Why you shouldn't brush off open enrollment

Division of Human Resources
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Benefits open enrollment has started. Whether you are single or have a partner, are raising children, are a caretaker for an adult or aging parent, have just entered the workforce or are getting ready for retirement, you have important decisions to make.

Benefits open enrollment is the only time of year all benefits-eligible employees are given the opportunity to change their benefit elections without a qualified life event, such as birth of a child, marriage or loss of other coverage. Even though no action is required for most benefits this year, there are plenty of reasons you should spare some time to review your benefits during this period, which ends on Nov. 18.

Below are some life stage scenarios and benefits you might want to consider. Please note that the following scenarios are broad descriptions, and you probably do not fit neatly in any one of them. These benefit options are available to all benefits-eligible employees, no matter your individual situation.

Single with no children or dependents

If you receive mostly preventive and routine care and do not have to worry about others’ health care, then compare the High-Deductible Health Plan with Health Savings Account against the Triple Choice Plan. In addition to the HDHP’s lower premiums – compared with the TCP – the University contributes $720 to a health savings account for single employees ($1,440 for families). HSAs are used to set aside money pre-tax to use for things like bandages, birth control, chiropractic care, contact lenses, counseling, lab fees and more. And funds in your HSA are never forfeited, even if you leave the University.

If you choose the TCP, you might consider a health care flexible spending account, which also allows you to set aside money pre-tax to use for qualified medical expenses. Even if you are enrolled in the HDHP with HSA, the limited FSA is still an option for dental and vision expenses.

If you are early in your career, this season of your life may be a great time to start regularly putting some extra cash aside in a supplemental retirement plan so that it can grow for decades. The voluntary 403(b) Plan and 457(b) Deferred Compensation Plan both have pre-tax and Roth options and allow you to contribute even a small amount of money.

Parent with children or a caregiver with dependents

Consider adding a dependent care FSA to your benefits plan. The dependent care FSA allows you to set money aside pre-tax for dependent care expenses that are incurred to allow you to attend work or school. Some examples of eligible expenses include childcare, nannies, babysitters, summer or day camps, and even elder care. This benefit can be used for your children under the age of 13 and a family member or adult who is unable to care for themselves.

When looking at health coverage for multiple people, be sure to weigh the two options available to you. The Triple Choice Plan has fixed copays and may have more predictable costs at the time of service and lower out-of-pocket costs if you experience unexpected medical expenses. The HDHP plan has higher deductibles, but the University contributes $1,440 to your family’s HSA.

If you have TCP coverage and don't already participate in a health care FSA, keep in mind that eligible expenses include things important to current and future parents, like orthodontia, breast pumps, speech therapy, childbirth classes and doula. If you choose the HDHP, HSAs cover similar qualified medical expenses.

At this stage in your life, short-term disability insurance might be something for you to consider. Enrolling in short-term disability is voluntary and provides income during the six-month waiting period before long-term disability benefits begin. There are two plans available and they can be compared on the Life and Disability Insurance page.

Similarly, if you haven't considered supplemental life insurance, now might be a good time to take a look.

Empty nester and thinking about retirement

You might be in a situation where your children are on their own and your family makeup is different than it had been for many years. During this year's open enrollment, take a close look at your medical insurance plans. Do you have different needs than in the past? Review the HDHP plan if you have not done so already. The HSA that comes with the HDHP can be another vehicle to help you save for medical expenses in retirement.

Also, think about if your previous medical insurance choices were based on provider networks. If you no longer insure your children, take another look at the health insurance carrier networks to see how they fit your needs now.
Once again, if you choose the TCP, a health care FSA can be helpful during this phase in your life, as it can help cover expenses related to changing health needs, such as eyeglasses and optometrists, fitness programs if prescribed by a physician, home medical equipment and prescription drugs. HSAs cover similar expenses for HDHP participants.

This may also be a period to reevaluate your and your family’s personal financial landscape*. You might consider looking at your supplemental life insurance or dependent life contributions or taking a deeper look at your retirement savings. Are you effectively using the options available to reduce your taxable income? Note that after age 50, the contribution limit increases for supplemental retirement plans.

Finally, if you have not reviewed your declared dependents and beneficiaries in a while, make sure to check the people you listed for life insurance and medical/dental/vision coverage and the allocated amounts for each beneficiary.

Remember, these scenarios are broad generalizations. Everyone’s situation is different, and the options listed above are not a comprehensive representation of the options available to you.

If you have any questions, please reach out to the Division of Human Resources at:

- Main Campus: hrsolutions@arizona.edu, 520-621-3660
- Health Sciences – Tucson: HR-UAHS@arizona.edu, 520-626-5593
- Health Sciences – Phoenix: HR-PHX@arizona.edu, 602-827-2600

*For financial decisions: Remember that you can schedule complimentary meetings with one of the University’s financial providers for individualized advice.

- ABOR-approved financial providers
- ComPsych FinancialConnect

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