

HUMAN RESOURCES MEMORANDUM: 10:016A

Supersedes 10:016

Issue Date: September 23, 2010

To: Personnel Liaisons and Attendance Clerks

Subject: **HEALTH BENEFIT INFORMATION AND 2010 OPEN ENROLLMENT**

PLEASE ENSURE THAT THIS INFORMATION IS SHARED WITH YOUR EMPLOYEES.

Purpose of document This memorandum supersedes HR Memo 09-033 and provides employees with detailed information regarding the annual Health Benefit Open Enrollment for 2010.

Open enrollment Open enrollment is from September 13, 2010, through October 8, 2010. The effective date of all open enrollment transactions is January 1, 2011.

During open enrollment, eligible employees may enroll, change, add or delete family members in health plans. Attendance Clerks will provide Health Benefit Document (HBD-12) and HIPPA (HBD 12A) forms and assist employees during this period.

Health plan options Health Maintenance Organization (HMO) Basic Health Plans

- Blue Shield Access+
- Blue Shield NetValue
- Kaiser Permanente

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
 - PERS Care
-

2011 Health plan changes

A listing of benefit changes are below:

- Blue Shield Access+/NetValue (basic) – adding a \$250.00 co-pay for use of an outpatient hospital instead of an ambulatory surgery center for gastrointestinal endoscopy, spinal injections, and cataract surgery.
- Blue Shield NetValue (Basic & Medicare) – offering coverage to Santa Cruz and Santa Clara counties and expanding access in San Mateo County.
- Blue Shield Access+ NetValue (Basic & Medicare) – excluding non-formulary brand prescription co-pays from the out-of-pocket maximum, and increasing non-formulary brand waiver co-pay.
- PERS Select (Basic) – increasing co-insurance of hospitals not in the PERS Select Hospital Network.
- PERS Select /Choice/Care (Basic) – encouraging use of high-quality cost-effective hospitals for hip and knee joint replacements and adding a \$250.00 per-admission co-pay for bariatric surgeries not performed in a center of excellence (out of state only).
- PERS Select /Choice/Care (Basic) – excluding non-preferred brand prescription co-pays from the out-of-pocket maximum and increasing non-preferred brand waiver co-pay.
- **Primary Care Physician** – Employees enrolling into Blue Shield should indicate their choice of Primary Care Physician (PCP) when completing their enrollment form.

Note: Employees enrolling in Kaiser, PERS Select, PERS Choice, and PERS Care do not need to choose a PCP.

Social Security numbers and birth certificates required for dependents

Effective September 13, 2010, CalPERS Health Plan requires Social Security numbers for all dependents upon enrollment or upon change of enrollment.

Due to the new requirement of dependent Social Security numbers there is a new HBD-12 form which must be used to enroll or make future changes.

The following link will provide you with the 08/10 revision:

<https://www.calpers.ca.gov/mss-pub/SearchController?library=action&PageId=SearchCatalog>

Also, if employees have not previously provided a copy of their dependent's birth certificate, please ensure one is submitted with their enrollment documents. In order to avoid delays, the Office of Human Resources will accept HBD-12s without the birth certificate. However, Attendance Clerks are required to ensure employees submit a birth certificate to the Office of Human Resources as soon as possible.

Extension of dependent coverage to the age of 26

The Patient Protection Affordable Care Act was amended to extend dependent coverage up to the age of 26 effective January 1, 2011.

Children not currently enrolled in an employee's benefits, whether previously enrolled or not, are eligible for dependent coverage up to the age of 26 regardless of whether they are married or live with their parent.

Dependents that turned 23 during the period of January through November of 2010 will need to re-enroll to continue coverage; however, dependents turning 23 after December 1, 2010, will automatically have coverage extended to the age of 26.

Economically dependent children

To enroll economically dependent children during Open Enrollment, the Affidavit of Eligibility for Economically Dependent Children HBD-35 form must be completed and submitted with the Health Benefit Plan Enrollment HBD-12 and Declaration of Health Coverage HBD-12A forms.

Health plan eligibility by ZIP Code

Active employees or working CalPERS retirees may enroll in a health plan using either a residential or work ZIP Code. A P.O. Box cannot be used to establish eligibility, but may be used for mailing purposes. To enroll in a Medicare Advantage plan, a residential address is required.

If a residential ZIP Code is used for eligibility, all enrolled dependents must live in the health plan's service area. If a work ZIP Code is used for eligibility all enrolled dependents must receive all covered services (except emergency and urgent care) within the health plan's service area, even if they do not live in that service area.

