California Public Employees' Retirement System
P.O. Box 942714
Sacramento, CA 94229-2714
888 CalPERS (or **888**-225-7377)
TTY: (877) 249-7442
www.calpers.ca.gov

Reference No.:
Circular Letter No.: 600-032-12
Distribution:
Special:

Circular Letter

August 15, 2012

TO: **CONTRACTING AGENCY HEALTH BENEFITS OFFICER AND ASSISTANTS**

SUBJECT: **2012 OPEN ENROLLMENT AND HEALTH BENEFITS INFORMATION**

This Circular Letter provides information about Open Enrollment related activities and instructions for processing Open Enrollment transactions.

Contents	Page
Open Enrollment Dates & Health Program Highlights	
Open Enrollment Dates	2
Approved Health Plans	2
2013 Health Program Highlights	2
2013 New Health Plan Codes	3
2013 Health Premium Changes	3
2013 State Annuitant Contribution 100/90 Formula	3
Open Enrollment Communications	
Open Enrollment Packets	4
Publications Request	4
Available Online Resources	5
Video: Presenting the 2013 CalPERS Health Plans	5
Employer Reports	5
Undeliverable Health Plan Statements	6
Employer Resources	6
Open Enrollment Employer Responsibilities	
Submitting Transactions	7
Completing the Health Benefits Plan Enrollment Form	7
Rescind Transactions	7
Health Premium Adjustments	8
Employees on Leave of Absence	8
Consolidated Omnibus Budget Reconciliation Act (COBRA)	8
Retiree Enrollment Changes	8
Questions	9

Open Enrollment Dates & Health Program Highlights

Open Enrollment Dates

The 2012 Open Enrollment period is from **September 10, 2012,** through **October 5, 2012**. The effective date of all Open Enrollment transactions is **January 1, 2013.**

Approved Health Plans

Health Maintenance Organization (HMO) Basic Health Plans
- Blue Shield Access+
- Blue Shield NetValue
- Kaiser Permanente
- California Correctional Peace Officers Association (CCPOA)[1]

Exclusive Provider Organization (EPO) Health Plan
- Blue Shield EPO (serves Colusa, Mendocino, and Sierra counties)

Preferred Provider Organization (PPO) Basic Health Plans
- PERS Select
- PERS Choice
- PERSCare
- California Association of Highway Patrolmen (CAHP)[1]
- Peace Officers Research Association of California (PORAC)[1]

[1]Members must belong to the specific association and pay dues in order to enroll in any of the association plans.

2013 Health Program Highlights

The health plan's Evidence of Coverage booklets contain specific health plan change information. The following are general health program highlights for 2013:

Blue Shield NetValue (Basic & Medicare)
- Expanding service area to include Marin, Sonoma, Humboldt, and Stanislaus counties
- Adding providers in Ventura, San Bernardino, San Diego, and Santa Clara Counties

Blue Shield 65 Plus (Medicare)
- Expanding service area to include more zip codes in Contra Costa County

PERS Select (Basic & Medicare)
- Expanding service area to include Alameda, Placer, and Solano counties
  - With this expansion, PERS Select/Choice/Care will cover every county in California

Employer Group Waiver Plan (EGWP)
- Subsidized Medicare Part D drug program adopted by CalPERS

Continued on next page

Open Enrollment Dates & Health Program Highlights, Continued

2013 Health Program Highlights (Continued)

Additional information will be available online on August 13, 2012. Visit CalPERS On-Line at **www.calpers.ca.gov** and select the Employers tab. Next choose Benefit Programs & Contracting Services, then Health Benefits Program, and finally 2013 Health Plan Information.

2013 New Health Plan Codes

Blue Shield NetValue is expanding to Marin, Sonoma, Humboldt, and Stanislaus counties effective January 1, 2013. No action is required for employees who are continuing enrollment with Blue Shield NetValue into 2013. The new Blue Shield NetValue health plan code is:

- Blue Shield NetValue Other Northern (BS NetValue North)
  - Basic Plan Code 147
  - Supplemental Medicare Plan Code 157

2013 Health Premium Changes

The health premium changes for CalPERS HMO, PPO, and Association health plans vary annually. For information about the 2013 health premiums for State Agencies and the 2013 Consolidated Omnibus Budget Reconciliation Act (COBRA) monthly premium rates, visit CalPERS On-Line at **www.calpers.ca.gov** and select the Employers tab. Next choose Benefit Programs & Contracting Services, then Health Benefits Program, and finally 2013 Health Plan Information. This information will be available online on August 13, 2012.

2013 State Annuitant Contribution 100/90 Formula

California Government Code 22871 sets the State contributions for annuitants. The amount is equal to 100 percent of the weighted average of the premiums for an employee or annuitant enrolled for self-alone, in the four Basic health plans with the largest State enrollment, excluding family members, for the previous benefit year.

