

HEALTH BENEFITS OPEN ENROLLMENT

October 25, 8am — November 23, 5pm

2011 New Medical Plans
Health Care Reform Changes

UC is making significant changes this year.

You have choices to make and actions to take.

- We're adding two new lower-cost medical plans from Health Net and Anthem Blue Cross. The Anthem Lumenos PPO with HRA replaces the CIGNA Choice Fund. Make sure you have the right medical plan for you and your family. See page 3 for details.
- Your children up to age 26 are eligible for UC insurance plans that provide coverage to children, but you must enroll them during Open Enrollment. See page 8 for details.
- The ARAG Legal Plan is open for enrollment.
- Enroll or re-enroll in Health and/or Dependent Care Flexible Spending Accounts. See page 8.

Open Enrollment is online: atyourservice.ucop.edu

Go online to the At Your Service website and select the Open Enrollment 2011 icon.

YOUR OPEN ENROLLMENT "TO DO" LIST

- Review this booklet and the detailed information on the Open Enrollment website to help you make your benefit choices for 2011.
- If you are enrolled in the CIGNA Choice Fund, use the Medical Plan Chooser and other tools on the Open Enrollment website to choose a new medical plan.
- If you are enrolled in Health Net, decide whether the Health Net Blue & Gold HMO plan is right for you.
- Go online to atyourservice.ucop.edu and sign in to your account to make your elections.
- Enroll or de-enroll your dependents by selecting "Family Members" from the menu on the left.
- Use the CONEXIS calculator tools to determine how much you want to contribute to your Health or Dependent Care Flexible Spending Accounts in 2011.
- Be sure to confirm your changes and print a copy of your elections for your records by selecting the print-friendly option on the confirmation page.
- Review your confirmation statement carefully to ensure that your benefit elections were recorded correctly. You must report any errors or discrepancies to your benefits office immediately.

Any changes you make during Open Enrollment will be effective January 1, 2011.

OVERVIEW OF 2011 PLAN CHANGES

The chart below gives a summary of major changes for 2011. Details of changes in coverage or added benefits are available on the Open Enrollment website (atyourservice.ucop.edu). For complete information about the benefits for each plan, see the evidence of coverage booklet or summary plan description, also available on the Open Enrollment website. You may request a copy by calling the plan carrier directly.

| | |
|----------------------------------|--|
| ALL PLANS | Adult children to age 26 are now eligible for coverage. See page 8. |
| ALL MEDICAL PLANS | <ul style="list-style-type: none"> Preventive care covered at no cost. Some restrictions, such as using network providers, may apply. See the plan evidence of coverage booklet or summary plan description for full details. All lifetime limits removed. |
| HEALTH NET BLUE & GOLD HMO | New plan with the same benefits as Health Net HMO but with lower premiums due to a customized provider network. See page 3 for more information. |
| ANTHEM LUMENOS PPO WITH HRA | New plan replaces CIGNA Choice Fund. See page 3 for more information. |
| ANTHEM BLUE CROSS PPO | Members pay coinsurance rather than copay for mental health and substance abuse expenses. |
| CIGNA CHOICE FUND | CIGNA Choice Fund is being discontinued. Members must choose a new plan. The Anthem Lumenos PPO with HRA is very similar to the CIGNA plan. See page 3 for details. |
| KAISER MID-ATLANTIC | Plan closed to new members. Current enrollees may continue in Kaiser Umbrella plan or elect Anthem Blue Cross PPO, Anthem Lumenos PPO with HRA or Core. |
| UNITED BEHAVIORAL HEALTH | Mental health and substance abuse expenses now included in deductibles and out-of-pocket maximums for most medical plans. |
| STAYWELL | Employee and spouse/domestic partner must complete the Health Assessment and a follow-up activity in order to receive an incentive award. |
| DELTA DENTAL PPO | Coverage for dental implants added. |
| ARAG LEGAL PLAN | Open for enrollment. Two enhancements have been added. |
| HEALTH FLEXIBLE SPENDING ACCOUNT | Beginning January 1, 2011, funds may not be used for over-the-counter medicines unless prescribed. |
| ACCIDENTAL DEATH & DISMEMBERMENT | Rates decreasing. |
| SUPPLEMENTAL LIFE INSURANCE | Rates decreasing. |

