

2012 BENEFITS OPEN ENROLLMENT QUICK REFERENCE GUIDE

FOR DOMESTIC PART-TIME EMPLOYEES

TAKE CHARGE OF YOUR BENEFITS



Open Enrollment Dates to Remember:

| | |
|-------------------------------------|---|
| Open Enrollment Begins: | October 31, 2011 |
| Open Enrollment Ends: | November 14, 2011 |
| Benefits & Fitness Fair: | Wednesday, November 2, 2011 11:00 am – 4:00 pm University Center–Rangos Ballroom |
| Benefits Effective Date: | January 1, 2012 |

Carnegie Mellon University does not discriminate and Carnegie Mellon University is required not to discriminate in admission, employment, or administration of its programs or activities on the basis of race, color, national origin, sex or handicap in violation of Title VI of the Civil Rights Act of 1964, Title IX of the Educational Amendments of 1972 and Section 504 of the Rehabilitation Act of 1973 or other federal, state, or local laws or executive orders.

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This is a Summary

This workbook contains summaries of the options provided in each benefit category. It is intended to help you choose among the available options. You may obtain additional information from the HR web site at <http://www.cmu.edu/hr/>. The web site also provides links to the carriers and plan booklets.

This booklet and our web resources are not intended to take the place of plan documents.

If there is a conflict between this workbook and the plan documents, the plan documents will govern. The Benefits Office maintains the Summary Plan Description (SPD), which contains more detailed information.

The SPD can be found online on the HR web site at http://www.cmu.edu/hr/benefits/benefit_admin/plans. Contact the Benefits Office at 412-268-2047 or by email to hrhelp@andrew.cmu.edu to obtain a hard copy of the SPD.

Carnegie Mellon reserves the right to modify, amend, or terminate any or all of the provisions of these benefits or the plan documents at any time for any reason upon appropriate action by the university. Notwithstanding any of the prior statements, in all cases, university policies will govern.

New for 2012

1. There are rate changes for the HMO and Comprehensive medical plans.
2. Depending on how the current issues between Highmark and UPMC are resolved, some faculty and staff may see changes to provider networks in the coming year. Please speak to your doctors and refer to <http://highmarkchoicematters.com>, <http://www.KeepYourDoc.com> and <http://www.PatientCareAssurance.com> if you have questions about which health plan is right for you. The university does not have any additional information other than this.
3. During Open Enrollment, if you add a dependent to your coverage who has not been verified, you will need to submit documentation verifying the relationship, even if the dependent has been covered in the past.
4. You should designate/verify your beneficiaries for your life insurance benefit using MetLife's website or their Beneficiary Designation Form.
5. As of January 1, 2012, Pennsylvania Act 32 requires the university to collect local earned income taxes and remit them to the appropriate taxing authority based on an address that YOU have certified. Use HR Connection's Demographics module to certify your tax residency address accordance with the new regulations prior to your first pay in January. (See page 7.)

Make Elections Online Through HR Connection

To select your 2012 benefits, use the HR Connection system. HR Connection is designed to be user-friendly. Follow the instructions and read all of the information on each screen. Rate information will be displayed PER PAY (biweekly or monthly).

1. Go to http://www.cmu.edu/hr/benefits/hr_connection.html and click on the HRC logo (see right).
2. You will need your Andrew username and password, HR Connection password, PCP codes (HMO only) and dependent data. *If you forget or do not have an HR Connection password, please follow the online instructions.*
3. Contact hrhelp@andrew.cmu.edu or 412-268-3487 with any technical problems.
4. If you exit the system in the middle of the module or are inactive for more than 20 minutes, your elections will be lost and you will need to start over.
5. **You must re-enter your HRC password to save your changes. If you exit without doing so, your changes will be lost.**



Need Assistance Enrolling?

- Send an e-mail to HRhelp@andrew.cmu.edu.
- Schedule a 1-on-1 session with a Benefits Specialist by calling 412-268-2047.
- Call the Benefits Office at 412-268-2047 Monday-Friday, 8:30 a.m.-5:00 p.m.
- Come to the Benefits & Fitness Fair on November 2.

