

Hope College Benefit Plan Update

Open enrollment is one of those times in a year that the College, and each employee, is able to hit the “reset” button and discern how best to utilize our benefit package. For us in the Human Resources Office, it begins with a detailed overview from our vendors as to where our costs are being incurred, what are the increases for next year, and how can we negotiate them to be less! We also take an in-depth review of what new premiums mean specifically for each enrolled person and evaluate it compared to anticipated wage increases. Open enrollment also allows us to examine what is new in the marketplace that we can potentially offer.

Some of the good news in our benefit packaging this year:

- Our dental premiums went down. You read that correct. In this inflationary time this is good news!
- We were expecting large increases in our health expenditures during 2021 due to postponed procedures taking place. This did not happen! We did incur some new costs, perhaps from COVID testing, etc., but the increase in spending was not significant in medical.
- One of the new programs we began last year for discount couponing with specialty drugs was Prudent Rx and it is doing exactly what we had hoped for.

Some of the challenges we continue to experience:

- Specialty drugs. While the couponing has helped, specialty drug costs continue at a level that is unsustainable. This is a national issue that will take governmental intervention to address. We continue to implement every step our providers allow in an effort to contain some of these costs.
- Medical inflation of around 7%. Not unexpected given the large number of COVID hospitalizations and ongoing medical issues created by the disease.
- Our family premiums continue to be well below market. You might wonder why this would be a negative but what it means is that we are out of sync with how premiums impact single vs. double vs. family. We have been working on this the past couple of years and will continue to adjust premium increases more on the family level tier vs. other tiers.

Specific Changes for 2022-23:

Medical / Rx - To help offset some of the 7% increase in medical& Rx, we have made the following changes:

- Our copays for primary care physicians (PCP) will increase to \$25 per visit (was \$20).
- Orange plan out of pocket maximums will now be \$7150 (was \$7000).
- Premiums were increased in stages from 1% for our lowest wage earners up to 12% for our highest wage earners.
- New medical insurance ID's will be coming from BCBS due to some federal changes.

Dental / Vision- Dental went down 2.4%; Vision stayed the same.

LTD/Life- A new vendor, Sun Life, which will not impact your premiums, rates, or coverage levels but offers the college some savings. It is a great time however to review what coverage you have.

Finally, given this is my last letter to you regarding benefits, I want to thank you for allowing me the opportunity to have served you as I have sought to bring you the best package possible every year.

Lori Mulder
Director of Human Resources