



June 28, 2007

MEMORANDUM

TO: Benefits-Eligible Faculty and Staff

FROM: Brett L. Morris
Assistant Vice President for Human Resources

SUBJECT: Annual Benefits Enrollment Information
(OHR 2007-035)

If you supervise employees who don't have email access, could you please print a copy of this memo for them or post a copy where they will see it? Thank you.

Annual enrollment for benefits for the 2007-08 plan year will begin July 1, 2007 and run through July 31, 2007. Specific details regarding each of the UT sponsored benefits plans will be available for review in the Group Benefits Handbooks and on the UT System Office of Employee Benefits' (OEB) website on July 1 at <http://www.utsystem.edu/benefits/>.

The Office of Human Resources (OHR) will hold a Benefits Fair on Tuesday, July 10 in the Auditorium Foyer. Representatives from OHR and many of the benefits providers will be present to answer your questions. Please see the flyer for details at http://www.uthscsa.edu/hr/benefitsfair_2007.doc.

Any changes you make to your benefits will go into effect September 1, 2007. Please read all information you receive from UT System very carefully. Here is a brief summary of some of the changes to look for.

BID AND UT TOUCH

This plan year, UT System will roll out a new Benefits ID (BID), a "universal" identifier that will allow members to use the same identification number for almost all benefits plans. The result will be added convenience for members participating in multiple plans as well as an alternative to unnecessary social security number (SSN) usage. Effective September 1, 2007, the BID will replace any other vendor-specific identification numbers.

A few days prior to distributing coverage option letters, OEB will send a separate communication to each subscriber with an email address on file that contains his or her BID. During annual enrollment, subscribers will be able to use their BID to log onto UT Touch and make their selections for the new plan year. If you misplace your BID, you can also log onto UT Touch, provide the requested information, and retrieve the BID off the Personal Information tab to use for any future logons.

EVIDENCE OF INSURABILITY (EOI)

You may need to provide EOI (or proof of good health) in several situations. If you do, please complete the EOI information requested in UT Touch. You might need EOI if you want to:

- Add dependents to your health insurance coverage.
- Change the amount of your life insurance.
- Enroll in long term disability coverage.

HMO CHANGES

UT System announced in June 2006 that the increasing costs associated with the health maintenance organization (HMO) plan will not allow an HMO option to be available after August 31, 2007. Effective September 1, 2007, all UT employees, retirees, surviving spouses, and eligible dependents currently enrolled in HMO Blue Texas will automatically be changed to the PPO option--UT SELECT. HMO participants will be mailed a letter to their home which will provide additional details regarding HMO transition issues.

LONG TERM CARE (LTC)

During annual enrollment, CNA will offer active employees not currently enrolled in LTC the opportunity of guaranteed issue coverage. **This means employees will not need to provide evidence of insurability (EOI) in order to enroll.** Although the employee will not have to provide EOI, eligible spouses and other classes of LTC eligible enrollees will be required to complete an EOI application for coverage.

A new \$200 daily maximum benefit level is being offered. All previous benefit levels will continue to be offered and the options for daily maximum benefit levels will now include \$100, \$125, \$150 and \$200.

For employees and retirees currently enrolled with LTC coverage, CNA is offering a two-month premium holiday. As a result, employees will not pay their group LTC premium during each pay period this July and August 2007. Employees who qualify for this premium holiday will receive a letter from CNA explaining the details.

SHORT TERM DISABILITY (STD)

This year employees have been granted an open enrollment for STD. *This means that employees can enroll during the 2007 Annual Enrollment in the short term disability plan without having to complete any additional paperwork such as Evidence of Insurability, Physician's Health Statement, or Medical Questionnaire.*

SUPERIOR VISION

There will be a significant increase in the number of providers in the Superior Vision network with the addition of the Luxottica Group to include Lens Crafters, Pearle Vision, Sears Optical, Target Optical, JC Penney Optical, and numerous independent optometrists. There will be a nominal increase of approximately 2% in the monthly premium in order to include the Luxottica Group of providers.

DELTA DENTAL SELECT

There will be a rate increase of approximately 7%, the first in more than six years. However, the plan will now cover four cleanings per year for periodontal disease and the maximum annual benefit will increase to \$1,250.

VOLUNTARY GROUP LIFE

There will be an overall average decrease of approximately 11% for Fort Dearborn Life voluntary group term Life (GTL) insurance rates. Employees and retirees will see a decrease in GTL insurance premium rates effective September 1, 2007.

UT FLEX

Please remember that *you need to re-enroll* in the medical expense and the dependent day care programs every year if you want to continue them. If you don't participate in these programs now, you can sign up during open enrollment. Both plans use pre-tax money to pay for approved expenses. Participating in UT FLEX is a good way to increase your take-home pay.

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