TWO NEW MEDICAL PLANS TO HELP MANAGE COSTS

To help manage the cost of medical insurance for the university and its employees, UC is offering two new value-tier plans: Health Net Blue & Gold HMO and Anthem Lumenos PPO with HRA. With the addition of these plans, UC now offers three premium plans and five value plans. In general, the premium plans offer more flexibility and choice while the value plans have lower costs. All plans offer the same comprehensive coverage including medical, prescription drugs and behavioral health. Choose the plan that best fits the needs of you and your family.

HEALTH NET BLUE & GOLD HMO

The Health Net Blue & Gold HMO works exactly like the regular Health Net HMO plan: You choose a primary care physician (PCP) who coordinates all of your care. When you need to see a specialist, your PCP refers you to the appropriate provider in the Health Net network. You pay a copayment for most services, other than some preventive care, which has no copayment.

The only differences between the two Health Net plans are the cost of the monthly premiums and the network of providers. The Blue & Gold network was created specifically for UC and includes cost-efficient providers who meet the criteria established by Health Net and approved by the California Department of Managed Health Care. The Blue & Gold network includes about 65 percent of Health Net HMO's physician network and hospitals, including all UC medical centers and medical groups.

More than 60 percent of current UC Health Net members use doctors in the Health Net Blue & Gold HMO network. If your providers are in the Health Net Blue & Gold network and you enroll, you'll save the extra premium you'd pay for the full Health Net HMO network.

You must select the Health Net Blue & Gold HMO during Open Enrollment to participate. If you are a current Health Net HMO member and take no action during Open Enrollment, you will remain in the Health Net HMO plan, even if your current doctor and medical group are in the Health Net Blue & Gold HMO plan. To see if your medical providers are in the Health Net Blue & Gold network, visit the Health Net website at www.healthnet.com/uc.

If you prefer the full Health Net HMO network, you still have that choice: same great coverage and low out-of-pocket costs.

ANTHEM LUMENOS PPO WITH HRA

The Anthem Lumenos PPO with HRA combines a high-deductible PPO plan with a UC-provided health reimbursement account (HRA). It is similar to the CIGNA Choice Fund plan, which it replaces. By changing carriers and making some modest plan changes, UC can offer the Anthem Lumenos plan at a lower premium.

Enrollees can choose any medical provider they want, though in-network providers cost less. Members pay 100 percent of the cost, including prescription costs, until they meet their deductible. However, costs are paid automatically from the HRA first, limiting members' out-of-pocket payments. Once they reach the deductible, members pay 20 percent coinsurance for in-network services and 40 percent for out-of-network services.

All preventive care from in-network providers is covered at no charge and HRA funds are not used. If you don't use all of your HRA funds in a year, they roll over to the next year.

The Lumenos plan requires enrollees to take greater control of their health care spending since they pay the full allowable cost—not a copay or coinsurance cost—until they use up the HRA and meet the deductible. Anthem provides online tools, including cost calculators and a care comparison tool, to help manage health decisions and health care spending.

The Anthem Lumenos PPO with HRA is also similar to UC's Anthem Blue Cross PPO plan except for the higher deductible and the HRA. With both plans, members save by using doctors in Anthem's network. Both offer preventive services at no charge and both cover 100 percent of costs if the member reaches the annual out-of-pocket maximum.

More information about the Anthem Lumenos PPO with HRA is available on the Anthem website at: anthem.com/ca/uc.

CHOOSING THE RIGHT MEDICAL PLAN FOR YOU AND YOUR FAMILY

We have tools to help you choose the right plan for you. The chart below gives you a quick overview of the plans.

