November 3, 2003

MEMORANDUM

To: All Employees Eligible for Health Insurance

From: Sarah Steele

Subject: Health Insurance, Reimbursement Accounts, Dental and Vision Coverage

Health Plan Options Available in 2004

The College continues to struggle to find stability in terms of the benefits offered and costs associated with the College’s health insurance program. This year we were again faced with significant rate increases for all of the current plans. Given concerns about the ability of both employees and the College to pay for the scheduled double-digit increases, several plan changes were considered. However, there was a strong desire to maintain current plan options and as a result, only one change will be implemented.

Effective January 1, the office co-payment under the current MVP 15+ plan will increase by $5.00. The plan will retain all of its other benefits, including full hospitalization and the $5 generic/$20 brand drug card. This plan will become MVP 20+. The benefits under the current MVP PPO and MVP 20 plans will remain unchanged.

The enclosed outline details the benefits under each plan. A comprehensive list of participating providers, locally as well as nationwide for the PPO, is available on the web at www.mvphealthcare.com.

Contribution Rate Structure

For 2004, the salary breakpoints have been adjusted upward and the employee contribution for single coverage has been increased modestly. The College’s subsidy for dependent coverage will again be distributed as a flat dollar amount based on coverage category and salary tier. Full-time employees who have health insurance coverage through another source will continue to be eligible for an annual waiver credit of $1,000.

Action Required for Health Insurance

If you do not wish to change your health insurance election, you do not need to do anything. Current MVP 15+ participants will be transferred automatically to the MVP 20+ plan. If you wish to make any changes in your health coverage for 2004 (e.g. plan selection, specific individuals to be covered or waiver of coverage) you must notify Donna Grygiel (dgrygiel) ext. 4689 no later than December 1, 2003.
Medical Care and Dependent Care Reimbursement Account Enrollment

Almost a third of eligible College employees are taking advantage of utilizing Medical Care and/or Dependent Care Reimbursement Accounts under the Flexible Compensation Plan to pay for medical expenses not covered by their health insurance plan or dependent care expenses. Information regarding these Reimbursement Accounts, as well as an enrollment form, is available at http://my.hamilton.edu/college/personnel/benefits/compensation.html or from Personnel Services, ext. 4689. A new enrollment form is required for 2004, even if you are a current plan participant. If you are a current plan participant in a Reimbursement Account, a 2004 enrollment form is enclosed for your convenience.

Dental and Vision Annual Election

You may enroll in or make changes to your enrollment in the dental plan at the first of any month (e.g. December 1, 2003, January 1, 2004, February 1, 2004). You may enroll in the vision plan as of January 1, 2004. Restrictions associated with enrollments and changes at this time are detailed in the enclosed flyer.

You must complete an enrollment/change/waiver form if you are enrolling for the first time, adding individuals to your coverage, or canceling coverage for yourself and/or for your dependents. This form is available from Personnel Services or by visiting http://www.firstameritasgroup.com/forms/fa53.pdf.

Information regarding benefits included in these plans is available on the Personnel Services website at http://my.hamilton.edu/college/personnel/VolBenefits.html. If you have any questions regarding these plans, please contact Carol Bennett (csbennet) ext. 4688.