

## Human Resources Memorandum

<b>SUBJECT:</b> 2013 OPEN ENROLLMENT FOR DENTAL, VISION, FLEXELECT AND CONSOLIDATED BENEFITS (CoBen)	<b>NUMBER</b> HR 13-017
	<b>DATE ISSUED:</b> 09/16/2013
<b>DISTRIBUTION:</b> All Employees	<b>EXPIRES:</b> N/A

Open Enrollment for Dental, Vision, FlexElect, and CoBen is September 16 through October 11, 2013. If you would like to enroll in these benefit programs, or make a change to your current enrollment, please contact your personnel office for the necessary forms.

Open enrollment forms must be signed and submitted to your personnel office no later than October 11, 2013. All open enrollment actions will be effective January 1, 2014.

You do not need to submit anything if you're not making any changes, except for the FlexElect Reimbursement Accounts or the Permanent Intermittent (PI) Cash Option.

Permanent Intermittent employees who want to continue receiving the cash option must re-enroll. If you have a FlexElect reimbursement account and want to participate again next year, you must re-enroll during open enrollment.

If you enroll in a FlexElect Reimbursement Account, FlexElect Cash Option, or CoBen Cash Option during the open enrollment period, or if you are automatically re-enrolled in the FlexElect/CoBen Cash Option, you have until December 31, 2013, to cancel your enrollment or make changes. To cancel your enrollment, please notify your personnel office.

Premiums are based on the number of dependents enrolled in your plan (see the premium rate charts on page 2).

### DENTAL BENEFITS

Your dental plan options are listed on the following pages. You may obtain brochures and listings of participating dentists by accessing each plan's website at the addresses listed below on Page 3.

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 through your personnel office and ensure that only eligible dependents are enrolled.

There will be a decrease in the total monthly premiums for both the Delta Premier and Delta Dental Preferred Provider Option (PPO) plans. The following charts show Delta's new dental premiums that are effective January 1, 2014.

**Delta Dental Premier Basic Plan For Represented Employee**

Employee Basic Plan	Total Premium	State Share	Employee Share	Employee Share Decrease
Party Code 1	\$48.48	\$36.36	\$12.12	-\$1.45
Party Code 2	\$85.13	\$63.85	\$21.28	-\$2.84
Party Code 3	\$123.34	\$92.51	\$30.83	-\$4.29

**Delta Dental Premier Enhanced Plan for Excluded Employees**

Employee Enhanced Plan	Total Premium
Party Code 1	\$50.45
Party Code 2	\$99.94
Party Code 3	\$140.65

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

Employee PPO Plan	Total Premium	State Share	Employee Share	Employee Share Decrease
Party Code 1	\$44.24	\$33.16	\$11.06	-\$0.46
Party Code 2	\$86.64	\$64.98	\$21.66	-\$1.19
Party Code 3	\$130.69	\$98.02	\$32.67	-\$1.94

**Prepaid Dental Plan Premiums**

There will be no increase in premiums for prepaid dental benefits. 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 the January 1, 2014, pay warrant (December 2013 pay period). Prepaid dental plan premiums are as follows:

Employee Prepaid Plans	SafeGuard Standard	SafeGuard Enhanced	DeltaCard USA	Western Demta;	Premier Access
Party Code 1	\$16.58	\$16.92	\$17.72	\$14.72	\$16.63
Party Code 2	\$26.86	\$28.63	\$29.07	\$24.29	\$26.94
Party Code 3	\$37.62	\$35.27	\$40.21	\$34.46	\$37.73

## Prepaid Plans

DeltaCare USA, SafeGuard, Premier Access and Western Dental

Prepaid plan services are provided by member dentists throughout California. These plans are not available outside of California.

You pay no monthly premiums, as they are paid in full by the State. You also have no deductibles or maximum annual benefit limits with these plans. Many services are provided at low or no cost to you. Enrollment in any of these plans requires you be assigned to one provider/facility. 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 care 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 dentist, contact the plans at:

DeltaCare USA	1-800-422-4234	<a href="http://www.deltadentalca.org">www.deltadentalca.org</a>
SafeGuard	1-800-880-1800	<a href="http://www.safeguard.net">www.safeguard.net</a>
Premier Access	1-888-534-DHMO (3466)	<a href="http://www.socdhmo.com">www.socdhmo.com</a>
Western Dental	1-866-859-7525	<a href="http://www.westerndentalbenefits.com/stateofca">www.westerndentalbenefits.com/stateof ca</a>

## Indemnity Plan

Delta Dental Premier - Group #9949

Delta Premier features full access to specialty care and guaranteed benefits through member dentists. Also, you may see any dentist worldwide and still be covered; however, your out-of-pocket costs may be higher. For more information, contact Delta Dental at 1-800-225-3368 or visit [www.deltadentalca.org/state](http://www.deltadentalca.org/state).

