

2010

UNIVERSITY OF CALIFORNIA

OPEN ENROLLMENT

OCTOBER 29–NOVEMBER 24

OPEN ENROLLMENT is from 8:00 a.m. on Thursday, October 29, through 5:00 p.m. on Tuesday, November 24, 2009 (PT).

If you make Open Enrollment changes, your new coverage will be effective January 1, 2010.

Open Enrollment is online. Go to atyourservice.ucop.edu

Open Enrollment Actions You Can Take

- Change to a different medical and/or dental plan (retirees living in California)
- Enroll eligible family members in your health plans
- Suspend medical coverage
- Re-enroll in a medical plan if you have previously suspended your UC-sponsored plan
- Enroll in the Vision Plan and/or Legal Plan

If you are satisfied with your current enrollments and have no plan changes to make, you do not need to do anything.

Dear Retiree,

Your service helped make UC the world-class teaching, research and public service institution it is, which is why providing you and your family with high-quality medical benefits remains one of our top priorities. It also is one of our biggest financial challenges, given how expensive health insurance has become.

Rising costs dictate that the University adjusts its level of subsidy for retiree health. We have to subsidize at a level that is closer to what UC contributes for active employees. In past years, UC has paid roughly 92 percent of retiree health care premiums. For 2010, UC's contribution will average 89 percent. Our difficult budget situation has prompted us to make this change, which will still result in increased costs of \$23 million. Even with this change in level of subsidy, UC continues to offer one of the best retiree health benefits packages of any large California employer. More important, it will enable us to continue to provide the same high level of quality and access that we have in the past.

Premium increases are lower if you are in an HMO and/or coordinated with Medicare, although individual costs vary, depending on a variety of factors, such as whether you cover yourself only or other family members. Retirees with Anthem Blue Cross PPO will see the largest rise in premiums. After a sizeable decrease in premiums last year, Anthem has significantly raised its rates this year, due—in part—to a high number of very costly claims. Although the cost increase is high, we wanted to continue offering Anthem as a choice for those who prefer it. You can assess whether this plan is still right for you and your family after reviewing the enclosed rates.

You will be pleased to learn that there were no major changes in covered benefits for any of our health plans for 2010; in fact, most changes will enhance retiree coverage. For instance, copays for generic drugs will cost a bit less next year, and in some cases, mental health benefits have been expanded.

We have also continued to invest in providing high quality retirement services through the University-sponsored Retirement Administration Service Center (RASC). Ensuring that those who have retired, and those entering this phase of their lives, have a smooth transition and a top-notch service experience is very important to us.

Looking ahead, we know health care costs are projected to increase in 2011 and well into the future. Health care costs have already risen more than 130% in the past 10 years. Given that certainty, our program design with its current trajectory and associated costs is unsustainable. We have to chart a new course, redesign programs and innovate with regard to health care, including programs for retirees. Otherwise, we jeopardize our ability to provide this critical and valuable benefit. My staff, along with experts in the health care field—some of whom are UC colleagues—will spend the next year focused on this enormous task. We will look forward to your feedback about what you value and the features you'd like to see in our plans.

Enclosed is your 2010 Open Enrollment information. This booklet will help you review your health and welfare benefits, and make the choices that are right for you and your family. I encourage you to use this time to thoroughly review all your benefits. The legal plan and the vision plan, for instance, are open this year. You'll find full details of these and other options on the Open Enrollment website, available on At Your Service (atyourservice.ucop.edu).

In closing, I want to thank you for your years of service to the University and to the people of California, and to let you know that we are continually looking for ways to ensure you have access to affordable, high-quality health care.

Sincerely,



Dwaine B. Duckett
Vice President, Human Resources

OPEN ENROLLMENT 2010 HIGHLIGHTS

For 2010, there are minimal changes to UC health and welfare plans. The behavioral health program will further expand this year, and copayments for generic prescription drugs will be lower. Both the Legal Plan and the Vision Plan will be open for enrollment this year. Information on these and other programs is below and complete details are available on the Open Enrollment website (atyourservice.ucop.edu).

YOUR PERSONAL STATEMENT IS NOW ONLINE

You can find your personal benefits summary, which shows the current health and welfare plan enrollments for you and your family, online. Simply select the "Sign in" button at the top of any page of the Open Enrollment website, enter your user name and password, and then select "Current Enrollments."

GENERIC DRUG COPAYS

The copayment for generic prescription drugs is decreasing by \$5 for most plans. For HMOs, the retail copay will be \$5 for a 30-day retail supply and \$10 for a 90-day mail-order supply (100-day supply for Kaiser). The copay for Anthem Blue Cross PLUS and Anthem Blue Cross PPO will be \$10 for a 30-day supply and \$20 for a 90-day mail order supply.

