2014 Medical Plan Choices

www.mycigna.com

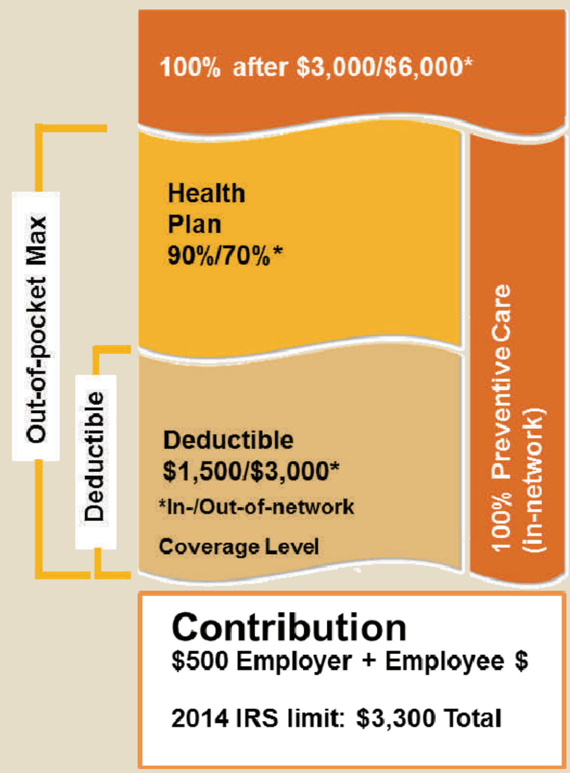
www.mycignaplans.com

HSA/HDHP Plan Highlights

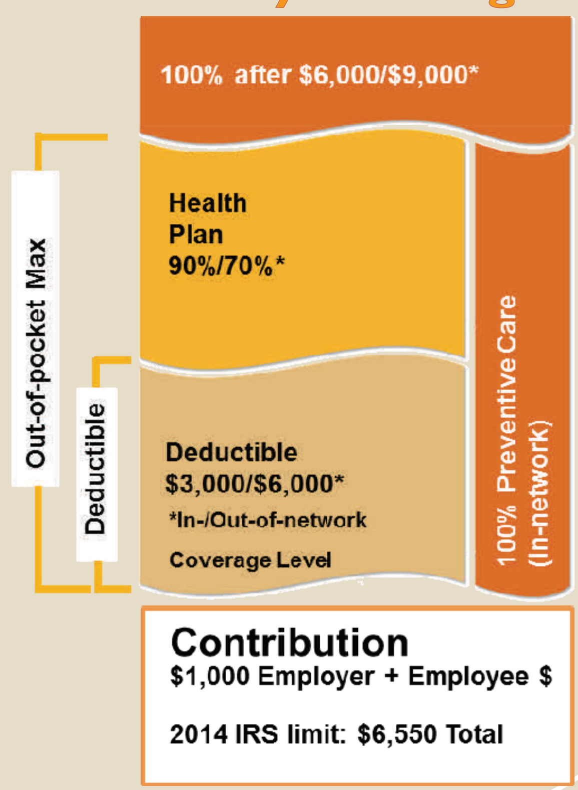
You can choose to participate in the Health Savings Account with High Deductible Health Plan in 2014. **If you are on the HSA/HDHP, you will remain on it for 2014 unless you choose to move to the Copay Plan.** This plan offers:

- **NEW:** Preventive drugs covered by plan before deductible is met. See preventive drug list included in your mailing or online.
- Lower premiums but higher deductible.
- Step-down employer contributions to HSA. New enrollees in 2014 receive second and third year contributions ($500 single/$1,000 family in 2014).
- Plan begins to pay after deductible is met; and, funds in your HSA can be used to cover eligible health expenses.
- HSA funds can be used to pay the deductible.
- Limit on out-of-pocket expenses for in-network care.
- Unused HSA money rolls over to next year.
- Preventive care covered at 100%.
- Women's services (see benefit statement) covered at 100%.
- Wide choice of doctors/hospitals.
- Covers routine, emergency and catastrophic care.
- Plan pays percentage of bill for covered out-of-network care.
- Plan pays higher percentage for covered in-network care.
- Cigna receives bills, sends payment to doctors/hospitals

Single Coverage



Family Coverage



2014 Premium Schedules

Employee premiums continue to be salary based. Returning to 80/20 split of premiums, a standard rate split for industry & peer groups. HDHP Premiums are higher than anticipated. Moving all employees to the HDHP changed the overall renewal. Overall plan cost reduced, but individual HDHP cost increased.

