

**California Department of Human Resources
Memorandum**

TO: Personnel Management Liaisons (PML)

SUBJECT: 2014 Open Enrollment Period for Dental, Vision, FlexElect, and Consolidated Benefits Programs; 2015 Dental and Vision Plan Premiums, and 2015 CoBen Allowances	REFERENCE NUMBER: 2014-023
DATE ISSUED: 09/10/2014	SUPERSEDES:

This memorandum should be forwarded to:

**TO: Personnel Officers
Personnel Transactions Supervisors
Personnel Transactions Staff
Labor Representatives**

FROM: California Department of Human Resources
Benefits and Training Division

CONTACT: Lisa Hatten, Program Manager
(916) 445-9795
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This memorandum provides important information on the 2014 open enrollment for the Dental, Vision, FlexElect, and Consolidated Benefits (CoBen) Programs, the 2015 Dental and Vision plan premiums, and 2015 CoBen allowances. Please make sure employees know about the open enrollment period and the information contained in this memorandum.

The following attachments are provided to assist personnel office staff and employees with open enrollment documents:

1. Attachment A-2015 Dental and Vision Plan Deduction Codes and Premiums
2. Attachment B-COBRA Group Continuation Coverage for Dental and Vision Plan Premiums
3. Attachment C-2015 CoBen Allowances/Employer Health Contributions by Bargaining Unit
4. Attachment D-Memorandum to All State Employees Eligible for Dental, Vision, FlexElect and CoBen (Please do not modify the language in this memo.)
5. Attachment E-Dental and Vision Plan Premiums

OPEN ENROLLMENT

Open Enrollment for Dental, Vision, FlexElect, and CoBen is September 15 through October 10, 2014. Enrollments and changes made during this open enrollment period are effective January 1, 2015. For dental and vision, eligible employees may enroll, cancel, or change plans, and add or delete dependents. For FlexElect and CoBen, eligible employees may enroll, cancel, or change their current options. No action is necessary for currently enrolled employees who don't want to change their FlexElect Cash Option, CoBen Cash Option, Dental, or Vision enrollment. However, Permanent Intermittent (PI) employees must re-enroll in the FlexElect/CoBen Cash Option during open enrollment if they want to remain in the program next year. Additionally, employees who want to continue enrollment next year in a FlexElect Reimbursement Account must re-enroll during open enrollment.

Employees who enroll in or make changes to their FlexElect election during the open enrollment period and employees who are automatically re-enrolled into the Cash Option are allowed by Internal Revenue Code section 125 to cancel or change their elections until December 31, 2014. A new form STD. 701C, STD. 701R, or STD. 702 must be signed and submitted by the employee by December 31, 2014. Once the new plan year begins, employees may not cancel or change their FlexElect/CoBen enrollment unless they experience a valid change in status. If no cancellation of dental benefits is received by the personnel office by December 31, 2014, for employees enrolling into Cash Option in lieu of dental, personnel offices will need to submit a STD. 692 to the State Controller's Office (SCO) for dental plan disenrollment with an attached copy of the Cash Option enrollment form.

Changes for 2015

- Rate increases for Delta Dental PPO plus Premier, Delta Preferred Provider Option (PPO), DeltaCare, and Western Dental.
- More frequent payment dates for FlexElect Reimbursement Accounts.
- Direct deposit now available for FlexElect Reimbursement Accounts.
- Rate increase for Premier Vision Plan.
- Basic Vision Plan provider network is changing to the new Vision Service Plan (VSP) Advantage Network.

Important Reminders

- The maximum amount an employee can contribute into a FlexElect Medical Reimbursement Account is \$2,500 per participant per plan year.
- During this open enrollment period, employees should review, add, delete or change their dependents to ensure they meet eligibility requirements.

Completing the Open Enrollment Forms

Please use the information below for completing open enrollment documents.

