

KCTCS

EMPLOYEE BENEFITS GUIDE

2012

Open Enrollment Dates
October 10th – October 28th



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Introduction

KCTCS offers a comprehensive benefit package to its regular, full-time employees and Health and Life Insurance to some qualified part-time employees. This guide provides you with a brief summary of the benefit programs available for KCTCS and 18A/151B personnel system employees and any changes effective with the 2012 plan year Open Enrollment. You will be eligible to make elections and/or changes for the 2012 Plan Year (January 1 through December 31, 2012) during the election period for active employees, COBRA participants and Early Retirees (under age 65) **October 10th – October 28th**.

Employees have different ranges of needs for themselves or their family members when it comes to benefits. Please review the following information:

- The KCTCS Employee Benefits Guide 2012
- The Kentucky Employees Health Plan (KEHP) Benefits Selection Guide for Plan Year 2012
- The KCTCS and 18A/151B Employee Contribution Schedules
- The KCTCS Employee Flexible Spending Account Plan Year 2012 enrollment material
- HRA Material 2012 enrollment material
- Dental Coverage Summary Plan Descriptions and Rate sheet
- DEI, Humana, Express Scripts and Chard-Snyder web-sites

All materials and web-site links may be accessed on KCTCS' "thePoint" site at:
<https://thepoint.kctcs.edu/departments/HumanResources/default.aspx>

Employees are also encouraged to meet with the supplemental/voluntary benefits vendors when they visit various campus locations during the voluntary benefit enrollment period (**October 10th through October 28th**). Check with your college Human Resources Office concerning times and locations.

Employees must web enroll for Health on the DEI "KHRIS" site and enroll in KCTCS Peoplesoft Self-Service by October 28, 2011

Group Medical Benefits:

KCTCS participates in the Kentucky Employees Health Plan (KEHP) offered to state employees and quasi-agencies. This self-funded plan, administered by Humana and Express Scripts* provides network providers throughout the state and in bordering state communities. Offerings through the KEHP involve two PPO plans, a hybrid plan and a High Deductible Plan offered in conjunction with an HRA. Plan summaries are available on the Kentucky Personnel Cabinet/Department for Employee Insurance (DEI) web-site at <http://personnel.ky.gov/dei/12oe/> and in the 2012 KEHP Benefits Selection Guide.

The health plans are part of a KCTCS qualified cafeteria plan. The taxable salary of employees is reduced by the amount of any costs to the employee for health and dental premiums and FSA contributions.

IMPORTANT!!!!

Health Open Enrollment for the 2012 plan year will be a Passive Enrollment. This means you only need to enroll for health care coverage if you will be changing your elections for plans or will be adding or decreasing dependents!

*Note: The DEI has a contract with Express Scripts to provide the pharmacy network and process pharmacy claims for the KEHP. Currently, Express Scripts (ESI) and Walgreen's are involved in a contractual dispute that may impact their participation in the KEHP pharmacy network. If ESI and Walgreen's can't resolve this dispute, Walgreen's will no longer participate in the KEHP network 1/1/2012. DEI does not in any way participate or intervene in any pharmacy network acceptance, contracting, or credentialing.

We understand that Express Scripts and Walgreens are still negotiating in attempt to resolve this issue before 1/1/2012. If this situation cannot be resolved, you will be able to move your prescriptions to another participating pharmacy and be reimbursed in accordance with your elected KEHP health plan

KCTCS and 18A/151B Personnel Systems: Employee Benefits:
Open Enrollment 2012

Health Insurance

Medical plan choices are outlined in the Kentucky Employees Health Plan (KEHP) Benefits Selection Guide for Plan Year 2012. **Please review the information contained carefully.**

The Kentucky Employees Health Plan offers the same four 2011 plan choices in 2012.

