

Five Colleges, Inc. ~ Memorandum

To: All Benefited Employees
From: Barbara Lucey
Date: November, 2017

Re: Health and Dental Insurance

We are staying with Harvard Pilgrim as our health insurance carrier this year. On balance, they have the best pricing and offerings of the competing plans. Across the board all health insurance carrier's increases for our size group have been in the double digits. We have looked at competitive plans at various options. Overall, staying with the same plan design under Harvard Pilgrim Health Plan delivers the best value for the premium cost. Do expect to see an increase in your payment, however. And please realize that the next best plan available to us included a deductible of \$1000 for individuals and \$2000 for 2-person and family plans. Next year, we may find it necessary to choose a plan with this kind of deductible.

OPEN ENROLLMENT

Five Colleges, Inc. will hold its annual **open enrollment November 7 – November 28, 2016**. During this time, you may switch plans, add eligible members, or sign up for the first time. If you are going to make a change, please contact the business office and complete a change form. If we do not hear from you by November 28th, you will be re-enrolled in your current plan.

EMPLOYEE CONTRIBUTIONS WILL INCREASE

HMO. There are no changes to the benefits under the Harvard Pilgrim HMO plan. Total premiums increased by 15%. Employee contributions were increased by that percentage so as to share the cost increase equally between employees and FCI. You may notice that employee contributions decreased over the past three years and we are now back to 2013 rates.

PPO. For this year the PPO plan has some minor benefit changes. The PPO plan continues to be more expensive for employees, with the employer contribution amount the same as for the HMO plan.

POLICY

4-TIER PLAN

Five Colleges offered a 4-tier medical plan, covering not only individual and families, but also two rates for two party families (one for Employee + Spouse and one for Employee + 1 or more Children), for both the HMO and PPO plans.

RATES

Five Colleges continues to keep its employee contribution rates adjusted to near the average of the four private colleges. This year we are **BELOW** that average for the HMO plan.

Employee Monthly Costs

Monthly Premium Rates and Employee Contributions for 2016-2017 (starting December 1, 2016)

<u>HMO</u>	<u>Premium Total</u>	<u>Employee Premium</u>	<u>%</u>	<u>Monthly Change- Employee</u>
Individual	\$627.01	\$92.00	15%	+\$12.00
Employee + Spouse	\$1,254.01	\$299.00	24%	+\$39.00
Employee + Child(ren)	\$1159.96	\$276.00	24%	+\$36.00
Family	\$1786.97	\$426.00	24%	+\$56.00
<u>PPO</u>	<u>Premium Total</u>	<u>Employee Premium</u>	<u>%</u>	<u>Monthly Change- Employee</u>
Individual	\$815.73	\$281.00	34%	+\$51.00
Employee + Spouse	\$1,631.45	\$676.00	41%	+\$106.00
Employee + Child	\$1,509.09	\$625.00	41%	+\$55.00
Family	\$2,061.30	\$963.00	41%	+\$103.00

The amount deducted from 24 paychecks will be half the amount shown in the Employee Premium column above.

(*If you are a regular employee working fewer than 30 hours/week, please speak to Yvette about the cost of your employee contribution.)

Five Colleges, Inc.

12/1/2016 Employee Contribution Summary (with savings) and Employee Contribution Percentage %
Medical

Employee Contribution Summary	Enrollment	Current Employee Contributions	Employee Contributions effective: 12/1/16- 11/30/17 Harvard Pilgrim	% Increase	Extra per month to Employee	Extra per year to Employee	Extra per pay period Employee (24)
HMO							
Individual	20	\$80.00	\$92.00	15.0%	\$12.00	\$144.00	\$6
EE + Spouse	3	\$260.00	\$299.00	15.0%	\$39.00	\$468.00	\$1
EE + Child(ren)	3	\$240.00	\$276.00	15.0%	\$36.00	\$432.00	\$1
Family	2	\$370.00	\$425.50	15.0%	\$55.50	\$666.00	\$2
PPO							
Individual	0	\$230.05	\$280.72	22.0%	\$50.67	\$608.04	\$2
EE + Spouse	0	\$570.10	\$676.44	18.7%	\$106.34	\$1,276.08	\$5
EE + Child(ren)	1	\$570.10	\$625.13	9.7%	\$55.03	\$660.36	\$2
Family	0	\$860.15	\$963.35	12.0%	\$103.20	\$1,238.40	\$5