Dental

Permitting Event Date	Permitting Event	Permitting Event Code	Effective Date
September 15, 2014	New enrollment	03	January 1, 2015
September 15, 2014	Add or delete dependents	15	January 1, 2015
September 15, 2014	Change of plan	28	January 1, 2015
September 15, 2014	Change of plan and add or delete dependents*	29	January 1, 2015
September 15, 2014	Voluntary**	41	January 1, 2015

* Permitting event code 29 may be used on one document only during open enrollment.

** Use this code when canceling dental and enrolling into FlexElect or CoBen Cash Option. Submit dental cancellation form and FlexElect/CoBen Cash Option enrollment forms stapled together as a package to SCO.

FlexElect/CoBen

Permitting Event Date	Permitting Event	Permitting Event Code	Effective Date
N/A*	Leave Blank	Leave Blank	January 1, 2015

* No permitting event date is needed for FlexElect and CoBen Cash Option enrollment documents.

Deadlines

Last day for employees to sign and submit open enrollment forms to personnel offices.	October 10, 2014
Last day for personnel offices to receive enrollment forms from employees.	October 24, 2014
Last day for SCO to receive all open enrollment forms from personnel offices.	November 7, 2014
Last day for SCO to receive open enrollment forms previously returned to departments for correction (in order to be reflected on the January 1, 2015 pay warrant).	November 28, 2014
Last day for SCO to receive FlexElect and CoBen open enrollment forms reflecting cancellation or changes (forms signed/submitted to personnel office by December 31, 2014). The effective date will be retroactive to January 1, 2015.	January 9, 2015

DENTAL PROGRAM

Employees who enroll in or make changes to their dental coverage during open enrollment may cancel or change their election until October 10, 2014. A new STD. 692 must be completed and signed by the employee by October 10, 2014. In the remarks section of a new STD. 692, the employee must indicate the type of action taken and attach a copy of the original form that was previously sent to SCO during the open enrollment period.

Employees may not cancel or change a dental election after the end of the open enrollment period unless they experience a valid change in status. **It is not an option to rescind a dental enrollment/change by submitting a copy of the original STD. 692 marked "rescind."**

Eligible employees who are off active pay status during the entire open enrollment period may contact their personnel office during the open enrollment period to make changes to their dental enrollment or may wait and make changes within 60 days after returning to active pay status.

Dental Carriers

The California Department of Human Resources (CalHR) contracts with the following dental carriers to provide dental insurance for eligible rank and file employees, except those in Bargaining Unit (BU) 6, excluded employees, retirees, and annuitants:

- Delta Dental
- DeltaCare USA
- Premier Access
- SafeGuard
- Western Dental

Delta Dental Plan Restriction

Except as noted below, during their first 24 months of state service, if an employee wants to enroll in dental coverage, they must enroll in a state-sponsored prepaid dental plan. At the end of this 24-month period, employees who wish to enroll in the Delta Dental PPO plus Premier or Delta Preferred Provider Option (PPO) plan have 60 days to do so. Those employees who choose not to enroll in a prepaid plan may elect a Delta Dental plan within 60 days after completing the 24-month restriction period, unless they have enrolled in the FlexElect or CoBen Cash Option for dental. This enrollment is available outside of the open enrollment period.

The following employees are **not** subject to the 24-month restriction:

- Represented employees in BUs 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).

CAHP Dental Plan Restriction

Employees in BU 5 who are restricted to a state-sponsored prepaid dental plan must complete 24 months of state service before they are allowed to enroll in the union-sponsored indemnity Blue Cross Dental Plan. At the end of the 24-month restriction period, employees have 60 days to enroll in their union-sponsored Blue Cross Dental Plan if they choose to do so. This enrollment is available outside of the open enrollment period.

CCPOA Dental Plan Restriction

Employees in BU 6 who are restricted to the union-sponsored prepaid plan, Western Dental, must be enrolled in the prepaid plan for 12 months before they are allowed to enroll in the union-sponsored indemnity dental plan, Primary Dental. At the end of this 12-month period, employees have 60 days to enroll in the union-sponsored indemnity dental plan if they choose to do so. This enrollment is available outside of the open enrollment period.

