BALL STATE UNIVERSITY

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2011 EDITION

Health Plan Changes Reminder

We are now four months into the new health plan benefit year and would like to remind you about the plan changes that became effective on July 1, 2011.

In spite of the expected 10% increase in medical costs this year, the Board of Trustees approved relatively nominal employee healthcare premium increases. The deductibles and out-of-pocket maximums were also increased for the Low Deductible PPO and High Deductible/Health Savings Account (HSA) Qualified Plans. The deductibles and out-ofpocket maximums for the High Deductible Wellness Plan did not change.

Even though the High Deductible/HSA Qualified Plan had increases in both premiums and deductible/out-of-pocket, the University elected to minimize the financial impact by starting contributions to employee HSAs beginning in January of 2012. Additional details on the University HSA contributions can be found inside this issue on page two.

The Board of Trustees also

approved four plan changes that were recommended by the Advisory Board Company, a consulting firm out of



Washington, DC that analyzed two years of our medical and prescription claims. Employees are now required to source their specialty medications through Accredo, Medco's specialty pharmacy. Additionally, preauthorization is required through Key Benefit Administrators (KBA) for high dollar tests like non-emergency MRIs and CT scans, as well as for outpatient orthopedic surgeries. Finally, the Advisory Board recommended that Medco work with employee physicians to introduce "step therapy" for certain high price medications to ensure that the most cost -effective medication has been tried before going to a higher cost drug.

The last items relative to healthcare that were approved by the Board of Trustees were federally mandated by the Patient Protection and Affordable Care Act (PPACA). The benefit lifetime maximum (previously \$2 million) for plan participants has been eliminated. Pre-existing limitation conditions for new enrollees under the age of 19 has also been eliminated.

PPACA also requires our plans to cover all employee children, regardless of IRS tax status, up to the age of 26. As a "grandfathered" plan, we will still require that employees attest that these adult children cannot obtain healthcare coverage through their own employer, or through their spouse's employer, if applicable.

The last item PPACA mandated is that the annual maximum benefit for dental services be eliminated for children younger than age 18. This **does not** include orthodontia.

"A penny saved is a penny earned."
-Benjamin Franklin

University HSA Contributions Begin January, 2012

You've probably heard that starting in 2012, the University will begin "seeding" or contributing to employee Health Savings Accounts (HSAs). You must be enrolled in the University's High Deductible/HSA Qualified Health Plan to receive the contributions.

The 2012 Calendar Year contributions will total \$574.50 for employees with Single coverage and \$1440.00 for employees with Employee + Children or Family coverage. In order to receive the University's contribution you must be eligible to open and/or contribute to an HSA and you must set up an HSA with HSA Bank. HSA Bank is the vendor

we have chosen as the sole trustee for University contributions.

To begin the process of setting up your account with HSA Bank, please go to the Payroll & Employee Benefits web site at www.bsu.edu/benefits. Click on the "Benefits" tab on the righthand side of the page, and then click on "Health Savings Accounts" under the HEALTH-CARE heading. Finally, click on Steps for Setting Up an HSA with HSA Bank to Receive the University's Contribution and follow the instructions provided. Please note that there is a short questionnaire at the

beginning of the document to help you determine if you are eligible for an HSA.

Employees who are not eligible to open and/or contribute to an HSA will be eligible to receive the same contribution through a Health Reimbursement Arrangement (HRA). HRAs are similar to HSAs except only employers can make contributions to these accounts and you cannot take them with you when you leave the University. Please see the article below for more information about the HRA if you are in the High Deductible/HSA Qualified Plan, but not eligible for an HSA.

Are you enrolled in the University's High Deductible!
HSA Qualified health plan, but not eligible to actually contribute to an HSA (Health Savings Account)?



Use your HRA to pay your outof-pocket medical expenses

Health Reimbursement Arrangement (HRA) Details

Are you enrolled in the University's High Deductible/HSA Qualified health plan, but not eligible to actually contribute to an HSA (Health Savings Account)? No problem - read more to find out about the alternative Health Reimbursement Arrangement (HRA).