Importance of timely notification of changes

Remind employees to notify their Attendance Clerk of any status changes such as: marriages, divorces, and/or births. Maintaining enrollment of ineligible dependents, such as divorced spouses and/or married children, will hold employees financially responsible until their coverage is cancelled.

Retroactive changes

Retroactive transactions occur when there is a status change for a member or dependent due to death, marital status, changes in employment and other circumstances, and the change is not reported timely.

Timely notification requires the employee to notify the Attendance Clerk as soon as they have a qualifying event and submitting the proper documents to their Personnel Specialist.

Employees failing to report a deletion or cancellation timely will be entitled to only up to six months of premium reimbursement.

Permanent intermittent employees

Newly eligible Permanent Intermittent (PI) employees may enroll in health benefits after a qualifying control period, January 1 and July 1 of each year.

However during Open Enrollment, PI(s) currently enrolled in health benefits, may add eligible dependents and/or change providers. Please contact your Attendance Clerk for assistance with determining eligibility.

Employees off pay status

Employees eligible for health benefits and off payroll status (including NDI, SDI, IDL, and Temporary Disability) may change plans and/or add dependents during the Open Enrollment period, or within 60 days from the date they return to regular pay status.

Off pay status and **paying directly** to the health plan provider:

- Complete an HBD-12, HBD-12A form, and a Direct Payment Authorization HBD-21 form. For dependent changes without changes to plan or party codes, submit the HBD-12 and HBD-12A for plan or dependent changes.

Off pay status and **not paying directly** to the Health Plan provider:

- Complete an HBD-12 and HBD-12A for plan or dependent changes.

Your Attendance Clerk can assist you with the completion of the appropriate forms.

COBRA changes

COBRA enrollees adding family members and/or changing carriers should submit a new Group Continuation Coverage (HBD-85) form to their Attendance Clerk.

Completing form HBD-12

The table below will assist you with completing the HBD-12 forms:

Box	Item Description	Enter the following:	
4B		If you use a post office box, your residence zip code is required for adding or deleting dependents or plan changes. If Box 4 B is not properly completed, the enrollment form will be returned for correction.	
11	Primary Care Physician	Name of Physician or medical group. Providing this information will assist with delivering identifications cards timely.	
14	Permitting Event Codes (Use during Open Enrollment only)	New enrollment	104
		Add Dependent	206
		Delete dependent	320
		Change Medical Plans	400
		Cancel Coverage	530
15	Permitting Event Date	September 13, 2010	
16	Effective Date	January 1, 2011	
17	Basic Plan	Include all persons enrolled in the health plan and their SSNs .	
21	Employee Sign and Date	Must be signed no earlier than September 13, 2010 and no later than October 8, 2010.	
33	Health Benefits Officer Received Date	September 13 – October 8, 2010.	

Multiple transactions

Multiple transactions such as deleting dependents and changing health plans require a separate document for each transaction.

Dependent vesting criteria

New employees, without previous State health benefit eligibility, may be subject to dependent health vesting.

Employees in bargaining units contracted for dependent vesting are provided with 50 percent of the employer dependent contribution for the first 12 months of service, and 75 percent of the employer dependent contribution for months 13 through 24. After 24 months, these employees receive the full employer dependent contribution applicable to their bargaining unit.

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

Premium & Employer Contribution rates

The Employer health benefit contributions are effective January 1, 2011.

Bargaining Units 1, 4, 10, 11 12, 14, 20, and 21 (Rank-and-File, Without Co-Ben)	Employer Contribution without vesting	First 12 months 50% Vesting Rate	Months 13-24 75% Vesting Rate
Employee only	\$433.00	\$433.00	\$433.00
Employee, plus 1 dependent	\$866.00	\$649.00	\$758.00
Employee, plus 2 or more dependents	\$1,129.00	\$781.00	\$955.00

Bargaining Unit 2 (Rank-and-file CoBen Allowance)	Employer Contribution without vesting	First 12 months 50% Vesting Rate	Months 13-24 75% Vesting Rate
Employee only	\$439.00	\$439.00	\$439.00
Employee, plus 1 dependent	\$836.00	\$651.00	\$744.00
Employee, plus 2 or more dependents	\$1,084.00	\$790.00	\$937.00

Premium & Employer Contribution rates
(Continued)

Bargaining Unit 8 (Rank-and-file Without CoBen Allowance)	Employer Contribution without vesting
Employee only	\$509.00
Employee, plus 1 dependent	\$973.00
Employee, plus 2 or more dependents	\$1,268.00

