

Open Enrollment for 2010 Benefits

UAMS Office of Human Resources (OHR), 686-5650, www.uams.edu/ohr, "Benefit Open Enrollment"

MEDICAL AND DENTAL

Good news! The University of Arkansas is having open enrollment for its medical and dental plans for the first time in three years. This is the time to make changes. Open enrollment is not offered every year and future open enrollment periods are not guaranteed.

Through December 18, 2009 you can make these changes:

- Enroll in Medical and/or Dental if you are not currently participating**
- Add eligible dependents that are not currently covered**
- Change between Classic & Point of Service medical plans**
If you live out of state, contact out office about the Alternative Point of Service plan.

Changes would take effect January 1, 2010. If you're not making any changes, no action required.

IMPORTANT!! Once the open enrollment window closes on December 18, you cannot make future changes to your medical or dental coverage unless you are within 31 days of a "qualifying event." Qualifying events include: gaining a new dependent (marriage, birth, adoption); loss of dependent (divorce, legal separation, death); involuntary loss of public assistance coverage (Medicaid, ARKids); or spouse losing eligibility for coverage through their employer (job loss). Changes would take effect the first of the following month, except a newborn is covered retroactively to date of birth.

You will receive more detailed information about Medical and Dental open enrollment in your campus mailbox. Forms and detailed information will also be available on our website, www.uams.edu/ohr.

Insurance rates are not changing January 2010 for monthly-paid employees. However, if you are paid biweekly, you may see a slight increase in your insurance deductions. Remember, there was an extra 27th paycheck in 2009 which slightly reduced premium deductions starting January 2009. Employees pay the same annual premium, spread out over the number of paychecks in the year. The normal "26 paychecks per year" biweekly schedule resumes in January 2010.

There are no changes to your copay, deductible or coinsurance amounts at this time.

Which medical plan should you be in – Classic or POS?

Compare costs and coverage of the two plans when making your decision.

The Classic plan is very similar to an HMO. Benefits are restricted to in-network QualChoice physicians and providers. There are no benefits paid for services provided out of the QualChoice network except medical emergencies while traveling. Little Rock hospitals in the network are UAMS, St. Vincent and Children's Hospital.

The POS plan is a "dual option plan." The in-network benefits are the same as in the Classic plan, with the exception of some minor TMJ coverage under the POS plan. But you also have benefits if you go to a provider outside the QualChoice network, although you would have higher cost-sharing than if you went in-network. Before electing to go to an out-of-network provider, you should contact QualChoice in advance and request an estimate of your out-of-network costs. If you have a child attending school or living in another state (without access to in-network providers), you might consider electing the POS plan.

CHECK YOUR DEPENDENT'S ELIGIBILITY

Please make sure you're covering family members that are truly eligible. Notify our office immediately to drop a dependent that becomes ineligible, as this will not be done automatically for you. Your premium costs will not change until you submit drop forms to our office. Family members who become ineligible dependents will be offered continuation of coverage under COBRA.

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YES, you can cover...	NO, you cannot cover...
✓ Legal spouse (as recognized in Arkansas)	✗ Divorced ex-spouse, common law spouse, domestic partner, boyfriend, girlfriend, fiancée
✓ Your natural children	✗ Children who are age 19 or older who are not in school full-time; children who are married
✓ Stepchildren who live with you in your home	✗ Your spouse's children who do not live in your home
✓ Children you have legally adopted	✗ Grandchildren, nieces, nephews (unless you legally adopt them and the parent of the child does not live with you)

If your child is age 19-24, you'll need to provide full-time student verification to QualChoice and Delta Dental each semester. Use the "Student Status Verification" form on our website to do this proactively, before claims are denied.

VISION

Superior Vision is offering open enrollment for the current vision plan and a new "Enhanced" plan option. The new Enhanced plan has higher eyeglass frame/lens allowance than the Basic plan.

Through December 18, 2009 you can make these changes:

- Enroll in Vision if you are not currently participating
- Add eligible dependents that are not currently covered
- Change to the new Enhanced vision plan
- Drop or remove family from current vision coverage

Forms are available in Human Resources and on our website. Changes would take effect 1/1/2010. If you want to keep your current Basic coverage, you don't need to do anything.

