

What Hasn't Changed

Though our communications are focused on changes to our benefit packages, many elements of your benefits remain the same. Your vision, dental, long-term disability (LTD), life and accidental death and dismemberment (AD&D) insurance options remain the same for the 2012 plan year.

As we move forward, we will continue to evaluate our benefits program to ensure we are meeting the needs of our employees to the best of our ability, while allowing Jefferson to remain both competitive and cost efficient.

TIPS

Maximize Your Benefits

- Use JeffPLUS “home” and JeffPLUS “network” providers to minimize out-of-pocket costs.
- Choose generic drugs when they are available and fill your prescriptions at Jefferson Outpatient Pharmacies to minimize your out-of-pocket expenses.
- Take advantage of our wellness and preventive benefits to help you and your family minimize medical care and expense. These efforts can positively impact your health and quality of life.

Learn About Your Options

- Review “What’s New in 2012” for a summary of changes to our plan options. Consult the OPT booklet for details on each of the benefits. OPT booklets, comparison charts and additional benefits information is available in Human Resources, at the Benefits Fair and online – by visiting www.jeffersonhr.org and selecting “Benefits” then “Open Enrollment” from the left hand side of the home page.
- Contact the HR Service Center:
 - E-mail hrquestions@jefferson.edu
 - Call 215-503-8100
 - Visit us at 833 Chestnut Street, First Floor, Monday through Friday, 7:30 a.m. to 5 p.m.
- Write down your questions and bring them to the upcoming Employee Benefits Fair or OPT Employee Briefing Sessions:

Center City Campus Benefits Fair
Tuesday, October 25 – 7:30 a.m. to 4 p.m.
Jefferson Alumni Hall

OPT Employee Briefing Schedule HR Learning and Development Center 833 Chestnut Street, Suite 900	
Monday, October 31 7 a.m. – 8 a.m.	Tuesday, November 8 11 a.m. – 12 noon
Wednesday, November 2 12 noon – 1 p.m.	Thursday, November 10 1 p.m. – 2 p.m.
Friday, November 4 4 p.m. – 5 p.m.	Saturday, November 5 3 p.m. – 4 p.m. 1840 GIBBON

Understand the Differences

- Consider not only your payroll contributions, but also copays, coinsurance and deductibles.
- Find out if your doctor participates in JeffPLUS. Just because your doctor has hospital privileges at Jefferson or Main Line does not mean he or she is a JeffPLUS provider.
- Many preventive services are covered at 100 percent when you use in-network providers. Be sure your preferred providers are in your plan’s network.

Make Your Elections

- Determine if you want to change your medical plan for 2012.

ATTENTION!

If you are an HMO subscriber, please give this decision your special attention this year. *With the move to relative value pricing, the biweekly employee contribution to the HMO plan will increase in 2012.*

Consult the enclosed chart and evaluate your options. Remember to consider not only your payroll contributions, but also your copays, coinsurance and deductibles in making your decision.

If Center City campus employees do not enroll online during Open Enrollment, your 2011 benefits elections will automatically be recorded for 2012; however you must still enroll in your FSA plan.

- Consider your short-term disability (STD) coverage options. If you previously had the 80% buy up option that is being discontinued in 2012 and if you do not make STD elections, you will be automatically enrolled in the 66⅔% buy up option.
- Remember you must make an election if you want to continue a Flexible Spending Account (FSA) in 2012. You are required to make an election every year and cannot simply default to what you did in 2011. If you do not make an election, you will not have a FSA for 2012.
- Enroll from home or work using the *Jefferson eBenefits Employee Self Service system by November 11, 2011.*

What's New in 2012



THOMAS JEFFERSON UNIVERSITY AND HOSPITALS

Medical Benefits

Relative Value Pricing: Your Contribution Reflects the True Cost of Your Plan

We continue to provide a comprehensive and extremely competitive health benefits program. Jefferson pays 80 percent of our medical plan costs, while you, the employee, pay 20 percent through payroll contributions. There are distinct differences between your medical plan options in regard to costs, out-of-pocket expenses and the way you receive medical care.

As you review the enrollment material, you will see that the *price* you pay pre-tax through your payroll contribution for the medical plans reflects your share of the actual *cost* of each of the plans. In insurance language, this is known as “relative value pricing.” Though Methodist and other health systems in the area have used relative value pricing for some time, it is new for Jefferson OPT medical benefits.

Relative value pricing is common in other types of insurance, such as automobile insurance, where higher premiums (your cost for the insurance) generally relate to higher benefit levels; lower premiums generally relate to more limited benefits. The amount you pay into the program is relative to the amount of benefit you receive out of the program.

In considering the best automobile policy for you and your family, you have to balance the costs of the coverage against

the benefit you would receive if you had to make a claim. Please take the time to consider your health insurance options the same way, looking at both the cost per pay and the covered benefits.

As you will see in the enrollment materials, plans that offer low employee copays and have fewer employee out-of-pocket expenses will cost more per paycheck. Plans with higher employee copays and more employee out-of-pocket expenses cost less per paycheck.

As before, using a flexible spending account (FSA) allows you to save money in taxes by using your pre-tax FSA deposits to pay for eligible medical expenses. Eligible expenses that can be paid through a medical FSA include copays, deductibles, coinsurance and expenses that are not covered by the plans. Please be aware that you have to enroll for an FSA for 2012, even if you had one in 2011. You cannot simply default to what you did in the previous year.

