

## July 11 2017 Member Alert

### Consumer-Directed Health Plan No Longer Available in 2018 Plan Year *Health Reimbursement Account Will NOT Roll Over For Use in 2018*

The State Health Plan's Board of Trustees, under the leadership of State Treasurer Dale R. Folwell, CPA, has approved changes to the State Health Plan that are effective for the benefit plan year beginning January 1, 2018. The benefit changes are designed to provide Plan members with stability and predictability in benefits and begin the task of lowering the state's \$43 billion in unfunded liabilities for retiree health benefits.

In addition, we are taking advantage of our buying power and making family premiums more affordable. The Plan is constantly working to provide the best return on investment as well as reducing complexity and building value for all Plan members.

Specifically, the Board of Trustees voted to eliminate the Consumer-Directed Health Plan (CDHP) for 2018. The goal in eliminating this plan option is to reduce complexity and provide long-term financial stability to the Plan. This plan option is known as the "richest" and, as such, presents a significant liability to the state.

**Because the CDHP is being eliminated, the Health Reimbursement Account (HRA) will not roll over for use in 2018.** HRA funds provide first dollar payments for covered services and benefits to members and are not actual funds that can be reimbursed or paid to members. **The HRA funds will only be available for claims incurred in 2017 and submitted for processing before March 31, 2018.** Please plan accordingly for the remainder of the year regarding any unused HRA funds.

The CDHP's Health Engagement Program will continue to be offered through December 31, 2017, but it is important to note that any incentive funds received as a result of any of the designated activities will not roll over and will only be available for claims incurred in 2017.

More information regarding your 2018 health plan options will be sent to you prior to Open Enrollment, which will take place in October. Please make sure to read all health plan information. For more information regarding your plan benefits visit [www.shpnc.org](http://www.shpnc.org).