

**Department of Personnel Administration
Memorandum**

TO: Personnel Management Liaisons (PML)

SUBJECT: 2010 Open Enrollment Period for Dental, FlexElect, and Consolidated Benefits (CoBen) Programs, 2011 Dental and Vision Plan Premiums, and 2011 CoBen Allowance Amounts	REFERENCE NUMBER: 2010-020
DATE ISSUED: 09/08/10	SUPERSEDES:

This memorandum should be forwarded to:

**Personnel Officers
Personnel Transactions Supervisors
Personnel Transactions Staff**

FROM: Department of Personnel Administration
Benefits Division

CONTACT: Susan Coats, Staff Personnel Program Analyst
(916) 327-6429
Fax: (916) 322-3769
Email: SusanCoats@dpa.ca.gov

This memo provides important information on the 2010 Open Enrollment for the Dental, FlexElect, and CoBen Programs, 2011 Dental and Vision plan premiums, and 2011 CoBen allowance amounts. Please make sure your employees know about the open enrollment period and the information contained in this memo.

We've attached items for you to distribute to your employees:

Attachment A - Memorandum to All State Employees (Open Enrollment)

Attachment B - Dental Plan Options and Benefit Cost Comparison

Attachment C - 2011 Dental and Vision Plan Premiums

Attachment D - 2011 Dental and Vision COBRA Group Continuation Coverage Premiums

OPEN ENROLLMENT

Open Enrollment for Dental, FlexElect, and CoBen is September 13, 2010 through October 8, 2010. Enrollments/changes during this period are effective January 1, 2011. For Dental, eligible employees may enroll, cancel, or change plans, and add/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, and/or dental 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.

Completing the Open Enrollment Forms

Use the following information to complete open enrollment forms:

Permitting Event Date: Dental – 9/13/010

Note: No permitting event date needed for FlexElect and CoBen cash enrollment documents.

Effective Date: Dental/FlexElect/CoBen Cash – 1/1/11

Permitting Event Codes:

Dental

03 – New Enrollment

15 – Add/Delete Dependent(s) (May use one form for this type of transaction.)

28 – Change of Plan

29 – Change of Plan and Add/Delete Dependent(s) (May use one form for this type of transaction.)

FlexElect/CoBen – Leave Permitting Event Code Blank.

Deadlines:

10/08/10 Last day for employees to sign and submit open enrollment forms to Personnel Offices.

10/27/10 Last day for enrollment forms to be received in Personnel Offices (as shown on enrollment forms).

11/3/10 Last day for receipt by the State Controller's Office (SCO) of all open enrollment forms from Personnel Offices.

12/6/10 Last day for receipt by SCO of open enrollment forms returned to departments for correction (in order to be reflected on the January 1, 2011 pay warrant).

1/10/11 Last day for receipt by SCO of FlexElect and CoBen open enrollment forms reflecting cancellation and/or changes (forms signed/submitted to Personnel Office by 12/31/10). The effective date will be retroactive to January 1, 2011.

Employees who enroll in or make changes to their dental coverage during the open enrollment period may cancel or change their election until 10/08/10. A new STD. 692 must be completed and signed by the employee by 10/08/10. It is not an option to rescind a dental enrollment/change by submitting a copy of the original STD 692 marked "rescind".

In the remarks section of a new STD. 692 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.

Employees who enroll in or make changes to their FlexElect/CoBen election during the open enrollment period and employees, who are automatically reenrolled into the Cash Option, are allowed by Internal Revenue Code 125 to cancel or change their elections until 12/31/10. A new STD. 701C, STD. 701R, or STD 702 must be completed and signed by the employee by 12/31/10. Once the new plan year begins, employees may not cancel or change their FlexElect/CoBen enrollment unless they experience a valid change in status.

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

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 in their dental enrollment or may wait and make changes within 60 days after returning to active pay status.

For employees with dependents turning age 23 during the months of October and November 2010, employees will need to provide you with an open enrollment document adding the dependent back on their dental plan, effective January 1, 2011. The normal process for removing age 23 dependents will be continued through November 30, 2010. On and after December 1, 2010, age 23 dependents will be allowed to remain on an employee's eligible dental plan through age 26 with no further action required.