Benefit Summary: (In-Network Benefits)

Plan	Benefit Allowance or HRA	Deductible	Out of Pocket Maximum (includes Deductible-excludes Office & RX copays)	Office Visit CoPay	Benefit Payments (hospital, surgery, etc)	Your Co-Insurance (payment amount)	RX Copays
Standard	N/A	\$ 500 Ind \$1,500 Fam	\$3,500 Ind \$7,000 Fam	N/A Deduct. then 25%	75%	25%	25% Min Max \$10 \$25 \$20 \$50 \$35 \$100
Optimum	N/A	\$355 Ind \$720 Fam	\$1,350 Ind \$2,700 Fam	\$15 PCP \$20 Special ist	85%	15%	\$10 \$25 \$45
Capitol Choice	\$500	\$ 600 Ind \$1,800 Fam	\$2,400 Ind \$7,000 Fam	\$20 PCP \$25 Special ist	80%	20%	\$10 \$25 \$45
Maximum Choice	\$1,000 Single \$1,500 Dep & couple \$2,000 Family	\$2,325 Ind \$3,530 Fam	\$3,550 Ind \$5,280 Fam	N/A Deduct. then 10%	90%	10%	Deductible, then 10%

2012 Highlights

- **Commonwealth Standard PPO** – Premiums and plan benefits remain the same
- **Physician Office Visit Co-pays** – remain the same
- **Copays** for Inpatient Hospital admissions, Outpatient Surgery remain the same
- **Deductibles and Out-of-Pocket Maximums** – Slight Increases for the Maximum Choice, Capitol Choice and Optimum PPO plans
- **Prescription Drug Copays** – remain the same

- **Maximum Choice Plan-** If there is a balance in the HRA account at year end as long as the employee remains in the Commonwealth Maximum Choice Plan, this balance will carry-over from year to year for the employee's use
 - *If you are enrolled in the Maximum plan for 2011, any remaining balance on 12/31/2011 will carry-over into the new plan year. The carry-over occurs April 1st*

Employee Contributions:

- **18A/151B** personnel system employees will use KEHP established employee contributions based upon smoker or non-smoker status. There is an incentive for non-smoking
- With proper certification, you may request a change to your smoking status outside of Open Enrollment. The change will be limited to smoker contributions only. The change is not classified as a qualifying event for any other coverage changes
- Employee contributions are listed below and also contained in the 2012 KEHP Benefits Selection Guide

Monthly Employee Contribution-Non-Smoker

Plan	Single	Parent Plus	Couple	Family	Family Cross-Reference
Commonwealth Standard PPO	\$0.00	\$8.28	\$282.18	\$288.44	\$0.00
Commonwealth Capitol Choice	\$37.24	\$160.00	\$493.00	\$584.00	\$52.74*
Commonwealth Optimum PPO	\$62.74	\$195.60	\$520.60	\$622.50	\$69.74*
Commonwealth Maximum Choice	\$30.74	\$120.60	\$371.10	\$442.00	\$45.22*

*Monthly Contribution is per Employee

Monthly Employee Contribution-Smoker

Plan	Single	Parent Plus	Couple	Family	Family Cross-Reference
Commonwealth Standard PPO	\$25.50	\$60.60	\$334.50	\$340.76	\$24.72*
Commonwealth Capitol Choice	\$63.06	\$213.48	\$547.12	\$638.00	\$78.02*
Commonwealth Optimum PPO	\$88.36	\$249.60	\$575.38	\$677.26	\$94.98*
Commonwealth Maximum Choice	\$56.62	\$174.40	\$425.44	\$496.20	\$78.02*

*Monthly Contribution is per Employee

- The KCTCS personnel system will offer only one health employee contribution schedule which is based upon a **25%** reduction of the lower state non-smoking schedule.