BEHAVIORAL HEALTH PARITY

The Mental Health Parity Act, signed into law in 2008, requires employers to offer a level of mental health benefits at least equal to other health benefits offered. As a result, UC is enhancing mental health benefits, including adding out-of-network services to Anthem Blue Cross PLUS and CIGNA Choice Fund and removing limits on inpatient treatment days from all plans.

LEGAL PLAN IS OPEN FOR ENROLLMENT

You can enroll in the ARAG Legal Plan this year. Rates and plan provisions remain the same as in 2009. During the Open Enrollment period, all retirees have free access to tools to help you create a living will and a health care power of attorney.

VISION PLAN IS OPEN FOR ENROLLMENT

The Vision Service Plan (VSP) is open for enrollment this year. Eligible retirees currently not enrolled will receive an enrollment kit from VSP. To enroll, contact VSP directly (1-800-400-4569 or www.vsp.com/go/retirees). Rates are increasing from \$30 to \$60 per year, depending on your level of coverage. Rates and plan changes are available on the Open Enrollment website (atyourservice.ucop.edu).

STAYWELL HEALTH MANAGEMENT

UC's wellness initiative, UC Living Well, offers the StayWell program to retirees and their adult family members enrolled in UC-sponsored medical plans (except Kaiser). It features an annual health assessment, online health resources, interactive tools, and wellness coaching. Again in 2010, StayWell will offer an incentive for completing an online or paper health assessment. Retirees will receive a \$100 gift certificate and spouses/domestic partners a \$50 certificate if they complete the health assessment by April 15.

The StayWell program is available to those enrolled in UC medical plans except Kaiser, which provides similar wellness resources to its members via its HealthWorks program.

CIGNA CHOICE FUND

You are eligible for this plan if:

- You were enrolled in the plan before retirement and continue as a retiree, and
- You and all your enrolled family members are not Medicare eligible.

If any of your family members are Medicare eligible, you are required to change to another medical plan.

If you terminate CIGNA due to Medicare eligibility, Stand-Alone Health Reimbursement Account (SAHRA) is available. This account allows you to use the remaining HRA balance (must be at least \$100) after the CIGNA enrollment ends. For SAHRA and enrollment questions call CIGNA at 1-800-401-4041.

ANTHEM BLUE CROSS PPO MEDICARE PLAN WITHOUT PRESCRIPTION DRUGS

UC has integrated Medicare prescription drug plans into each of the Medicare coordinated medical plans, except for this plan.

Because Medicare allows enrollment in only one Part D plan, you may enroll in this plan if:

- You have group Medicare-coordinated health insurance that covers prescription drugs through another employer or retiree plan.
- All covered members are enrolled in Medicare, and
- You provide documentation of enrollment in another group health insurance plan with creditable Part D coverage.

For enrollment information contact the UC Customer Service Center or your local Health Care Facilitator.

WHAT'S ONLINE-ATYOURSERVICE.UCOP.EDU



Go online to the At Your Service website and select the Open Enrollment 2010 icon

to read complete details about Open Enrollment and plan changes for 2010. On the website, you can link to the following important information and tools:

- Eligibility—which family members are eligible for plan coverage

- Summaries of UC health and welfare plan benefits/services and changes for 2010.
- Medical Plan Summaries—a tool to help you compare the medical plans for which you are eligible.
- Find a Doctor—Links to the medical plans' physician directories.
- Contact information and website links for all health and welfare plan carriers.
- Links to UC summary plan descriptions, carrier evidence of coverage booklets and other publications about the plans.
- Important Terms and Conditions governing your participation in UC-sponsored plans.
- Certificate of Creditable Coverage when leaving a UC plan.

ENROLLING, MAKING YOUR CHANGES ONLINE

You can make all your Open Enrollment changes, except vision plan changes, online using the secure 2010 Open Enrollment website.

- When you are ready to make changes, select the “Sign in” button at the top of any page of the Open Enrollment website. After signing in, you can view your personal benefits summary, which shows current health and welfare plan enrollments for you and your family. You will make and confirm your enrollment changes on this site.
- Use the options in the left column to navigate through your Open Enrollment choices. Start by adding any new eligible family members,

if needed. This will ensure that any plan changes you make will be effective for all of your family members.

- Then use the options in the left column to navigate through your Open Enrollment choices.
- When you are finished, select “Review & Confirm” to see all of the changes you’ve made. If you want to make additional changes, use the links in the left column. If you decide you don’t want the changes shown, simply sign off or return to the main menu.
- If you are satisfied with the changes, select “Confirm.” **You must confirm your changes in order to process your transactions.** You will receive

a confirmation statement and other applicable forms after you confirm.

- You may make additional changes throughout the Open Enrollment period, even if you have previously confirmed changes.

