

## BOARD OF TRUSTEES 2021 ANNUAL WORKSHOP

In mid-September the Board of Trustees met for their annual workshop to set the budgets for the Fund and Clinic, determine the Insurance Plan design and set the premium rates for 2021. As usual, there was plenty of lively discussion with many ideas being presented. I am happy to report that several changes were adopted and all were designed to be beneficial to all participants of the Insurance Fund.

Inside this newsletter you will find a brief description of the adopted changes for 2021, and on our web-site you can find a more detailed description of the changes including the actual new premium rates adopted for 2021.

Of course, the Benefits Fund staff, Rick, Tamara, Ed and Mike are always just a phone call or email away from helping you understand these changes or any questions you may have.

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## WINTER NEWSLETTER 2020

### IMPORTANT INSURANCE PLAN CHANGES FOR 2021

Big changes are coming in 2021 for the design of the Health Insurance Plan. The Board of Trustees looked long and hard at the current Plan and decided that some simplification of the Plan might be in order.

Currently, the annual deductible is applied in some cases and not in others and lots of time this causes a certain level of confusion for the participants. For next year, the Board has removed the annual deductible for all services except those received in a hospital or for an outpatient surgery. This action removes the need to meet the deductible for various areas of the plan such as physical therapy, other forms of therapy including manipulation, and lab work just to name a few. The Board also removed hospital, emergency room and outpatient surgery co-pays.

The next area the Board addressed was the wide variety of co-insurance percentages depending on the service rendered. Now, the participant shall be responsible for 20%, and the plan will pay 80%.

To recap the Insurance Plan changes for 2021, there will be a \$500 annual deductible that only applies to Hospital based services and outpatient surgery charges. After the deductible the Plan pays 80% and you will be responsible for 20% for those types of services. For all other services outside of hospitals or outpatient surgeries, the Plan pays 80% while you are responsible for 20% with no deductible. All patient responsibilities are capped at \$3,400 of combined out of pocket expenses for any one individual or twice that amount for the entire family unit, at which point the Plan will cover all expenses at 100% for the balance of the calendar year.

No changes were made to the 'out of network' side of the Health Insurance Plan. Those benefits remain the same as this year. Additionally, no changes have been made to the prescription medication benefits offered under the Plan.

## OPEN ENROLLMENT

FOR COVERAGE BEGINNING JANUARY 1, 2021

### MEDICAL, DENTAL CRITICAL ILLNESS & ACCIDENT INSURANCES

**WHEN: OCTOBER 27, 2020 - NOVEMBER 09, 2020 (TWO WEEKS)**

Once a year the Board of Trustees set a period of time during which any eligible person may elect to start, end or change coverage and which dependents shall be covered under the plan without the need of a qualifying event. A qualifying event is defined as marriage, divorce, birth, and certain changes to coverage through a spouse's employer or death. Changes to enrollment status in the plan may take place at any time during the year with a qualifying event, but only during Open Enrollment without a qualifying event.

#### Procedure for Fire Rescue Employees

For changes to Medical and Dental you must login to the MyBenefits portal in Peoplesoft. If you are having trouble, there is a training manual on Target Solutions. For changes to Accident or Critical Illness coverages, these must be completed on the Reliance Standard website: [mybensite.com/pbcff](https://mybensite.com/pbcff)

#### Procedure for Retirees

For changes to Medical or Dental you can download a 2021 Retiree Status change form from the Benefits Fund web site. Complete the form and return to fax, email or by USPS to the address at the bottom of the form. Forms must be post marked or returned to the Benefits Fund Office by end of day November 9, 2020.

As always, should you need any assistance, email the Fund office at [info@myffbenefits.com](mailto:info@myffbenefits.com)

IF YOU ARE NOT MAKING ANY CHANGES, YOU DON'T NEED TO DO ANYTHING.  
COVERAGE TYPE WILL NOT CHANGE.

Learn more at [www.myffbenefits.com](https://www.myffbenefits.com)

Or give as a call: 561-969-6663

## ACCIDENT INSURANCE & CRITICAL ILLNESS INSURANCE

Reliance Standard Life Insurance Company has decided to lower all Accident Policy premiums by 25% effective October 1st of this year. This move is in part to less utilization of the policy than anticipated. It seems that people are not filing claims for which they are entitled to receive compensation, or are having difficulty in filing the claims.

Lynn in the Medical Records department of the Wellness Center has been identifying claims that may be eligible for compensation, but isn't always getting follow thru by the eligible participant. We will continue to try and assist members in this area. This is a policy that is provided to all active employees which also allows you to buy-up coverage for your dependents.