Please refer to the KCTCS Employee Contribution Schedule as listed below:

Monthly Employee Contribution Schedule: KCTCS

	Single	Parent Plus	Couple	Family	Family Cross-Reference
Commonwealth Standard PPO	\$0.00	\$6.20	\$211.64	\$216.34	\$0.00
Commonwealth Capitol Choice	\$27.92	\$120.00	\$369.76	\$438.00	\$39.56*
Commonwealth Optimum PPO	\$47.06	\$146.70	\$390.44	\$466.88	\$52.32*
Commonwealth Maximum Choice	\$23.06	\$90.46	\$278.32	\$331.50	\$33.92*

*Monthly Contribution is per Employee

Employees Who Waive Coverage (Applies to KCTCS and 18A/151B personnel system employees)

- Employees waiving coverage will receive a monthly employer contribution of **\$175** which will be allocated to a Health Reimbursement Account (**HRA**), administered by Chard-Snyder <http://www.chard-snyder.com>
- **HRA references in DEI materials should be disregarded**
- If an employee continues to waive coverage in 2012 and subsequent years, the remaining HRA balance will carry-over from year to year

- What is a HRA?
 - An IRS regulated employer sponsored benefit plan that allows employees to receive reimbursement for eligible out-of-pocket health expenses. It is 100% employer funded
 - The contributions may be rolled-over from year to year
 - Similar to a health care Flexible Spending Account as to qualified reimbursable expenses.(IRS Code *Section 213(d)expenses*)

IMPORTANT!!!

Over the Counter (OTC) medicine will no longer be reimbursed by HRA funds (with the exception of insulin and those specifically prescribed by a physician).

KEHP will offer a limited HRA for Dental and Vision coverage for employees whose dependents are enrolled in a health savings Account (HSA). HOWEVER, THIS ACCOUNT IS NOT AVAILABLE TO KCTCS EMPLOYEES

New for 2012

Open Enrollment for 2012 will be a Passive Health and Dental Enrollment and employees will now be able to enjoy the convenience of self-service

- A new self-service feature in Peoplesoft will be used this Open Enrollment called **eBenefits**
- Employees will make elections for Health, Dental, FSA, HRA and \$50 Benefit through this venue
- Employee will log into Peoplesoft and go to Employee Self-Service
 - **Self-Service>Benefits>Benefits Enrollment**

Separate instructions on enrolling in Self-Service will be available on the Point at <https://thepoint.kctcs.edu/departments/HumanResources/default.aspx>

This year the KCTCS Open Enrollment will be a multi-step process. The three steps include:

1. **October 10-28,2011**: Begin your enrollment through KCTCS self-service directly. You will be able to review the cost of each benefit on the Enrollment Summary
2. **October 10-28,2011**: After completing your KCTCS self-service enrollment, you **MUST** also enroll through the Department of Employee Insurance (DEI) website called KHRIS for health insurance

3. **November:** Finally, you will receive e-mail notification in November if you are eligible to enroll in the KCTCS \$50 Benefit allowance. This benefit is specifically for employees who choose “single” or waive medical coverage

- **You will then enroll in this benefit through KCTCS self-service**

Employees MUST Enroll during Open Enrollment if:

- They want to change **health** plan coverage (including changing plans or adding or dropping dependents.)
- They wish to enroll in a **Flexible Spending Account (FSA)**
- They wish to enroll in the **\$50 Benefit Allowance**
- They have elected to **wave health** coverage and wish to enroll in an HRA account
- They want to change or terminate their current **dental** plan coverage (including changing plans or adding or dropping dependents.)

You will be eligible for the waiver credit toward the Health Reimbursement Account (HRA) **ONLY** if you are enrolled in the Health Waiver Option.

There will be one insurance ID card for both health care and prescription drug coverage. For privacy reasons, social security numbers will not be printed on ID cards.

If you elect the Commonwealth Maximum Choice plan, you will automatically be in the plan’s HRA and will receive a HumanaAccess VISA card for this account. If you participated in Commonwealth Maximum Choice for 2011, and your card is set to expire prior to January 1, 2012, a new card will be issued to you.

