

msu human resources Source

2007 Benefits Open Enrollment Edition

www.hr.msu.edu

Don't Miss MSU Benefits Open Enrollment April 16 through May 7, 2007


If you are an MSU employee and ANY of the following statements are true, then you DO need to participate in Open Enrollment between April 16 and May 7, 2007:



Find out if
YOU
should
participate
in
Open
Enrollment!

More details
inside!

- You currently cover a spouse under your benefits *and you want to continue that coverage during the 2007-08 benefits year.*
- You want to add an eligible dependent to your health, dental or life insurance benefits (or you want to remove someone from your benefits).
- You want to switch health or dental plans for yourself (or yourself and your eligible dependents.)
- You want to change life insurance options for yourself and/or your eligible dependents.

If you have questions about open enrollment that aren't addressed in this *Source*, e-mail your questions to benefitsinfo@hr.msu.edu or call 517-353-4434. For long-distance call toll-free 1-800-353-4434. 

MSU HR Profile: Benefits Accounting

If you are like most MSU faculty, staff and retirees, you likely go through the Benefits Annual Open Enrollment process every year to update your benefits selections without giving a second thought to all the things that need to happen after you make your choices online in order for your benefits decisions to take effect. And that's okay – because there is a great team of people at MSU Human Resources whose job it is to think about those changes after you request them, and make sure they get implemented in a timely and effective manner.

Though most MSU employees and retirees never have reason to interact directly with the Benefits Accounting team, the scope and impact of the team's work is significant – they make important things happen for MSU employees and retirees.

(Continued on Page 3)

New Content on
Pages 17 and 18

S

In this edition:

- **Benefits Accounting Profile**
- Pages 1 and 3
- **Dental and Health Plan Summaries**
- Pages 4-9
- **Health Plan Rates**
- Page 10
- **Caremark Prescription Plan Co-Pays**
- Page 11
- **Open Enrollment Fairs**
- Page 12
- **Privacy Practices Notice**
- Pages 13-15
- **CT Award Nominations**
- Page 16

Advancing Knowledge. Transforming Lives.

AVP Notes . . .



Pamela S. Beemer
Assistant Vice President
for Human Resources

We are pleased to present you with the annual Open Enrollment Edition of *Source*. The following pages are packed with important information about the benefits options available to eligible MSU faculty and staff during the 2007-08 plan year, which runs from July 1, 2007 to June 30, 2008.

The annual Open Enrollment is your chance to re-evaluate and review the coverage options available to you through Michigan State University.

We hope you will take advantage of this opportunity to optimize your benefits selections for yourself and your eligible dependents.

Pam Beemer



Catch the "Blues Cruiser" at the Nisbet Building on April 25

Don't miss the opportunity to climb aboard The Blues CruiserSM from Blue Cross Blue Shield of Michigan (BCBSM). This unique mobile education center pictured below will provide MSU staff with a relaxing environment in which to explore insurance coverage options and enjoy wellness and health care information, free health screenings, giveaways and much more. The Cruiser will be located in the Nisbet Building parking lot on April 25 from 8 a.m. to 4 p.m. For additional information on The Blues Cruiser, please visit www.bcbsm.com/bluescruiser.



PHP is Lowest Cost Plan in 2007-08

The lowest cost plan for faculty and staff for the 2007-08 plan year will again be Physicians Health Plan (PHP). *Support staff* who select a plan other than the lowest cost plan will pay the difference between the two plans on a pre-tax basis (see premium rates on page 10). *Faculty, academic staff and executive management* pay 14 percent of their premiums on a pre-tax basis. In addition, they also pay the difference between PHP and Community Blue PPO if they select the Community Blue PPO.


Change in Premium Threshold for Spousal Coverage

Please note that spouses of MSU employees who have access to coverage through their own employers must purchase the coverage their own employer offers if the annual employee premium cost toward that coverage is \$750 or less. This is a change from the 2006-07 year when the threshold was \$700.

CVS and Caremark Merge

You may have already seen news coverage of a merger between Caremark, MSU's pharmacy provider, and the pharmacy chain CVS. The two companies have officially merged to create a new integrated pharmacy services provider, named CVS/Caremark Corporation.

So what does this merger mean for MSU faculty, staff and retirees? We are not expecting any immediate changes in the way the Caremark prescription drug plan functions. Plan enrollees can continue to use the same prescription ID cards, pharmacies, forms, customer service telephone numbers, Web site addresses and other service features that are currently used.

CVS/Caremark Corporation has assured us they will keep us informed of any future changes in their services. 

Benefits Accounting Profile (Continued)

For instance, every time one of the approximately 15,000 MSU faculty, staff and retirees who work or used to work at MSU makes a change of any kind to their benefits selections, the Benefits Accounting team members are the people who process that change.

Examples of changes the team processes include adding or removing a dependent, changing retirement withholdings and selecting or changing withholding amounts for a flexible spending account.

And though open enrollment is one of the busiest times for processing benefits changes, a day doesn't go by where there aren't many changes to process. This is because MSU employees are continually experiencing life events that require benefits changes such as marriage, birth or adoption, divorce, the death of a spouse, retirement or children transferring from their parents' health insurance to their own insurance.

In addition to processing all the benefits changes requested by faculty, staff and retirees, Benefits Accounting also is responsible for securely transmitting eligibility data to health plan vendors on a weekly basis, processing all payments to health plan vendors, processing billings for COBRA coverage and preparing the necessary information files to ensure that the correct deductions occur for every MSU employee during each MSU payroll. They process about 2,000 bills monthly and also are responsible for balancing accounts receivable and providing a number of reports used for monitoring.

"I like working here because we are always busy and our team works so well together," said Kerry Scutt, administrative assistant I.

Though each team member is responsible for distinct areas in the office, such as transmitting data files or processing certain types of changes, every member of the team is committed to supporting the success of the team as a whole.

"I am privileged to work with a great team," said Becky Proctor, Benefits Accounting supervisor. "I support them, they support me and we are always there for each other."

Though the team members say the work they do can sometimes be repetitive and monotonous, they also say that two important factors keep them focused and productive.

The first factor is the knowledge that the work they do is important to MSU employees and retirees.

"We try to keep a fresh focus," said Jamin Villarreal, administrative assistant I. "When I'm preparing the same sort of data files again and again, I try to remember that many important things wouldn't happen for employees without this data."

Villarreal's team members agree that though their work entails numbers and data, their purpose is



Pictured left to right, front row: Joelle Mulder, Juanita Bopp and Becky Proctor. Pictured left to right, back row: Dennis Lettau, Jamin Villarreal and Kerry Scutt.

supporting the needs of people.

"The most satisfying thing about this work is knowing that we are helping people," said Juanita Bopp, office assistant III.

