



TO: All PHS Benefits-eligible Employees

RE: Important Benefit Changes

As we began the process to renew our Health Plan with Blue Cross/Blue Shield last fall, they quoted us new rates that were significantly higher than last year. This compelled us to put our Health Plan through the RFP process to consider other options.

Effective with open enrollment/new plan year, 4/1/10, PHS has made the decision to switch Health Plan vendors from Blue Cross/Blue Shield to Medica/United Health Care. Much more specific information will follow this notice, but we wanted to cover a few things with you now, so that you wouldn't be surprised or alarmed. There are many benefits to switching vendors at this time. Due to the switch, effective 4/1/10:

- Those who were enrolled in the BCBS Health Plan last year ***will experience no increases in premiums for your healthcare coverage in the coming year.***
- Since two provider networks virtually mirror one another, there is a very high likelihood your current Provider is included in the Medica network,
- There ***will be no significant Plan design changes***; all things that are covered today will be covered the same way in the coming year under the Medica/UHC Plan.
- For those employees hired after February 1, we will be eliminating the 90-day waiting period for benefits eligibility. ***New employees will now be eligible for all benefits the first of the month following one month of employment.***
- ***Open enrollment meetings with Medica Representatives will be held at our sites during the first 2.5 weeks of March*** where more detailed information and enrollment information will be available for you.
- Meanwhile, ***there will be Medica Links posted on Presstaff.org***, where you may go to verify which network your provider is in and to check to see whether or not the prescription drugs you are currently taking are included in the Medica Formulary. On the Presstaff.org home page, go over to the right-hand side, near the bottom, and click on "Important Employee Benefits Information" link.
- Medica has committed that ***you will receive your medical plan Identification Card, on/or before 4/1/10.***

We realize that changing Health Plan vendors can feel disruptive; we are confident that the benefits to you will outweigh the nuisance of switching vendors on 4/1/10. If you still have questions, after you attend your open enrollment meetings, feel free to let us know. We'll either get you the answer, or put you in touch with the very responsive customer service team at Medica.

Thanks,

Jane Lutz, Benefits Manager, and Karen McKenna, Executive Director, HR.