

Date: October 8, 2009

Code: TECHNICAL LETTER
HR/Benefits 2009-08
Supplement #1

To: Human Resources Directors
Benefit Officers

From: Evelyn Nazario
Assistant Vice Chancellor
Human Resources Management



Subject: New Blue Shield HMO Plans for the 2010 Plan Year

Overview

Audience: Benefit Officers or campus designees responsible for administering benefit programs

Action Item: Notify all benefits eligible employees of their right to make a change to their benefits during open enrollment, and also synchronize health plan data between ACES and Oracle/PeopleSoft

Affected Employee Group(s)/Unit(s): Benefits eligible employees

Summary

This Technical Letter is a supplement to the HR/Benefits 2009-08 Open Enrollment Technical Letter. The purpose of this Technical Letter is to provide campuses with additional information regarding the two (2) new CalPERS medical plans, which include: Blue Shield Advantage and Blue Shield NetValue Advantage. Enrollment in the Blue Shield HMO plans is based on zip code eligibility.

Campus designees responsible for administration of CSU benefit programs should review the Technical Letter in its entirety.

Two (2) New Blue Shield of California Health Plans

Per CalPERS Circular Letter 600-058-09, CalPERS created two (2) new Blue Shield of California (HMO) plans effective January 1, 2010. The new plans are:

- **Blue Shield Advantage – Plan code 141**
- **Blue Shield NetValue Advantage – Plan code 146**

The following two (2) existing Blue Shield HMO plans will remain in effect as well:

- **Blue Shield HMO (Access +) – Plan code 205**
- **Blue Shield NetValue - Plan code 042**

Distribution:

CSU Presidents
Vice Chancellor, Human Resources

Associate Vice Presidents/Deans of Faculty
Payroll Managers

Plan Rates

The two (2) new Blue Shield HMO plans have been added to the Basic Rate Comparison chart, which contains the 2010 CSU contribution rates, monthly premiums and employee out-of-pocket costs. A copy of the updated chart is attached.

Transition into Blue Shield Advantage or Blue Shield NetValue Advantage by Zip Code

Eligibility for enrollment in one of the above four (4) plans is based on zip codes specified by CalPERS. ***Consequently, there are a number of employees currently enrolled in Blue Shield HMO or Blue Shield NetValue that will become eligible for either the Blue Shield Advantage or Blue Shield NetValue Advantage effective January 1, 2010, due to CalPERS re-assignment of eligible zip codes for each of the Blue Shield of California plans.***

These zip codes were recently added to the Common Management Systems (CMS) Baseline in preparation for open enrollment and campuses were provided a list of the eligible zip codes in a previous communication.

For purposes of transition, the equivalency of the Blue Shield of California health plans is as follows:

- **Blue Shield HMO = Blue Shield Advantage**
- **Blue Shield NetValue = Blue Shield NetValue Advantage**

Open Enrollment Processing Guidelines

Campuses should continue processing open enrollment changes and submit them to CalPERS by the extended deadline discussed in this technical letter. Here are additional guidelines:

- ***Employees who are currently enrolled and are remaining in Blue Shield HMO or Blue Shield NetValue are not required to take any action during open enrollment.***
- ***Employees not currently enrolled in Blue Shield HMO or Blue Shield NetValue, but request to enroll in one of the Blue Shield of California plans during open enrollment, should be enrolled in the appropriate Blue Shield of California plan (i.e. Blue Shield Advantage or Blue Shield NetValue Advantage) based on the CalPERS zip code eligibility list that was loaded into CMS baseline.***

Additional Information Regarding CalPERS

After the open enrollment period is completed, CalPERS will automatically assign impacted Blue Shield HMO and Blue Shield NetValue enrollees to the appropriate Blue Shield plan based on the zip code on record at CalPERS via a mass batch rollover. For example, if an employee is currently enrolled in Blue Shield HMO in a zip code that is assigned to the Blue Shield Advantage plan, then CalPERS will automatically transition the employee to Blue Shield Advantage. Employees in a similar situation but who are enrolled in Blue Shield NetValue, will be automatically transitioned to Blue Shield NetValue Advantage.

In addition to processing a mass batch rollover on behalf of these enrollees, CalPERS also will send a notice to them that their benefits and doctor directory will remain the same, but the name of their plan has changed. This notice is scheduled to go out sometime in November.

Additional Information Regarding CalPERS Automated Communication Exchange System (ACES)

CalPERS' mass batch rollover will update the information stored in ACES; however, campuses will need to update their Oracle/Peoplesoft database so that it is in sync with the CalPERS (ACES) database.

Extension of Health Open Enrollment

To provide further assistance to the CSU, CalPERS has granted the CSU an additional week beyond the current extension to submit open enrollment documents (**HBD-12 documents will need to be signed by October 23rd, and campuses will need to key changes into ACES by October 30, 2009**). Please be advised that this additional week extension only applies to CalPERS open enrollment transactions.

CMS Baseline Information

Campuses will be able to download a report in ACES following the CalPERS mass batch rollover that will contain a list of employees impacted by the Blue Shield of California plan code changes. Campuses will need to reconcile the enrollment data in Oracle/PeopleSoft to ensure it is in sync with the information provided by CalPERS and that it reflects the appropriate plan for the employee.

Base Benefits Application Campuses

Using the ACES report, campuses will need to insert an effective dated row (01/01/2010) for those affected employees and their dependents (if applicable) in Base Benefits, with the new corresponding Baseline Benefits plan. The permitting event code to be used is "99." These transactions will not be transmitted to ACES, but will be stored for conversion purposes only.

