Dear Faculty and Staff,

At this time, faculty and staff members who are eligible for our Flexible Benefits Plan have an opportunity to make changes to their benefit selections for the coming calendar year. Enrollment materials are available electronically in the 2020 Benefit Guide. Printed guides are available in human resources, Howarth Hall, Room 016.

This newsletter provides information to assist you and your family as you make decisions about your benefits during open enrollment, which falls between Nov. 4 and Nov 15, with changes effective Jan. 1, 2020. Please take a few minutes to review this important information so you can make the best coverage decisions for you and your family.

Open Enrollment

There are some changes you are allowed to make only during open enrollment each year. These include:

- Adding or dropping medical, dental, or vision coverage for yourself and/or your spouse/domestic partner and/or eligible children
- Electing a health care or dependent care flexible spending account
- Adding, increasing, or dropping coverage for voluntary life or accidental death and dismemberment (AD&D) insurance

If you do not enroll or drop coverage for yourself or an eligible spouse/partner or child on the medical, dental or vision plan at this time, you may only do so during next year’s open enrollment period, unless you experience a qualified family status change.

What do I need to do?

1. Log in to your account on myPugetSound and review your current benefit elections in HR Self Service.
3. Complete the Dependent Demographics and Benefits Re-Enrollment Form and let us know if you intend to make any changes to your coverage. This is the only form you need to submit if you are making no changes to your benefits, or if you only want to elect a health care flexible spending account or dependent care flexible spending account in 2020. The IRS requires you to make new elections for those each year.
4. Complete the Benefit Enrollment/Change Form if you are making any changes to your coverage or to your covered dependents. You only need to complete the sections you are making changes to. All benefit elections, including medical, dental, vision, voluntary life/voluntary AD&D and flexible spending accounts are included on this form.
   a. Please be aware that if you drop or add someone to the plan, they cannot be re-enrolled or dropped until the next open enrollment period, unless you experience a qualified family status change.
   b. If you plan to enroll a spouse or domestic partner for the first time, include an Affidavit of Marriage or Domestic Partnership form along with the enrollment/change form.
   c. You must provide details of other coverage if you drop medical coverage for yourself.
5. All forms must be completed and returned to Kenni Simons in human resources by Friday Nov. 15. If you do not turn in a completed form, you will be defaulted into your 2019 coverage elections, and you will not have a flexible spending account in 2020.

What’s changing with our Medical Plan?

Premera Designated Centers of Excellence – Hip and Knee Replacements

We are implementing Premera’s Centers of Excellence for those who are having hip or knee replacement. This makes it easy for you to receive high value care and takes the guesswork out of selecting a high quality provider. If you choose to have your knee or hip replacement performed at Valley Medical Center in Renton we will waive your deductible and coinsurance, meaning you will have no out-of-pocket expense for the surgery itself. You will also receive personal support from Premera as they will coordinate your care and schedule your appointments. If you are considering joint replacement, you can reach out to Premera to access this valuable program.

What is changing with our Health Reimbursement Arrangement (HRA)?

Premera will now administer our HRA directly within their claims system beginning with care received after Jan. 1, 2020. Any remaining HRA dollars will automatically be applied against your patient responsibility as a claim is processed, and Premera will issue the payment directly to the provider. You will be able to track the remaining balance in your HRA on your Explanation of Benefits statement. You will not need to wait to be reimbursed from the HRA when paying medical bills – once you receive an invoice from your doctor after they have applied the Premera payment, you will then pay as billed. The HRA dollars will also automatically apply to your prescription copays. Premera will update your HRA balance with any carryover amount from 2019 after the first several months of the plan year – around April 1st.

What is changing with our Dental Plan?

We are pleased to announce that Puget Sound has modified our dental insurance to include a basic dental plan. The base plan provides preventive and diagnostic care, covered at 100% if using an in-network provider, to an annual maximum of $500. Premiums for faculty and staff members will be paid by the university. You can pay to cover your family members on the base plan, or you have the choice to buy-up to the plan we have always had for you and/or your family members. The buy-up plan includes coverage for preventive care and basic, major and orthodontia services. You can choose whom you would like to enroll, but like medical and vision, you cannot enroll an eligible family member if you are not enrolled as well. If you do not make a dental election, you will automatically be enrolled in the employer paid base plan with employee only coverage.

What is changing with our Flexible Spending Accounts?

We have a new administrator! Discovery Benefits will be administering our Health Care and Dependent Care Flexible Spending Accounts starting January 1st.

The maximum contribution to the healthcare FSA will be increasing to $2,700 in 2020. You will also now receive a debit card that you may use for your health care expenses.

Beginning Jan. 1, 2020, there will be no coordination with the HRA. If you need to claim any of your FSA dollars, you’ll need to either pay for the services with your debit card or file a claim with Discovery Benefits. Claims can be filed online, through the mobile app, via fax or mail.

Services paid with your debit card may require substantiation. Please see the benefit guide for more details.
What is changing with our Life and Disability Plans?

Lincoln Financial Group will be insuring our life and disability plans as of Jan. 1, 2020. There are also some changes to the terms of the plans.

New! You will have the option to purchase life insurance for your spouse/domestic partner and children to age 26. In addition, the increments of the voluntary life and AD&D benefit have changed to provide more options.

We are having an open enrollment for this valuable benefit, so if you previously had not elected voluntary coverage but would now like to consider coverage, you will have the option of purchasing coverage up to the guarantee issue without having to answer health questions. Anyone who is currently enrolled will have their current elections rolled over into the new Lincoln plan.

After evaluating the Washington State Paid Family and Medical Leave (PFML) law, Puget Sound has redesigned our disability program to complement the benefits that will be provided by the state. The two changes are:

- We are decreasing the elimination period for Long Term Disability from 180 days to 90 days. This means you will have access to benefits after being disabled for only 90 days.
- Voluntary Short Term Disability is no longer being offered through Puget Sound. With the addition of the PFML benefits, we determined that 75% of those currently enrolled will get a better benefit from the state. Because of that, we determined that we could not meet UNUM’s enrollment requirements to continue to offer this benefit.

The state is still working on the final phase of the PFML law, so it may be as late as mid-December before all of the rules and procedures are available. We will continue to monitor the progress and will share additional information as it becomes available.

Our hope is to make navigating the various benefits available to you when on leave or disability easier. We have hired Lincoln Financial Group to assist with leave administration, so in addition to long-term disability, they will be administering our FMLA plan starting January 1st. We will be sharing more information as details are worked out.

What are my 2020 premiums?

We have continued to have favorable claims experience, which has allowed us to reduce our medical premium rates. The vision plan rates are decreasing slightly and you will have new choices for dental coverage. The following premium rates will apply beginning January 1, 2020:
## BENEFITS

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<th>Medical – Per Month</th>
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*An eligible domestic partner must meet all requirements included in the Puget Sound Affidavit of Marriage or Domestic Partnership. Any premiums paid by Puget Sound on behalf of the partner or partner’s children will be taxable income to the faculty or staff member. Premiums paid by faculty or staff members for a partner or partner’s children will be deducted after taxes.

**Contributions Pre-Tax**

Please note that the amount you pay for medical and dental coverage will be taken out of your paycheck before taxes, as allowed by Section 125 of the Internal Revenue Code. IRS rules state that once you make your enrollment election for the year, you will not be allowed to change that election until the next open enrollment period, unless you have a change in family status, such as marriage, divorce, birth of a child, or change in employment status. This means you may not add or drop coverage during the year unless there is a qualified change in family status.