

2010 INSURANCE CHANGES AND ANNUAL TRANSFER PERIOD

UNIVERSITY OF TENNESSEE EMPLOYEE INSURANCE PROGRAM

ANNUAL ENROLLMENT TRANSFER PERIOD

The annual transfer/enrollment period for the group insurance programs is conducted each year to provide you an opportunity to review your insurance coverage, evaluate available options, and make changes to your coverage for the next calendar year. Your coverage as of October 1, 2009 is reflected on your Summary of Insurance Coverage. October 15 through November 16 is the time frame for this year's Annual Enrollment/Transfer Period. If you wish to make any changes, those changes must be made by November 16 and they will become effective January 1, 2010.

Your current Medical Provider will send you an insurance packet for your review. Additionally, information packets for each health plan are also available in your Campus Insurance Office. Also, the State of Tennessee will provide you with a 2010 Insurance Comparison Chart that describes health, dental and life plans available for 2010. Please review the comparison carefully as it will contain information about benefit changes and service area maps for the HMO and POS plans.

All materials provided by the Insurance Companies will be mailed to the home address you have on record. If you have moved or were hired on August 1, 2009 or after and do not receive the materials at home, please contact your Campus Insurance Office.

All applications and forms required to make changes to any of the options available to you during this annual transfer period must be received by your campus insurance office no later than 5:00 p.m. on November 16, 2009. Forms received after November 16 cannot be accepted or processed. FAX COPIES CANNOT BE ACCEPTED.

ANNUAL ENROLLMENT OPTIONS

THE FOLLOWING OPTIONS ARE AVAILABLE TO YOU DURING THIS ENROLLMENT AND TRANSFER PERIOD. IF YOU DO NOT WISH TO MAKE A CHANGE TO YOUR CURRENT INSURANCE PLANS, NO ACTION IS REQUIRED.

- 1) Transfer Medical Coverage: You may continue in your current plan or transfer to the Basic Medical Plan (PPO), a Health Maintenance Organization (HMO), or the Point of Service Plan (POS). You may also choose to cancel your medical plan.
 - ***During this period, if you are not currently participating in a medical plan, you cannot enroll UNLESS you apply for medical coverage as a late applicant or qualify for enrollment as a Special Enrollment. Additionally, you cannot add dependents that are not currently covered unless you have a qualifying event as defined in the State of Tennessee Insurance Employee Handbook.***
 - *To transfer your medical coverage, contact your campus insurance office for the appropriate enrollment/change forms. In addition, if you are transferring to an HMO medical plan, you must complete a Primary Care Physician Selection Form (PCP). Insurance packets and PCP forms are available at your Campus Insurance Office. Once you select your medical insurance plan, you must remain with that company for calendar year 2010 unless you enroll in an HMO or POS and subsequently move outside their service area.*

- 2) You may enroll in the dental program, add eligible dependents, or, if you currently participate, transfer from one plan to another. You may also choose to cancel your dental plan.
 - *Dental Program: You may enroll, transfer plans, or cancel participation.* The Dental Program allows you to choose between the Assurant Pre-Paid Dental Option (provides reduced fees called co-payments for the services you receive from an authorized dentist) and Delta Dental PPO Option (allows you to select a dentist from a network and provides a percentage of maximum allowable charges for covered services). To add coverage, transfer existing coverage, or to cancel or change your type of plan, you must complete an enrollment/change form. If you choose the pre-paid dental option, you must also complete a Primary Care Dentist Selection Form (included in the dental information packets). Once you select your Dental Plan, you must remain in that plan for calendar year 2010.
- 3) You may enroll in the Optional Special Accident & Dismemberment Insurance Program. If you are currently enrolled, you may change your coverage to include any eligible dependents.
 - *Optional Special Accidental Death and Dismemberment Program: You may elect to enroll in the program, change coverage to include all eligible dependents, or add eligible dependents to your existing family coverage.* To enroll or change coverage, you must complete the appropriate enrollment/change form.
- 4) You may enroll in the Optional Term or Universal Life Program. If currently enrolled, you may apply to increase or decrease the amount of your existing coverage within plan limits.
 - *Current participants* in the Optional Term Life or Optional Universal Life will automatically receive information and an individualized enrollment form if the participant is eligible to apply for a guaranteed additional coverage amount. To apply for the guaranteed amount of additional coverage, you must complete the individualized enrollment form and return it to your Campus Insurance Office prior to the enrollment deadline (November 16).
 - *Optional Term and Universal Life Program: You may enroll, decrease existing coverage, increase existing coverage, or cancel.* If you are making application to enroll in or increase existing coverage in either the term or universal life program for yourself and/or your eligible dependents you will be required to answer health questions for each individual and be subject to the life insurance company's insurability guidelines.
- 5) You may enroll in one of the University's Long Term Disability Programs or make application to select another benefit option.
 - *Long Term Disability Program: You may enroll, increase or decrease current benefit level, or cancel participation.* If you are not currently enrolled, you may apply as a late applicant at this time. To enroll, you will be required to answer health questions and the coverage will not be effective until the Long Term Disability Carrier (Insurance Company) determines your insurability and the effective date of coverage. If you are currently participating in a Long Term Disability Plan and wish to change your existing coverage, you may contact your campus insurance office for additional information and appropriate forms.
- 6) You may apply for Long Term Care Insurance coverage through MedAmerica Insurance Company.
 - *You may obtain information and apply* for the State of Tennessee's Long Term Care Insurance Program by contacting MedAmerica Insurance Company at 1-866-615-5824 or by their web site address: www.ltc-tn.com. You will be required to answer medical questions and MedAmerica must approve coverage. MedAmerica will determine the effective date of coverage.