CCPOA Dental Plan Eligibility

Under agreement between CalHR and CCPOA Benefits Trust Fund (BTF), employees with the California Department of Corrections and Rehabilitation in supervisory (S06), managerial (M06), excluded (E06), or confidential (C06) classifications have the option to elect CCPOA BTF's Primary Dental plan as well as other state-sponsored dental plans. Rank and file employees in BU 6 who promote will continue to have the option to remain in their CCPOA Primary Dental plan, or change to one of the dental plans available to excluded employees. Employees in these classifications who want to change their enrollment into the CCPOA BTF's Primary Dental plan may do so during the scheduled 2014 open enrollment period occurring September 15 through October 10, 2014.

Questions regarding the CCPOA dental plans should be directed to CCPOA at 1-800-468-6486.

Dental Premiums

Premiums will increase for Delta PPO plus Premier, Delta Preferred Provider Option (PPO), DeltaCare, and Western Dental plans effective January 1, 2015. All other dental plan premiums will remain the same. Please review Attachment A, which reflects the dental premiums effective January 1, 2015.

Impact of Premium Increase to Employees Not in Consolidated Benefits

Employees who are not enrolled in Consolidated Benefits (CoBen), who are enrolled in either Delta PPO plus Premier or Delta PPO, will see an increase in their out-of-pocket premium effective January 1, 2015.

Impact of Premium Increase to Employees in Consolidated Benefits

Represented employees in BUs 2, 7, 8, 16, 17, 18, 19, and excluded employees are in CoBen. Employees in CoBen pay the health, dental, and vision premiums with the CoBen allowance.

Affidavit for Domestic Partners Being Claimed As Economic Dependents (CalHR 680)

As a reminder, the Affidavit for Domestic Partners Being Claimed as Economic Dependents (CalHR 680 form) must be completed and retained in the employee's personnel file for employees who enroll domestic partners as dependents on their state dental plans. Dental enrollment forms must note the CalHR 680 form is on file to advise SCO of this status.

The CalHR 680 form is available through the CalHR website at www.calhr.ca.gov. Employees adding domestic partners to their plans, when the domestic partners are not economic dependents in the employee's household (no CalHR 680 on file), will be subject to the value of the additional benefits received by a domestic partner and will be added to an employee's taxable income.

For more information regarding the purpose of the CalHR 680, please refer to the Benefits Administration Manual (BAM) Dental Section 500.

Evidence of Coverage (EOC) Booklets, Participating Dental Provider Lists, and Membership Cards

It is recommended that a small supply of EOC dental booklets and participating provider lists be requested from all of the plans to have available in personnel offices for employees. Please advise those employees in BUs 5 and 6 to contact their benefits trust for information on claim forms, EOCs, participating dental provider lists, and membership cards.

FLEXELECT

CalHR sends personnel offices a list of employees in each department who are enrolled in a 2014 FlexElect Reimbursement Account. Please send employees a reminder that they must re-enroll during open enrollment if they want to participate in a reimbursement account in 2015.

Changes for 2015

Beginning January 1, 2015, reimbursement account claims will be paid twice a week. The average turnaround time between submission of a claim and the issuance of the check is two weeks. Payments for the Dependent Care Reimbursement Account claims will still require that the funds be available in the account and the service period has passed.

Also beginning January 1, 2015, employees will be able to elect to be paid for reimbursement account claims by direct deposit into their checking or savings account. Employees can enroll into direct deposit by accessing ASI's website at www.asiflex.com, (click on Forms, then select Direct Deposit/Email Notification Form). SCO will send employees a direct deposit advice notice after the check has been deposited into their checking or savings account. Use of direct deposit payment will save the mailing time needed for paper warrants.

The FlexElect handbook can be downloaded from CalHR's website at www.calhr.ca.gov. Please refer to BAM Section 700 for information regarding FlexElect and processing instructions for open enrollment forms.

Reminder:

State employees, who are dependents on their parent's state-sponsored benefits, are eligible to receive the FlexElect or CoBen Cash Option in lieu of coverage.

