



Welcome

2010 Benefits Open Enrollment

November 16th – December 2nd, 2009



Goals of the MCCSC Benefit Plan

- Strive for continuous improvement of all programs & relationships
- Effective Cost Management
 - As costs continue to rise, MCCSC and the Insurance Committee will continue to look for innovative ways to control costs for both the corporation and employees
 - MCCSC employees must also share in the responsibility to be better health care consumers



Open Enrollment

- November 16th – December 2nd
- Open enrollment allows you to add, change or decline coverage without a qualifying event (death, birth, marriage, divorce, loss of spouse coverage)
- New Online Enrollment Process
 - Employees need to attend a group meeting
 - All benefit-eligible employees **MUST** enroll in benefits online this year
 - You can enroll from school or home at anytime day or night
 - Times have been made available for employees to go to computer labs to meet one-on-one with an enroller



Automatic Enrollment

- Basic Life Insurance
 - Cigna is Carrier
 - Term Life Insurance available to all benefit-eligible employees
 - Benefit is 1 x annual salary or \$30,000, whichever is greater
 - Cost to employees is \$12.00 per year
- Long Term Disability
 - Cigna is Carrier
 - Available to all benefit-eligible employees
 - Benefit of 66.67% of annual compensation beginning after 90 days in the event of a disability
 - Cost to employees is \$1.20 per year



CIGNA Group Insurance
Life • Accident • Disability

ALL EMPLOYEES WILL BE AUTOMATICALLY ENROLLED IN THESE TWO PROGRAMS



Medical Plan

- Self-Funded
 - We are self-funded, which means whatever you don't pay, MCCSC does
 - How employees utilize the medical plan is a driver towards the cost of the medical plan
 - Lifestyle decisions (exercise, diet, smoking, etc)
 - Smart use of the medical plan impacts cost (i.e. going to ER for a sprained ankle, choosing generic drugs over brand names, etc)

TAKE AN ACTIVE ROLE IN YOUR HEALTH AND HEALTHCARE



Medical Plan

- Remaining with Anthem as Third Party Administrator
- As a result of high plan utilization, the medical plan is faced with an increase and the rates will be increased effective January 1, 2010
- Recognizing that the change in rates could be a hardship on some employees, the district will be offering more options for employees
- All employees will have 3 health plans to choose from

Benefits	Plan 1	Plan 2 * Updated Design	Plan 3 (HSA)
	Network / Non-Network	Network / Non-Network	Network / Non-Network
Deductible – Individual	\$400 comingled	\$500 / \$500	\$3,000 / \$6,000
Family	\$800 comingled	\$1,000 / \$1,000	\$6,000 / \$12,000
Reimbursement Percentage	80% / 60% *	80% / 50% *	100% / 70%*
Out-of-Pocket Expense –			
Individual	\$1,400 / \$2,400	\$2,000 / \$4,000	\$3,000 / \$12,000
Family	\$2,800 / \$4,800	\$4,000 / \$8,000	\$6,000 / \$24,000
Lifetime Maximum	\$5,000,000	\$5,000,000	\$5,000,000
Physician Office Visits	80% / 60% *	80% / 50% *	100% / 70% *
Routine Care	100% / 60%	100% / 50%	100% / 70%
Emergency Room	80% *	80% *	100% / 70% *
Urgent Care	80% *	80% *	100% / 70% *
Prescription Drugs	\$10 Generic	\$200 Deductible	100% *
Retail	\$30 Formulary Brand	\$10 Generic	(after deductible)
	\$60 Non-Formulary	\$30 Formulary Brand	
		\$60 Non-Formulary	
Mail Order	\$20 Generic	\$200 Deductible	100% *
	\$60 Formulary Brand	\$20 Generic	(after deductible)
	\$120 Non-Formulary	\$60 Formulary Brand	
		\$120 Non-Formulary	

***NOTE: COINSURANCE/REIMBURSEMENT PERCENTAGE WILL APPLY AFTER DEDUCTIBLE HAS BEEN MET**

**** Family coverage requires the family deductible to be met before coinsurance applies.**

The single deductible does not apply to family coverage.