- 7) During the transfer period you can cancel your participation in the automatic premium conversion of the Flexible Benefits Plan. (Medical and/or Dental premiums are treated as a salary reduction and the monthly premiums are not subject to either federal income or social security taxes.)
- To change the premium method from a pre-tax to a post-tax basis, *you must complete* a “Group Insurance Reduction Agreement Form” to opt out of the automatic premium conversion for calendar year 2010.
 - If you do not choose to “Opt Out” of the automatic salary reduction for medical and dental premiums, your coverage cannot be changed during the calendar year UNLESS you experience a qualified life changing event.

BENEFIT CHANGES

BLUE CROSS PPO MEDICAL PLAN

- Vaccinations for seasonal flu, H1N1 and pneumonia will be exempt from the deductible and coinsurance requirements when using either in-network or out-of-network providers

ALL MEDICAL PLANS (PPO, POS and HMO)

- Pharmacist Administered Vaccinations: Allow members to receive pharmacist administered seasonal flu, H1N1 and pneumococcal vaccinations
- Prescription Drugs-Flu: Reduce the copayment for Tamiflu and Relenza from the tier three (\$75) to tier two (\$25)
- Prescription Drugs-Proton Pump Inhibitors(PPI): Coverage for brand name proton pump inhibitors – a group of medications typically used to treat stomach acid problems – is excluded for Aciphex, Nexium, Prevacid, Prilosec, Protonix and Zegerid unless prior authorization is requested by your doctor and approved.
- Pharmacy Networks: Currently the co-payment tiers for prescription drugs are the same for each healthcare option. However drug formularies are established by the different claims administrators and depending on the insurance company, some drugs may fall into different copayment tiers. During calendar year 2010, Benefits Administration plans to secure the services of a single pharmacy benefit manager (PBM). By carving out benefits to a single PBM, the same medications will be available in the same tiers regardless of which health option you are enrolled in. Additional information will be included with your member handbook.

PREMIUM CHANGES

MEDICAL INSURANCE

The following premiums are effective January 1, 2010. Premiums for Medical Coverage are pre-paid and therefore the new rates will be deducted in the December payrolls.

Medical Plan	Coverage Type	Employee Share	Employer Share	Employee's Increase
Blue Cross Blue Shield PPO State-Wide	Single	\$107.62	\$ 430.48	\$ 6.09
	Family	\$268.69	\$1,074.75	\$15.21
	Split	\$161.07	\$644.27	\$ 9.12

Medical Plan	Coverage Type	Employee Share	Employer Share	Employee's Increase
Cigna POS East TN	Single	\$ 85.63	\$ 430.48	\$ 4.84
	Family	\$213.86	\$1,074.75	\$12.11
	Split	\$128.23	\$644.27	\$ 7.27
Cigna POS Middle TN	Single	\$ 85.63	\$ 430.48	\$ 4.84
	Family	\$213.86	\$1,074.75	\$12.11
	Split	\$128.23	\$644.27	\$ 7.27
Cigna POS West TN	Single	\$ 85.63	\$ 430.48	\$ 4.84
	Family	\$213.86	\$1,074.75	\$12.11
	Split	\$128.23	\$644.27	\$ 7.27
HMO Cigna Memphis	Single	\$ 78.75	\$ 430.48	\$ 4.45
	Family	\$195.07	\$1,074.75	\$11.05
	Split	\$116.32	\$644.27	\$ 6.60
HMO Cigna Nashville	Single	\$ 76.23	\$ 430.38	\$ 4.31
	Family	\$193.83	\$1,074.75	\$10.98
	Split	\$117.60	\$644.27	\$ 6.67
HMO United Healthcare Knoxville	Single	\$ 79.24	\$ 430.48	\$ 4.48
	Family	\$197.89	\$1,074.75	\$11.21
	Split	\$118.65	\$644.27	\$ 6.73
HMO United Healthcare Chattanooga	Single	\$ 79.24	\$ 430.48	\$ 4.48
	Family	\$197.89	\$1,074.75	\$11.21
	Split	\$118.65	\$644.27	\$ 6.73
HMO United Healthcare Tri-Cities	Single	\$ 79.24	\$ 430.48	\$ 4.48
	Family	\$197.89	\$1,074.75	\$11.21
	Split	\$118.65	\$644.27	\$ 6.73