Team member Joelle Mulder, office assistant III, agrees.

"When we can troubleshoot or help someone resolve an issue so they can get their prescriptions or resolve a billing error, that feels great," said Mulder.

The second factor that all six members of the Benefits Accounting team say keeps them focused and effective is the unity, spirit and family-like atmosphere among team members.

"We have a great work atmosphere here," said Dennis Lettau, HR assistant. "The fact that we all really like each other and have a lot of fun working together helps us to be a very close and effective team." 

Dental Plan Summary of Benefits

DENTAL SERVICE	AETNA DMO	DELTA DENTAL
DIAGNOSTIC AND PREVENTIVE		
Exams	No co-pay	50% co-pay
Cleanings	No co-pay	50% co-pay
X-rays	No co-pay	50% co-pay
Flouride	No co-pay (1 per year under age 16)	50% co-pay
Sealants (to prevent decay of permanent molars for dependents)	\$10 co-pay per tooth	Not covered
Space maintainers	\$80 co-pay (fixed and removable)	50% co-pay (less than age 19)
MINOR RESTORATIVE		
Amalgam (silver) fillings	No co-pay	50% co-pay
Composite (resin) fillings (anterior teeth)	No co-pay	50% co-pay
PROSTHETICS		
Crowns (semi-precious)	\$315 co-pay	50% co-pay
Bridges (per unit)	\$315 co-pay	50% co-pay
Denture (each)	\$320 co-pay	50% co-pay
Partial (each)	\$320 co-pay	50% co-pay
ORAL SURGERY		
Simple extraction	No co-pay	50% co-pay
Extraction - erupted tooth	No co-pay	50% co-pay
Extraction - soft tissue impaction	\$60 co-pay	50% co-pay
Extraction - partial bony impaction	\$80 co-pay	50% co-pay
Extraction - complete bony impaction	\$120 co-pay	50% co-pay
ENDODONTICS		
Root canal - anterior	\$120 co-pay	50% co-pay
Root canal - bicuspid	\$180 co-pay	50% co-pay
Root canal - molar	\$300 co-pay	50% co-pay
Apicoectomy	\$170 co-pay	50% co-pay
PERIODONTICS		
Gingivectomy (per quadrant)	\$125 co-pay	50% co-pay
Osseous surgery (per quadrant)	\$375 co-pay	50% co-pay
Root scaling (per quadrant)	\$60 co-pay	50% co-pay
ORTHODONTICS		
Child (under age 19)	\$1,500 co-pay *	50% co-pay
Adult (age 19 or older)	\$1,500 co-pay *	Not covered
* includes screening exam, diagnostic records, orthodontic treatment and orthodontic retention.		
DENTAL PLAN MAXIMUMS		
Annual	No maximum	\$600 maximum
Lifetime Orthodontics	No maximum	\$600 maximum
The plan summary on this page is intended to help you compare your options. It is not intended to be a full description of coverages.		

Online Enrollment Steps

To participate in open enrollment, take the following steps between April 16 and May 7, 2007:

1. Go to www.hr.msu.edu on the Web
2. Click on "eHR" link
3. Enter your MSU NetID and Password
4. Click on "Benefits Enrollment & Information"
5. Click on "Benefits Enrollment/Changes"
6. Click on "2007 Benefits Open Enrollment" and follow the on-screen instructions

About MSU NetIDs

If you do not have an MSU NetID, please visit <https://netid.msu.edu> on the Web or call the ACNS Help Desk at 517-432-6200. You can also access helpful information at <http://www.help.msu.edu>.

A Note to Mac Users

Due to vendor software limitations, our online open enrollment system is not compatible with Mac computers. If you need access to a PC to complete your open enrollment, visit MSU HR Benefits at 140 Nisbet Building or visit one of the open computer labs on campus. Or, Mac users can contact MSU HR for enrollment assistance at 517-353-4434 or toll-free 1-800-353-4434. We apologize for any inconvenience this creates for Mac users.

Employee Monthly Dental Plan Contributions

PLAN	FULL-TIME (90% - 100%)	3/4 TIME (65%-89.9%)	1/2 TIME (50% - 64.9%)
Delta Dental Single 2 Person Family	Paid by MSU Paid by MSU Paid by MSU	Paid by MSU Paid by MSU \$15.47	Paid by MSU \$4.37 \$30.94
Aetna Single 2 Person Family	Paid by MSU Paid by MSU Paid by MSU	Paid by MSU Paid by MSU \$5.51	Paid by MSU Paid by MSU \$20.98

Health Plans Coverage Summary

Benefit	Community Blue		Physicians Health Plan		BCBSM Transition Plan ⁽³⁾
	In-Network	Out-of-Network	In-Network	Out-of-Network	Mixed Medicare ONLY
PREVENTIVE SERVICES					
Health Maintenance Exam	Covered 100% 1 per calendar year ⁽¹⁾	Not covered	Co-pay: \$15	Not covered	Not covered
Annual Gynecological Exam	Covered 100% 1 per calendar year ⁽¹⁾	Not covered	Co-pay: \$15	Not covered	Not covered
Pap Smear Screening (lab services only)	Covered 100% 1 per calendar year ⁽¹⁾	Not covered	Covered 100%	Not covered	Covered 100%
Mammography Screening	Covered 100% 1 from age 35 to 40 1 per calendar year age 40 and up ⁽²⁾	Covered 80% after deductible	Covered 100%	Covered 80% of eligible expenses after deductible ⁽⁴⁾	Covered 100% 1 from age 35 to 40 1 per calendar year age 40 and up
Contraceptive Devices (IUD, Diaphragm, Norplant)	Co-pay: \$15 ⁽²⁾	Covered 80% after deductible	Co-pay: \$15	Not covered	Not covered
Well-Baby and Child Care Exams	Covered 100% ⁽²⁾	Not covered	Co-pay: \$15	Not covered	Not covered
Immunizations	Covered 100% Through age 16 ⁽²⁾	Not covered	Covered 100%	Not covered	Not covered
Flu Shots	Covered 100% ⁽²⁾	Not covered	Covered 100%	Not covered	Not covered
Fecal Occult Blood Screening	Covered 100% 1 per calendar year age 50 and up ⁽¹⁾	Not covered	Covered 100%	Not covered	Covered 100% 1 per calendar year age 50 and up
Colonoscopy	Covered 100% ⁽²⁾	Covered 80% after deductible	Covered 100%	Not covered	Covered 80% of approved amount after deductible
Flexible Sigmoidoscopy Exam	Covered 100% 1 per calendar year age 50 and up ⁽¹⁾	Not covered	Covered 100%	Not covered	Covered 100% 1 per calendar year age 50 and up
Prostate Exam	Covered 100% 1 per calendar year age 40 and up ⁽¹⁾	Not covered	Covered 100%	Not covered	Covered 100% 1 per calendar year age 40 and up
Prostate Specific Antigen (PSA) Screen	Covered 100% 1 per calendar year age 40 and up ⁽¹⁾	Not covered	Covered 100%	Not covered	Covered 100% 1 per calendar year age 40 and up

The Health Plans Coverage Summary provided in this Source is not a contract. It is intended as an easy-to-read summary to help you compare the various MSU health plan offerings. It describes plan features in general terms and is not a full description of coverages.