## Preferred Provider Option Plan

Delta Dental Preferred Provider Option (PPO) - Group #9946

PPO provides services through its network of participating dentists. You may also use non-PPO dentists worldwide; however, if you receive services outside of the PPO network, your out-of-pocket costs could 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.

Some of the differences between the Delta Premier plan and the Delta PPO plan are: The PPO dental plan 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. Also, the maximum annual benefit available to dependents is \$2,000 when using a dentist who's a member of the PPO network, compared to a \$1,000 yearly maximum for dependents under Delta Premier basic plan. Additionally, the PPO plan 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 current dentist may be a PPO provider, so you may want to consider changing your coverage to the PPO plan to take advantage of this richer benefit.

For more information, contact Delta Dental at 1-800-225-3368 or visit [www.deltadentalca.org/state](http://www.deltadentalca.org/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.

**CONSOLIDATED BENEFITS**

All excluded employees and employees represented in BUs 2, 7, 8, 16, 17, 18, and 19 are in CoBen. The State provides a benefit allowance to purchase health, dental, and vision benefits. If the total cost of the plans chosen is less than your CoBen allowance, you receive the difference as taxable income. If the total cost of the plans is more than your CoBen allowance, the difference is deducted from your pay warrant pre-taxed.

**Employee CoBen Allowance Amounts and Dependent Vesting Criteria**

Employees not previously eligible for health benefits under State civil service may be subject to dependent health vesting. Dependent health vesting provides employees a reduced employer health contribution toward dependent coverage during their first 12 or 24 months of service. Employees in Bargaining Units subject to a 12-month dependent vesting schedule will receive 75 percent of the employer contribution for health coverage during their first 12 months of service, and the full employer contribution after completing 12 months of service. Employees in Bargaining Units subject to a 24-month dependent vesting schedule will receive 50 percent of the employer contribution for dependent health coverage during their first 12 months of service, 75 percent during months 13 through 24, and the full employer contribution after completing 24 months of service.

BU 2 and 7 employees who first become eligible for health benefits on or after July 1, 2006 and Bu 16, 17, 18 and 19 employees who first become eligible for health benefits on or after January 1, 2007, are subject to a 12 or 24 month vesting schedule for the health portion of the employer benefit allowance for dependents.

The chart below reflects the CoBen allowance amounts effective January 1, 2014, for employees in BUs 2, 7, 8, 16, 17, 18, and Excluded employees. Please note that information in this section is subject to changes due to the fluid nature of collective bargaining.

2014 Employee Consolidated Benefits (CoBen) Allowances/Employer Health Contributions By Bargaining Unit								
Bargaining Unit	CoBen Allowance/Health Contribution							Dependent Health Vesting Schedule
	Single	2-Party			Family			
		50%	75%	100%	50%	75%	100%	
2	\$544	\$825	\$949	\$1,073	\$1,006	\$1,204	\$1,402	24 months
7	\$557	\$840	\$968	\$1,096	\$1,021	\$1,225	\$1,429	24 months
8	\$589	N/A	N/A	\$1,128	N/A	N/A	\$1,461	N/A
16	\$557	\$840	\$968	\$1,096	\$1,021	\$1,225	\$1,429	24 months
17	\$557	N/A	\$968	\$1,096	N/A	\$1,225	\$1,429	12 months
18	\$557	\$840	\$968	\$1,096	\$1,021	\$1,225	\$1,429	24 months
Excluded	\$590	N/A	N/A	\$1,140	N/A	N/A	\$1,474	N/A

**Benefits Calculator**

If you are going to make a change in your benefit choices during the open enrollment period, you may want to use the Benefits Calculator on CalHR's website, which will help you determine how much will

be deducted or added to your pay warrant, 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 Benefits Calculator is located at [www.calhr.ca.gov](http://www.calhr.ca.gov) (click on Employees, Benefits, and then Health).

### **CoBen Cash Option**

The following rates will be effective January 1, 2014; however, the collective bargaining process is fluid and changes may be agreed to which alter these amounts. The Human Resources Branch will notify employees if there subsequent changes to these rates.

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; or
- \$130 a month in-lieu of health coverage only.

To enroll in a CoBen Cash Option, complete a Consolidated Benefits (CoBen) Cash Enrollment Election (STD. 702) form during open enrollment. For details, refer to the 2014 CoBen handbook that will be available by Open Enrollment and can be downloaded from CalHR's website at [www.calhr.ca.gov](http://www.calhr.ca.gov) on the Consolidated Benefits page.