*NEW INFORMATION

A dependent child, who is eligible for a State-sponsored dental plan in his or her own right as a state employee, **is now eligible to enroll in their parent's State sponsored dental plan**. This is a change from previous years and will bring the State into compliance with the new federal health care reform requirements.

DENTAL PROGRAM

DPA contracts with Delta Dental, DeltaCare USA, and SafeGuard to provide dental insurance for eligible:

1. rank and file employees (except those in Bargaining Unit (BU) 6);
2. excluded employees; and
3. retirees/annuitants.

The California Association of Highway Patrolmen (CAHP) offers its own indemnity dental plan to BU 5 employees who are CAHP members, but its members may opt to enroll in a

State-sponsored prepaid plan. The California Correctional Peace Officers Association (CCPOA) provides dental insurance to BU 6 employees who are CCPOA dues paying members. Represented employees in BU 5 and 6 should be advised to contact their Benefit Trust for information regarding their union-sponsored dental plan premiums and benefits. Dental premiums for union-sponsored plans are listed on Attachment C.

Restriction on Enrollment in Delta Dental Plans

Except as noted below, employees must enroll in a State-sponsored prepaid dental plan during their first 24 months of State service. At the end of this 24-month period, employees who wish to enroll in the Delta Dental Premier or Delta Dental 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 restriction period, unless they enrolled in the FlexElect or CoBen cash option for dental. This enrollment is available outside the open enrollment period.

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

1. represented employees in BUs 2, 7, 8, 16, 17, 18, and 19;
2. excluded employees;
3. employees who were previously State employees for 24 consecutive months without a permanent break in service during the 24 months.

CCPOA Dental Plan Restriction

Employees in BU 6 who are restricted to the union-sponsored prepaid plan, Western Dental, must complete 12 months in the prepaid plan 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 want to. This enrollment is available outside of the open enrollment period.

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 this 24-month period, employees have 60 days to enroll in their union-sponsored Blue Cross Dental plan if they want to. This enrollment is available outside of the open enrollment period.

Delta Dental 2011 Premiums

Delta Dental premiums will increase for the Delta Premier plan and the Delta Preferred Provider Option (PPO) dental plan effective January 1, 2011. The charts on page 5 and 6, and Attachments C and D show Delta's dental premiums that go into effect January 1, 2011.

Impact on Employees Not in Consolidated Benefits

Employees not in Consolidated Benefits (CoBen), who are enrolled in the Delta Premier plan, and Delta PPO plan, will see no increase in their out-of-pocket premium on their January 1, 2011, pay warrant (December 2010 pay period).

Impact on Employees in Consolidated Benefits

Represented employees in BUs 2, 7, 8, 16, 17, 18, and 19, and excluded employees are in CoBen. Employees in CoBen pay the total dental premium with their CoBen benefit allowance. For employees enrolled in the Delta Premier plan and Delta PPO plan, the increased dental premium will result in a higher amount deducted from their monthly CoBen allowance on their January 1, 2011, pay warrants (December 2010 pay period).

For employees in CoBen, the State's share and employee's share do not apply. Therefore, when you complete their dental forms, use the total premium amount as the amount deducted from their CoBen allowance.

Delta Dental Premiums effective January 1, 2011:

Delta Dental Premier Basic Plan for Represented Employees

Coverage	2011 Total Premium	State Share	2011 Employee Share	<u>Employee Share Increase</u>
Employee only	\$53.50	\$40.13	\$13.37	\$0.40
Employee plus one dependent	\$95.06	\$71.30	\$23.76	\$0.74
Employee plus two or more dependents	\$138.39	\$103.79	\$34.60	\$1.10

Delta Dental Premier Enhanced Plan for Excluded Employees

Coverage	2011 Total Premium
Employee only	\$55.74
Employee plus one dependent	\$111.85
Employee plus two or more dependents	\$158.00

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

Coverage	2011 Total Premium	State Share	2011 Employee Share	<u>Employee Share Increase</u>
Employee only	\$45.44	\$34.08	\$11.36	\$0.34
Employee plus one dependent	\$90.05	\$67.54	\$22.51	\$0.70
Employee plus two or more dependents	\$136.40	\$102.30	\$ 34.10	\$1.08

Prepaid Dental Plan 2011 Premiums

Premiums for SafeGuard will not change in 2011. Premium for the DeltaCare USA plan will increase. Two new dental plans have been added, available to all eligible employees, Premier Access and Western Dental. The State will continue to pay 100 percent of the premium for employees not in Consolidated Benefits (CoBen). For employees in CoBen, the State's share and employee's share do not apply. Therefore, when you complete their dental forms, use the total premium amount as the amount deducted from their CoBen allowance.