WHICH MEDICAL INSURANCE PLAN IS FOR ME?

<u>Plan 1</u>	<u>Plan 2</u>	<u>Plan 3</u>
NO CHANGE IN BENEFITS Richest benefits (<i>lowest deductible and lowest out-of-pocket option</i>) and highest premium costs	Higher Deductible and Annual Maximum Out-of-Pocket than Plan 1	BE SURE YOU UNDERTAND THIS PLAN BEFORE ELECTING Participant assumes 100% of cost of Emergency Care, Urgent Care, Doctor Visits, and Prescriptions until Deductible is met
Best plan for Out-of-Network care	Rewards In-Network Care and more expensive than Plan 1 for Out-of-Network Care	Highest Deductible and Out-of-Pocket Maximums
No Prescription Deductible	\$200 Prescription Deductible	100% coverage after Deductible met
		Lowest premium costs and only plan where participants are eligible to participate in a Health Savings Account



COST CHANGES TO MEDICAL INSURANCE

Plan 1 Single will increase by \$37.52 for 24 pay employees and \$50.02 for 18 pay employees

Plan 1 Family will increase by \$93.78 for 24 pay employees and \$125.05 for 18 pay employees

Plan 2 Single will cost \$20.85 more than 2009 Plan 1 Single for 24 pays and \$27.79 more for 18 pays employees

Plan 2 Family will cost \$52.10 more than 2009 Plan 1 Family for 24 pays and \$69.47 more for 18 pays employees

Plan 3 Single will cost \$0 more than 2009 Plan 2 Single for 24 pays and \$0 more for 18 pay employees

Plan 3 Single will \$23.18 **less** than 2009 Plan 1 Single for 24 pays and \$30.91 less for 18 pay employees

Plan 3 Family will cost \$0 more than 2009 Plan 2 Family for 24 pays and \$0 more for 18 pay employees

Plan 3 Family will cost \$55.87 **less** than 2009 Plan 1 Family for 24 pays and \$74.49 less for 18 pay employees



TIPS TO MANAGE INCREASING PREMIUMS

Consider utilizing a Flexible Spending Account (FSA – Medical Reimbursement) or Health Savings Account (HSA)

Medical Insurance premiums are eligible for pre-tax, and if you take advantage of pre-tax then a \$1 increase in premiums will impact your take home pay by less than \$1 (estimated \$0.72)

Re-evaluate your medical insurance plan selection. Is it worth it to you to select a plan with more out-of-pocket costs in exchange for paying a lower premium?

Medical/Dependent Care Reimbursement (Section 125 Flexible Spending Accounts)

- **MEDICAL FLEX CANNOT BE USED IF YOU OPEN A HSA (even your spouse cannot participate in a Flex account at his/her employer if you have an HSA)**
- **Allows you to set aside money pre-tax to cover eligible medical/dental/vision and dependent care expenses**
- **Reduces taxes and increases take-home pay**
- **Flex program administration remaining with TASC Flex Systems**
 - Flex Debit Card offered
 - Employees can swipe card for themselves and dependents, even at the pharmacy level or daycare (*if accepted*); no need to substantiate claims or complete manual requests for reimbursement but be sure to hold on to receipts for IRS purposes
 - Flex reimbursements can be direct deposited
- **Everyone must either enroll or decline during Online Enrollment regardless if you were enrolled in the prior year**
 - If you previously participated in Flex in 2009, be sure to check the expiration date on your card and as long as it has not expired, your 2010 funds will be available using your current card (*Only if you elect new 2010 funds)
 - Withholding starts with January payrolls
 - You do NOT need to be enrolled in our health plan coverage to participate in Flex

Medical Reimbursement Account (Flex)

