

Benefits Bulletin

October 2007

2008 Benefits Open Enrollment: October 29 – November 9

Your Open Enrollment packet, containing your personalized enrollment statement, will be arriving at your home by the end of the week. If you have not received your packet by Monday, October 29, call the Benefits Office at 412-268-8438.

Go online to <http://hr.web.cmu.edu/current/benefits/oe> for the 2008 Benefits Workbook (which contains the rates, summaries of the benefits and highlights of the changes occurring this year). The web site also contains links to the carrier web sites, plan documents and schedules of benefits, and other important information.

- Make your Open Enrollment elections online using HR Connection. Any changes must be recorded by 5:00 pm EST on Friday, November 9. Enroll online early in the enrollment period so you have time to resolve any problems or questions before the deadline. HR Connection is available 22 hours a day throughout the enrollment period (it is closed from 1 am – 3 am EST for system maintenance).
- If you do not go online to make any changes, your 2007 elections will roll over into 2008 at the same level of coverage. Any new

rates or plan provisions will apply. Actively enrolling is the best way to ensure that your elections and dependent data are accurate. You will not be able to make changes to your benefits during the year, unless you experience a qualifying life or family status change.

- Note that this is an open election year for dental, vision and life insurance, as well as for medical, prescription, spending and reimbursement accounts, and long-term disability.
- All new benefit elections, rates and plan provisions will go into effect on January 1, 2008.

Monthly Contribution Rates Remain the Same or Less for 60% of Benefits Plans

The Human Resources Benefits Office is pleased to announce that the rates for nearly 2/3rds of all benefit plans available to full-time employees will remain the same, or lower, for 2008. Of the plans that saw increases, most of the rate changes are moderate – resulting in only a few dollars per month.

John Black, Director of Total Compensation, cited sustainable plan designs and smart consumer behavior as factors contributing to the stable rates. “We are very pleased that we can keep most people’s costs steady this year. We know how important health coverage is to our faculty and staff, and Carnegie Mellon is committed to keeping it affordable while also offering flexibility in coverage, providers and costs,” Black said.

- Using current enrollment patterns, 56% of faculty and staff would see no increase in their medical plan rates, with an additional 2% of employees seeing an increase of less than 3%. 58% of faculty and staff would also see no increase in their monthly prescription drug plan rates. Dental DHMO, Vision Benefits of America family coverage and spouse/domestic partner life insurance participants will see reduced rates for 2008.
- The monthly rates will remain the same for PPO Option 3 and the HRA plan from all carriers; PPO Option 2 from UPMC; PPO Option 2 for individual coverage from Highmark and HealthAmerica; and the HealthAmerica HMO plan. In addition, Prescription Option B, Highmark HMO Prescription, Davis Vision, VBA individual

coverage, long-term disability, supplemental employee life insurance, and dependent child life insurance will all remain at their 2007 rates in 2008.

- PPO Option 2 from Highmark and HealthAmerica (except individual coverage) saw rate increases of less than 3%, while PPO Option 1 saw an increase of 7-8% for all carriers. Prescription Option A and the dental PPOs also saw small increases. Two medical plans saw significant rate increases for 2008. The Highmark HMO saw an increase of approximately 13%, while the Highmark Comprehensive Plan saw the most significant increase, at approximately 27%.

Rates are determined by the costs to administer the plans, as well as on the plan’s actual experience.

Medical Plans Triple Therapy Coverage

Starting in 2008, the coverage for therapy visits (physical, occupational, speech) has been increased. The PPO plans will cover 60 combined visits per year – up from 20 combined visits per year. The HMOs and Highmark Comprehensive plans cover therapy differently - see the plan summaries.

John Black noted that therapy coverage was increased to accommodate the needs of those recovering from a serious injury or surgery, as well as for those who have regular therapy appointments due to an ongoing medical diagnosis. “We looked at the medical guidelines regarding therapy and determined that 20 visits may be insufficient to cover certain situations. This can result in higher out-of-pocket expenses, so we’ve increased the therapy benefits to adequately cover the vast majority of circumstances,” said Black.

PharmaCare Has Become CVS/Caremark


CVS/PharmaCare and Caremark Rx, Inc. have merged, and the resulting organization is called CVS/Caremark. Customer service representatives will identify themselves as Caremark as of January 1. Your current PharmaCare Member ID card will function properly and the mail order services will remain the same.

Dental PPOs Offer “Smile for Health” Program

The two dental PPO plans from United Concordia now include “Smile for Health” benefits. This program provides coverage for dental services that help contribute to better overall health, including a maternity dental benefit and enhanced benefits for oral disease detection and prevention. The DHMO does not include the “Smile for Health” program.

Life Insurance Benefits Enhanced - This Will Be a Full Open Election Year

Traditionally, faculty and staff may increase their supplemental life insurance by one level at Open Enrollment or when they experience a qualifying life or family status change. However, due to changes in the life insurance program, individuals may select any level of life insurance during this year’s Open Enrollment. The changes include:


- MetLife has replaced Minnesota Life as  Carnegie Mellon’s life insurance carrier.
- The benefit maximum for basic plus up to four levels of supplemental has been increased from \$500,000 to \$1 million (supplemental and basic combined) in 2008.
- Current participants may purchase up to \$500,000 in supplemental life insurance coverage without having to provide medical information. (Those with no supplemental life insurance currently may be required to complete evidence of insurability if they purchase 2 or more levels of insurance and have been hospitalized in the past 90 days.)
- The amount of spouse/domestic partner life insurance you can purchase will be based on the amount of supplemental life insurance you purchase for yourself. You will be able to purchase 50% of your supplemental insurance for your partner, or you can maintain your spouse/partner’s 2007 coverage.
- Life insurance will include special features, such as enhanced portability, will preparation, an accelerated benefits option, and beneficiary support services.

Benefits & Fitness Fair: Tues, Oct 30 from 11 am to 4 pm in UC-Rangos

The 2007 Benefits & Fitness Fair will be held on Tuesday, October 30 from 11 am to 4 pm in the University Center - Rangos Ballrooms. Dozens of vendors will be on hand to answer your questions about the 2008 benefit plans and the services they provide. Many vendors will be providing helpful information, giving away freebies and offering free demonstrations and screenings.

- Bring your postcard invitation for easy entry into all of our raffles.
- Donate a non-perishable food item to the Staff Council Food Drive “One Day-One Can” event to be entered into another raffle.
- Bring your University ID+ card and a Flu Shot Authorization form (<http://hr.web.cmu.edu/forms/FluForm.pdf>) to receive a free flu shot. *(If demand exceeds supply, only people who sign up at the Fair are eligible for a free shot when more supplies are received.)*

HealthAmerica to Use EBDS for FSAs

HealthAmerica participants who contribute to a Health Care Flexible Spending Account (HCFSA) in 2008 will use EBDS. EBDS currently administers the HCFSA for our other plans. HealthAmerica ended its contract with CBSA, their current FSA administrator. The university moved to  EBDS in order to simplify HCFSA claims processing. CVS/Caremark (formerly PharmaCare) prescription claims will be auto-submitted to EBDS, while any other eligible HCFSA expenses for HealthAmerica participants must be submitted by filing a claim.