New for 2014: Biweekly employees' premiums will be divided by 24 (bimonthly) instead of 26 (biweekly) periods. This change will apply to medical, dental, vision, and supplemental life premiums, and creates two pay periods per year (January & August) without these premium deductions.

2014 Medical Plan Monthly Premium

Tier	$0 - 49.9K	$50 - 79.9K	$80 - 100K	Over $100K	Total Rate (ER + EE)
Employee	$91.00	$113.00	$121.00	$127.00	$510.88
Employee + One	$176.00	$193.00	$208.00	$220.00	$1,057.53
Employee + Family	$256.00	$281.00	$303.00	$318.00	$1,456.02

2014 Medical Plan Bi-Monthly Premium

Tier	$0 - 49.9K	$50 - 79.9K	$80 - 100K	Over $100K	Total Rate (ER + EE)
Employee	$45.50	$56.50	$60.50	$63.50	$510.88
Employee + One	$88.00	$96.50	$104.00	$110.00	$1,057.53
Employee + Family	$128.00	$140.50	$151.50	$159.00	$1,456.02

AUI/NRAO provide $1,000 family/$500 individual employer contribution. Contributions will be made in quarterly installments at the beginning of Jan, Apr, July, Oct. Employees making $50,000 annually or less will have full amount loaded to accounts in January.

Hardship requests will be considered on case-by-case basis.

<u>Annual maximum contribution amounts (including employer portion):</u>

$3,300 Individual and $6,550 Family

$1,000 Over 55 catch-up

Dental Insurance Update

- **Plans & Premiums**
- **NOT an open enrollment election year**

2014 Dental Plan

Dental coverage continues to be offered by Delta Dental of Virginia. Our dental plan has a biannual open enrollment schedule. Your next opportunity to make changes through open enrollment will be in 2014. Any changes outside of open enrollment can only be made with a qualifying event (marriage, divorce, birth or adoption of a child, death, change in work status, etc.).

AUI offers two levels of dental coverage: Comprehensive and Basic. Summary details of both plans are available here. Whatever coverage you elected in 2013 will continue through 2014, unless you have a qualifying event.

Dental Plan—Basic

- Preventive Services (Not subject to deductible)
  - Covered at 100%. Do not count towards annual benefit maximum.
  - Oral exams and cleanings, x-rays, space maintainers, and sealants for children.
- Basic Dental Services (Subject to deductible)
  - Covered at 80%. Costs are applied to annual benefit maximum ($1000).
  - Fillings, crowns, oral surgery, endodontic services, and periodontic services.

The above is an outline of available benefits. Full coverage details including exclusions are available in the Benefits Summary on the Human Resources webpage or at www.deltadentalva.com.

Dental Plan—Comprehensive
(Default Plan)

- Preventive Services (Not subject to deductible)
  - Covered at 100%. Do not count towards annual benefit maximum.
  - Oral exams and cleanings, x-rays, space maintainers, and sealants for children.
- Basic Dental Services (Subject to deductible)
  - Covered at 80%. Costs are applied to annual benefit maximum ($1500).
  - Fillings, crowns, oral surgery, endodontic services, and periodontic services.
- Other Basic Dental Services (Subject to deductible)
  - Covered at 50%. Costs are applied to annual benefit maximum ($1500).
  - Repair and recementation of dentures, bridges, and crowns.
- Major Dental Services (Subject to deductible)
  - Covered at 50%. Costs are applied to annual benefit maximum ($1500).
  - Prosthodontics/bridges/dentures, crowns, and implants.
- Orthodontic Services (Not subject to deductible)
  - Covered at 50%. Costs are applied to annual benefit maximum ($1500).
  - Only for dependent children under age 26.

The above is an outline of available benefits. Full coverage details including exclusions are available in the Benefits Summary on the Human Resources webpage or at www.deltadentalva.com.

Dental Plan Premiums

Dental premiums are increasing 2.7% for 2014 and are approximately a 50/50 share between employer and employee. "Total cost" is the total monthly premium for the benefit, including the employer share.