| UC MEDICAL PLANS | What you generally pay for... | |
|--|-------------------------------|--|
| | MONTHLY PAYCHECK DEDUCTION | COST FOR SERVICES |
| HEALTH NET BLUE & GOLD HMO Must use custom network of providers, except in emergencies | \$\$ | \$ No deductible; you pay a copay for office visits and hospital stays; most other services have no charge |
| ANTHEM LUMENOS PPO WITH HRA May use any doctor without referral from primary care physician; in-network providers cost less. Health Reimbursement Account covers part of annual deductible before PPO benefits apply | \$ | \$\$\$ You pay nothing until Health Reimbursement Account is used up; then you have high out-of-pocket costs until deductible is met. You pay a coinsurance thereafter |
| ANTHEM BLUE CROSS PLUS Use a network doctor for highest benefits, however, out-of-network benefits are available | \$\$\$ | \$\$ Annual deductible for out-of-network services only and fewer out-of-pocket expenses for in-network services |
| ANTHEM BLUE CROSS PPO May use any doctor without referral from primary care physician; in-network providers cost less | \$\$\$ | \$\$\$ Annual deductible and higher out-of-pocket expenses |
| CORE You may use any doctor | \$0 | \$\$\$+ Except for certain preventive services, you pay the full cost until you reach the \$3,000 deductible then 20% |
| HEALTH NET HMO Must use network providers, except in emergencies | \$\$\$ | \$ No deductible; you pay a copay for office visits and hospital stays; most other services have no charge |
| KAISER PERMANENTE—CA Must use network providers, except in emergencies | \$ | \$ No deductible; you pay a copay for office visits and hospital stays; most other services have no charge |
| WESTERN HEALTH ADVANTAGE Must use network providers, except in emergencies | \$ | \$ No deductible; you pay a copay for office visits and hospital stays; most other services have no charge |

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. ANTHEM is registered trademark of Anthem Insurance Companies, Inc. The Blue Cross names and symbols are registered marks of the Blue Cross Association.

On the At Your Service Open Enrollment website you'll also find:

Medical Plan Chooser—An interactive tool that helps you find the best medical plan for you based on your personal profile and preferences.

Tips for choosing a medical plan that's right for you.

Links to each medical plan's website with information about how the plan works; doctors, hospitals and specialists in the plan; and much more.

| FOR PRESCRIPTION DRUGS GENERIC/BRAND/NON-FORMULARY | BEST FIT FOR PEOPLE WHO: |
|---|---|
| Retail (30-day supply) \$5/\$20/\$35 Mail order (up to 90 days) \$10/\$40/\$70 | <ul style="list-style-type: none"> • Want low premiums and cost per service • Are comfortable with HMO model: primary care physician manages care; no out-of-network coverage • Are content with the selection of community providers |
| Full cost up to deductible; then 20% at in-network pharmacies, 40% at non-network pharmacies | <ul style="list-style-type: none"> • Want lower premium and broad access to providers • Are willing to take an active role in managing care and costs • Are able to risk incurring greater out-of-pocket costs |
| Retail (30-day supply) \$10/\$25/\$40 Mail order (up to 90 days) \$20/\$50/\$80 | <ul style="list-style-type: none"> • Want no deductible and fixed copay for in-network services • Are willing to pay higher premium for access to out-of-network providers • Accept primary care physician model for in-network care |
| Retail (30-day supply) \$10/\$25/\$40 Mail order (up to 90 days) \$20/\$50/\$80 | <ul style="list-style-type: none"> • Are willing to pay higher premiums and cost per service for provider choice • Want direct access to all providers without need for referrals • Want access to in and out-of-network providers |
| Full cost until you reach the \$3,000 deductible then 20% | <ul style="list-style-type: none"> • Want to pay no monthly premium • Want protection for catastrophic care • Are willing to risk incurring high out-of-pocket costs • Want direct access to all providers without need for referrals |
| Retail (30-day supply) \$5/\$20/\$35 Mail order (up to 90 days) \$10/\$40/\$70 | <ul style="list-style-type: none"> • Accept higher premium to get access to wider network of providers • Want lower cost per service • Are comfortable with HMO model: primary care physician manages care; no out-of-network coverage |
| Kaiser (30-day supply) \$5/\$20/NA Mail order (31-100 days) \$10/\$40/NA (Other copays may apply) | <ul style="list-style-type: none"> • Want low premiums and cost per service • Are comfortable with getting medical care only within the Kaiser system |
| Retail (30-day supply) \$5/\$20/\$35 Mail order (up to 90 days) \$10/\$40/\$70 | <ul style="list-style-type: none"> • Want low premiums and cost per service • Are comfortable with HMO model: primary care physician manages care; no out-of-network coverage |

