



MEMORANDUM

Date: August 29, 2013

From: Lisa Hatten, Program Manager
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To: State Employees Eligible for Dental, Vision, FlexElect, and Consolidated Benefits (CoBen)

Subject: 2014 Dental and Vision Benefit Plans, Premiums, FlexElect, and CoBen Allowances

Open Enrollment for Dental, Vision, FlexElect, and CoBen is September 16 through October 11, 2013. If you would like to enroll in these benefit programs, or make a change to your current enrollment, please contact your personnel office for the necessary forms.

Open enrollment forms must be signed and submitted to your personnel office no later than October 11, 2013. All open enrollment actions will be effective January 1, 2014.

You do not need to submit anything if you're not making any changes, except for the FlexElect Reimbursement Accounts or the Permanent Intermittent (PI) Cash Option.

Permanent Intermittent employees who want to continue receiving the cash option must re-enroll. If you have a FlexElect reimbursement account and want to participate again next year, you must re-enroll during open enrollment.

If you enroll in a FlexElect Reimbursement Account, FlexElect Cash Option, or CoBen Cash Option during the open enrollment period, or if you are automatically re-enrolled in the FlexElect/CoBen Cash Option, you have until December 31, 2013, to cancel your enrollment or make changes. To cancel your enrollment, please notify your personnel office.

Premiums are based on the number of dependents enrolled in your plan (see the premium rate charts on the following pages).

Please see your personnel office for information on health coverage.

DENTAL BENEFITS

Your dental plan options are listed on the following pages. Contact your personnel office for a brochure, list of participating dentists, and cost comparison, or call the dental plans directly. You may also obtain brochures and listings of participating dentists by accessing each plan's website at the addresses listed below.

Retroactive premiums for mandatory cancellations and/or deletions to your dental coverage will be reimbursed for a maximum period of six months. This limitation impacts all mandatory cancellations and/or deletions to your State-sponsored dental coverage. You may want to check your dental coverage enrollment through your personnel office and ensure that only eligible dependents are enrolled.

There will be a decrease in the total monthly premiums for both the Delta Premier and Delta Dental Preferred Provider Option (PPO) plans. The following charts show Delta's new dental premiums that are effective January 1, 2014.

Delta Dental Premier Basic Plan for Represented Employees:

Employee Basic Plan	Total Premium	State Share	Employee Share	Employee Share Decrease
Party Code 1	\$48.48	\$36.36	\$12.12	-\$1.45
Party Code 2	\$85.13	\$63.85	\$21.28	-\$2.84
Party Code 3	\$123.34	\$92.51	\$30.83	-\$4.29

Delta Dental Premier Enhanced Plan for Excluded Employees

Employee Enhanced Plan	Total Premium
Party Code 1	\$50.45
Party Code 2	\$99.94
Party Code 3	\$140.65

Delta Dental Preferred Provider Option (PPO) for Excluded and Represented Employees

Employee PPO Plan	Total Premium	State Share	Employee Share	Employee Share Decrease
Party Code 1	\$44.24	\$33.18	\$11.06	-\$.46
Party Code 2	\$86.64	\$64.98	\$21.66	-\$1.19
Party Code 3	\$130.69	\$98.02	\$32.67	-\$1.94

Prepaid Dental Plan Premiums

There will be no increase in premiums for prepaid dental benefits. The State will continue to pay 100 percent of the premium for employees not in CoBen. For employees in CoBen, the State's share and employee's share do not apply. Therefore, the total dental premium will be deducted from the monthly CoBen allowance on the January 1, 2014, pay warrant (December 2013 pay period). Prepaid dental plan premiums are as follows:

Employee Prepaid Plans	SafeGuard Standard	SafeGuard Enhanced	DeltaCare USA	Western Dental	Premier Access
Party Code 1	\$16.58	\$16.92	\$17.72	\$14.72	\$16.63
Party Code 2	\$26.86	\$28.63	\$29.07	\$24.29	\$26.94
Party Code 3	\$37.62	\$35.27	\$40.21	\$34.46	\$37.73

Union-Sponsored Dental Plans: Bargaining Units (BUs) 5 and 6

The California Association of Highway Patrolmen (CAHP) offers its own indemnity dental plan to BU 5 employees who are CAHP members; however, members may opt to enroll in a State-sponsored prepaid plan. The California Correctional Peace Officers Association (CCPOA) offers dental insurance to BU 6 employees who are CCPOA members or those who are under Fair Share. Employees in BUs 5 and 6 should contact their Benefit Trust for information on their union-sponsored dental plan premiums and benefits.

