

Dear Faculty and Staff,

Open Enrollment for the 2027 plan year runs now through November 4th. This year, there are several important changes to UAH's employee benefits, including medical premium increases, changes to medical plan design, and a transition to a new pharmacy benefit manager.

We recognize that these changes have a real impact on employees and their families. We believe it is important to be transparent about what is changing, why these decisions are necessary, and what they mean for you as you consider your benefits for the coming year.

Why Are Benefits Changing?

The cost of health care continues to rise, including the cost of prescription medications and pharmacy services. These increases put growing financial pressure on employer-sponsored health plans. As health care and pharmaceutical costs continue to rise, we must take proactive, actionable steps to help manage these increases and maintain the long-term financial health of UAH's employee benefits plan.

For 2027, this includes adjustments to medical premiums and certain plan design features, as well as a transition to a new pharmacy benefit manager. We recognize that these changes may affect employees and their families, and we want to be transparent about what is changing and why.

Our commitment remains to provide valuable benefits to our employees while responding responsibly to rising costs and supporting the long-term sustainability of our benefits plans. We encourage you to review the changes outlined below, compare your options, and take advantage of the resources available during Open Enrollment to make informed decisions for yourself and your family.

What's Changing for 2027?

Medical and Dental Premiums

The updated premium schedules can be found in both the 2027 Benefit Summary Guide and the Open Enrollment Presentation on the Open Enrollment Website.

- PPO and HDHP premiums will increase by 4%, representing approximately $2–$10 more per paycheck, depending on coverage.
- Dental premiums will increase by 5%.

Medical Plan Design Changes

In addition to premium increases, certain medical plan deductibles and copays will change for 2027. We encourage you to review the plan details carefully and consider your anticipated health care needs when choosing coverage for 2027.

PPO Plan		
Plan Feature	**Current**	**2027**
PPO Medical Calendar Year Deductible	$150	$250
PPO Emergency Room Copay	$150	$250
PPO Outpatient Surgery Per Admission Copay	$150	$250
High Deductible Health Plan (HDHP)		
Plan Feature	**Current**	**2027**
HDHP Individual/Family Deductible	$1,700/$3,400	$1,800/$3,600
HDHP Individual/Family Out of Pocket (OOP) Maximum	$3,500/$7,000	$4,000/$8,000

Pharmacy Benefits: Transition to Judi Rx

Effective January 1st, 2027, UAH's Pharmacy Benefit Manager (PBM) will transition from Prime Therapeutics to Judi Rx.

We understand that changes to pharmacy benefit management may raise questions about your prescription drug coverage. To help employees prepare for the transition, UAH has partnered with Judi Rx to develop a dedicated microsite where you can find answers to common questions and review applicable changes.

Judi Rx will also host two virtual information sessions to provide additional information and answer questions about the transition. Registration details are available on the Open Enrollment website.

Benefit Enhancements

Higher Tax-Advantaged Contribution Limits

- **Health Savings Account (HSA):** $4,500 for individual coverage and $9,000 for family coverage. The $1,000 catch-up contribution remains available for eligible participants.
- **Health Care Flexible Spending Account (FSA):** $3,400 maximum annual contribution.
- **Dependent Care FSA:** $7,500, or $3,750 for married individuals filing separately.

New and Expanded Health Resources

- **Iris by OncoHealth:** UAH is introducing Iris by OncoHealth, a cancer support program available at no cost to members through Blue Cross Blue Shield. Iris provides personalized guidance and resources for individuals navigating cancer, as well as their caregivers.
- **Expanding Hinge Health Services:** Hinge Health is expanding its offerings to include migraine care, alongside its existing musculoskeletal (MSK) and women's health resources.
- **Colorectal Cancer Screening Outreach:** UAH is expanding its efforts to promote preventive care through targeted outreach to individuals over age 45 who have not yet completed a colorectal cancer screening. This initiative will help individuals learn more about available screening options, including Cologuard, an at-home screening option.

Other Resources

Beneficiary Updates

Life is unpredictable, and changes can happen. It is essential to review and update your beneficiary designations for your life insurance and retirement benefits whenever changes occur. Ensuring that your beneficiaries are current gives you peace of mind, knowing that your assets will be distributed according to your wishes. You can change your beneficiaries at any time throughout the year. However, Open Enrollment is an excellent opportunity to review your beneficiary designations and ensure they are current.

BCBS Web and Mobile App Features

Getting Started | Online Tools | Mobile App

Blue Cross Blue Shield of Alabama offers a variety of features through their web and mobile app tools. MyBlueCross and the mobile app contain a Virtual ID card feature. They also offer a deductible tracker to keep track of medical costs and how they apply toward your deductibles each year.

Health Notices

- **Important Annual Benefits Notices:** As part of Open Enrollment, UAH is providing employees with access to important annual benefits notices, including the Medicare Part D

Creditable Coverage Notice. These notices are available electronically through the Open Enrollment materials and benefits website. Employees and covered dependents have the right to request and receive a paper copy of any annual notice, free of charge, by contacting UAH Human Resources.

- **Medicare Part D Creditable Coverage Notice:** The annual notices include information regarding how UAH's prescription drug coverage compares to Medicare Part D prescription drug coverage. If you, your spouse, or a covered dependent are eligible for Medicare now or may become eligible for Medicare in the future, please review the Medicare Part D Creditable Coverage Notice carefully and retain a copy for your records.

2027 Benefits Summary Guide

The 2027 Benefits Guide provides a comprehensive overview of the benefits offered to UAH employees. Access the guide online at https://online.flippingbook.com/view/674178063/, or by scanning the QR code below:

Prepare for Open Enrollment

Before making your elections, take time to:

- Review your current benefits and consider whether your coverage still meets your needs.
- Evaluate your anticipated health care and dependent care expenses before selecting FSA, DCFSA, and HSA contributions.
- Confirm your covered dependents and beneficiary designations.
- Explore the available resources and attend scheduled benefits information sessions.

Open Enrollment closes November 4, 2026. Visit UAH.edu/HR/Open-Enrollment for enrollment resources, plan information, and upcoming educational opportunities.

We recognize that changes to benefits are important decisions for employees and their families. We encourage you to take advantage of the information and resources available during Open Enrollment so you can make informed choices for the year ahead.

Sincerely,

UAH Human Resources