must be a covered dependent AND, from 19 up to their 25th birthday, a student as well as demonstrated by
    - ◆ [Student Verification of Eligibility Form \(CS-1830\)](#)
    - ◆ *School Records* proving the grandchild's parent is regularly attending an accredited educational institution (e.g., class schedule, transcript)
- **Incapacitated Child**
  - ◆ *Birth Certificate* (hospital verifications are not accepted)
  - ◆ *Verification Documentation* that the child's condition was confirmed by the insurance carrier before the child reached the usual age limit for coverage
- **Legal Guardianship**
  - ◆ *Court-Ordered Letters of Guardianship*

Required Documents for Health, Dental, and Vision Coverage continued on next page...



# Required Documentation

## Required Documents for Health, Dental, Vision, and Life Insurance Coverage: Continued

- **Loss of Coverage (for mid-year enrollment)**
  - ◆ *Document Detailing Loss of Coverage* from employer or insurance carrier specifying the benefits for which coverage has been lost (e.g., health, vision, dental), the date the coverage was lost, and the individuals who lost coverage
- **Spouse**
  - ◆ *Marriage Certificate*
- **Stepchild**
  - ◆ *Birth Certificate* (hospital verifications are not accepted)
  - ◆ *Marriage Certificate*

## Required Documents for OEAI Health-Only Coverage

- **OEAI (Other Eligible Adult Individual)**
  - ◆ [OEAI Enrollment Application & Affidavit \(CS-1833\)](#)
  - ◆ *Joint Residency Documentation* establishing shared residency for the past 12 months (e.g., bank statement, utility bill, lease agreement, etc.)
  - ◆ *Proof of Age* (birth certificate, passport, driver's license, or other governmental document)
- **OEAI Dependent**
  - ◆ [OEAI Enrollment Application & Affidavit \(CS-1833\)](#)

**And** any of the four documents below establishing the relationship between the OEAI and the OEAI dependents you wish to enroll:

- ◆ *Birth Certificate* (hospital verifications are not accepted)
- ◆ *Adoption Papers* or sworn statement with the date of placement
- ◆ *Court Document* placing the child in the employee's home for foster care
- ◆ *Court-Ordered Letters of Guardianship*
- ◆ **Note:** Dependent children of an OEAI may enroll in health insurance only up to their 26th birthday with a [CS-1833](#) and the same required documentation that applies to equivalent dependent children of employees. Coverage will terminate at the end of the month in which the dependent turns 26.

**Note:** OEAI's are excluded from enrollment in the State HDHP with HSA.

# MI HR Service Center

## MI HR Service Center Contact Information

**Phone:** 877-766-6447

**Email:** [MCSC-MIHR-Docs@michigan.gov](mailto:MCSC-MIHR-Docs@michigan.gov)

**Fax:** 517-241-5892

**Mailing Address:**  
MI HR Service Center  
P.O. Box 30002  
Lansing, MI 48909

**Note:** Agency HR offices must receive all supporting documentation from Auditor General and Judicial employees by November 12, 2021.

### Documentation Reminder!

Copies of emailed, faxed, or mailed supporting documentation for newly added dependents must be received by the MI HR Service Center by **November 12, 2021.**



# Frequently Asked Questions

## What's an out-of-pocket maximum and how does it work?

The annual out-of-pocket maximum (OOPM) is the limit to the total dollar amount you could be required to pay for in-network covered services during the plan year. In-network deductibles, fixed-dollar copays, prescription drug copays, and coinsurance all apply towards the annual OOPM.

Once this maximum amount is reached you will not pay any additional coinsurance, deductibles, or fixed dollar copays for in-network covered services for the remainder of the plan year.

The individual OOPM applies to any one family member and the family OOPM is the collective amount that could be paid by any combination of family members. There are separate OOPMs for in and out-of-network services. In-network OOPM amounts are below. See the [CY2022 Health Plan Comparison Chart](#) for other details.

- SHP PPO & HMO in-network: \$2,000 individual / \$4,000 family
- State HDHP in-network: \$4,000 individual / \$8,000 family

Certain charges cannot be used to meet your annual OOPM:

- Out-of-network coinsurance, deductibles, or fixed dollar copays
- Charges for non-covered services or treatments
- Charges in excess of the approved amount the plan pays for a benefit
- Bi-weekly premiums

## How does coinsurance work?

Coinsurance is your share of the costs of a covered health care service, calculated as a percent, after your annual deductible is met. For example, for in-network services, if you have met your annual deductible and then have surgery, the insurance plan will pay a percentage of the allowed amount for the surgery and you will pay the remaining percentage as coinsurance. All in-network coinsurance charges apply toward the annual in-network OOPM, that limits the amount you can be required to pay for services during a plan year.

