

# msu human resources Source

2006 Benefits Open Enrollment Edition

RETIREE EDITION

## Don't Miss MSU Benefits Open Enrollment April 17 to May 8, 2006

If you are an MSU retiree and ANY of the following statements are true, then you DO need to participate in Open Enrollment between April 17 and May 8, 2006:



- You currently cover a spouse or an MSU-recognized same-sex domestic partner under your benefits *and you want to continue that coverage during the 2006-2007 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 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](mailto:benefitsinfo@hr.msu.edu) or call 517-353-4434. For long-distance call toll-free 1-800-353-4434. ♿

## Important Information About Medicare Part D

Earlier this year MSU Human Resources mailed all MSU retirees a special notice about Medicare Part D prescription drug plans in which we strongly urged MSU retirees currently covered under the MSU Caremark Prescription Drug Plan NOT to enroll in the Medicare Part D Plan. Since the MSU Caremark Prescription Drug Plan provides MSU Retirees with more comprehensive benefits than the Medicare Part D Program, enrolling in Medicare Part D means that you will pay an additional monthly premium for no additional benefits.

Enrolling in the Medicare Part D program may be helpful to a small percentage of individuals who are able to qualify for special benefits offered to low-income enrollees. You may qualify for these special low-

*(Continued on Page 6)*

*Advancing Knowledge. Transforming Lives.*

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### In this edition:

- What's New in Benefits  
- Page 2
- Open Enrollment Benefits  
Fair Dates and Locations  
- Page 3
- Dental Plan Summaries  
- Page 3
- Health Plan Summaries  
and Comparisons  
- Pages 4 to 10
- Co-pay and Contribution  
Tables  
- Page 11
- Privacy Notice  
- Pages 12 to 15
- Enrollment Steps  
- Page 16

## What's NEW This Year in Benefits . . .

### Caremark Prescription Plan Changes

Changes in the Caremark Prescription Plan for the 2006-2007 benefits plan year include increased co-pays and the addition of a new tier or category for bio-tech drugs. Bio-tech drugs are genetically engineered proteins, enzymes and antibodies that are increasingly being used in the treatment of cancer, autoimmune diseases and other serious conditions. There is a table on page 11 that shows both the current co-pays and the new co-pay structure which takes effect on July 1, 2006.


### Health Plan Changes

- Community Blue and PHP office visit co-pays will increase to \$15 for all retirees.
- Community Blue and PHP urgent care co-pays will increase to \$20 for all retirees.
- Community Blue and PHP emergency room co-pays will increase to \$100 for all retirees. (This co-pay may be waived based on certain signs and symptoms or if you are admitted to the hospital.)
- If your spouse or MSU-recognized same-sex domestic partner is eligible to receive health plan coverage through his or her employer at an annual premium cost of \$700 or less, he or she must enroll in the other employer's health plan in order to maintain coverage under an MSU health plan. (This is an increase from the current threshold amount of \$600.) The other employer's health plan will be the primary coverage for your spouse or MSU-recognized same-sex domestic partner.

### Other Important Information

**The lowest-cost plan for you and your dependents will vary depending on your circumstances. It is important to determine which health plan is the lowest cost plan for you before selecting your health plan. If you choose coverage other than the lowest cost plan, you will need to pay a monthly contribution toward the cost of your health care plan.**

There is a chart on page six that can help you determine what the lowest cost plan is for your particular circumstances and what the rates are for options other than the lowest cost plan. The following guidelines apply:

- PHP will be your lowest cost plan if you, and anyone you cover under your policy, do not have Medicare.
- Blue Cross Blue Shield Traditional will be your lowest cost plan if you, and all others you cover under your plan, have Medicare coverage.
- Blue Cross Blue Shield Transition will be the lowest cost plan for couples and families where there is a mix of Medicare covered and non-Medicare covered individuals included under the plan.
- If you currently cover a spouse or an MSU-recognized same-sex domestic partner under your benefits *and you want to continue that coverage during the 2006-2007 benefits year*, you must participate in open enrollment and complete an Affidavit. This is required every year, regardless of whether or not you are making any changes to your benefits. To understand more about why this is necessary, see a related article on page 11. 

