Smart Plans

Peanut butter and jelly.
Macaroni and cheese.
Salt and pepper.

They are things that just go better together.

Smart Plans are a way to save time and money while still receiving the best in health care coverage.

By pooling resources and providing a consistency of benefits, we can all be better together and achieve stability and affordability when it comes to health insurance benefits.

Smart Plans are

Simple:

Pick and choose from eight plans

- Five deductible levels available
- Coinsurance ranges from 80% to 100% after deductible
- All plans are HSA-qualified and include free coverage for preventative prescriptions

Smart Plans are

Valuable:

Important first-dollar coverage on all plans, including:

- Three mental health visits via EAP
- On-site biometric screenings and routine physicals
- Minimal out-of-pocket expense

Smart Plans are

Rewarding:

Members can save up to $2,000 and earn up to $1,000 in additional rewards by choosing Top Value providers:

- Top Value benefits are available for certain procedures when members are able to elect when and where to receive the eligible service
- Top Value providers are proven to be high quality and low cost
- Generous travel benefits are available to afford traveling to Top Value providers

Get smart with our Smart Plans

Sourcewell

Choose up to four plans.

About our 2023 Smart Plans

	Plan 1: *100% after Min Ded per Single*	Plan 2: *Top Value Min Ded per Single*	Plan 3: *100% after Min Ded per Family*	Plan 4: *Top Value Min Ded per Family*	Plan 5: *100% after Max Contrib per Single*	Plan 6: *Top Value Max Contrib per Single*	Plan 7: *Min Value Ded same as Plan 6 OOP*	Plan 8: *Min Value Max Ded per Single*
Actuarial Value[3]	87.7%	81.9%	80.2%	75.5%	76.9%	72.6%	70.6%	66.5%
Deductible per Single[2]	$1,500	$1,500	$3,000	$3,000	$3,850	$3,850	$5,850	$7,500
Ded per Family Person	$3,000	$3,000	$3,000	$3,000	$3,850	$3,850	$5,850	$7,500
Ded per Family Total	$3,000	$3,000	$6,000	$6,000	$7,700	$7,700	$11,700	$15,000
% Paid by Plan After Ded[1]	100%	80%	100%	80%	100%	80%	100%	100%
Out-of-Pkt Max per Single	$1,500	$3,500	$3,000	$5,000	$3,850	$5,850	$5,850	$7,500
OOP Max per Family Person	$3,000	$7,000	$3,000	$5,000	$3,850	$5,850	$5,850	$7,500
OOP Max per Family Total	$3,000	$7,000	$6,000	$10,000	$7,700	$11,700	$11,700	$15,000

*All plans automatically index annually, please see page 5 for projections.

[1]After deductibles on all Smart Plans, the Plan pays 100% of the cost of qualifying care received at Top Value providers, as well as provides up to $1,500 of travel benefit when used to see Top Value providers.

[2]Deductible need not be met first to receive benefits for preventive prescriptions on all Smart Plans; instead, copays of either $0 for generic or $50 for brand-name drugs on the approved list will apply.

[3]Actuarial values approximate the percentage of claims that are expected to be paid by the plan for a given population, based on applying the scheduled benefits against the claims experience of a large national population. Actuarial values are calculated using the 2023 ACA AV calculator from CMS. Actuarial values will increase significantly with even modest amounts of employer contributions to HSAs, HRAs, or VEBAs.

See Sourcewell's "AVs at Various Contribution Levels" for more information.

Simple

Eight plans: Choose up to four plans

- Five deductible levels available
- Five plans have 100 percent coinsurance after deductible for all care
- Three plans have 80% coinsurance, and 100% coinsurance at Top Value providers
- All plans are HSA-qualified and include free coverage for preventive prescriptions

Valuable

Important first-dollar coverage on all plans, including:

- Preventive prescriptions
- Three mental health visits via EAP
- Onsite biometric screenings and routine physicals
- Flu shots

Out-of-pocket max kept as low as possible

- Equal to deductible on three plans
- For three other plans, coinsurance of up to $2,000/person can be minimized by seeking care at Top Value providers
- At the statutory max on only one plan

Actuarial values of plans, with or without account contributions, to match most any other plan

Pricing available upon request

*Not advisable to offer employees plans 1 or 2 with plans 3 or 4

Evolved

- Elimination of uncommon plan design features, including fourth-quarter deductible carryforward and special accident provisions.
- Inclusion of commonly excluded items such as bariatric surgery, infertility diagnosis, and acupuncture treatments
- Free access to mental health assistance via EAP
- Low-cost virtual health visits via Virtuwell and Doctors on Demand

