

Human Resources Memorandum

SUBJECT: 2013 OPEN ENROLLMENT and HEALTH BENEFITS INFORMATION	NUMBER HR 13-018
	DATE ISSUED: 09/16/2013
DISTRIBUTION: All Employees	EXPIRES: N/A

The following employer health benefits and CoBen contributions are effective January 1, 2014 (December 2013 pay period). The collective bargaining process is fluid and changes may subsequently be agreed to which could alter these amounts. CalHR will notify departments if there are any subsequent changes to these rates.

Health Contribution - Bargaining Units (BUs) 1, 3, 4, 6, 10, 11, 12, 14, 15, 20, and 21	
Employee	\$512
Employee plus 1 dependent	\$1,024
Employee plus 2 or more dependents	\$1,328

Employees Subject to a 12-month Dependent Health Vesting Schedule BUs 1,3,4,11,14,15, 20, and 21	
Dependent Contribution Level 75%	
Employee:	\$512
Employee plus dependent:	\$896
Employee plus 2 or more dependents:	\$1,124

Employees Subject to a 24-month Dependent Health Vesting Schedule BUs 10 and 12^{1*}			
Dependent Contribution Level			
50%		75%	
Employee:	\$512	Employee:	\$512
Employee plus 1 dependent:	\$768	Employee plus 1 dependent:	\$896
Employee plus 2 or more dependents:	\$920	Employee plus 2 or more dependents:	\$1,124

¹ *Effective July 1, 2014, employees represented by BU 12 or 19, who first become eligible for health benefit enrollment or are receiving 50% of the normal employer dependent portion of the health contribution, shall be subject to a 12-month dependent health vesting schedule. Employees will receive 75% of the employer contribution for dependent health coverage during the first 12 months of service and the full employer health contribution after completing 12 months of service.

Implementation of the 12-month dependent health vesting schedule for BU 12 is subject to the economic trigger provision described in MOU section 2.2 Salaries.

Health Contribution - BUs 5 and 9	
Employee:	\$544
Employee plus 1 dependent	\$1,056
Employee plus 2 or more dependents	\$1,360

Health Contribution - BU 13	
Employee:	\$495
Employee plus 1 dependent	\$992
Employee plus 2 dependents	\$1,288

Employees Subject to a 24-month Dependent Health Vesting Schedule BU 13			
Dependent Contribution Level			
50%		75%	
Employee:	\$495	Employee:	\$495
Employee plus 1 dependent:	\$744	Employee plus 1 dependent	\$868
Employee plus 2 or more dependents:	\$892	Employee plus 2 or more dependents:	\$1,090

Health Contribution - BUs 7, 16, 17, 18, and 19	
Employee:	\$557
Employee plus 1 dependent	\$1,096
Employee plus 2 dependents	\$1,429

Employees Subject to a 24-month Dependent Health Vesting Schedule BU 7,16,18, and 19*			
Dependent Contribution Level			
50%		75%	
Employee:	\$557	Employee:	\$557
Employee plus 1 dependent:	\$840	Employee plus 1 dependent	\$968
Employee plus 2 or more dependents:	\$1,021	Employee plus 2 or more dependents:	\$1,225

CONSOLIDATED BENEFITS (CoBen) ALLOWANCE

CoBen Allowance - BU 2	
Employee	\$544
Employee plus 1 dependent	\$1,073
Employee plus 2 or more dependents	\$1,402

CoBen Allowance for Employees Subject to a 24-month Dependent Health Vesting Schedule BU 2			
Dependent Contribution Level			
50%		75%	
Employee:	\$544	Employee:	\$544
Employee plus 1 dependent:	\$825	Employee plus 1 dependent	\$949
Employee plus 2 or more dependents:	\$1,006	Employee plus 2 or more dependents:	\$1,204

CoBen Allowance - BU 7	
Employee	\$557
Employee plus 1 dependent	\$1,096
Employee plus 2 or more dependents	\$1,429