If you do not have internet access, contact the UC Customer Service Center (1-800-888-8267, Monday-Friday, 8:30 a.m.-4:30 p.m., PT).

NOTE: Vision Plan enrollment and changes must be made directly with VSP (1-800-400-4569 or www.vsp.com/go/retirees).

IF YOU NEED ASSISTANCE

If you need additional benefits assistance, call the **UC Customer Service Center** at 1-800-888-8267, Monday-Friday, 8:30 a.m.-4:30 p.m. PT.

Translation services are available if English is not your primary language.

Health Care Facilitators help retirees and their eligible family members to better understand and obtain services and benefits from UC-sponsored health plans and to resolve issues with doctors, medical groups, or medical carriers. There is no fee for their services, and the consultations are private and confidential.

The Health Care Facilitators are located in the Benefits Offices at UC campuses, medical centers and laboratories.

Berkeley:

Sharon Johnson
510-643-7547

Davis:

Guerren Solbach
530-752-4264
(Campus)
916-734-8880
(UCD Medical Center)

Irvine:

Glenn Rodriguez
949-824-9065

Los Angeles:

Bridget Sheehan-Watanabe
310-794-3057

Merced:

Becky Jo Akers
209-228-2348

Riverside:

Mary Johnson
951-827-1425

Santa Barbara:

Laura Morgan
805-893-4201

Santa Cruz:

Frank Trueba
831-459-3573

San Diego:

Debra Wells
858-822-2197

San Francisco and Office of the President:

Susan Forstat
415-514-3324

Lawrence Berkeley National Laboratory:

Loida Bartolome-Mingao
510-486-6997

OVERVIEW OF PLAN CHANGES FOR 2010

The chart below gives a summary of key changes for 2010 to current benefits. Details of the plan changes are available on the Open Enrollment website. For complete information about the benefits for each plan, see the evidence of coverage booklet or summary plan description, available at the Open Enrollment website (atyourservice.ucop.edu). You can request a copy by calling the plan carrier directly.

NON-MEDICARE PLANS	
ANTHEM BLUE CROSS PLUS* ANTHEM BLUE CROSS PPO*	Copay for generic prescription drugs reduced from \$15 to \$10. Out-of-network behavioral health benefits added to Anthem Blue Cross PLUS.
CIGNA CHOICE FUND	Online physician visits added, with members paying 20 percent of visit cost; out-of-network behavioral health benefits added.
CORE	No plan changes.
HEALTH NET	Retail copay for generic prescription drugs reduced from \$10 to \$5 and mail order from \$20 to \$10.
KAISER PERMANENTE—CALIFORNIA	Copay for generic prescription drugs at plan pharmacy reduced from \$10 to \$5. Prescription drugs at plan pharmacy are limited to 30-day supply. The mail order prescription drug copay will be \$10 for generic and \$40 for brand (100-day supply).
KAISER PERMANENTE MID-ATLANTIC	Copay for individual outpatient mental health and substance abuse services reduced from \$20 to \$15.
KAISER UMBRELLA	Subject to regional mandates. Contact your plan for details.
WESTERN HEALTH ADVANTAGE	Copay for generic prescription drugs reduced from \$10 to \$5.
UNITED BEHAVIORAL HEALTH	Plan designs will meet requirements of federal legislation on mental health parity.
AD&D	No plan changes. The plan name has changed to CHARTIS AD&D.
DELTA DENTAL PPO	No plan changes.
DELTACARE® USA (DENTAL HMO; CA RESIDENTS ONLY)	Tobacco counseling for control and prevention of oral disease at no cost; coverage for additional fixed prosthodontics (bridge-related) procedures that were not previously covered.
LEGAL PLAN	No plan changes; the plan is open for enrollment.
VISION PLAN	30% discount on additional glasses purchased from the VSP doctor at the time of eye exam; new Diabetic EyeCare Program.
MEDICARE PLANS	
ANTHEM BLUE CROSS PLUS* ANTHEM BLUE CROSS PPO*	Copay for generic prescription drugs reduced from \$15 to \$10. The Medicare prescription drug out-of-pocket maximum increases to \$4,550. Out-of-network behavioral health benefits added to Anthem Blue Cross PLUS.
ANTHEM BLUE CROSS PPO* MEDICARE PLAN W/OUT PRESCRIPTION DRUGS	No plan changes.
CORE	No plan changes.
HEALTH NET SENIORITY PLUS, COB	Retail copay for generic prescription drugs reduced from \$10 to \$5; mail order from \$20 to \$10. The Medicare prescription drug out-of-pocket maximum increases to \$4,550. The maximum benefit for two standard hearing aids is \$2,000 every 36 months. There is no longer any lifetime maximum for in-patient mental health-treatment days. Brand name medications that have a generic equivalent will be available at the non-formulary copay (\$35 for 30-day supply).

