

Plan Year 2014 Insurance Rates Approved by ERS Effective September 1, 2013

These insurance rates are set by the Employees Retirement System (ERS) of Texas, Group Benefit Plan (GBP). The University of Houston System and all UH components are participating employers in the ERS GBP to provide state insurance benefits to our eligible employees and retirees.

Change to Dental Rates

Humana Dental DHMO: The ERS Board approved a 7% increase to this plan in order to support the increase in the cost of services and the rate individuals are accessing those services. Under this plan, you must use a participating dentist in the DHMO network. Note: Some participating dentists are not accepting new patients and dentists are not required to remain a participant through the entire year.

State of Texas Dental Choice Plan (Administered by HumanaDental): There will be no change in the contribution rates currently in place for this plan. In this plan you may choose any dentist. You may receive higher benefits if using a dentist through the preferred provider network in the Dental Choice Plan.

Plan Year (PY) 2014 ERS Premium Rates Effective September 1, 2013 - DENTAL INSURANCE						
	Current PY13 HumanaDental DHMO Premiums	New PY14 HumanaDental DHMO Premiums	Change	Current PY13 State of Texas Dental Choice Plan Premiums	New PY14 State of Texas Dental Choice Plan Premiums	Change
Member Only	8.52	9.12	.60	23.58	23.58	0
Member & Spouse	17.05	18.24	1.19	47.16	47.16	0
Member & Child(ren)	20.45	21.88	1.43	56.60	56.60	0
Member & Family	28.98	31.01	2.03	80.18	80.18	0

No Change to Optional Life and Accidental Death & Dismemberment (AD&D) Rates

- Active and Retiree Basic Term Life Insurance and Accidental Death and Dismemberment (AD&D) insurance rates will not change.
- Rates for Dependent Term Life will also stay the same.

Changes to Disability Insurance

- Short-term disability coverage rates will **increase** from 26 cents per \$100 of monthly covered salary to 30 cents per \$100. The wait period for short-term disability remains 30 days.
- Long-term disability rates will remain at 63 cents per \$100 of monthly covered salary. The wait period for accessing long term disability remains 180 days like last plan year.

HealthSelect Premium Contribution Rate Changes

HealthSelect of Texas™ increased the premium rates by approximately 7%. No changes were made to the insurance plan. Full-time, benefits eligible employees will continue to have fully paid health insurance. During this annual enrollment only, no evidence of insurability (EOI) will be required to add self or qualified dependents to the medical insurance. New rates are as follows:

Plan Year 2014 ERS Premium Rates Effective September 1, 2013 - FULL TIME EMPLOYEES							
Health Select of Texas	Current FY13 Premium	Current FY13 State Pays	Current FY13 Member Pays	New FY14 Premium	New FY14 State Pays	New FY14 Member Pays	Change
Member Only	470.38	470.38	0.00	503.14	503.14	0.00	0
Member & Spouse	1,008.78	739.58	269.20	1,079.18	791.16	288.02	18.82
Member & Child(ren)	830.86	650.62	180.24	888.86	696	192.86	12.62
Member & Family	1,369.26	919.82	449.44	1,464.90	984.02	480.88	31.44

Plan Year 2014 ERS Premium Rates Effective September 1, 2013 - PART TIME EMPLOYEES							
Health Select of Texas	Current FY13 Premium	Current FY13 State Pays	Current FY13 Member Pays	New FY14 Premium	New FY14 State Pays	New FY14 Member Pays	Change
Member Only	470.38	235.19	235.19	503.14	251.57	251.57	16.38
Member & Spouse	1,008.78	369.79	638.99	1079.18	395.58	683.60	44.61
Member & Child(ren)	830.86	325.31	505.55	888.86	348	540.86	35.31
Member & Family	1,369.26	459.91	909.35	1,464.90	492.01	972.89	63.54

TexFlex Flexible Spending Accounts

As of September 1, 2013, because of changes to federal law, the maximum health care annual contribution for the ERS TexFlex program will drop to \$2,496 (12 months) or \$2,493 (nine months).

On September 1 of each year, if you were enrolled in TexFlex, you will automatically be re-enrolled in TexFlex accounts at your same annual contribution level—unless you make a change during Annual Enrollment.