## Dental Plan Summary of Benefits

DENTAL SERVICE	AETNA DMO	DELTA DENTAL
<b>DIAGNOSTIC AND PREVENTIVE</b>		
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	50% co-pay
Space maintainers	\$80 co-pay (fixed and removable)	50% co-pay (less than age 19)
<b>MINOR RESTORATIVE</b>		
Amalgam (silver) fillings	No co-pay	50% co-pay
Composite (resin) fillings (anterior teeth)	No co-pay	50% co-pay
<b>PROSTHETHICS</b>		
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
<b>ORAL SURGERY</b>		
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
<b>ENDODONTICS</b>		
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
<b>PERIODONTICS</b>		
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
<b>ORTHODONTICS</b>		
Child (under age 19)	\$1,500 co-pay	50% co-pay
Adult (age 19 or older)	\$1,500 co-pay	Not covered
<b>DENTAL PLAN MAXIMUMS</b>		
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 coverage. Complete plan information on both Delta Dental and Aetna is available at [www.hr.msu.edu](http://www.hr.msu.edu) under the Benefits link.

## 2006-2007 Benefits Open Enrollment Dates

Benefits Open Enrollment for the 2006-2007 benefits plan year will run from **Monday, April 17 to Monday, May 8, 2006**. 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 25, 2006

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

### April 26, 2006

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

### April 27, 2006

Nisbet Building  
Room 125  
8 a.m. to 4 p.m.

## Retiree Monthly Dental Plan Contributions

PLAN	FULL-TIME (90% - 100%)	3/4 TIME (65%-89.9%)	1/2 TIME (50% - 64.9%)
<b>Delta Dental Single 2 Person Family</b>	Paid by MSU Paid by MSU Paid by MSU	Paid by MSU Paid by MSU \$15.22	Paid by MSU \$9.48 \$30.43
<b>Aetna Single 2 Person Family</b>	Paid by MSU Paid by MSU Paid by MSU	Paid by MSU Paid by MSU \$2.88	Paid by MSU Paid by MSU \$18.09

# Summary of Health Plan Provisions for Retirees

## Effective July 1, 2006

### **Blue Cross Blue Shield of Michigan Traditional Plan (BCBSM)**

This program is only available to retirees when the retiree and all covered family members are enrolled in Medicare.

The plan consists of two parts: a basic benefit portion as well as Master Medical. Basic benefits are paid at 100 percent of the approved fixed fee amount to participating providers. Payment levels from BCBSM for participating and non-participating providers are the same. The Master Medical portion provides partial reimbursement for medically necessary expenses which may not be covered by the BCBSM basic plan (example: days covered for hospital care).

PLEASE NOTE: Any residual charges from non-participating providers from the basic plan above the approved fixed fee amount cannot be submitted to Master Medical for reimbursement.

Master Medical reimbursement begins after a covered individual has met the calendar-year deductible of \$100 (\$200 per family) for support staff or \$150 (\$300 per family) for faculty and academic staff retirees.

Master Medical reimburses 80 percent of eligible claims after the required deductible, and 100 percent after \$1,000 of out-of-pocket expenses with a lifetime maximum of \$1 million.

Outpatient mental health benefits are reimbursed at 50 percent of the reasonable and customary amount (after the deductible) and are limited to 25 visits in a calendar year. For questions about specific coverage details, please call Blue Cross Blue Shield at 1-800-322-4447.

### **Blue Cross Blue Shield of Michigan Transition Plan (BCBSM)**

This plan is only available to retirees when there is a mix of Medicare and non-Medicare enrolled family members on the plan or when there is a sponsored dependent rider with Medicare.

This plan consists of two parts: a basic benefit portion as well as Master Medical. Basic benefits are paid at 100 percent of the approved fixed fee amount to participating providers.

PLEASE NOTE: Any residual charges from non-participating providers from the basic plan above the approved fixed fee amount cannot be submitted to Master Medical for reimbursement.