* Anthem Blue Cross is the trade name of Blue Cross of California. Anthem Blue Cross and Anthem Blue Cross Life and Health Insurance Company are independent licensees of the Blue Cross Association.

KAISER PERMANENTE—CALIFORNIA SENIOR ADVANTAGE	Copay for generic prescription drugs at plan pharmacy reduced from \$10 to \$5. The mail order prescription drug copay will be \$10 for generic and \$40 for brand (100-day supply). Retail prescription drugs at plan pharmacy are limited to a 30-day supply. The Medicare prescription drug out-of-pocket maximum increases to \$4,550. Clinically administered and pharmacy-dispensed prescription drugs accumulate toward the annual out-of-pocket maximum. The limits on treatment days for chemical dependency transitional residential recovery services have been eliminated.
KAISER PERMANENTE MID-ATLANTIC	Annual out-of-pocket maximum increases to \$3,400. Day limit removed for Medicare-certified psychiatric facility care. No copayments for preventive colorectal screenings, diabetes monitoring and training and initial Medicare physical. Part D prescription drug out-of-pocket maximum increases to \$4,550.
KAISER UMBRELLA	Subject to regional mandates. Contact your plan for details.
WHA CARE+	Copay for generic prescription drugs reduced from \$10 to \$5. The Medicare prescription drug out-of-pocket maximum increases to \$4,550. There is no longer any lifetime maximum for in-patient treatment days.

PLAN CONTACT INFORMATION

Call the plan directly if you need coverage information for a specific condition, prescription medication, service area, or plan provider.

MEDICAL PLAN CARRIERS

Anthem Blue Cross PLUS and Anthem Blue Cross PPO
1-888-209-7975
anthem.com/ca/uc

CIGNA:
1-800-244-6224
mycigna.com

Core:
1-888-209-7975
anthem.com/ca/uc

High Option Supplement to Medicare:
1-888-209-7975
anthem.com/ca/uc

Health Net:
1-800-539-4072
healthnet.com/uc

Health Net/Seniority Plus/COB:
1-800-539-4072
healthnet.com/uc

Kaiser Permanente—California:
1-800-464-4000
my.kp.org/ca/universityo

Kaiser Permanente/ Senior Advantage:
1-800-443-0815
my.kp.org/ca/universityofcalifornia

Kaiser Permanente—Mid-Atlantic:
Washington D.C. metro area:
1-301-468-6000
Outside metro area: 1-800-777-7902
kaiserpermanente.org

Western Health Advantage/ WHA Care +:
1-888-563-2250
westernhealth.com/members/
ucd_welcome.cfm

BEHAVIORAL HEALTH PLAN

United Behavioral Health:
1-888-440-8225
liveandworkwell.com
(access code: 11280)
1-800-842-9489 (tdd)

OTHER CARRIERS

Delta Dental PPO:
1-800-777-5854
deltadentalca.org/uc

DeltaCare® USA:
1-800-422-4234
deltadentalca.org/uc

ARAG Legal:
1-800-828-1395
members.araggroup.com/ucop

American Home Assurance (AD&D):
1-800-772-7863
aig.com

Vision Service Plan:
1-800-877-7195
vsp.com

Staywell:
1-800-721-2693
uclivingwell.ucop.edu

SERVICE FOR HEARING IMPAIRED

If you are hearing impaired or speech disabled, call the California Relay Service and provide the UC Customer Service Center telephone number to receive assistance.

Inside California:
1-800-735-2929 (text telephone)
1-800-735-2922 (voice)

Outside California:
1-800-688-4889 (text telephone)
1-800-947-8642 (voice)

2010 PLAN COSTS

To use this chart: (1) On the lefthand column, find your basic coverage level: Self, Self+Child(ren), Self+Adult; Self+Family (Self+Family means self, adult and one or more children); (2) Find the line that corresponds with you/your family's Medicare/non-Medicare enrollment; (3) Move across the page to find the monthly cost for each plan shown across the top of the chart.

