MMIA EMPLOYEE BENEFITS

NEWSLETTER
SPRING 2025



IN THIS ISSUE:

PLANS AND PERCEPTIONS

DEDUCTIBLE RESET & OPEN ENROLLMENT

HIGH DEDUCTIBLE HEALTH PLAN UPDATE

TELEDOC INFO

PLANS AND PERCEPTIONS

Musings on Benefit Contributions

It probably won't surprise you to learn that the perception of your health benefits is likely tied to how much you pay on a monthly basis. Though monthly premium rates with the MMIA self-funded pool are determined by the medical and prescription claims experience of those in the pool, the amount you actually pay is determined by the contribution amount from your city/town.

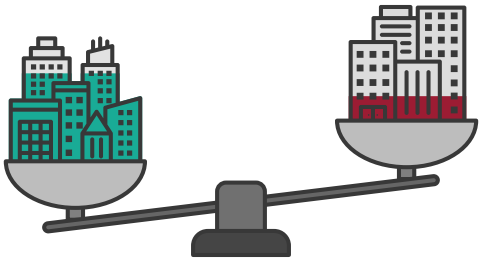


If you were going to purchase a pair of shoes and the cost was $400, you might think it wasn't a very good deal. But if someone contributed $390 and brought your cost down to $10, all of a sudden it's a great deal! The same cost is paid to the shoe people, the shoe quality is the same, but the vastly different total dollar amount coming from your pocket changes the perception instantly.

PLANS AND PERCEPTIONS *CONT'D.*



The same is true of the benefit offerings. One participant thinks the coverage is amazing because their city/town covers the entire monthly cost of the employee's benefits, while another participant might think their value isn't very good because their city/town contributes less, and they must pay more out of pocket each month. It's the same exact plan and coverage, but the perception of good/bad is only based on the cost from your paycheck and really doesn't have anything to do with the plan itself.



Keep in mind that even though your city/town might provide a different benefit contribution, they may provide a higher salary, for example. That is to say, the total compensation package could be similar, just allocated differently.

Ruminations on Plan Structure

Plans with extremely high deductible and out-of-pocket (OOPMax) levels exist in the marketplace. It is certainly one tool used to lower monthly premium costs, but always at the expense of significant additional risk on the shoulders of participants.



Did you know that MMIA has an Employee Benefits Committee and Board of Directors, both of which are made up of representatives from member cities who collaborate to help set our deductible/OOPMax levels? With your collective best interests in mind, the plans currently offered through MMIA represent the balance of cost and risk our committee and board feel comfortable providing for participants in the pool. Remember, a lower monthly premium looks great if you don't have any medical claims but looks much less appealing when medical concerns arise and you are staring down a $9,200 annual deductible like some in the marketplace.

Just some food for thought to consider when viewing plan options compared to other possibilities in the marketplace.

DEDUCTIBLE RESET & OPEN ENROLLMENT

Mid-Year Plan Changes and Deductible and Out-of-Pocket Max Calculations

Participants making medical plan changes during Open Enrollment or due to a qualifying event will also see a change in their deductible and out-of-pocket maximum (OOPMax). How does that work with medical and prescription claims? Let's look at some examples to get a better idea.

In each of the scenarios below, $3,000 in medical claims were reported for the first six months of the calendar year.

SCENARIO 1

- Participant is changing from Bridger to the High Deductible Health Plan (HDHP).
- While on Bridger the first six months, the participant met the $500 deductible and the other $2,500 in claims was processed according to the 20% coinsurance benefit percentage responsibility, resulting in another $500 going toward OOPMAX (or $1,000 total applied to the Bridger OOPMAX).
- The $500 paid toward the deductible in the first six months will count toward the new deductible on the HDHP. And the total $1,000 paid toward the OOPMAX will count toward the new OOPMAX on the HDHP.
- The monthly premium for the final six months will be for the HDHP plan.

SCENARIO 2

- This participant is changing mid-year from HDHP to the Bridger plan.
- All of the $3,000 in the first six months were paid out-of-pocket since they are below the deductible level of $3,200.
- Since the OOPMAX for the Bridger is $2,000 and that has been satisfied by what the participant has already paid in the first six months, any additional approved charges would be paid by the plan at 100%.
- The premium rate beginning in July will be for the Bridger plan.

If you have questions about deductible/OOPMax levels and how your claims are processed, give the Employee Benefits crew a call or email.
Phone: 800-635-3089 option 4 | Email: ebgroup@mmia.net

HIGH DEDUCTIBLE HEALTH PLAN UPDATE

Did You Know?

The IRS mandated increases to the High Deductible Health Plan (HDHP) deductible level for 2025 based on the federal cost index. To remain in compliance and maintain eligibility for Health Savings Accounts for HDHP participants, our plan levels need to adjust slightly for the 2025/2026 plan year, increasing the individual deductible from $3,200 to $3,300. Premium rates will reflect this update. The deductible and out-of-pocket maximum levels for all other MMIA medical plans will remain the same.

MMIA EMPLOYEE BENEFITS
PO Box 6669
Helena, MT 59604-6669
800.635.3089 ext. 4
www.mmiaeb.net

Feeling under the weather? Spring into action and call Teladoc.
800-835-2362

Don't let sickness slow you down



We're here to help you and your family feel better while traveling, at work, or at home—day or night. Wherever you are, you've got access to doctors all year long by phone or video



Get treated for:

- Flu
- Sore throats
- Pink eye
- Bronchitis
- Rashes
- Sinus Infections
- Allergies
- And more

Talk to a doctor 24/7

Teladoc HEALTH

Visit Teladoc.com
Call 1-800-TELADOC (800-835-2362) Download the app