# Frequently Asked Questions

## How does a deductible work?

A deductible is the specified amount you must pay during each plan year for services before your insurance plan begins to pay. The deductible does not apply to all services. Services under the SHP PPO and HMOs such as in-network office visits, consultations, and urgent care visits only require a copay at the time of service. In-network preventive services under the SHP PPO, HMOs, and the State HDHP do not require any copay or deductible. Refer to the [CY2022 Health Plan Comparison Chart](#) or individual plan summaries at [www.mi.gov/employeebenefits](http://www.mi.gov/employeebenefits) for a list of covered in-network services after the deductible.

Your deductible amount will vary based on whether you are enrolled in an HMO, the SHP PPO, or the State HDHP with HSA. For HMOs and the SHP PPO, the individual deductible in-network (\$400 for the SHP PPO and \$125 for an HMO) is the maximum amount that applies to any one family member. The family deductible (\$800 for the SHP PPO and \$250 for an HMO) is the combined maximum deductible amount that applies to any combination of family members for in-network services. A family member is not required to reach the individual deductible before the family deductible can be met. Additionally, one family member cannot contribute more than the maximum amount of the individual deductible toward the family deductible.

For the State HDHP with HSA, the individual deductible (\$1,500) only applies to employee-only coverage. The State HDHP with HSA family deductible (\$3,000) applies to the coverage of employee plus spouse and/or other dependents. The applicable deductible must be fulfilled prior to services being paid by the plan. Any one member of the family or any combination of family members may fulfill the entire family deductible.

The SHP PPO and State HDHP with HSA have separate deductible calculations for in-network and out-of-network services. The amounts above are for in-network services.



# Frequently Asked Questions

## What other insurance terms should I know?

In addition to out-of-pocket maximum, coinsurance, and deductibles described earlier, there are other terms important to understanding insurance benefits.

**Premium:** The amount paid each pay period for enrollment in insurance benefits. The employee and the state both pay a share for most plans.

**In-Network/Out-of-Network:** Each insurance carrier has a network of providers, and if you obtain services from one of these providers you will generally pay less for services covered under your plan.

A list of network providers can be found on each carrier's website. This carrier information can be located on the [Insurance Plans](#) page of the Employee Benefits Division website.

Out-of-network providers will cost you more, or may not be covered at all, depending on your carrier.

**Copay:** A copay is a fixed-dollar amount an employee may be required to pay when receiving services. These most commonly apply to office visits or prescriptions and are generally paid at the time services are rendered or prescriptions are received.

**Formulary (Drug List):** A formulary is a list of generic and brand name prescription drugs covered by your health plan. It is divided into tiers that correspond to amounts within the plan's copay structure. The SHP PPO and the State HDHP with HSA both include prescription drug coverage administered by OptumRx and use the same formulary.

Each of the HMO plans include their own prescription drug formularies. Prescription drug copays are the same for all plans, however under the State HDHP with HSA, non-preventive medications are subject to the plan deductible being met before the copay structure applies.

# Understanding Health Plan Deductible Costs

## Health Maintenance Organization (HMO) Deductible Example:

Jacob receives services on February 18, 2022 for a benefit that is covered 100% after deductible (e.g., ambulance services, x-rays, MRI, etc.). The provider submits a claim to the HMO carrier for an allowed amount of \$550. The HMO carrier will issue payment to the provider for \$425 and the provider will send a bill to Jacob for his member cost share of \$125 (deductible).

## State Health Plan PPO Deductible Example:

Joan receives services on February 18, 2022 for a benefit that is covered 90% after deductible (e.g., ambulance services, x-rays, MRI, etc.). The provider submits a claim to BCBSM for an allowed amount of \$550. BCBSM will subtract the deductible (\$400) from the allowed amount and send payment to the provider for 90% of the remaining balance (\$135). The provider will send a bill to Joan for her member cost share of \$415 (\$400 deductible + 10% coinsurance of \$15).

## State High Deductible Health Plan with HSA Example:

Susan received a \$750 annual employer contribution into his HSA with her first paycheck of 2022\*. She receives services on February 18, 2022 for a benefit that is covered 80% after deductible (e.g., ambulance services, x-rays, MRI, etc.). The provider submits a claim to BCBSM for an allowed amount of \$550. Susan has not accrued any medical expenses yet for 2022 towards her \$1,500 deductible. BCBSM will not make any payment to the provider since the balance of the bill is less than the deductible amount. The provider will send a bill to Susan for her member cost share of \$550. Susan may pay the provider \$550 from the HSA that was opened with her State HDHP enrollment, or may use a different payment method available to her.

\*Additional employee elected contributions can be deposited after the HSA account is active.