Master Medical reimbursement begins after a covered individual has met the calendar-year deductible of \$100 (\$200 per family) for support staff or \$150 (\$300 per family) for faculty and academic staff retirees.

Master Medical reimburses 80 percent of usual, customary, and reasonable costs after the required deductible, and 100 percent after \$1,000 of out-of-pocket expenses with a lifetime maximum of \$5 million.

Outpatient mental health benefits are reimbursed at 50 percent (after the deductible) and are limited to 25 visits in a calendar year.

For questions about specific coverage details please call Blue Cross Blue Shield at 1-800-322-4447.

### **Physicians Health Plan (PHP)**

This plan is available to retirees with and without Medicare.

This is a Health Maintenance Organization (HMO) offering services through statewide primary care physicians and referral specialists practicing from their own community offices.

PHP is available to retirees in Clinton, Eaton, Ingham, Isabella, Shiawassee, Gratiot, Montcalm, Ionia, and Saginaw counties.

A complete listing of participating providers for each area is available at MSU Human Resources Benefits, or by phoning PHP's Customer Service Department (517-364-8500 or 800-832-9186).

With PHP, you receive HMO benefits

through participating PHP providers, and you automatically receive supplemental benefits through United HealthCare Insurance Company.

When receiving United HealthCare benefits, it is not necessary to use PHP participating providers.

Most services covered by United HealthCare require prior authorization.

United HealthCare benefits are covered at levels indicated in the charts on the following pages, after satisfying a \$500 deductible per individual or \$1,000 deductible per family per calendar year.

## **Community Blue - PPO**

Community Blue PPO will continue as a health plan option for all retirees without Medicare.

This is a Preferred Provider Organization (PPO) and allows you to choose whether you receive health care services from a Blue Preferred PPO physician (in-network) or to choose any physician (out-of-network).

There is a nationwide network of participating PPO physicians and hospitals which allows you to choose any physician in the network without requiring a referral from a primary care physician.

Choosing an in-network provider will allow members up to \$250 per member in preventive services per calendar year without any co-pay. For out-of-network services there is a \$250 calendar year deductible per person or \$500 per family with higher out-of-pocket costs, usually a 20 percent co-pay. For questions about specific coverage details, please call Blue Cross Blue Shield at 1-800-322-4447.

## **Prescription Drug Plan (Caremark)**

Caremark will continue to provide pharmacy benefit management services to MSU.

- When a non-formulary brand prescription is prescribed and there is no other formulary equivalent, the formulary brand co-pay will apply. (A formulary is a list of approved drugs.)

- An annual \$1,000 single and \$2,000 family maximum limit for retiree out-of-pocket payments will apply per calendar year.

- Co-pays for prescriptions filled according to a “Dispense as Written” physician order will be consistent with the drug dispensed.

## **Health Plan Cost Sharing**

There are differences in cost between the various available health plans. Currently, all active employees and retirees pay the difference in these costs if they choose a higher cost plan. There is a chart on page six to help you determine what will be the lowest cost plan for your circumstances.

## **Spousal and MSU-Recognized Same-Sex Domestic Partner Coverage Note**

To be eligible to enroll in MSU health plan coverage, spouses or MSU-recognized same-sex domestic partners of MSU retirees who have access to coverage elsewhere must purchase single coverage through their own employer if his/her annual premium cost for that coverage is \$700 or less.

## **Additional Information and Questions**

More information about benefits options, including plan brochures, is available at:

[www.hr.msu.edu](http://www.hr.msu.edu).

You can also call the MSU Benefits Service Center with your questions at:

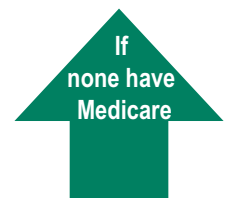
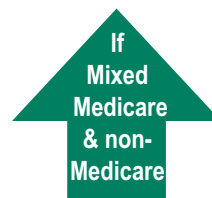
1-800-353-4434

## Monthly Retiree Contributions for 2006-07\*

The below chart can help you determine which health plan options are available to you and the rates that are associated with each plan. After determining which plans are available to you, the tables on the following pages can help you compare some basic information about the coverage offered by each plan.