CONSOLIDATED BENEFITS

All excluded employees and represented employees in BUs 2, 7, 8, 16, 17, 18, and 19 are in CoBen and some bargaining units are subject to dependent vesting. The CoBen allowances are listed in Attachment C; however, the collective bargaining process is fluid and changes may

be agreed to which alter these amounts and dependent vesting levels. CalHR will notify departments if there are subsequent changes to these rates.

The CoBen handbook is available for download from CalHR's website at www.calhr.ca.gov (click on Employees, Benefits, and then Consolidated Benefits). Please refer to the BAM Section 1600 for information regarding CoBen and processing instructions for open enrollment forms.

BENEFITS CALCULATOR

The Benefits Calculator on CalHR's website at www.calhr.ca.gov will help employees determine how much will be deducted from their pay warrant, or added to it, based on the health, dental, and vision plans chosen. Employees simply click on their bargaining unit and select how many dependents will be covered.

For employees in CoBen, the calculator automatically computes the total cost of the benefits selected and subtracts the amount from the CoBen Allowance. The Benefits Calculator is located at www.calhr.ca.gov (click on Employees, Benefits, and then Benefits Calculator).

DEPENDENT VESTING CRITERIA

Dependent health vesting provides new employees a reduced employer health benefits contribution toward dependent coverage during their first 12 or 24 months of service. BUs 1, 2, 3, 4, 7, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 and 21 are subject to dependent health vesting.

New employees in BUs 1, 3, 4, 11, 12, 14, 15, 17, 19, 20, and 21, not previously eligible for health benefits under state civil service, receive:

- 75 percent of the employer contribution for dependent health coverage during the first 12 months of service.
- After completing 12 months of service, new employees receive the full employer contribution for dependent health coverage.

New employees in BUs 2, 7, 10, 13, 16, and 18* not previously eligible for health benefits under state civil service, receive:

- 50 percent of the employer contribution for dependent health coverage during the first 12 months of service.
- 75 percent of the employer contribution for dependent health coverage during months 13 through 24.
- After completing 24 months of service, new employees receive the full employer contribution for dependent health coverage.

* Effective July 1, 2015, new employees in BU 18 will be subject to a 12-month vesting period. Employees will receive 75 percent of the employer contribution for dependent health coverage during the first 12 months of service and the full contribution after completing 12 months of service.

Dependent Vesting Exemption Criteria

A new employee must meet all of the following criteria to be exempt from dependent vesting:

- Previous appointment date prior to January 1, 2007, for employees in BUs 1, 3, 4, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21, and July 1, 2006, for employees in BUs 2 and 7.
- Must be a state civil service appointment (University of California and California State University appointments are not state civil service).
- Employee must have been eligible for state health benefits (it does not matter whether or not the employee actually enrolled in health benefits, as long as they were eligible to enroll).

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

VISION PROGRAM

The premium paid to VSP for basic vision benefits for active employees will remain the same at the rate of \$8.64 and will continue to be fully paid by the state. State employee vision coverage is automatically established for eligible employees and their eligible dependents, and no form is required to enroll, add, or delete dependents during open enrollment. Employees need to continue to ensure only eligible dependents obtain services under their state-sponsored vision plan.

The Basic Vision Plan is now part of the VSP Advantage Network, which includes more provider locations to choose from, as well as a 20 percent savings on the amount over the frame allowance.

Premier Vision Plan

All active state employees (except rank and file BU 6 employees whose vision benefits are provided by their trust) are eligible to enroll in the Premier Vision Plan for a small monthly premium. The Premier Vision Plan enables state employees to pay additional premiums to get higher allowances for frames and contacts, fully covered progressive lenses, and more discounts.

If employees enroll into the Premier Vision Plan, the employee share of the premium will be deducted directly from the employee's state pay warrant. The state will contribute \$8.64, the equivalent of the Basic plan cost. Both deductions are itemized on the pay warrant stub.

If employees choose to upgrade to the Premier Vision Plan, any dependents they wish to cover must also be enrolled by the employee into the Premier Vision Plan. Employees cannot choose to enroll in both the Basic and Premier Vision Plan coverage at the same time, or split their enrollment leaving any dependents on the Basic Vision Plan.