## **FLEXELECT**

### **FlexElect Reimbursement Accounts**

FlexElect offers reimbursement accounts that allow you to use pre-tax salary to pay for certain dependent care and/or medical care that is not covered by insurance. To enroll in a FlexElect Reimbursement Account, complete a Reimbursement Account Enrollment Authorization (STD. 701R) form during open enrollment. You must re-enroll into the Reimbursement Accounts each year.

The annual maximum FlexElect reimbursement amounts are:

- Medical Reimbursement Accounts - \$2,500 per participant.
- Dependent Care Accounts - \$5,000 per household.

The FlexElect handbook will be available by Open Enrollment for further details.

### **FlexElect Cash Option**

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 (STD. 701C) form during open enrollment.

*For details, refer to the 2014 FlexElect handbook that will be available by Open Enrollment and can be downloaded from CalHR's website at [www.calhr.ca.gov](http://www.calhr.ca.gov).*

## VISION PROGRAM

The premium paid to Vision Service Plan (VSP) for basic vision coverage will remain at the rate of \$8.64 and will continue to be paid in full by the State. State employee basic 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.

### Premier Vision Plan

The Premier Vision Plan enables you to get a higher allowance for frames and contacts, fully covered progressive lenses, and more discounts. Eligible State employees may enroll in the Premier Vision Plan during open enrollment or based on an eligible permitting event.

You have the option to enroll one of three ways:

- Online at [www.vsp.com/go/stateofcapremier](http://www.vsp.com/go/stateofcapremier). Complete the online enrollment form.
- Complete and mail the VSP enrollment form you will receive in the mail to:

VSP Vision Care  
Attn: Client Administrative Services  
PO Box 997100  
Sacramento, CA 95899

- Call VSP directly at 1-800-877-7195 and speak with a member service representative.

**Please Note: If you choose to upgrade to the Premier Vision Plan, basic vision coverage is cancelled; therefore, any dependents you wish to be covered must also be enrolled into the Premier Vision Plan. You cannot choose to enroll in both the Basic and Premier Vision Plan coverage at the same time, or split your enrollment leaving any dependents on the Basic Vision Plan.**

There is no increase in the monthly premiums for the Premier Vision Plan. If you choose the Premier Vision Plan, the additional cost will be deducted directly from your State pay warrant. The State will continue to contribute \$8.64 towards the monthly premium. The premium rates are reflected in the following chart.

### Premier Vision Plan Premiums

Coverage	Total Premium	State Share	Employee Share
Party Code 1	\$15.20	\$8.64	\$6.56
Party Code 2	\$21.76	\$8.64	\$13.12
Party Code 3	\$29.76	\$8.64	\$21.12

## VISION

### Basic Vision Plan

Benefits for eligible employees and their dependents include an eye exam, frames, and/or lenses once each calendar year. Medically necessary contact lenses are also fully covered. Benefits include

an allowance of \$75 for frames or \$110 for elective contact lenses. A \$10 deductible for an eye exam and a \$25 deductible for materials (frames and/or lenses) are required at the time of the appointment.

Eligible employees are automatically enrolled in the State's Basic Vision Plan upon hire. The effective date is based on when the employee's personnel office processes the Personnel Action Request (PAR) document.

### **Premier Vision Plan**

Employees may upgrade to the Premier Vision Plan for a monthly premium. The State contributes \$8.64, (the equivalent of the Basic Plan cost). The employee share of the premium is based on the party code (see attached chart). This benefit for eligible employees and their dependents includes an eye exam, frames, and/or lenses once each calendar year. An allowance of \$200 (\$110 allowance at Costco) is available for frames and/or lenses including bifocal, progressive and transition lenses which are fully covered. A \$10 deductible for an eye exam and a \$25 deductible for materials (frames and/or lenses) are required at the time of the appointment.

Eligible employees may enroll during open enrollment or within 60 days from the date of eligibility. The effective date of coverage is based upon when VSP receives the first monthly premium from the State Controller's Office. Employees wanting to enroll into the Premier Vision Plan must positively elect to enroll. Once enrolled into the Premier Vision Plan, the employee will be required to maintain their enrollment for a 12-month minimum enrollment period.

For more information about vision benefits, please contact Vision Service Plan (VSP) at 1-800-877-7195 or visit their website at [www.vsp.com/go/stateofca](http://www.vsp.com/go/stateofca).

