

*Five Colleges, Inc. ~ Memorandum*

To: All Benefited Employees

From: Barbara Lucey

Date: October, 2017

**Re: Health and Dental Insurance**

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**Health Plan**

Good news, we are staying with Harvard Pilgrim this year for both the HMO and PPO plans. Our plan, however has changed due to a proposed 25% cost increase in premiums for our current plan and other carriers' comparable plans. We are experiencing a transition in our health care coverage this year by introducing deductibles in the plans we offer. Some employers are moving to high-deductible plans, such as FCI will likely adopt for the plan year following this renewal. Health savings accounts (HSAs) will also be introduced next year along with the employee education that would reasonably help you make that transition smoothly. In the current renewal, we are taking a half-step, by adopting a plan with a relatively small premium increase – to be shared by employees and FCI - while introducing a lower deductible plan.

**EMPLOYEE CONTRIBUTIONS WILL INCREASE**

**HMO:**

- The HMO premiums you pay via payroll deductions will increase slightly.
- We now have a deductible of \$1000 for individuals and \$2000 for 2-person and family plans.
- Our Health Reimbursement Account (HRA) through American Benefits is being re-designed to pay half of your deductible.

**PPO:**

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

The Plan design changes for the HMO plan are summarized in this memo, along with the changes in the PPO plan. Please review the full "Schedule of Benefits" from Harvard Pilgrim for more detail, posted in For Staff Health Insurance FCI website.

**Dental Plan**

Good news: Delta Dental is extending our current dental rates for an additional two-year period. As such, employee contributions will remain the same.

**OPEN ENROLLMENT**

Five Colleges, Inc. will hold its annual **open enrollment November 1 – November 21, 2017**. During this time, you may switch plans, add/drop 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 21st, you will be re-enrolled in your current plan.

**POLICY**

**4-TIER PLAN**

Five Colleges offers a 4-tier medical plan, covering not only individual and families, but 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.

**Five Colleges, Inc.**  
**Health Plan Premiums Changes**

Employee Contribution Summary	Current Employee Contributions	Renewal Employee Contributions (12/1/17 - 11/30/18)	% Increase	Extra per Month to Employee	Extra per Year to Employee	Extra Per PayPeriod (x 24)
<b>HMO</b>						
Individual	\$92.00	\$100.00	9%	\$8.00	\$96.00	\$4.00
EE + Spouse	\$299.00	\$312.00	4%	\$13.00	\$156.00	\$6.50
EE + Child(ren)	\$276.00	\$288.00	4%	\$12.00	\$144.00	\$6.00
Family	\$426.00	\$444.00	4%	\$18.00	\$216.00	\$9.00
<b>PPO</b>						
Individual	\$280.72	\$325.94	16%	\$45.22	\$551.28	\$22.97
EE + Spouse	\$676.44	\$772.88	14%	\$96.44	\$1,162.56	\$48.44
EE + Child(ren)	\$625.13	\$705.99	13%	\$80.86	\$971.88	\$40.50
Family	\$963.35	\$1,087.93	13%	\$124.58	\$1,499.28	\$62.47

Employee Contribution %	Current Total Premium	Renewal Total Premium (12/1/17 - 11/30/18)	Renewal Employee Contributions (Dec2017- Nov2018)	% Cost to Employee
<b>HMO</b>				
Individual	\$627.01	\$641.19	\$100.00	16%
EE + Spouse	\$1,254.01	\$1,282.38	\$312.00	24%
EE + Child(ren)	\$1,159.96	\$1,186.20	\$288.00	24%
Family	\$1,786.97	\$1,827.39	\$444.00	24%
<b>PPO</b>				
Individual	\$815.73	\$867.13	\$325.94	38%
EE + Spouse	\$1,631.45	\$1,743.26	\$772.88	44%
EE + Child(ren)	\$1,509.09	\$1,604.19	\$705.99	44%
Family	\$2,324.82	\$2,471.32	\$1,087.93	44%