- Elect up to \$5,000 in pre-tax dollars for medical qualified expenses (see MCCSC website for list)
- Have access to full elected amount on January 1 and amount is deducted over the plan year through payroll
- Flex dollars can be spent on deductibles, coinsurance, copays, over-the-counter medications, dental expenses, vision expenses
- Funds that you contribute during this plan year (2010) will become available January 1st, but must be spent by March 14th, 2011 (includes 75 day grace period)
- Use it or Lose it – be conservative! Funds not spent by March 14th will be lost

Example of Eligible Medical or Medical-Related Expenses

FlexSystem®

(This list is to serve as a reference only. It is not a complete list of deductible expenses, nor is it an item-by-item approved list of expenses by the IRS.)

- | | | |
|--|---|--|
| ■ Acupuncture | Healing service fee | Over-the-counter drugs for specific medical condition |
| ■ Alcoholism | Hearing devices and batteries | Oxygen |
| ■ Ambulance hire | Home improvements motivated by medical consideration | Prescribed medications (including over-the-counter) |
| ■ Artificial limbs/teeth | Hospital bills/hospitalization insurance | Psychiatric care |
| ■ Birth control pills | Insulin | Psychologist fees |
| ■ Birth prevention surgery | Laboratory fees | Routine physicals and other non-diagnostic services and treatments |
| ■ Braces | Lasik eye surgery | “Seeing Eye” dog and its upkeep |
| ■ Braille – books and magazines | Laetrile by prescription | Sterilization fees |
| ■ Care for handicapped child | Lead base paint removal for children with lead poisoning | Stop Smoking programs |
| ■ Chiropractors | Membership fee in association with furnishing medical services, hospitalization and clinical care | Surgical fees |
| ■ Christian Science fees | Needed medical supplies, prescribed by a doctor | Therapeutic care for drug/alcohol addiction |
| ■ Co-insurance | Nurses’ fees | Therapy treatments |
| ■ Communication equipment/deaf | Obstetrical expenses | Transportation expenses |
| ■ Contact lenses and cleaning solution | Operations | Tuition at special school for handicapped |
| ■ Crutches | Orthodontia | Wheelchair |
| ■ Deductibles | Orthopedic shoes | Wigs (prescribed by a doctor) |
| ■ Dental fees | Osteopaths | X-rays |
| ■ Dentures | | |
| ■ Diagnostic fees | | |
| ■ Drug and medical supplies | | |
| ■ Education for the blind | | |
| ■ Eyeglasses, including exam fee | | |

Dependent Care Reimbursement Account (Flex)

- Elect up to \$5,000 in pre-tax dollars for daycare expense for children 13 and under
- Unlike the medical reimbursement accounts, participants must have monies deducted from their paycheck before they are eligible for reimbursement
- Elected amount is deducted over the plan year through payroll
- Your daycare provider is not required to be licensed; however must claim the daycare dollars on their taxable income
- Funds that you contribute during this plan year (2010) must be spent by March 14th, 2011 (includes 75 day grace period)
- Use it or Lose it – be conservative! Funds not spent by March 14th will be lost

Let's Compare

	Without FlexSystem	With FlexSystem
Salary	\$1,600	\$1,600
Flex Dollars	<u>\$ 0</u>	<u>\$ 400</u>
Taxable Income	\$1,600	\$1,200
Income Tax	\$ 240	\$ 180
State Tax (assume 5%)	\$ 128	\$ 96
Social Security	\$ 122	\$ 91
Income After Taxes	\$1,110	\$ 833
Medical Premium	\$ 150	
Medical Expenses	\$ 50	
Dependent Care	<u>\$ 200</u>	<u>\$ 0</u>
Take Home Pay	\$ 710	\$ 833
Net Increase		\$ 123
Pay Periods		X 12

Employee's Annual Increase = \$1,476

*This is for illustration purposes only. Actual savings may vary.



Run-Out / Grace Period

- Use-It-or-Lose-It Rule.
 - Expenses MUST be incurred prior to 3/14/2011 for 2010 funds

- After 3/14/11 you have up to an additional 90 days to submit expenses from 01/01/10 – 3/14/11.