\$ lowest costs in relation to all plans

\$\$ mid-range of costs in relation to all plans

\$\$\$ highest costs in relation to all plans

YOUR MEDICAL PLAN COSTS

UC continues to pay the greater portion of monthly medical plan premiums — on average 87.4 percent of the total cost. You pay the balance as shown in the tables on this page and the next. Your costs are determined by your full-time salary rate as of January 1, 2010. It does not include any salary reduction as a result of the furlough program or any pay increases you might have received later in 2010. See page 10 for additional information regarding premiums for represented employees.

| For those with full-time salary rate of \$47,000 or less | SELF | SELF + CHILD(REN) | SELF + ADULT | SELF + ADULT + CHILD(REN) |
|--|----------|-------------------|--------------|---------------------------|
| Anthem Blue Cross PLUS | \$77.49 | \$139.48 | \$205.60 | \$267.59 |
| Anthem Blue Cross PPO | 93.32 | 167.98 | 238.85 | 313.49 |
| Anthem Lumenos PPO w/ HRA | 7.45 | 13.41 | 17.02 | 21.61 |
| Core | 0 | 0 | 0 | 0 |
| Health Net Blue & Gold HMO | 21.21 | 38.18 | 87.41 | 104.38 |
| Health Net HMO | 74.40 | 133.92 | 199.11 | 258.63 |
| Kaiser Permanente-California | 7.45 | 13.41 | 15.65 | 21.61 |
| Kaiser Umbrella (closed to new members)* | 114.62 | 206.32 | 283.57 | 375.27 |
| Western Health Advantage (WHA) | 7.45 | 13.41 | 15.65 | 21.61 |
| For those with full-time salary rate of \$47,001 to \$93,000 | SELF | SELF + CHILD(REN) | SELF + ADULT | SELF + ADULT + CHILD(REN) |
| Anthem Blue Cross PLUS | \$110.64 | \$199.15 | \$281.28 | \$369.79 |
| Anthem Blue Cross PPO | 126.47 | 227.65 | 314.53 | 415.69 |
| Anthem Lumenos PPO w/ HRA | 40.60 | 73.08 | 92.70 | 123.81 |
| Core | 0 | 0 | 0 | 0 |
| Health Net Blue & Gold HMO | 54.36 | 97.85 | 163.09 | 206.58 |
| Health Net HMO | 107.55 | 193.59 | 274.79 | 360.83 |
| Kaiser Permanente-California | 40.60 | 73.08 | 91.33 | 123.81 |
| Kaiser Umbrella (closed to new members)* | 147.77 | 265.99 | 359.25 | 477.47 |
| Western Health Advantage (WHA) | 40.60 | 73.08 | 91.33 | 123.81 |

* Includes members from Kaiser Permanente Mid-Atlantic

This pay band structure for medical plan premiums has been used since 2004; it enables UC to provide larger monthly employer contributions for employees earning less to help reduce monthly premiums for them.

The pay bands have been re-indexed to reflect the increase in the California Consumer Price Index (CPI) from 2009 to 2010.