The following chart and Attachments C and D show the prepaid plans' dental premiums that go into effect January 1, 2011.

Coverage	SafeGuard Standard	SafeGuard Enhanced	DeltaCare USA	Premier Access	Western Dental
Employee only	\$16.58	\$16.92	\$17.72	\$16.63	\$14.72
Employee plus one dependent	\$26.86	\$28.63	\$29.07	\$26.94	\$24.29
Employee plus two or more dependents	\$37.62	\$35.27	\$40.21	\$37.73	\$34.46

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

You may want to request a small supply of EOC booklets and participating dentist lists from the dental plans to have available in your Personnel Office for employees. Advise employees in BU 5 and 6 to contact their Benefit Trust for information on claim forms, EOCs, participating dentist lists, or membership cards.

Affidavit for Domestic Partners Being Claimed As Economic Dependent (DPA 680)

As a reminder, the Affidavit for Domestic Partners or Same-Sex spouses being claimed as Economic Dependents (DPA 680 form) form must be completed and retained in the employee's personnel file for employees who enroll domestic partners as dependents on their State dental and/or health plans. Dental enrollment forms must note that the DPA 680 form is on file to advise the State Controller of this status. The value of the additional benefits received by a domestic partner will be added to an employee's taxable income. The DPA 680 form is available through the DPA website. The completed form, once received from your employee, is to be retained in the employee's personnel file.

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

FLEXELECT

Employees who enroll in any FlexElect Option during the open enrollment period and employees who are automatically re-enrolled in FlexElect Cash Option have until December 31, 2010, to cancel their enrollment or make changes. The 2011 FlexElect handbook will be available before September 13, 2010, and can be downloaded from DPA's Web site at www.dpa.ca.gov (click on Publications). You should refer to BAM Section 700 for information regarding FlexElect and processing instructions for open enrollment forms.

DPA mails an open enrollment notification to the homes of employees currently enrolled in a FlexElect Reimbursement Account, as a reminder that they must re-enroll during open enrollment if they want to participate in a reimbursement account in 2011. As in the past,

DPA sends Personnel Offices a list of employees in your department who are enrolled in a 2010 FlexElect Reimbursement Account. Where possible, we mail the listing to the appropriate field office. You may want to send the employee(s) a reminder that they must re-enroll during open enrollment if they want to participate in a reimbursement account in 2011.

When an employee wants to cancel his/her Cash Option enrollment and re-enroll in dental and/or medical coverage, the Personnel Office needs to ensure that a Cash Option cancellation form is attached to the dental and/or medical enrollment form for SCO processing.

***NEW INFORMATION**

Effective January 1, 2011, State employees, who are dependents on their parent's benefits, whether or not the parent(s) is/are a State employee(s), are **now eligible to receive the Flex cash in lieu of coverage**. This is a change from previous years and will bring the State into compliance with the new federal health care reform requirements.

CONSOLIDATED BENEFITS

All excluded employees and represented employees in BUs 2, 7, 8, 16, 17, 18, and 19 are in CoBen.

Dependent Vesting and Rank and File Employee CoBen Allowance Amounts

Dependent Vesting Criteria

New employees who have never had State health benefit eligibility may be subject to dependent health vesting. Employees in bargaining units that have contracted for dependent vesting are provided with 50 percent of the employer dependent contribution for the first 12 months, and 75 percent of the employer dependent contribution for months 13 through 24. After 24 months, these employees will receive the full employer dependent contribution applicable to their bargaining unit.

Bargaining Unit 2 and 7 employees who first become eligible for health benefit enrollment on or after July 1, 2006, and BU 16, 17, and 19 employees who first become eligible for health benefit enrollment on or after January 1, 2007, are subject to a two year vesting schedule for the health portion of the employer benefit allowance for dependents.