2014 Employee Premium Contributions						
	Comprehensive (Current Plan)			Basic Coverage (Optional)		
Coverage Tier	Monthly	Bimonthly	Total Cost	Monthly	Bimonthly	Total Cost
Employee Only	$17.00	$8.50	$34.74	$16.00	$8.00	$26.72
Employee + One	$35.00	$17.50	$69.46	$27.00	$13.50	$53.44
Employee + Family	$51.00	$25.50	$102.20	$39.00	$19.50	$78.62

Vision Insurance and Premiums

- **United Health Care**
- **Premiums unchanged for 2014**

2014 Vision Plan

The AUI/NRAO vision plan continues to be offered through United Healthcare Vision.

In-network, covered-in-full benefits (after applicable copay) include a comprehensive exam, eye glasses with standard single vision, lined bifocal, or lined trifocal lenses, standard scratch-resistant coating and the frame, or contact lenses in lieu of eye glasses. Full details of the plan are available on the HR website.

2014 Vision Premiums

Premiums are pre-tax.
Employees pay 100% of premium .

	Biweekly	Monthly
Employee Only	$ 2.97	$ 6.43
Employee + 1	$ 5.20	$ 11.27
Family	$ 8.57	$ 18.56

United Healthcare Vision
www.myuhcvision.com

United Healthcare Vision Claims Dept
P.O. Box 30978, Salt Lake City, UT 84130

Customer Service: **800-638-3120**
Provider Locator: **800-839-3242**

Additional information, including a listing of in-network providers is available on the HR website.

If you are interested in signing up for vision coverage or dropping your existing coverage please fill out a medical/dental/vision enrollment form (located on the open enrollment website) and return to HR. If you make no changes your coverage (or lack thereof) will roll over to 2014.

www.nrao.edu/hr/OE/OE2014

Health Advocate

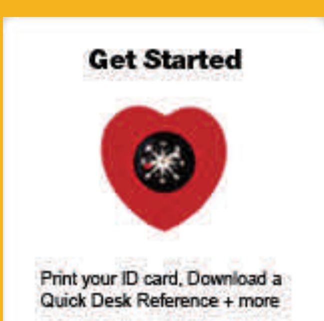
- **Provider and Billing Help**
- **Cost Estimator Tool**

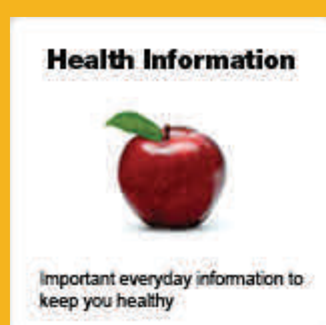
Telephone: 866.695.8622
Fax: 610.941.4200
Email: answers@HealthAdvocate.com

Mail: Health Advocate, Inc.
3043 Walton Road, Suite 150
Plymouth Meeting, PA 19462

www.healthadvocate.com

Health Advocate is a third-party resource to help you and your entire family navigate the healthcare system and maximize your healthcare benefits. They can help you with issues involving your medical, hospital, vision, dental, pharmacy, and other healthcare needs.





2014 Flexible Spending Accounts:

- **Health Care Flex Accounts**
- **Dependent Care Flex Accounts**
- **Commuter Flex Accounts (contact HR for details)**

Discovery Benefits simplify.

Health Care and Dependent Care Flexible Spending Accounts

All regular full-time and eligible part-time employees who are **NOT** enrolled in the HSA/HDHP may participate in NRAO's Health Care Flexible Spending Account (FSA). **All** employees are eligible for the Dependent Care (daycare) Spending Account.

FSAs allow employees to deposit a portion of their wages into an account that is used to cover out-of-pocket health care or dependent care (babysitting/daycare) expenses. Savings are realized by avoiding both income and social security taxes on salary amounts set aside for such purposes.

The annual limit for medical reimbursement accounts in 2014 is $2,500. Dependent Care (daycare) Reimbursement Accounts will continue to allow $5,000 per year maximum.

(NOTE: If you are married and file separate income tax returns, $2,500 will be the most you may contribute to a Dependent Care Reimbursement Account).