Coverage Tier	BCBS Traditional	BCBS Transition	Physicians Health Plan (PHP)		Community Blue PPO
			Faculty	Staff	
<b>No Medicare</b>					
Retiree only (not on Medicare)	Not available	Not available	\$0	\$0	\$11.60
2 Person (with no Medicare)	Not available	Not available	\$0	\$0	\$24.37
Family (with no Medicare)	Not available	Not available	\$0	\$0	\$28.39
<b>With Medicare</b>					
Retiree (with Medicare)	\$0	Not available	\$53.94	\$52.50	Not available
2 Person (both with Medicare)	\$0	Not available	\$107.59	\$104.71	Not available
Family (all with Medicare)	\$0	Not available	\$166.55	\$162.23	Not available
<b>Mixed (some with Medicare)</b>					
2 Person Mixed (1 with Medicare)	Not available	\$0	\$197.31	\$195.72	Not available
Family (1 with Medicare)	Not available	\$0	\$192.32	\$192.32	Not available
Family (2 with Medicare)	Not available	\$0	\$94.76	\$94.76	Not available

\* Assumes full university contribution  
- prorated for part-time (see page 11)



## Medicare Part D Information (Continued)


income benefits if you are a single individual with an annual income of \$14,355 or less or a married individual with a household income of \$19,245 or less.

However, if your income exceeds these limits, enrolling in Medicare Part D will require you to pay a monthly premium without offering you any additional benefits than those already available to you through your MSU Caremark prescription drug plan. To cancel your Medicare Part D coverage:

SOURCE Page 6

1. Contact the Medicare office at 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.
2. Ask to speak with the disenrollment office to cancel your Medicare Part D coverage. (Note: please have your Medicare Part D card and any enrollment materials on hand when you call so you can provide the necessary information for Medicare to process your disenrollment.)

3. Confirm at the end of your phone conversation that your Medicare Part D coverage will be cancelled within 30 days.

Find more information about Medicare Part D on the Medicare Web site at [www.medicare.gov/MedicareReform/](http://www.medicare.gov/MedicareReform/) or the MSU HR Benefits office Web site at <http://www.hr.msu.edu/hrsite/Benefits/>. Or, call the MSU Benefits office at 517-353-4434 (locally) or 1-800-353-4434 (toll free in U.S.) 

