

HUMAN RESOURCES MEMORANDUM: 10:021

Expiration Date: Until Superseded

Issue Date: September 30, 2010

To: PERSONNEL LIAISONS; ATTENDANCE CLERKS

Subject: **2010 Open Enrollment Period for Dental, FlexElect, and Consolidated Benefits (CoBen) Programs, 2010 Dental and Vision Plan Premiums and 2011 CoBen Allowance Amount**

Purpose of document This Human Resource Memorandum provides detailed information regarding the 2010 open enrollment for Dental, Vision, FlexElect, and Consolidated Benefits (CoBen) programs, and 2011 Dental and Vision plan premiums.

Open enrollment The open enrollment period is from September 13, 2010, through October 8, 2010. Eligible employees may enroll, change plans, add/delete dependents to their dental coverage and enroll, change, or cancel FlexElect and CoBen options.

Employees in a FlexElect Reimbursement Account and Permanent (PI) employees in the Flex Cash or CoBen Cash Option, who want to continue in 2011, must re-enroll during open enrollment.

No Action is necessary for currently enrolled employees who do not want to change their FlexElect Cash Option, CoBen Cash Option, and/or dental enrollment.

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 Office of Human Resources (OHR) **no later than October 10, 2010**.

2011 Open Enrollment changes

- Two new dental plans have been added: Premier Access and Western Dental. Please see attachment B for information on cost and comparisons.

 - DeltaCare USA will no longer provide services in the following counties:
 - Butte
 - Humboldt
 - Merced
 - San Luis Obispo
 - Shasta
 - Sutter

 - Effective January 1, 2011, employee(s) who are dependents on their parent's benefits, whether or not the parent is a State employee, are now eligible to receive the Flex cash in lieu of coverage.
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Extension of dependent coverage for children to age 26

Dependents, whether previously enrolled on your plan or not, are eligible for health coverage up to the age of 26. They are eligible even if they are married, do not live with you or are not students. Eligible children are defined as natural, adopted, step, or domestic partner's children up to the age of 26. The eligible children must be enrolled during the Open Enrollment period. Provide a copy of the dependent's birth certificate along with the enrollment document.

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.

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.

Affidavit for Economically Dependent Domestic Partner

Employees who add their Same-Sex spouse or Domestic Partner must submit the Affidavit for Domestic Partners or Same-Sex Spouses being claimed as Economic Dependents DPA 680 form with their Dental Enrollment Authorization form.

The form is available at:

http://www.dpa.ca.gov/pv_obj_cache/pv_obj_id_41EF2C112D55A63C7511D46F6A124662C6550200/filename/dpa-680.pdf

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.

Enrollment restrictions

Employees may only enroll in a State sponsored prepaid dental plan during their first 24 months of State service. Employees who wish to enroll in Delta Dental Premier or Delta Dental Preferred Provider Option (PPO) have 60 days after completing the 24 month waiting period to enroll.

The following are not subject to the 24 month restriction:

- Represented employees in Bargaining Unit 2, 7, 8, 16, 17, 18, and 19
 - Excluded employees
 - Employees who were previously State employees for 24 consecutive months without a permanent break in service during the 24 months
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Consolidated Benefits (CoBen)

Excluded employees and all employees in Bargaining Unit 2 are in CoBen. The State provides employee(s) a CoBen allowance to purchase health, dental, and vision benefits. If the cost of the plans the employee chooses is less than the CoBen allowance, the employee receives the difference as taxable income. If the total cost of the plans is more than the CoBen allowance, the difference is deducted from the pay warrant pre-tax.

Employee(s) may use the CoBen calculator to determine their employee contribution amount.

The link for the CoBen calculator is:

<http://www.dpa.ca.gov/benefits/coben/cobenmain.shtm>

**Dental
premium
rates**

Delta Dental Premier basic plan for represented employee	Premium rates	State share	Employee share
Employee only	\$53.50	\$40.13	\$13.37
Employee plus one dependent	\$95.08	\$71.30	\$23.76
Employee plus two or more dependents	\$138.39	\$103.79	\$34.60

Delta Dental Premier enhanced plan for excluded employees	Premium rates
Employee only	\$55.74
Employee plus one dependent	\$111.85
Employee plus two or more dependents	\$158.00

Delta Dental Premier Provider Option (PPO) for excluded employees	Premium rates	State share	Employee share
Employee only	\$45.44	\$38.08	\$11.36
Employee plus one dependent	\$90.05	\$67.54	\$22.51
Employee plus two or more dependents	\$136.40	\$102.30	\$34.10