| For those with full-time salary rate of \$93,001 to \$140,000 | SELF | SELF + CHILD(REN) | SELF + ADULT | SELF + ADULT + CHILD(REN) |
|---|----------|-------------------|--------------|---------------------------|
| Anthem Blue Cross PLUS | \$144.66 | \$260.39 | \$349.10 | \$464.83 |
| Anthem Blue Cross PPO | 160.49 | 288.89 | 382.35 | 510.73 |
| Anthem Lumenos PPO w/ HRA | 74.62 | 134.32 | 160.52 | 218.85 |
| Core | 0 | 0 | 0 | 0 |
| Health Net Blue & Gold HMO | 88.38 | 159.09 | 230.91 | 301.62 |
| Health Net HMO | 141.57 | 254.83 | 342.61 | 455.87 |
| Kaiser Permanente-California | 74.62 | 134.32 | 159.15 | 218.85 |
| Kaiser Umbrella (closed to new members)* | 181.79 | 327.23 | 427.07 | 572.51 |
| Western Health Advantage (WHA) | 74.62 | 134.32 | 159.15 | 218.85 |
| For those with full-time salary rate of \$140,001 or more | SELF | SELF + CHILD(REN) | SELF + ADULT | SELF + ADULT + CHILD(REN) |
| Anthem Blue Cross PLUS | \$179.88 | \$323.79 | \$419.36 | \$563.26 |
| Anthem Blue Cross PPO | 195.71 | 352.29 | 452.61 | 609.16 |
| Anthem Lumenos PPO w/ HRA | 109.84 | 197.72 | 230.78 | 317.28 |
| Core | 0 | 0 | 0 | 0 |
| Health Net Blue & Gold HMO | 123.60 | 222.49 | 301.17 | 400.05 |
| Health Net HMO | 176.79 | 318.23 | 412.87 | 554.30 |
| Kaiser Permanente-California | 109.84 | 197.72 | 229.41 | 317.28 |
| Kaiser Umbrella (closed to new members)* | 217.01 | 390.63 | 497.33 | 670.94 |
| Western Health Advantage (WHA) | 109.84 | 197.72 | 229.41 | 317.28 |

* Includes members from Kaiser Permanente Mid-Atlantic

NEW ELIGIBILITY RULES FOR CHILDREN

As a result of health care reform measures passed by Congress in March 2010, children up to age 26 are now eligible to be covered under your UC-sponsored medical insurance. In addition, UC has modified its eligibility rules to cover children up to age 26 in all other UC insurance plans that provide coverage for children: dental, vision, legal, AD&D and dependent life insurance.

These changes apply to:

- Your natural or adopted child
- Your stepchild
- Your domestic partner's child
- Your grandchild, step-grandchild or domestic partner's grandchild

Your children, stepchildren and domestic partner's children have no other eligibility restrictions. They may be married, living independently, be eligible for their own employer coverage and need not be your tax dependent or supported by you.

Grandchildren, step-grandchildren, and domestic partner's grandchildren, however, must be:

- living with you
- supported by you or your spouse/domestic partner (50%+)
- claimed as a tax dependent by you or your spouse/domestic partner

It is important to add your children to your plans during Open Enrollment to be sure they are covered effective January 1, 2011.

If your children turned age 23 at any time in 2010 and were/will be de-enrolled from your plans, you must add them back in during Open Enrollment. **UC will not add them back automatically.** Use the Open Enrollment application on At Your Service to add your children to your medical, dental, vision and legal plans.

Legal wards will continue to lose eligibility at age 18.

For AD&D and dependent life, you must complete the appropriate section of the UPAY 850 enrollment form to add your adult children.

These changes, except for adding children up to age 26 to medical plans, are subject to collective bargaining. See page 10 for more information.

For complete eligibility information, see the *Group Insurance Eligibility Factsheet*, available on At Your Service.

OTHER PLAN CHANGES

Legal Plan Is Open for Enrollment

You can enroll in the ARAG Legal Plan this year. See the Open Enrollment website for information about rates, which remain the same, and plan enhancements.

StayWell Incentive Program

StayWell is UC's wellness initiative for employees and their adult family members enrolled in most UC-sponsored medical plans. It features an annual health assessment, online health resources, interactive tools, and wellness coaching.

In 2011, employees and their spouse/domestic partner will be eligible for an incentive award if they complete the Health Assessment and a follow-up activity. The incentive award for employees is a \$100 gift certificate and for spouses/domestic partners it is a \$50 certificate.

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. Employees represented by some UC unions are not eligible for StayWell because participation has not been agreed to on behalf of their members during the collective bargaining process.

Flexible Spending Accounts

Open Enrollment is the time to enroll or re-enroll in Dependent Care and/or Health Flexible Spending Accounts. Consider enrolling if you expect your 2011 out-of-pocket expenses to be between \$180 and \$5,000. You must re-enroll during Open Enrollment if you wish to participate in 2011.

For 2011, over-the-counter medicines without a prescription are not eligible for Health FSA reimbursement.