The HR web site (<http://www.cmu.edu/hr/benefits>) has detailed plan information, workbooks and carrier information.

Medical Insurance Employee Contribution

These medical plan rates do NOT include the cost of prescription drug coverage. See page 5 for prescription drug information.

To calculate your total coverage costs, add together the rates for the medical plan and the prescription drug plan you

have chosen.

You may cover your spouse/registered domestic partner and children up to age 26. You must cover the same individuals under both your medical and prescription drug coverage. In other words, if you elect to cover yourself and one

child under your medical plan, then you must cover yourself and that same child under your prescription drug plan.

All plans will give you a choice of two prescription plans through Caremark.

The biweekly and monthly rates listed below are

deducted from your pay before taxes are assessed.

IRS regulations require that the amount you contribute and the amount Carnegie Mellon contributes for domestic partner coverage must be taxed, unless your partner can be claimed as a dependent on your taxes.

Medical Coverage: Biweekly/Monthly Part-Time Employee Contributions for 2012

| Coverage | PPO 1 | PPO 2 | PPO 3 | HRA | HMO | Comp. |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------------|
| Employee | | | | | | |
| Highmark | \$118.75 / \$237.50 | \$100.25 / \$200.50 | \$85.75 / \$171.50 | \$80.00 / \$160.00 | N/A | \$251.50 / \$503.00 |
| HealthAmerica | N/A | N/A | N/A | N/A | \$77.25 / \$154.50 | N/A |
| UPMC | \$92.75 / \$185.50 | \$75.00 / \$150.00 | \$63.50 / \$127.00 | \$58.00 / \$116.00 | N/A | N/A |
| Employee & 1 Child | | | | | | |
| Highmark | \$220.75 / \$441.50 | \$188.75 / \$377.50 | \$164.25 / \$328.50 | \$151.25 / \$302.50 | N/A | \$448.00 / \$896.00 |
| HealthAmerica | N/A | N/A | N/A | N/A | \$149.50 / \$299.00 | N/A |
| UPMC | \$176.25 / \$352.50 | \$144.25 / \$288.50 | \$123.75 / \$247.50 | \$109.00 / \$218.00 | N/A | N/A |
| Employee & Multiple Children | | | | | | |
| Highmark | \$249.75 / \$499.50 | \$214.50 / \$429.00 | \$187.00 / \$374.00 | \$172.00 / \$344.00 | N/A | \$504.50 / \$1009.00 |
| HealthAmerica | N/A | N/A | N/A | N/A | \$170.50 / \$341.00 | N/A |
| UPMC | \$200.00 / \$400.00 | \$164.50 / \$329.00 | \$140.75 / \$281.50 | \$124.25 / \$248.50 | N/A | N/A |
| Employee & Spouse/Domestic Partner | | | | | | |
| Highmark | \$278.75 / \$557.50 | \$239.75 / \$479.50 | \$209.25 / \$418.50 | \$193.00 / \$386.00 | N/A | \$560.75 / \$1121.50 |
| HealthAmerica | N/A | N/A | N/A | N/A | \$191.50 / \$383.00 | N/A |
| UPMC | \$223.75 / \$447.50 | \$184.75 / \$369.50 | \$158.00 / \$316.00 | \$139.75 / \$279.50 | N/A | N/A |
| Family (Employee, Spouse/Domestic Partner, and Child[ren]) | | | | | | |
| Highmark | \$394.50 / \$789.00 | \$340.75 / \$681.50 | \$299.00 / \$598.00 | \$276.50 / \$553.00 | N/A | \$784.50 / \$1569.00 |
| HealthAmerica | N/A | N/A | N/A | N/A | \$275.25 / \$550.50 | N/A |
| UPMC | \$319.00 / \$638.00 | \$265.00 / \$530.00 | \$226.25 / \$452.50 | \$201.00 / \$402.00 | N/A | N/A |

