

2009 OPEN ENROLLMENT FOR HEALTH, DENTAL, FLEXELECT, AND CONSOLIDATED BENEFITS PROGRAMS

Open Enrollment for Health, Dental, FlexElect, and Consolidated Benefits (CoBen) this year runs from **September 14, 2009 through October 9, 2009**. If you want to enroll in these benefit programs, or make a change to your current enrollment, contact your assigned [Personnel Specialist](#) for the necessary forms.

No action is necessary for currently enrolled employees who don't want to make changes in their dental coverage or cash options. **Exception:** Permanent Intermittent employees who want to continue receiving the cash option must re enroll. Additionally, employees who have a FlexElect reimbursement account and want to participate again next year, must re enroll during open enrollment.

Employees who enroll in or make changes to their dental coverage during the open enrollment period may cancel or change their election until October 9, 2009. Employees may not cancel or change a dental election after the end of the open enrollment period unless they experience a valid change in status.

Employees who enroll in or make changes to their FlexElect or CoBen election during the open enrollment period and employees, who are automatically re enrolled into the Cash Option, are allowed by Internal Revenue Code 125 to cancel or change their elections until December 31, 2009. Once the new plan year begins, employees may not cancel or change their FlexElect or CoBen enrollment unless they experience a valid change in status.

PLEASE NOTE: Open enrollment forms must be signed and submitted to your [Personnel Specialist](#) no later than October 9, 2009. All open enrollment actions will be effective January 1, 2010.

HEALTH BENEFITS

As of the date of this posting, the following rates will be effective January 1, 2010. However, please be advised that many union contracts have expired and these amounts are subject to change through the collective bargaining process. The Department of Personnel Administration (DPA) will notify us if there are subsequent changes to these rates. Any changes will be posted as soon as we are notified. Effective January 1, 2010 the monthly employer contributions for health benefits for represented and excluded employees are as follows:

Units 1, 4, 10, 11, 14, 15, 20, 21 (Rank and File, Non-CoBen)

Employee	\$393
Employee plus 1 dependent	\$787
Employee plus 2 or more dependents	\$1,024

Units 1, 4, 10, 11, 14, 15, 20, 21 (Rank and File Employees Subject to Dependent Vesting)*

	Dependent Contribution Level	
	50%	75%
Employee	\$393	\$393
Employee plus 1 dependent	\$590	\$689
Employee plus 2 or more dependents	\$708	\$866

Unit 2 (Rank and File CoBen Allowance)

Employee	\$439
Employee plus 1 dependent	\$836
Employee plus 2 or more dependents	\$1,084

Unit 2 (Rank and File Employees Subject to Dependent Vesting)*

	Dependent Contribution Level	
	50%	75%
Employee	\$439	\$439
Employee plus 1 dependent	\$651	\$744
Employee plus 2 or more dependents	\$790	\$937

Unit 9 (Rank and File, Non-CoBen)

Employee	\$418
Employee plus 1 dependent	\$812
Employee plus 2 or more dependents	\$1,048

Units 3, 12, 13 (Rank and File, Non-CoBen)

Employee	\$371
Employee plus 1 dependent	\$740
Employee plus 2 or more dependents	\$959

Units 3, 12, 13 (Rank and File Employees Subject to Dependent Vesting)*

	Dependent Contribution Level	
	50%	75%
Employee	\$371	\$371
Employee plus 1 dependent	\$555	\$648
Employee plus 2 or more dependents	\$665	\$812

Excluded Employees (CoBen)

Employee	\$468
Employee plus 1 dependent	\$902
Employee plus 2 or more dependents	\$1,172

***Dependent Vesting Criteria**

New employees who have never had State health benefit coverage may be subject to health dependent vesting. Employees in bargaining units that have contracted for health dependent vesting are provided with 50 percent of the employer dependent contribution the first 12 months, and 75 percent of the employer dependent contribution for months 13 through 24. After 24 months, these employees will receive the full employer dependent contribution applicable to their bargaining unit. Please refer to the appropriate collective bargaining agreement for specific criteria for determining if you are subject to health dependent vesting.

DENTAL BENEFITS

Dental plan options are listed below. Contact the [Human Resources Branch](#) for a brochure, list of participating dentists, and cost comparison, or you may call the dental plans. You may also obtain brochures and listings of participating dentists by accessing each plan’s website at the addresses listed below.