FSAs offer:

- **A planned approach to paying expenses** — You set aside money that you will have to pay anyway in a pre-tax account that can be used to cover eligible expenses.
- **Affordable pre-tax contributions** — You contribute an equal portion of the total annual amount to your account by pretax deductions each month.

Consider enrollment carefully since any money you do not claim by April 15, 2012, will be lost.

The Health FSA benefit card will be changing. The FSA section of the Open Enrollment website provides additional details and links to FSA calculators to help you estimate the amount you should contribute and your potential tax savings.

Reduced Premiums for Supplemental Life, AD&D

Premiums for employee-paid supplemental life insurance and accidental death and dismemberment insurance will be lower in 2011. The Supplemental Life Plan is not open for enrollment, but those who currently participate will see reductions in their premiums beginning with their January 1, 2011 paycheck (December 2010 for bi-weekly). You can enroll in the AD&D Plan at any time.

THINGS TO CONSIDER

Get More Information Online

You'll find more information online to help you make your Open Enrollment decisions. Go to the At Your Service website (atyourservice.ucop.edu) and select the Open Enrollment icon. Then you can:

- Read about new medical plans, changes to existing plans, plan rates and other important information.
- Read about changes in eligibility, including how to add eligible adult children, up to age 26, to your plans.
- Use the Medical Plan Chooser to help you find the medical plan best suited to you and your family.
- Find contact information and website links for plan carriers, including links to the medical plans' physician directories.
- Sign in to your personal account to make Open Enrollment changes.

Do you Live Outside California?

You'll find a special section online that gives details about your medical plan choices for 2011 if you live outside California: Anthem Blue Cross PPO, Anthem Lumenos PPO with HRA (U.S. residents only), and Core.

Transitioning from one plan to another

If you want to change your medical plan during Open Enrollment and you or a family member is pregnant, scheduled for surgery/other medical procedure or continuing treatment in late 2010, call the new plan and ask how they will oversee the transition of your care.

If You or a Family Member Become Eligible for Medicare in 2011

If you continue working at UC past age 65, you are not required to sign up for Medicare Part A or Part B. Any family member covered by your plan who becomes eligible for Medicare may also defer signing up for Medicare. When you retire or if you or your covered dependents lose your employer medical coverage, you must immediately enroll in Medicare. If you do not enroll immediately, Medicare may charge a permanent 10% penalty for each full year you could have had Part B and didn't.

If you plan to retire in 2011, are eligible for retiree health insurance, and expect to enroll in Medicare during the year, consider whether the Medicare version of your medical plan offers the benefits you may want. If not, Open Enrollment is the time to change plans. You will not be allowed to change plans mid-year simply because you have become eligible for Medicare or have elected to retire.

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.

For Medicare information, read the UC Medicare Factsheet, available on the At Your Service website or from your local benefits office.

Family Member Verification

To help ensure that UC does not incur unnecessary premium and claim costs for ineligible family members, UC Human Resources conducts periodic audits of family members enrolled in UC-sponsored health and welfare plans. In addition, any employee with family member(s) enrolled in our group insurance plans must provide, upon request, documentation verifying the relationship between the employee and the family member(s).

If you are audited and found to be covering ineligible family members, you and your family members may 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.

Name Your Beneficiaries

Open Enrollment is a good time to review all of your benefits, including whether your beneficiary designations are up to date. Your beneficiary is the person to whom benefits are payable in the event of your death. It is important to name your beneficiaries to ensure that the assets in your account(s) are left to the survivors you intend.

You can name beneficiaries for your pension, life insurance and/or accidental death and dismemberment benefits online by signing in to your personal account on the At Your Service website. Since you'll be signing in to make Open Enrollment changes, why not check to see if your beneficiaries and their contact information are up to date while you are making your Open Enrollment changes?

To name beneficiaries for your Retirement Savings Program plans—Defined Contribution, 403(b) and/or 457(b)—log in to the Fidelity Retirement Services website (netbenefits.com). Then select "My Profile" and then "Beneficiaries."

You may name the same or different beneficiaries for your various benefits. You also may name more than one beneficiary for a single benefit, such as your life insurance, and specify the percentage that each beneficiary is to receive.