By now if you are enrolled in the High Deductible/HSA Qualified Plan, you should have received an email that contained a short "yes" or "no" questionnaire to assist you in determining whether or not you are eligible to open an HSA. Answering "yes" to any of the questions means you are not eligible to open an HSA. If you determined that you are not eligible to open an HSA, then you need to make sure to return the HRA Eligibility Verification form to our office so that we can open an HRA for you to begin receiving your University contributions in

January. The contribution amounts and schedule will be identical to the HSA contributions as described in the article above.

Although we are still firming up the details of our HRA plan, here is some general information about how the HRA Plan works:

- The HRA will cover the same eligible expenses as a Flexible Spending Account (FSA)
- The benefits you receive under the HRA Plan generally are not taxable to you
- You may have an FSA and an HRA at the same time; the FSA will be "payor of first resort" with respect to the HRA Plan (if you have an eligible expense you must use your FSA funds prior to your HRA funds)
- The Plan Year for the HRA will run on the Calendar

- Year; at the end of the Plan Year any remaining balance in the HRA will be "rolled over" to the next Plan Year
- You may use the debit card to pay for your expenses and/or you may submit paper claims for reimbursement
- Only the University can make contributions into your HRA; you cannot contribute
- If you terminate from the University, any unused HRA funds revert to the plan
- If you retire from the University you may be able to continue using your HRA funds

More information on the HRA plan will be sent to those employees who are enrolled in the plan later this year, along with HRA Plan debit cards.

Medco's Retail Flu Shot Program Renewed

The flu is a respiratory illness caused by a virus. It spreads from person to person and can cause mild to severe symptoms. In the United States, yearly outbreaks of seasonal flu usually occur from autumn through early spring. One of the best ways for preventing the flu is by getting a vaccination each year.

We have again arranged through Medco to cover both the flu and pneumonia vaccines at retail pharmacies that participate in the Medco network. Employees and their dependents who are covered by any Ball State University health plan are eligible to receive these vaccines at no cost. Simply

show your Medco card and advise the pharmacy that they can process the vaccine claim through Medco. The pharmacy will then enter the claim just like any other retail pharmacy claim and the Ball State Health Plan will be billed for the administration. To find a retail pharmacy where you can get the vaccine, call Medco at 1-800 -476-9242 or visit www.medco.com.

Before going to the drugstore, call first to verify that they have the vaccine you need. You should also find out what times the vaccinations are available. Please note that some pharmacies, including Walgreen's, require a prescription for the administration of flu vaccines to children under the age of 16.

*Vaccinations administered in your doctor's office will still be processed through the medical plan and subject to coinsurance. The \$0 coinsurance is available only through Medco's retail pharmacy program.

This program is separate from the Ball State Employee Quick Clinic's flu vaccine program.

> THE FLU ENDS WITH U www.flu.gov

Ready to take advantage of new prescription savings? Less expensive, generic versions of popular brand drugs are coming, and many are already available.



Medco's Whitestown, IN mail-order pharmacy is the world's largest automated pharmacy

Medco Announces Upcoming Generic Opportunities

Ready to take advantage of new prescription savings? Less expensive, generic versions of popular brand

drugs are coming, and many are already available.

At the end of November, the generic version of Lipitor® (atorvastatin) is expected to become available. That's good news for people who want lower cholesterol and lower costs. That will be followed in 2012 by generic versions of Lexapro (escitalopram), Plavix[®] (clopidogrel), Singulair® (montelukast) and Diovan® (valsartan). If you're taking any of these brand drugs, don't miss an opportunity to cut your prescription costs.

Under our plan, you'll typically pay less for a generic than you would for a brand. Generic versions (or equivalents) approved by the U.S. Food and Drug Administration contain

the same active ingredientsand are the same in safety, strength, performance, quality and dosage form—as their brand counterparts.

Start saving now! With our plan's Generics Rx Advantage program, you can call the Medco Pharmacy®—our exclusive home delivery pharmacy—to pay \$0 each first time you fill a new generic prescription by mail and get a \$25 discount* on select brand drugs that will soon have generic versions.