Who should sign up for Vision? The vision plan is really intended for individuals who wear glasses or contacts. The plan helps lower your out-of-pocket costs when you purchase frames, lenses or contacts. Vision covers a basic eye exam under a \$10 copay, but it does not cover medical problems associated with your eyes – those would be covered under our medical plan, which also covers an eye exam (\$25 copay).

Following is a brief description of the benefits and costs when you access your vision benefits through a provider in Superior Vision's network, which includes our own Jones Eye Institute and several local optometrists and eyewear retailers. For more detailed information on vision benefits, please visit www.uams.edu/ohr and select "Benefits", then "Vision." Since Vision is a benefit you likely would only use once a year, make sure you visit a provider in the Superior Vision network to enjoy the best benefit. To do a search, visit their website at www.superiorvision.com. Or contact Superior Vision at 1-800-507-3800.

These benefits are the same for either vision plan:

- \$10 copay for eye exam
- \$25 copay for contact lens fitting exam
- \$20 copay for eyeglass frames and lenses (different allowances and exceptions are noted below)
- You can use your allowance for contacts instead of eyeglasses.

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These are the differences between the two vision plans:

BASIC PLAN			ENHANCED PLAN		
<ul style="list-style-type: none"> • Frame replacement every 2 years • Frame allowance up to \$120 retail • Progressive no-line not covered • UV and scratch coatings not covered 			<ul style="list-style-type: none"> • Frame replacement every year • Frame allowance up to \$150 retail • Progressive no-line covered up to \$120 • UV and scratch coatings covered 		
BASIC RATES			ENHANCED RATES		
	Monthly	Biweekly		Monthly	Biweekly
Employee Only	\$ 5.66	\$ 2.61	Employee Only	\$ 11.62	\$ 5.36
Employee + Spouse	\$ 11.22	\$ 5.18	Employee + Spouse	\$ 22.98	\$ 10.61
Employee + Child(ren)	\$ 10.98	\$ 5.07	Employee + Child(ren)	\$ 22.52	\$ 10.30
Employee + Family	\$ 16.70	\$ 7.71	Employee + Family	\$ 34.24	\$ 15.80

PRE-TAX PREMIUM CONVERSION

Enjoy tax savings by paying your medical, dental and vision premiums on a pre-tax basis. You can increase your take-home pay by paying your premiums with your earnings before the government takes out Federal, State and FICA (Social Security and Medicare) taxes. Most employees elect this benefit.

Through December 18, 2009 you can make these changes:

- Change to "pre-tax" (or change to after-tax if you are currently pre-taxing)
- Drop Medical, Dental or Vision if you pre-tax your premium deductions and have been waiting for the end of the tax year to drop coverage

Forms are available in Human Resources and on our website. Changes would take effect your first paycheck of 2010. That means if you are dropping coverage, it would end December 25 if you are paid biweekly, December 31 if you are paid monthly (to coincide with end of the pay period).

If you don't want to make any changes, no action is necessary.

Please be aware of the slight risk with Premium Conversion. Once you pre-tax your premium, you are locked into that election for the rest of the tax year. Your deduction and coverage can only be changed during the year if you are within 31 days of an IRS "qualified event." Qualified events are generally related to family changes such as marriage, divorce and birth. You should be comfortable with your coverage and premium deduction before electing the pre-tax option. Insurance premiums paid on a pre-tax basis are not eligible to be listed as itemized medical deductions when you file your taxes.

FLEXIBLE SPENDING ACCOUNTS

(also known as "FSA", "Section 125 plan" or "cafeteria plan")

Consider enrolling in a **health care FSA** if you have out-of-pocket medical expenses like braces, prescription co-pays, insurance co-pays/deductible/coinsurance, or over-the-counter drugs. Consider a **dependent care FSA** if you have daycare expenses. It's a great way to reduce your taxable income. For example, if you're in a 30% tax bracket, it's like saving 30% on these expenses.