Health Plans Coverage Summary (Continued)

	Community Blue		Physicians Health Plan		BCBSM Transition Plan ⁽³⁾
Benefit	In-Network	Out-of-Network	In-Network	Out-of-Network	Mixed Medicare ONLY
PHYSICIAN OFFICE SERVICES (Medically Necessary)					
Office Visits/ Consultations	Co-pay: \$15	Covered 80% after deductible	Co-pay: \$15	Covered 80% of eligible expenses ⁽⁴⁾ after deductible. Prior authorization not required for services in a physicians office.	Covered 80% of approved amount after deductible
EMERGENCY MEDICAL CARE (Approved Diagnosis)					
Hospital Emergency Room	Co-pay: \$100 (waived based on signs and symptoms, accident or if admitted)	Co-pay: \$100 (waived based on signs and symptoms, accident or if admitted)	Co-pay: \$100 (waived based on signs and symptoms, accident or if admitted)	Co-pay: \$100 (waived based on signs and symptoms, accident or if admitted)	Covered 100%
Emergency Room Physician's Services	Co-pay: \$15	Covered 80% after deductible	Covered 100%	Covered 100%	Covered 100%
Urgent Care Center	Co-pay: \$20	Covered 80% after deductible	Co-pay: \$20	Co-pay: \$20	Covered 100%
Ambulance Service	Covered 100% of the approved amount	Covered 100% of the approved amount	Covered 80%	Covered 80%	Covered 80% of approved amount after deductible
DIAGNOSTIC SERVICES					
Laboratory and Pathology Tests	Covered 100%	Covered 80% after deductible	Covered 100%	80% of eligible expenses ⁽⁴⁾ after deductible	Covered 100%
Diagnostic Tests and X-Rays	Covered 100%	Covered 80% after deductible	Covered 100%	80% of eligible expenses ⁽⁴⁾ after deductible	Covered 100%
Radiation Therapy	Covered 100%	Covered 80% after deductible	Covered 100%	80% of eligible expenses ⁽⁴⁾ after deductible	Covered 100%
MATERNITY SERVICES PROVIDED BY A PHYSICIAN					
Pre-Natal and Post- Natal Care	Covered 100%	Covered 80% after deductible	Covered 100%	80% of eligible expenses ⁽⁴⁾ after deductible	Covered 80% of approved amount after deductible
Delivery and Nursery Care	Covered 100%	Covered 80% after deductible	Covered 100%	80% of eligible expenses ⁽⁴⁾ after deductible	Covered 100%

Health Plans Coverage Summary (Continued)

Benefit	Community Blue		Physicians Health Plan		BCBSM Transition Plan ⁽³⁾
	In-Network	Out-of-Network	In-Network	Out-of-Network	Mixed Medicare ONLY
HOSPITAL CARE (Prior authorization may be required)					
Semi-Private Room, General Nursing Care, Hospital Services and Supplies	Covered 100%	Covered 80% after deductible	Covered 100%	80% of eligible expenses ⁽⁴⁾ after deductible	Covered 100%
Inpatient Consultations	Covered 100%	Covered 80% after deductible	Covered 100%	80% of eligible expenses ⁽⁴⁾ after deductible	Covered 100%
Chemotherapy	Covered 100%	Covered 80% after deductible	Covered 100%	80% of eligible expenses ⁽⁴⁾ after deductible	Covered 100%
SURGICAL SERVICES (Prior authorization may be required)					
Surgery and Related Surgical Services	Covered 100%	Covered 80% after deductible	Covered 100%	80% of Eligible expenses ⁽⁴⁾ after deductible	Covered 100%
Voluntary Sterilization	Covered 100%	Covered 80% after deductible	Covered 100%	Not covered	Covered 100%
HUMAN ORGAN TRANSPLANTS (Prior authorization may be required)					
Such as: Liver, Heart, Lung, Pancreas, Heart-Lung, Kidney, Cornea, and Skin and Bone Marrow (subject to program guidelines)	Covered 100%	Covered 80% after deductible	Covered 100%	Not covered	Covered 100%
NCI CLINICAL TRIALS (Prior authorization may be required)					
Stage II and III Breast Cancer, Ovarian Cancer	Covered 100%	Not covered	Covered 100%	Not covered	Covered 100%
ALTERNATIVES TO HOSPITAL CARE					
Skilled Nursing Care (must meet medical necessity guidelines for skilled care)	Covered 100% ⁽⁵⁾ in approved facilities (up to 120 days per calendar year)		Covered 100% (up to 100 days per calendar year)	80% of eligible expenses ⁽⁴⁾ after deductible (up to 100 days per calendar year)*	Covered 100% ⁽⁵⁾ in approved facilities (unlimited days)
Hospice Care	Covered 100% ⁽⁵⁾ in approved facilities, limited to the lifetime dollar maximum, which is adjusted annually		Covered 80%	80% of eligible expenses ⁽⁴⁾ (maximums apply)	Covered 100% ⁽⁵⁾ in approved facilities, limited to the lifetime dollar maximum, which is adjusted annually.

The Health Plans Coverage Summary provided in this Source is not a contract. It is intended as an easy-to-read summary to help you compare the various MSU health plan offerings. It describes plan features in general terms and is not a full description of coverages.