Following are the CoBen allowance amounts effective January 1, 2011, for employees in BUs 2, 7, 8, 16, 17, 18, and 19. As of the date of this PML, the following rates will be effective January 1, 2011. However, the collective bargaining process is fluid and changes may be agreed to which alter these amounts. DPA will notify departments if there are subsequent changes to these rates. Please be advised that as of the date of this notice, many union contracts have expired and these rates may be subject to change through the collective bargaining process and are subject to Budget approval. Although we anticipate that these will be the final rates, any future changes will be posted to DPA's website at www.dpa.ca.gov.

The CoBen allowances for BU 7 employees are as follows:

Units 7	<u>2011</u>
Employee only	\$416
Employee plus one dependent	\$813
Employee plus two or more dependents	\$1,061

The CoBen allowances for BU 18 employees are as follows:

Units 18	<u>2011</u>
Employee only	\$482
Employee plus one dependent	\$946
Employee plus two or more dependents	\$1,241

The CoBen allowances for BU 16, 17 and 19 employees are as follows:

Units 16, 17 and 19	<u>2011</u>
Employee only	\$482
Employee plus one dependent	\$946
Employee plus two or more dependents	\$1,241

The CoBen allowances for BU 7 employees who first become eligible for health benefit enrollment on or after July 1, 2006 and the CoBen allowances BU 18 employees who first become eligible for health benefit enrollment on or after January 1, 2007 are as follows:

Units 7	50% Vesting <u>2011</u>	75% Vesting <u>2011</u>
Employee only	\$416	\$416
Employee plus one dependent	\$628	\$721
Employee plus two or more dependents	\$767	\$914
Unit 18	50% Vesting <u>2011</u>	75% Vesting <u>2011</u>
Employee only	\$482	\$482
Employee plus one dependent	\$729	\$838
Employee plus two or more dependents	\$893	\$1,067

The CoBen allowances for BUs 16, 17 and 19 employees who first become eligible for health benefit enrollment on or after January 1, 2007 are as follows:

Units 16, 17 and 19	50% Vesting <u>2011</u>	75% Vesting <u>2011</u>
Employee only	\$482	\$482
Employee plus one dependent	\$729	\$838
Employee plus two or more dependents	\$893	\$1,067

As of the date of this PML, the following rates will be effective January 1, 2011. However, the collective bargaining process is fluid and changes may be agreed to which alter these amounts. DPA will notify departments if there are subsequent changes to these rates. Please be advised as of the date of this notice, many union contracts have expired and these rates may be subject to change through the collective bargaining process and are subject to Budget approval.

Although we anticipate that these will be the final rates, any future changes will be posted to DPA's website at www.dpa.ca.gov.

The CoBen allowances for BU 2 employees who first become eligible for health benefit enrollment before July 1, 2006 are as follows:

Unit 2	<u>2011</u>
Employee only	\$439
Employee plus one dependent	\$836
Employee plus two or more dependents	\$1,084

The CoBen allowances for BU 2 employees who first become eligible for health benefit enrollment on or after July 1, 2006 are as follows:

Unit 2	<u>50% Vesting 2010</u>	<u>75% Vesting 2011</u>
Employee only	\$439	\$439
Employee plus one dependent	\$651	\$744
Employee plus two or more dependents	\$790	\$937

The following CoBen Unit does not have dependent vesting:

Unit 8	<u>2011</u>
Employee only	\$509
Employee plus one dependent	\$973
Employee plus two or more dependents	\$1,268

The CoBen allowance for Excluded employees is determined by DPA. Effective January 1, 2011, the CoBen allowances for all excluded employees are as follows:

	<u>2011</u>
Employee only	\$510
Employee plus one dependent	\$986
Employee plus two or more dependents	\$1,283

Employees who enroll in CoBen Cash during the open enrollment period and employees who are automatically re-enrolled in CoBen Cash have until December 31, 2011, to cancel their enrollment or make changes.

When an employee wants to cancel his/her Cash Option enrollment and re-enroll in dental and/or medical coverage, the Personnel Office needs to ensure that a Cash Option cancellation form is attached to the dental and/or medical enrollment form for SCO processing. The 2011 CoBen handbook will be available before September 13, 2010, and can be downloaded from DPA's Web site at www.dpa.ca.gov (click on Publications). You should refer to BAM Section 1600 for information regarding CoBen and processing instructions for open enrollment forms.