- The annual TexFlex health care pre-tax contribution limit is \$2,496 for 12 months or \$2,493 for nine months. If you contributed more than the maximum to a health care account last year, your contribution for this year will drop to \$2,496 (12 months) or \$2,493 (nine months) automatically.
- The annual TexFlex day care pre-tax contribution limit is about \$5,000 per household/family, or the employee or spouse's earned income, if lower. If you and your spouse each have a day care account, you are limited to \$5,000 between the two of you.

The administrative fee (\$12) and the optional TexFlex debit card fee (\$15) will remain the same for each account. The optional debit card fee is \$15, even if you have both health care and day care accounts.

Day care accounts have no change to their maximum annual contribution of \$5,000 a year.

See more information at texas.payflex.com which also has new savings and tax calculators, and a dashboard that shows everything you need to know about your account status.

Tobacco Users Certification

All individuals enrolled in ERS health insurance plans must certify their status as tobacco users or non-users. Beginning September 1, 2013, GBP members who do not certify their tobacco-use status will be charged a monthly tobacco user premium—even if they don't use tobacco.

Under the new policy, ERS members must certify that they and their dependents do or do not use tobacco, or be charged a premium of \$30 each (up to \$90 per household per month). Members will have until August 31, 2013 to certify, to avoid incurring the additional premium for non-certification in September. The new policy is based on legislation passed in the recent session.

The following chart provides an overview of who will pay an additional \$30 premium each month (up to \$90 per household). Please note that only adults who fail to certify will be charged the additional premium; those under 18 who are not certified will not be charged. Certified tobacco users of any age—adults and minors—will be charged.

	Certified as Tobacco User	Certified as Non-user	Failed to Certify
Member	Pays	Doesn't Pay	Pays
Covered Adult Dependent (18 Years and Over)	Pays	Doesn't Pay	Pays
Covered Child Dependent (Under 18 Years)	Pays	Doesn't Pay	Doesn't Pay

ERS understands this is a significant change and will be notifying members--in Annual Enrollment materials, at Annual Enrollment fairs, and in News About Your Benefits--about the need to certify, the possible additional premium, and how to certify themselves and their dependents.

Evidence of Insurability

During annual enrollment only, no Evidence of Insurability (EOI) will be required to add self or qualified dependents to the medical insurance. EOI will still be required through Minnesota Life for life insurance (optional life and dependent life) as well as disability optional benefits (short and long-term disability).

The EOI applications are available thru ERS online at www.ers.state.tx.us. When you elect the benefit the link will give you the option of completing the application online or you may print the application and forward it to Minnesota Life. Submit your online Life EOI application as instructed on the form or website. Or, if you choose to submit a hard copy, mail it to the postal address or fax it to the number provided by Minnesota Life when they sent the paper application.

ANNUAL ENROLLMENT

We are excited to announce that the online annual open enrollment period for the University of Houston will begin Monday, July 22, 2013 and will continue until Friday, August 2, 2013. During this time, you will be able to make changes to your benefit elections online with ERS at www.ers.state.tx.us. Such changes include adding dependents to medical coverage without going through the medical underwriting process; changing, enrolling, or adding dependents to a dental plan; and enrolling or changing the annual pledge amount for TexFlex health and dependent accounts as well as dropping dependents from your coverage.

Changes made during annual enrollment will become effective on September 1, 2013.

Additional Benefits Coverage (No changes since 9/1/2010)

Coverage Updated <i>Since</i> September 1, 2010	
	Benefit Effective Sept 1, 2010
PCP Office Visit Co-pay	\$25
SCP Office Visit Co-pay	\$40
In-patient Co-pay	\$150
Out-patient Co-pay	\$100
Emergency Room Co-pay	\$150
Prescription Drug Co-pay	\$15/\$35/\$60
In-network Coinsurance Maximum	\$2000
Non-network Coinsurance Maximum	\$7000
Out-of-Area Coinsurance Maximum	\$3000
Hi-Tech Radiology (Ct, MRI, Nuclear Medicine)	\$100 + Co-pay
Urgent Care	\$50 Co-pay

For additional information, please call the HR Service center at 3-3988.