Transparent

- All plans are designed so members have reason to care about cost at all levels
- Plan features that hide or distort medical costs (such as copays) have been reduced
- Tools to help with cost estimation as well low-cost care options

Inflation-adjusted

- Deductibles and out-of-pocket maximums adjust annually on group renewal date
- IRS HSA index is benchmark, released in June each year
- Allows actuarial values of plans to stay constant, and thus provides benefits stability
- Enables bargaining units better ability to focus on rates and contributions

HSA-eligible

- All plans are HSA-eligible
- Groups do not have to offer HSAs
- All plans work with VEBAs, HRAs, and FSAs

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Preventive

- Preventive services include Omada pre-diabetic program and on-site biometric testing
- Free access to preventive generic prescriptions

Rewarding

- Members can save up to $2,000 and earn up to $1,000 in additional rewards by choosing Top Value providers
- Top Value care is available for procedures where member elects when and where to receive the service (i.e., not emergencies)
- Top Value providers are proven to be high quality and low cost
- Get up to $1,500 in travel benefits for choosing Top Value providers

Affordable

- Simplified administration means ability to negotiate attractive administrative fees
- Improved utilization of Top Value providers will help lower overall plan costs
- Pricing available upon request

Easy-to-Change To

- Current plans (if not Smart Plans) can be maintained up to two years without extra charges
- Tools available to help compare current plans to Smart Plans

Top care, Top Value

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You don't have to sacrifice quality when utilizing a Top Value provider. After deductibles on all Smart Plans with open access accounts, we pay 100% of the cost of qualifying care received at Top Value providers, as well as up to $1,500 in travel benefits when used to see Top Value providers.

Top Value Providers, Plus Rewards!

Receive these valuable rewards for electing to use Top Value providers.

Top Value Providers (click the service below to see providers) Procedure Eligible for Top Value Incentive even if member has met their out-of-pocket maximum*	Gift Card Amount Smart Plans 1, 3, 5, 7, 8 100/0 Plans	Gift Card Amount Smart Plans 2, 4, 6 80/20 Plans
Spine Surgery	$1,000	$500
(Arthroscopic) Shoulder Surgery	$1,000	$500
Hip Replacement & Revision	$1,000	$500
Knee Replacement & Revision	$1,000	$500
Cardiac Ablation	$1,000	$500
Arthroscopic Knee Surgery	$500	-
Gallbladder Surgery	$500	-
Hernia Surgery, Inguinal	$500	-
Cataract Surgery	$500	-
Carpal Tunnel Surgery	$200	-
Rotator Cuff Surgery	$200	-
Cardiac Catheterization / Angioplasty	$200	-
Tonsil/Adenoid Surgery	$200	-
Ear Tubes	$200	-

*Reward is payable during the first quarter of the calendar year following the year in which the procedure occurs and is taxable to the member in the year of receipt. This reward does not disqualify a member from contributing to a Health Savings Account. The reward is based on our annual review of data provided from HealthPartners' informatics team showing the average total savings when these procedures are performed at Top Value providers. The Top Value provider list is updated annually based on both quality and cost data.

Top Value benefits apply only to Smart Plans with Open Access or Perform networks; not available with other network plans.

Top Value Travel Benefit

Purpose	Offers affordable access to Top Value providers
Total travel benefit limit	$1,500 per person, per year at Top Value provider
Min. distance for reimbursement	Provider must be at least 50 miles from home
Max. lodging reimbursement	$150 per day of lodging as required for prep and surgery
Transportation type	Economy/coach fare for train, airplane, or bus; car reimbursement is per mile
Top Value Communication Resources	Teach your employees more about this program

Key Smart Plan Benefit Reference Tools (click the title to see the list)

Description	Benefit Notes
List of Preventive Prescriptions	• No deductible • Generic: $0 copay • Brand: $50 copay
Full Prescription Formulary List	• Deductible and coinsurance apply

No funny business

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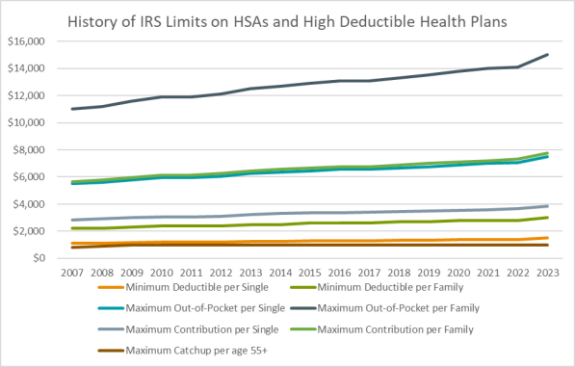
No one likes surprises when it comes to health insurance. Smart Plans are inflation-adjusted, meaning there's no need to negotiate changes in deductibles. Plan values remain constant and stable – something we can all appreciate.