CoBen Calculator

The CoBen Calculator on DPA's Web site will help employees determine how much they want to be deducted from their paycheck, or added to it, based on which health and dental plans chosen. Employees simply click on their health and dental plan choices, and how many dependents will be covered.

The calculator automatically computes the total cost of the benefits selected and subtracts them from the CoBen allowance. The result shows whether the employee will have a monthly benefit deduction or receive extra cash. There are two separate calculators, one for excluded employees and another for rank and file employees in BUs 2, 7, 8, 16, 17, 18, and 19. The CoBen calculator is located at www.dpa.ca.gov (click on Benefits and then click on Consolidated Benefits).

VISION PROGRAM

The premium paid to Vision Service Plan (VSP) for vision coverage for active employees will decrease to the rate of \$8.64 and will continue to be fully paid by the State. State employees' 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.

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

Your assistance in the following areas will be appreciated and will help make this open enrollment period successful:

- (1) provide a copy of the attached open enrollment memorandum to all employees (Attachment A);
- (2) make Dental, FlexElect, and CoBen Program material available or advise employees how to obtain such material;
- (3) assist employees in completing enrollment/change forms, review, and submit enrollment forms by the due dates listed in this memo; and
- (4) send completed enrollment forms and packages to SCO.

Please help your employees who have questions regarding open enrollment for the Dental, FlexElect, or CoBen Programs. If you need assistance to answer your employees' questions, please call Susan Coats, Staff Personnel Program Analyst, at (916) 327-6429.

/s/ Greg Beatty

Greg Beatty
Chief, Benefits Division

Attachment(s)



MEMORANDUM



ATTACHMENT A

DATE: September 2010

TO: State Employees Eligible for Dental, FlexElect, or Consolidated Benefits

FROM: **Department of Personnel Administration
Benefits Division**

SUBJECT: 2010 Open Enrollment for Dental, FlexElect, and Consolidated Benefits Programs, 2011 Dental and Vision Plan Premiums, and 2011 CoBen Allowance Amounts

Open Enrollment for Dental, FlexElect, and Consolidated Benefits (CoBen) is September 13, 2010 through October 8, 2010. If you want to enroll in these benefit programs, or make a change to your current enrollment, contact your Personnel Office for the necessary forms.

Open enrollment forms must be signed and submitted to your Personnel Office no later than October 8, 2010. All open enrollment actions will be effective January 1, 2011.

You don't need to submit anything if you're not making any changes in your dental coverage or cash options. 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 need to 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, 2010, to cancel your enrollment or make changes.

Dependent Coverage for Children Extended up to the Age of 26

If you have children, starting January 1, 2011, they are eligible for dependent coverage with the Health, Dental and Vision Programs up to the age of 26.

The Patient Protection and Affordable Care Act (Act), as amended by the Health Care and Education Affordability Reconciliation Act of 2010, extends dependent coverage from age 23 to age 26. This provision is effective January 1, 2011.

Who is eligible?

Effective January 1, 2011, your children, 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.

Who is not eligible?

Under the Act, the spouse or children of your adult children are not eligible for dependent coverage.

When can I enroll my dependent?

You can enroll your children up to the age of 26 during Open Enrollment, which is being held September 13, 2010 through October 8, 2010. The effective date of dependent coverage will be January 1, 2011.

How do I enroll my dependent?

To enroll your child/children in dependent coverage up to the age of 26, contact your Personnel Office. ***Please be prepared to provide your child's birth certificate and Social Security number.***

What if my child turns 23 in December 2010?

If your child's 23rd birthday is on or after December 1, 2010, his or her dependent coverage will be automatically continued without interruption up to the age of 26. If you do not want coverage continued, contact your Personnel Office to request his or her removal from your plan.

What is the cost of coverage?

The Act did not change the employer contribution amount for you or your dependents. In addition, the dental enrollment structure currently one-, two-, and three-party rate structure will not change. When you are enrolled for self alone and add a dependent (regardless of age) the party rate will change from a 1-party premium to a 2-party premium. If you are enrolled in a 2-party plan, adding one or more dependents will change your premium to a 3-party premium. The total premiums are shown in the enclosed rate sheet. Your Personnel Office will be able to assist you in determining your portion of the health premium. Your vision premium is unaffected as the premium is the same regardless of the number of persons on your vision plan.