## Health Plans Coverage Summary

Benefit	BCBS Traditional Plan	BCBS Transition Plan	Physicians Health Plan (PHP)	BCBS Community Blue Plan
<b>PREVENTIVE SERVICES</b>				
Health Maintenance Exam	Not covered	Same as traditional plan	Covered - \$15 co-pay	Covered - 100% 1 per calendar year
Annual Gynecological Exam	Not covered	Same as traditional plan	Covered - \$15 co-pay	Covered - 100% 1 per calendar year (no age restrictions)
Pap smear screening (lab services only)	Covered - 100%	Same as traditional plan	Covered - 100%	Covered - 100% 1 per calendar year
Immunizations	Not covered	Same as traditional plan	Covered - 100%	Covered - 100% through age 16
Flu shots	Not covered	Same as traditional plan	Covered - 100%	Covered - 100%
Hepatitis B Vaccines - for those at risk of contracting the disease.	Not covered	Same as traditional plan	Covered - \$15 co-pay	Not covered
Proctoscopic exam	Covered - 100% 1 per calendar year after age 50	Same as traditional plan	Covered - 100%	Covered - 100% 1 per calendar year after age 50
Fecal Occult Blood Screening	Covered - 100% 1 per calendar year after age 50	Same as traditional plan	Covered - 100%	Covered - 100% 1 per calendar year after age 50
Flexible Sigmoidoscopy Exam	Covered - 100% 1 per calendar year after age 50	Same as traditional plan	Covered - 100%	Covered - 100% 1 per calendar year after age 50.
Prostate Specific Antigen (PSA) Test	Covered - 100% 1 per calendar year after age 40	Same as traditional plan	Covered - 100%	Covered - 100% 1 per calendar year after age 40
Mammography Screening	Covered - 100% 1 baseline ages 35-40, 1 annually after 40	Same as traditional plan	Covered - 100%	Covered - 100% 1 baseline ages 35-40, 1 annually after 40
Well-baby and child care	Not covered	Same as traditional plan	Covered - \$15 co-pay	Covered - 100% (6 visits per birth year for kids from 1 to 24 months; 2 visits per birth year for kids 24 to 48 months; 1 visit per birth year for kids 4 through 15 years.)
<b>PHYSICIAN OFFICE SERVICES</b>				
Office Visits (Medically necessary)	Covered -under Master Medical (MM) - 80% after deductible	Covered - 80% after deductible	Covered - \$15 co-pay	Covered - \$15 co-pay
Outpatient and Home Visits (Medically necessary)	Covered -under Master Medical (MM) - 80% after deductible	Covered - 80% after deductible	Covered - \$15 co-pay	Covered - \$15 co-pay
Office Consultations (Medically necessary)	Covered -under Master Medical (MM) - 80% after deductible	Covered - 80% after deductible	Covered - \$15 co-pay	Covered - \$15 co-pay
Urgent care visits (Physician's office)	Covered -under Master Medical (MM) - 80% after deductible	Covered - 80% after deductible	Covered - \$20 co-pay	Covered - \$20 co-pay (Approved diagnosis)
<b>EMERGENCY MEDICAL CARE</b>				
Hospital Emergency Room (Facility) Must be medically necessary	Covered - 100%	Covered - 100%	Covered - \$100 co-pay (waived based on signs and symptoms, accident or if admitted)	Covered - \$100 co-pay (waived based on signs and symptoms, accident or if admitted)

## Health Plans Coverage Summary (Continued)

Benefit	BCBS Traditional Plan	BCBS Transition Plan	Physicians Health Plan (PHP)	BCBS Community Blue Plan
Emergency Room Physician's Services	Covered - 100%	Covered - 100%	Covered - 100%	Covered - \$15 co-pay (Approved diagnosis)
Ambulance Services - must be medically necessary	Covered - under Master Medical - 80% after deductible	Covered - 80% after deductible	Covered - 80%	Covered - 100% of the approved amount
<b>CLINICAL AND LABORATORY SERVICES</b>				
Laboratory and Pathology Tests - used in the diagnosis and treatment of an illness or injury	Covered - 100%	Covered - 100%	Covered - 100%	Covered - 100%
Diagnostic Tests and X-Rays	Covered - 100%	Covered - 100%	Covered - 100%	Covered - 100%
Radiation Therapy	Covered - 100%	Covered - 100%	Covered - 100%	Covered - 100%
<b>MATERNITY SERVICES PROVIDED BY A PHYSICIAN OR CERTIFIED NURSE MIDWIFE</b>				
Pre-Natal and Post-Natal Care	Covered - under Master Medical (MM) - 80% after deductible	Covered - 80% after deductible	Covered - 100%	Covered - 100%
Delivery and Nursery Care	Covered - 100%	Covered - 100%	Covered - 100%	Covered - 100%
<b>HOSPITAL CARE</b>				
Semi-Private Room, Inpatient Physician Care, General Nursing Care, Hospital Services and Supplies	Covered - 100% up to 365 days, 60-day renewal, additional days under Master Medical at 100%, no deductible	Covered - 100% (unlimited days) Subject to contract lifetime maximum (\$5 million)	Covered - 100% (unlimited days)	Covered - 100% (unlimited days)
Inpatient Medical Care	Covered - 100%	Covered - 100%	Covered - 100%	Covered - 100%
Inpatient Consultation	Covered - 100%	Covered - 100%	Covered - 100%	Covered - 100%
Chemotherapy	Covered - 100%	Covered - 100%	Covered - 100%	Covered - 100%
Hospice Care	Covered - 100%, in approved facilities, limited to the lifetime dollar maximum, which is adjusted periodically	Covered - 100%, limited to the lifetime dollar maximum, which is adjusted periodically	Covered - 80%	Covered - 100%, in approved facilities, limited to the lifetime dollar maximum, which is adjusted periodically
<b>ALTERNATIVES TO HOSPITAL CARE</b>				
Skilled Nursing Care (specific criteria applies)	Covered - 100% up to 730 days for general medical conditions; up to 90 days for mental health care (In approved facilities)	Covered - 100% subject to contract lifetime maximum (\$5 million) In approved facilities	Covered - 100%, up to 100 days per year	Covered - 100%, up to 120 days per year
Home Health Care - medically necessary	Covered - 100%	Covered - 100%	Covered - 100% (60 visits per calendar year)	Covered - 100% unlimited visits
<b>SURGICAL SERVICES PROVIDED BY A PHYSICIAN</b>				
Surgery, includes related surgical services	Covered 100%	Covered 100%	Covered 100%	Covered 100%
<b>MENTAL HEALTH CARE AND SUBSTANCE ABUSE TREATMENT</b>				
Inpatient Mental Health Care and Substance Abuse Care	Mental health care: covered - 100% up to 45 days, 60-day renewal, additional days under Master Medical at 50% after deductible up to 50 days per member per calendar year.  Substance abuse care: Covered - 100% unused mental health care days, no Master Medical benefits	Covered - 100% Subject to Blue Cross review	Inpatient physician: 80% coverage  Inpatient hospital: 80% coverage (30 days per calendar year) for mental health care.  Intermediate care for substance abuse: 60%	Covered 100% (inpatient mental health) Covered - 50% (inpatient substance abuse) up to 30 days combined inpatient mental health and substance abuse care