History (and Projection) of IRS Limits on HSAs and HDHPs							
Year	Minimum Deductible per Single	Minimum Deductible per Family	Maximum Out-of-Pocket per Single	Maximum Out-of-Pocket per Family	Maximum Contribution per Single	Maximum Contribution per Family	Maximum Catchup per age 55+
2004	$1,000	$2,000	NA	NA	$2,600	$5,150	$500
2005	$1,000	$2,000	NA	NA	$2,650	$5,250	$600
2006	$1,050	$2,100	NA	NA	$2,700	$5,450	$700
2007	$1,100	$2,200	$5,500	$11,000	$2,850	$5,650	$800
2008	$1,100	$2,200	$5,600	$11,200	$2,900	$5,800	$900
2009	$1,150	$2,300	$5,800	$11,600	$3,000	$5,950	$1,000
2010	$1,200	$2,400	$5,950	$11,900	$3,050	$6,150	$1,000
2011	$1,200	$2,400	$5,950	$11,900	$3,050	$6,150	$1,000
2012	$1,200	$2,400	$6,050	$12,100	$3,100	$6,250	$1,000
2013	$1,250	$2,500	$6,250	$12,500	$3,250	$6,450	$1,000
2014	$1,250	$2,500	$6,350	$12,700	$3,300	$6,550	$1,000
2015	$1,300	$2,600	$6,450	$12,900	$3,350	$6,650	$1,000
2016	$1,300	$2,600	$6,550	$13,100	$3,350	$6,750	$1,000
2017	$1,300	$2,600	$6,550	$13,100	$3,400	$6,750	$1,000
2018	$1,350	$2,700	$6,650	$13,300	$3,450	$6,900	$1,000
2019	$1,350	$2,700	$6,750	$13,500	$3,500	$7,000	$1,000
2020	$1,400	$2,800	$6,900	$13,800	$3,550	$7,100	$1,000
2021	$1,400	$2,800	$7,000	$14,000	$3,600	$7,200	$1,000
2022	$1,400	$2,800	$7,050	$14,100	$3,650	$7,300	$1,000
2023	$1,500	$3,000	$7,500	$15,000	$3,850	$7,750	$1,000
Forecast for next 5 years, trending based on prior 5 years							
2024	$1,550	$3,100	$7,600	$15,200	$3,950	$7,900	$1,000
2025	$1,600	$3,200	$7,700	$15,400	$4,050	$8,100	$1,000
2026	$1,650	$3,300	$7,800	$15,600	$4,150	$8,300	$1,000
2027	$1,700	$3,400	$7,900	$15,800	$4,250	$8,500	$1,000
2028	$1,750	$3,500	$8,000	$16,000	$4,350	$8,700	$1,000