Talk to a Medco Benefit Specialist today at 1-877-909-GenRx [1-877-909-4367] or visit Medco online at www.medco.com/generics for information about these important savings opportunities through the Medco Pharmacy.

Ordering from the **Medco** Pharmacy is easy. Your Medco Benefit Specialist can even contact your doctor to help you get started. The Medco Pharmacy will deliver up to a 90-day supply of your medication right to you, with free standard shipping. You'll also get 24/7 access to pharmacists who will answer your questions.

*If you've previously used a drugstore to obtain certain brand drugs that will become available as generics within the next 12 months, you will be able to get \$25 off your out-of-pocket costs the first time you order them from the Medco Pharmacy. This discount will apply one time each to select brand drugs that have not been filled through the Medco Pharmacy within the last 12 months and for a period starting approximately 6 months before and continuing up to the expected date of generic availability.

†This offer applies to a generic prescription that has not been filled through the Medco Pharmacy within the past 12 months. If you used the Medco Pharmacy to get a brand medication that has become available as a generic within the past 6 months, a prescription for that generic is not eligible for this offer.

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Key Benefits to Email Quarterly Flex Statements



Beginning September 2011 (and Quarterly thereafter), employees with a Flexi-

ble Spending Account (Medical, Dependent Care or Limited Purpose) who have provided email addresses to FlexPro will receive an email titled — "Your Account Balance Statement."

Employees who participate in the Flexible Spending Accounts or

Health Reimbursement Arrangements, are encouraged to take advantage of their account information found at

www.benefitspaymentsystem.com.

While in the website, participants can request reimbursements, upload receipts, download forms, view account balances, update personal demographic information, view pending transactions and account histories, read special announcements as they may pertain to the University or website updates, and reorder a lost/stolen

debit card.

The website is only as good as the information contained within, so be sure to set up your account and maintain your personal information.

Remember that FlexPro's toll-free number is: I-800-558-5553 for assistance, 8:00am to 5:00pm EST – Monday through Friday. You may also email them at www.flexpro.com.

"Emergency

medical

evacuation

costs average

\$30,000 - an

expense not

covered by

medical

insurance."

- Europ

Assistance

analysis, 2007

CIGNA Secure Travel Now Available to Employees

An emergency can be much more difficult to deal with when you're traveling.

Imagine that you require emergency medical care while traveling on company business or you are on vacation in another country - a country where care may not be comparable to what you may receive in your home country.

CIGNA Secure Travel can arrange and cover the cost of transportation to get you to a different hospital or medical facility or to be repatriated to your place of residence

for treatment.

CIGNA Secure Travel places no coverage limit on transportation costs for medical evacuation and repatriation of remains in the event of a fatality.

CIGNA Secure Travel can also help when you need emergency cash (up to \$10K upfront for needed medical expenses*), assistance with lost or stolen items, legal referrals to embassies and consulates, and translation assistance.

Additionally, you can take advan-

tage of CIGNA Secure Travel pretrip planning services, which include immunization requirements, foreign exchange rates, and cultural information to name a few.

All employees are covered by this program (spouse and children are not covered).

For more information please visit the PEB website at www.bsu.edu/payroll.

*You are responsible for repaying these funds

- this program does not pay for medical expenses..

Pension Plus - A Reminder About 403(b) & 457(b) IRS Limits

The IRS limits the amount of money you can contribute to 403 (b) tax deferred/Roth and 475(b) deferred compensation plans.

For calendar year 2011, the limits are as follows:

- Under age 50: you may contribute up to \$16,500
- Age 50 and older: you may

contribute up to \$22,000 (anytime in 2011)

You should monitor your contributions to see if you need to increase or decrease your payroll deduction to these plans.

Any employee, with the exception of student employees, receiving a paycheck on a regular basis is eligible to participate in the University's

403(b) and/or 457(b) voluntary retirement plans.

For more information on these benefits, please visit the PEB website at www.bsu.edu/payroll or contact Elizabeth Voland at evoland@bsu.edu.



Goodbye tension...hello pension!

Banner HR & Payroll Set to "Go Live" January 1, 2012

"Change" is the word that best describes the business side of the University this fiscal year. The current Human Resource/Payroll system is one of the several business systems being replaced this year. The first payroll we produce in January 2012, will represent over 12 months of effort by dozens of individuals throughout the University.