State-Sponsored Dental Plans Benefit Cost Comparison

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

Procedures	Delta Dental				SafeGuard Delta USA Premier Access Western Dental	SafeGuard
	Premier Basic		Premier Enhanced	Preferred**Provider Option (PPO)	Standard	Enhanced***
	Rank &File Employees	Dependents of Rank & File Employees	Excluded Employees and Dependents	Excluded & Rank & File Employees and Dependents	Excluded & 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%	\$50.00	0
Bridges, Full & Partial Dentures	50%	50%	50%	40%	\$65.00 and up	0
Annual Deductible	\$50*	\$50*	\$25*	\$25*	No deductible	No deductible
Maximum Deductible	\$150 per family	\$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 person	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 cost	\$1,000 plus up to \$250 for start-up cost
Annual Maximum	\$2,000	\$1,000	\$2,000	\$2,000	No Maximum	No Maximum
Implant Benefit	Not Available	Not Available	Not Available	Delta will pay 50% up to a lifetime of \$2,500	Premier Access and Western Dental Only – This benefit is not available through DeltaCare or SafeGuard	Not Available

\* 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 3rd 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 for three cleanings per 12-month calendar year service period instead of the normal two cleanings. Excluded employees and their dependents have the enhanced coverage under SafeGuard. Rank and File employees and their dependents have the standard coverage under SafeGuard.

<b>Your Basic Vision Plan Benefits Summary</b>				
<b>Basic Vision Plan – The State of California contributes 100% of the State-sponsored Basic Vision Plan Premium*</b>				
<b>VSP Doctor Network: Vision Select</b>				
<b>VSP</b>				
<b>Your Coverage with VSP</b>				
<b>Benefit</b>	<b>Description</b>	<b>Copay</b>	<b>Frequency</b>	
<b>WellVision Exam®</b>	Focuses on your eye and overall wellness	\$10	Once every calendar year	
<b>Prescription Glasses</b>				
<b>Frame</b>	\$75 allowance	\$25	Once every calendar year	
<b>Lenses</b>	Single vision, lined bifocal, and lined trifocal			
<b>Covered Lenses Options</b>	Tints/photochromic lenses - Transitions	\$0		
<b>Contacts (instead of glasses)</b>	\$110 allowances for contact and contacts lenses exam (fitting and evaluation) 15% off contact lenses exam (fitting and evaluation)			
<b>Extra Discounts and Savings</b>	Laser Vision Correction Average 15% off regular price or 5% off promotional price; discounts only available from contracted facilities			
<b>Employee Monthly Contribution</b>	\$0.00.....Employee Only \$0.00.....Employee + one dependent \$0.00.....Employee + two or more dependents			
<b>Prescription Glasses</b>				
Under this State-sponsored plan, VSP guarantees service from VSP doctors only. Coverage information is subject to change. In the event of a conflict between this information and the State’s contract with VSP, the terms of the contract will prevail.				

<b>Your Premier Vision Plan Benefits Summary</b>			
<b>Premier Vision Plan – The State of California contributes a portion of the State-sponsored Premier Vision Plan Cost*</b>			
<b>VSP Doctor Network: Vision Choice</b>			
<b>VSP Members</b>			
<b>Your Coverage with VSP Doctors or Costco*</b>			
<b>Benefit</b>	<b>Description</b>	<b>Copay</b>	<b>Frequency</b>
WellVision Exam®	Focuses on your eye and overall wellness	\$10	Once every calendar year
<b>Prescription Glasses</b>			
<b>Frame</b>	<ul style="list-style-type: none"> <li>• \$200 allowance for wide selection of frames</li> <li>• 20% off over your allowance</li> <li>• \$110 allowance for Costco</li> </ul>	\$25	Once every calendar year
<b>Lenses</b>	Single vision, lined bifocal, and lined trifocal		
<b>Covered Lenses</b>	Tints/photochromic lenses -Transitions	\$0	
<b>Lenses Options</b>	Polycarbonate lenses	\$0	
<b>Covered Lenses Options</b>	Progressive lenses	\$0	
<b>Covered Lenses Options</b>	Average 20% -25% off other lenses options		
<b>Contacts (instead of glasses)</b>	\$200 allowances for contact and contacts lenses exam (fitting and evaluation) 15% off contact lenses exam (fitting and evaluation)		
<b>Extra Discounts and Savings</b>			
<b>Glasses and Sunglasses</b>			
20% off additional glasses and sunglasses, including lenses options, from any VSP doctor. See your provider for more detail.			
<b>Laser Vision Correction</b>			
Average 15% off the regular price or 5% off the promotional price, discounts only available from contracted facilities.			
<b>Employee Monthly Contribution</b>			
\$6.56.....Employee only			
\$13.12.....Employee +one dependent			
\$21.12.....Employee +two or more dependents			
Coverage with Costco may be different. Coverage with Costco is available only with the Premier Vision Plan. Once your benefit is effective, visit vsp.com for details.			
The employee monthly contribution reflects your share of the Premier Vision Plan premium. The State contributes the equivalent of the Basic Vision Plan premium to cover the remainder of the Premier Vision Plan premium.			
VSP guarantees coverage from VSP doctors only. Coverage information is subject to change. In the event of a conflict between this information and your organization’s contract with VSP, the terms of the contract will prevail.			

\*State contribution is \$8.64