For your dependents turning age 23 during the months of October and November 2010, you will need to provide your Personnel Office with an open enrollment document adding the dependent back on your dental plan, effective January 1, 2011. The normal process for removing age 23 dependents will be continued through November 30, 2010. On and after December 1, 2010, age 23 dependents will be allowed to remain on your eligible dental through age 26 without further action.

For more information

For up-to-date information about Health Care Reform, please refer to the National Health Care Reform page on CalPERS On-Line at www.calpers.ca.gov. If you need further assistance, please contact your Personnel Office.

***NEW INFORMATION**

A dependent child, who is eligible for a State-sponsored dental plan in his or her own right as a state employee, **is now eligible to enroll in their parent's State sponsored dental plan**. This is a change from previous years and will bring the State into compliance with the new federal health care reform requirements.

Effective January 1, 2011, State employees, who are dependents on their parent's benefits, whether or not the parent(s) is/are a State employee(s), are **now eligible to receive the Flex cash in lieu of coverage**. This is a change from previous years and will bring the State into compliance with the new federal health care reform requirements.

DENTAL BENEFITS

Your dental plan options are listed on page 3. Contact your Personnel Office for a brochure, list of participating dentists, and cost comparison, or call the dental plans. You may also obtain brochures and listings of participating dentists by accessing each plan's website at the addresses listed on page 2.

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.

Delta Dental Plans

Delta Premier and Delta Preferred Provider Option (PPO) 1-800-225-3368
www.deltadentalca.org/state

Prepaid Dental Plans

DeltaCare USA 1-800-422-4234
www.deltadentalca.org

SafeGuard Dental Plan 1-800-880-1800
www.safeguard.net

Two new prepaid dental plans have been added to choices available to select. Available with these new plans is a new dental implant benefit. All prepaid dental plans have continuation of orthodontic care should you have this treatment in progress and you decide to change dental plans.

Premier Access 1-888-534-3466
www.socdhmo.com

Western Dental
www.westerndentalbenefits.com/stateofca

1-866-859-7525

The following charts show Delta's new dental premiums that go into effect January 1, 2011.

Delta Dental Premier Basic Plan for Represented Employees:

Coverage	2011 Total Premium	State Share	2011 Employee Share	<u>Employee Share Increase</u>
Employee only	\$53.50	\$40.13	\$13.37	\$0.40
Employee plus one dependent	\$95.06	\$71.30	\$23.76	\$0.74
Employee plus two or more dependents	\$138.39	\$103.79	\$34.60	\$1.10

Delta Dental Premier Enhanced Plan for Excluded Employees:

Coverage	2011 Total Premium
Employee only	\$55.74
Employee plus one dependent	\$111.85
Employee plus two or more dependents	\$158.00

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

Coverage	2011 Total Premium	State Share	2011 Employee Share	<u>Employee Share Increase</u>
Employee only	\$45.44	\$34.08	\$11.36	\$0.34
Employee plus one dependent	\$90.05	\$67.54	\$22.51	\$0.70
Employee plus two or more dependents	\$136.40	\$102.30	\$34.10	\$1.08

Prepaid Dental Plan 2011 Premiums

Premiums for DeltaCare USA will increase in 2011. Premiums for SafeGuard will remain the same for 2011. The State will continue to pay 100 percent of the premium for employees not in CoBen, including for the two new prepaid dental plans. 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 their January 1, 2011, pay warrants (December 2010 pay period). Prepaid dental plans' premiums are reflected below.

Coverage	SafeGuard Standard	SafeGuard Enhanced	DeltaCare* USA	Premier Access	Western Dental
Employee only	\$16.58	\$16.92	\$17.72	\$16.63	\$14.72
Employee plus one dependent	\$26.86	\$28.63	\$29.07	\$26.94	\$24.29
Employee plus two or more dependents	\$37.62	\$35.27	\$40.21	\$37.73	\$34.46

*DeltaCare will no longer be providing services in the following counties:

Butte
Humboldt
Merced
San Luis Obispo
Shasta
Sutter

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; however, members may opt to enroll in a State-sponsored prepaid plan. The California Correctional Peace Officers Association (CCPOA) provides dental insurance to BU 6 employees who are CCPOA members.