DEI Health Web Enrollment

The Department for Employee Insurance (DEI) will be utilizing a new web based system called Kentucky Human Resources Information System (KHRIS) for benefits enrollment. Employees should have received a notice from the Personnel Cabinet which included their employee ID, as well as instructions for access to the enrollment site. If you have lost your ID contact the KEHP ID# Hotline toll free at 1-877-741-7017.

Anyone who is a plan holder in the Group Health Insurance (GHI) system may enroll via the internet by visiting <http://personnel.ky.gov/dei/12oe/>. A web enrollment confirmation will be received at the end of the enrollment process. **Employees should print the confirmation or have it emailed to them.**

Employees NOT ELIGIBLE to enroll online in KHRIS and must complete a Paper application:

- Recent new hires,
- KRS and KTRS retirees,
- Employee cross-referencing with KRS or KTRS retiree,
- Spouses or children of retirees,
- Cross-referenced employees who want to switch to primary plan holder for 2012.

Paper applications must be submitted to your college Human Resources Department by October 28, 2011.

- **Cross Reference**

If you wish to begin to cross reference, you may do so on the DEI KHRIS site as long as you have your password and your spouse's password

- For two 18A/151B employees covered under one family health benefit plan, they each will pay the family cross reference monthly rate reflected in the contribution schedule for state employees
- For two KCTCS employees covered under one family health benefit plan, they each will pay the family cross reference monthly rate reflected in the contribution schedule for the KCTCS Personnel System
- For a KCTCS employee who cross-references with their spouse employed by another state agency, they each will pay the family cross reference monthly rate reflected in their respective contribution schedule

- **Web Enrollment Confirmation Process:**

- Confirmation number at the end of a correct enrollment, employee should print out
- If employee provides an email address, an email confirmation will be sent

Employee **must** complete the Smoking Status box even though the enhanced Non-smoker rate will be applied to all KCTCS Personnel System employees. If this box is not checked on the web-enrollment or on the paper application, it will delay your enrollment.

Dependent Provisions

Dependent Eligibility to Ages 19- 26

- Includes dependent children to age 26
- The child can be married (coverage does not extend to their spouse or children)
- Dependent child does not have to reside with the plan-holder
- Dependent child must **NOT** be eligible to enroll in their own employer-sponsored plan through their employer
- All contribution deductions will now be on a pre-tax basis

New Dependents:

New dependents or a spouse added to a plan for 2012 **not verified** during the 2011 Dependent Eligibility Audit must submit the appropriate documents

Qualifying Events (QE's) (*Family status changes*):

- The qualifying event application must be signed within the QE time frame
- Qualifying event and Verification of dependent/spouse documentation must be included with application
- Effective date of QE will remain under the same rules as currently in effect and if necessary coverage will be activated retroactively. Coverage will **not** be activated until dependent verification is received

A list of documentation needed for each event is on page 17 of the KEHP Benefits Selection Guide "Dependent Eligibility Chart"

Double Dipping

- Employees eligible for participation in the KEHP as a **retiree**, or as a **spouse or beneficiary of a retiree** covered under one of the state sponsored retirement programs are **not eligible** to receive another public employer contribution (KCTCS)
- **KTRS Retirees** who have returned to active service **MUST** select coverage through the active employer (KCTCS)
- **KERS Retirees** that have returned to active service have the option to select coverage either through KRS or the active employer (KCTCS)

UK Retiree Opt/Overs

- If you are a UK Retiree Opt/Over participating in a UK Retiree Health plan, the Health portion of Open Enrollment does not pertain to you unless you have decided to exercise your one-time UK deferral option and wish to enroll in a KCTCS sponsored health plan
- However, you will need to elect and/or make any changes to other coverage including KCTCS Dental, employee contributions to the Flexible Spending Account and/or voluntary coverage, if applicable

Active Employees- Over Age 65

- The KEHP plan is considered primary over Medicare
- You do not need to sign up for Medicare Part “B” until you cease employment. You will then enroll for Med “B” under a Special Enrollment period
- The prescription drug plan offered through the KEHP is considered “Creditable Coverage”. You do not need to sign up for Medicare part “D” plan
- A Creditable Coverage Notice is available on the KEHP website

IMPORTANT!!!