Health Plans Coverage Summary (Continued)

Benefit	Community Blue		Physicians Health Plan		BCBSM Transition Plan ⁽³⁾
	In-Network	Out-of-Network	In-Network	Out-of-Network	Mixed Medicare ONLY
Home Health Care	Covered 100% ⁽⁵⁾ in approved facilities (unlimited visits)		Covered 100% (60 visits per calendar year)	80% of eligible expenses ⁽⁴⁾ after deductible (combined network and non-network benefits limited to 60 visits per calendar year)	Covered 100% ⁽⁵⁾ in approved facilities
Individual Case Management	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%
MENTAL HEALTH CARE AND SUBSTANCE ABUSE TREATMENT (In approved facilities)					
Inpatient Mental Health Care	Covered 100% up to 30 days combined inpatient mental health and substance abuse care	Covered 100% after deductible up to 30 days combined inpatient mental health and substance abuse care	Covered 80% (30 days per calendar year)	Not covered for inpatient mental health	Covered 100%
Inpatient Substance Abuse Care	Covered 50% up to 30 days combined inpatient mental health and substance abuse care	Covered 50% up to 30 days combined inpatient mental health and substance abuse care	Covered 60% for intermediate care for substance abuse Covered 100% for detoxification	Covered 80% of eligible expenses ⁽⁴⁾ after deductible (\$1,000 maximum per calendar year)	Covered 100%
Outpatient Mental Health Care	Covered 50% (in-and out-of-network services have an annual combined maximum of 25 visits)	Covered 50% after deductible (in- and out-of-network services have an annual combined maximum of 25 visits)	Co-pay: \$20 per visit (up to 20 visits per calendar year)	80% of eligible expenses ⁽⁴⁾ after deductible (combined network and out-of-network benefits limited to 20 visits per calendar year) not subject to annual deductible	Covered 50% after deductible (up to 25 visits per year)
Outpatient Substance Abuse Care	Covered 50% (up to the annually adjusted state-mandated dollar amount)	Covered 50% after deductible (up to the annually adjusted state-mandated dollar amount)	Co-pay: \$20 per visit	80% of eligible expenses ⁽⁴⁾ after deductible	Covered (up to the annually adjusted state-mandated dollar amount)
OTHER SERVICES					
Allergy Testing and Therapy	Covered 100%	Covered 80% after deductible	Co-pay: \$15 Injections covered 100%	80% of eligible expenses ⁽⁴⁾ after deductible	Covered 80% of approved amount after deductible
Chiropractic Spinal Manipulation	Co-pay: \$15 (In- and out-of-network services have an annual combined maximum of 24 visits)	Covered 80% after deductible (in- and out-of-network services have an annual combined maximum of 24 visits)	Not covered	Not covered	Covered 80% after deductible up to 20 visits for the first 90 consecutive days, then 2 visits per month
Outpatient Diabetes Management (certified providers)	Co-pay: \$15	Not covered	Co-pay: \$15	Not covered	Covered 100%

Health Plans Coverage Summary (Continued)

Benefit	Community Blue		Physicians Health Plan		BCBSM Transition Plan ⁽³⁾
	In-Network	Out-of-Network	In-Network	Out-of-Network	Mixed Medicare ONLY
Osteopathic Manipulation by a Physician (D.O.)	Co-pay: \$15	Covered 80% after deductible in approved facilities	Co-pay: \$15	Not covered	Covered 80% of approved amount after deductible
Outpatient Physical, Speech, and Occupational Therapy (subject to medical criteria)	Covered 100% (in- and out-of-network services have an annual combined maximum of 60 visits)	Covered 80% after deductible (in- and out-of-network services have an annual combined maximum of 60 visits)	Co-pay: \$15 60 visits per calendar year	80% of eligible expenses ⁽⁴⁾ after deductible (60 combined visits per calendar year)	Covered 100%
Durable Medical Equipment and Medical Supplies	Covered 100% ⁽⁵⁾ of the approved amount		Covered 80%	80% of approved amount after deductible, prior authorization required	Covered 80% of approved amount after deductible
Private Duty Nursing	Covered 50%	Covered 50%	Not covered	Not covered	Covered 50% after deductible
Vision Exams	Not covered	Not covered	Co-pay: \$15	Not covered	Not covered
DEDUCTIBLES, CO-PAYS, AND DOLLAR MAXIMUMS					
Deductibles	None (international services are considered in-network)	\$250 per member/\$500 per family per calendar year (international services are considered in-network; services where no network exists are covered at the in-network level)	None	\$500 per person/\$1,000 family per calendar year	Basic coverage: None Staff: \$100/person, \$200/family per calendar year as noted in chart. Faculty: \$150/person, \$300/family per calendar year as noted in chart
Fixed Dollar Co-pays	As noted in chart	As noted in chart	As noted in chart	Not applicable	Not applicable
Percent Co-pays	As noted in chart	As noted in chart	As noted in chart	As noted in chart	As noted in chart
Dollar Maximums	\$5 million combined lifetime maximum per member for covered services and as noted above for individual services		Unlimited	\$250,000 lifetime maximum	\$5 million combined lifetime maximum per member for covered services and as noted above for individual services
Transplant Maximum	\$1 million maximum per transplant		No maximum	Not covered	\$1 million maximum per transplant

1. Preventive services are covered up to \$250 per member per calendar year. American Cancer Society and U.S. Preventive Service Task Force guidelines are used.

2. Colonoscopies, mammograms, well-baby and child care exams, immunizations, flu shots, and IUD/administration of contraception injections are excluded from the \$250 annual limit.

3. BCBSM Transition Plan is available when there is a mix of Medicare (Part B) and non-Medicare enrolled family members.

4. Eligible expenses are determined in accordance with reimbursement policy guidelines. Eligible expenses are based on the amount health care providers in a certain area usually charge for certain treatments/procedures, and can include a negotiable fee for that service.

5. You may be responsible for the difference between BCBSM's approved amount and the provider's charge when services are rendered by a non-participating provider.

Employee Monthly Health Plan Contributions (Pre-Tax through Payroll Deduction)

PLAN	COVERAGE TIER	FULL-TIME FACULTY ⁽¹⁾	FULL-TIME STAFF	3/4 TIME (65% - 89.9%) FACULTY ⁽¹⁾	3/4 TIME (65% - 89.9%) STAFF	1/2 TIME (50% - 64.9%) FACULTY ⁽¹⁾	1/2 TIME (50% - 64.9%) STAFF
Community Blue PPO with Caremark	Single	\$56.34	\$12.47	\$156.10	\$112.23	\$255.87	\$212.00
	2 person	\$118.30	\$26.17	\$327.83	\$235.70	\$537.36	\$445.23
	Family	\$137.97	\$30.48	\$384.27	\$276.78	\$630.59	\$523.10
Physicians Health Plan (PHP) with Caremark	Single	\$43.87	Paid by MSU	\$143.63	\$99.76	\$243.40	\$199.53
	2 person	\$92.13	Paid by MSU	\$301.66	\$209.53	\$511.19	\$419.06
	Family	\$107.49	Paid by MSU	\$353.79	\$246.30	\$600.11	\$492.62
Blue Cross Blue Shield of Michigan Transition ² with Caremark	2 person, 1 with Medicare	\$45.33	Paid by MSU	\$131.23	\$85.90	\$217.12	\$171.79
	Family, 1 with Medicare	\$61.27	Paid by MSU	\$135.80	\$74.53	\$264.09	\$202.82
	Family, 2 with Medicare	\$59.83	Paid by MSU	\$179.10	\$119.27	\$341.82	\$281.99