IMPORTANT NOTICES

Notice to employees in collective bargaining units

For represented employees, medical plan contributions and certain eligibility changes that are not mandated by federal law may be subject to collective bargaining negotiations as described below.

Enrollment of Dependents

Changes in federal law require expanded eligibility for medical plan coverage for dependents to age 26. Expanded eligibility to age 26 for non-medical plans is not required by law, and will not become effective for employees in bargaining units with expired collective bargaining agreements until the university and union representatives reach agreement or the eligibility changes are made in accordance with the requirements of HEERA.

Specifically, only medical plan coverage to age 26 will be provided, per federal requirements. The following changes are subject to the bargaining process:

- **Extension of dependent coverage to age 26 for dental, vision and other voluntary plans;**
- **Coverage to age 26 for medical, dental, vision and other voluntary plans for children of same-sex spouses/domestic partners, all grandchildren and step-grandchildren.**

Coverage for dependents for these plans and dependent types will remain unchanged and end at age 23 until the university and union representatives reach agreement or the expanded eligibility is in effect in accordance with the requirements of HEERA.

Employee Contributions

Changes in employee contributions to existing plans for 2011 will not become effective for employees in bargaining units with expired collective bargaining agreements until the university and union representatives reach agreement or until the rates are in effect, in accordance with the requirements of HEERA.

Information about the medical plan options on the Open Enrollment website and in written communications to all employees during Open Enrollment reflect the 2011 contribution rate for all participants.

Employees in bargaining units with expired collective bargaining agreements can make enrollment changes during Open Enrollment. They will be charged the applicable employee contribution rate for their bargaining unit until the University and the unions' representatives reach agreement or until the rates are in effect, in accordance with the requirements of HEERA.

Terms and Conditions

The Terms and Conditions governing participation in UC-sponsored health and welfare plans can be found on the Open Enrollment website: atyourservice.ucop.edu

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.

Other notices 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 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 also available online.

Medicaid and the Children's Health Insurance Program (CHIP) Offer Free Or Low-Cost Health Coverage To Children And Families

If you are eligible for health coverage from UC, but are unable to afford the premiums, some states have premium assistance programs that can help pay for coverage. These states use funds from their Medicaid or CHIP programs to help people who are eligible for employer-sponsored health coverage, but need assistance in paying their health premiums.

If you or your dependents are already enrolled in Medicaid or CHIP, you can contact your state Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, you can contact your state Medicaid (Medi-Cal in California) or CHIP office or visit www.insurekidsnow.gov or dial 1-877-KIDS-NOW to find out how to apply. If you qualify, you can ask the state if it has a program that might help you pay the premiums for a UC-sponsored plan.

Once it is determined that you or your dependents are eligible for premium assistance under Medicaid or CHIP, you have the right to enroll yourself and your dependents in the plan — as long as you and your dependents are eligible, but not already enrolled in a UC plan. This is called

a “special enrollment” opportunity, and you must request coverage within 60 days of being determined eligible for premium assistance.

If you live in California, you can contact the California Medicaid (Medi-Cal) office for further information on eligibility at:

Website:

http://www.dhcs.ca.gov/services/Pages/TPLRD_CAU_cont.aspx

Phone: 1-866-298-8443

If you live outside of California, please visit the UC Open Enrollment website (atyourservice.ucop.edu/open_enrollment/docs/chipra.pdf) for a list of states that currently provide premium assistance. The list is effective as of April 16, 2010, and includes contact information for each state listed.

To see if any more states have added a premium assistance program since April 16, 2010, or for more information on special enrollment rights, you can contact:

**U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Services**

www.cms.hhs.gov

1-877-267-2323, Ext. 61565

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. For more information, employees should contact your Human Resources Office and retirees should call Customer Service (1-800-888-8267).

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 Associate Director of Academic Personnel, University of California Office of the President, 1111 Franklin Street, Oakland, CA 94607.

University of California
Human Resources
P.O. Box 24570
Oakland, CA 94623-1570

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October 25, 8am — November 23, 5pm

UC is making significant changes this year.
You have choices to make and actions to take.

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UNIVERSITY OF CALIFORNIA
FACULTY AND STAFF

October 25, 8am — November 23, 5pm

2011 New Medical Plans
Health Care Reform Changes