2014
Open Enrollment
and Summary of Material Modifications
prepared for
Whitman College
Medical, Dental, Vision, Disability, Life/AD&D,
Flexible Spending Accounts, Employee Assistance Program
November 18, 2013

Every year at this time we review our benefit plan offerings. Our carriers present their plan changes and new rates. We review our overall benefits program, the projected cost for next year, and what the College can afford. Based on this review, and in consultation with our Benefit Broker, we have made the following decisions related to our benefit offerings for the next year, effective January 1st, 2014:

- Premera Blue Cross will continue to administer our medical, vision and dental benefits
- Life and disability benefits will continue to be insured by Cigna
- You will continue to have access to flexible spending plans, including healthcare, dependent care, and individual insurance reimbursement

The cost of healthcare continues to rise. Whitman’s plan is a self-insured plan. This means that the cost of non-catastrophic claims is borne by our health plan. This year, the increases in costs for medical and dental are 1.2%. We want to assure you that we are dedicated to finding a balance between offering a comprehensive benefit plan and minimizing the increases in costs to you and the College, as healthcare expenses continue to rise.

Due to the minimal increases to costs, Whitman has decided to not to make any changes to the percentage that you will pay towards your monthly medical, vision and prescription drug premiums for 2014. The college will continue to charge full-time employees an overall 5% of the total monthly medical, vision, and prescription drug premiums for employee-only coverage. Your actual cost will depend on your salary, as illustrated on page 2 and 3. This charge will not affect what percentage you pay for dependent premiums. We will continue to equally share the medical premium costs for covered family members (50/50).

We are pleased to announce dental premiums will decrease for 2014. Whitman will continue to pay the full employee-only premiums for dental coverage. You are responsible for the cost of dependent premiums.

This open enrollment letter provides the information you and your family need in making decisions about your benefits during this year’s open enrollment, which will be from November 18th through December 6th, 2013. You will read about the plan changes, the open enrollment process, and plan costs. Please take a few minutes to review this important information so you can make the best healthcare coverage decisions for you and your family.
WHAT’S CHANGING?

Medical

Pre-Authorization Recommended
Effective January 1, 2014 Premera Blue Cross recommends that you to get pre-approval for certain medical services before you receive care. This is to ensure that the care that is being recommended is necessary, there are no lower costs or less invasive options, and so you have the peace of mind that what is being provided is covered by the plan. Ask your health care provider to request a prior authorization before you schedule a service or procedure. If your doctor doesn’t request prior authorization the service may be covered. However, you may end up paying for the full cost of the service if it is deemed unnecessary. Examples of services and items that need prior authorization are:

- Planned stays in the hospital
- Advanced Imaging such as MRI and CT scans
- Some planned outpatient procedures
- Transplant and donor services
- Home medical equipment costing more than $500

Clinical Trials Benefit
Premera has expanded coverage for clinical trials to include phases 1 and 4 as well as 2 and 3. Coverage is no longer limited to clinical trials for cancer treatment, but must be for life threatening or severely or chronically disabling conditions.

Out-of-Pocket Maximum – Medical Copays Now Apply
One of the changes because of the Affordable Care Act is that all cost shares will now apply to your annual Out-of-Pocket Maximum. For the Premera plan this means all non-prescription copays, deductibles and coinsurance.

Pre-Existing Conditions Are Gone!
Effective January 1, 2014 there will no longer be any limitations due to pre-existing conditions. This change was made for children a couple of years ago, and is now being expanded to adults. This is another change due to the Affordable Care Act.

Enhancement To Transgender Benefits
Effective January 1, 2014 transgender benefits will now include mental health benefits, hormone therapy (prescription drugs), and routine preventive care.

This is not a complete explanation of covered services, exclusions, limitations, reductions or the terms under which the program may be continued in force. This summary of benefits is not a contract. For full coverage provisions, including a description of waiting periods, limitations and exclusions, please refer to your benefit booklet.
Maternity Program
Effective January 1, 2014 Whitman is offering a new maternity program benefit to expectant mothers through Premera. Whitman wants you to have the healthiest pregnancy possible by providing you with important resources and education. Enrollment in the program is elective, free and confidential. The Maternity Program offers:

- Three confidential pregnancy assessments
- Your Journey Through Pregnancy: a comprehensive book to guide you through pregnancy
- Access to personalized website resource
- Toll-free BabyLine® answered by highly experienced nurses, 24/7, available until your baby is six weeks old
- Dedicated nurse to manage high-risk maternity care

For more information about the maternity program, you may call 1-855-314-2229 or log in to your member account at premera.com.

