Senate Bill 287 (State Health Plan / Good Health Initiatives) was signed into law by Governor Perdue on April 23, 2009. This bill includes the State Health Plan benefit changes and rate increases for the 2009/2010 and 2010/2011 benefit years.

**Benefit Changes:**

- **Effective 07/01/2009,** the **90/10 Plus plan will no longer be offered.** Employees currently enrolled in the 90/10 Plus plan will have a choice of moving to the PPO Basic (70/30) or the PPO Standard (80/20) during Annual Enrollment, scheduled for **May 6th-May 29th.** Changing plan options require that you complete an Annual Enrollment Change form, which will be located on the Benefits homepage by Monday, May 4th. If a PPO Plus (90/10) participant does not submit a completed form by May 29th, he/she along with any dependents currently covered on the plan will **automatically** default to the PPO Standard plan (80/20) effective July 1st. Employees who switch or are moved to the 80/20 plan will no longer have to pay for employee only coverage [effective July 1st]. Premium changes for dependents will occur with June payroll with coverage effective July 1st.

  You may also be wondering if you will have the option of changing the contribution level of your Medical Flexible Spending Account. At this time, NC Flex, the plan administrator has told us that you will not be able to make any changes based on the elimination of the PPO option; however, we and universities in the UNC System, have asked that the decision be reconsidered. We will keep you posted.

If you are currently participating in the PPO Basic (70/30) or the PPO Standard (80/20), **no action is required UNLESS** you are changing plan options [i.e. -from the Basic to the Standard or vice versa], adding or dropping dependents, or terminating coverage. Changing plan options require that you complete an Annual Enrollment Change Form, which will be located on the Benefits homepage by Monday, May 4th.

If you or your dependents are enrolling for the first time, you will complete the same form as mentioned above, as well as the Prior Coverage Form. Please note that waiting periods may apply if you are enrolling for the first time outside of your 30-day hire date.

**Submit forms to the University Benefits Office no later than May 29th** to Campus Box 7215 or by fax to 919/513-2528. To access forms on or after May 4th, please logon to the Benefits website at: [http://www7.acs.ncsu.edu/hr/benefits/](http://www7.acs.ncsu.edu/hr/benefits/).

- Deductibles, copays and coinsurance maximums will increase, effective July 1, 2009. Please refer to the attached Benefit Changes Chart for details.

- **As of January 1, 2010,** routine vision exams will no longer be covered under the PPO options. The Annual Enrollment for the NCFlex Vision Care Plan will be held in October for a January 1, 2010 effective date. There is no waiting period for first-time enrollees in the Vision Care Plan. Under current plan rules, if you elect the coverage, but later drop the plan, a two year waiting period applies for re-enrollment. NC Flex is considering the possibility of waiving this provision, but we will not know for sure until October.
### Prescription Drugs

- The prescription drug number of days supply for one copayment will change from 34 days to **30** days, effective July 1, 2009.
- The copay for generic drugs will remain $10.
- The copay for diabetic supplies will remain $10 for preferred brand and $25 for non-preferred brand.
- Prescription drug copays for preferred brand (without a generic available), and non-preferred brand will each increase by $5, effective July 1, 2009.
- Beginning July 1, 2009, a 25% coinsurance will be charged for specialty prescription drugs up to $100 for each 30-day supply. If you are currently taking a specialty medication, you will receive additional information in the mail.
- The preferred brand copay tier (with generic available) will be eliminated effective July 1, 2009.

**Please note:** Beginning July 1, 2009, if a generic equivalent is available and a member chooses to have the brand name drug, or their doctor prescribes "Dispense as Written" (DAW), they will be required to pay the difference between the actual cost of the brand name drug and the amount the Plan would have paid for the generic equivalent, in addition to the generic copayment.

### New Plan Modifications Are Coming:

Effective 07/01/2010, members must attest that he/she or covered dependents do not use tobacco products. If so, the member may only opt for the PPO Basic (70/30) plan.

Effective 07/01/2011, members must attest that their weight and height ratio is within an evidence-based determined range. If not, the member may only opt for the PPO Basic (70/30) plan.

Please review the attached Health Initiatives document. We have no additional information at this time, but will provide updates as they are received.

### Important:

Because the legislation was just signed into law on April 23, 2009, this Annual Enrollment is being conducted later than normal for a July 1st effective date. Due to the shortened time frame for Annual Enrollment this year, it is likely that not all members who make changes will receive their ID card by July 1, 2009. Providers and pharmacies will accept your old ID cards; therefore, continue to use your old ID card until you receive a new ID card.

### Rates:

On July 1, 2009 there will be an 8.9% premium increase on all coverage tiers.

On July 1, 2010 there will be another 8.9% premium increase on all coverage tiers.

**See attached chart reflecting the new rates for each tier.**

### Have Any Questions?

If you have any health benefits or pharmacy questions, you can direct them to:

- State Health Plan Web site at [www.shpnc.org](http://www.shpnc.org);
- Customer Services for plan questions at 1-888-234-2416;
- Medco Customer Services for **pharmacy** questions at 1-800-336-5933; or
- Your NC State Benefits Consultant at [http://www.fis.ncsu.edu/hr/benefits/consultant.asp](http://www.fis.ncsu.edu/hr/benefits/consultant.asp).

### Interested in Reviewing Senate Bill 287?