Bargaining Unit 9 (Rank-and-file Without CoBen Allowance)	Employer Contribution without vesting
Employee only	\$460.00
Employee, plus 1 dependent	\$893.00
Employee, plus 2 or more dependents	\$1,156.00

Bargaining Unit 3 and 13 (Rank-and-file CoBen Allowance)	Employer Contribution without vesting	First 12 months 50% Vesting Rate	Months 13-24 75% Vesting Rate
Employee only	\$371.00	\$371.00	\$371.00
Employee, plus 1 dependent	\$740.00	\$555.00	\$648.00
Employee, plus 2 or more dependents	\$959.00	\$665.00	\$812.00

Bargaining Unit 16, 17, 18 and 19 (Rank-and-file CoBen Allowance)	Employer Contribution without vesting	First 12 months 50% Vesting Rate	Months 13-24 75% Vesting Rate
Employee only	\$482.00	\$482.00	\$482.00
Employee, plus 1 dependent	\$946.00	\$729.00	\$838.00
Employee, plus 2 or more dependents	\$1,241.00	\$893.00	\$1,067.00

Excluded employees

Excluded Employees (CoBen)	Employer Contribution
Employee only	\$510.00

CoBen allowance

Employee, plus 1 dependent	\$986.00
Employee, plus 2 or more dependents	\$1,283.00

Dual coverage

Dual coverage as an employee and as a dependent is prohibited under the CalPERS Health Benefits Program. Families are required to coordinate their enrollments to prevent double coverage situations. If both you and your spouse are eligible to enroll in your own right, the enrollments can be established as two individual enrollments, or as one family enrollment. All dependents must be covered under one parent.

Deadline

Submit all Open Enrollment transactions as they are received. All documents must be completed and signed by the employee by **October 8, 2010** and received in OHR **no later than October 10, 2010**.

Health plan identification cards

Health Plan providers make every attempt to ensure members changing Health Plans, receive their new identification cards before January 1, 2011. Employees changing health plans who have not received new identification cards should discontinue using the prior plan after December 31, 2010 and contact their new plan member services regarding status of cards.

Important reminder

Type or print legibly all HBD-12, HBD-12A and HBD-85 forms. Open enrollment transactions are IRREVOCABLE once they become effective on January 1, 2011.

Open enrollment packets

CalPERS sent out Open Enrollment Packets in August. The open enrollment packets included the following:

- **Open Enrollment News** – contains information about this year’s Open Enrollment, as well as highlights of the 2011 health benefit design and co-payment changes.
- **Health Plan Statement** – identifies the health plan in which the subscriber and the subscriber’s family members are enrolled as of July 1, 2010.
- **Rate Sheet** – informs members of health benefit plans and rates available to them based on their eligibility ZIP Code on record.
- **Postcard** – allows members to order the 2011 Health Benefit Summary and Health Program Guide, or the CalPERS Medicare Enrollment Guide.
- **Health Care Reform Informational Insert** – informs members of the opportunity to extend dependent coverage up to the age of 26 pursuant to National Health Care Reform.

Note: Subscribers who enrolled in a CalPERS health plan after July 1, 2010, will not receive a Health Plan Statement.

Postcard

Requests for health publications using the postcard attached to the Rate

**publications
request**

Sheet must be postmarked by September 24, 2010. Publications are available on CalPERS On-Line at www.calpers.ca.gov. The postcard may be used to request the following publications:

- **2011 Health Benefit Summary** – This publication provides valuable information to help choose a health plan, select doctors, and understand the differences between the different types of plans. It compares health plan benefits, covered services, and co-payment information.
 - **Health Program Guide** – This publication describes Basic and Medicare eligibility, enrollment, and the types of health plan choices available.
 - **CalPERS Medicare Enrollment Guide** – This publication describes the relationship between Medicare and the CalPERS Health Program; summarizes the different parts of Medicare; and explains how and when to choose your CalPERS Medicare health plan.
-

**Online
Resources**

2010 Member Rating Information

The 2010 Member Rating Information describes how members rate plans and services and provides tips such as choosing a doctor.

Health Plan Chooser

The online Health Plan Chooser lets employees weigh the benefits and costs for each plan, search for specific doctors, and view overall plan satisfaction and quality ratings. The Chooser is 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 informs employees of plans available in their area. Employees can enter the ZIP Code for their residential or work address; select the Member Category and then “Search” to view the results. This tool is available on CalPERS On-Line and on my/CalPERS. <http://calpers2011.chooser2.pbgh.org/>

Attendance Clerks with Internet access may assist their employees by inputting the employee’s residential or work address ZIP Code and retrieving a list of health plans from which the employee can choose. Additionally, they can download a PDF file from CalPERS On-Line. Attendance Clerks who do not have Internet access may call CalPERS at (888) CalPERS (or 888-225-7377) to determine whether a particular ZIP Code is included in a plan’s service area. They may order a hard copy of the list of CalPERS health plans availability by ZIP Code or download the list online at www.calpers.ca.gov.