HOW MUCH DO I HAVE TO PAY?

You premiums charges will be based on your salary effective January 1, 2014, as follows:

**Category 1**
- Full-time employees whose annual salaries are at or below the federal Health and Human Services Poverty Threshold (currently $23,500 for a family of four), will be exempt from making a monthly premium contribution. Whitman College will pay 100% of the employee portion of the monthly premium.

**Category 2**
- Full-time employees whose annual salary is above $23,500 will pay a monthly premium contribution equal to 0.65% of their pay. If you receive an increase in pay during the year, your employee-only monthly premium will be re-calculated, based on the new salary.

Example – If you are currently making $60,000 per year, then you would use the following calculation to determine your employee-only monthly premium cost:
Employee Salary $60,000 x .0065 = $390/12 months = $32.50 per month

Category 3

- Part-time employee monthly premiums will continue to be prorated, based on the full-time equivalent percentage. For example, a part time employee working 30 hours per week will pay 25% of the monthly premium.

You will continue to pay 50% of the premium cost to cover your eligible family members for medical, vision, and prescription drug coverage. Please see the following chart which outlines the contributions you and Whitman will incur in covering your family members, for medical and dental coverage.

<table>
<thead>
<tr>
<th>Employee Category</th>
<th>Your Contribution for Medical, Vision &amp; Rx</th>
<th>Whitman College Pays</th>
<th>Your Contribution for Dental</th>
<th>Whitman College Pays</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category 1, 2 or 3</td>
<td>Varies*</td>
<td>$0</td>
<td>$41.40</td>
<td>$0</td>
</tr>
<tr>
<td>Spouse/Domestic Partner**</td>
<td>$260</td>
<td>$260</td>
<td>$41.40</td>
<td>$0</td>
</tr>
<tr>
<td>All Children</td>
<td>$235</td>
<td>$235</td>
<td>$31.50</td>
<td>$0</td>
</tr>
<tr>
<td>Spouse/Domestic Partner** &amp; Children</td>
<td>$495</td>
<td>$495</td>
<td>$72.90</td>
<td>$0</td>
</tr>
</tbody>
</table>

Please note that your contributions are taken out of your paycheck on a pre-tax basis as part of the Section 125 Premium Conversion Plan. Therefore, once you make your enrollment election for coverage you will not be allowed to change that election until the next Open Enrollment period, unless you have a change in family status.

*Total monthly premium for employee only medical coverage is $614.00.
**Includes coverage for domestic partners. Due to IRS regulations, contributions for domestic partners are made on a post-tax basis. In addition, any premiums paid by the College will be considered taxable income.
**Flexible Spending Accounts (FSA) – Universal Plan Administrators**

YOU DO NOT NEED TO BE ENROLLED IN THE MEDICAL PLAN TO TAKE ADVANTAGE OF THE FSA.

Our Flexible Spending Accounts (FSA) allow you to use pre-tax dollars to reimburse yourself for out-of-pocket health care expenses (such as copays and deductibles), and/or dependent care expenses. In effect, you ask Universal Plan Administrators to set up an account into which you deposit pre-tax dollars from every paycheck. Like your premium contributions, these FSA accounts are permitted by Section 125 of the Internal Revenue Code and, as such, there are rules associated with them. To learn more about FSA plans, please review the following information:

- [FSA Info Sheet](#)
- [FSA 125 Brochure Whitman](#)
- [FSA Brochure – Start Saving](#)

The healthcare account is separate from the dependent care account. You can set up a healthcare account, a dependent care account, or both...but they are separate, meaning you cannot use funds from your dependent care account to pay for healthcare expenses, and vice versa. There are limits on the amounts you may deposit each year: $2,500 for the healthcare account, and $5,000 per household for the dependent care account. ^

If you wish to participate in a Healthcare, Dependent Care or Individual Health Policy Flexible Spending Account for 2014 you must complete a new [FSA Enrollment Form](#) from Universal Plan Administrators. You also need an [FSA Electronic Deposit Form](#) if you have not participated in the Whitman FSA previously and are new to FSAs.