Flexible Spending Accounts must be restarted each year. If you would like to participate in a Health Care or Dependent care FSA be sure to enroll during open enrollment.

If you participated last year and do not fill out a new election form, your account will automatically end. Please send forms to HR for processing.

Please keep the following IRS rules in mind when making your Health Care or Dependent care FSA election(s):

Once enrolled, you cannot change or cancel your salary reduction contribution amount for the rest of the calendar year unless you experience a qualifying event (marriage, birth, adoption, or death) or there is a change in your employment status or that of your spouse.

If you cancel your account due to a qualifying event, you can only be reimbursed for expenses accrued prior to your cancellation date.

In accordance with IRS regulations, funds remaining in your reimbursement accounts at the end of the year must be forfeited. Employees have until March 31st to claim reimbursement for expenses incurred in the prior plan year.

Discovery Benefits will continue to administer our flexible spending accounts in 2014. Additional information about Discovery is located on the HR website: www.nrao.edu/hr.

Participant Services Hours of Operation:	7:30am to 7:30pm CST (M-F)
Participant Services Number:	866-451-3399
Claims Address:	Discovery Benefits PO Box 2926 Fargo, ND 58108
Website:	www.discoverybenefits.com
Fax Number:	866-451-3245
Participant Services Email:	customerservice@discoverybenefits.com

Advantages of the Discovery Benefits Debit Card

- No out-of-pocket expenses at the time of service.
- No waiting for reimbursement.
- Increased use of funds, less chance to forfeit at the end of the year.
- Charges are paid directly to the provider.
- Benefits Debit Card is valid for three years.
- If receipts are needed for a Card transaction they can be sent via the web.

Retirement Planning

- 403b Election reminder
- Retiree medical changes
- Online retirement planning tools

403b Supplemental Retirement Accounts

Employees may invest a portion of their pay on a pre-tax basis in an employer-sponsored 403b (supplemental) retirement plan through TIAA-CREF and/or Fidelity Investments. These accounts allow you to shelter a portion of your income from taxation and grow retirement savings on a tax-deferred basis. There are no enrollment restrictions for the Supplemental Retirement Accounts, so you can sign up for an account at any time, regardless of your benefits status. Contributions can be changed at any time during the year prior to payroll processing.

The 2014 annual maximum contribution limits have not been released by the IRS at the time of printing. The current limit is $17,500. If you are over age 50 you can make an additional $5,500 contribution. Enrollment information, including SRA forms and the Summary Plan Description, is available on the HR website under Retirement—Electronic Enrollment.

IMPORTANT NOTE: ***If you want to take advantage of the maximum deferral in 2014 and are not already contributing the maximum, you MUST complete a new Salary Reduction Agreement (on web) indicating your contribution amount. If you do not complete a new agreement, your deduction will be left at the current 2013 level. You may still increase your contributions in 2014, but the amount you will have to deduct from your paycheck will be higher if you want to reach your annual contribution maximum.***

Retiree Medical Premiums

Employees who retire after December 31, 2012 are required to pay a premium for their Medicare-eligible (over-65) AUI retiree medical coverage. The premiums for this coverage are 20% of the total premium. These premiums are adjusted annually based on the renewal process.

Medical premiums for retirees who are non-Medicare eligible (under-65) continue to be the active premium in force at the time of retirement, adjusted annually.

2014 Over-65 Retiree Premiums

Coverage	Monthly Rate
Employee Only	$121.28
Employee + 1	$250.65
Employee + Family	$344.98

Online Retirement Planning Tools & Plan Documents

Both Fidelity and TIAA-CREF offer detailed portals for participants to log-in and track their investment performance, move accumulations to new funds and run retirement scenarios. If you've not reviewed your retirement assets performance lately, these portals are a quick, easy way to do so.

The full Plan Documents and Summary Plan Descriptions for AUI Retirement Plans are available on the HR website. ww.login.fidelity.com or www.tiaa-cref.org

Qualified Default Investment Alternative (QDIA)

Included with this mailing is an annual notice of AUI's election of a qualified default investment alternative (QDIA). This simply means that if an employee does not chose a vendor or fund for their 401a contributions, AUI has assigned TIAA-CREF as its default vendor, and the appropriate LifeCycle fund as default fund. For more information contact Denise Merricks in the benefits office.