**Employer
Resources**

Open Enrollment Packets

The Department received a small supply of Open Enrollment publications. Please contact your Personnel Specialist for enrollment packets to distribute to the following groups of employees:

- New hires
- Employees eligible for health benefits and looking to enroll this year
- Employees enrolled in health benefits but did not request Open Enrollment publications and cannot access them online

Supplies are also available to order by contacting:

CalPERS Agency Request Unit

Phone: (916) 795-1493

Fax : (916) 795-3281

Email Public_Agency_Requests@calpers.ca.gov

Include the following:

- Agency name and address
- Contact name
- Telephone number
- Quantity of each item ordered

Posters are available on CalPERS On-Line at www.calpers.ca.gov.

Click on the following link to CalPERS library to access all forms and publications: <https://www.calpers.ca.gov/mss-pub/SearchController?library=action&PageId=SearchCatalog>

Questions

If you have any questions, please contact your Personnel Specialist.

/s/

GLORIA MARTINEZ, Acting Personnel Officer
Office of Human Resources

GM/kts

Attachments

cc: Personnel Transactions
Personnel Analysts

CalPERS 2011 Health Premiums – State Only

Effective Date: 1/1/2011 – 12/31/2011

BASIC MONTHLY RATE (B)

PLAN	If you are ⇔	Employee Only	Plan Code	Employee & 1 Dependent	Plan Code	Employee & 2+ Dependents	Plan Code
Blue Shield		\$601.68	2051	\$1,203.36	2052	\$1,564.37	2053
Blue Shield Advantage		\$601.68	1411	\$1,203.36	1412	\$1,564.37	1413
Blue Shield NetValue		517.72	0421	1,035.44	0422	1,346.07	0423
Blue Shield NetValue Advantage		517.72	1461	1,035.44	1462	1,346.07	1463
CAHP (Subsidized)		N/A	2301	N/A	2302	N/A	2303
CCPOA (North)		542.95	2561	1,087.34	2562	1,467.72	2563
CCPOA (South)		447.86	2661	897.13	2662	1,211.96	2663
Kaiser (CA)		522.58	0561	1,045.16	0562	1,358.71	0563
Kaiser (out-of-state)		785.28	*1	1,570.56	*2	2,041.73	*3
PERS Choice		535.45	2221	1,070.90	2222	1,392.17	2223
PERS Select		468.24	0451	936.48	0452	1,217.42	0453
PERSCare		849.60	2781	1,699.20	2782	2,208.96	2783
PORAC		527.00	2071	987.00	2072	1,254.00	2073

Attachment B

**"COBRA" - STATE
GROUP CONTINUATION COVERAGE
RATES FOR JANUARY 1, 2011 TO DECEMBER 31, 2011**

Rates are calculated at 102%; however not all carriers will require 102%

-- BASIC --				
PLAN CODE	PLAN NAME	1 Party	2 Party	3 Party
205	Blue Shield HMO	\$613.71	\$1,227.43	\$1,595.66
141	Blue Shield Advantage	\$613.71	\$1,227.43	\$1,595.66
042	Blue Shield NetValue*	\$528.07	\$1,056.15	\$1,372.99
146	Blue Shield NetValue Advantage	\$528.07	\$1,056.15	\$1,372.99
230	CA Assoc. Hwy. Patrolmen (sub) ***	\$614.76	\$1,193.47	\$1,560.96
256	CCPOA - North	\$553.81	\$1,109.09	\$1,497.07
266	CCPOA - South	\$456.82	\$915.07	\$1,236.20
056	Kaiser	\$533.03	\$1,066.06	\$1,385.88
**	Kaiser Out-of-State	\$800.99	\$1,601.97	\$2,082.56
222	PERS Choice	\$546.16	\$1,092.32	\$1,420.01
045	PERS Select*	\$477.60	\$955.21	\$1,241.77
278	PERSCARE	\$866.59	\$1,733.18	\$2,253.14
207	PORAC	\$537.54	\$1,006.74	\$1,279.08

*Blue Shield NetValue and PERS Select are high performance physician network plans
 **These premiums cover all Kaiser out-of-state areas.
 ***Calculated using the un-subsidized rate