5-Year Projection of Key Smart Plan Provisions*							
Plan	Plan Provision	2023	2024	2025	2026	2027	2028
1	Ded/single	$1,500	$1,550	$1,600	$1,650	$1,700	$1,750
	Ded/family	$3,000	$3,100	$3,200	$3,300	$3,400	$3,500
	OOP/single	$1,500	$1,550	$1,600	$1,650	$1,700	$1,750
	OOP/family	$3,000	$3,100	$3,200	$3,300	$3,400	$3,500
2	Ded/single	$1,500	$1,550	$1,600	$1,650	$1,700	$1,750
	Ded/family	$3,000	$3,100	$3,200	$3,300	$3,400	$3,500
	OOP/single	$3,500	$3,550	$3,600	$3,650	$3,700	$3,750
	OOP/family	$7,000	$7,100	$7,200	$7,300	$7,400	$7,500
3	Ded/single	$3,000	$3,100	$3,200	$3,300	$3,400	$3,500
	Ded/family	$6,000	$6,200	$6,400	$6,600	$6,800	$7,000
	OOP/single	$3,000	$3,100	$3,200	$3,300	$3,400	$3,500
	OOP/family	$6,000	$6,200	$6,400	$6,600	$6,800	$7,000
4	Ded/single	$3,000	$3,100	$3,200	$3,300	$3,400	$3,500
	Ded/family	$6,000	$6,200	$6,400	$6,600	$6,800	$7,000
	OOP/single	$5,000	$5,100	$5,200	$5,300	$5,400	$5,500
	OOP/family	$10,000	$10,200	$10,400	$10,600	$10,800	$11,000
5	Ded/single	$3,850	$3,950	$4,050	$4,150	$4,250	$4,350
	Ded/family	$7,700	$7,900	$8,100	$8,300	$8,500	$8,700
	OOP/single	$3,850	$3,950	$4,050	$4,150	$4,250	$4,350
	OOP/family	$7,700	$7,900	$8,100	$8,300	$8,500	$8,700
6	Ded/single	$3,850	$3,950	$4,050	$4,150	$4,250	$4,350
	Ded/family	$7,700	$7,900	$8,100	$8,300	$8,500	$8,700
	OOP/single	$5,850	$5,950	$6,050	$6,150	$6,250	$6,350
	OOP/family	$11,700	$11,900	$12,100	$12,300	$12,500	$12,700
7	Ded/single	$5,850	$5,950	$6,050	$6,150	$6,250	$6,350
	Ded/family	$11,700	$11,900	$12,100	$12,300	$12,500	$12,700
	OOP/single	$5,850	$5,950	$6,050	$6,150	$6,250	$6,350
	OOP/family	$11,700	$11,900	$12,100	$12,300	$12,500	$12,700
8	Ded/single	$7,500	$7,600	$7,700	$7,800	$7,900	$8,000
	Ded/family	$15,000	$15,200	$15,400	$15,600	$15,800	$16,000
	OOP/single	$7,500	$7,600	$7,700	$7,800	$7,900	$8,000
	OOP/family	$15,000	$15,200	$15,400	$15,600	$15,800	$16,000

*Note: This chart estimates what the key plan provisions will be for our Smart plans for the next 5 years, based on our projection of what the IRS will establish for HSA and HDHP limits in the corresponding years.

Smart and simple

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Take the guesswork out of claims and covered benefits. All Smart Plans are designed so members have reason to care about cost at all levels. Estimate costs with the group and personal comparison templates found on pages 7 and 8.

Actuarial Values at Various Contribution Levels

2023 Plan Descriptions	Smart Plan 1: 100% after Min Ded/Single	Smart Plan 2: Top Value Min Ded/Single	Smart Plan 3: 100% after Min Ded/Family	Smart Plan 4: Top Value Min Ded/Family	Smart Plan 5: 100% after Max Contrib/Single	Smart Plan 6: Top Value Max Contrib/Single	Smart Plan 7: Min Value OOP same as Plan 6	Smart Plan 8: Min Value Max Ded/Single
Deductible/Single	$1,500	$1,500	$3,000	$3,000	$3,850	$3,850	$5,850	$7,500
Coinsurance	100/0	80/20	100/0	80/20	100/0	80/20	100/0	100/0
OOP Max/Single	$1,500	$3,500	$3,000	$5,000	$3,850	$5,850	$5,850	$7,500
Actuarial Value (per CRM HSA calculator) if Annual Employer Contribution to Accounts (HSA, FSA, or HRA/VEBA) for Singles on this plan is:								
$0	87.7%	81.9%	80.2%	75.5%	76.9%	72.6%	70.6%	66.5%
$250	90.3%	84.6%	82.8%	78.1%	79.5%	75.2%	73.2%	69.2%
$500	92.7%	86.9%	85.1%	80.4%	81.8%	77.6%	75.6%	71.5%
$750	94.8%	89.0%	87.2%	82.5%	83.9%	79.7%	77.7%	73.6%
$1,000	96.7%	90.9%	89.1%	84.4%	85.8%	81.5%	79.6%	75.5%
$1,250	98.4%	92.7%	90.9%	86.2%	87.5%	83.3%	81.3%	77.2%
$1,500	100.0%	94.2%	92.4%	87.7%	89.1%	84.9%	82.9%	78.8%
$1,750	100.0%	94.2%	93.9%	89.2%	90.6%	86.3%	84.4%	80.3%
$2,000	100.0%	94.2%	95.3%	90.6%	92.0%	87.7%	85.7%	81.7%
$2,250	100.0%	94.2%	96.6%	91.9%	93.3%	89.0%	87.0%	82.9%
$2,500	100.0%	94.2%	97.8%	93.1%	94.5%	90.2%	88.2%	84.2%
$2,750	100.0%	94.2%	98.9%	94.2%	95.6%	91.3%	89.4%	85.3%
$3,000	100.0%	94.2%	100.0%	95.3%	96.7%	92.4%	90.5%	86.4%
$3,250	100.0%	94.2%	100.0%	95.3%	97.7%	93.4%	91.5%	87.4%
$3,500	100.0%	94.2%	100.0%	95.3%	98.7%	94.4%	92.5%	88.4%