## Health Plans Coverage Summary (Continued)

Benefit	BCBS Traditional Plan	BCBS Transition Plan	Physicians Health Plan (PHP)	BCBS Community Blue Plan
Outpatient Mental Health Care	Covered - 50% under Master Medical after deductible. Up to 25 visits per calendar year	Covered - 50% after deductible. Up to 25 visits per calendar year	Covered - \$20 co-pay (20 visits per calendar year)	Covered - 50%; in and out-of-network services have a combined maximum of 25 visits
Outpatient Substance Abuse	Covers up to the state mandated annual dollar amount which is adjusted annually	Covers up to the state mandated annual dollar amount which is adjusted annually	Covered - \$20 co-pay per visit (maximums apply)	Covered - 50%; up to the state mandated dollar amount, which is adjusted annually
<b>OTHER SERVICES</b>				
Outpatient Diabetes Management Program (ODMP)	Diabetic Training Covered - 100% Certified provider	Covered - 100% Certified provider	Covered - \$15 co-pay	Diabetic Training covered 100% Certified provider.
Allergy Testing and Therapy with approved diagnosis	Covered under Master Medical 80% after deductible	Covered - 80% after deductible	Covered - \$15 co-pay Injections covered 100%	Covered - 100%
Chiropractic Spinal Manipulation Must be medically necessary	Covered under Master Medical - 80% after deductible, up to 20 visits for first 90 consecutive days, then 2 visits per month	Covered - up to 20 visits for the first 90 consecutive days, then 2 visits per month	Not covered	Covered - \$15 co-pay (in-network and out-of-network services have an annual combined maximum of 24 visits)
Outpatient Physical, Speech, and Occupational Therapy	Covered - 100% up to 60 consecutive days of treatment per condition, additional benefits under Master Medical at 80% after deductible	Covered - 100% Subject to Blue Cross review	Covered - \$15 co-pay (network and non-network benefits limited to 60 visits per calendar year)	Covered - 100%
Durable Medical Equipment and Medical Supplies	Covered under Master Medical - 80% after deductible	Covered - 80% after deductible	Covered - 80%	Covered 100%
Prosthetic appliances	Covered under Master Medical - 80% after deductible	Covered - 80% after deductible	Covered - 80%	Covered - 100%
Private Duty Nursing	Covered under Master Medical - 50% after deductible	Covered - 50% after deductible	Not covered	Covered - 50%
Outpatient Prescription Drugs	Not covered	Not covered	Not covered	Not covered
Oral Cancer Drugs	Not covered	Not covered	Not covered	Not covered
<b>FOREIGN TRAVEL</b>				
Hospital Services	Covered - 100%	Covered - 100%	Covered - up to the group's level of benefits, subject to applicable co-pays if approved emergency	Covered - up to the group's level of benefits, subject to applicable co-pays
Physician Services	Basic services covered at 100%. Master Medical deductible and co-pay may apply to some physician outpatient services	Covered - 100%	Covered - up to the group's level of benefits, subject to applicable co-pays if approved emergency	Covered - up to the group's level of benefits, subject to applicable co-pays
<b>DEDUCTIBLES, CO-PAYS, AND DOLLAR MAXIMUMS</b>				
Deductibles Note: if you receive care from a non-participating provider, even if you are referred, you may be billed for the difference between the approved amount and the provider's charge.	Basic coverage: none Master Medical: \$150 per member/\$300 family for faculty/academic/exec mgt; \$100 per member/\$200 family for all others	Basic coverage - none Cost Share Benefits - 20% as noted in chart, 50% for outpatient mental health and private duty nursing	\$500 per person/\$1,000 family per calendar year for out-of-network providers. No deductible for in-network providers	None