Employees in BU 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 by BUs 2, 7, 8, 16, 17, 18, and 19 are in CoBen. The State provides you a benefit allowance to purchase health, dental, and vision benefits. If the total cost of the plans you choose is less than your CoBen allowance, you

receive the difference as taxable income. If the total cost of the plans is more than the CoBen allowance, the difference is deducted from your pay warrant pre-tax.

Dependent Vesting and Rank and File Employee CoBen Allowance Amounts

Dependent Vesting Criteria

New employees who have never had State health benefit coverage may be subject to dependent health vesting. Employees in bargaining units that have contracted for dependent vesting are provided with 50 percent of the employer dependent contribution the first 12 months, and 75 percent of the employer dependent contribution for months 13 through 24. After 24 months, these employees will receive the full employer dependent contribution applicable to their bargaining unit.

Bargaining Unit 2 and 7 employees who first become eligible for health benefit enrollment on or after July 1, 2006, and BUs 16, 17, and 19 employees who first become eligible for health benefit enrollment on or after January 1, 2007, are subject to a two year vesting schedule for the health portion of the employer benefit allowance for dependents.

Following are the CoBen allowance amounts effective January 1, 2011, for employees in BUs 2, 7, 8, 16, 17, 18, and 19.

The CoBen allowances for BU 7 employees are as follows:

Units 7	<u>2011</u>
Employee only	\$416
Employee plus one Dependent	\$813
Employee plus two or more dependents	\$1,061

The CoBen allowances for BU 18 employees are as follows:

Units 18	<u>2011</u>
Employee only	\$482
Employee plus one Dependent	\$946
Employee plus two or more dependents	\$1,241

The CoBen allowances for BU 16, 17 and 19 employees are as follows:

Units 16, 17 and 19	<u>2011</u>
Employee only	\$482
Employee plus one dependent	\$946
Employee plus two or more dependents	\$1,241

The CoBen allowances for BU 7 employees who first become eligible for health benefit enrollment on or after July 1, 2006 and the CoBen allowance for BU 18 employees who first become eligible for health benefit enrollment on or after January 1, 2007 are as follows:

Units 7	<u>50% Vesting 2011</u>	<u>75% Vesting 2011</u>
Employee only	\$416	\$416
Employee plus one Dependent	\$628	\$721
Employee plus two or more dependents	\$767	\$914
Units 18	<u>50% Vesting 2011</u>	<u>75% Vesting 2011</u>
Employee only	\$482	\$482
Employee plus one Dependent	\$729	\$838
Employee plus two or more dependents	\$893	\$1,067

The CoBen allowances for BUs 16, 17 and 19 employees who first become eligible for health benefit enrollment on or after January 1, 2007 are as follows:

Units 16, 17 and 19	50% Vesting <u>2011</u>	75% Vesting <u>2011</u>
Employee only	\$482	\$482
Employee plus one dependent	\$729	\$838
Employee plus two or more dependents	\$893	\$1,067

As of the date of this memo, the following rates will be effective January 1, 2011. However, the collective bargaining process is fluid and changes may be agreed to which alter these amounts. DPA will notify departments if there are subsequent changes to these rates. Please be advised that as of the date of this notice, many union contracts have expired and these rates may be subject to change through the collective bargaining process and are subject to Budget approval. Although we anticipate that these will be the final rates, any future changes will be posted to DPA's website at www.dpa.ca.gov.

Bargaining Unit 2 has an expired contract. As of the date of this memo, the following rates will be effective January 1, 2011. However, the collective bargaining process is fluid and changes may be agreed to which alter these amounts. DPA will notify departments if there are subsequent changes to these rates.