COVERAGE LEVELS	ANTHEM BLUE CROSS PLUS POS	ANTHEM BLUE CROSS PPO PPO	CORE FEE-FOR-SERVICE
SELF—NON-MEDICARE	\$69.88	\$129.02	\$0.00
SELF—IN MEDICARE	\$0.00	\$0.00	\$0.00
PART B REIMBURSEMENT	\$55.21	\$71.26	\$96.40
SELF+CHILD(REN)—NON-MEDICARE	\$125.79	\$232.24	\$0.00
SELF+2 OR MORE CHILDREN—ALL IN MEDICARE	\$0.00	\$0.00	\$0.00
PART B REIMBURSEMENT	\$165.63	\$213.78	\$289.20
SELF+CHILD(REN)—ADULT IN MEDICARE, CHILD(REN) NOT IN MEDICARE	\$0.00	\$31.96	\$0.00
PART B REIMBURSEMENT	\$0.00	\$0.00	\$96.40
SELF+ADULT—NON-MEDICARE	\$191.86	\$316.05	\$0.00
SELF+ADULT—1 MEDICARE	\$66.77	\$115.77	\$0.00
PART B REIMBURSEMENT	\$0.00	\$0.00	\$96.40
SELF+ADULT/CHILD—BOTH IN MEDICARE	\$0.00	\$0.00	\$0.00
PART B REIMBURSEMENT	\$110.42	\$142.52	\$192.80
SELF+FAMILY—NON-MEDICARE	\$247.75	\$419.26	\$0.00
SELF+FAMILY—BOTH ADULTS IN MEDICARE; ALL CHILDREN NON-MEDICARE	\$0.00	\$36.96	\$0.00
PART B REIMBURSEMENT	\$54.53	\$0.00	\$192.80
SELF+FAMILY—BOTH ADULTS IN MEDICARE; 1 OR MORE CHILD(REN) IN MEDICARE	\$0.00	\$0.00	\$0.00
PART B REIMBURSEMENT	\$165.63	\$213.78	\$289.20
SELF+FAMILY—1 IN MEDICARE	\$122.66	\$218.98	\$0.00
PART B REIMBURSEMENT	\$0.00	\$0.00	\$96.40

YOUR MONTHLY PLAN COST

The monthly costs for medical coverage are based on the maximum UC/employer contribution toward the premium for each plan. Your plan cost appears as a deduction on your benefit check stub or direct deposit statement. If you are not eligible for the maximum UC/employer contribution, your costs may be higher. You can view your monthly costs by signing in to your personal account on At Your Service and selecting Open Enrollment.

DENTAL PLAN COSTS

UC continues to pay the full cost of dental coverage provided you are eligible for 100 percent of the UC/ employer contribution.

LEGAL PLAN COSTS

The monthly cost is not increasing. (see chart >>)

SELF	\$10.02
SELF+CHILD(REN)	\$13.78
SELF+ADULT	\$13.78
SELF+FAMILY	\$15.03

HEALTH NET (SENIORITY PLUS) HMO	HIGH OPTION SUPPLEMENT TO MEDICARE FEE-FOR-SERVICE	KAISER—CA (SENIOR ADVANTAGE) HMO	WESTERN HEALTH ADVANTAGE (WHA CARE+) HMO
\$60.38	NOT APPLICABLE	\$47.25	\$47.25
\$0.00	\$7.72	\$0.00	\$0.00
\$96.40	\$0.00	\$96.40	\$79.63
\$108.69	NOT APPLICABLE	\$85.05	\$85.05
\$0.00	\$23.16	\$0.00	\$0.00
\$289.20	\$0.00	\$289.20	\$238.89
\$0.00	NOT APPLICABLE	\$0.00	\$0.00
\$58.57		\$96.40	\$41.83
\$171.90	NOT APPLICABLE	\$103.95	\$103.95
\$4.64	NOT APPLICABLE	\$0.00	\$0.00
\$0.00		\$96.40	\$22.93
\$0.00	\$15.44	\$0.00	\$0.00
\$192.80	\$0.00	\$192.80	\$159.26
\$220.21	NOT APPLICABLE	\$141.76	\$141.76
\$0.00	NOT APPLICABLE	\$0.00	\$0.00
\$165.45		\$192.80	\$121.46
\$0.00	\$23.16	\$0.00	\$0.00
\$289.20	\$0.00	\$289.20	\$238.89
\$52.28	NOT APPLICABLE	\$0.00	\$14.88
\$0.00		\$58.98	\$0.00

MEDICARE PART B REIMBURSEMENT

Medicare Part B reimbursement may apply if your cost is \$0.00. Part B reimbursement is based on the 2010 Medicare Part B premium of \$96.40 per person. Reimbursements vary.

THINGS TO CONSIDER

The Open Enrollment period is a good time to review all of your insurance plans and to consider other benefits issues.

BE SURE YOUR DOCTOR IS IN YOUR PLAN

Doctors in a medical plan can change throughout the year. Check the medical plan's website or call the medical plan directly to find out if the doctor you are currently using or would like to use is a listed provider. If you want to sign up to use that doctor, confirm that he or she is currently accepting new patients.

PLANS MAY HAVE DIFFERENT DRUG FORMULARIES

You should review the plan formularies and compare the out-of-pocket costs for the various plans, keeping in mind any medications you or your family take. The categories "generic formulary," "brand formulary" and "non-formulary" are important because the costs for a specific medication may vary considerably under different medical plans, depending on their formulary category.