Retroactive premiums for mandatory cancellations and/or deletions to your dental coverage will be reimbursed for a maximum period of six months. This limitation impacts **all** mandatory cancellations and/or deletions to your State sponsored dental coverage. You may want to check your dental coverage enrollment and ensure that only eligible dependents are enrolled.

Delta Dental Plans

Delta Premier and Delta Preferred Provider Option (PPO) 1-800-225-3368
www.deltadentalins.com/state/

Prepaid Dental Plans

DeltaCare USA 1-800-422-4234
www.deltadentalins.com/state/

SafeGuard Dental Plan 1-800-880-1800
<https://www.safeguard.net/>

Delta Dental 2010 Premiums

Delta Dental Premier Basic Plan for Represented Employees:

Coverage	2010 Total Premium	2010 State Share	2010 Employee Share	Employee Share Increase
Employee Only	\$51.87	\$38.90	\$12.97	\$0.95
Employee plus one dependent	\$92.08	\$69.06	\$23.02	\$1.74
Employee plus two or more dependents	\$134.00	\$100.50	\$33.50	\$2.56

Delta Dental Premier Enhanced Plan for Excluded Employees:

Coverage	2010 Total Premium
Employee Only	\$54.04
Employee plus one dependent	\$108.32
Employee plus two or more dependents	\$152.97

Delta Dental Preferred Provider Option (PPO) for Excluded and Represented Employees:

Coverage	2010 Total Premium	2010 State Share	2010 Employee Share	Employee Share Increase
Employee Only	\$44.07	\$33.05	\$11.02	\$.80
Employee plus one dependent	\$87.23	\$65.42	\$21.81	\$1.65
Employee plus two or more dependents	\$132.08	\$99.06	\$33.02	\$2.52

Prepaid Dental Plan 2010 Premiums

Premiums for DeltaCare USA will remain the same in 2010. Premiums for SafeGuard will increase for 2010. The State will continue to pay 100 percent of the premium for employees not in CoBen. For employees in CoBen, the State's share and employee's share do not apply. Therefore, the total dental premium will be deducted from the monthly CoBen allowance on their January 1, 2010, pay warrants (December 2009 pay period). Prepaid dental plan premiums are reflected below.

Coverage	SafeGuard Standard	SafeGuard Enhanced	DeltaCare USA
Employee Only	\$16.58	\$16.92	\$17.35
Employee plus one dependent	\$26.86	\$28.63	\$28.47
Employee plus two or more dependents	\$37.62	\$35.27	\$39.38

CONSOLIDATED BENEFITS

All excluded employees and employees represented by Bargaining Units (BU) 2, 7, 8, 16, 17, 18, and 19 are in CoBen. The State provides employees a benefit allowance to purchase health, dental, and vision benefits. If the total cost of the plans chosen is less than the employee's CoBen allowance, the employee will receive the difference as taxable income. If the total cost of the plans is more than the CoBen allowance, the difference is deducted from the employee's pay warrant pretax.

As of the date of this posting, the following benefit allowances will be effective January 1, 2010. Also, please be advised that many union contracts have expired and these amounts are subject to change through the collective bargaining process. Although it is anticipated that these will be the final amounts, the DPA will notify departments if there are subsequent changes to these amounts. Any changes will be posted as soon as we are notified and will also be posted at DPA's website at <http://www.dpa.ca.gov/>.

Health Dependent Vesting and CoBen Allowance Amounts

Dependent Vesting Criteria

New employees who have never had State health benefit coverage may be subject to health dependent vesting. Employees in bargaining units that have contracted for health dependent vesting are provided with 50 percent of the employer dependent contribution the first 12 months, and 75 percent of the employer dependent contribution for months 13 through 24. After 24 months, these employees will receive the full employer dependent contribution applicable to their bargaining unit. Please refer to the appropriate collective bargaining agreement for specific criteria for determining if you are subject to health dependent vesting.