Both the accident and critical illness policies will be available to add or delete dependents during open enrollment. Please visit our website for details and links. Unfortunately, these policies are only available for active employees. Retirees under 65 are also covered but are ineligible to add dependants.

## NEW DENTAL PLAN AVAILABLE IN 2021



One of the more exciting proposals to come out of the 2020 Board Workshop is the addition of a new choice for dental coverage. The current selections will remain, with an additional "High PPO" option for only a few dollars more per month. The High plan will offer an additional \$1,000 per year in coverage and an additional \$500 lifetime in orthodontia coverage. All other coverage features remain unchanged.

Obviously, if you do not have a need for orthodontia services, or generally have good dental health, upgrading may not make sense, but now the option is there. And each year you will be able to switch back and forth between Plans to suit your personal or family needs.

The three options available are the low cost HMO plan, the current PPO plan which has a \$3,000 annual limit and a \$2,500 lifetime orthodontia benefit (which will now be referred to as the "Low PPO" option), and the new addition ("High PPO") which will have an annual limit of \$4,000 and a lifetime orthodontia limit of \$3,000. Any amount used under the previous PPO plan will transfer to the High PPO plan if you choose to upgrade, i.e. if you used \$2,000 of the orthodontia benefit under the current plan and upgrade to the new High PPO, plan there will be \$1,000 of lifetime orthodontia benefit available.

The new High PPO plan is only \$1.05 more per paycheck for a single, and only \$3.72 more per paycheck for a full family. Dental rates for the HMO Plan and the current plan (newly named Low PPO option) remain unchanged for 2021. You can view all the dental rates on the Fund's web-site to decide which option is right for you. If you wish to make any changes to your dental plan you will need to make those changes during Open Enrollment.

Rates for the High PPO plan are based on 30% of our dental participants moving to the High PPO option, and rates could change slightly if that percentage is higher or lower than projected.

## INSURANCE PREMIUM CHANGES FOR 2021

There will only be minor Health Insurance premium changes for 2021. With 2020 being such a unique year for insurance companies as a whole and our Plan being no different, the Board decided that they would keep premiums about the same until we see how 2021 develops. The unique part of 2020 was that with the COVID-19 pandemic, many patients refrained from going to doctors' offices and many elective type surgeries were delayed, postponed or outright cancelled. The affect this has had on many insurance companies is that claims were less than projected. Our Fund was no different.

We have consulted with our actuary, UMR, United Health Care and our Insurance Consultant who reached out to several of the large insurance carriers to find out what each were thinking 2021 could bring for insurance companies. The most consistent response was 'we don't know but it could be bad'. So what are some of the concerns? First, there is the simple and easily identifiable, like someone was scheduled for a knee replacement and it was postponed until 2021. Easy enough, a \$100,000 surgery that was not done and paid for in 2020 will now be a \$100,000 claim paid for in 2021. So there could be a backlog of surgeries from 2020 on top of the regular amount of surgeries for a normal year. This could double the amount of claims next year.



More concerning to us and others in the field is the detriment to lack of medical care. While there is a financial component to a lack of medical care, more important is the health outcomes due to the lack of medical care. For example, a cancer that might have been caught at stage one or two under normal times now is discovered at stage three or four when medical care is delayed. Maybe a cardiac condition that could have been treated with medication or a simple procedure now turns into major bypass surgery or worse when medical care is delayed. As we learned in the early days and years of our own Wellness Center, lack of medical care does not save money, it just prolongs the expense and usually makes it much worse.

Needless to say, most in the insurance industry do not have any rock solid information as to what is going to happen in 2021. Therefore, the Board of Trustees did not want to make any drastic changes until after we see how 2021 turns out. The Insurance Fund did save, at least year to date so far, a couple of million dollars from the reduction of claims, but we may end up spending more than what we saved to catch-up. There's just no way to know for sure.

Retiree rates will remain the same for 2021 except that the Medicare allowance will increase to \$144 per month up from \$138 in 2020. Active employee rates will decrease by \$12.49 per month across the rate tiers to offset the employer increase schedule to take affect January 1, 2021. Historically, the retiree rates increased each year by the same basic percentage as the employer's contribution increase. So in order to keep rates consistent, the Board chose to give next year's employer increase back to active employees in order not to raise retiree rates.

To see all the rates for next year please visit [myffbenefits.com](https://myffbenefits.com)

WANT TO DISCUSS YOUR PLAN?  
CALL US @ **561-969-6663**