Below is a comparison chart for the 2012 and 2013 State contributions:

Party Type	2012	2013
One Party	$566	$622
Two Party	$1,074	$1,183
Family	$1,382	$1,515

Continued on next page

Open Enrollment Communications

Open Enrollment Packets

Open Enrollment packets will be mailed to enrolled subscribers on **August 13, 2012** and **August 20, 2012**. The Open Enrollment packet will include:

- **Open Enrollment News** – provides information about this year's Open Enrollment period, as well as highlights of the 2013 health benefit design changes.
- **Health Plan Statement** – identifies the health plan in which the subscriber and the subscriber's family members are enrolled in as of July 1, 2012.
- **Rate Sheet** – informs the subscriber of available health plans and rates based on their eligibility ZIP Code.
- **Postcard** – allows subscribers to order the *2013 Health Benefit Summary*, *Health Program Guide*, and the *CalPERS Medicare Enrollment Guide*.

Subscribers enrolled in a CalPERS health plan after July 1, 2012, will not receive an Open Enrollment packet. New employees or subscribers who did not receive an Open Enrollment packet may obtain the Open Enrollment publications from you. They can also visit CalPERS On-Line at **www.calpers.ca.gov** and select the Members tab. Next choose Health Benefits and finally 2013 Health Plan Information. This information will be available online on August 13, 2012.

Publications Request

Members may request health publications by using the prepaid postcard included in the Open Enrollment Packet. Postcards must be postmarked no later than **September 19, 2012**. Requested materials will be mailed within two weeks. The postcard should be used to request any of the following:

- ***2013 Health Benefit Summary*** – This annual publication provides valuable information about health plans, compare benefits, covered services, and co-payment information for CalPERS health plans.

- ***Health Program Guide*** – This publication describes Basic and Medicare health plan eligibility, enrollment, and health plan options. It provides an overview of CalPERS health plan types and explains how and when to make changes.

- ***CalPERS Medicare Enrollment Guide*** – This publication provides information about how Medicare works with CalPERS health benefits, including when to enroll in a CalPERS Medicare health plan.

On **August 13, 2012**, the publications will be available to view and print on CalPERS On-Line at **www.calpers.ca.gov** and select the Employers tab. Next choose Benefit Programs & Contracting Services, then Health Benefits Program, and finally 2013 Health Plan Information.

Continued on next page

Open Enrollment Communications, Continued

Available Online Resources

To help your employees choose a health plan, the following resources are available on CalPERS On-Line at **www.calpers.ca.gov**

Health Plan Search by ZIP Code
The Health Plan Search by ZIP Code is an online tool that provides which plans are available in the ZIP Code area. Enter the ZIP Code of the residential or work address, select the Member Category, and then Search to view the results.

Health Plan Chooser
The online Health Plan Chooser describes the benefits and costs for each plan, search for specific doctors, and view overall plan satisfaction and quality ratings.

2012 Member Rating Information
The 2012 Member Rating Information provides CalPERS member ratings of health plans, services, and provides tips to assist in making other important decisions, such as choosing a doctor.

Video: Presenting the 2013 CalPERS Health Plans

CalPERS now offers a video that provides information from expert health plan representatives. Also included with this on-demand video are downloadable materials for the 2013 health plans. The video will be available on CalPERS On-Line at **www.calpers.ca.gov** for you and your employees in early September. Select the Members tab. Next choose Video & Web Event Center. Select Videos, then Health Benefits to find *Presenting the 2013 CalPERS Health Plans.*

Refer to Circular Letter 600-022-12 for additional information.

Employer Reports

The Employer Reports will be mailed by August 16, 2012. This report will provide you a listing of Open Enrollment Packets mailed to subscribers associated with your Employer CalPERS ID. The following employee information will be listed:

- First name, middle initial, and last name
- Address (according to CalPERS records)
- Current health plan and eligibility ZIP Code

An asterisk identifies Open Enrollment Packets returned with an undeliverable address by the United States Postal Service. Changes submitted after July 1, 2012, will not be reflected on this report. Please refer to the Undeliverable Health Plan Statements section of this Circular Letter for processing instructions.

Continued on next page

Open Enrollment Communications, Continued

Undeliverable Health Plan Statements

Undeliverable Health Plan Statements returned with an undeliverable address by the United States Postal Service will be forwarded to you by **September 21, 2012**. Below are instructions for processing undeliverable Health Plan Statements:

1. Provide the Health Plan Statement and ***Member Change of Address Form*** to the employee.
2. Receive a completed ***Member Change of Address Form*** from the employee.
3. Contact the State Controller's Office (SCO) to update the employee's new address. The SCO address is considered the address of record and is used to update CalPERS records.

Statements that cannot be distributed (e.g., member has permanently separated and did not leave a forwarding address) should be sent for certified destruction to CalPERS at the following address:

CalPERS
Health Account Services
Attn: Undeliverable Health Plan Statements
P.O. Box 942714
Sacramento, CA 94229-2714

Retirees should contact CalPERS at **888 CalPERS** (or **888**-225-7377) or through my|CalPERS online at **www.calpers.ca.gov** to update their address or to request a 2012 Health Plan Statement.