California Public Employees' Retirement System
 P.O. Box 942714
 Sacramento, CA 94229-2714

HEALTH BENEFIT PLAN
 ENROLLMENT FORM DO NOT SEND MEDICAL
 PERS-HBD-12 (Rev. 8/10) CLAIMS TO THIS ADDRESS

CalPERS USE ONLY - DOCUMENT REFERENCE NUMBER

PLEASE TYPE

1. TYPE OF ACTION (Check One) <input type="checkbox"/> a. NEW enrollment <input type="checkbox"/> b. CHANGE of coverage <input type="checkbox"/> c. CANCEL all coverage		2. SOCIAL SECURITY NUMBER ____		A C C I D E N T	LIST ALL PERSONS (including self) TO BE ENROLLED IN:			DATE OF BIRTH			Family Relationship		G E N D E R	
3. SPOUSE/DOMESTIC PARTNER'S SOCIAL SECURITY NUMBER ____		17. BASIC PLAN			Mo.	Day	Yr.	SELF		M	F	I D E N T		
4A. Name		SSN												
Mailing Address (FIRST) (M) (LAST)		(FIRST) (M) (LAST)												
City, State, ZIP		Daytime Phone		Evening Phone		SSN								
4B. RESIDENCE ZIP CODE (if different from 4A)		(FIRST) (M) (LAST)												
5. <input type="checkbox"/> Please check if Permanent/intermittent Employee (applies to active State employees only)		6. GENDER <input type="checkbox"/> Male <input type="checkbox"/> Female		7. MARRIED <input type="checkbox"/> Yes <input type="checkbox"/> No		SSN								
8. PLAN CODE		9. NAME OF HEALTH PLAN			(FIRST) (M) (LAST)									
10. GROSS PREMIUM \$		11. PRIMARY CARE PHYSICIAN/MEDICAL GROUP			SSN									
12. PRIOR PLAN CODE		13. PRIOR HEALTH PLAN			A C C I D E N T	18. SUPPLEMENTAL PLAN (FIRST) (M) (LAST)			DATE OF BIRTH (Mo. Day Yr.)			Relation-ship		I D E N T
14. Reason Code		15. Permitting Event Date (Mo. Day Yr.)		16. EFFECTIVE DATE (Mo. Day Yr.)										
19. CHECK ONE <input type="checkbox"/> I DO NOT elect to enroll in a Health Benefits Plan under the Public Employees' Medical and Hospital Care Act. <input type="checkbox"/> I elect to ENROLL IN (OR CHANGE TO) a Health Benefits Plan as shown in Items 8 and 9 above and authorize deductions to be made from my salary or retirement allowance to cover my share of the cost of enrollment as it is now or as it may be in the future. I also certify that the names of all dependents listed above in items 17 and/or 18 are eligible family members as defined in the Public Employees' Medical and Hospital Care Act. <input type="checkbox"/> I elect to CANCEL the Health Benefits Plan as shown in items 12 and 13 above.														
20. EMPLOYEE OR ANNUITANT'S SIGNATURE (see privacy information on reverse of employee copy)										21. DATE SIGNED (Mo. Day Year)				
TELEPHONE NUMBER ()														
PLEASE REFER TO THE HEALTH BENEFITS PROCEDURE MANUAL FOR COMPLETION OF ITEMS 22-27														
22. DEDUCTION PLAN CODE		23. Type of action (Check One) 1. <input type="checkbox"/> New 2. <input type="checkbox"/> Cancel 3. <input type="checkbox"/> Change		24. PAY PERIOD (Month Year)		25. PARTY CODE		26. EMPLOYEE DESIGNATION		27. BARGAINING UNIT				
28. AGENCY NAME (or Retirement System)				29. PAYROLL OFFICE CODE		30. AGENCY CODE		31. UNIT CODE						
32. I hereby certify under penalty of perjury as follows: That I am a duly appointed, qualified and acting officer of the above named agency, and that payment by the agency as provided by Sections 22870-22905 of the Government Code is hereby approved. Final determination of eligibility for the enrollment action specified will be made by the Board of Administration, Public Employees' Retirement System, in accordance with the Public Employees' Medical and Hospital Care Act and the regulations implementing the Act.				SIGNATURE OF HEALTH BENEFITS OFFICER				33. Date received in employing office (Mo. Day Year)		34. PHONE NUMBER ()				
				35. REMARKS _____ of _____ Forms WHITE - HB PINK - Agency BLUE - Employee										