If you have Medicare and elect to Waive coverage and enroll in a HRA, the HRA plan will be considered a primary plan over Medicare (all claims will have to be paid through the HRA before Medicare will consider payment). Medicare is now conducting data match reporting and will identify people using the HRA as a Medicare supplement Plan and will pursue reimbursement accordingly

What’s Unique to KCTCS

- **The Rate Structure**: KCTCS personnel system has enhanced the employer contributions by reducing the state employee non-smoking contributions by 25%. Please refer to the KCTCS Employee Contribution Schedule
- **DEI Web Enrollment**: KCTCS employees (including 18A/151B) will **NOT** be able to web-enroll in the KHRIS System for **FSA or HRA coverage** due to our participation in our own Flexible Spending Account and Health Reimbursement Account. **KCTCS offers a separate accounts administered by Chard-Snyder**

- During the web enrollment process, a message will appear stating that KCTCS is non-participating and to contact the Insurance Coordinator
- Employees who wish to enroll in the Chard-Snyder Flexible Spending Account and Health Reimbursement Account **must complete the enrollment through KCTCS Self-Service**. There will not be a separate entry into a Chard Snyder enrollment screen.
- The Benny Pre-Paid Benefits card will continue to be available at no cost to you.
- **FSA 2 ½ Month Grace Period:** (for both KCTCS and 18A/151B personnel system employees)
 - The 2 ½ month grace period allows participants to spend and submit claims for money still in the Health Flexible Spending Account at the end of the plan year. The period allows for submission of claims or expenses which occurred before the end of the plan year and during the 2 ½ month grace period
- **\$50 Benefit Allowance: For KCTCS personnel system employees only:** If an employee elects single health coverage and/or waives health care coverage, KCTCS will provide an additional \$50 credit each month which may be used for:
 - Employee portion of health insurance premiums
 - A health care spending account in the KCTCS Flexible Spending Account program
 - Purchase of dental insurance
 - Purchase of a voluntary benefit
 - It **may not** be used to purchase Optional Group Life Insurance, Supplemental LTD coverage or be put into the HRA

IMPORTANT!!!

Your election will cease on December 31, 2011. In order to continue this benefit, you must complete a new \$50 Benefit election in KCTCS Peoplesoft Self-Service. As part of the three step enrollment process, you will receive an email prompt in November on when and how to enroll in this benefit after your eligibility for this benefit has been established.

Retiree Health

The Open Enrollment period for Early Retirees (under age 65) is the same as for Active Employees **October 10th through October 28th**

- **Retirees may web enroll in the KHRIS system.** Retirees must print out the confirmation or send a completed **paper application** to the KCTCS System Office by October 28, 2011

KCTCS Employee Benefits
300 N. Main Street
Versailles, KY 40383
(859) 256-3100

- KCTCS retirees under age 65 are eligible for the same health plans that are available to active KCTCS employees Plan (KEHP) **with the exception of** the Commonwealth Maximum Choice Plan. Rules governing participation for retirees in the health plan are outlined in the 2012 Kentucky Employees Health Plan Benefits Selection Guide located on the Kentucky Personnel Cabinet (DEI) website
- Early Retirees are **not eligible** for participation in the HRA accounts, therefore, they cannot participate in the Commonwealth Maximum Choice Plan (or the HRA contribution that goes along with waiving coverage)
- The prescription plans available under the KEHP are on average as good or better than the standard Medicare prescription drug coverage (Med "D"). You can keep your existing group prescription coverage and choose not to enroll in a Medicare part D plan. A notice of Creditable Coverage is on the KEHP website

IMPORTANT!!!

This Open Enrollment does not apply to retirees over age 65. KCTCS Retirees over age 65 will remain in the KCTCS sponsored Medicare Eligible plan. Any policy and/or rate changes will be communicated prior to commencement of that open enrollment.