Employer Resources

Open Enrollment Publication Packets

On **August 13, 2012** and **August 20, 2012**, CalPERS will mail a supply of Open Enrollment publication packets equivalent to two percent of your agency's enrolled employees. Please use these publications to distribute to the following groups of employees:

- New hires
- Employees who are eligible for health benefits, but who are not currently enrolled in a health plan
- All health enrollments or address changes recorded after July 1, 2012

Posters

Open Enrollment and Health Plan Chooser posters are included with the Open Enrollment packets. Posters should be posted in your Personnel Office. They will also be available on August 13, 2012, on CalPERS On-Line at **www.calpers.ca.gov**. Select the Employers tab. Next choose Benefit Programs & Contracting Services, and finally Health Benefits Program.

Continued on next page

Open Enrollment Employer Responsibilities

Submitting Transaction

All health enrollment transactions should be submitted timely through my|CalPERS online at **my.calpers.ca.gov**. Early submission will ensure timely processing of health plan identification cards and proper payroll deductions.

- All transactions must be entered based on the Open Enrollment dates of **September 10** through **October 5, 2012**.
- The deadline for processing all Open Enrollment transactions is **October 19, 2012**.

If you have any questions, contact the CalPERS Customer Contact Center at **888 CalPERS** (or 888-225-7377).

Completing the Health Benefits Plan Enrollment Form

Use the guide below to complete the Health Benefits Plan Enrollment form:

Box	Reason Code	Description
14	104	New Enrollment during Open Enrollment
14	206	Adding Dependent during Open Enrollment
14	320	Open Enrollment Delete Dependent
14	400	Changing Plans during Open Enrollment
14	503	Enrolled in Flex Elect – Cancel Coverage
14	530	Open Enrollment Cancel Coverage
15	Event Date	September 10 – October 5, 2012
16	Effective Date	January 1, 2013
17	Basic Plan	List all persons to be enrolled in the health plan, including dependent SSNs
21	Employee Sign Date	September 10 – October 5, 2012 *(include employee's daytime phone number)*
33	HBO Received Date	September 10 – October 5, 2012

Rescind Transactions

In my|CalPERS, you have the ability to rescind health transactions when the effective date of the transaction occurs in the future. For example, prior to the January 1, 2013 effective date, if an employee decides they no longer want to change health plans, you may rescind the transaction within my|CalPERS. Employees cannot select another health plan, but can rescind the Open Enrollment change and return to the original health plan.

To avoid payroll deduction errors, the rescind transaction must be updated online through my|CalPERS at **www.calpers.ca.gov** prior to the December 2012 payroll cut-off date. Open Enrollment transactions rescinded after the December payroll cut-off date will be adjusted on the February 1, 2013 warrant.

Continued on next page

Open Enrollment Employer Responsibilities, Continued

Health Premium Adjustments

Despite everyone's best efforts, the January 1, 2013, pay warrants for some employees may not reflect the proper premium payment due to unavoidable processing delays during Open Enrollment. If this happens, the premium payment will be adjusted during a subsequent pay period.

If an employee's pay warrant does **not** reflect their 2012 Open Enrollment health plan change, advise the employee to **discontinue** using their prior plan after January 1, 2013. You must verify that my|CalPERS reflects the appropriate enrollment and advise the employee that the payroll discrepancy will be resolved by the first of the following month.

Employees on Leave of Absence

Employees on a leave of absence during the Open Enrollment period may change plans and add/delete dependents. Employees who do not change plans and add/delete dependents during the Open Enrollment period, may do so within 60 days from the date they return to regular pay status.

Consolidated Omnibus Budget Reconciliation Act (COBRA)

Former employees or their dependents that are eligible for COBRA continuation coverage may change health plans and add/delete eligible dependents during Open Enrollment. Former employees or their dependents enrolled in COBRA as of July 1, 2012, will receive an Open Enrollment Packet. You are required to:

- Provide the former employee *a* ***Group Continuation Coverage*** form.
- Process transaction online through my|CalPERS at **my.calpers.ca.gov**
- Comply with the effective date rules for completion of the Group Continuation form which are the same as those for the ***Health Benefits Plan Enrollment*** form.
- Notify the former employee that premium payments must be sent directly to the health plan, not CalPERS.

Retiree Enrollment Changes

Retirees may make changes to their health plan in any of the following ways:

- Through my|CalPERS at **my.calpers.ca.gov**
- Call us toll-free at **888 CalPERS** (or **888**-225-7377)
- Submit a change request in writing by mail or fax to:

CalPERS
Health Account Services
P.O. Box 942714
Sacramento, CA 94229-2714
FAX (800) 959-6545

Continued on next page

Open Enrollment Employer Responsibilities, Continued

Retiree Enrollment Changes (Continued)

Retirees of the Judges' & Legislators' Retirement Systems (JLRS) may make changes to their health plan in any of the following ways:

- Through my|CalPERS at **my.calpers.ca.gov**
- By calling JLRS at (916) 795-3688
- By requesting a change in writing by mail or fax to:

JLRS
P.O. Box 942705
Sacramento, CA 94229-2705
FAX (916) 795-1500

Questions

If you have any questions about the information provided in this Circular Letter, please contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888**-225-7377).

KAREN DeFRANK, Chief
Customer Account Services Division