CoBen Allowance for Employees Subject to a 24-month Dependent Health Vesting Schedule BU 7			
Dependent Contribution Level			
	50%		75%
Employee:	\$557	Employee:	\$557
Employee plus 1 dependent:	\$840	Employee plus 1 dependent	\$968
Employee plus 2 or more dependents:	\$1,021	Employee plus 2 or more dependents:	\$1,225

CoBen Allowance – Excluded Employees	
Employee	\$590
Employee plus 1 dependent	\$1,140
Employee plus 2 or more dependents	\$1,474

HEALTH PLAN INFORMATION

For information on State health benefits and programs, please visit the California Public Employees Retirement System’s (CalPERS) Open Enrollment section, found on their homepage: www.calpers.ca.gov. You may also contact any of the following health plans directly or visit their CalPERS-specific member websites for information regarding provider participation, service areas, benefits, exclusion, and Evidence of Coverage (EOC) booklets. Not all of the CalPERS-specific websites and EOCs are available on the date of publication.

Health Plan	Phone Number	Website
Anthem Blue Cross	(855) 839-4524	www.anthem.com/ca/calpers/hmo
Blue Shield of California	(800) 334-5847	www.blueshieldca.com/calpers
California Association of Highway Patrolmen(CAHP)	(800)759-5758	www.thecahp.org
California Correctional Peace Officers Association (CCPOA)	(800)257-6213	www.ccpoabtf.org
Health Net of California	(888)926-4921	www.healthnet.com/calpers
Kaiser Permanente	(800) 464-4000	www.kp.org/calpers
PERS Choice, PERSCare, PERS Select	(877) 737-7776	www.anthem.com/ca/calpers
Peace Officers Research Association of California (PORAC)	(800)937-6722	www.porac.org
Sharp Health Plan	(855) 937-6722	www.sharphealthplan.com/calpers
UnitedHealthcare	Actives Member Services (877) 359-3714 Retire Member Services (888) 867-5581	www.uhc.com/calpers

Dependent Vesting FAQs

What is dependent health vesting?

Dependent health vesting provides new employees a reduced employer health benefits contribution toward dependent coverage during their first 12 or 24 months of service.

New employees in BUs 1, 3, 4, 11, 14, 15, 17, 20, and 21, not previously eligible for health benefits under State civil service, receive:

- 75 percent of the employer contribution for dependent health coverage during the first 12 months of service.
- After completing 12 months of service, new employees receive the full employer contribution for dependent health coverage.

New employees in BUs 2, 7, 10, 12^{2*}, 13, 16, 18, and 19* not previously eligible for health benefits under State civil service, receive:

- 50 percent of the employer contribution for dependent health coverage during the first 12 months of service.
- 75 percent of the employer contribution for dependent health coverage during months 13 through 24.
- After completing 24 months of service, new employees receive the full employer contribution for dependent health coverage.

What prior State service exempts new employees from dependent health vesting?

A new employee must meet all of the following criteria to be exempt from dependent health vesting:

- Previous appointment date prior to January 1, 2007 for employees in BUs 1, 3, 4, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21 and July 1, 2006 for employees in BUs 2 and 7;

² *Effective July 1, 2014, employees represented by BU 12 or 19, who first become eligible for health benefit enrollment or are receiving 50 percent of the normal employer dependent portion of the health contribution, shall be subject to a 12-month dependent health vesting schedule. Employees will receive 75 percent of the employer contribution for dependent health coverage during the first 12 months of service and the full employer health contribution after completing 12 months of service. Implementation of the 12-month dependent health vesting schedule for BU 12 is subject to the economic trigger provision described in MOU section 2.2 Salaries of their MOU.

- Must be a State civil service appointment (UC and CSU appointments are not State civil service); and
- Employee must have been eligible for State health benefits (it does not matter whether or not the employee actually enrolled in health benefits, as long as they were eligible to enroll).

What counts as a month of "service" for dependent health vesting?

The vesting period begins with the month an employee is first eligible for State health benefits. The vesting period is a continuous 12 or 24 months, unless the employee permanently separates from State service. Upon reinstatement following a permanent separation, the employee must serve the remainder of their vesting period.