Dental Plans

KCTCS offers regular full-time employees the opportunity to participate in voluntary dental programs on a pre-tax basis. The following carriers offer plan selections:

Compdent, Dental Care Plus*, Health Resources and Delta Dental.

- Packets, including plan descriptions, applications and rates will be available on the Point.

- If you **wish to remain** in your current Dental Plan, you will not need to complete a new enrollment, your **coverage will roll-over**. However, if you wish to change the carrier, plans, coverage level or **terminate** your coverage you will need complete an enrollment in **KCTCS PeopleSoft Employee Self-Service**.
- The “\$50 Benefit Allowance” may be used to purchase dental coverage
- Adult dependents (child up to age 26) may be on your plan. Coverage would continue on a pre-tax basis and the eligibility qualifications are the same as for the health plan

** Dental Care Plus changes are available only to current participants. **No new applications for Dental Care Plus will be accepted.***

Vision Plans

- Membership in **Humana** provides you access to a broad range of discounted vision services through EyeMed as well as savings on laser vision procedures offered through TruVision. Information on the program, participating providers as well as an ID card can be found in the Savings Center section of *MyHumana* at www.humana.com
- **AFLAC** - AFLAC provides a Vision insurance program among their product offerings. Benefits for eye examinations, vision correction, specific eye disease/disorder, eye surgery and permanent visual impairment are included. To learn more, see your AFLAC representative when they visit your college to find out further details. Or call Roger Bennett at AFLAC at (877) 432-9853.
- **Dental Care Plus**-If you are enrolled in one of their dental plans, you are automatically enrolled in the TotalVision Service plan. This is not an insurance plan but a discount plan. Goods and services are available on a fee schedule basis. This plan is only valid for employees already participating with Dental Care Plus in 2011. **No new enrollments will be processed for Dental Care Plus for 2012.**
- **Delta Dental** –Automatically provides Delta Vision, a discount vision program for participants in their dental plans. More information can be found in the Delta Dental Open Enrollment packet.

Flexible Spending Accounts (FSA)

The Flexible Spending Account (FSA) is an IRS approved pre-tax account that saves you money on eligible medical and dependent care expenses. Employees are able to authorize payroll deductions to their FSA on a pre-tax basis

KCTCS employees (including 18A/151B) will **NOT** be able to web-enroll through the DEI KHRIS system for FSA coverage (this benefit is administered by Chard-Snyder, rather than the DEI). During the web enrollment process, a message to contact the Insurance coordinator will appear because KCTCS is non-participating in the state administered FSA

Chard-Snyder and Associates will continue to be the Flexible Spending Account carrier for 2012. Please review the Summary Plan Description (SPD) and Chard Snyder's other materials carefully to understand your plan. Health Care Flexible Materials are located on thePoint at: <https://thepoint.kctcs.edu/departments/HumanResources/default.aspx>

IMPORTANT

There is Mandatory on-line enrollment for the FSA benefit. You will need to complete this process on the KCTCS PeopleSoft Employee Self-Service site.

Enrollment in Flexible Spending Accounts is **not** automatic and **you must re-enroll every year.**

There are two kinds of Flexible Spending Accounts - a Health Care Spending Account for medical expenses and a Dependent Day Care Account for dependent day care expenses

- The Benny Pre-Paid Benefits Card is available to utilize for eligible expenses for the Health Care Account only. As eligible expenses incur, employees request reimbursement from their accounts
 - You **will** be able to use your FSA Benny Pre-Paid Benefits Card for grace period expenses for the 2011 plan year
 - If you have a Benny card for 2011 and will enroll in a Health Care FSA for 2012, you will retain your same card and your 2012 information will be loaded on it automatically
 - If you have a Benny Card that will expire in 2011 you will receive a new card.
- The Health Care Spending Account minimum remains at **\$5.00** per paycheck (**\$120 annually**) and the maximum remains at **\$208.50** per paycheck (**\$5,004 annually**)

- Employees will also have the 2½ month FSA grace period, whereby 2011 balances may be used in the first 2 ½ months of 2012. This means that if you have a balance in your account at the end of the 2011 plan year (12/31), it will roll-over for your usage (for incurred claims) during the period January 1st thru March 15th
- Eligible KCTCS personnel system employees may deposit the “\$50 Benefit Allowance” into the Health Care Flexible Spending Account.