During open enrollment or based on an eligible permitting event, employees are able to enroll online at www.vsp.com/go/stateofcapremier and complete the online enrollment form, complete

and mail the VSP enrollment form they will receive in the mail, or call VSP directly at 1-800-877-7195 and speak with a member service representative. Should an employee turn in the VSP form to their personnel office, please send the form directly to VSP at:

VSP Vision Care
Attn: Client Services
PO Box 997100
Sacramento, CA 95899-9986

For personnel offices requesting verification of their employees' Premier Vision Plan enrollment, please request a copy of the enrollment form from your employee, or have your personnel eligibility call-in delegate contact VSP directly. Personnel offices may also contact CalHR at (916) 322-0300 for further assistance on this or other matters related to this plan.

Premier Vision Plan Premiums

The monthly Premier Vision Plan premiums, including employee shares will increase for 2015 and are listed in Attachment A.

Retiree Vision Program

VSP will notify state retirees and annuitants regarding the Retiree Vision Program annual open enrollment period, which will coincide with the open enrollment period for Health, FlexElect, CoBen, and Dental benefits. VSP will process all Retiree Vision open enrollment transactions.

PERSONNEL OFFICES

Departmental personnel offices are responsible for the following:

- Providing copies of Attachments C, D, and E to all state employees.
- Making Dental, Vision, FlexElect, and CoBen program material available or advise employees how to obtain such material.
- Assisting employees in completing enrollment/change forms, reviewing, and submitting enrollment forms by the due dates listed in this memo.
- Sending completed enrollment forms and packages to SCO promptly.

Please assist employees who have questions regarding open enrollment for the Dental, Vision, FlexElect, or CoBen Programs. If you need assistance, please call CalHR Benefits and Training Division at (916) 322-0300.

/s/ Darlene Schell

Darlene Schell
Chief, Benefits and Training Division

Attachments

Dental and Vision Plan Deduction Codes and Premiums Effective January 1, 2015

State-Sponsored Dental Plans	Group Number	Deduction Codes	Monthly Premium		
			1 Party	2 Party	3 Party
Delta Dental of California P.O. Box 997330 Sacramento, CA 95899-7330 1-800-422-4234 www.deltadentalca.org	9949-Rank and File Delta PPO plus Premier Basic	351-007	\$48.85*	\$85.29*	\$123.28*
	9949-Excluded Delta PPO plus Premier Enhanced	351-008	50.81	100.00	140.48
	9946-Excluded and Rank and File PPO	351-018	44.64**	86.78**	130.58**
DeltaCare USA PO Box 1803 Alpharetta, GA 30023 1-800-632-8555 www.deltadentalca.org	2003	351-009	17.99	29.52	40.83
Premier Access 8890 Cal Center Drive Sacramento, CA 95826 1-888-534-3466 www.socdhmo.com	12700	351-020	16.63	26.94	37.73
Safeguard 5 Park Plaza, Suite 1900 Irvine, CA 92614 1-800-880-1800 www.safeguard.net	SOC Standard Plan	351-016	16.58	26.86	37.62
	SOC Enhanced Plan	351-015	16.92	28.63	35.27
	Parent Group Number - 156777				
Western Dental 530 South Main Street, 6th Floor Orange, CA 92868 1-866-859-7525 www.westerndentalbenefits.com/stateofca	2140352	351-025	15.16	25.02	35.49

State-sponsored Delta Dental plans – Employee Share

*Employee Share: 1 Party - \$12.21 / 2 Party - \$21.32 / 3 Party - \$30.82

**Employee Share: 1 Party - \$11.16 / 2 Party - \$21.69 / 3 Party - \$32.64

Dental and Vision Plan Deduction Codes and Premiums Effective January 1, 2015

Union Sponsored Dental Plans	Group Number	Deduction Codes	Monthly Premium		
			1 Party	2 Party	3 Party
CAHP/Blue Cross (R05)	336817-A	351-013	\$47.75***	\$83.18***	\$121.14***
CCPOA/Primary Dental (R06)	Fee-For-Service	351-006	114.00****	114.00****	114.00****
CCPOA/Western Dental (R06)	Prepaid	351-249	114.00****	114.00****	114.00****
CCPOA/Primary Dental (S06, M06, E06, C06)	Fee-For-Service	351-246	37.00*****	79.00*****	135.00*****