If this is your first time to consider enrolling in an FSA, please first view "How FSA's work" at www.uams.edu/ohr (select "Benefits", then "Flexible Spending Accounts"). While FSA's are a great benefit, they do take some work and recordkeeping on your part. It's also best that you have access to a computer so you can receive email notifications from Conexis (our FSA administrator) and log into your account via the Internet.

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You should conservatively estimate how much you're going to spend over the tax calendar year on FSA-eligible items, because any money not spent is forfeited. But don't let "use it or lose it" scare you. Some up-front planning could make this benefit worth your while in tax savings.

From November 18 through December 18, log into www.conexis.org to do the following:

- Enroll in a 2010 health care FSA**
- Enroll in a 2010 dependent care (daycare) FSA**
- Check your 2009 FSA balance (you can do this at any time)**

If you do not have access to a computer to enroll online, contact Human Resources for assistance. FSA's are only good for the tax year. If you are in an FSA now, you must re-enroll to participate in 2010.

Important Dates and Information to FSA participants:

- ... Conexis will issue new benefit cards to health care FSA enrollees in January 2010. With the new Conexis benefit card, you will go to one website to monitor all health care FSA transactions – manual reimbursement claims or card swipes. And access will be real-time; you will be able to see your FSA transactions within seconds of swiping your card. More information will be provided to you in your new Conexis benefit card packet.
- ... Be sure to file your 2009 FSA claims by March 31, 2010. Any money left as of that date will be forfeited. January 1 through March 31 is called the "run out period."
- ... If you haven't spent all of your 2009 FSA money by December 31, you automatically have an extra 75-day grace period to spend it. Purchase a FSA eligible item or service with your own money (not your benefit card) from January 1 through March 15, 2010, file a reimbursement claim, and it will automatically come from any balances remaining in your 2009 account.
- ... It's important to distinguish between the two dates. You need to spend the money (meaning you incur the expense) by March 15. But March 31 is still the deadline to file all your claims and paperwork to Conexis.
- ... ALWAYS keep your receipts for FSA purchases, same as you do your W-2's and other tax records.

LIFE and LONG TERM DISABILITY INSURANCE

There are no changes to our Life and Long Term Disability (LTD) rates or benefits at this time. Your current coverage will automatically carry over into 2010.

Life insurance pays your beneficiary if you die while still employed at UAMS. It is a "term life" policy, meaning your coverage is for the period (or term) you are employed at UAMS. You can also apply for a dependent policy to cover your family where you would be the beneficiary.

Long Term Disability (LTD) insurance replaces 60% of your income if you are disabled and unable to work for more than 6 months. This is important coverage, as the odds are three in 10 that a worker will become disabled before retiring. Visit www.uams.edu/ohr (select Benefits, LTD) to learn more.

While UAMS provides basic LTD and life coverage for employees, you should consider enrolling in the optional coverage. You can apply for the optional coverage at any time of the year; approval is subject to health screening and approval by the carrier, Unum. Forms are available in Human Resources to:

- Apply for more LTD coverage (Optional LTD)**

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- Apply for more life insurance (Optional Life, Dependent Life)**
- Update your beneficiary**
- Drop or reduce Optional Life and/or Dependent Life**

TIP: If your spouse or child is already covered under a UA life policy, you cannot also cover them under your Dependent Life policy.

AD&D INSURANCE

Accidental Death and Dismemberment insurance pays a benefit in the event of accidental death (full benefit) or dismemberment (partial benefit). You can add, change or drop AD&D coverage at any time; changes take effect the following month. Visit www.uams.edu/ohr (select Benefits, AD&D) to learn more. Forms are available in Human Resources to:

- Add, drop, increase or decrease AD&D coverage**
- Update your beneficiary**

VOLUNTARY INSURANCES

Enjoy discounted group rates and the convenience of payroll deduction by contacting these carriers about an individual insurance policy:

- Home/Auto Insurance:** Call Liberty Mutual at 1-800-524-9400 or visit their website at www.libertymutual.com/lm/arkempl.
- Long Term Care Insurance:** Call CNA at 1-877-777-9072 or visit their website at www.ltcbenefits.com (password is UALTC).
- Critical Illness Insurance:** MetLife at www.metlife.com/mybenefits or 1-800-GET-MET8.
NOTE: MetLife held an open enrollment in August, therefore is not offering one at this time. Future open enrollment will be announced by MetLife. New employees have a 60-day window to enroll, subject to underwriting approval.