The CoBen allowances for BU 2 employees who first become eligible for health benefit enrollment before July 1, 2006 are as follows:

Unit 2	<u>2011</u>
Employee only	\$439
Employee plus one Dependent	\$836
Employee plus two or more dependents	\$1,084

The CoBen allowances for BU 2 employees who first become eligible for health benefit enrollment on or after July 1, 2006 are as follows:

Unit 2	50% Vesting <u>2011</u>	75% Vesting <u>2011</u>
Employee only	\$439	\$439
Employee plus one Dependent	\$651	\$744
Employee plus two or more dependents	\$790	\$937

The following CoBen Unit does not have dependent vesting:

Unit 8	<u>2011</u>
Employee only	\$509
Employee plus one Dependent	\$973
Employee plus two or more dependents	\$1,268

The CoBen allowance for Excluded employees is determined by DPA. Effective January 1, 2011, the CoBen allowances for all excluded employees are as follows:

	<u>2011</u>
Employee only	\$510
Employee plus one dependent	\$986
Employee plus two or more dependents	\$1,283

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, and \$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 2011 CoBen handbook that is available and can be downloaded from DPA's Web site at www.dpa.ca.gov (click on Publications).

CoBen Calculator

If you are going to make a change in your benefit choices during the open enrollment period, you may want to use the CoBen Calculator on DPA's Web site, which will help you determine how much will be deducted from your paycheck, or added to it, 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 calculator automatically computes the total cost of the benefits you select and subtracts them from the CoBen allowance. The result shows whether you will have a monthly benefit deduction or receive extra cash. There are two separate calculators, one for excluded employees and another for rank and file employees in BUs 2, 7, 8, 16, 17, 18, and 19. The CoBen calculator is located at www.dpa.ca.gov (click on Benefits and then click on Consolidated Benefits).

FLEXELECT

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. FlexElect also offers reimbursement accounts that allow you to use pre-tax salary to pay for dependent care and/or medical care that aren't covered by insurance. To enroll in a FlexElect Reimbursement Account, complete a Reimbursement Account Enrollment Authorization (STD. 701R) form during open enrollment.

For details, refer to the 2011 FlexElect handbook that is available and can be downloaded from DPA's Web site at www.dpa.ca.gov (click on Publications).

VISION PROGRAM

The premium paid to Vision Service Plan (VSP) for vision coverage will decrease to the rate of \$8.64 and will continue to be fully paid by the State. State employees' 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.

COBRA CONTINUATION COVERAGE ENROLLEES

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

Eligible State Employees
September 2010
Page 11

COBRA enrollees in dental coverage by DPA prior to the beginning of the open enrollment period.

To learn more about Dental, FlexElect, and CoBen or for questions regarding the 2011 open enrollment period, please contact your Personnel Office. You may also visit DPAs website at www.dpa.ca.gov (click on Benefits).

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 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 \$138.39* \$136.40**
Safeguard 95 Enterprise Aliso Viejo, CA 92656 1-800-880-1800	SOC Standard Plan SOC Enhanced Plan Parent Group. Number 156777	351-016 351-015	\$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 92868 1-866-859-7525	2140352	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

Union Sponsored Dental Plans

CAHP/Blue Cross (R05)	336817-A	351-013	\$51.24***	\$90.51***	\$132.47***
CCPOA/Primary Dental (R06)	Fee-For-Service	351-006	TBD****	TBD****	TBD****
CCPOA/Western Dental (R06)	Prepaid	351-249	TBD ****	TBD ****	TBD ****

*** CAHP Employee's Share: 1 party - \$11.11 / 2 party - \$19.21 / 3 or more party - \$28.68

**** CCPOA Employee's Share – TBD = to be determined by CCPOA Benefits Trust Fund

(RO5 Employee's share for the Delta Premier Plan is \$13.37/\$23.76/\$34.60 and \$11.36/\$22.51/\$34.10 for the PPO plan).

(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.)

**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. 692 to: Wolfpack Insurance Services, Inc. P.O. Box 833 Belmont, CA 94002-0833 1-800-296-0192	Enhanced	Excluded employees and their eligible dependents	\$56.86	\$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 92868 Attn: COBRA UNIT 1-866-859-7525	Standard	Excluded & Rank and File employees and their eligible dependents	\$15.01	\$24.78	\$35.15

DEPARTMENT OF PERSONNEL ADMINISTRATION
Benefits Division

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

Vision Service Plan P.O. Box 997100 Sacramento, CA. 95899-7100 Attn: COBRA UNIT 1-800-852-7600 Ext: 4636	Basic	Excluded & Rank and File employees and their eligible dependents	\$8.81	\$8.81	\$8.81
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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.