Dental Prepaid plans	SafeGuard standard rates	SafeGuard enhanced rates	DeltaCare USA rates	Premier Access rates	Western Dental rates
Employee only	\$16.58	\$16.92	\$17.72	\$16.63	\$14.72
Employee plus one dependent	\$26.86	\$28.83	\$29.07	\$26.94	\$24.29
Employee plus two or more dependents	\$36.70	\$37.62	\$40.21	\$37.73	\$34.46

**Completing
Dental
Enrollment
Authorization
form
STD 692**

Section A		
Box	Item description	Action
1	Type of action	Mark box to indicate type of action.
3	Permanent intermittent	Only check box if the employee is a Permanent intermittent employee.
Section B		
1	Name of dental plan	Complete only if changing plans.
Section C		
Complete only if changing plans.		

Employees in CoBen, use the total premium amount for the CoBen deduction amount.

Note: Do not complete the permitting even code on FlexElect/CoBen Open enrollment forms.

**Vision
program**

State's vision coverage is automatically established for employee(s) and their eligible dependents and no form is required to enroll, add, or delete dependents during open enrollment.

FlexElect

Employee(s) who have health and/or dental coverage through another source, can opt for cash in lieu of State-sponsored benefits. FlexElect Cash option is \$128 a month for health and \$12 a month for dental. CoBen cash is \$140 a month for health or \$155 a month for health and dental. Employees in CoBen can not flex dental only. To enroll, complete form STD 701C for FlexElect Cash Option or STD 702 for CoBen Cash Option.

Department of Personnel Administration notified employees currently enrolled in a FlexElect Reimbursement Account reminding to re-enroll during open enrollment if continuing participation in 2011.

Employee(s) enrolling or automatically re-enrolling in FlexElect Cash Option or Reimbursement Account have until December 31, 2011 to cancel or make changes.

The 2011 FlexElect handbook can be downloaded from DPA's Website at www.dpa.ca.gov (click on publications).

COBRA COBRA enrollees have the same rights as active employees to make allowable changes to their coverage during the annual open enrollment period. DPA sent instructions to dental COBRA enrollees at the beginning of open enrollment.

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

/s/
GLORIA MARTINEZ, Acting Personnel Officer
Office of Human Resources

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Your Dental Plan Options

Prepaid Plans

DeltaCare USA, SafeGuard, Premier Access and Western Dental

Prepaid plans provide services through member dentists throughout California. (These plans are not available outside of California.)

Monthly premiums are fully paid by the State. You have no monthly premiums, deductibles, or maximum annual benefit limits. Many services are provided at low or no cost to you. 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 work 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 dentists, contact the plans at: DeltaCare USA 1-800-422-4234, or visit www.deltadentalca.org and SafeGuard 1-800-880-1800, or visit www.safeguard.net, Premier Access 1-888-534-DHMO (888-534-3466) or visit www.socdhmo.com, or Western Dental 1-866-859-7525 or visit www.westerndentalbenefits.com/stateofca.

Indemnity Plan

Delta Dental Premier - Group #9949

Delta Premier features full access to specialty care and guaranteed benefits through member dentists. However, you can see any dentist worldwide and still be covered, although 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.

Preferred Provider Option Plan

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

Delta Preferred Provider Option (PPO) provides services through its network of participating dentists, although you may use non-PPO dentists worldwide. If you receive services outside of the PPO network, your out-of-pocket costs will 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.

As a reminder of certain advantages in being enrolled in the PPO dental plan, your 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. Additionally, for rank and file employees, the annual maximum 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 under Delta Premier. PPO 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 present dentist may be a PPO provider so you may want to change your coverage to the PPO to take advantage of this richer benefit.

For more information, contact Delta Dental at 1-800-225-3368 or visit 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.

**State-Sponsored Dental Plans
Benefit Cost Comparison**

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

For these procedures:	Delta Dental				SafeGuard DeltaCare USA Premier Access Western Dental	SafeGuard
	Premier Basic		Premier Enhanced	**Preferred Provider Option (PPO)	Standard	Enhanced***
	Rank and File Employees	Dependents of Rank and File Employees	Excluded Employees and Dependents	Excluded & Rank and File Employees and Dependents	Excluded & Rank and 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	0
Bridges, Full & Partial Dentures	50%	50%	50%	40%	\$65 and up	0
Annual Deductible	\$50*	\$50*	\$25*	\$25*	No deductible	No deductible
Maximum Deductible	\$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 adult and pay 50% up to a lifetime maximum of \$1,500 per child.	\$1,000 plus up to \$250 for start-up costs	\$1,000 plus up to \$250 for start-up costs
Annual Maximum	\$2,000	\$1,000	\$2,000	\$2,000	No Maximum	No Maximum

* 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.