Additionally, participating UC pharmacies will fill maintenance prescription drugs for up to a 90-day supply at the same cost as that available through each plan's mail order vendor. Call the medical plan for information on coverage for specific medications.

CONFIRMING YOUR CHANGES

If you make plan changes during Open Enrollment, be sure you complete the transactions and receive a confirmation statement.

Also, be sure to review your January monthly income statement to ensure your changes were recorded accurately. It is your responsibility to report any mistakes in a timely manner.

TRANSITIONING FROM ONE PLAN TO ANOTHER

If you or a family member is scheduled for surgery/other medical procedure or continuing treatment in late 2009, and you want to change your medical plan during Open Enrollment, call the new plan and ask how they will oversee the transition of your care.

2009 HEALTH AND WELFARE AUDIT

If you have been de-enrolled from UC-sponsored health plans as a result of the 2009 Health and Welfare audit you will not be able to re-enroll during this Open Enrollment period.

NON-TAX DEPENDENT

Under IRS rules, your taxable income may be affected if you have health plan coverage for any person who is not declared as your federal tax dependent. Details about imputed income are online (atyourservice.ucop.edu/retirees/health_welfare/medical/index.html).

NO DUPLICATE COVERAGE

You may only have UC-sponsored coverage in one category: as an employee, as a retiree, or as an eligible family member.

If you and your spouse or domestic partner are both UC employees or retirees, only one of you may cover your eligible family members.

If a duplicate enrollment occurs, UC will cancel the later enrollment. UC reserves the right to collect repayment for any duplicate premium payments and/or Part B reimbursement and you may be liable for services under the duplicate plan.

IF YOU CHANGE OR CANCEL COVERAGE

When you and/or your eligible family members cancel or change UC-sponsored medical coverage, you will receive a Certificate of Creditable Coverage from your former plan.

If you transfer from one UC plan to another, you do not need to provide the certificate. However, a non-UC insurance carrier may need this certificate if the plan/policy would otherwise exclude coverage or impose a waiting period for certain pre-existing medical conditions.

Contact your medical plan if you need a certificate and did not receive one.

SUSPENSION OF COVERAGE

If you have other group or individual medical coverage, you may suspend your UC-sponsored medical coverage and re-enroll during a future Open Enrollment or within 31 days of the loss of the other coverage. (Call the UC Customer Service Center for more details.)

FAMILY MEMBER VERIFICATION

To help ensure that UC does not incur unnecessary premium and claim costs for ineligible family members, UC Human Resources conducts an annual audit of family members enrolled in UC-sponsored health and welfare plans. In addition, any retiree with family member(s) enrolled in our group insurance plans must provide, upon request, documentation verifying the relationship between the retiree and the family member(s). If you are audited and found to be covering ineligible family members, you will lose your insurance coverage for 12 months and the ineligible family members will be permanently de-enrolled. We strongly encourage you to use the Open Enrollment period to make sure that any family members you are covering are fully eligible. For information on eligibility, refer to the Group Insurance Eligibility Factsheet, available on At Your Service.

THE WOMEN'S HEALTH AND CANCER RIGHTS ACT ANNUAL NOTIFICATION OF RIGHTS

The Women's Health and Cancer Rights Act of 1998 (Women's Health Act) requires group medical plans such as those offered by UC that provide coverage for mastectomies to also provide certain related benefits or services.

Under a UC-sponsored medical plan, a plan member (employee, retiree, or eligible family member) who receives a mastectomy and elects breast reconstruction in connection with the mastectomy must receive coverage for the following: reconstruction of the breast on which the mastectomy was performed; surgery and reconstruction of the other breast to produce a symmetrical appearance; and prostheses and treatment of physical complications of the mastectomy, including lymphedema.

Coverage will be provided in a manner determined in consultation with the patient's physician and is subject to the same deductibles, coinsurance, and copayments that apply to other medical or surgical benefits covered under the plan.

If you have questions, please contact your medical plan carrier or refer to your carrier's plan booklet for specific coverage.

SPECIAL INFORMATION ABOUT MEDICARE

IF YOU OR A FAMILY MEMBER BECOME ELIGIBLE FOR MEDICARE

If you (or any eligible family member) expect to enroll in Medicare during 2010, consider whether the Medicare version of your medical plan offers the benefits you want. If not, Open Enrollment is the time to change plans. Becoming eligible for Medicare alone does not allow you to change plans. Medicare plan service areas may differ from non-Medicare plan service areas. The Medicare version of your medical plan may have different benefits, medical groups, specialists and behavioral health providers. Call the plan directly or visit its website for more information and talk to your doctor to be sure he/she accepts Medicare.

For Medicare information, read the Medicare Factsheet, available on the At Your Service website or from the UC Customer Service Center.

