
INTEROFFICE MEMORANDUM

TO: ALL FACULTY AND STAFF
FROM: BRYANT T. MORGAN
SUBJECT: OPEN ENROLLMENT - HEALTH, DENTAL AND VISION CARE INSURANCE
DATE: 11/28/2011
CC:

I am writing to inform you of the new health insurance rates that will take effect on January 1, 2012 and to initiate the annual process for enrolling or reenrolling in the group health and dental insurance programs offered by the College or for making any changes to your present insurance coverage.

Health Insurance

For the 2012 insurance year, we have been successful in obtaining an increase in health insurance premiums that is markedly less than the double-digit percentage increase for the current year. Effective January 1, 2012, the rates for the health insurance plans offered through BlueCross BlueShield of Vermont (BCBSVT) will increase 5.5%. You will find in the accompanying materials specific information regarding the cost of the employee share of the insurance premiums for the respective plans in our group policy.

Dental Insurance

Dental insurance will continue to be available through Northeast Delta Dental. This, as you may recall, is an insurance plan that provides group-plan discounts, but it is an optional program and the College makes no contributions to the cost of the premiums. For 2012 the premiums for the dental insurance plans will increase 8.5%. The specific rates for the individual dental insurance plans and a summary of the benefits offered through these plans are included in the following materials.

Vision Care

Three options for vision care will be available to you with the new insurance year. Those are the following:

1. BCBSVT Vision Exam Rider. This rider provides for an annual vision examination for all individuals who are enrolled in one of the BCBSVT health insurance plans. This benefit is available at no extra cost to those enrolled, but is subject to a \$20 copay at the time of the exam. Excluded from this rider are coverage for the fitting of contact lenses and the

cost of lenses and frames.

2. Delta Dental EyeMed Vision Care. This is not an insurance plan, but a discount program. This vision-care benefit is available at no cost to all who are enrolled in a Northeast Delta Dental dental-care plan. This plan allows for discounts on vision examinations, glasses, lenses and laser vision correction. Information regarding this option is included among the attached materials.
3. VSP Vision Care Insurance. This is a new, optional insurance program. Like the dental-insurance program, the College will not make contributions to the cost of premiums, but this program will provide group-discount rates on premiums. Cost and benefits provided through VSP are described in the accompanying materials. VSP requires a minimum enrollment of 10 participants to implement this vision-care coverage. Consequently, please be advised that this coverage may not be available if we do not meet that minimum-enrollment threshold.

Following this memo are a description of the open enrollment process, information referenced above and materials that you will need to continue, enroll in or discontinue health, dental and vision coverage beginning January 1, 2012. These same materials and information will be available in the near future on the College website at <http://www.marlboro.edu/offices/hr/forms>.

The Open Enrollment period for indicating your elections for health, dental and vision coverage is in effect now and will continue until **Monday, December 19, 2011**.

If you have any questions regarding the open enrollment process or our insurance programs, please do not hesitate to contact me (extension 160 or bmorgan@marlboro.edu) or Anne Pratt (extension 607 or apratt@marlboro.edu)

MARLBORO COLLEGE OPEN ENROLLMENT

The open enrollment period begins now and is the time for you to declare your elections, if any, for health, dental and vision-care insurance. The open enrollment period will end Monday, **December 19, 2011**. This open enrollment period is your annual opportunity to confirm, change, enroll in or cancel your health, dental or vision-care insurance coverage. Except in the case of certain changes in family status or other qualifying events, you will not be permitted to change, cancel or enroll in health, dental or vision-care insurance plans again until the next open enrollment period, one year from now.

GENERAL INSTRUCTIONS

Begin with the two Election Forms, one labeled “2012 Health Insurance Preliminary Election Form,” and the other “2012 Optional Dental and Vision Insurance Election Form.” Make a selection of A, B, or C on each form to indicate your election for health and dental insurance. Next, mark the appropriate sub-selection that pertains to you, and complete the indicated, relevant forms. On the bottom of the 2012 Optional Dental and Vision Insurance Election Form please also indicate your preference regarding the optional vision-care insurance and, as applicable, complete the requested forms. Please submit your enrollment materials to Anne Pratt.

Please note that an enrollment response is required from each employee. Even if you are not eligible for health insurance or are otherwise insured, Vermont law requires an affirmative responses from all employees confirming either their ineligibility or signifying they have declined the insurance. All necessary forms follow this memo, and by Friday, December 2, 2012 will be available online at <http://www.marlboro.edu/offices/hr/forms> (See “Open Enrollment 2012”).

HEALTH INSURANCE

As in the past, you have a choice between two insurance plans from Blue Cross Blue Shield of Vermont: (a) the High Deductible Health Plan with Health Savings Account (HDHP/HSA) plan and (b) a more conventional Preferred Provider Option (PPO) Plan without an HSA, but with a lower deductible and a separate prescription plan.

While each plan has differing advantages, these plans provide choices that can meet the needs of both those who desire the low cost, flexibility, and control offered by the HDHP/HSA and those who prefer the simplicity and convenience of a lower-deductible plan but one that requires modest additional payments by the insured as provided by the PPO.

IRS limits on health savings accounts for 2012 have increased. Those are \$3,100 for single plans and \$6,250 for two-person and family plans. This means that an employees who are enrolled in the HDHP may contribute on a pretax basis as much as \$2,500 for single and \$5,050 for 2-person and family plans to their Health Savings Account beyond the amounts contributed by the College on a pre-tax basis to cover eligible medical expenses. In addition, employees over age 55 may

contribute an extra \$1,000 as a catch-up contribution. These contributions may be made through payroll deduction.

DENTAL INSURANCE

The College will continue to offer dental insurance through Northeast Delta Dental. This insurance plan pays 100% of preventative dental care without deductible or waiting period. The coverage additionally pays 60% of basic dental care after deductible and a six-month waiting period following new enrollment.

The College does not share in the cost of the insurance premiums, but we do have a negotiated group discount rate that is lower than comparable non-group plans.

VISION CARE

As described in the covering memo three options for vision care will be available effective January 1, 2012: (a) the vision exam rider to the BCBSVT health insurance plans, (b) the EyeMed Vision Care discount program administered through Northeast Delta Dental, and (c) vision care insurance offered through VSP. Specific information regarding the cost and/or coverage of the EyeMed Vision Care and VSP plans are included in the accompanying materials.

The College will not share in the cost of the insurance premiums for the VSP insurance program, but the program will be offered at a group-plan discount for subscribers.

HEALTH CARE REFORM BILL

Below is a repeat from last year of certain changes in health care coverage instituted as a consequence of the Health Care Reform Bill of 2010. These changes took effect January 1, 2011:

- Dependent Coverage through Age 26. Your dependent children are now eligible to continue coverage under your health, dental and vision programs through age 26. If your eligible children were covered by your insurance during the 2011 calendar year, and you are renewing your insurance coverage, no action is required on your part to continue their coverage. If you have children who were previously ineligible, and you are renewing or enrolling in different coverage, those children may be enrolled with you by including their names and other pertinent information on the enrollment form.
- No Lifetime Benefit Maximum. The Health Care Reform Bill prohibits any maximum lifetime benefit for health coverage or for transplant services. Prior to January 1, 2011, our coverage limited the lifetime benefit to \$2 million.
- Prescriptions for Over-the-Counter Medications. Effective January 1, 2011, over-the-counter medications will require a doctor's prescription to be eligible for reimbursement from Health Savings Accounts. Along with the re-enrollment materials, please find a summary of medications and products that will and will not be eligible for reimbursement from HSAs.