You'll find a summary of these voluntary benefit plans on our website. Or drop by the Benefits Fair on November 18 to visit with insurance representatives.

SAVING FOR RETIREMENT

The following information applies to employees who are eligible for UAMS contributions to the UA Retirement Plan, which excludes Residents, Housestaff, and employees enrolled in alternative state retirement plans APERS and ARTRS.

The UA Retirement Plan is a defined contribution, combination 403(b) and 457(b) plan. You may choose to invest your retirement savings in either or both of our fund sponsors -- TIAA-CREF and Fidelity.

Having both a 403(b) plan and a 457(b) plan is unique to a public academic institution such as ours. It means you can contribute double the tax-deferred limit set by the IRS. Visit our website, www.uams.edu/ohr (select Benefits, Retirement) to view the "bucket illustration" that shows how your contributions are processed between the two plans and what the limits are for this year. The limits will remain the same in 2010. [Note to faculty who hold joint appointments at the VA: the tax-deferred limit requires you to aggregate your VA and UAMS retirement contributions. Contact our office at 686-5650 for assistance.]

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Are you contributing to your retirement? It is important that you do. Why? Because the retirement income you would receive at retirement is based on the money both you and UAMS contribute to your personal account, plus the earnings on that money. That's why our plan is called a "defined contribution" plan – because benefits are based on the contributions made into the plan by you and the University. Most experts recommend we put aside 15% towards a retirement savings plan.

UAMS contributes a minimum 5% for every eligible employee. While you are not required to make a personal contribution, you are missing out on the University match if you don't also contribute. UAMS will match your contribution, dollar for dollar up to 10%, each paycheck. Therefore you would need to contribute more than 5% to gain the additional match. Per IRS regulations, the maximum UAMS match is \$24,500 this year and in 2010.

If you currently contribute less than 10%, please consider increasing your contribution to 10% so you get the full match. By getting the full match, right away you double your retirement savings. Saving a total of 20% toward your retirement is excellent. Don't pass up "free money!"

Did you know that by saving an extra \$50 a month for 20 years, earning 6%, will give you approximately an extra \$45,000 at retirement? (You would have put in \$12,000, matched by UAMS.) An extra \$100 a month for 20 years, earning 8%, will give you approximately an extra \$114,000 at retirement. (You would have put in \$24,000, matched by UAMS.)

The percent you currently contribute from your paycheck will continue into 2010 and the future, unless you change it. You can change your retirement contribution at any time. Forms are available in our office and on our website to:

- Change the percent you want to contribute from your paycheck**
- Change your fund sponsor between TIAA-CREF and Fidelity**

If you want to change your investment allocation or beneficiary, you need to contact your fund sponsor, TIAA-CREF (1-800-842-2776, www.tiaa-cref.org) or Fidelity (1-800-343-0860, www.fidelity.com). Both fund sponsors also have retirement planning calculators to help you determine if you are saving enough for retirement.

If you plan to retire in the next year or two, please schedule an appointment with a TIAA-CREF or Fidelity counselor. A schedule of their campus visits is posted on our website.

WHAT IF I HAVE QUESTIONS?

Come to the Employee Benefits Fair to talk directly to our benefit vendors. The date is Wednesday, November 18, 9 am to 3:30 pm, in the Education II Building, ground floor.

Check out our website at www.uams.edu/ohr. Click on "**Benefit Open Enrollment**" to access forms. You can also view the same insurance and retirement PowerPoint presentations we use at orientation.

Visit either of our two "front offices": (1) Barton Research Building, room 1R/10, or (2) across from old ER, ground floor of the Central Hospital Building. Our hours are 7:30 to 4:30.

Again, additional enrollment information about our medical and dental plans will be coming to you via campus mail.

We wish you and your family a Happy Thanksgiving, a Merry Christmas and a Joyous New Year!

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