Health Insurance Marketplace

Included with this mailing, and announced via email on September 27th, 2013 is your federally mandated health insurance marketplace (exchange) notice. This notice gives you important information about your AUI/NRAO healthcare coverage and informs you of your right to seek out alternative coverage in the individual market. This notice will also be provided online at www.nrao.edu/hr/

Open enrollment for the healthcare exchanges begins October 1, 2013 for a plan year beginning January 1, 2014.

Medicaid Eligibility

In some states, Medicaid eligibility expands in 2014 to include individuals who have an annual income below 138% of the federal poverty level. This means single persons making $16,535 or less and families of four making $33,746 or less may be eligible for Medicaid coverage or subsidy. Not all states have agreed to the expansion.

Virginia is still undecided, but leaning towards not expanding. West Virginia and New Mexico will participate, and specifics of each program can be found here:

www.healthcare.gov/do-i-qualify-for-medicaid.

What does this mean to me?

Employees are free to shop the exchange market or sign up for Medicaid coverage if you qualify; however, AUI/NRAO's High Deductible Health Plan is considered "affordable" by the definitions of the ACA.

- If eligible for Medicaid individuals are not eligible for exchange coverage.
- Subsidies are potentially available between 100% and 400% of federal poverty level.
- Subsidies are available for individuals between 100% and 400% of federal poverty level who do not have employer provided coverage that is affordable and minimum value.

As AUI/NRAO provides a plan considered "affordable", employees would not be eligible for subsidies.

AUI Scholarship and HIPAA Notices

The AUI Trustees Scholarship Program is now accepting applications.

The AUI Scholarship application process is now now online. The program administrator has changed and with them, comes a new, streamlined application process. If you have a rising high school senior who will be entering an accredited school of higher education in the fall of 2014, they can apply. Each year AUI gives three to five scholarships to dependents of AUI/NRAO employees. These scholarships provide $3,500 per year for four years to help defray the cost of higher education (not just college).

More information can be found on the HR website, including the official notice, application link, and list of past winners.

AUI Scholarship Administrator Contact:

NEW

AUI Trustee Scholarships
International Scholarship and Tuition Services, Inc. (ISTS)
1321 Murfreesboro Rd, Suite 800
Nashville, TN 37217
(855) 870-ISTS
https://aim.applyists.net/AUI

Scholarship applications must be received online by ISTS no later than November 15, 2013.

www.nrao.edu/hr/benefit-plans/aui-trustees-scholarship

HIPAA Privacy Updates

Also included in this mailing is an updated HIPAA Privacy Notice. This notice outlines your rights with regards to the plan's use and disclosure of your personal health information. The notice also gives examples of how this information may be used, and to what agencies, other than AUI/NRAO your personal health information may be released. An electronic copy of the notice is also available on the HR website.

https://www.nrao.edu/hr/OE/oeforms/hipaa-privacy

HIPAA Special Enrollment Notice

Notice of Special Enrollment Rights for Health Plan Coverage

If you decline enrollment in Associated Universities, Inc.'s health plan for you or your dependents (including your spouse) because of other health insurance or group health plan coverage, you or your dependents may be able to enroll in Associated Universities, Inc.'s health plan without waiting for the next open enrollment period if you:

- Lose other health insurance or group health plan coverage. You must request enrollment within 30 days after the loss of other coverage.
- Gain a new dependent as a result of marriage, birth, adoption, or placement for adoption. You must request health plan enrollment within 30 days after the marriage, birth, adoption, or placement for adoption.
- Lose Medicaid or Children's Health Insurance Program (CHIP) coverage because you are no longer eligible. You must request medical plan enrollment within 60 days after the loss of such coverage.

If you request a change due to a special enrollment event within the 30 day timeframe, coverage will be effective the date of birth, adoption or placement for adoption. For all other events, coverage will be effective the first of the month following your request for enrollment. In addition, you may enroll in Associated Universities, Inc.'s medical plan if you become eligible for a state premium assistance program under Medicaid or CHIP. You must request enrollment within 60 days after you gain eligibility for medical plan coverage. If you request this change, coverage will be effective the first of the month following your request for enrollment. Specific restrictions may apply, depending on federal and state law.