The CoBen allowances for BU 2 employees who are not subject to health dependent vesting are as follows:

Unit 2	2010
Employee Only	\$439.00
Employee plus one dependent	\$836.00
Employee plus two or more dependents	\$1,084.00

The CoBen allowances for BU 2 employees who are subject to health dependent vesting are as follows:

Unit 2	50% Vesting 2010	75% Vesting 2010
Employee Only	\$439.00	\$439.00
Employee plus one dependent	\$651.00	\$744.00
Employee plus two or more dependents	\$790.00	\$937.00

The CoBen allowance for Excluded employees is determined by DPA. Effective January 1, 2010, the CoBen allowances for all excluded employees are as follows:

	2010
Employee Only	\$468.00
Employee plus one dependent	\$902.00
Employee plus two or more dependents	\$1,172.00

If you have health and dental coverage through another source, you may enroll in the CoBen Cash Option. These amounts are \$155 a month in-lieu of health and dental coverage, and \$130 a month in-lieu of health coverage only. To enroll in a CoBen Cash Option, complete a Consolidated Benefits (COBEN) Cash Enrollment Election form ([STD 702](#)) during open enrollment.

For details, refer to the 2010 CoBen handbook that is available and can be downloaded from DPA's Web site at <http://www.dpa.ca.gov/> (click on Publications).

CoBen Calculator

If you are going to make a change in your benefit choices during the open enrollment period, you may want to use the CoBen Calculator on DPA's website, which will help you determine how much will be deducted from your paycheck, or added to it, based on which health and dental plans you choose. You simply click on your health and dental plan choices, and how many dependents will be covered. The calculator automatically computes the total cost of the benefits you select and subtracts them from the CoBen allowance. The result shows whether you will have a monthly benefit deduction or receive extra cash. There are two separate calculators, one for excluded employees and another for rank and file employees in BU's 2, 7, 8, 16, 17, 18, and 19. The CoBen calculator is located at <http://www.dpa.ca.gov/> (click on Benefits, then Consolidated Benefits).

FLEXELECT

If you have health and/or dental coverage through another source, you can opt for cash in lieu of your State sponsored benefit. The FlexElect Cash Option is \$128 a month for health and \$12 a month for dental. To enroll in FlexElect Cash Option, complete a Cash Option Enrollment Authorization form ([STD 701C](#)) during open enrollment. FlexElect also offers reimbursement accounts that allow you to use pretax salary to pay for dependent care and/or medical care that aren't covered by insurance. To enroll in a FlexElect Reimbursement Account, complete a Reimbursement Account Enrollment Authorization form ([STD. 701R](#)) during open enrollment.

Effective January 1, 2010, the Third Party Administrator record keeper for the Flex Program will change from FBMC to Application Software Inc. (ASI). ASI can be contacted at 1-800-659-3035 or at P.O. Box 6044, Columbia, Missouri 65205-6044. Because of the 2.5 month grace period, 2009 plan participants who have a balance in their 2009 account must submit their claims for services up to March 15, 2010 to FBMC for payment. Once the 2009 account has been exhausted, submit all other claims for services in 2010 to ASI.

For details, refer to the 2010 FlexElect handbook that is available and can be downloaded from DPA's Web site at <http://www.dpa.ca.gov/> (click on Publications).

VISION PROGRAM

The premium paid to the Vision Service Plan for vision coverage will remain at the current rate of \$9.19 and will continue to be fully paid by the State. State employees' vision coverage is automatically established for employees and their eligible dependents and no form is required to enroll, add, or delete dependents during open enrollment. Therefore, employees need to continue to ensure that only eligible dependents are provided services under their State sponsored vision plan.

COBRA CONTINUATION COVERAGE ENROLLEES

COBRA enrollees have the same rights as active employees to make allowable changes to their coverage during the annual open enrollment period. Specific instructions will be sent to all COBRA enrollees in dental coverage by DPA prior to the beginning of the open enrollment period.

To learn more about Dental, FlexElect, and CoBen or for questions regarding the 2010 open enrollment period, please contact your assigned [Personnel Specialist](#). You may also visit DPA's website at <http://www.dpa.ca.gov/> (click on Benefits).

YOUR DENTAL PLAN OPTIONS

Prepaid Plans

DeltaCare USA and SafeGuard

Prepaid plans provide services through member dentists throughout California. (These plans are not available outside of California.) Monthly premiums are fully paid by the State. You have no monthly premiums, deductibles or maximum annual benefit limits. Many services are provided at low or no cost to you. You may change dentists upon request and/or change plans if you move and your plan is no longer available. If you need emergency dental work and are outside of your service area (50 miles from your residence), you may go to any dentist for the relief of pain and be reimbursed up to \$400 per calendar year. For more information or a list of member dentists, contact the plans at: DeltaCare USA at 1-800-422-4234 or visit www.deltadentalins.com/state/ and SafeGuard at 1-800-880-1800 or visit <https://www.safeguard.net/>.