MEDICARE PART D CREDITABLE COVERAGE NOTICE

The Creditable Coverage notice pertaining to Medicare Part D prescription drug coverage is available online (atyourservice.ucop.edu; select "Open Enrollment for 2010")

REQUIRED MEDICARE FORMS

The Medicare plans—Health Net Seniority Plus and Coordination of Benefits, Kaiser Permanente CA/Senior Advantage and Western Health Advantage/WHA Care+—require Medicare assignment of your Medicare Parts A, B and D coverage to Medicare.

If you transfer into a plan requiring Medicare assignment from any medical plan: You must submit a Medicare Advantage Universal Enrollment/Election Form (UBEN 127) to the address of the new plan printed on the instruction sheet (in addition to completing your UC

Open Enrollment transaction). If this form is necessary, UC will send one to you along with a confirmation of your UC Open Enrollment change. You must submit the form to your new medical plan by December 8, 2009.

If you transfer out of a plan that required Medicare assignment or if you are a new enrollee into Anthem Blue Cross PLUS, Anthem Blue Cross PPO, Core, or High Option Supplement to Medicare, you must submit an Anthem Blue Cross Part D Enrollment Form. This form will automatically de-enroll you from your Medicare Advantage Plan, if enrolled. If this form is necessary, UC will send one to you along with a confirmation of your Open Enrollment change. You must submit the form to UC by December 8, 2009.

Failure to return these forms will delay your enrollment into the plan.

PARTICIPATION TERMS AND CONDITIONS

Your Social Security number will be requested only when needed by benefit plan administration for financial reporting or to verify your identity, in compliance with federal and state law.

As a participant in UC-sponsored plans, you agree to the following terms and conditions:

1. Most of the medical plans that UC offers [including the medical portion of Anthem Blue Cross PLUS and Anthem Blue Cross PPO*, Health Net, Western Health Advantage, and CIGNA Choice Fund], Core and High Option Supplement to Medicare (offered by Anthem Blue Cross Life and Health Insurance Company)*, and Kaiser Permanente—CA require resolution of disputes through arbitration. With regard to each plan, IT IS UNDERSTOOD THAT ANY DISPUTE AS TO MEDICAL MALPRACTICE, THAT IS AS TO WHETHER ANY MEDICAL SERVICES RENDERED UNDER THE CONTRACT WERE UNNECESSARY OR UNAUTHORIZED OR WERE IMPROPERLY, NEGLIGENTLY OR INCOMPETENTLY RENDERED, WILL BE DETERMINED BY SUBMISSION TO ARBITRATION AS PROVIDED BY CALIFORNIA LAW, AND NOT BY A LAWSUIT OR RESORT TO COURT PROCESS EXCEPT AS CALIFORNIA LAW PROVIDES FOR JUDICIAL REVIEW OF ARBITRATION PROCEEDINGS. BOTH PARTIES TO THE CONTRACT, BY ENTERING INTO IT, ARE GIVING UP THEIR CONSTITUTIONAL RIGHT TO HAVE ANY SUCH DISPUTE DECIDED IN A COURT OF LAW BEFORE A JURY, AND INSTEAD ARE ACCEPTING THE USE OF ARBITRATION. For more information about each plan's arbitration provision, please see the appropriate plan booklet or call the plan.
2. UC and UC health plan vendors comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and other federal/state regulations related to the privacy of personal health information. To fulfill their contracted responsibilities and services, health plans and associated service vendors may share UC member health information between and among each other within the limits established by HIPAA and federal/state regulations for purposes of health care operations, payment, and treatment. A member's requested restriction on the sharing of specified protected health information for health care operations, payment and treatment will be honored as required by HIPAA.
3. By making an election with your written or electronic signature, you are authorizing the University to take deductions from your earnings (employees)/monthly Retirement Plan income (retirees) to cover your monthly costs, if any, for the plans you have chosen for yourself and your eligible family members.
4. You acknowledge and accept all terms and conditions of the UC-sponsored plans in which you are enrolled as stated in the plan booklets and "UC's Group Insurance Regulations".
5. If you enroll family members, the University and/or carrier may require proof of eligibility. Marriage or birth certificates, adoption papers, tax records, and the like may be requested. You agree to provide such documentation upon request.
6. If you enroll your eligible same-sex spouse or domestic partner and/or your same-sex spouse's or domestic partner's eligible child(ren) or grandchild(ren), or if you enroll or have enrolled your natural or adopted child who is not claimed as your tax dependent, you acknowledge that the UC/ employer contribution for their medical and/or dental coverage may be reported as income to you and (where appropriate) may be subject to FICA (Social Security and Medicare) and/or federal/state income tax withholding.
7. If you specifically ask UC representatives to intercede on your behalf with your insurance plan, University representatives will request the minimum necessary protected health information required to assist you with your problem. If more protected health information is needed to solve your problem, in compliance with state privacy laws and federal laws, including HIPAA (Health Insurance Portability and Accountability Act of 1996), you may be required to sign an authorization allowing UC to provide the insurance plan with relevant protected health information or authorizing the insurance plan to release such information to the University representative.
8. Actions you take during Open Enrollment will be effective the following January 1, unless otherwise stated, provided all required forms have been properly submitted.
9. You certify that all enrolled family members are eligible for coverage based on the definitions and rules specified in the UC publications, "Group Insurance Eligibility Factsheet for Employees and Eligible Family Members" and

