

BENEFITS PROGRAM BULLETIN

The Informed Employee

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ANNUAL OPEN ENROLLMENT OPPORTUNITY

Once a year, employees have the opportunity to make changes in health care and Personal Accident Insurance coverages. (Generally, current enrollment status will continue if participants do not initiate an enrollment change. Maxicare HMO and PCN POS health care plan participants need to enroll in a different plan to continue coverage after 12/31/98.)

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 related pre-tax reimbursement of health care and dependent care expenses. You do not need to be enrolled in an IU-sponsored health plan to take advantage of the TSB plan.

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

- Select a different health care plan or drop a plan.
- Add or drop dental coverage (if eligible).
- Add or drop eligible dependents, for health care coverage.
- Add, drop, or change Personal Accident Insurance coverage.
- Allocate contributions for pre-tax reimbursement of 1999 health care and/or dependent care expenses.

An Open Enrollment packet will be sent to all Full-Time Appointed employees in late October through campus mail.

1999 IU-SPONSORED HEALTH PLANS

9.6% INCREASE IN MEDICAL PREMIUMS

For 1999, there will be a 9.6% increase in the weighted average adjustment in medical premiums for the University's seven health care plan options. There will also be a 13.5% increase in the weighted average adjustment in dental premiums. (These are adjustments in total premiums, and employee contributions will increase or decrease based on the difference between the total premium and the University's contribution amount.) See page 3 for a list of 1999 medical premiums.

Highlights of modifications in plan provisions for 1999:

- **Maxicare HMO and PCN POS plans** — will be discontinued effective 12/31/98.
- **IU Health Plan HMO** — copay for office visits will increase to \$15 per visit; and coverage will be changed to include POS benefits (out-of-network benefits). Name will change to IU Health Plan POS.
- **M-Plan HMO** — copay for office visits will increase to \$15 per visit; and will be added at the following campuses: Bloomington, South Bend and New Albany.

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HEALTH CARE PLAN - DEPENDENT ELIGIBILITY

Indiana University provides health care benefits to eligible employees and their eligible dependents. Providing these benefits in a consistent and non-discriminatory manner is fundamental to the statutory authority for the existence of these plans and for the receipt of preferential tax treatment for such benefits.

In the future, employees will be asked to provide written documentation of the dependent's relationship to the employee; for example, a birth certificate or marriage certificate.

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YOU CAN QUIT SMOKING!

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1999 IU-SPONSORED HEALTH PLANS

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- **IU Health Plan HMO and M-Plan HMO Dental coverage** — Managed care option: new copay schedule, with some increases; will include orthodontics for adults. Security Dental options: new annual deductible of \$25 per individual, with \$75 family maximum.
- **AHP POS** — new plan for residents of the Gary area, including designated primary care physicians for in-network benefits and an out-of-network benefit level option. Dental to be the same as IU PPO Healthcare.

HEALTH CARE PLAN — DEPENDENT ELIGIBILITY

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Eligible Dependents: As defined by University policy, dependents that are eligible for health care coverage are:

- The employee's spouse as defined by Indiana law
- Unmarried child up to the end of the calendar year in which the child attains age 23. The child must be **both**:
 - 1) the employee's or employee's spouse's dependent for Federal Income Tax purposes, and
 - 2) in one of the following named classes of children:
 - biological child, or
 - lawfully adopted child, or
 - lawful stepchild, or
 - foster child for whom the employee or employee's spouse has been lawfully appointed the sole legal guardian for an indefinite period; that is, a legal ward of the employee or employee's spouse.

A totally disabled child may be able to continue to be the employee's dependent beyond age 23 if: the child was covered at the time he/she reached the maximum age limit for a covered dependent child, and the child continues to meet the definition of a totally disabled child.

Relatives other than those listed above are not eligible for coverage.

YOU CAN QUIT SMOKING!

Since the release of the first Surgeon General's report on smoking and health in 1964, tobacco use has been increasingly linked to disease, disability and premature death. More than 400,000 smokers die from smoking-related diseases each year. Yet, Indiana has the second highest prevalence of smokers in the U.S. Cigarette smoking among teens in Indiana is becoming more widespread and socially acceptable at a faster rate than it is in other states. Of the 3,000 Americans who start smoking everyday, most are children.

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HEALTH CARE PLANS CUSTOMER SERVICE TELEPHONE NUMBERS

IU PPO Healthcare

- Member Services—Medical & Dental
317-885-2022 or 800-382-4055
- Precertification
317-298-6600 or 800-367-4207
- Provider Network
<http://www.anthem-inc.com>

IU Precision POS

- Member Services—Medical & Dental
800-331-1199
- Provider Network
812-330-8444

Maxicare HMO

- Member Services—Medical & Dental
317-843-9989 or 800-752-5866

M-Plan HMO

- Member Services—Medical
317-571-5320 or 800-816-7526

IU Health Plan HMO

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

Partners HMO

- Member Services—Medical
219-233-4899 or 800-967-5439
- Provider Network
<http://www.partnersindiana.com>

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
<http://www.anthem-inc.com>

IU PCN POS

- Member Services—Medical & Dental
800-331-1199

IUPM

- Member Services—Mental Health/
Chemical Dependency Coverage
800-230-4876

CVS

- Benefit Inquiries: 800-652-8226
Mail Order: 800-346-9113
CVS Locations: 800-867-3826

Delta Dental

- Member Services—Dental
800-292-0626

CompDent

- Member Services—Dental
800-456-5500

Visit the University Benefits Office Web
Site for more information:
www.indiana.edu/~ubenefit/

IU PLAN PROVISIONS

1999 MEDICAL PREMIUM RATES (MONTHLY)

(9.6% Increase in Average Premiums)

As a result of the above weighted average increase in medical premiums, IU contributions for medical coverage will increase by 9.6%. IU contributions for dental coverage will increase by 13.5%.