If you terminate coverage and do not elect COBRA, you will have a 90 day grace period from your termination date in which to file for reimbursement for expenses incurred before the date of termination.

IMPORTANT!!!

Due to federal Health Care Reform, Over- the- Counter (OTC) Medications will no longer be reimbursed by your FSA with the exception of insulin and those prescribed by a physician

Health Reimbursement Account (HRA)

Employees in the KCTCS and 18A/151B personnel systems who waive health care coverage will have their employer contribution put into a Health Reimbursement Account (HRA), not an FSA.

- The employer contribution continues to be **\$175** per month, **\$2,100** annually for both personnel systems

Enrollment in Health Reimbursement Accounts is **not** automatic and **you must re-enroll every year**. Please refer to the 2012 HRA materials for more detailed information. You must have waived health coverage and be enrolled in the DEI KHRIS system accordingly. **You must also enroll in KCTCS PeopleSoft Employee Self Service**

- Any balance remaining at the end of the plan year will automatically roll-over to the next plan year on April 1st as long as you **continue waiving health coverage**
- You will also have the Benny Pre-Paid Benefits Card to use for reimbursement of HRA expenses

If you terminate coverage and do not elect COBRA, you will have a 90 day grace period from your termination date in which to file for reimbursement for expenses incurred before the date of termination

IMPORTANT

Due to federal Health Care Reform, Over- the- Counter (OTC) Medications will no longer be reimbursed by your HRA with the exception of insulin and those prescribed by a physician

IMPORTANT

Chard –Snyder Web Enrollment:

You will no longer enroll on the Chard-Snyder website. All enrollments should be done in KCTCS PeopleSoft Employee Self-Service

FSA and HRA Integration

- If you have both a Health Care Flexible Spending Account (FSA) and a Health Reimbursement Account (HRA), reimbursement will come from your FSA account balance first.
 - The FSA balance is forfeited at the end of the plan year (12/31/11) and 2 ½ month grace period (3/15/12)
 - The HRA balance will roll-over from year to year as long as you remain a waiver or enrolled in the Commonwealth Maximum Choice plan (**Two separate HRA's**)
 - Will not roll-over if you change your plan selection

NOTE: If you use the Benny Pre-paid Benefits Card from Chard-Snyder, reimbursements will automatically be from your FSA first until that annual election amount is depleted. Then, reimbursement will be from your HRA. You will only use **one** card.

IMPORTANT

If all of your FSA has been used for 2011 and you have money left in your HRA, you will need to file a paper claim for the service you had in 2011. HRA money does not roll-over until April 1st

\$ 50 Benefit Allowance

KCTCS offers this unique benefit to assist with the purchase of employee benefits

- KCTCS personnel system employees who elect single health care coverage or waive health care coverage are eligible for this benefit
- **If eligible for this benefit, you MUST complete a new \$50 Benefit Allowance election for 2012**
- **You will make this election in KCTCS PeopleSoft Employee Self-Service after receiving notification in November of your eligibility to enroll**
- Reminder, if you direct all or a portion of this benefit to a health care FSA account, **YOU MUST COMPLETE A CORRESPONDING FSA Enrollment** in KCTCS PeopleSoft Employee Self-Service during the health insurance Open Enrollment.

Important!

A qualifying event applying to your health care coverage may change your health coverage to single or to health waiver in which case you would become eligible for the \$50 Benefit Allowance. In accordance with IRS guidelines, the change is NOT a qualifying event for purposes of changing or enrolling in a health care FSA. Therefore, you would only be able to use the \$50 monthly allowance towards payment of health, dental or supplemental coverage benefits.