For these procedures:	Delta Dental			SafeGuard DeltaCare USA Premier Access Western Dental	SafeGuard
	Premier Basic	Premier Enhanced	**Preferred Provider Option (PPO)	Standard	Enhanced***
Implant Benefit	N/A****	N/A****	Delta will pay 50% up to a lifetime maximum of \$2,500	Premier Access and Western Dental <u>only</u> – This benefit is not available through DeltaCare or SafeGuard	N/A****

****N/A = not available

DEPARTMENT OF PERSONNEL ADMINISTRATION
BENEFITS DIVISION

Dental and Vision Plan Premiums Effective January 1, 2011

<u>Carrier/Address</u>	<u>Group Number</u>	<u>Deduction Codes</u>	<u>1 Party</u>	<u>Monthly Premium</u>	
				<u>2 Party</u>	<u>3 Party</u>
<u>State-Sponsored Dental Plans</u>					
Delta Dental P.O. Box 429086 San Francisco, CA 94142 1-800-225-3368	9949-Excluded (DeltaPremier) 9949-Rank and File (DeltaPremier) 9946-Excluded and Rank and File (PPO)	351-008 351-007 351-018	\$55.74 \$53.50* \$45.44**	\$111.85 \$95.06* \$90.05**	\$158.00 \$138.30* \$138.40**
Safeguard 95 Enterprise Aliso Viejo, CA 92656 1-800-880-1800	SOC Standard Plan SOC Enhanced Plan Parent Group. Number 156777	351-018 351-015	\$16.58 \$16.92	\$26.86 \$28.63	\$37.62 \$35.27
DeltaCare USA 12898 Towne Center Drive Cerritos, CA 90703 1-800-422-4234	2003	351-009	\$17.72	\$29.07	\$40.21
Premier Access 8890 Cal Center Drive Sacramento, CA 95826 1-888-534-3466	12700	351-020	\$16.63	\$26.94	\$37.73
Western Dental 530 South Main Street, 6th Floor Orange, CA 92668 1-866-859-7525	2140362	351-025	\$14.72	\$24.29	\$34.46
<u>State-Sponsored Vision Plan</u>					
Vision Service Plan 3333 Quality Drive Rancho Cordova, CA 95670 1-800-877-7195	12020000	475-001-Non CoBen 475-002-CoBen	\$8.64 \$8.64	\$8.64 \$8.64	\$8.64 \$8.64

* Employee's Share: 1 party - \$13.37 / 2 party - \$23.76 / 3 or more party - \$34.60

** Employee's Share: 1 party - \$11.36 / 2 party - \$22.51 / 3 or more party - \$34.10

DEPARTMENT OF PERSONNEL ADMINISTRATION
Benefits Division

COBRA Group Continuation Coverage
Dental Plan Monthly Premiums Effective January 1, 2011

<u>Carrier/Address</u>	<u>Plan Type</u>	<u>Covered Persons</u>	<u>1 Party</u>	<u>2 Party</u>	<u>3 Party</u>
Delta Dental Mail STD. 092 to: Wolfpack Insurance Services, Inc. P.O. Box 833 Belmont, CA 94002-0833 1-800-296-0192	Enhanced	Excluded employees and their eligible dependents	\$66.86	\$114.08	\$161.16
	Basic	Rank and File employees	\$54.57	\$96.96	\$141.16
	Basic	Eligible dependents of Rank and File employees	\$46.56	\$70.68	\$93.01
	PPO	Excluded & Rank and File employees and their eligible dependents	\$46.35	\$91.85	\$139.13
Safeguard 95 Enterprise Aliso Viejo, CA 92656 1-800-880-1800	Standard	Rank and File employees and their eligible dependents	\$16.91	\$27.40	\$38.37
	Enhanced	Excluded employees and their eligible dependents	\$17.26	\$29.20	\$35.98
DeltaCare USA 12898 Towne Center Drive Cerritos, CA 90703 1-800-422-4234	Standard	Excluded & Rank and File employees and their eligible dependents	\$18.07	\$29.65	\$41.01
Premier Access 8890 Cal Center Drive Sacramento, CA 95826 Attn: COBRA UNIT 1-888-434-6642	Standard	Excluded & Rank and File employees and their eligible dependents	\$16.96	\$27.48	\$38.48
Western Dental 530 South Main Street, 6 th Floor Orange, CA 92668 Attn: COBRA UNIT 1-866-859-7525	Standard	Excluded & Rank and File employees and their eligible dependents	\$15.01	\$24.78	\$35.15