

# BENEFITS PROGRAM BULLETIN

The Informed Employee

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www.indiana.edu/~ubenefit/

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## ANNUAL OPEN ENROLLMENT OPPORTUNITY

Once a year, full-time appointed employees have the opportunity to make changes in health care and Personal Accident Insurance coverages. (While current enrollment status will generally continue if participants do not initiate an enrollment change, there is a special default this year for the IU PPO Healthcare \$500 Deductible plan — see Yr. 2001 Health Plans.)

Full-time appointed employees also have a once-a-year opportunity to elect participation in the University's Tax Saver Benefit (TSB) plan — enrollment is required each year by the IRS to take advantage of pre-tax reimbursement of health and dependent care expenses. Employees do not need to be enrolled in an IU-sponsored health plan to take advantage of the TSB plan.

Information on TSB and other benefit plans can be found at:  
www.indiana.edu/~ubenefit/

This "Open Enrollment" period takes place during November of each year, with enrollment changes becoming effective on January 1. This is an opportunity to:

- Select a different medical plan or drop a plan.
- Add or drop dependents.
- Add or drop dental coverage (if eligible).
- Add, drop or change Personal Accident Insurance.
- Allocate contributions for pre-tax reimbursement of 2001 health care and/or dependent care expenses (TSB).

An Open Enrollment packet with additional information and enrollment forms will be sent to full-time appointed employees in late October through campus mail.

## PERSONAL ACCIDENT INSURANCE

Effective January 1, 2001, premiums for Personal Accident Insurance will increase by 25% — the first premium increase since 1996. The underwriter of this plan, CIGNA, indicates that this increase in premiums is necessary to reflect actual claims experience over the last couple of years.

The current monthly premium rate of \$.019 per \$1,000 for Employee Only coverage will increase to \$.023 per \$1,000; the monthly premium rate of \$.032 per \$1,000 for Employee & Family coverage will increase to \$.04 per \$1,000. (Example: the premium for \$60,000 of Employee & Family coverage will increase from \$1.92 per month to \$2.40 per month.)

Personal Accident Insurance helps to protect employees and family members in the event of an accident. This coverage applies to loss of life, eye sight, speech or hearing, paralysis or dismemberment as a result of an accident.

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## YR. 2001 HEALTH PLANS

19% INCREASE IN MEDICAL PREMIUMS

For 2001, there will be a 19% increase in the weighted average adjustment in medical premiums for the University's eight medical plan options. There will also be a 10% average increase in dental premiums.

The above are adjustments in total premiums, and employee contributions will increase or decrease based on the difference between total premium and the University's contribution amount. For 2001, the University will contribute the following toward enrollment in health care plan coverage:

### Yr. 2001 Annual University Contributions\*

	Dental	Medical
Employee Only	\$158.40	\$2,407.44
Employee/Child(ren)	\$225.84	\$4,189.08
Employee/Spouse	\$305.16	\$5,089.44
Family	\$429.72	\$5,471.28

\* The University will contribute a greater amount for non-exempt Staff with a base salary of less than \$21,674.

University contributions for Dental coverage will increase by 10% and University contributions for Medical coverage will increase by 19%.

See page 3 for a list of 2001 medical premiums and employee contributions.

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## TOBACCO USE AND HEALTH

Lung cancer is a malignancy, and it accounts for more deaths, in both men and women, than any other type of cancer. There is general agreement that smoking is responsible for the overwhelming majority of lung malignancies.

Indiana University's **Employee Assistance Services Plan** (IUEAP) has been enhanced to include referral services for locating smoke cessation opportunities near each of the University's campuses. Some smoke cessation programs are provided through hospitals and local Cancer Association offices, at little or no charge.

An IUEAP counselor is available 24 hours a day, toll free, at **888-234-8327**, to assist full-time appointed employees and their family members with a variety of personal issues, such as: stress, marital or relationship conflicts, bereavement, conflicts in the work place, and drug and alcohol concerns.

All contacts with IUEAP are absolutely confidential.