Our goal is that the first payday is a non-event for employees but to ensure this occurs we have had to learn how the new software processes information, then set up the system so the employee's pay is not changed. This effort includes much more than the earnings, deductions, vacation/PTO/sick balances and net pay that appears on the pay stub. Each employee's personal, job, and benefits re-

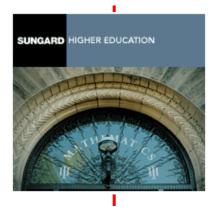
cord has been recreated in the new system.

Before the first paycheck is issued we will take the data used to produce a payroll in our current system, feed it into the new system and then compare the results to the original Payroll in the current system. This process will be repeated multiple times until we are satisfied that employee's first check will be correct.. The staffs of Human Resources, Payroll, Benefits and other University departments will actively participate in the testing process so they will be comfortable with how the new system functions.

Although most employees won't have to change the way their hours are recorded in Kronos, they will have enhanced capabilities in the new Employee Self Service. Everyone will be able

to change their address, update their tax withholding exemptions, change the bank or account number for direct deposit, manage beneficiaries and emergency contacts. Benefit elections will be viewable online and during the Open Enrollment period employees will make their changes online through the Employee Self Serve.

Training is planned beginning in December, 2011, for those individuals who manage employees' hours in Kronos and process changes to employees' pay, job, or other changes to employee records. Look for additional articles in the Communications Center over the next few months detailing the upcoming changes associated with the new HR/ Payroll & Benefits system.



Sungard Higher Education

TAX TIME IS CLOSER THAN YOU MAY REALIZE! W-2'S WILL BE MAILED TO YOUR HOME ADDRESS. PLEASE MAKE SURE YOUR CORRECT ADDRESS IS ON FILE WITH OUR OFFICE!



Ball State University

Payroll and Employee Benefits Office Administration Building, 029

Muncie, IN 47306

Phone: 765-285-8461 Fax: 765-285-6612 E-mail: peb@bsu.com

The office of Payroll and Employee Benefits is working together to provide professional, friendly, high quality and accurate products and services to the Ball State University Community.

PEB Staff Directory

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Stacey French, Benefits Rep.:	765-285-8470
Loretta Smith, Disability Rep.:	765-285-8496



Voluntary Benefits Open Enrollment

Open Enrollment for Voluntary Benefits has been scheduled for Monday, November 7th through Friday, November 18th.

The Voluntary Benefits that are offered during this period are:

- VSP (Vision Service Plan)
- MetLife Supplemental Life
- MetLife Home & Auto (available yearround)
- Allstate Accident Insurance
- Allstate Critical Illness Insurance

The University has made the choice to change its Accident and Critical Illness benefit carrier from HM Insurance to the more well-known Allstate.

HM Insurance recently made the decision to cease bringing on new business for its Accident and Critical Illness products, and as a consequence, also reduced the administrative support for current clients. This resulted in our decision to look at other possi-



The University will be changing vendors to Allstate for our Accident and Critical Illness benefits

ble carriers. We decided upon Allstate for several reasons including: brand recognition, overall richer benefits, and ease of transition and options for employees who currently have the HM Accident and/or Critical Illness benefits.

Employees currently enrolled in the Accident and Critical Illness benefits with HM will be given special enrollment opportunities with Allstate. More information on the transition and what Allstate has to

offer will be available beginning mid to late October.

We are planning to hold a "Voluntary Benefits Fair" for two days during the second week of Open Enrollment. The fairs will be held on Tuesday, November 15th and Wednesday, November 16th at the Student Center in Cardinal Hall B. You can ask the vendors questions, obtain general information, and actually enroll in the benefits during the fairs. A detailed message regarding the benefit fairs will be sent out through the Communications Center prior to Open Enrollment.

Please remember that you do not need to re-enroll in any of the voluntary benefits to continue your coverage. However, keep in mind that Open Enrollment is the only time during which you can cancel your VSP (Vision Service Plan) benefit for the upcoming calendar year.