Life Insurance/Accidental Death & Dismemberment (AD&D)

(The following information is for active employees only. It does not pertain to LTD participants and retirees.)

KCTCS offers to regular full-time and certain part-time employees, a \$20,000 Base term Life Insurance with a corresponding AD&D policy at no cost. Employees may elect to purchase additional optional group life insurance (with corresponding AD&D coverage) at the group rate. Employees may purchase up to five times their salary for this optional benefit. They may also purchase term life insurance on their dependents.

This Open Enrollment Period is also an Open Enrollment period for Optional Life Insurance

- You may increase your Optional Life Insurance one tier without providing medical evidence (ex: 2X salary to 3X salary)

- You may not increase from basic to 1X salary. You must have an existing optional life policy
- You may drop your optional life and/or dependent life coverage at any time
- Open Enrollment is a good time to review your beneficiary information and make any appropriate changes

To increase your Optional Life Insurance, please complete and sign the Life insurance form no later than October 28, 2011. Submit the original to your college Human Resource Department.

Voluntary/Supplemental Benefits:

- A variety of voluntary benefits are available for purchase by KCTCS employees through payroll deduction. These benefits are individual products administered by the carrier; not KCTCS. These products maintain portability and will still continue even if you are no longer a KCTCS employee
- Supplemental Carriers will be visiting each campus during the Open Enrollment period **October 10th - 28th**. The Carriers will be available to describe their products, enroll participants and provide individual attention. Pricing will vary for each product due to the individualized rating process used
- All voluntary benefit enrollment forms will remain the property of the carrier who will interface with **KCTCS** for the applicable payroll deductions
- Employees who elect to use the \$50 Benefit Allowance for purchase of any of these supplemental products must complete a \$50 Benefit Allowance enrollment **in November in KCTCS PeopleSoft Employee Self-Service**. You will also need to submit a statement from the carrier which describes the total premium due for the selected benefit and also need to complete payroll form **PR-92** which authorizes KCTCS to deduct the premium from your paycheck. Please turn these forms in to your college Human Resources office.
- If the appropriate authorization form is not received, your new deduction will not start
- Previously elected coverage deductions will automatically roll-over
- If you should want to contact one of these carriers directly, please contact your college Human Resources office

A list of voluntary/supplemental vendors and their products is listed below:

CARRIER	PRODUCTS
AEGON/Banker's Life	Cancer, Accident
AFLAC	Long Term Care, Cancer, Hospital Indemnity, Special Health Event, Accident, Disability, Life, Vision
Colonial	Long Term Care, Disability, Special Risk, Accident, Life, Supplemental health insurance products
Capital American/Conseco	Supplemental health
Jefferson Pilot	Life
Life Insurance of Alabama	Heart attack, Cancer, Disability, Accident, Dental, Life
Midland National Life	Life, Non-qualified annuities
National Teacher's Association/Conseco	Cancer, Heart and Stroke, Disability, Organ transplant, Life, Accident

Miscellaneous Information

- Submit your completed and signed open enrollment forms (including web confirmation printouts) by **October 28th** to your college Human Resources Office
- Benefits selected during open enrollment will go into effect on **January 1, 2012**. Health and dental deductions will begin on the **January 13, 2012** paycheck.
- FSA and HRA contributions will begin on the **January 13, 2012** paycheck. Due to IRS regulations, FSA and HRA deductions cannot be prepaid a month in advance

Questions may also be directed to:

**KCTCS
Organizational Development and Human Resources
Employee Benefits
300 North Main St.
Versailles, KY 40383**

(859) 256- 3100

See page 2 in the Kentucky Employees Health Plan (KEHP) Benefits Selection Guide for Plan Year 2012 for a list of phone numbers and web-sites relevant to the Health Plan

And also visit the Open Enrollment Point site at:

<https://thepoint.kctcs.edu/departments/HumanResources/default.aspx>