May is the Time to Make Changes

To Your UVM Retiree Benefits

Take time now to review your benefits. The information that follows may suggest adjustments for you to consider and it will inform you of cost and coverage changes that will begin on July 1, 2013.

Make the following adjustments in May:
- Change between Base and High Option Dental coverage
- Add an eligible dependent
- Change a life insurance beneficiary
- Enroll in coverage if you'd opted out

Important Reminder
If you missed a 20-day deadline to add a dependent to your medical/dental plan during the year, take this moment now to make sure that you have included all the eligible people you wish to cover.

Changes Effective July 1

Medical and Dental Insurance
Medical insurance premium changes for fiscal year 2014 will happen in 2 stages. Effective July 1, 2013 plans will see an increase (individual share plus UVM share) of 9.5%. In addition to this July 1 increase, there will be a supplemental increase of 3.3% on January 1, 2014.

Grandfathered Retirees
Grandfathered retirees (typically retired before January 1, 1993) and 1993/2000 Voluntary Separation Program retirees will see no change in cost for medical premiums and a 3.0% increase in high option dental premiums as of July 1.

Non-Grandfathered Retirees
Non-grandfathered retirees will see premium increases as listed below:

<table>
<thead>
<tr>
<th>Medical Premium Rate Increases</th>
<th>July 1</th>
<th>Jan 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>VHP...........................</td>
<td>9.2%...</td>
<td>3.4%</td>
</tr>
<tr>
<td>J/J Carve-Out..................&lt;</td>
<td>12.3%...</td>
<td>2.3%</td>
</tr>
<tr>
<td>Medcomp III..................&lt;</td>
<td>12.3%...</td>
<td>2.3%</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>High-Option Dental Monthly Rates</th>
<th>Retiree</th>
<th>Retiree and Spouse</th>
<th>Retiree and Child(ren)</th>
<th>Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>$7.52</td>
<td>$14.52</td>
<td>$14.52</td>
<td>$21.52</td>
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</tbody>
</table>
Medical Coverage Changes
A portion of July's increase will fund new state and federal healthcare mandates including the VT Vaccine Purchasing Program, the Vermont Early Childhood Developmental Disorder Mandate, the VT Prescription Cost-Sharing Mandate and the federal Women's Preventative Services Mandate. January’s increase includes costs for the federal Insurer Fee and the Transitional Reinsurance Fee.

Vermont Collaborative Care is a new high-quality mental health and substance abuse care manager that will replace Magellan effective July 1, 2013.

Call BlueCross BlueShield of Vermont customer service at 888-222-7886 for information on changes to the Plans.

Drug Coverage Unchanged
There are no changes to prescription drug coverage for the coming year.
Express Scripts will continue to manage the prescription drug plan.

Pharmacy Deductibles
After a $100 deductible, prescriptions are $5 for generics, $20 for preferred brands or $40 for non-preferred brands.
Prescription drug coverage provides a maximum out-of-pocket expense of $1,250 per individual and $2,500 per family. Retirees with J, J Carve-Out or MediComp III coverage have a $750 maximum out-of-pocket.

Stay with Your Local Pharmacist
Virtually all US pharmacies participate in Express Scripts’ network, and thus your pharmacist stands ready to serve you. Since the Express Scripts network covers the entire United States, there is typically no need to stock up on your prescriptions when you travel out of town.

Home Delivery Service Option
A voluntary mail order prescription drug plan is available for maintenance drugs through Express Scripts (www.express-scripts.com) or call 888-222-7886).
You may purchase a 90-day supply at a cost equal to two co-pays (i.e., $10/40/80), and you will pay no deductible on mail-order prescriptions.
See the complete BCBS preferred prescription drug list online at: www.bcbsvt.com/member/Rx/index.html

Your New ID Card and Plan Booklet Will Arrive Mid-June
Your new card(s) will arrive mid-June, along with a letter from Blue Cross and Blue Shield of Vermont. The letter will include information on the updated state and federal mandates that go into effect on July 1.

A Word About Step Therapy
Step Therapy encourages members to try lower cost generic medication before the newer, more expensive alternatives.
A complete list of drugs within each of five categories is available. Please visit the BCBSVT online prescription center for complete information:
www.bcbsvt.com/member/Rx/

Adjusting Your Coverage
• To change dental coverage, complete a Delta Dental enrollment application.
• To change medical coverage, complete a new BCBSVT enrollment application.

All forms are on the HRS website at www.uvm.edu/hrs. Click on “forms” and then on “benefits.”

Changes must be received by May 31.

Mail changes to:
The University of Vermont
Human Resource Services
228 Waterman Building
85 So. Prospect Street
Burlington, Vermont 05405

New Healthcare Programs and Mandates
Here’s a brief description of key state and federal mandates that are new this year:

Vermont Vaccine Purchasing Program
provides vaccines to participating providers at no cost.

Vermont Early Childhood Development Disorders Mandate
is an expansion of last year’s “Vermont Autism Mandate.” This program provides coverage for the treatment of a broad spectrum of early childhood developmental disorders from birth until an individual’s 21st birthday.

Vermont Prescription Cost Sharing Mandate
lowers the maximum allowable employee/family out-of-pocket prescription cost from $1,300 to $1,250 for single coverage and from $3,800 to $2,500 for family coverage.

Federal Women’s Preventive Services Mandate
expanded the services to be covered with no individual copay. Well-woman visits, screening for gestational diabetes, HPV testing, counseling for STIs and HIV, contraception, lactation support/ supplies, and screening/counseling for domestic violence are all included under this provision.

Federal Patient-Centered Outcomes Research Trust Fund Fee
will be used to sponsor research in patient-centered outcomes.

Federal Insurer Fee is an assessment aimed at funding the health exchanges.

Federal Transitional Reinsurance Fee
funds the reinsurance program for high-cost claimants in individual plans.

Medicare Part D Pharmacy Coverage
UVM provides a prescription plan that is equal to or better than Medicare Part D coverage. Retirees pay no additional cost for this prescription coverage.

In 2013, the $100 deductible compares favorably with Medicare’s $320, and the out-of-pocket maximum is $750 rather than Medicare’s $4,700.

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