*** CAHP Employee Share: 1 Party - \$11.11 / 2 Party - \$19.21 / 3 Party - \$28.68

**** CCPOA Employee Share: R06 – Western Dental - \$44.94 CCPOA Primary - \$44.94

***** CCPOA Employee Share: S06,M06,E06,C06 – CCPOA Primary – Total Premium Deducted From CoBen Allowance

R05 Employee share for the Delta PPO plus Premier Plan is 1 Party - \$12.21 / 2 Party - \$21.32 / 3 Party - \$30.82

R05 Employee share for the Delta Preferred Provider Option (PPO) - 1 Party - \$11.11 / 2 Party - \$19.21 / 3 Party - \$28.68

(Under CoBen the total premium is deducted from the benefit allowance.)

(The dental/vision premiums above do not include the administrative fee of \$1.69/mo.)

State-Sponsored Vision Plan	Group Number	Deduction Codes	Monthly Premium		
			1 Party	2 Party	3 Party
Vision Service Plan 3333 Quality Drive Rancho Cordova, CA 95670 1-800-877-7195 www.vsp.com	12020000-Basic	475-001-Non-CoBen	\$8.64	\$8.64	\$8.64
		475-002-CoBen	8.64	8.64	8.64
	30034581-Premier*	361-475	17.48	26.32	37.10

*State-sponsored Premier Vision Plan – Employee Share: 1 Party - \$8.84 / 2 Party - \$17.68 / 3 Party - \$28.46

**COBRA Group Continuation Coverage
Dental and Vision Plan Premiums Effective January 1, 2015**

Carrier/Address	Plan Type	Covered Persons	1 Party	2 Party	3 Party
Delta Dental Mail STD. 692 to: Wolfpack Insurance Services, Inc. P.O. Box 833 Belmont, CA 94002-0833 1-800-296-0192	Basic	Rank and File employees	\$53.08	\$92.95	\$134.51
	Enhanced	Excluded employees and their eligible dependents	55.22	109.05	153.33
	PPO	Excluded & Rank and File employees and their eligible dependents	48.47	94.58	142.51
	Basic Dependents	Eligible dependents of Rank and File employees	45.53	68.23	89.22
SafeGuard Health Plans Attn: COBRA Billing P.O Box 30910 Laguna Hills, CA 92654 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 Mail STD 692 to: Wolfpack Insurance Services, Inc. P.O. Box 833 Belmont, CA 94002-0833 1-800-296-0192	Standard	Excluded & Rank and File employees and their eligible dependents	18.35	30.11	41.65
Premier Access 8890 Cal Center Drive Sacramento, CA 95826 Attn: COBRA UNIT 1-888-534-3466	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 92868 Attn: COBRA UNIT 1-866-859-7525	Standard	Excluded & Rank and File employees and their eligible dependents	15.46	25.52	36.20

**COBRA Group Continuation Coverage
Dental and Vision Plan Premiums Effective January 1, 2015**

Carrier/Address	Plan Type	Covered Persons	1 Party	2 Party	3 Party
Vision Service Plan P.O. Box 997100 Sacramento, CA. 95899-7100 Attn: COBRA UNIT 1-800-852-7600 Ext: 4636	Basic	Excluded and rank and file employees and their eligible dependents (with the exception of BU 6 employees; their vision benefits are provided through CCPOA Health Benefits Trust).	\$8.81	\$8.81	\$8.81
	Premier		17.83	26.85	37.84

Refer to the Benefits Administration Manual (BAM) COBRA Section 400 for complete instructions on the completion and submission of COBRA documents. These premium rates are 102% of current gross premiums.

