



# Kannapolis City Schools

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## Kannapolis City Schools Substitutes:

As you may already know, the Patient Protection and Affordable Care Act (ACA) will affect the way employers utilize and track time for variable hour employees. For Kannapolis City Schools, this category includes our substitutes.

Each school district is looking at how best to handle the new requirements and Kannapolis City Schools continues to monitor legislation and requirements surrounding ACA with variable hour employees. We began using Aesop, a sub-calling and absence management system, in August of this year to assist us with the required management and reporting.

As it currently stands, beginning January 1, 2015, any substitute working more than 130 hours per month for Kannapolis City Schools, will be offered the North Carolina State Health Plan's High Deductible Health Plan (HDHP). Coverage will be offered for the duration of the time the substitute meets the eligibility requirements. The HDHP is considered a bronze-level plan, as defined under the ACA. It is a partly contributory plan with 50/50 coverage. More information on this plan is available at [shpnc.org/HDHP](http://shpnc.org/HDHP).

Substitutes who are retired and receiving benefits from the Teacher and State Employee Retirement System (TSERS) and working more than 130 hours per month for Kannapolis City Schools, must move to the new State Health Plan HDHP and give up their retiree coverage through TSERS. TSERS retirees who decline or waive the offer of HDHP will still lose their state retiree health coverage for the time during which they continue to meet the HDHP eligibility requirements. Retirees covered under the American Military Retirees Association TRICARE Supplement Plan are the exception to this; they will be allowed to decline the HDHP and remain on TRICARE without penalty. For more information, please visit [shpnc.org](http://shpnc.org).

Substitutes not currently receiving benefits from the TSERS and meeting the eligibility threshold for coverage will be offered the HDHP. Substitutes not currently receiving benefits from TSERS can decline or waive the offer of HDHP and continue coverage under their current plan, depending on the regulations for that coverage.

Thank you for your willingness to substitute with Kannapolis City Schools. We will work to keep you updated.

# High Deductible Health Plan For Newly Eligible Employees Fact Sheet



- The General Assembly recently passed legislation to create a new eligibility category for non-permanent full-time employees to comply with the Affordable Care Act (ACA). This directs the State Health Plan to offer a health benefit for these “newly eligible” employees that is not greater than the “bronze level” as defined under the ACA.
- As a result, the State Health Plan will be offering these newly eligible employees a High Deductible Health Plan (HDHP), which meets the bronze-level requirement.
- The legislation makes employing units responsible for determining the full-time status of employees in accordance with Section 4980H of the Internal Revenue Code for the purposes of eligibility for this plan. As such, the State Health Plan will not be able to advise employing units regarding an employee’s eligibility.
- Each employer will determine who is eligible for this plan. As a general example, however, these newly eligible employees include non-permanent employees who work at least 30 hours per week. These employees were not previously offered State Health Plan coverage.
- If you are an employee considering this plan, please note: **Check with your employer’s Human Resources department to confirm your eligibility prior to enrolling in this plan.**
- The HDHP will be administered by [MedCost](#) and use the [MedCost PPO Network](#) of providers.
- Employees who enroll in this plan will receive a monthly premium bill from COBRAGuard, the Plan’s billing administrator. **Members who do not pay their monthly premium bill in a timely manner will be terminated from this plan.**
- Open Enrollment (OE) for newly eligible employees will be flexible for groups that require additional time to determine who is eligible for this benefit. Final dates will be coming soon.
- Benefit choices made during Open Enrollment are for benefits effective Jan. 1, 2015, through Dec. 31, 2015. Enrollment for this plan will be available online only.

- The State Health Plan will be producing an enrollment guide, a benefit booklet and other materials for employees eligible for this plan. HBRs will be responsible for distributing the enrollment guide (electronic version only) to eligible employees.

### HDHP Rates and Benefit Summary

Coverage Type	Employer Share (Employing Unit)	Employee Monthly Premium	Dependent Monthly Premium	Total Monthly Employee Premium
Employee-only	\$117.62	\$92.38	N/A	\$92.38
Employee + Child(ren)	\$117.62	\$92.38	\$169.78	\$262.16
Employee + Spouse	\$117.62	\$92.38	\$376.56	\$468.94
Employee + Family	\$117.62	\$92.38	\$470.56	\$562.94

Benefit Design	Individual Coverage	Family Coverage
<b>Medical Benefits</b>		
Individual Deductible	\$5,000	\$10,000
Out-of-Pocket Maximum	\$6,450	\$12,900
Coinsurance	Covered at 50%	
<i>Non-network benefits will be paid at 40%. The non-network deductible and out-of-pocket maximum will be 2 times the in-network amounts.</i>		
<b>Pharmacy Benefits</b>		
ACA Preventive Pharmacy	Covered at 100%	
The pharmacy benefit will be managed by Express Scripts, use its National Preferred Formulary (drug list) and include its broad retail pharmacy network.		