Be careful when making your election because any money left in your account at the end of the year will be forfeited – in other words, use it or lose it! And, once you elect the amount(s) you want to deposit for the year, you cannot change or discontinue those deposits unless you experience a change in family status. So be sure to elect to set aside money that you KNOW you will need – don’t use these accounts as a “rainy day fund”. Our plan administrators have provided the following additional information to help in planning your FSA budget.

- [Over-the-counter (OTC) Dr. Authorization](#)
- [Flex Expenses](#)
Those who enroll in the healthcare account now have the option of receiving an **FSA debit card**, called the [mySourceCard](#), at no additional cost. The mySourceCard is pre-loaded for the entire amount you will set aside into the healthcare account this year and you will have the option of using the debit card to pay for healthcare expenses (copayments, deductibles, etc.). Please carefully read the materials from Universal Plan Administrators to learn about the advantages and responsibilities associated with using the mySourceCard. You will need to complete a [mySourceCard Enrollment Agreement](#) form to set up the debit card.

- [Frequently Asked Questions about My SourceCard](#)
- [The Benefits of mySourceCard](#) – educational video
- [Making the most of your Flexible Spending Account with the mySourceCard](#) – educational video

If you are currently participating in the healthcare account and cannot use up the balance of your account by 12/31/2013, you will be allowed an additional two months to incur expenses. You must incur expenses by 2/28/2014, and file for reimbursement using the [125 FSA Voucher](#) by 3/31/2014.

We also offer the Individual Insurance Reimbursement Account. It works like much like the FSAs, but with some special rules. You will need to provide confirmation of premium cost for the individual health policy. For more information please see Human Resources.

^ The $5,000 per household maximum assumes you are single, or married filing jointly. If your tax filing status is otherwise, please consult your tax advisor.

**Note:** Due to IRS regulations, expenses for domestic partners and their children are not eligible for reimbursement under the health care FSA or the dependent care FSA unless they are a Section 152 tax dependent.

## OPEN ENROLLMENT

This is the time of year to add or delete coverage for any eligible family members. If you do not enroll an eligible spouse or child now because they have coverage through another employer, you may only add that person on our plan during next year’s Open Enrollment Period, unless you experience a qualified family status change (which includes your spouse/domestic partner losing their coverage).
WHAT DO I NEED TO DO?

- **Optional:** If you want to add medical and/or dental coverage for yourself or an eligible family member, delete family medical coverage or waive medical coverage in 2014 you will need to complete two forms: The Premera Enrollment or Change Form or Waiver Form and the Whitman Benefit Changes Open Enrollment Form.

- If you are not changing who you are covering, you don't have to do anything.

- **Optional:** If you wish to participate in a Healthcare, Dependent Care or Individual Health Policy Flexible Spending Account for 2014 you must complete a new FSA enrollment form from Universal Plan Administrators. You also need an FSA Electronic Deposit Form if you are new to FSAs. You need the mySource Card Enrollment Form if you want to set up the FSA debit card.

- **Optional:** If you would like to sign up for Voluntary Life and Accidental Death and Dismemberment benefits, changes as a Late Entrant can be requested of the insurance carrier at any time, and require application and evidence of insurability forms. Approval is subject to review by CIGNA. Please contact Human Resources for the necessary forms to complete. This is a good opportunity to update your beneficiaries for group and voluntary coverage using the CIGNA Basic and Voluntary Life and Basic and Voluntary AD&D Beneficiary Designation Form.

All Open Enrollment forms must be submitted to Human Resources by Friday, December 6, 2012. We can accept documents emailed, faxed, by mail or delivered.

If you need assistance completing open enrollment forms please contact Telara McCullough, Compensation and Benefits Manager, at 509.527.5941 or email at mcculltl@whitman.edu.

WHERE DO I GO TO GET MORE INFORMATION OR IF I HAVE QUESTIONS?