Employee Monthly Health Plan Contributions for Part-Time Employees When Hardship Guidelines are Met

PLAN	COVERAGE TIER	3/4 TIME (65% - 89.9%) FACULTY ⁽¹⁾	3/4 TIME (65%-89.9%) STAFF	1/2 TIME (50% - 64.9%) FACULTY ⁽¹⁾	1/2 TIME (50% - 64.9%) STAFF
Community Blue PPO with Caremark	Single	\$56.34	\$12.47	\$56.34	\$12.47
	2 person	\$217.50	\$125.37	\$463.82	\$371.69
Physicians Health Plan (PHP) with Caremark	Single	\$43.87	Paid by MSU	\$43.87	Paid by MSU
	2 person	\$191.33	\$99.20	\$437.65	\$345.52
Blue Cross Blue Shield of Michigan Transition ² with Caremark	2 person, 1 with Medicare	\$131.23	\$85.90	\$217.12	\$171.79

Part-time employees hired prior to July 1, 1998, with single or two-person coverage, may request the monthly hardship contribution for the following reasons: A) If they do not have access to other health coverage through a spouse's group plan, or B) If they are not married and do not have access to other health care coverage from another employer as an active employee or retiree. Forms are available at www.br.msu.edu/HRsite/Forms.

Employee Monthly Health Plan Rider Contributions

PLAN	FAMILY CONTINUATION RIDER FACULTY	FAMILY CONTINUATION RIDER STAFF	SPONSORED DEPENDENT RIDER FACULTY	SPONSORED DEPENDENT RIDER STAFF	SPONSORED DEPENDENT RIDER WITH MEDICARE FACULTY	SPONSORED DEPENDENT RIDER WITH MEDICARE STAFF
Community Blue PPO with Caremark	\$185.10	\$185.10	\$528.33	\$528.33	Not Applicable	Not Applicable
Physicians Health Plan (PHP) with Caremark	\$177.81	\$177.81	\$450.73	\$450.73	\$444.65	\$444.65
Blue Cross Blue Shield of Michigan Transition ² with Caremark	\$124.23	\$124.23	\$355.64	\$355.64	\$379.69	\$379.69

Footnotes: 1 - Refers to faculty, academic staff, and executive management (and includes 14% premium sharing when applicable).

2 - BCBSM Transition Plan is available when there is a mix of Medicare (Part B) and non-Medicare enrolled family members.

Important Things to Note About Open Enrollment . . .

☑ Health Plan Waivers.

MSU continues to offer all regular, 50 percent time or more faculty, academic and support staff an option to waive health care coverage in exchange for a payment of *up to* \$600 per year.

Employees currently covered by another health plan that adequately meets their health care needs may want to consider waiving their MSU health coverage.

It is important to note that employees and spouses who are both employed at MSU are not eligible for the waiver option.

More detailed information about applying for a waiver is available in a set of questions and answers available at www.hr.msu.edu. Log on to eHR and select the Benefits Enrollments and Information link. Next, click on Benefits Enrollment/Changes and then click on the Contacts and FAQs link.

☑ Prescription Coverage.

The prescription drug plan is still administered through Caremark and employees continue to be automatically enrolled for prescription drug coverage in Caremark regardless of the health plan they select (Community Blue PPO, Physicians Health Plan or BCBS Transition Plan.)

The table on this page shows co-pay rates for various types of prescription drugs.

Complete information detailing prescription drug coverage under Caremark is available on the Benefits section of the MSU HR Web site at www.hr.msu.edu.

☑ Covering Dependents.

Coverage for dependents ceases at the end of the calendar year

they turn age 23. Employees may purchase continued coverage for these dependents through a plan rider or COBRA in accordance with applicable eligibility criteria by contacting MSU Human Resources Benefits. See rider premium rates in the chart on page 10.

☑ Ending Coverage.

Health, dental and prescription plan coverage will cease at the end of the month in which a leave of absence, layoff or employment termination is effective (for reasons other than official retirement).

☑ Increasing Your Life Insurance.

During open enrollment, employees who are currently enrolled in Employee-Paid Life Insurance may add the dependent option or increase their life insurance coverage one plan higher without filing an Evidence of Insurability Form (E of I Form.)

Requests to increase more than one level or to change from the fixed


benefit option to the salary indexed option will require enrollment on the Web and an E of I form.

Non-enrolled employees who are 60 days or more past their appointment date can enroll for Employee-Paid Life Insurance, but will need to prove insurability by completing the E of I form (which can be found on the forms section of the MSU HR Web site).

Log on to eHR, and select the Benefits Enrollments and Information Link and then click on Benefits Enrollment/Changes to enroll or change your life insurance enrollments.

☑ Need More Information?

Brochures about all MSU benefits plans and options are available on the Web at www.hr.msu.edu. You can also refer questions via e-mail to benefitsinfo@hr.msu.edu or call the MSU Benefits Service Center at 517-353-4434 or 1-800-353-4434.

Paper brochures on plans are available from the MSU HR Benefits office in room 140 of the Nisbet Building. 

Caremark Prescription Plan Co-Pays

#	Drug Tier	34-Day Supply Co-Pays	90-Day Supply Co-Pays
1.	Generic	\$10	\$20
2.	Formulary Brand	\$20	\$40
3.	Non-Formulary Brand	\$40	\$80
4.	Bio-Tech Drugs	\$50	\$100

90-day supply medications may be filled at MSU Pharmacies or through Caremark mail order.

If you have questions regarding which drugs are covered, please contact Caremark at 1-800-565-7105.

MSU HR: News You Can Use

ANGEL Course Management Upgrade Planned

MSU will be migrating to the new version of ANGEL—ANGEL 7.2—on May 10, 2007. Version 7.2 is substantially different from previous versions. This new release includes fully integrated Learning Outcomes Management to link learning objectives with institutional standards, podcast support, wikis, blogs, and assessment content management tools.

MSU students, faculty, and staff will have an opportunity to preview the new version of ANGEL and learn strategies and techniques on how to prepare for the migration in April 2007. Faculty seminars, traveling presentations, and Libraries, Computing & Technology Training programs will be offered. More information will be available at www.computing.msu.edu and www.angel.msu.edu.

ANGEL course management system is used to supplement traditional classes, for on-line courses, and group activities.

WACFPO Seeks New Committee Members

The Women's Advisory Committee to the Vice President for Finance, Personnel & Operations (WACFPO) is a committee made up of support staff from all bargaining units on campus that function as an advisor to the Vice President.