For Permanent Intermittent (PI) employees, the vesting period begins following the completion of a control period; at the point the PI becomes eligible for health benefits. For example, if a PI meets the required hours in the July 1 through December 31 control period, they first become eligible for health benefits on February 1. The vesting clock starts on February 1 and continues to run unless the PI permanently separates or loses health eligibility. Upon reinstatement or resumption of health eligibility, the employee must serve the remainder of their vesting period.

If an employee from a non-vesting bargaining unit or an excluded employee transfers to a bargaining unit subject to dependent health vesting during their first 12 or 24 months of service, are they subject to dependent health vesting?

A State employee already receiving the 100 percent employer health contribution remains at the 100 percent contribution level.

If an employee from a bargaining unit subject to dependent health vesting transfers to a bargaining unit not subject to dependent health vesting during their first 12 or 24 months of service, must they continue to serve out their vesting period?

The employee begins receiving the 100 percent employer health contribution upon appointment to the non-vesting bargaining unit.

Please refer to the appropriate collective bargaining agreement for the specific criteria for determining if an employee is subject to dependent health vesting.

PUBLICATION REQUEST

You may request health publications by using the prepaid postcard included in the Open Enrollment Packet. Postcards must be postmarked no later than **September 25, 2013**. Requested materials will be mailed within two weeks. The postcard should be used to request any of the following:

- **2014 Health Benefit Summary** – Provides valuable information to help make an informed choice about a health plan; compares benefits, covered services, and co-payment information for all CalPERS health plans.
- **Health Program Guide** – Describes Basic and Medicare health plan eligibility and enrollment requirements, and explains when and how you can make health plan change.
- **CalPERS Medicare Enrollment Guide** – Provides information about how Medicare works with CalPERS health benefits, including when to enroll in a CalPERS Medicare health plan.

On **August 16, 2013**, the publications will be available to view and print on CalPERS On-Line at www.calpers.ca.gov.

AVAILABLE ONLINE RESOURCES

To help your employees choose a health plan, the following resources are available on CalPERS On-Line at www.calpers.ca.gov.

Health Plan Search by ZIP Code

The Health Plan Search by ZIP Code is an online tool that identifies which plans are available in the ZIP Code area. Enter the ZIP Code of the residential or work address, select the Member tab, and then Search to view the results.

Health Plan Chooser

The online Health Plan Chooser helps you compare the features and estimated out-of-pocket costs for each plan, search for doctors, and compare and rank plans based on personal preferences. Complete the Chooser's five steps, and the Chooser provides a Results Summary chart highlighting the plan (s) rated as the best fit in each category.

Web Video Presenting the 2014 CalPERS Health Plans

CalPERS offers an on-demand video that provides information from expert health plan representatives. Also included with this video are downloadable materials for the 2014 health plans. The video will be available on CalPERS On-Line at www.calpers.ca.gov for you and your employees in early September.

Please refer to CalPERS Web Videos: Presenting the 2014 CalPERS Health Plans Circular Letter 600-043-13.

APPROVED HEALTH PLANS

CalPERS has expanded their list of Health Maintenance Organization (HMO) plan providers to provide more options for members to choose from.

Health Maintenance Organization (HMO) Basic Health Plans

- Anthem Blue Cross
- Blue Shield of California
- Health Net of California
- Kaiser Permanente
- Sharp Health Plan
- UnitedHealthcare
- California Correctional Peace Officers Association (CCPOA)³

Exclusive Provider Organization (EPO) Health Plan

- Blue Shield EPO (serves Colusa, Mendocino, and Sierra counties)

Preferred Provider Organization (PPO) Basic Health Plans

- PERS Select
- PERS Choice
- PERSCare
- California Association of Highway Patrolmen (CAHP)³
- Peace Officers Research Association of California (PORAC)³

³ *Members must belong to the specific association and pay dues in order to enroll in any of the association plans.*

2014 Health Program Highlights

The following are general health program highlights for 2014.