Employee Contribution Percentage %	Enrollment	Current Total Premium	Total Premium effective: 12/1/16 - 11/30/17 Harvard Pilgrim	Employee Contributions Effective: 12/1/16 - 11/30/17	% cost to Employee
HMO					
Individual	20	\$547.15	\$627.01	\$92.00	15%
EE + Spouse	3	\$1,094.29	\$1,254.01	\$299.00	24%
EE + Child	3	\$1,012.22	\$1,159.96	\$276.00	24%
Family	2	\$1,559.36	\$1,786.97	\$425.50	24%
PPO					
Individual	0	\$723.26	\$815.73	\$280.72	34%
EE + Spouse	0	\$1,446.53	\$1,631.45	\$676.44	41%
EE + Child	1	\$1,338.04	\$1,509.09	\$625.13	41%
Family	0	\$2,061.30	\$2,324.82	\$963.35	41%

10/28/2016

Five Colleges, Incorporated
 Effective 12/1/2016 - 11/30/2017

HMO Plan	Enrollment	Current	HPHC (Tiered Copayment HMO 25)
Rate Summary			
Individual	20	\$547.15	\$627.01
Employee + Spouse	3	\$1,094.29	\$1,254.01
Employee + Child(ren)	3	\$1,012.22	\$1,159.96
Family	2	\$1,559.36	\$1,786.97
Total	28	\$244,800	\$280,800
% Difference			14.7%
Plan Summary			
		Current	Effective 12/1/2015
Deductible		N/A	N/A
Office Visit Copay		\$25 PCP \$40 SP	\$25 PCP \$40 SP
Inpatient Hospital		\$500 (\$250 Employee Cost*)	\$500 (\$250 Employee Cost*)
Outpatient Hospital**		\$500 (\$250 Employee Cost*)	\$500 (\$250 Employee Cost*)
ER Copay		\$150	\$150
High Tech Imaging		\$150	\$150
RX - retail		\$15/\$30/\$50	\$15/\$30/\$50
RX - mail		\$30/\$60/\$150	\$30/\$60/\$150
Annual Medical Out-of-Pocket maximum		\$2,000 / \$4,000 (combined medical/Rx)	\$2,000 / \$4,000 (combined medical/Rx)
Annual RX Out-of-Pocket maximum			

PPO Plan	Enrollment	Current		HPHC (Affordable PPO 20)	
		In Network	Out of Network	In Network	Out of Network
Rate Summary					
Individual	0	\$723.26		\$815.73	
Employee + Spouse	0	\$1,446.53		\$1,631.45	
Employee + Child(ren)	1	\$1,338.04		\$1,509.09	
Family	0	\$2,061.30		\$2,324.82	
Total	1	\$16,100		\$18,100	
% Difference				12.4%	
Plan Summary					
		Current		Effective 12/1/2016	
Annual Deductible		N/A	\$400/\$800	N/A	\$400/\$800
Office Visit Copay		\$20 PCP \$35 SP		\$20 PCP \$35 SP	
Inpatient Hospital*		\$500 (\$250 Employee Cost*)	20% Co-insurance after deductible	\$500 (\$250 Employee Cost*)	20% Co-insurance after deductible
Outpatient Hospital*		\$500 (\$250 Employee Cost*)		\$500 (\$250 Employee Cost*)	
ER Copay		\$100		\$150	
High Tech Imaging		\$150		\$150	
RX - retail		\$5/\$15/\$30/\$50/20%	N/A	\$5/\$25/\$40/\$60/20%	N/A
RX - mail		\$12.50/\$37.50/\$75/\$125/20%	N/A	\$12.50/\$62.50/\$100/\$180/20%	N/A
Annual Out-of-Pocket Maximums		\$2,000 / \$4,000 (medical) \$1,000 / \$2,000 (Rx)	\$3,000/\$6,000 (medical)	\$2,000 / \$4,000 (medical) \$1,000 / \$2,000 (Rx)	\$3,000/\$6,000 (medical)

* Five Colleges currently reimburses employees \$250

DENTAL INSURANCE PLAN SUMMARY –FOR JANUARY, 2017

POLICY

Five Colleges, Incorporated will continue to provide Dental Insurance according to our two-year contract with Delta Dental through 2017 with no changes. Rates will be renegotiated for 2018. All regular employees (defined in the Personnel Manual as “working a regularly scheduled workweek of 20 or more hours for at least 10 months of the year”) are eligible for employer-paid contributions to the plan offered by Five Colleges, Incorporated. Five Colleges, Incorporated contributes an amount towards the Dental Insurance premium that varies annually according to plan designs available and the annual budget. Premium payments by Five Colleges, Incorporated are NOT prorated for regular part-time employees; the benefit is the same as for regular full-time employees. Plan details, current rates, and enrollment forms are available in the Business Office.

OPEN ENROLLMENT

Five Colleges, Inc. will hold its annual open enrollment November 7 – November 28, 2016. During this time, you may switch plans or sign up for the first time. Five Colleges offers one plan through Delta Dental. For continuing years of the plan, if you are going to make a change, please contact the business office and complete a change form. If we do not hear from you by November 28th, you will be re-enrolled in your current plan.