**Precautionary steps to avoid having large amounts left
in the Section 125 Plan at year-end
(end of grace period):**

- Be conservative. Set aside only dollars you will actually use.
- Check account on-line or on TASC's Interactive Voice Response system.

How to Enroll & Participate

■ ***Make your elections***

- Open Enrollment or Qualifying Event
- Voluntary
- Be conservative!

■ ***Submit claims for reimbursement***

- Reimbursement forms will be supplied
- Request reimbursement on-line at www.tasconline.com for FSA Dollars, Or use your debit card
- Fax in you Request

■ ***Collect your money***

- Checks will be sent directly to you
- Direct Deposit is available, if preferred
- FlexSystem Debit Card for FSA
 - If you debit card hasn't been used for 6 consecutive months, it will automatically shut off and you will have to call TASC to have it turned back on



FlexSystem

FlexSystem™ REQUEST FOR REIMBURSEMENT

Group ID# GROUP_NAME

Member Id# MEMBERID

Pin # PIN

Please FAX to 608-663-2762 or,
return to:

MEMBER_NM
ADD 1
ADD 2
ADD 3

TASC
PO Box 7308
Madison, WI 53707-7308

New Address, check here and fill out below - please print

Date of Service (not billing or paid date)		Benefit	For each claim line entered, all boxes must be completed.		
Month	Year	Code	Claim Amount	Service Type (List Service Provider(s))	

NOT FOR PUBLIC RELEASE

BENEFIT CODE

M - MEDICAL EXPENSE

D - DEPENDENT CARE/ DAYCARE

P - INSURANCE PREMIUM REIMBURSEMENT

T - TRANSPORTATION

To the best of my knowledge and belief, my statements in this Request for Reimbursement are complete and true. I am claiming reimbursement only for eligible expenses incurred during the applicable plan year and for eligible plan participants. I certify that these expenses have not been previously reimbursed under this or any other benefit plan and will not be claimed as an income tax deduction. I understand that the IRS regulates my FlexSystem account and that these guidelines are implemented as a means of ensuring compliance and approval for reimbursement. I further understand that it is my responsibility to comply with these guidelines and to avoid submitting duplicate or ineligible claims, as that may delay payment. I authorize my Flexible Spending Account to be reduced by the amount requested.

Employee Signature (required)