2012 Medical Plan Comparison

| Plan Feature | PPO Option 1 | PPO Option 2 | PPO Option 3 | High Deductible PPO with HRA | HMO | Comprehensive |
|--|-----------------------------|----------------------------|----------------------------|------------------------------|-----------------------------|----------------------------|
| Carrier Choices | Highmark, UPMC | Highmark, UPMC | Highmark, UPMC | Highmark, UPMC | HealthAmerica | Highmark |
| Annual Deductible (Indiv/Family)^{1,2} | | | | | | |
| - In-Network Provider | \$250 / \$500 | \$250 / \$500 | \$500 / \$1,000 | \$1,000 / \$2,000 | \$0 / \$0 | \$500 / \$1,000 |
| - Out-of-Network Provider | \$500 / \$1,000 | \$500 / \$1,000 | \$1,000 / \$2,000 | \$2,000 / \$4,000 | Not covered | |
| Annual Out-of-Pocket Max (Indiv/Family)² | | | | | | |
| - In-Network Provider | Deductible only | \$1,500 / \$3,000 | \$3,000 / \$6,000 | \$4,500 / \$9,000 | None | \$2,500 / \$5,000 |
| - Out-of-Network Provider | \$3,000 / \$6,000 | \$3,000 / \$6,000 | \$4,500 / \$9,000 | Unlimited | Not covered | |
| Plan Coinsurance Responsibility | | | | | | |
| - In-Network Provider | (After deductible.) 100% | (After deductible.) 80% | (After deductible.) 80% | (After deductible.) 80% | (After deductible.) 100% | (After deductible.) 80% |
| - Out-of-Network Provider | 60% of UCR ³ | 60% of UCR ³ | 60% of UCR ³ | 60% of UCR ³ | Not covered | 80% of UCR ³ |
| Carnegie Mellon HRA Contribution | | | | | | |
| Individual Coverage/Family Coverage | Not applicable | Not applicable | Not applicable | \$250 / \$500 | Not applicable | Not applicable |
| Physician Visit (Copay/Coinsurance) | | | | | | |
| In-Network | | | | | | |
| - Office Visit: Primary Care / Specialist | \$20 / \$35 | \$20 / \$35 | \$20 / \$35 | 80% | \$15 / \$30 | 80% |
| - Preventive Care (per schedule) ² | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| - ER Visit (waived if admitted) | \$50 | \$50 | \$50 | 80% | \$50 | 80% |
| Out-of-Network | | | | | | |
| - Primary Care and Specialist Office Visit | 60% of UCR ³ | 60% of UCR ³ | 60% of UCR ³ | 60% of UCR ³ | Not covered | 80% of UCR ³ |
| - Preventive Care | 60% of UCR ³ | 60% of UCR ³ | 60% of UCR ³ | 60% of UCR ³ | Not covered | 80% of UCR ³ |
| - ER Visit (waived if admitted) | \$50 | \$50 | \$50 | 80% | \$50 | 80% of UCR ³ |
| Primary Care Physician Required | No | No | No | No | Yes | No |

¹ - The deductible and copay do not apply when adult or pediatric preventive care are performed according to the carrier's schedule. If tests or lab work that are not on the plan's preventive care schedules are performed, the individual's portion of the cost will be applied to the deductible.

² - The deductible and out-of-pocket maximum are tracked separately for in- and out-of-network services under all plans, except the Comprehensive plan.

³ - UCR = usual, customary, and reasonable charges the carrier has established for medical services. Out-of-network providers may bill you for their charges in excess of the UCR. Expenses in excess of UCR **do not** count toward the out-of-pocket maximum.

Prescription Drugs

Caremark is our prescription drug carrier. Our prescription drug coverage provides access to numerous chain and independent pharmacies. It also provides mail order service for maintenance medications to help control costs for you and Carnegie Mellon.

The options differ by: employee contribution rates, copays/coinsurance rates, and coverage for non-formulary medications.

