

## MEMORANDUM

October 26, 2007

TO: UAH Faculty and Staff

FROM: Laurel C. Long, Assistant Vice President  
Human Resources

SUBJECT: **2008 BENEFITS OPEN ENROLLMENT**

Open enrollment for selected employee benefits begins on October 29, 2007, and continues through November 30, 2007. During this period, you may enroll in or make adjustments to the following:

- ◇ Health insurance
- ◇ Dental insurance
- ◇ Vision insurance
- ◇ Flexible Spending Accounts

Your open enrollment packet includes summary descriptions of each of these benefits and a 2008 Schedule of Premiums for health, dental, and vision insurance. If you wish to enroll or make changes, complete the Open Enrollment Insurance Election Form (also included in your packet). Plan changes, adjustments, and enrollments become effective on January 1, 2008.

### **Dependent Eligibility**

We have increased the age limit for coverage of full-time dependent students from 24 to 26. This enhancement applies to all university-provided employee benefits, including tuition assistance.

### **Health Insurance**

Premiums for single and family coverage have increased minimally this year, by approximately two percent and one percent, respectively. Other plan changes include:

- ◇ Coverage for a DexaScan routine bone mineral density test at age 40 then every two years thereafter, subject to applicable co-pay.
- ◇ Inpatient psychiatric care limited to 60 days per year.

- ◇ Outpatient psychiatric visits limited to 52 per year, 2,000 lifetime maximum.
- ◇ Non-emergency ER visits subject to \$50 co-pay plus \$150 major medical deductible and 20% co-insurance.

### **Dental Insurance**

Premiums for dental insurance are reduced by approximately five percent. Other plan changes include:

- ◇ Increased benefit for in-network participation by \$500 per member per year as follows:

<u>Plan</u>	<u>Yearly Maximum</u>
Option 1 (Basic):	increased from \$750 to \$1,250
Option 2 (Comprehensive):	increased from \$1,000 to \$1,500

- ◇ Composite resin fillings covered at no additional charge.

### **Flexible Spending Accounts**

The Flexible Spending Account (FSA) maximum has been increased to \$3,900. Please note these reminders regarding flexible spending accounts:

- ◇ You must complete an enrollment form to continue participation.
- ◇ Expenses must be incurred during the plan year – January 1, 2008 – December 31, 2008.
- ◇ IRS regulations stipulate that any money remaining in an employee's FSA at the end of the plan year must be forfeited. Annual elections DO NOT carry over from year-to-year.
- ◇ The debit card feature allows you to access your FSA money without completing claim forms and waiting on reimbursement.
- ◇ All debit card transactions must be supported by appropriate documentation to certify that the charge represents an eligible expense under FSA plan guidelines.

As in previous years, the employee share of the premiums is partially offset through tax effective measures authorized under Section 125 of the Internal Revenue Service Code. Section 125 excludes health, dental and vision insurance premiums and flexible spending account contributions from federal, state and social security taxes. Changes may not be made outside of Open Enrollment unless there is a change in family status, such as marriage, birth of a child or loss of coverage.

If you have questions or need additional information, please contact Benefits & Employee Services at 824-6640.

LL/sp

Enclosures