HMO Plan	Current HMO	Renewal HMO: Best Buy \$1,000
<b>Plan Summary</b>		
Plan Provision	<b>Current</b>	<b>Effective 12/1/2017</b>
Deductible	None	<b>\$1,000 Ind / \$2,000 Family</b>
Office Visit Copay	\$25 PCP \$40 SP	\$25 PCP \$40 SP
Inpatient Hospital	\$500 copay	<b>No charge after deductible</b>
Outpatient Hospital	\$500 copay	<b>No charge after deductible</b>
ER Copay	\$150 copay	<b>\$200 copay</b>
High Tech Imaging	\$150 copay	<b>Deductible then \$200 copay</b>
RX - retail	\$15 / \$30 / \$50	<b>\$5 / \$25 / \$50 / \$70 / 20% to \$250</b>
RX - mail	\$30 / \$60 / \$150	<b>\$12.50 / \$62.50 / \$125 / \$210 / 20% to \$750</b>
Annual Medical Out-of-Pocket maximum	\$2,000 individual \$4,000 family	<b>\$5,250 individual \$10,500 family</b>
Annual RX Out-of-Pocket maximum	<i>Combined with Medical</i>	<i>Combined with Medical</i>
Health Reimbursement Account (HRA)	<i>\$250 of \$500 Inpatient or Outpatient copay (annual cap \$500/Individual and \$750/Family)</i>	<b>\$500 per Individual or \$1,000 per Family reimbursement of all deductible expenses</b>

PPO Plan	Current (Affordable PPO 20)		Renewal (Affordable PPO 25)	
	In Network	Out of Network	In Network	Out of Network
<b>Plan Summary</b>				
	<b>Current</b>		<b>Effective 12/1/2017</b>	
Annual Deductible	N/A	\$400/\$800	N/A	<b>\$500/\$1,000</b>
Office Visit Copay	\$20 copay \$35 copay	20% Co-insurance after deductible	<b>\$25 copay</b> <b>\$40 copay</b>	20% Co-insurance after deductible
Inpatient Hospital	\$500 copay		<b>\$1,000 copay</b>	
Outpatient Hospital	\$500 copay		\$500 copay	
High Tech Imaging	\$150 copay		<b>\$125 copay</b>	
ER Copay	\$150		<b>\$125 copay</b>	
RX - retail	\$5 / \$25 / \$40 / \$60 / 20% to \$250		\$5 / \$25 / \$40 / \$60 / 20% to \$250	
RX - mail	\$12.50 / \$62.50 / \$100 / \$180 / 20% to \$750		\$12.50 / \$62.50 / \$100 / \$180 / 20% to \$750	
Annual Out-of-Pocket Maximums	\$2,000 / \$4,000 (medical) \$1,000 / \$2,000 (Rx)	\$3,000/\$6,000 (medical) \$1,000 / \$2,000 (Rx)	\$2,000 / \$4,000 (medical) \$1,000 / \$2,000 (Rx)	\$3,000/\$6,000 (medical) \$1,000 / \$2,000 (Rx)
Health Reimbursement Account (HRA)	<i>\$250 of \$500 Inpatient/Outpatient copay (annual cap of \$500/Indiv.; \$750/Family)</i>		<i>\$500 per Individual or \$1,000 per Family reimbursement of inpatient &amp; outpatient copays</i>	

**DENTAL INSURANCE PLAN SUMMARY – FOR JANUARY, 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.

**2-TIER PLAN**

Five Colleges offers a 2-tier dental plan, covering individual and families. The total premium will remain the same for 2018. Five Colleges will keep level the employee contribution dollar amount for 2018.

Employee Contribution Summary	Total Monthly Premium	Current & Renewal Premium Employee -No Change	Employee Contribution
Employee only	\$50.40	\$12.03	24%
Family	\$152.65	\$72.69	48%

Renewal rates are guaranteed for 2 years.

The amount deducted from 24 paychecks will be half the amount shown in the column “Current & Renewal Premium Employee” above.

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](http://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*
<b>Diagnostic</b> 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%
<b>Preventive</b> 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%
<b>Restorative</b> 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%
<b>Oral Surgery</b> Simple Extractions Surgical Extractions	Once per tooth. Once per tooth.	85%	80%
<b>Periodontics</b> 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%
<b>Endodontics</b> Root Canal Treatment Vital Pulpotomy	Once per tooth. Limited to deciduous teeth.	85%	80%
<b>Prosthetic Maintenance</b> 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%
<b>Emergency Dental Care</b> Minor treatment for Pain Relief General Anesthesia	Three occurrences in 12 months. Allowed with covered surgical services only.	85%	80%
<b>Prosthodontics</b> 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%
<b>Major Restorative</b> 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.