**2015 Employee Consolidated Benefits (CoBen) Allowances
Employer Health Contributions by Bargaining Unit**

Bargaining Unit	CoBen Allowance/Employer Health Contribution							Dependent Health Vesting
	Single	2-Party			Family			
		50%	75%	100%	50%	75%	100%	
2	\$569	\$860	\$992	\$1,123	\$1,047	\$1,258	\$1,469	Yes
7	569	860	992	1,123	1,047	1,258	1,469	Yes
8	602	N/A	N/A	1,156	N/A	N/A	1,502	No
16	569	860	992	1,123	1,047	1,258	1,469	Yes
17	569	N/A	992	1,123	N/A	1,258	1,469	Yes
18*	569	860	992	1,123	1,047	1,258	1,469	Yes
19	569	N/A	992	1,123	N/A	1,258	1,469	Yes
Excluded	604	N/A	N/A	1,167	N/A	N/A	1,515	No

* Effective July 1, 2015, employees represented by Bargaining Unit 18, who first become eligible for health benefit enrollment or are receiving 50 percent of the normal employer dependent portion of the health contribution, shall be subject to a 12-month vesting schedule. Employees will receive 75 percent of the contribution for dependent health coverage during the first 12 months of service and the full employer health contribution after completing 12 months of service.



MEMORANDUM

DATE: September 10, 2014

TO: State Employees Eligible for Dental, Vision, FlexElect, and Consolidated Benefits

FROM: Department of Human Resources
Benefits and Training Division

SUBJECT: 2015 Dental and Vision Benefit Plans, Premiums, FlexElect and CoBen Allowances

The annual open enrollment period for Dental, Premier Vision, FlexElect, and Consolidated Benefits (CoBen) plans is scheduled for September 15 through October 10, 2014. The following information and attachments will help you to better understand the benefits available to you and your eligible dependents. Please take a moment to read this information carefully.

During open enrollment, eligible employees may enroll, cancel, or change Dental and Vision plans. You can also add or delete dependents.

You can enroll in a FlexElect Reimbursement Account. If you have a FlexElect Reimbursement Account and want to participate again next year, you need to re-enroll during open enrollment.

If you have other coverage through another source, such as your spouse, you may enroll in a Cash Option in lieu of health and/or dental benefits.

Permanent Intermittent employees who want to continue receiving the Cash Option must re-enroll during open enrollment.

If you are currently enrolled in Dental, Vision, or a Cash Option, you don't need to submit anything unless you are a Permanent Intermittent employee.

Open enrollment forms must be signed and submitted to your personnel office no later than October 10, 2014. All open enrollment actions will be effective January 1, 2015.

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 or CoBen Cash Option, you have until December 31, 2014, to cancel or change your enrollment.

Summary of Changes for 2015

- Premiums will increase for Delta Dental PPO plus Premier, Delta Dental Preferred Provider Option (PPO), DeltaCare, and Western Dental plans effective January 1, 2015. The 2015 Dental rates are provided in Attachment E.
- The Basic Vision Plan provider network is changing to the new VSP Advantage Network, which will include the following changes:
 - More provider locations available to patients.
 - More available discounts.
 - Dependent children are eligible for covered in full polycarbonate prescription lenses.
- Premiums for the Premier Vision Plan will increase effective January 1, 2015. The 2015 Vision rates are provided in Attachment E.
- Beginning January 1, 2015, reimbursement account claims will be paid twice a week. The average turnaround time between submission of a claim and the issuance of the check is two weeks. Payments for Dependent Care Reimbursement Account claims will still require that the funds be available in the account and the service period has passed.
- Beginning January 1, 2015, employees will be able to elect to be paid for reimbursement account claims by direct deposit by going to ASI's website at www.asiflex.com, then click on Forms and select Direct Deposit/Email Notification Form.

Important Open Enrollment Reminders

- If you are eligible for health benefits, but not currently enrolled, or are receiving CoBen or FlexElect cash in lieu of health benefits, you may enroll in health benefits during open enrollment.
- The maximum amount that you can contribute to a FlexElect Medical Reimbursement Account is \$2,500 per participant per year. Dependent Care Accounts continue to be \$5,000 per household per year.
- If you have children, they are eligible for dependent coverage for dental and vision programs up to the age of 26.
- Please check your dental coverage enrollment through your personnel office and ensure that only eligible dependents are enrolled.