Note: Actuarial values approximate the percentage of claims that are expected to be paid by the plan for a given population, based on applying the scheduled benefits against the claims experience of a large national population. As an example, assuming a sample group who currently has a plan valued 92-93% AV, they could consider any of the highlighted new Smart Plan design options to replace their current plan and receive similar overall value. All AV's were determined using the 2023 AV calculator from the CMS.

Group Plan Comparison Template

This template is designed to serve as a guide for groups and their brokers to develop a thorough comparison of key metrics between Sourcewell Smart Plans and any other plan offered by Sourcewell or others. Data for Smart Plan 4 is illustrated as an example. Please consider including all listed metrics as you or your broker prepare your own custom analysis. Feel free to reach Sourcewell for assistance in creating any comparisons custom to your group.

Sourcewell

	Sourcewell Smart Plan	Other Plan
Deductible per Single	$3,000	
Deductible per Person in Family	$3,000	
Deductible per Family	$6,000	
Deductible waived for Preventive Rx?	Yes	
Coinsurance (if any) After Deductible	80/20 (waived if all care at Top Value)	
Out-of-pocket Maximum per Person	$5,000 ($3,000 if all care at Top Value)	
Out-of-pocket Maximum per Person in Family	$5,000 ($3,000 if all care at Top Value)	
Out-of-pocket Maximum per Family	$10,000 ($6,000 if all care at Top Value)	
Wellness and other health plan quality improvement resources included	Wellness program manager, portal, incentives, and grants; workout assistance; EAP; flu shots; biometric screenings; multiple case and disease management programs; Omada preventative weight-loss, diabetes, and hypertension management programs; Progyny infertility assistance	
Cost Comparison		
Base Premium (A)		
Extra (B) for:	No additional costs for the following valuable services:	Cost/value estimates for services (if not provided by other plan):
Preventive Rx	$0	2.5% of expected claims
Open Access Network	$0	$10 PEPM
Full Reporting	$0	$10 PEPM
Wellness	$0	$40 PEPM
Total (A+B)		
Other		
Renewal Date Options	7/1 or 1/1	
Rate Tiers	2, 3, or 4 tier	
Rate Stabilization Methodology	Minimize high/low increase gap; migrate all pool to Smart Plans	
Pool Service (not including actuarial, legal, marketing)	Sourcewell - 2.5 FTE's	
Carrier Service	HealthPartners Public Sector Team	
Claims reporting	Full and timely, sufficient for RFPs any time of year	
Vendor review and RFP	Every 4 years	
Fees to Unions	$0	
Fees to Brokers	As requested by group	

Personal Comparison Template

This template is designed to provide members with the decision support needed to compare their current plan versus an equivalent Smart Plan.
We understand medical expenses vary from year to year. This tool helps people understand those scenarios and make educated decisions.

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Personal 12-month comparison of current plan vs equivalent Smart Plan				
	Current Plan		**Smart Plan**	
Plan name*	1000-80-3000		Plan 4: 3000-80	
Coverage tier	Single	Family	Single	Family
Total monthly premiums*	$600	$1,300	$450	$1,100
Extra saved annually	$0	$0	$1,800	$2,400
Deductible per person*	$1,000	$2,000	$3,000	$6,000
Out-of-pocket max per person*	$3,000	$6,000	$5,000	$10,000
Best-case (premium cost, not including any $ saved; use only free preventive coverage)	$7,200	$15,600	$5,400	$13,200
Average-case (best-case, plus assume one person in family hits deductible)	$8,200	$16,600	$8,400	$16,200
Worst-case (best-case, plus assume one person in family hits out-of-pocket)	$10,200	$21,600	$10,400	$23,200

Note to user: simply complete the highlighted fields, entering the plans to compare, and their total monthly premiums, deductibles, and out-of-pocket maximums. This calculator determines the total spent on premiums overall, plus the amount spent on claims by the member. Any employer contributions will reduce these totals but is not accounted for in this model.* ***Please feel free to reach Sourcewell or contact your broker for assistance in creating any comparisons custom to your group.*