NOTES: 1) The premiums listed above do not include the additional premium for the Basic Term Life Insurance that is included as part of your medical plan. 2) Split Contract coverage is a special coverage type available when a husband and wife are both State of Tennessee employees with children. For more information concerning Split coverage, please refer to your employee handbook.

DENTAL INSURANCE

The monthly premiums for the PPO Dental Plan administered by Delta Dental will increase for calendar year 2010. The monthly premiums for the Pre-Paid Dental Plan administered by Assurant Employee Benefits will not change. Listed below are the premiums for calendar year 2010.

Dental Program	Coverage Type	Current Monthly Premium	2010 Monthly Premium	Increase
Assurant Pre-Paid	Single	\$ 8.90	\$ 8.90	\$0.00
	Emp + 1 Dep	\$15.78	\$15.78	\$0.00
	Emp + 2 or more dependents	\$21.70	\$21.70	\$0.00
Delta Dental PPO	Single	\$18.78	\$20.19	\$1.41
	Emp + 1 Dep	\$35.61	\$38.28	\$2.67
	Emp + 2 or more dependents	\$56.56	\$60.80	\$4.24

ASSISTANCE

For information concerning eligibility and enrollment guidelines, application forms, or to request written documentation of individual plans, you should contact your campus insurance office. You may also visit the Payroll web site <http://insurance.tennessee.edu> to review options and download enrollment forms. The Payroll web site will include a link to the University's Portal which will include access to your personal "Summary of Insurance Coverage as of October 1, 2009".

Listed below is campus contact information:

LOCATION	TELEPHONE NUMBER	CAMPUS ADDRESS
Knoxville	865-974-5251	P115 Andy Holt Tower
Tullahoma	931-393-7226	411 B H. Goethert Parkway, MS-11
Chattanooga	423-425-4452	207 Race Hall
Martin	731-881-7850	112 Hall Moody Admin. Bldg.
Memphis	901-448-5577	910 Madison Ave., Ste 727
U T Hospital (Knoxville)	865-305-9524	1924 Alcoa Hwy
Benefit and Retirement Services	865-974-4341	115 Conference Center Bldg

Additionally, you can download most of the applicable form(s) to make changes to your insurance programs at the following Web Address: www.state.tn.us/finance/ins/publications.html

IMPORTANT REMINDERS

- If you are selecting an HMO medical plan, you must also complete a Primary Care Physician Selection Form. This form is not available online.
- If you are selecting the Assurant Pre-Paid Dental Plan, you must also complete a Dentist Selection Form.
- If you are cancelling your medical and/or dental insurance plan, you must also contact your Campus Insurance Office for the additional forms required by the University.
- If you are applying for Optional Life Insurance you must also complete an “Optional Supplemental Life Application” for each individual listed on your Optional Term or Optional Universal Life Enrollment Form.

For information concerning benefits, please contact the appropriate provider (Insurance Company). Listed below are the telephone numbers:

INSURANCE COMPANY	COVERAGE	TELEPHONE NUMBER
Blue Cross Blue Shield	PPO	1-800-558-6213 Web Address: www.bcbst.com/members/tn_state
Cigna	POS, East, Middle & West HMO Nashville HMO Memphis	1-800-244-6224 Web Address: www.cigna.com
United HealthCare	HMO Knoxville HMO Chattanooga HMO Tri-Cities	1-877-366-0011 Web Address: www.uhcrivervalley.com/employer/tennstate/
Assurant Prepaid Dental Plan	Prepaid Dental Option	1-800-443-2995 Web Address: www.assurantemployeebenefits.com
Delta Dental PPO Dental Plan	PDO Dental Option	1-800-223-3104 Web Address: www.deltadentaltn.com
Megellan Health Services	Employee Assistance Program	1-800-308-4934 Web Address: www.MagellanHealth.com