Date / /

123-45-6789 - 0000

A

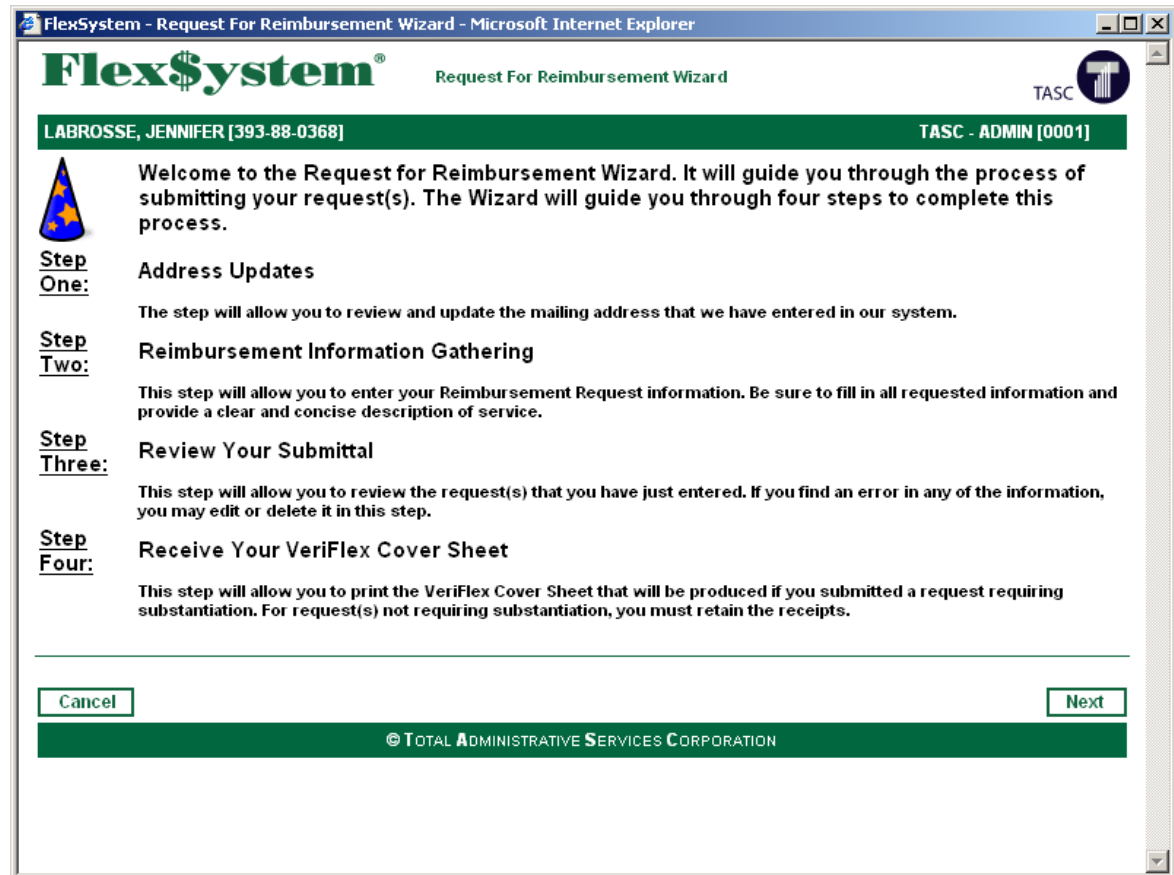
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FlexSystem Paper Request for Reimbursement Form

****Specific to each employee
mailed to you from TASC
Flexsystems. Can be obtained
from TASC Wesite**

FlexSystem On-Line Request for Reimbursement Wizard

Login and Pin
information mailed to
from TASC



The screenshot shows a web browser window titled "FlexSystem - Request For Reimbursement Wizard - Microsoft Internet Explorer". The page header includes the "FlexSystem" logo and the text "Request For Reimbursement Wizard". In the top right corner, there is a "TASC" logo and a user profile icon. Below the header, a green bar displays the user's name "LABROSSE, JENNIFER [393-88-0368]" and their role "TASC - ADMIN [0001]".

The main content area features a blue wizard icon and a welcome message: "Welcome to the Request for Reimbursement Wizard. It will guide you through the process of submitting your request(s). The Wizard will guide you through four steps to complete this process." Below this, four steps are listed:

- Step One:** Address Updates
The step will allow you to review and update the mailing address that we have entered in our system.
- Step Two:** Reimbursement Information Gathering
This step will allow you to enter your Reimbursement Request information. Be sure to fill in all requested information and provide a clear and concise description of service.
- Step Three:** Review Your Submittal
This step will allow you to review the request(s) that you have just entered. If you find an error in any of the information, you may edit or delete it in this step.
- Step Four:** Receive Your VeriFlex Cover Sheet
This step will allow you to print the VeriFlex Cover Sheet that will be produced if you submitted a request requiring substantiation. For request(s) not requiring substantiation, you must retain the receipts.

At the bottom of the page, there are "Cancel" and "Next" buttons. A footer bar contains the copyright notice: "© TOTAL ADMINISTRATIVE SERVICES CORPORATION".



Check Participant Account Balances On-Line

The screenshot shows a web browser window with the URL <https://www.tasconline.com>. The page title is "Medical - Member Info - Microsoft Internet Explorer". The FlexSystem logo is at the top left, and a "Log Out" button is at the top right.