- **Premera Blue Cross** Customer Service 800.722-1471 or [www.premera.com](http://www.premera.com) | 24-hour Health line at 800.841.8343

- **Universal Plan Administrators** Customer Service 800.222.0901 or [www.upabenefits.com](http://www.upabenefits.com) and [myrsc.com](http://www.upabenefits.com)

- **CIGNA** Customer Service 800.828.3485

- **Human Resources:** Telara McCullough, Compensation and Benefits Manager, at 509.527.5941 or [mcculltl@whitman.edu](mailto:mcculltl@whitman.edu)
Our Benefits Consultants: Cori DiBlasi or Sally Borte of Parker, Smith & Feek at 425-709-3600 or eBenefits@psfinc.com. They can assist in answering questions or resolving claim issues that you are unable to resolve with the carrier directly. All assistance is completely confidential.

LEGAL ANNUAL NOTICES

Special Enrollment
The Health Insurance Portability and Accountability Act of 1996 (HIPAA), allows a special enrollment period in addition to the regular open enrollment period. Only the following individuals may enroll outside the open enrollment period:

- Individuals who previously waived coverage under this program because they had other coverage and then involuntarily lost the other coverage. Enrollment must occur within 30 days of the loss of other coverage;
- New dependents due to marriage, birth, adoption or placement for adoption. The eligible employee and other dependents who previously did not elect to be covered under the employer’s health care plan may also enroll at the time the new dependent is enrolled. Enrollment must occur within 30 days of date of marriage, or 60 days of a birth, adoption or placement for adoption;
- A court has ordered coverage be provided for a spouse or minor child under this plan and request for enrollment is made within 30 days after issuance of such court order;
- If employee and/or dependent(s) become ineligible for Medicaid or the Children’s Health Insurance program and request coverage under our plan within 60 days of termination (Please read the Medicaid and the Children's Health Insurance Program notice for more information); or
- If employee and/or dependent(s) become eligible for the state premium assistance program and request coverage under our plan within 60 days after eligibility is determined.

Notice Regarding the Women’s Health and Cancer Rights Act of 1998
As required by the Women’s Health and Cancer Rights Act (WHCRA) of 1998, this plan provides coverage for:

- All stages of reconstruction of the breast on which the mastectomy has been performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- Prostheses and physical complications of mastectomy, including lymphedemas, in a manner determined in consultation with the attending physician and the patient.
Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and are consistent with those established for other benefits under the plan or coverage. Written notice of the availability of such coverage shall be delivered to the participant upon enrollment and annually thereafter.

Contact Human Resources for more information.

ANNUAL REMINDERS

Medicare Part D
The medical plans offered by us provide prescription drug coverage that is at least as favorable as the Medicare Part D drug benefit that is now available. Our plans offer what is called “creditable coverage”, which allows a Medicare eligible person to avoid buying the Part D benefit. As long as the benefit meets the definition of “creditable coverage”, the Medicare eligible person will not have to buy a Part D plan, and will not be subject to the 1% per month late enrollment charge assessed by Part D. If you have questions about your options, please contact Human Resources, or our Benefits Consultant, Parker, Smith & Feek.

HIPAA Privacy Practices
The Health Insurance Portability and Accountability Act (HIPAA) requires employers to adhere to strict privacy guidelines and establishes your rights with regard to your personal health information. You received a copy of the Whitman College Group Health Plan Privacy Notice when you were hired. This notice describes how medical information about you may be used and disclosed, and how you can access that information.

If you have any questions regarding the HIPAA Privacy Notice, or would like another copy, please contact Human Resources.

COBRA
COBRA continuation coverage is a temporary continuation of coverage under our employee benefit plan. Please contact our HR Department for a copy of the General Notice of COBRA Continuation Rights. This notice explains your rights and obligations to receive COBRA benefits.

We are not always aware when a COBRA event takes place, unless notified by you. The most common examples are divorce, or when a dependent child exceeds the maximum age. When such an event occurs, the Notice of Qualifying Event must be postmarked within 60 days of the qualifying event for the affected person to be eligible for COBRA continuation. If you have questions about COBRA please contact Human Resources.