CONSOLIDATED BENEFITS

All excluded employees and employees represented in BUs 2, 7, 8, 16, 17, 18, and 19 are in CoBen. The State provides a benefit allowance to purchase health, dental, and vision benefits. If the total cost of the plans chosen is less than your CoBen allowance, you receive the difference as taxable income. If the total cost of the plans is more than your CoBen allowance, the difference is deducted from your pay warrant pre-taxed.

Employee CoBen Allowance Amounts and Dependent Vesting Criteria

Employees not previously eligible for health benefits under State civil service may be subject to dependent health vesting. Dependent health vesting provides employees a reduced employer health contribution toward dependent coverage during their first 12 or 24 months of service. Employees in Bargaining Units subject to a 12-month dependent vesting schedule will receive 75 percent of the employer contribution for health coverage during their first 12 months of service, and the full employer contribution after completing 12 months of service. Employees in Bargaining Units subject to a 24-month dependent vesting schedule will receive 50 percent of the employer contribution for dependent health coverage during their first 12 months of service, 75 percent during months 13 through 24, and the full employer contribution after completing 24 months of service.

BU 2 and 7 employees who first become eligible for health benefits on or after July 1, 2006, and BUs 16, 17, 18, and 19 employees who first become eligible for health benefits on or after January 1, 2007, are subject to a 12 or 24 month vesting schedule for the health portion of the employer benefit allowance for dependents.

The chart on the following page reflects the CoBen allowance amounts effective January 1, 2014, for employees in BUs 2, 7, 8, 16, 17, 18, and 19, and Excluded employees.

Please note that information in this section is subject to changes due to the fluid nature of collective bargaining.

2014 Employee Consolidated Benefits (CoBen) Allowances/Employer Health Contributions by Bargaining Unit								
Bargaining Unit	CoBen Allowance/Health Contribution							Dependent Health Vesting Schedule
	Single	2-Party			Family			
		50%	75%	100%	50%	75%	100%	
2	\$544	\$825	\$949	\$1,073	\$1,006	\$1,204	\$1,402	24 months
7	\$557	\$840	\$968	\$1,096	\$1,021	\$1,225	\$1,429	24 months
8	\$589	N/A	N/A	\$1,128	N/A	N/A	\$1,461	N/A
16	\$557	\$840	\$968	\$1,096	\$1,021	\$1,225	\$1,429	24 months
17	\$557	N/A	\$968	\$1,096	N/A	\$1,225	\$1,429	12 months
18	\$557	\$840	\$968	\$1,096	\$1,021	\$1,225	\$1,429	24 months
19*	\$557	\$840	\$968	\$1,096	\$1,021	\$1,225	\$1,429	24 months
Excluded	\$590	N/A	N/A	\$1,140	N/A	N/A	\$1,474	N/A

*Effective July 1, 2014, employees represented by BU 19 who first become eligible for health benefit enrollment or are receiving 50 percent of the employer contribution for dependent health coverage 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.

Benefits Calculator

If you are going to make a change in your benefit choices during the open enrollment period, you may want to use the Benefits Calculator on CalHR's website, which will help you determine how much will be deducted or added to your pay warrant, based on which health and dental plans you choose. You simply click on your health and dental plan choices and how many dependents will be covered.

The Benefits Calculator is located at www.calhr.ca.gov (click on Employees, Benefits, and then Health).

CoBen Cash Option

The following rates will be effective January 1, 2014; however, the collective bargaining process is fluid and changes may be agreed to which alter these amounts. CalHR will notify departments if there are subsequent changes to these rates.