Benefits Administration (BenAdmin) Application Campuses

Using the ACES report, campuses will need to process an HBE or OE event, with a 01/01/2010, effective date to enroll the affected employees and their dependents (if applicable) in the new corresponding Baseline Benefits plan. The permitting event code to be used is "99." These transactions will not be transmitted to ACES, but will be stored for conversion purposes only.

Additional Information

For additional information on CalPERS health plans, please refer to the CalPERS open enrollment materials, or visit the CalPERS website at: <http://www.calpers.ca.gov>.

Questions regarding this technical letter may be directed to Human Resources Management at (562) 951-4411. This Technical Letter is available on Human Resources Management's Web site at: <http://www.calstate.edu/HRAdm/memos.shtml>.

EN/dg/mh

Attachment

**2010 CalPERS Health Benefits Program
 Basic Plan Rate Comparison**

HEALTH PLAN	Enrolled Employee & Eligible Dependents	Plan	2009			2010		
			Total Mo. Premium	Employee Mo. Ded.	Unit 6 Mo. Ded.	Total Mo. Premium	Employee Mo. Ded.	Unit 6 Mo. Ded.
BLUE SHIELD	Employee Only	2051	\$505.02	\$27.02	\$22.02	\$517.09	\$24.09	\$19.09
	Employee + 1 Dependent	2052	\$1,010.04	\$101.04	\$91.04	\$1,034.18	\$98.18	\$88.18
	Employee + 2 or more	2053	\$1,313.05	\$146.05	\$126.05	\$1,344.43	\$142.43	\$122.43
BLUE SHIELD ADVANTAGE	Employee Only	1411	N/A	N/A	N/A	\$517.09	\$24.09	\$19.09
	Employee + 1 Dependent	1412	N/A	N/A	N/A	\$1,034.18	\$98.18	\$88.18
	Employee + 2 or more	1413	N/A	N/A	N/A	\$1,344.43	\$142.43	\$122.43
BLUE SHIELD NETVALUE	Employee Only	0421	\$446.40	\$0.00	\$0.00	\$447.82	\$0.00	\$0.00
	Employee + 1 Dependent	0422	\$892.80	\$0.00	\$0.00	\$895.64	\$0.00	\$0.00
	Employee + 2 or more	0423	\$1,160.64	\$0.00	\$0.00	\$1,164.33	\$0.00	\$0.00
BLUE SHIELD NETVALUE ADVANTAGE	Employee Only	1461	N/A	N/A	N/A	\$447.82	\$0.00	\$0.00
	Employee + 1 Dependent	1462	N/A	N/A	N/A	\$895.64	\$0.00	\$0.00
	Employee + 2 or more	1463	N/A	N/A	N/A	\$1,164.33	\$0.00	\$0.00
KAISER PERMANENTE	Employee Only	561	\$471.87	\$0.00	\$0.00	\$494.99	\$1.99	\$0.00
	Employee + 1 Dependent	562	\$943.74	\$34.74	\$24.74	\$989.98	\$53.98	\$43.98
	Employee + 2 or more	563	\$1,226.86	\$59.86	\$39.86	\$1,286.97	\$84.97	\$64.97
PERS-CARE	Employee Only	2781	\$742.41	\$264.41	\$259.41	\$831.50	\$338.50	\$333.50
	Employee + 1 Dependent	2782	\$1,484.82	\$575.82	\$565.82	\$1,663.00	\$727.00	\$717.00
	Employee + 2 or more	2783	\$1,930.27	\$763.27	\$743.27	\$2,161.90	\$959.90	\$939.90
PERS CHOICE	Employee Only	2221	\$477.70	\$0.00	\$0.00	\$487.25	\$0.00	\$0.00
	Employee + 1 Dependent	2222	\$955.40	\$46.40	\$36.40	\$974.50	\$38.50	\$28.50
	Employee + 2 or more	2223	\$1,242.02	\$75.02	\$55.02	\$1,266.85	\$64.85	\$44.85
PERS SELECT	Employee Only	0451	\$448.67	\$0.00	\$0.00	\$454.87	\$0.00	\$0.00
	Employee + 1 Dependent	0452	\$897.34	\$0.00	\$0.00	\$909.74	\$0.00	\$0.00
	Employee + 2 or more	0453	\$1,166.54	\$0.00	\$0.00	\$1,182.66	\$0.00	\$0.00
PORAC*	Employee Only	2071	\$484.00	\$6.00		\$484.00	\$0.00	
	Employee + 1 Dependent	2072	\$906.00	\$0.00		\$906.00	\$0.00	
	Employee + 2 or more	2073	\$1,151.00	\$0.00		\$1,151.00	\$0.00	
KAISER (OUT OF STATE)	Employee Only	Codes vary by region	\$660.32	\$182.32	\$177.32	\$724.69	\$231.69	\$226.69
	Employee + 1 Dependent		\$1,320.64	\$411.64	\$401.64	\$1,449.38	\$513.38	\$503.38
	Employee + 2 or more		\$1,716.83	\$549.83	\$529.83	\$1,884.19	\$682.19	\$662.19

CSU Contribution:	2009		2010	
	Gov't Code	Unit 6	Gov't Code	Unit 6
Employee Only	\$478	\$483	\$493	\$498
Employee +1 Dependent	\$909	\$919	\$936	\$946
Employee +2 or more	\$1,167	\$1,187	\$1,202	\$1,222

*This plan is restricted to employees in Unit 8, State University Police Association (SUPA) and requires membership.