Member information is displayed in a table:

Client ID:	T996	Participant ID:	121-22-5459	Name:	TEST TESTING
	12/01/04 - 11/30/05		M - Medical		UPDATE

Below this is a "Benefit Code" dropdown menu with options: "M - Medical" (selected), "D - Dependent Care", and "All".

Summary statistics are shown in a table:

Total Contributions	0.00	Total Claim Account B		Total Claims Paid available Funds	53.97 46.03
Annual Election	100.00				

Navigation tabs include: Member Information, Total Contributions, Total Claims Received, Total Claims Paid, and Special Transactions.

Mailing Address:
2302 INTERNATIONAL LANE
C/O CHRIS FOLEY
MADISON WI 53704

Employment Status: A
Plan eligibility: Y

Direct Deposit Information:
Routing Number: -
Account Number:
[Click here to obtain a form to implement Direct Deposit](#)


Buttons: Help, Log Out

Website updated as of 08/24/2005. Information described is representative of the previous business day.

Out-Bound: CHOOSE ONE (dropdown)
Comments: (text input)
Log Call (button)

Technical Bulletins: Select (dropdown)

System tray: Internet



Considering Medical Plan 3? You may want to know some key differences between Medical Reimbursement Accounts (Flex) and Health Savings Accounts (HSA's).

	HSA - Health Savings Account	FSA - Medical Reimbursement
Who Can Participate	<p>1.) Enrolled in a qualified health plan that includes a high deductible and no co-pays or prescription coverage until after the deductible is met 2.) Not enrolled in Medicare 3.) Not enrolled in a Flexible Spending Account (FSA). 4.) Not covered under a non-qualified medical plan.</p> <p>Plan 3 qualifies at MCCSC</p>	Any benefit eligible employee who does not participate in the HSA program.
Why Participate?	Contributions into an account reduce household taxable income.	Contributions into an account reduce household taxable income.
What are the eligible expenses that I can use to claim from my account?	See eligible expense list.	See eligible expense list.



	HSA - Health Savings Account	FSA - Medical Reimbursement
Are you required to make contributions into the account before the elections can be spent?	Yes. Only the available balance in the account can be spent.	No. Your employer "pre-funds" the Section 125 account so employees can spend medical reimbursement funds before they are deducted from your paycheck.
Do unused funds rollover from one year to the next?	Yes.	No. Elections must be spent by the end of the plan year. There may be a 75 day grace period if your employer allows. Participants have up to 90 days following the plan year to claim expenses incurred during the allowable timeframe.
Upon termination, can plan participants continue using the plan?	Yes.	Upon termination participant may claim up to the amount paid into the plan during the plan year.
Can a participant change their contribution amount?	Yes. Any time for any reason.	Yes, within 30 days of a qualifying event such as marriage, divorce, birth of a child, or adoption.

REFER TO THE HSA WEBCAST ON THE WEBSITE FOR MORE INFORMATION ON THE HEALTH SAVINGS ACCOUNT PLAN

Dental: Cigna



CIGNA Group Insurance
Life • Accident • Disability

- NO RATE INCREASE
- Changing Third Party Administrator from Anthem to Cigna
- No change in benefits
- New Cards for Dental are in your Open Enrollment Packets (If you were on the medical plan, you will be receiving a new Anthem card as well)
- Continue to have NO Network; however, if your dentist is a member of the Cigna Network, you will experience greater discounts
- If you had dental last year and are not making changes, you will simply need to verify that everything is accurate during your Online Enrollment Process – be sure to verify dependent information if applicable



Voluntary Life Insurance



CIGNA Group Insurance
Life • Accident • Disability

- Voluntary Employee, Spouse and Dependent Life Insurance
 - Administered by Cigna –no longer MetLife
 - Includes AD&D
 - Lower rates
 - Employees who had been approved amounts above the Guarantee issue amount with MetLife will be approved those amount under Cigna
 - (letter in your Open Enrollment packet explaining this)
 - Employees who had Voluntary life insurance with MetLife but at amounts not requiring approval above the guarantee issue amount will be defaulted to 1x annual salary so be sure you update this on the online enrollment system if you want to increase amount or purchase spouse or child life