Their role is to provide Vice President Fred Poston with a wide range of views on issues of concern to MSU's support staff women. Serving on WACFPO is an excellent opportunity to network with employees from various units across campus and to help shape and build the MSU community for present and future workers.

WACFPO is seeking a support staff member at MSU who is:

- A self-starter, motivated to seek solutions
- Interested in modeling quality leadership
- Committed to MSU and its support staff
- Has the ability and desire to participate in monthly meetings
- Willing to promote and practice cultural diversity

If you are interested, contact Jill Cruth at cruth@msu.edu or by phone at 517-353-9091.


Enterprise Business Systems Project Update

MSU has achieved an important milestone in the multi-year process of realizing a new set of human resources and payroll information systems. On March 30, 2007, MSU released a Request for Proposal (RFP) to replace the existing human resources information systems. Eight companies received the RFP for consideration. Finalists in the process will be invited to campus in mid-June.

Michigan Court of Appeals Ruling and Domestic Partner Benefits

The Michigan Court of Appeals recently issued a decision that the Michigan Constitution prohibits public institutions from offering health benefits based on domestic partnership agreements. Michigan State University leadership recently invited MSU employees who have filed same-sex domestic partnership agreements to attend a meeting at which information was presented regarding the issues relating to continuation of same sex domestic partner benefits at MSU. MSU leadership continues to review this issue and additional information will be communicated as it becomes available.

If you have questions related to this issue at MSU, please direct them to:

- Pamela S. Beemer, assistant vice president of Human Resources, at beemer@hr.msu.edu or via phone at 517-884-0101, or
- Dr. Robert F. Banks, associate provost and associate vice president of Academic Human Resources, at rfbanks@msu.edu or via phone at 517-353-5300 

Benefits Fair Dates

MSU Human Resources invites you to a Benefits Fair where you can meet with plan representatives and discuss your questions with MSU Benefits staff. Fairs will be held at the following dates and locations:

April 24, 2007

MSU Union
Parlors B & C
8 a.m. to 4 p.m.

April 25, 2007

Nisbet Building
First Floor
8 a.m. to 4 p.m.

April 26, 2007

International Center
Spartan Rooms B & C
8 a.m. to 4 p.m.

**2007-08 Benefits
Open Enrollment
April 16 to May 7, 2007
at
www.hr.msu.edu**

Michigan State University Human Resources Health Plans NOTICE OF PRIVACY PRACTICES

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

Our Legal Duty

We (Michigan State University and the administrator(s) or insurer(s) of your health benefit plan(s)) are required by applicable federal and state laws to maintain the privacy of your protected health information. This notice describes the protected health information MSU collects, how that information is used, and when and to whom it may be disclosed.

Protected health information is current, past or future information created or received by MSU as part of maintaining the health benefit plans. It relates to the physical or mental condition of a person covered by a health benefit plan, the provision of health care to that person, or payment for the provision of health care to that person. Protected health information generally does not include information that is publicly available or information available in a summarized or group manner. For example, we collect protected health information from you such as name, address, telephone number, social security number, date of birth and related information as part of the enrollment process. The organizations that administer the health benefit plans for MSU – commercial health benefit plans, pharmacy benefits managers, and others – may also collect and exchange additional information such as medical diagnosis and treatment information, but MSU's Human Resources Benefits Office generally does not request copies of such information without your authorization. Protected health information does not include individually identifiable health information contained in education records covered by the Family Educational Rights and Privacy Act, records described in 20 U.S.C. 1232g(a)(4)(B)(iv) and employment records held by MSU.

We are also required to give you this notice about our privacy practices, our legal duties, and your rights concerning your protected health information. We must follow the privacy practices that are described in this notice while it is in effect. This notice takes effect 04/14/03, and will remain in effect until we replace it.

We reserve the right to change our privacy practices and the terms of this notice at any time, provided that applicable law permits such changes. We reserve the right to make the changes in our privacy practices and the new terms of our notice effective for all protected health information that we maintain, including protected health information we created or received before we made the changes. Before we make a significant change in our privacy practices, we will change this notice and send the new notice to our health plan subscribers at the time of the change.

You may request a copy of our notice at any time. For more information about our privacy practices, or for additional copies of this notice, please contact us using the information listed at the end of this notice.

Michigan State University Health Plans

This notice applies to the privacy practices of the group health plans and health insurers or HMOs contracted with or maintained by MSU.

Our Uses and Disclosures of Your Protected Health Information

We use and disclose protected health information about you as follows:

Treatment: We may disclose your protected health information to a health care provider who asks us for it to assist in your treatment. If you are an unemancipated minor, we may disclose your protected health information to your parent, guardian, or other person acting in loco parentis as permitted or required by law.

Payment: We may use and disclose your protected health information to pay claims from doctors, hospitals and other providers for services delivered to you that are covered by your health plan, to determine your eligibility for benefits, to coordinate benefits, to examine medical necessity, to obtain premiums, to disclose whether or not an individual is participating in the group health plan, to issue explanations of benefits to the person who subscribes to the health plan in which you participate, and the like.

Health Care Operations: We may use and disclose your protected health information to rate our risk and determine our premiums for your health plan, to conduct quality assessment and improvement activities, to credential providers, to engage in care coordination or case management, or to manage our business. Summary or aggregate information about the enrollees in your group health plan is also used to obtain premium bids for the health insurance coverage offered through your group health plan or to decide whether to modify, amend or terminate your group health plan and make other decisions related to providing health benefits to the MSU community. The summary or aggregate information may summarize claims history, claims expenses, or types of claims experienced by the enrollees in your group health plan.

We may also contact you or have the administrator of your health benefit plan contact you with information about alternative treatments or other health-related benefits and services that may be of interest to you.

NOTICE OF PRIVACY PRACTICES (Continued)

You and Your Authorization: We must disclose your protected health information to you, as described below in the Individual Rights section of this notice. You may give us written authorization to use your protected health information or to disclose it to anyone for any purpose. If you give us an authorization, you may revoke it in writing at any time. Your revocation will not affect any use or disclosures permitted by your authorization while it was in effect. Without your written authorization, we may not use or disclose your protected health information for any reason except those described in this notice.

Your Family and Friends: We may disclose to a family member, a friend, or other persons you indicate are involved in your care or payment for your care, your protected health information that is directly relevant to their involvement. We may use or disclose your name, location and general condition or death to notify, or help with notification, of a family member, your personal representative, or other persons involved in your care about your situation. If you are present, we will give you the opportunity to object before we disclose your protected health information to these persons. If you are incapacitated or in an emergency, we may disclose your protected health information to these persons if we determine that the disclosure is in your best interest.