If you have health and dental coverage through another source, you may enroll in the CoBen Cash Option. These amounts are:

- \$155 a month in-lieu of health and dental coverage; or
- \$130 a month in-lieu of health coverage only.

To enroll in a CoBen Cash Option, complete a Consolidated Benefits (CoBen) Cash Enrollment Election (STD. 702) form during open enrollment. For details, refer to the 2014 CoBen handbook that will be available by Open Enrollment and can be downloaded from CalHR's website at www.calhr.ca.gov on the Consolidated Benefits page.

FLEXELECT

FlexElect Reimbursement Accounts

FlexElect offers reimbursement accounts that allow you to use pre-tax salary to pay for certain dependent care and/or medical care that is not covered by insurance. To enroll in a FlexElect Reimbursement Account, complete a Reimbursement Account Enrollment Authorization (STD. 701R) form during open enrollment. You must re-enroll into the Reimbursement Accounts each year.

The annual maximum FlexElect reimbursement amounts are:

- Medical Reimbursement Accounts - \$2,500 per participant.
- Dependent Care Accounts - \$5,000 per household.

The FlexElect handbook will be available by Open Enrollment for further details.

FlexElect Cash Option

If you have health and/or dental coverage through another source, you can opt for cash in-lieu of your State-sponsored benefit. The FlexElect Cash Option is \$128 a month for health and \$12 a month for dental. To enroll in FlexElect Cash Option, complete a Cash Option Enrollment Authorization (STD. 701C) form during open enrollment.

For details, refer to the 2014 FlexElect handbook that will be available by Open Enrollment and can be downloaded from CalHR's website at www.calhr.ca.gov.

VISION PROGRAM

The premium paid to Vision Service Plan (VSP) for basic vision coverage will remain at the rate of \$8.64 and will continue to be paid in full by the State. State employee basic vision coverage is automatically established for employees and their eligible dependents and no form is required to enroll, add, or delete dependents during open enrollment. Therefore, employees need to continue to ensure that only eligible dependents are provided services under their State-sponsored vision plan.

Premier Vision Plan

The Premier Vision Plan enables you to get a higher allowance for frames and contacts, fully covered progressive lenses, and more discounts. Eligible State employees (with the exception of rank and file BU 6 employees, (as their vision benefits are provided by their trust) may enroll in the Premier Vision Plan during open enrollment or based on an eligible permitting event.

You have the option to enroll one of three ways:

- Online at www.vsp.com/go/stateofcapremier. Complete the online enrollment form.
- Complete and mail the VSP enrollment form you will receive in the mail to:

VSP Vision Care
Attn: Client Administrative Services
PO Box 997100
Sacramento, CA 95899

- Call VSP directly at 1-800-877-7195 and speak with a member service representative.

Please Note: If you choose to upgrade to the Premier Vision Plan, basic vision coverage is cancelled; therefore, any dependents you wish to be covered must also be enrolled into the Premier Vision Plan. You cannot choose to enroll in both the Basic and Premier Vision Plan coverage at the same time, or split your enrollment leaving any dependents on the Basic Vision Plan.

There is no increase in the monthly premiums for the Premier Vision Plan. If you choose the Premier Vision Plan, the additional cost will be deducted directly from your State pay warrant. The State will continue to contribute \$8.64 towards the monthly premium. The premium rates are reflected in the following chart.

Premier Vision Plan Premiums

Coverage	Total Premium	State Share	Employee Share
Party Code 1	\$15.20	\$8.64	\$6.56
Party Code 2	\$21.76	\$8.64	\$13.12
Party Code 3	\$29.76	\$8.64	\$21.12

COBRA CONTINUATION COVERAGE

COBRA enrollees have the same rights as active employees to make allowable changes to their coverage during the annual open enrollment period. Specific instructions will be sent to all COBRA enrollees in dental and vision coverage by CalHR prior to the beginning of the open enrollment period.

To learn more about Dental, Vision, FlexElect, and CoBen or for questions regarding the 2013 Open Enrollment period, please contact your personnel office. You may also visit CalHR's website at www.calhr.ca.gov (click on Employees, then Benefits).