# Insurance Carrier Information



**State Health Plan PPO  
Catastrophic Health Plan  
State High Deductible Health Plan (HDHP)**

**Blue Cross Blue Shield of Michigan (BCBSM)**

Phone: 800-843-4876

[www.bcbsm.com/som](http://www.bcbsm.com/som)



**Prescription Drug Administrator: State Health Plan PPO  
Prescription Drug Administrator: State HDHP**

**OptumRx**

**Active Employees & Non-Medicare Retirees**

Phone: 866-633-6433

**OptumRx: Medicare-Eligible Retirees**

Phone: 866-635-5941

[www.optumrx.com/som](http://www.optumrx.com/som)



**HSA Administrator for the State HDHP with HSA**

**HealthEquity**

Phone: 877-284-9840

Log in at [www.bcbsm.com/som](http://www.bcbsm.com/som) to manage your HSA from HE.



**State Dental Plan  
Preventive Dental Plan**

**Delta Dental Plan of Michigan**

Phone: 800-524-0150

[www.deltadentalmi.com/som](http://www.deltadentalmi.com/som)



**State Vision Plan**

**EyeMed**

Phone: 833-279-4355

[www.eyemedvisioncare.com/som](http://www.eyemedvisioncare.com/som)



**State Long Term Disability (LTD) Plan**

**Sedgwick**

Phone: 800-324-9901

# Insurance Carrier Information



## Health Maintenance Organization (HMO)

### Blue Care Network

Phone: 800-662-6667

[www.bcbsm.com/som](http://www.bcbsm.com/som)



## Health Maintenance Organization (HMO)

### Health Alliance Plan (HAP)

Phone: 800-422-4641

[www.hap.org/som](http://www.hap.org/som)



## Health Maintenance Organization (HMO)

### McLaren Health Plan

Phone: 888-327-0671

[www.mclarenhealthplan.org](http://www.mclarenhealthplan.org)



## Health Maintenance Organization (HMO)

### Physicians Health Plan (PHP)

Phone: 800-832-9186 or

Phone: 517-364-8500

[www.phpmichigan.com](http://www.phpmichigan.com)



## Health Maintenance Organization (HMO)

### Priority Health

Phone: 800-446-5674

[www.priority-health.com/som](http://www.priority-health.com/som)



## MSPTA-Represented Employees Only

### COPS Health Trust Plans

### COPS Health Trust

Phone: 800-225-9674 or

Phone: 248-524-0454

[www.copstrust.com](http://www.copstrust.com)



# HIPAA Exemption Notice

Group health plans sponsored by state and local governmental employers must generally comply with federal law requirements in title XXVII of the Public Health Service Act. However, these employers that sponsor health plans are permitted by federal law to elect to exempt a plan from these requirements for any part of the plan that is "self-funded" by the employer, rather than provided through a health insurance policy.

The State of Michigan has elected to exempt the State Health Plan PPO and the State High Deductible Health Plan with HSA from the requirements of protections against having benefits for mental health and substance use disorders be subject to more restrictions than apply to medical and surgical benefits covered by the plan. The exemption from these federal requirements will continue to be in effect for the period of plan coverage beginning January 1, 2022 and ending December 31, 2022. The election may be renewed for subsequent plan years.

As required by state law (MCL 550.544), notice is provided that, as a rider under your health coverage, elective abortion is included and may be used by a covered dependent without notice to the employee.

## Special Enrollment Rights

If you decline to enroll because you have other health coverage, and you or your dependent loses eligibility for the other coverage or the employer stops contributing towards the coverage, you may be able to enroll in this plan. You may also be able to enroll in the plan, or add new dependents to the plan, because of marriage, birth, adoption, or placement for adoption. You must request enrollment within 31 days after the qualifying life event.

Special enrollment is also available to (1) those who become eligible for premium assistance under Medicaid or the Children's Health Insurance Program (CHIP) and (2) those who lose coverage under Medicaid or CHIP because they are no longer eligible, not because of non-payment. The deadline for these two enrollments is 60 days after eligibility or termination.

To request special enrollment or obtain more info, [contact the MI HR Service Center](#).

### For Questions about HIPAA Exemption:

Contact the Employee Benefits Division at:

**800-505-5011**

### HIPAA Privacy Notice

The HIPAA Notice of Privacy Practices for the benefit plans is available on the Civil Service Commission web site at:

[http://www.michigan.gov/documents/HIPAA\\_Plans\\_Privacy\\_Notice\\_61312\\_7.pdf](http://www.michigan.gov/documents/HIPAA_Plans_Privacy_Notice_61312_7.pdf)

# Rates

Visit the Employee Benefits Division's website to view insurance benefit rates:

[https://www.michigan.gov/mdcs/0,4614,7-147-22854\\_6649---,00.html](https://www.michigan.gov/mdcs/0,4614,7-147-22854_6649---,00.html)