Prescription and Medical Coverage Go Together

If you enroll in one of Carnegie Mellon’s medical insurance options, you MUST enroll in a prescription plan and cover the same individuals as your medical plan. You must select the same prescription option for all individuals who are being covered.

- Participants in all medical plans must select a Caremark option.
- If you opt out of Carnegie Mellon’s medical coverage, you may not enroll in Carnegie Mellon’s prescription drug coverage.
- Caremark participants can save 20% on over-the-counter, CVS-brand health-related items with their ExtraCare Health card. (Call 1-888-543-5938 for more information.)

Using Rx Benefits at a Retail Pharmacy

When you need to (re)fill a prescription at a participating pharmacy, present your ID card to the pharmacist along with your prescription. You’ll pay the designated copay or coinsurance.

If you do not present insurance information at the time of your purchase, you may be required to pay for the medicine in full and later file for reimbursement.

Estimate Your Costs

The Caremark web site includes a Drug Pricing Tool to help you anticipate a medication’s cost and your coinsurance/copay.

2012 Prescription Drug Plan Comparison - Copays/Coinsurance

| | Caremark Option A | Caremark Option B |
|--|-------------------|--|
| Retail (Up to 30-day supply) | | |
| Generic (automatic substitution) | \$10 | \$5 |
| Brand - Formulary (no generic available) | \$20 | 35% (\$100 maximum) |
| Brand - Formulary (generic available) | \$25 | 35% (\$100 maximum) |
| Brand Name - Non-formulary ¹ | \$40 ¹ | Not Covered ¹ |
| Mail Order (Up to 90-day supply) | | |
| Generic (automatic substitution) | \$20 | \$10 |
| Brand - Formulary (no generic available) | \$40 | 35% (\$200 maximum) |
| Brand - Formulary (generic available) | \$50 | 35% (\$200 maximum) |
| Brand Name - Non-formulary ¹ | \$80 ¹ | Not Covered ¹ |
| Annual Out-of-Pocket Maximum (<i>separate from medical plan</i>) | None | \$1,500 individual / \$3,000 family |

¹ - If a non-formulary medication is deemed medically necessary, it will be covered at the applicable “Brand - Formulary” level.

Prescription Drug Coverage: Biweekly/Monthly Employee Contributions for 2012

| Coverage Level | Caremark Option A | Caremark Option B |
|-------------------------------|-----------------------|----------------------|
| Individual Employee | \$ 31.25 / \$ 62.50 | \$ 19.25 / \$ 38.50 |
| Employee and Child | \$ 57.25 / \$ 114.50 | \$ 37.00 / \$ 74.00 |
| Employee and Children | \$ 64.75 / \$ 129.50 | \$ 42.00 / \$ 84.00 |
| Employee and Spouse/DP | \$ 72.25 / \$ 144.50 | \$ 46.75 / \$ 93.50 |
| Family | \$ 101.75 / \$ 203.50 | \$ 67.00 / \$ 134.00 |

Life and AD&D Insurance

FREE Basic Life Insurance

Carnegie Mellon provides, at no cost to you, basic life insurance coverage equal to your base salary (rounded up to the nearest thousand) or \$10,000, whichever is greater. You may opt out of the university's free basic life insurance coverage.

If your spouse/registered domestic partner is a Carnegie Mellon full-time benefits-eligible faculty or staff member, you may be covered under his or her Spouse/Domestic Partner Life Insurance benefit. However, doing so will make you ineligible for the part-time life insurance or voluntary AD&D benefits.

Imputed Income Tax

The value of life Insurance greater than \$50,000 is considered taxable by the IRS. The IRS calculates the value of group life insurance using "uniform premium levels" based on your age and the amount of your coverage (see chart, right).

The IRS adds the *value* of your life insurance coverage in excess of \$50,000 to your salary for federal tax purposes. The impact of imputed income taxes on life insurance is generally quite small. However, to reduce your tax liability, you can limit your life insurance to \$50,000. Carnegie Mellon is required to withhold federal taxes based on the value of your life insurance coverage.