CalPERS PPO and HMO plans will add coverage for the related aspects of gender reassignment surgery. Our PPO health plans PERS Select, PERS Choice, PERSCare, will add:

- Dental services for cleft lips or palates
- Coverage for medically necessary Applied Behavior Analysis Therapy
- A Specialty Preferred Drug Strategy to encourage the use of certain categories of lower cost, clinically appropriate prescription drugs where feasible

The above coverage is currently included in CalPERS HMO health plans. You may refer to the health plan's Evidence of Coverage booklets for more specific health plan information.

Additional information will be available online. Visit CalPERS On-Line at www.calpers.ca.gov and select the Employers tab. Next choose Benefit Programs & Contracting Services, then Health Benefits Program, and finally 2014 Health Plan Information.

Open Enrollment Packets

Open Enrollment packets will be mailed to enrolled employees on **August 19, 2013** and **August 26, 2013**. The Open Enrollment packet will include:

- **Open Enrollment News** – provides information about this year's Open Enrollment period, as well as highlights of the 2014 health benefit design changes.
- **CalPERS 2014 Health Plan Summary** – lists the health plans available by county, and provides health plan telephone numbers and website addresses.
- **Health Plan Statement** – identifies the health plan in which the employee and the employee's family members are enrolled in as of July 1, 2013.
- **Rate Sheet** – informs the employee of available health plans and rates based on their eligibility ZIP Code.
- **Postcard** – allows employees to order the *2014 Health Benefit Summary*, *Health Program Guide*, and the *CalPERS Medicare Enrollment Guide*.

Employees enrolled in a CalPERS health plan after **July 1, 2013**, will not receive an Open Enrollment packet. New employees or subscribers who did not receive an Open Enrollment packet may obtain the Open Enrollment publications from you. They can also visit CalPERS On-Line at www.calpers.ca.gov. This information will be available online on **August 16, 2013**. Select the Members tab. Next choose Health Benefits and finally 2013 Health Plan Information.

If you have any questions regarding the information provided above, please contact your Personnel Specialist.

CalPERS 2014 Health Premiums – State Only

Effective Date: 1/1/2014 – 12/31/2014							
Basic Monthly Rate (B)							
PLAN	If you are ⇨	Employee Only	Party Code	Employee & 1 Dependent	Party Code	Employee & 2+ Dependents	Party Code
Anthem Select HMO		\$622.53	1	\$1,245.06	2	\$1,618.58	3
Anthem Traditional HMO		670.36	1	1,340.72	2	1,742.94	3
Anthem EPO		670.36	1	1,340.72	2	1,742.94	3
Blue Shield Access+		655.02	1	1,310.04	2	\$1703.05	3
Blue Shield Access+ EPO		655.02	1	1,310.04	2	\$1703.05	3
BlueShield NetValue		575.78	1	1,151.56	2	1,742.94	3
Access +		575.78	1	1,151.56	2	1,742.94	3
CAHP (Active-Subsidized)		584.96	1	1,131.10	2	1,471.22	3
CCPOA (North)		647.19	1	1,296.69	2	1,750.51	3
CCPOA (South)		533.75	1	1,069.76	2	1,445.37	3
Health Net Salud y Mas		515.87	1	1,031.74	2	1,341.26	3
Health Net SmartCare		632.38	1	1,264.76	2	1,644.19	3
Kaiser (CA)		661.61	1	1,323.22	2	1,720.19	3
Kaiser (out-of-state)		917.20	1	1,834.40	2	2,384.72	3
PERS Choice		643.53	1	1,287.06	2	1,673.18	3
PERS Select		594.95	1	1,189.90	2	1,546.87	3
PERSCare		698.73	1	1,397.46	2	1,816.70	3
PORAC		634.00	1	1,186.00	2	1,507.00	3
Sharp		562.14	1	1,124.28	2	1,461.56	3
UnitedHealthcare		652.08	1	1,304.16	2	1,695.41	3