Underwriting: We may receive your protected health information for underwriting, premium rating or other activities relating to the creation, renewal or replacement of a contract of health insurance or health benefits. We will not use or further disclose this protected health information for any other purpose, except as required by law, unless the contract of health insurance or health benefits is placed with us. In that case, our use and disclosure of your protected health information will only be as described in this notice.

Although occurring less frequently than the instances above, the law allows MSU to do the following:

Marketing: We may use your protected health information to contact you with information about health-related products and services or about treatment alternatives that may be of interest to you. We may disclose your protected health information to a business associate to assist us in these activities. Unless the information is provided to you by a general newsletter or in person or is for products or services of nominal value, you may opt out of receiving further such information by telling us using the contact information listed at the end of this notice.

Disaster Relief: We may use or disclose your name, location and general condition or death to a public or private organization authorized by law or by its charter to assist in disaster relief efforts.

Death, Organ Donation: We may disclose the protected health information of a deceased person to a coroner, medical examiner, funeral director, or organ procurement organization for certain purposes.

Research: We may use or disclose your protected health information for research purposes, in accordance with certain safeguards.

Public Health and Safety: We may disclose your protected health information to the extent necessary to avert a serious and imminent threat to your health or safety or the health or safety of others. We may disclose your protected health information to a government agency authorized to oversee the health care system or government programs or its contractors, and to public health authorities for public health purposes. We may disclose your protected health information to appropriate authorities if we reasonably believe that you are a possible victim of abuse, neglect, domestic violence or other crimes.

Required by Law: We may use or disclose your protected health information when we are required to do so by law. For example, we must disclose your protected health information to the U.S. Department of Health and Human Services upon request for purposes of determining whether we are in compliance with federal privacy laws. We may disclose your protected health information when authorized by workers' compensation or similar laws.

Process and Proceedings: We may disclose your protected health information in response to a court or administrative order, subpoena, discovery request, or other lawful process, in accordance with specified procedural safeguards.

Law Enforcement: Under circumstances, such as a court order, warrant, or grand jury subpoena, we may disclose your protected health information to law enforcement officials. We may disclose limited protected health information to a law enforcement official concerning a suspect, fugitive, material witness, crime victim or missing person. We may disclose the protected health information of an inmate or other person in lawful custody to a law enforcement official or correctional institution. We may disclose protected health information where necessary to assist law enforcement officials to capture an individual who has admitted to participation in a crime or has escaped from lawful custody.

Military and National Security: We may disclose to military authorities the protected health information of armed forces personnel under certain circumstances. We may disclose to authorized federal officials protected health information required for lawful intelligence, counterintelligence, and other national security activities.

Your Rights

Access: You have the right to review or obtain copies of your protected health information in our possession, with limited exceptions. MSU generally maintains only your eligibility information. You must make a request in writing to obtain access to your protected health information. You may obtain a form to request access by using the contact information listed at the end of this notice. You may also request access by sending us a letter to the address at the end of this notice. If you request copies, we will charge you \$0.25 for each page, \$15.00 per hour for staff time to locate and copy your protected health information, and postage if you want the copies mailed to you.

Disclosure Accounting: You have the right to receive a list of instances in which we, or our business associates, disclosed your

NOTICE OF PRIVACY PRACTICES (Continued)

protected health information for purposes other than for treatment, payment, health care operations, and limited other activities. You are entitled to such an accounting for the 6 years prior to your request, though not earlier than April 14, 2003. We will provide you with the date on which we made a disclosure, the name of the person or entity to which we disclosed your protected health information, a description of the protected health information we disclosed, the reason for the disclosure, and certain other information. If you request this list more than once in a 12-month period, we may charge you a reasonable, cost-based fee for responding to these additional requests. Contact us using the information listed at the end of this notice for a full explanation of our fee structure.

Minimizing Disclosures: You have the right to have any disclosures of protected health information or any requests for health information from any health clearinghouse, health care provider, or other health plan, be made using reasonable efforts to limit the use, disclosure, or request. This right is inapplicable, however, as applied to disclosures to a health provider for your treatment, to you, disclosures or requests made pursuant to your authorization, disclosures made, as required, to the Secretary of Health and Human Services, or to disclosures which are required by law.

Restriction Requests: You have the right to request that we place additional restrictions on our use or disclosure of your protected health information for treatment, payment, health care operations or to persons you identify. We are not required to agree to these additional restrictions, but if we do, we will abide by our agreement (except in an emergency). Any agreement we may make to a request for additional restrictions must be in writing signed by a person authorized to make such an agreement on your behalf. We will not be bound unless our agreement is so memorialized in writing.

Confidential Communication: You have the right to request that we communicate with you in confidence about your protected health information by alternative means or to an alternative location. You must make your request in writing and you must state that the information could endanger you if it is not communicated in confidence as you request. We must accommodate your request if it is reasonable, specifies the alternative means or location, and continues to permit us to collect premiums and pay claims under your health plan, including issuance of explanations of benefits to the subscriber of the health plan in which you participate. An explanation of benefits issued to the subscriber for healthcare that you received for which you did not request confidential communications or about the subscriber or others covered by the health plan in which you participate may contain sufficient information to reveal that you obtained healthcare for which we paid, even though you requested that we communicate with you about that health care in confidence.

Amendment: You have the right to request that we amend your protected health information. Your request must be in writing, and it must explain why the information should be amended. We may deny your request if we did not create the information you want amended or for certain other reasons. If we deny your request, we will provide you a written explanation. You may respond with a statement of disagreement to be appended to the information you wanted amended. If we accept your request to amend the information, we will make reasonable efforts to inform others, including people you name, of the amendment and to include the changes in any future disclosures of that information.

Electronic Notice: If you receive this notice on our web site or by electronic mail (e-mail), you are entitled to receive this notice in paper form. Please contact us using the information listed at the end of this notice to obtain this notice in written form.

Questions and Complaints

If you want more information about our privacy practices or have questions or concerns, please contact us using the information listed at the end of this notice.

If you are concerned that we may have violated your privacy rights, or you disagree with a decision we made about access to your protected health information or in response to a request you made to amend or restrict the use or disclosure of your protected health information or to have us communicate with you in confidence by alternative means or at an alternative location, you may complain to us using the contact information listed at the end of this notice. You also may submit a written complaint to the U.S. Department of Health and Human Services. We will provide you with the address to file your complaint with the U.S. Department of Health and Human Services upon request.

Contact Person: Director of Benefits
Contact Office: Michigan State University
Address: 1407 South Harrison Road, Suite 140 Nisbet Building, East Lansing, MI 48823-5287
Telephone: 517-353-4434
Fax: 517-353-1869

Pamela S. Beemer
Assistant Vice President
for Human Resources

Editor:

Alice Smith
smitha@hr.msu.edu
517-884-0111

Suggestions are Welcome!