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## YR. 2001 HEALTH PLANS *(Continued from Page 1)*

Highlights of modifications in plans provisions for 2001:

- **IU Dental Plan** — no changes.
- **Partners HMO, and Blue Preferred Primary HMO** — no changes.
- **M-Plan** — will be discontinued in Bloomington and New Albany areas.
- **AHP POS** — name changed to Blue Preferred Primary Plus POS.
- **IU Health Plan POS** — emergency room co-pay will increase to \$75; urgent care co-pay will increase to \$35; and mail order option for non-preferred drugs will be added.
- **IU Precision POS and IU PPO Healthcare \$900 Deductible** — hospice care coverage for “last six months of life” will be added and prescription drug benefits will be changed:
  - Retail network will expand to include Osco and Dominick’s, along with CVS.
  - Participant co-pay will change to the following four-tier schedule:

	Retail (30-day supply)	Mail Order (90-day supply)
Generic R <sub>x</sub>	\$5	\$10
Brand, low cost R <sub>x</sub> (up to \$60)	\$10	\$20
Brand, high cost R <sub>x</sub> (\$60 or more)	\$25	\$50
Non-covered, with plan discounts	100%	100%
  - Diabetic supplies covered exclusively through R<sub>x</sub> benefit.
  - Certain biological and injectable drugs available through R<sub>x</sub> benefit with no co-pay.
  - Third-party administrator and mail order services will be changed to Scrip Pharmacy Solutions and Continental Pharmacy, with enhanced customer services and web site for mail order refills.
- **IU PPO Healthcare \$500 Deductible** — will be discontinued; current enrollees who do not submit a new enrollment form will automatically be enrolled in the new IU PPO-Plus Health Care plan effective January 1, 2001.
- **IU PPO-Plus Health Care** — new plan option for employees residing in all areas of Indiana. General provisions:
  - In-Network benefits with Anthem’s PPN provider network within Indiana and BCBS network outside of Indiana.
  - No deductible for network providers.
  - Office visits, physician services: \$15 co-pay per visit.
  - Professional/surgery services: 10% co-pay up to annual cap.
  - Inpatient facility services: \$250 co-pay per stay, then 10% of remaining expenses up to annual cap.
  - Outpatient facility services: \$100 co-pay per procedure, then 10% of remaining expenses up to annual cap.
  - Lab and diagnostic services: 10% co-pay up to annual cap.
  - Therapy services: \$15 co-pay per visit, then 10% of remaining expenses up to annual cap.
  - ER visit: \$50 co-pay, then 10% of remaining expenses up to annual cap.
  - Wellness limited to \$200 of plan coverage per year.
  - Annual limits apply to therapy outpatient visits, skilled nursing facility and home health services.
  - “10% co-pay” amounts are capped at \$1,000 per member per year, with a \$2,000 per family cap.
  - Prescription drug, mental health, and transplant coverages are the same as other IU self-funded plans (i.e., IU Precision POS).
  - More details will be available with Open Enrollment material.

## PERSONAL ACCIDENT INSURANCE *(Continued from Page 1)*

Full-time appointed employees can purchase this coverage from \$30,000 to \$500,000, for themselves only or to include their family (benefit amounts over \$250,000 cannot be greater than 10 times the employee’s annual salary). Payroll deductions for this coverage receive preferential tax treatment and are not subject to income taxes.

After an initial 60-day period of employment, enrollment in this plan, including changes in coverage amounts, can only occur with the University’s annual Open Enrollment activity.

See [www.indiana.edu/~ubenefit/](http://www.indiana.edu/~ubenefit/) for additional information.

## CUSTOMER SERVICE CONTACTS

### IU PPO and PPO-Plus Plans

- Member Services — Medical  
800-382-4055
- Precertification — Medical  
317-298-6600 or 800-367-4207
- Provider Network — Medical  
800-382-4055 or [www.anthem-inc.com](http://www.anthem-inc.com)

### IU Precision POS

- Member Services — Medical  
812-331-1199 or [www.phn-in.com](http://www.phn-in.com)
- Precertification — Medical  
812-330-8003

### M-Plan HMO

- Member Services — Medical  
317-571-5320 or 800-816-7526  
[www.mplan.com](http://www.mplan.com)

### IU Health Plan POS

- Member Services — Medical  
317-871-8814 or 800-927-7927

### Partners HMO

- Member Services — Medical  
219-233-4677 or 800-967-5439
- Provider Network  
[www.partnersindiana.com](http://www.partnersindiana.com)

### Blue Preferred Primary (AHDS) HMO

- Member Services — Medical  
502-267-8850 or 800-955-3035
- Mental Health/Chemical Dependency  
502-425-9999 or 800-362-1037
- Provider Network  
[www.anthem-inc.com](http://www.anthem-inc.com)

### Blue Preferred Primary Plus (AHP) POS

- Member Services — Medical  
800-535-8269
- Provider Network  
[www.anthem-inc.com](http://www.anthem-inc.com)