Voluntary Life Rates - Employee

Guarantee Issue amount is 3x annual salary (only during this open enrollment period)

For 4x or 5x annual salary, an Evidence of Insurability form must be filled out

Age as of Date	Under 25	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70+
Monthly Rate per \$1,000 of Coverage	\$.04	.05	.06	.08	.10	.15	.23	.43	.62	1.13	1.83

Example: 37 year old purchasing 100,000 in Life Insurance

1. Enter Rate from Table: \$.08
2. Enter Amount of Insurance in thousands of dollars: x 100
3. Monthly Premium (1) x (2) \$8.00

Voluntary Life Rates – Spouse (SP)

Must purchase Voluntary Employee Life to be able to purchase life insurance for Sp

Guarantee issue (**only during this open enrollment period**) amount is 25k and Maximum is 100k

Age as of Date	Under 25	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70+
Monthly Rate per \$1,000 of Coverage	\$.06	.08	.09	.11	.13	.20	.37	.59	1.08	1.85	NA

Example: 45 year old purchasing 25,000 for spouse

1. Enter Rate from Table: \$.20
2. Enter Amount of Insurance in thousands of dollars: x 25
3. Monthly Premium (1) x (2) \$5.00



Voluntary Life Insurance - Child

- Must purchase Voluntary Employee Life to be able to purchase Child Life
- \$1.12 cents per month
- \$10,000 in coverage for each covered child
- Same price no matter how many children are covered



Things to Remember

- STAY HEALTHY
 - Use the routine care coverage and get an annual checkup
 - Address concerns before they become BIG issues
 - Take care of your mind, body and soul – happier people are healthier!
- Use in-network providers
 - The PPO network has negotiated discounts
 - Most likely to file your claim for you
- Flex plan participation can save on taxes
- If you are considering a Health Savings Account (HSA), please view the HSA webcast on the MCCSC website for more information
- Stay informed
 - Understand your benefits, your coverage needs, what's going on in the market that can help (e.g. new generics, etc)



One-on-One Meetings

- Times available for employees who want more one-on-one help through the new Online Self-Service Enrollment Process. Enrollers and computers will be available to assist employees with the online process.

Tuesday, Nov. 17th	9 am – 2 pm	Abel Bldg (IS Conf. Room)
Tuesday, Nov. 17th	4 pm – 6:30 pm	South High School Computer Lab Room A129*
Tuesday, Nov. 17th	4 pm – 6:30 pm	North High School Library Lab**
Thursday, Nov. 19th	9 am – 6:30 pm	Abel Bldg (IS Conf. Room)
Monday, Nov. 23rd	2:30 pm – 6:30 pm	South High School Computer Lab Room A129*
Tuesday, Nov. 24th	2:30 pm – 6:30 pm	North High School Library Lab**
Monday, Nov. 30th	9 am – 6:30 pm	Abel Bldg (IS Conf. Room)
Tuesday, Dec. 1st	9 am – 6:30 pm	Abel Bldg (IS Conf. Room)
Wednesday, Dec. 2nd	2:30 pm – 6:30 pm	North High School Computer Lab – Room 216**
Thursday, Dec. 3rd	9 am – 6:30 pm	Abel Bldg (IS Conf. Room)

* South Computer Lab Room A129 – Come in main doors and located on first floor near the cafeteria

**North Library Lab – Enter through main entrance and stay left at the “Y”. Library is across from the cafeteria and the computer lab is inside the library on the far left. Room 216 is located in the Corridor across from the Library – 1st door on the left.



Who to contact for Questions:

- Connection Point Benefits
 - 1-888-852-5707

- MCCSC Benefits Office:
 - Sandi Brinson, Director of Human Resources
 - sbrinson@mccsc.edu or 812.330.7700, ext 51349
 - Billie Carlson, Benefits Coordinator
 - bcarlson@mccsc.edu or 812.330.7700, ext 50048