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. The Benefits Calculator will determine how much will be deducted from your paycheck, or added to it, based on which health, dental, and vision plans you choose. Simply select your bargaining unit and how many dependents will be covered. The Benefits Calculator is located at www.calhr.ca.gov (click on Employees, Benefits, and then Benefits Calculator).

Consolidated Benefits

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

Dependent Vesting

New employees who have never had state health benefit coverage may be subject to health dependent vesting. Dependent health care vesting provides new employees a reduced employer health benefits contribution toward dependent health coverage during the first 12 or 24 months of service. After the 12 or 24 months, these employees will receive the full employer contribution for their dependents as specified in their MOU agreement. The 2015 CoBen allowances are provided in Attachment C.

Consolidated Omnibus Budget Reconciliation Act (COBRA)

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 coverage by CalHR prior to the beginning of the open enrollment period. Current COBRA rates can be found on the CalHR website (click on Employees, Benefits, and then COBRA).

For more information

Open enrollment information including the CoBen, Dental, and FlexElect handbooks can be found on the CalHR website at www.calhr.ca.gov. For questions regarding the 2014 open enrollment period, please contact your personnel office.

Dental and Vision Plan Premiums

Premiums will increase for Delta Dental PPO plus Premier, Delta Preferred Provider Option (PPO), DeltaCare, and Western Dental plans effective January 1, 2015. The premiums for Premier Access and SafeGuard will remain the same.

For employees in CoBen, the state share and employee share does not apply. Therefore, the total dental premium will be deducted from the monthly CoBen allowance.

The following tables show Delta Dental premiums effective January 1, 2015:

Delta Dental PPO plus Premier Basic Plan for Represented Employees

Employee Basic Plan	Total Premium	State Share	Employee Share	Employee Share Increase or Decrease
Party Code 1	\$48.85	\$36.64	\$12.21	+\$0.09
Party Code 2	85.29	63.97	21.32	+.04
Party Code 3	123.28	92.46	30.82	-.01

Delta Dental PPO plus Premier Enhanced Plan for Excluded Employees

Employee Enhanced Plan	Total Premium
Party Code 1	\$50.81
Party Code 2	100.00
Party Code 3	140.48

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

Employee Basic Plan	Total Premium	State Share	Employee Share	Employee Share Increase or Decrease
Party Code 1	\$44.64	\$33.48	\$11.16	+\$0.10
Party Code 2	86.78	65.09	21.69	+.03
Party Code 3	130.58	97.94	32.64	-.03

Prepaid Dental Plan Premiums

The state will continue to pay 100 percent of the premium for employees not in CoBen. For employees in CoBen, the state share and employee share does not apply. Therefore, the total dental premium will be deducted from the monthly CoBen allowance starting with the January 1, 2015 pay warrant (December 2014 pay period). Prepaid dental plan premiums are as follows:

Employee Prepaid Plans	DeltaCare USA	Premier Access	SafeGuard Standard	SafeGuard Enhanced	Western Dental
Party Code 1	\$17.99	\$16.63	\$16.58	\$16.92	\$15.16
Party Code 2	29.52	26.94	26.86	28.63	25.02
Party Code 3	40.83	37.73	37.62	35.27	35.49

Union-Sponsored Dental Plans: Bargaining Units 5 and 6

The California Association of Highway Patrolmen (CAHP) offers its own indemnity dental plan to BU 5 employees who are CAHP members. 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.

Vision Premiums

Premier Vision Plan Premiums

Employee Premier Plan	Total Premium	State Share	Employee Share	Employee Share Increase or Decrease
Party Code 1	\$17.48	\$8.64	\$8.84	+\$2.28
Party Code 2	26.32	8.64	17.68	+4.56
Party Code 3	37.10	8.64	28.46	+7.34