“Group Insurance Eligibility Factsheet for Retirees and Eligible Family Members”: You agree that you will de-enroll them within 31 days if they lose eligibility. You further certify that all the information you provide is true to the best of your knowledge, under penalty of perjury.

10. Making false statements about satisfying eligibility criteria, failing to notify the University of loss of eligibility within 31 days of such loss, or failing to provide documentation when requested will lead to de-enrollment of the family members and possible legal action. In addition, employees/retirees may be subject to disciplinary action (e.g., loss of health benefits for up to 12 months) and will be responsible for any employer contributions to and benefits paid by the plan and Part B reimbursement (if any) paid for the ineligible coverage.

* Anthem Blue Cross is the trade name of Blue Cross of California. Anthem Blue Cross and Anthem Blue Cross Life and Health Insurance Company are independent licensees of the Blue Cross Association.

REMINDERS

- You will receive plan I.D. cards, if applicable, by January.
- If you plan to add new family members to your medical plan, check whether the doctor they want is accepting new patients.
- If you are staying in your current plan and want to change only your primary care physician, phone your plan’s member services department.
- To obtain a Primary Care Physician code, use the “Find a Doctor” link on the Open Enrollment website or call the medical plan.
- At any time of the year, you may de-enroll a family member from health and welfare plans when he or she becomes ineligible. Call the UC Customer Service Center for de-enrollment information (and COBRA information, if applicable).
- Retirees who have been notified that they have been de-enrolled from their health plans as a result of the 2009 eligibility random audit **will not** be able to re-enroll during Open Enrollment.
- Under IRS rules, your taxable income may be affected if you have health plan coverage for any person who is not declared as your federal tax dependent. Details about imputed income are online.
- Under *HIPAA (Health Insurance Portability and Accountability Act of 1996)*, you may have additional opportunities outside of Open Enrollment to enroll in a UC-sponsored medical plan—for instance, if you have lost eligibility for coverage in another plan. However, certain conditions and proof of loss apply. See the full *HIPAA* notice on the Open Enrollment website (atyourservice.ucop.edu).
- The Creditable Coverage notice pertaining to Medicare Part D prescription drug coverage is available online.

By authority of the Regents, University of California Human Resources, located in Oakland, administers all benefit plans in accordance with applicable plan documents and regulations, custodial agreements, University of California Group Insurance Regulations, group insurance contracts, and state and federal laws. No person is authorized to provide benefits information not contained in these source documents, and information not contained in these source documents cannot be relied upon as having been authorized by the Regents. Source documents are available for inspection upon request (1-800-888-8267). What is written here does not constitute a guarantee of plan coverage or benefits—particular rules and eligibility requirements must be met before benefits can be received. The University of California intends to continue the benefits described here indefinitely; however, the benefits of all employees, retirees, and plan beneficiaries are subject to change or termination at the time of contract renewal or at any other time by the University or other governing authorities. The University also reserves the right to determine new premiums, employer contributions and monthly costs at any time. Health and welfare benefits are not accrued or vested benefit entitlements. UC’s contribution toward the monthly cost of the coverage is determined by UC and may change or stop altogether, and may be affected by the state of California’s annual budget appropriation. If you belong to an exclusively represented bargaining unit, some of your benefits may differ from the ones described here. Contact your Human Resources Office for more information.

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) provides for continued coverage for a certain period of time at applicable monthly COBRA rates if you, your spouse/domestic partner, or your dependents lose group medical, dental, or vision coverage because you terminate employment (for reasons other than gross misconduct); your work hours are reduced below the eligible status for these benefits; you die, divorce, or are legally separated; or a child ceases to be an eligible dependent. Note: The continuation period is calculated from the earliest of these qualifying events and runs concurrently with any other UC options for continued coverage. See your Benefits Representative for more information.

In conformance with applicable law and University policy, the University is an affirmative action/equal opportunity employer. Please send inquiries regarding the University’s affirmative action and equal opportunity policies for staff to Director of Diversity and Employee Programs, University of California Office of the President, 300 Lakeside Drive, Oakland, CA 94612 and for faculty to Director of Academic Affirmative Action, University of California Office of the President, 1111 Franklin Street, Oakland, CA 94607.



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Human Resources
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