Employees covered by a medical plan with less than a 9.6% increase will experience a reduction in their payroll contributions, and employees covered by a plan with more than a 9.6% increase will experience an increase in their contributions.

	Total Premium	% of Change	Employee Contribution		Total Premium	% of Change	Employee Contribution
IU PPO Healthcare \$500 Deductible				M-Plan HMO			
Employee	\$198.52	18.6%	\$55.77	Employee	\$156.61	7.0%	\$13.86
Employee/Child(ren)	\$392.76	18.6%	\$144.37	Employee/Child(ren)	\$317.87	7.0%	\$69.48
Employee/Spouse	\$481.08	18.6%	\$179.29	Employee/Spouse	\$387.36	7.0%	\$85.58
Family	\$546.37	18.6%	\$221.95	Family	\$438.71	7.0%	\$114.29
IU PPO Healthcare \$900 Deductible				Partners HMO			
Employee	\$112.13	4.1%	\$1.00	Employee	\$149.00	5.7%	\$6.25
Employee/Child(ren)	\$223.34	4.1%	\$1.00	Employee/Child(ren)	\$285.00	5.2%	\$36.61
Employee/Spouse	\$273.08	4.1%	\$1.00	Employee/Spouse	\$352.00	5.1%	\$50.22
Family	\$310.16	4.1%	\$1.00	Family	\$412.00	5.1%	\$87.58
IU Precision POS				AHDS HMO			
Employee	\$163.38	14.8%	\$20.63	Employee	\$228.57	16.7%	\$85.82
Employee/Child(ren)	\$323.18	14.8%	\$74.80	Employee/Child(ren)	\$416.00	17.0%	\$167.61
Employee/Spouse	\$395.93	14.8%	\$94.15	Employee/Spouse	\$482.28	16.6%	\$180.50
Family	\$449.59	14.8%	\$125.18	Family	\$562.28	16.8%	\$237.86
IU Health Plan POS				AHP POS (new plan)			
Employee	\$148.49	3.5%	\$5.74	Employee	\$163.38	n/a	\$20.63
Employee/Child(ren)	\$293.99	3.5%	\$45.60	Employee/Child(ren)	\$323.18	n/a	\$74.80
Employee/Spouse	\$359.33	3.5%	\$57.55	Employee/Spouse	\$395.93	n/a	\$94.15
Family	\$408.34	3.5%	\$83.92	Family	\$449.59	n/a	\$125.18

The % of Change figures represent the increase of Total Premiums from 1998 premiums.

Employee Contribution figures are lower for non-exempt (bi-weekly paid) employees with an annual base salary of less than \$20,156.

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.

USEFUL FACTS, FIGURES & STATISTICS

INVESTMENT FUND PERFORMANCE

The following **sample** of retirement investment opportunities reflects 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</u> 10 yrs.	<u>%Return</u> Life	Fund Inception		<u>Average</u> 5 yrs.	<u>Annual</u> 10 yrs.	<u>%Return</u> Life	Fund Inception
Money Market Funds					Stock Funds				
CREF Money Market	5.00	5.81	5.83	4/88	CREF Stock	19.53	16.18	11.50	7/52
Fidelity FMMT Retir.	4.87	----	5.61	12/88	CREF Growth	----	----	26.72	4/94
Fixed Annuity					Fidelity Blue Chip				
TIAA Annuity	6.79	8.19	----	----	Fidelity Contrafund	20.37	22.99	14.73	5/67
Bond Funds					Fidelity Magellan				
CREF Bond	6.49	----	8.71	3/90	International/World Funds				
Fidelity Govt. Sec.	5.99	8.67	9.74	4/79	CREF Global Equities	18.11	----	17.49	5/92
Fidelity Inv. Grade	6.17	8.94	8.49	8/71	Fidelity Europe	23.25	15.42	15.04	10/86
Growth & Income Funds					Fidelity Overseas				
CREF Soc. Choice	16.07	----	15.14	3/90	1 Year % Return				
Fidelity Fund	22.60	17.67	11.26	4/30	PERF Options As of:	6/30/96	6/30/97	6/30/98	
Fidelity Equity Inc.	20.16	15.84	15.02	5/66	Money Market Fund	2.18	5.39	5.53	
					Guaranteed Fund	8.40	9.00	9.00	
					Bond Fund	8.10	9.05	14.77	

Figures for TIAA-CREF and Fidelity Investments are as of 6/30/98.

YOU CAN QUIT SMOKING! *(Continued from Page 2)*

Despite these statistics, it's been determined that 70% of smokers would like to quit and most wish they had never started. According to a recent statement by the American Lung Association, these smokers have tried to quit an average of 5.3 times. Most people will try to quit 7-8 times before they are able to permanently quit. Each quit attempt should be looked at as a learning experience and not as a failure! The only failure is the person who quits trying.

If you would like assistance with quitting smoking contact: American Lung Association (800-586-4872) ask for their "Quit Smoking Action Plan;" National Cancer Institute (800-4-CANCER) ask for "Clearing the Air;" IU Nicotine Dependence Program (317-278-3981) ask for their prevention guides and education program, or ask your physician or dentist.

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Campus Mail