### IUPM (IU Psychiatric Management)

- Member Services  
800-230-4876

### CVS/PharmaCare

- Benefit Inquiries: 800-652-8226
- Mail Order: 800-346-9113
- CVS locations: [www.CVS.com](http://www.CVS.com)

### Scrip Pharmacy Solutions (effective 1/2001)

- Benefit Inquiries: 800-213-5640
- Mail Order: 800-677-4342

### CompDent

- Member Services  
877-556-5600
- Provider Network  
[www.compdent.com/custom/IU](http://www.compdent.com/custom/IU)

Visit the University Benefits Office  
web site for more information:

[www.indiana.edu/~ubenefit/](http://www.indiana.edu/~ubenefit/)

## 2001 MEDICAL PREMIUM RATES (Monthly)

### 19% Increase in Average Premiums

As a result of the weighted increase in medical premiums, IU contributions for medical coverage will increase by 19%. IU contributions for dental coverage will increase by 10%.

Employee contributions equal the difference between the total premium for the respective plan and IU contributions — IU contributions are the same across all health care plans, with a minimum employee contribution of \$1 per month.

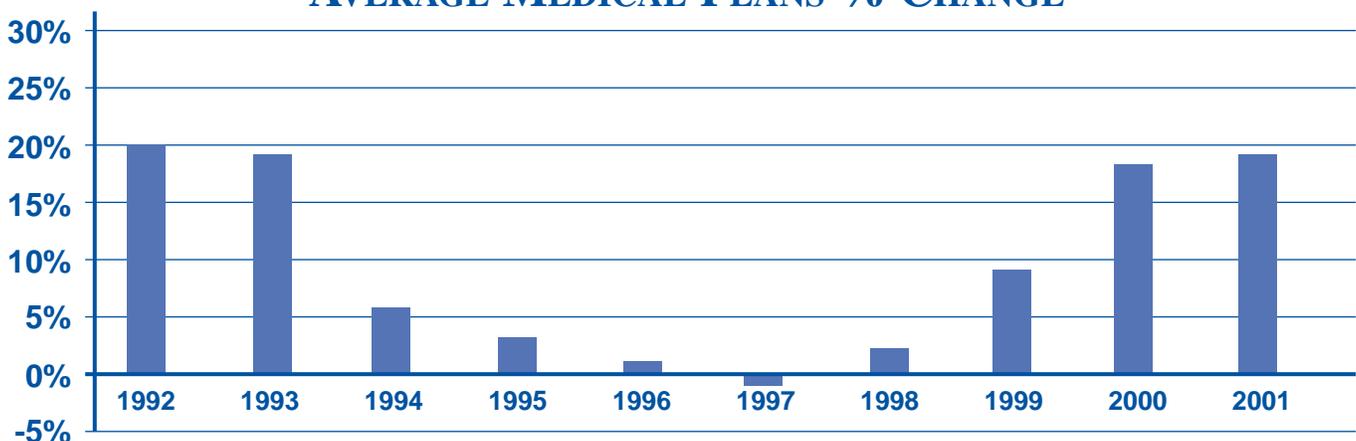
	Total Premium	% of Change	Employee Contribution		Total Premium	% of Change	Employee Contribution
<b>IU PPO Healthcare \$900 Deductible</b>				<b>M-Plan HMO</b>			
Employee	\$182.55	27.1%	\$1.00	Employee	\$201.56	17.0%	\$1.00
Employee/Child(ren)	\$364.13	27.1%	\$15.04	Employee/Child(ren)	\$409.10	17.0%	\$60.01
Employee/Spouse	\$445.14	27.1%	\$21.02	Employee/Spouse	\$498.54	17.0%	\$74.42
Family	\$505.53	27.1%	\$49.59	Family	\$564.62	17.0%	\$108.68
<b>IU PPO-Plus Health Care</b>				<b>Partners HMO</b>			
Employee	\$237.48	n/a	\$36.86	Employee	\$170.44	9.2%	\$1.00
Employee/Child(ren)	\$470.42	n/a	\$121.33	Employee/Child(ren)	\$326.01	9.2%	\$1.00
Employee/Spouse	\$576.16	n/a	\$152.04	Employee/Spouse	\$402.64	9.2%	\$1.00
Family	\$654.20	n/a	\$198.26	Family	\$471.27	9.2%	\$15.33
<b>IU Precision POS</b>				<b>Blue Preferred Primary HMO (AHDS HMO)</b>			
Employee	\$215.89	17.9%	\$15.27	Employee	\$250.22	0.0%	\$49.60
Employee/Child(ren)	\$427.65	17.9%	\$78.56	Employee/Child(ren)	\$455.40	0.0%	\$106.31
Employee/Spouse	\$523.78	17.9%	\$99.66	Employee/Spouse	\$527.96	0.0%	\$103.84
Family	\$594.73	17.9%	\$138.79	Family	\$615.54	0.0%	\$159.60
<b>IU Health Plan POS</b>				<b>Blue Preferred Primary Plus POS (AHP POS)</b>			
Employee	\$186.58	10.9%	\$1.00	Employee	\$195.93	7.0%	\$1.00
Employee/Child(ren)	\$380.32	10.9%	\$31.23	Employee/Child(ren)	\$388.11	7.0%	\$39.02
Employee/Spouse	\$463.85	10.9%	\$39.73	Employee/Spouse	\$475.36	7.0%	\$51.24
Family	\$524.40	10.9%	\$68.46	Family	\$539.75	7.0%	\$83.81