2-TIER PLAN

Five Colleges offered a 2-tier dental plan, covering individual and families. The total premium will remain the same for 2016 and 2017. Five Colleges will keep level the 2014 and 2015 employee contribution dollar amount for 2017 (while slightly increasing the FCI amount), which reduces the employee contribution percentage rate to 24% for the Employee-only option and 48% for the Family option.

RATES

Employee Contribution Summary	Current Employee Contributions	Renewal Employee Contributions (holding EE contributions flat)	Monthly Employee Change (\$)	Employee Contribution %
Employee only	\$12.03	\$12.03	\$0.00	24%
Family	\$72.69	\$72.69	\$0.00	48%

* renewal rates are guaranteed for 1 year.

The amount deducted from 24 paychecks will be half the amount shown in the column “Monthly Employee Contribution” above.

Five Colleges, Incorporated

Delta Dental Plan 1/1/2017-12/31/2017

Five Colleges - Dental Coverage	Benefits
Annual Deductible	\$50 Individual \$150 Family
Coinsurance for Type I Services	100% - no deductible
Coinsurance for Type II Services	85% - after deductible
Coinsurance for Type III Services	55% - after deductible
Annual Plan Maximum	\$1,500
Orthodontia Coverage?	Yes
Orthodontia Coinsurance/Copay	50%
Orthodontia Lifetime Maximum	\$1,000

Visit delta-dental.com for detailed benefit information

Deductible: \$50 per individual / \$150 per family. Deductible waived for Diagnostic and Preventive categories.

Category / Procedure	Qualifications	PPO Network	Premier & Out of Network*
Diagnostic Comprehensive Evaluation Periodic Oral Exam Full Mouth X- rays Bitewing X-rays Single Tooth X-rays	Once every 60 months per dentist. Once every 6 months. Once every 60 months. Once every 6 months. As needed.	100%	100%
Preventive Teeth Cleaning Fluoride Treatments Space Maintainers Sealants Chlorhexidine Mouthrinse Fluoride Toothpaste	Once every 6 months. Once every 6 months for members under age 19. Required due to the premature loss of teeth. For members under age 14 and not for the replacement of primary or permanent anterior teeth. Unrestored permanent molars, every 4 years per tooth for members through age 15. Sealants are also covered for members aged 16 up to age 19 for those who had a recent cavity and are at risk for decay. This is a covered benefit only when administered and dispensed in the dentist's office following scaling and root planing. This is a covered benefit only when administered and dispensed in the dentist's office following periodontal surgery.	100%	100%
Restorative Silver Fillings White Fillings (Front Teeth) White Fillings (Back Teeth) Temporary Fillings Stainless Steel Crowns	Once every 24 months per surface per tooth. Once every 24 months per surface per tooth. Covered only for single surfaces. Once every 24 months per surface, per tooth, multi-surfaces will be processed as a silver filling and the patient is responsible up to the submitted charge. Once per tooth. Once every 24 months per tooth.	85%	80%
Oral Surgery Simple Extractions Surgical Extractions	Once per tooth. Once per tooth.	85%	80%
Periodontics Periodontal Surgery Scaling and Root Planing Periodontal Cleaning	Periodontic benefits not provided when rendered in a surgical day care or hospital setting. Once in 24 months, per quadrant. Once every 3 months following active periodontal treatment. Not to be combined with preventive cleanings.	85% 100%	80% 100%
Endodontics Root Canal Treatment Vital Pulpotomy	Once per tooth. Limited to deciduous teeth.	85%	80%
Prosthetic Maintenance Bridge or Denture Repair Rebase or Reline of Dentures Recement of Crowns & Onlays	Once within 12 months, same repair. Once within 36 months. Once per tooth.	85%	80%
Emergency Dental Care Minor treatment for Pain Relief General Anesthesia	Three occurrences in 12 months. Allowed with covered surgical services only.	85%	80%
Prosthodontics Dentures Fixed Bridges and Crowns Implants	Once within 60 months. When part of a bridge. Once within 60 months. An Endosteal Implant is covered to replace one missing tooth (in lieu of a three unit bridge, and when all adjacent teeth do not require crowns.) Once per 60 months per Implant.	55%	50%
Major Restorative Crowns	When teeth cannot be restored with regular fillings. Once within 60 months per tooth.	55%	50%

Calendar Year Maximum: \$1,500 per person.

Co-insurance

Orthodontics: Covered at 50% of Maximum Plan Allowance charges to age 19. \$1,000 separate LIFETIME maximum.

Dependent Eligibility: Eligible dependents up to age 26.