## Health Plans Coverage Summary (Continued)

Benefit	BCBS Traditional Plan	BCBS Transition Plan	Physicians Health Plan (PHP)	BCBS Community Blue Plan
Fixed Co-pays	None	None	As noted under each benefit	As noted under each benefit
Percent Co-pays	General services: none  Master Medical: 20% as noted, 50% on mental health and private duty nursing, except where otherwise indicated	General services: none  20% as noted, 50% on mental health and private duty nursing, except where otherwise indicated	As noted under each benefit	As noted under each benefit  50% for mental health, substance abuse and private duty nursing
Co-pay Dollar Maximum - Fixed Dollar Co-pays - Percent Co-pays - excludes mental health care, substance abuse care, and private duty nursing co-pay	Not applicable Basic coverage: None Master Medical: \$1,000 contract per calendar year	Not applicable Basic coverage: none Cost share benefits coverage: \$1,000 contract per calendar year	Percentage co-pays: Annual maximum \$3,000 per covered person/\$6,000 per family	As noted under each benefit
Dollar Lifetime Maximums	Basic coverage: none except as noted above Master Medical: \$1 million dollar lifetime and as noted above for individual services	\$5 million lifetime per member for all covered services and as noted for individual services	Unlimited (transportation for member and family member for transplant surgery up to \$10,000 for travel and lodging)	\$5 million  Additional \$1 Million for specific organ transplants

**Important Note:** The health plan summaries provided on the preceding pages are not a contract. The information is intended to be 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 or conditions of coverage.

More detailed brochures and coverage summaries can be viewed on the MSU Human Resources Web site at [www.hr.msu.edu](http://www.hr.msu.edu) or obtained through MSU Benefits at:

***MSU Human Resources Benefits  
Nisbet Building  
1407 S. Harrison Road, Ste. 140  
East Lansing, MI 48823-5239***

***800-353-4434  
benefitsinfo@br.msu.edu***

## Monthly Health Plan Contributions for Retirees Eligible for Part-Time Hardship MSU Contributions (2006-07)

PLAN	Participants	3/4 TIME (65% - 89.9%)		1/2 TIME (50% - 64.9%)	
		Faculty	Staff	Faculty	Staff
Blue Cross Blue Shield of Michigan Traditional with Caremark	Single with Medicare 2 person, both with Medicare	Paid by MSU Faculty: \$105.58	Paid by MSU Staff: \$105.58	Paid by MSU Faculty: \$211.16	Paid by MSU Staff: \$211.16
Blue Cross Blue Shield of Michigan Transition with Caremark	2 person, 1 with Medicare	Faculty: \$83.56	Staff: \$83.56	Faculty: \$167.11	Staff: \$167.11
Physicians Health Plan (PHP) with Caremark	Single with Medicare 2 person, both with Medicare Single, no Medicare 2 person, no Medicare	Faculty: \$53.94 Faculty: \$177.37 Paid by MSU Faculty: \$94.90	Staff: \$52.50 Staff: \$174.13 Paid by MSU Staff: \$94.90	Faculty: \$53.94 Faculty: \$390.35 Paid by MSU Faculty: \$330.76	Staff: \$52.50 Staff: \$388.19 Paid by MSU Staff: \$330.76
Community Blue PPO with Caremark	Single 2 person	\$11.60 \$119.27		\$11.60 \$355.13	

*This chart reflects the most prevalent enrollment options. Contact Human Resources Benefits for further information on part-time retiree contribution requirements.*

## Retiree Monthly Health Plan Rider Contributions

PLAN	SPONSORED DEPENDENT RIDER	SPONSORED DEPENDENT RIDER WITH MEDICARE	FAMILY CONTINUATION RIDER
Blue Cross Blue Shield of Michigan Traditional with Caremark	Faculty: N/A Staff: N/A	Faculty: \$374.56 Staff: \$376.00	Faculty: \$106.82 Staff: \$115.49
Blue Cross Blue Shield of Michigan Transition with Caremark	Faculty: \$337.74 Staff: \$339.65	Faculty: \$364.84 Staff: \$364.84	Faculty: \$104.54 Staff: \$105.32
Physicians Health Plan (PHP) with Caremark	\$432.34	\$428.50	\$169.92
Community Blue PPO with Caremark	\$506.00	N/A	\$171.47

## MSU Prescription Drug Plan Caremark Co-pays

#	Drug Tier	34-Day Supply Co-pays		90-Day Supply Co-Pays <sup>1</sup>	
		Current	New <sup>3</sup>	Current	New <sup>3</sup>
1.	Generic	\$10	\$10	\$20	\$20
2.	Formulary Brand	\$15	\$20	\$30	\$40
3.	Non-Formulary Brand	\$30	\$40	\$60	\$80
4.	Bio-Tech Drugs (new tier) <sup>2</sup>	new	\$50	new	\$100
1. 90-day supply medications may be filled at MSU Pharmacies or through Caremark mail order.					
2. If you have questions regarding which drugs are covered under the new bio-tech drug tier, please contact Caremark at 1-800-565-7105.					
3. The MSU Pharmacy discount will no longer be available effective July 1, 2006.					

### Answer to a Commonly Asked Question

**Question:** I filled out an Affidavit Form last year. Why do I have to do it again this year?

**Answer:** People often forget to notify Human Resources when circumstances in their lives change that impact their benefits coverage. If a spouse or MSU-recognized same-sex domestic partner dies or the relationship ends, we need to know about it to make the appropriate benefits changes. The Affidavit helps people remember to notify us of changes we need to know about in order to reserve all our health care resources for those who are eligible for coverage.

Taking a few moments to fill out the Affidavit each year is one way you can help control MSU health care costs and support our efforts to provide you with good health insurance options.

# 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

## NOTICE OF PRIVACY PRACTICES (Continued)

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.

**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

## NOTICE OF PRIVACY PRACTICES (Continued)

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 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

## NOTICE OF PRIVACY PRACTICES (Continued)

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

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*Suggestions are Welcome!*

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Visit us online at:

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## Easy Open Enrollment Steps

### *To enroll using the enclosed forms:*

- Fill out the enrollment change form
- Complete the Affidavit
- Return them to MSU HR Benefits by May 8 in the enclosed return envelope

### *To enroll on the Web:*

To participate in open enrollment online, take the following steps between April 17 and May 8, 2006:

1. Go to *[www.hr.msu.edu](http://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 “2006 Benefits Open Enrollment” then follow the on-screen instructions

### ***About MSU NetIDs***

An MSU NetID is needed to enroll online. 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 additional helpful information at *<http://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.