The “% of Change” figures represent the increase of Total Premiums from 2000 total premiums.

Employee Contributions are lower for non-exempt Staff employees with an annual salary of less than \$21,674.

**More details of employee contribution amounts, including dental coverage and additional IU subsidy for lower salaries, will be included with Open Enrollment materials, to be distributed in late October.**

## INDIANA UNIVERSITY AVERAGE MEDICAL PLANS % CHANGE



USEFUL FACTS, FIGURES & STATISTICS

**INVESTMENT FUND PERFORMANCE**

The following **sample** of retirement investment opportunities reflect average annual total return after all administrative expenses. These figures are based on historical results, and they do not necessarily represent future performance.

	<u>AVERAGE</u> 5 yrs.	<u>ANNUAL % RETURN</u> 10 yrs.	<u>Life</u>	<u>Fund</u> Inception		<u>AVERAGE</u> 5 yrs.	<u>ANNUAL % RETURN</u> 10 yrs.	<u>Life</u>	<u>Fund</u> Inception
<b>Money Market Funds</b>					<b>Stock Funds</b>				
CREF Money Market	5.42	5.12	5.75	4/88	CREF Stock	20.59	15.65	11.75	7/52
Fidelity FMMT Retirement	5.31	4.97	5.46	12/88	CREF Growth	27.87	----	26.60	4/94
<b>Fixed Annuity</b>					Fidelity Blue Chip				
TIAA Annuity	7.11	7.70	----	----	Fidelity Contrafund	22.68	21.16	21.11	12/87
<b>Bond Funds</b>					Fidelity Magellan				
CREF Bond	6.00	7.61	7.69	3/90	CREF Global Equities	18.76	17.04	17.04	5/92
Fidelity Govt. Sec.	5.55	7.59	9.12	4/79	Fidelity Europe	19.06	12.14	13.95	10/86
Fidelity Inv. Grade	5.66	7.75	8.12	8/71	Fidelity Overseas	15.18	9.58	17.59	12/84
<b>Growth &amp; Income Funds</b>					<b>International/World Funds</b>				
CREF Soc. Choice	16.50	14.02	14.14	3/90	<u>1 YEAR % RETURN</u>				
Fidelity Fund	23.93	17.67	11.40	4/30	<b>PERF Options</b>	<u>6/30/97</u>	<u>6/30/98</u>	<u>6/30/99</u>	<u>6/30/00</u>
Fidelity Equity Income	16.06	14.71	14.26	5/66	Money Market Fund	5.39	5.53	4.93	5.40
<b>Market Indexes</b>					Guaranteed Fund	9.00	9.00	8.25	8.25
Dow Jones Industrial	20.21	16.53	----	----	Bond Fund	9.05	14.77	4.73	4.44
S&P 500	23.80	17.80	----	----	S&P 500 Stock Index*	33.36	30.16	21.23	8.03
NASDAQ	34.19	25.06	----	----	US Small Co Stock*	22.36	16.51	- .04	7.97
Russell 2000	14.27	13.56	----	----	*S&P 500 and Russell 2000 (small company) Index one year returns.				
EAFE	11.49	8.04	----	----					

Figures for TIAA-CREF and Fidelity Investments and Market Indexes are as of 6/30/2000.

**University Benefits Office website: [www.indiana.edu/~ubenefit/](http://www.indiana.edu/~ubenefit/)**

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