Contributors:

Special thanks to the following individuals for their assistance and contributions to *Source*.

Katherine Ball, Tom Block, Patrick Cusick, Chris Hanna, Dawn Hecker, Kris Hynes, Lauren Marinez, Diane Mayers, Jackie Mussell, Jim Nash, Bethany Phillips, Becky Proctor, Renee Rivard, Steve Rummel, Harley Seeley, Nick Smith, Corie Snellenberger, Scott Sowulewski, Jamin Villarreal, Diane Waters, Shelley Wells.

Visit us online at:


www.hr.msu.edu

Seeking Nominations for 2007 CT Award

Is there an outstanding CT in your unit who deserves special recognition for his or her skills, abilities and dedication to excellence? Nominate that special person for the 2007 Clerical Technical Recognition Award! The winner will be profiled in *Source* and will receive the award at a special recognition reception. The winner also will receive a monetary award of \$1,000 in recognition of their outstanding service. Criteria for the award include:

- Respect of their peers and continuous diligence in attending to their daily responsibilities;
- Concern for students, faculty, staff, and colleagues in their respective units, particularly (but not limited to) those assisting overseas U.S. students and faculty, international students, international faculty, etc.;
- Extraordinary and significant contributions to the community or public service;
- Innovative thinking in facilitating unit tasks and responsibilities;

You don't have to be an individual's supervisor to submit a nomination. Individuals may be nominated by any member of the university community. To nominate an individual you will need to complete a nomination form and collect a minimum of two support letters (maximum of five) by MSU colleagues. You may include additional information if it supports the applicant's nomination. You can find the nomination form under the HR News section of the MSU Human Resources Web site at www.hr.msu.edu.

Submit the nomination form and attachments by 5 p.m., May 18, 2007 to: CT Recognition Award Selection Committee, Room 120 Nisbet Building. Questions? Contact Jackie Mussell at 517-884-0114 or mussellj@hr.msu.edu. 

MSU Human Resources
Nisbet Building
1407 S. Harrison Road, Ste. 250
East Lansing, MI 48823-5239

Special ONLINE-ONLY Addition to the Source

Please note the below information was added to the ONLINE edition of the 2007 Open Enrollment Source Newsletter after the paper version was mailed. If you have questions about this information, please contact Patrick Cusick or Renee Rivard in MSU Human Resources Benefits at 517-353-4434 or 1-800-353-4434.

Special Notice Regarding “Other Eligible Individual” Designation

Due to a recent Michigan Court of Appeals decision, Michigan State University is currently prohibited from providing health benefits based on domestic partner agreements to employee groups not covered by the Health Care Agreement between MSU and the Coalition of Labor Organizations. For that reason, you will no longer find benefits options related to “MSU-recognized same-sex domestic partner” in 2007-2008 benefits open enrollment materials. There is now a reference to “Other Eligible Individuals” (OEI). What “Other Eligible Individuals” means for purposes of benefits eligibility varies by employee category, as follows:

What OEI means if you are a union/association-represented MSU employee covered by the Health Care Agreement between MSU and the Coalition of Labor Organizations (CLO):

Employees in this category include those represented by AFSCME, Local 999; AFSCME, Local 1585; Administrative Professional Association, MEA/NEA; Administrative Professional Supervisors Association; Clerical Technical Union; Fraternal Order of Police Sergeant’s Division, Lodge 141; Fraternal Order of Police Non-Supervisory Division, Lodge 141; IATSE, Local 274; and Operating Engineers, Local 547. If you filed a domestic partner agreement with MSU Human Resources and enrolled an MSU-recognized same-sex domestic partner for health and dental benefits, you can continue to cover that individual through the end of the CLO Health Care Agreement on Dec. 31, 2009, which provides benefits through the end of the 2009-10 plan year.

What OEI means if you are a non-represented MSU employee (including faculty, academic staff and executive management) not covered by the Health Care Agreement between MSU and the CLO:

MSU intends to implement a pilot program effective July 1, 2007 that changes the eligibility criteria for enrollment in its health/dental plan(s). If implemented, this temporary program will be reviewed at least annually to determine if it will be continued for the next plan year. The pilot program is scheduled to end at the conclusion of the 2009-2010 plan year. Individuals are strongly encouraged not to forego health and/or dental coverage that may be available to them from other sources. The University reserves the right to suspend this pilot program and to determine how the below-listed eligibility criteria will be applied during the pilot program.

Under the pilot program a non-represented MSU employee who does not already enroll a spouse for health and/or dental benefits may enroll one (1) individual for health and/or dental coverage (“OEI” or “other eligible individual”), but only if ALL of the following eligibility criteria are met:

- The OEI currently resides in the same residence as the employee and has done so for the last 18 continuous months, other than as a tenant;
- The OEI is not a “dependent” of the employee as defined by the IRS; and
- The OEI is not eligible to inherit from the employee under the laws of intestate succession in the State of Michigan (see below).

Continued on Page 18

Special Notice Regarding “Other Eligible Individual” Designation

Continued from Page 17

Children who are qualified and claimed as IRS-defined dependents by an employee’s OEI are also eligible for health and dental benefits if they are members of the employee’s household or a full-time student and they are unmarried and under the age of 19 (up to age 23 if an IRS-defined dependent).

Eligibility to continue coverage for an OEI ceases at the end of the month in which the above criteria are not met. Employees must immediately notify MSU Human Resources Benefits of a change in eligibility status.

The following individuals do not fall within the eligibility criteria for this pilot program:

- Spouse
- Children and their descendents (i.e., children, grandchildren)
- Parents
- Parents’ descendents (i.e., siblings, nieces, nephews)
- Grandparents and their descendents (i.e., aunts, uncles, cousins)
- Renters, boarders, tenants, etc.

What OEI means if you are a current MSU Retiree:

MSU Human Resources has communicated directly with the retirees impacted by this issue. If you are a retiree and you have a question about domestic partner coverage or the Other Eligible Individual (OEI) designation, please contact the MSU Benefits office at 517-353-4434.

Tax Implications of covering an OEI under your benefits:

IRS regulations require the University to tax the fair market value of University-provided health and dental benefits for Other Eligible Individuals. The IRS defines fair market value of a fringe benefit as the amount that an individual would have to pay for the particular fringe benefit in an arm’s length transaction. This means what you would have to pay for an individual policy for your Other Eligible Individual in the open market. Contact MSU Benefits at 517-353-4434 for a chart that can help you determine the taxable amount.

Questions?

If you have questions about this e-mail or domestic partner benefits, please contact Patrick Cusick or Renee Rivard in the MSU Human Resources Benefits Office at 517-353-4434 or 1-800-353-4434.