Note: *If your dependent becomes eligible for a special enrollment rights, you may add the dependent to your current coverage or change to another medical plan OR health plan. Any other currently covered dependents may also switch to the new plan in which you enroll.*

Online Resources & Tools

The Benefits open enrollment process will be handled manually, via paper forms. Any changes to benefits must be accompanied by the corresponding form(s) by November 20th.

- Compare your medical plan options at:

myCIGNAplans
pre-enrollment health plan comparison tool

www.mycignaplans.com

- Need information about last years' claims and expenses? Try:

www.mycigna.com

Need more information? Want to talk to someone? Make an appointment with Denise, or your local HR representative before Open Enrollment ends!

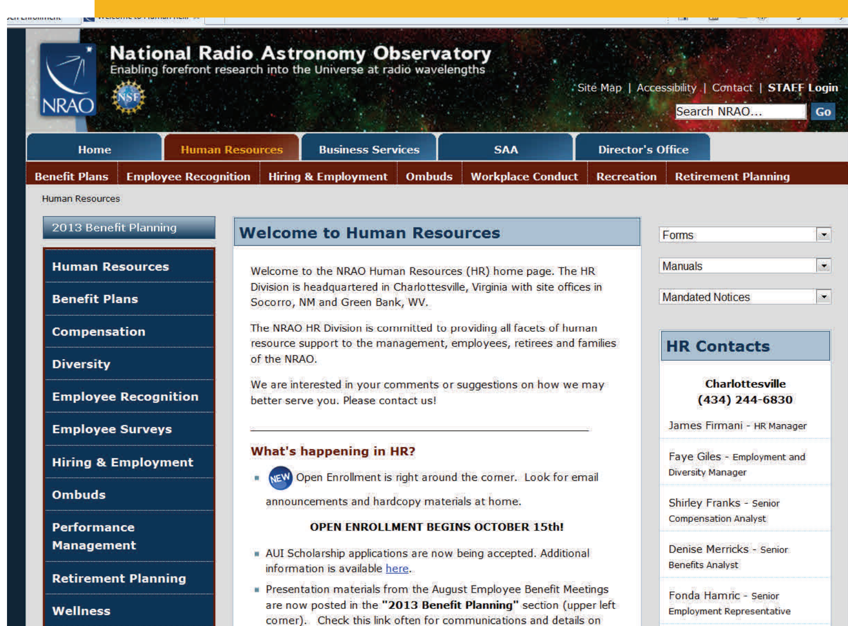
OFFICIAL OPEN ENROLLMENT WEBSITE:

www.nrao.edu/hr/OE/OE2014

Forms, Plan Documents, Notices, etc.

Visit the HR website for additional benefit resources including:

- ***Plan documents***
- ***403b Salary Reduction Agreement***
- ***Benefit Summaries***
- ***Plan Documents***
- ***Informational Flyers***
- ***Open enrollment dates***
- ***Presentations***



Open Enrollment Presentation Schedule

The reschedule of annual Open Enrollment meetings is as follows:

Tuesday, October 29th	DSOC Auditorium	9:00—10:30 am
Wednesday, October 30th	DSOC Auditorium	1:30—3:00 pm
Thursday, October 31st	VLA Cafeteria	10:30—Noon
Monday, November 4th	NTC Penthouse	9:30 - 11:00 am
Monday, November 4th	ER Auditorium	3:00 - 4:30 pm
Tuesday, November 5th	Jansky Auditorium	1:00—2:30 pm
Wednesday, November 6th	Jansky Auditorium	10:30—Noon
Friday, November 8th	ER Auditorium	10:00—Noon

Employees and spouses are encouraged to attend a session convenient to them. Meetings should last 60 to 90 minutes, depending on audience questions and participation. A video and copy of the presentation will be available after all meetings have been held. Please share this information with members of your group who may not have regular email access.

Employees and spouses are encouraged to attend a session convenient to them.

A video and copy of the presentation will be available after all meetings have been held.

For more information contact the AUI/NRAO Benefits Plans Administrator:

Denise Merricks, Benefits Manager
520 Edgemont Road
Charlottesville, Virginia, 22903
(434) 296-0318 or dmerrick@aui.edu

Additional information can be found at:
www.nrao.edu/hr/OE/OE2014

We welcome your feedback. Contact your local HR representative or Denise with questions or comments.