OPEN ENROLLMENT MEMORANDUM

TO: BENEFITS-ELIGIBLE FACULTY AND STAFF
FROM: MARTY MASTASCUSA, HUMAN RESOURCES
DATE: SEPTEMBER 10, 2018

The Open Enrollment period for the benefits plan year starting November 1, 2018 and ending on October 31, 2019 will take place from September 10th - 28th. During this designated time period, all employees can indicate whether they want to keep their current benefit elections or make changes. Elections should be indicated using the Human Resources web site, www.brynmawr.edu/humanresources. The web site includes Open Enrollment materials, including medical and dental applications, which must be completed by anyone who is adding or changing dependents on either type of plan. A medical application must also be completed by anyone who is switching from Personal Choice to one of the Keystone plans.

Enclosed you will find a Benefits Guidebook that summarizes all of the benefits in the College Flexible Benefit Plan. The back page of the Benefits Guidebook includes contact information for all benefit plans sponsored by the College. Renewal rates and a medical plan comparison are also enclosed; any qualitative comparison reflects my own observations of the advantages and disadvantages of each medical plan offered by the College, but you should review the plan details thoroughly and choose the plan that is best for you and your circumstances. Employees who do not have computer access at work will receive printed copies of the following two forms:

- Flexible Benefit Election Form -- to be completed if making changes
- Coverage Continuation Form -- to be completed if making no changes

For questions or to meet with providers, join us at the Benefits Fair on Tuesday, September 18 from 11:00 am – 2:00 pm in Great Hall.

Summary

We have very good news to share with the community:

- The College will remain with Independence Blue Cross (IBC) for medical insurance.
- The current four medical plans will remain with no reduction in benefits or changes in coverage or co-pays.
- The amount employees contribute toward the medical premium will BE REDUCED in aggregate by 11%.
- The dental plan is renewing with no increase in premium and no change in coverage.
• The basic life insurance that the College provides at no cost will double, increasing from $25,000 to $50,000.

**Medical Coverage Details**

During last year’s Open Enrollment, we shared the issues with which we face with our medical insurance renewals and asked to hear your thoughts. Throughout the 2017-2018 academic year, conversations were opened with faculty and staff including via a town hall session in November and three additional open forums in February. The Benefits Committee met with representatives from IBC and Aetna for in-depth discussions, and we created an online form where community members shared their questions and concerns.

Because of the extensive engagement of multiple insurers in our discussions this year and because of our positive experience recently with claims, we were in a very unique circumstance that resulted in our receiving aggressive bids from the insurers. As such, we are able to maintain our plans with **a reduction in the annual premium**. This is the second year in a row that most employees will have an increase in their take-home pay because the amount we have to withhold for payment of the insurance premium will decrease. We chose to retain IBC as our partner based on the community input we received, even though it was materially more expensive to do so; the alternative would have been less expensive.

While we have lots of good news to share this year, we want to clearly caution that we do not expect that this trend will continue. It is probable that next year’s renewal will result in higher premiums. Be mindful that the increase to your paycheck might be temporary so please plan accordingly. Increases to premiums and changes to the plan design may occur next year.

The formula used to determine the College’s premium contribution has remained consistent for the past 14 years. As determined by the Benefits Committee, the current formula is based on a College contribution for single coverage that is equal to 100% of the Keystone HMO single premium. The College contribution formula for dependent coverage is based on the following percentage of the Keystone HMO single rate:

<table>
<thead>
<tr>
<th>Coverage Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parent/Child(ren) coverage</td>
<td>176.5%</td>
</tr>
<tr>
<td>Employee/Spouse coverage</td>
<td>201.0%</td>
</tr>
<tr>
<td>Family coverage</td>
<td>215.5%</td>
</tr>
</tbody>
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**HSA and FSA**

Most HDHP enrollees can participate in a Health Savings Account (HSA). The 2019 HSA maximums will be $3,500 for individual and $7,000 for family coverage, with a “catch-up” provision for employees age 55 and over of an additional $1,000. If you already participate in the HSA and want to increase your contribution in 2019, please complete a new HSA Contribution Form before the end of the Open Enrollment period.

Enrollees in the other healthcare plans can opt to fund a Flexible Spending Account (FSA) that provides the ability to save money (up to $2,650) on a pre-tax basis to pay for certain medical, dental, vision or prescription expenses such as deductibles and copayments and expenses for services or supplies not covered by the plan. Open Enrollment for the 2018 FSA will occur starting on November 15, 2018, for a January 1, 2019 effective date.
It is hoped that employees use the premium savings or HDHP subsidies provided through this renewal to increase their elections in the HSA or FSA, taking advantage of the tax savings these plans provide. Like last year, all HDHP enrollees except for those with family coverage continue to receive a subsidy that can be used to fund the HSA. Please note that while the formula produces a slightly smaller HDHP subsidy, it is still significantly higher than the subsidy provided before last year.

**Health Insurance Requirement – Affordable Care Act**

Tax reform legislation that went into effect at the start of 2018 eliminated the individual mandate under the Affordable Care Act that required individuals to have coverage or pay a penalty. However, all other requirements of the Affordable Care Act remain in effect and the College will administer its plans in the same manner as it did in prior years. All benefits-eligible employees should be covered for medical insurance through Bryn Mawr or through another insurance plan that meets the “minimum value” standard set by the Affordable Care Act. This does include government programs such as Medicare, Medicaid, TRICARE and CHIP.

**Other Benefits/Coverages**

The College has decided to double the basic life insurance benefit that is provided at no cost to employees, from $25,000 to $50,000.

For the tenth year in a row, dental rates will renew with no increase in premium. There will also be no change in the plan’s coverage.

**Additional Information**

*The College is sponsoring a Benefits Fair on **Tuesday, September 18** from 11:00 a.m. to 2:00 p.m. in Great Hall. Additional information about the Fair will be sent via e-mail, but please plan to attend if you have any questions with which the Human Resources office or one of our providers can assist. If you are unable to attend the Fair, please contact Human Resources directly with questions.*

**REMINDER:** OPEN ENROLLMENT ENDS ON FRIDAY, SEPTEMBER 28. COMPLETED FORMS NEED TO BE RETURNED OR SUBMITTED ON-LINE TO HUMAN RESOURCES BY THIS DATE.

**Looking Ahead:**

Although the Benefits Committee will not organize the same process of engagement with the community each year as was done this year, a commitment to transparency and openness is continued. You are welcome to continue to use the online forum that is on the Human Resources website to share comments at any time. The process this year was incredibly productive. Thank you for the interest showed and the feedback and insights you shared, which were invaluable in equipping the Benefits Committee for this renewal.