Indemnity Plan

Delta Dental Premier - Group #9949

Delta Premier features full access to specialty care and guaranteed benefits through member dentists. However, you can see any dentist worldwide and still be covered, although your out of pocket costs may be higher. For more information, contact Delta Dental at 1-800-225-3368 or visit www.deltadentalins.com/state/.

Preferred Provider Option Plan

Delta Dental Preferred Provider Option - Group #9946

Delta Preferred Provider Option (PPO) provides services through its network of participating dentists, although you may use non PPO dentists worldwide. If you receive services outside of the PPO network, your out of pocket costs will be substantially higher. **Please note that not all Delta Premier dentists are members of the PPO network;** however, you can see the Delta dentist of your choice and still be covered.

As a reminder of certain advantages in being enrolled in the PPO dental plan, your treatment costs are based on a discounted fee agreement between Delta and the PPO provider. This fee agreement will result in lower out of pocket costs to you when you visit a PPO network dentist. Additionally, for rank and file employees, the annual maximum benefit available to dependents is \$2,000 when using a dentist who is a member of the PPO network, compared to a \$1,000 yearly maximum under Delta Premier. PPO offers a \$2,500 lifetime benefit for dental implants and a third cleaning for high risk patients. Generally, high risk patients include pregnant

women, cancer chemotherapy patients, and persons with compromising systemic diseases such as diabetes, AIDS, or endocarditis, and persons who have had organ transplants. Your present dentist may be a PPO provider so you may want to change your coverage to the PPO to take advantage of this richer benefit. For more information, contact Delta Dental at 1-800-225-3368 or visit www.deltadentalins.com/state/.

These are brief descriptions of the available dental plans. Please consult each plan's "Evidence of Coverage" brochure or call the plan for a more detailed explanation. You may also obtain brochures and listings of participating dentists by accessing each plan's website at the addresses listed above.

STATE-SPONSORED DENTAL PLANS BENEFIT COST COMPARISON

The following chart provides a comparison of ***your*** costs for certain types of procedures. Please consult each dental plan's Evidence of Coverage brochure for detailed information and plan limitations.

For these procedures:	Delta Dental				SafeGuard DeltaCare USA	SafeGuard
	Premier Basic		Premier Enhanced	Preferred Provider Option (PPO)**	Standard	Enhanced***
	Rank & File Employees	Dependents of Rank & File Employees	Excluded Employees and Dependents	Excluded and Rank & File Employees and Dependents	Excluded and Rank & File Employees and Dependents	Excluded Employees and Dependents
Diagnostic and Preventive Benefits (Two cleanings per 12 month period) *	0	0	0	0	0	0
Basic Benefits (Usual, Customary, and Reasonable)	10%	20%	10%	10%	0	0
Crowns	20%	50%	20%	20%	\$50	0
Bridges, Full & Partial Dentures	50%	50%	50%	40%	\$65 and up	0
Annual Deductible	\$50*	\$50*	\$25*	\$25*	No deductible	No deductible
Maximum Deductible	\$150 per family		\$100 per family	\$100 per family	N/A	N/A
Orthodontia	Delta will pay 50% up to a lifetime maximum of \$1,000 per person.			Delta will pay 50% up to a lifetime maximum of \$1,000 per adult and pay 50% up to a lifetime maximum of \$1,500 per child.	\$1,000 plus up to \$250 for start-up costs	\$1,000 plus up to \$250 for start-up costs
Annual Maximum	\$2,000	\$1,000	\$2,000	\$2,000	No Maximum	No Maximum

* Diagnostic and Preventive Benefits are exempt from the deductible.

**The level of benefits and covered services reflected in the chart are based on services provided by a PPO Network dentist. The level of benefits and covered services provided by a non PPO dentist are lower. Additionally, the PPO includes up to a \$2,500 lifetime benefit for dental implants and a third cleaning for high risk patients. High risk patients include: pregnant women, cancer chemotherapy patients, and persons with compromising systemic diseases such as AIDS, diabetes, endocarditis, or persons who have had organ transplants.

***The SafeGuard enhanced coverage provides three cleanings per 12 month calendar year service period instead of the normal two cleanings. Excluded employees and their dependents have the enhanced coverage. Rank and File employees and their dependents have the standard coverage.