Voluntary Accidental Death & Dismemberment (AD&D) Coverage

You may purchase AD&D Insurance through MetLife. If your death is the result of an accident, your beneficiary will receive the AD&D benefit you have purchased, in addition to your basic life insurance benefit. AD&D coverage also pays a scheduled amount if you lose a limb or certain vital functions as a result of an accident. You may purchase as little as \$20,000 in AD&D insurance, up to \$250,000*, at a cost of \$0.20 per \$10,000 per month (\$0.10 per biweekly pay).

| AD&D Coverage | Biweekly/Monthly Cost | AD&D Coverage | Biweekly Monthly Cost |
|---------------|-----------------------|---------------|-----------------------|
| \$20,000 | \$0.20 / \$0.40 | \$80,000 | \$0.80 / \$1.60 |
| \$30,000 | \$0.30 / \$0.60 | \$90,000 | \$0.90 / \$1.80 |
| \$40,000 | \$0.40 / \$0.80 | \$100,000 | \$1.00 / \$2.00 |
| \$50,000 | \$0.50 / \$1.00 | \$150,000 | \$1.50 / \$3.00 |
| \$60,000 | \$0.60 / \$1.20 | \$200,000* | \$2.00 / \$4.00 |
| \$70,000 | \$0.70 / \$1.40 | \$250,000* | \$2.50 / \$5.00 |

* AD&D coverage above \$150,000 cannot exceed 10 times your base salary.

"Base Salary"

Your life insurance base salary is calculated annually in October for the following year. For those on a 12-month appointment, this is your annual salary. For those on a 9-month appointment, this is 11/9 times your academic year salary. It does not include other special compensation. The benefit is not modified if your salary changes mid-year.

IRS Uniform Premium Rates

| Age (as of Dec 31, 2012) | Value per \$1,000 of coverage |
|--------------------------|-------------------------------|
| Under 25 | \$0.05 |
| 25 - 29 | \$0.06 |
| 30 - 34 | \$0.08 |
| 35 - 39 | \$0.09 |
| 40 - 44 | \$0.10 |
| 45 - 49 | \$0.15 |
| 50 - 54 | \$0.23 |
| 55 - 59 | \$0.43 |
| 60 - 64 | \$0.66 |
| 65 - 69 | \$1.27 |
| 70 and over | \$2.06 |

Beneficiary Info

To designate or change your beneficiary, complete the MetLife Beneficiary Form and mail it directly to MetLife, or register at <http://mybenefits.metlife.com> and designate your beneficiaries online.

Act 32 - You Must Certify Your Tax Residency

The Pennsylvania legislature has enacted a law that affects the collection of your Local Earned Income Taxes. As of January 1, 2012, the university is required to collect local income taxes and remit them to the appropriate municipality based on an address that YOU have certified as your residence for tax purposes.

You must use HR Connection's Demographics module to certify your tax residency address prior to your first pay in January. If you fail to certify your address for tax purposes, the law requires that we collect the City of Pittsburgh resident tax rate (3%). If this is not where you live, you will need to pay your local municipality's income taxes directly, and you will need to contact the City of Pittsburgh to be reimbursed for the taxes that were sent to them on your behalf.

When you go into HR Connection to complete the Open Enrollment module, be sure to also go through the Demographics module to certify your tax residency in accordance with the new regulations.

Contact the Carriers

Medical Care Options

Highmark

Phone: 1-800-472-1506
1-800-547-9378 (Highmark HMO)
Web: <http://www.highmarkbcbs.com>

UPMC Health Plan

Phone: 1-877-381-3764
Web: <http://www.upmchealthplan.com>

HealthAmerica

Phone: 1-800-735-4404 or 412-553-5575
Web: <http://www.healthamerica.cvty.com>

Caremark - Prescription Drug Options

Phone: 1-877-347-7444
Web: <http://www.caremark.com>

MetLife - Life and AD&D Insurance; LTD

Phone: 1-866-492-6983
Web: <http://mybenefits.metlife.com>