Biweekly Employee Contribution Levels

Please note that with the move to relative value pricing, the biweekly employee contribution to the Health Maintenance Organization (HMO) plans will increase in 2012 because the HMO provides a richer, or more generous, level of benefits,

while the biweekly employee cost of the Preferred Provider Organization (PPO) plan and the Consumer-Driven Health Plan (CDHP), on average, will decrease.

Bi-weekly payroll contributions for each plan are shown on the enclosed chart.

As you evaluate your options, remember to consider not only your payroll contributions, but also your copays, coinsurance and deductibles. Only you can determine which plan is best for you and your family. As you will see in the cost structures for our revised insurance packages (HMO, PPO and CDHP), the single most important thing you can do to manage your out-of-pocket costs is to use JeffPLUS providers and facilities.

Choose Home Hospitals and JeffPLUS to Reduce Costs

In most cases, using JeffPLUS providers is the best way to reduce costs to both you and the organization. The most significant exception is for HMO members who must use providers selected by their primary care physicians for certain services such as lab and radiology. (This is referred to as capitation.) Those providers may not be JeffPLUS providers. Please consult the JeffPLUS website at www.jeffplus.org to find out which physicians, service providers and hospitals participate in each of the networks.

JeffPLUS has two tiers – JeffPLUS “home” and JeffPLUS “network” – and it is important to understand the differences.

Tier 1 – JeffPLUS “Home”

Currently, Jefferson, Methodist and Magee are JeffPLUS “home” providers, but in 2012 the Main Line Health hospitals will also be “home” facilities for Jefferson employees. The Main Line Health hospitals that will be considered “home” this next plan year include Bryn Mawr, Bryn Mawr Rehab, Lankenau, Mirmont Treatment Center, Paoli and Riddle. With the expansion of “home” facilities, you have more options for access to quality care at the lowest costs.

Some ancillary providers, such as radiology, are JeffPLUS “home” providers, but not all providers located in Jefferson or Main Line Health buildings participate in the network. It is important that you clarify what networks the provider participates in before receiving services so you will know what your costs will be. **Using JeffPLUS “home” providers results in the lowest cost for you.** However, HMO members must use the lab and radiology services their primary care physician refers them to, which may not be JeffPLUS “home” providers and may result in higher copays.

Tier 2 – JeffPLUS “Network”

JeffPLUS “network” facilities are hospitals and ancillary providers who are in network but are not JeffPLUS “home” providers. *You will have lower costs when you use JeffPLUS “network” facilities compared to providers in the Independence Blue Cross network for each of our plans.* JeffPLUS “network” providers include duPont Hospital for Children, Virtua in

New Jersey for inpatient services, and Aria. However, HMO members must use the lab and radiology services their primary care physician refers them to, which may not be JeffPLUS “network” providers and may result in higher copays.

JeffPLUS offers doctors and facilities with reputations for excellence, magnet-level nurses and staff, and state-of-the-art facilities. For the lowest costs, we encourage you to consider the premier JeffPLUS “home” and JeffPLUS “network” providers. It is helpful to select a doctor who has privileges at JeffPLUS “home” or JeffPLUS “network” hospitals. You may want to consider this before you choose a plan. Please refer to www.jeffplus.org for a listing of JeffPLUS providers.

Simply stated: When Jefferson employees choose to receive care from JeffPLUS “home” and JeffPLUS “network” providers, overall costs to the system are reduced and we are able to offer employee insurance packages at better rates.

Additionally, we are currently working on measures to help make choosing JeffPLUS an even more attractive option for Jefferson employees:

- Expanding the JeffPLUS network to make it easier for you and your family to get high quality care close to home or work.
- Establishing a JeffPLUS employee referral line to help you locate and make appointments with JeffPLUS providers.

Increase to Select Copays

There are increased copays for doctor’s office visits, radiology and non-JeffPLUS inpatient and outpatient services. Utilizing JeffPLUS providers for these and other services will help keep your out-of-pocket costs lower.

Pharmacy Benefits

Pharmacy Benefit Updates

Jefferson has long been regarded as offering some of the most competitive prescription drug benefits in the region, and we are pleased to maintain this high benefit level for our employees. This year, Jefferson will also have a new Pharmacy Benefit Manager – Prescription Solutions. New prescription cards will be mailed to participant homes prior to January 1, 2012.

Drug copays at Jefferson Outpatient Pharmacies will increase this year for the first time since 2003. However, we have preserved opportunities for you to keep costs low by making educated decisions when you fill prescriptions.

As most consumers are now aware, generic drugs are often more cost effective than brand name drugs. Using generic drugs when they are available and filling your prescriptions at Jefferson Outpatient Pharmacies will help you minimize your out-of-pocket expenses. It also helps reduce Jefferson’s costs to provide health and pharmacy benefits to employees.

Pharmacy Hours Extended for Greater Convenience

Jefferson Outpatient Pharmacies include the Gibbon Apothecary, 908 Walnut, 833 Chestnut and the Methodist Pharmacy. Please note that Main Line Health pharmacies are NOT considered Jefferson Outpatient Pharmacies.

To make filling your prescriptions at a Jefferson pharmacy even easier, we are extending our pharmacy hours on the weekend. Beginning January 2012, the Gibbon Apothecary will be open until 4 p.m. on Saturdays. Our pharmacies also will mail prescriptions to your home, upon request, for added convenience (shipping charges will apply). If you must use a retail pharmacy, it may be worthwhile, in some cases, to request a limited-day supply of your prescription until you can get to a Jefferson pharmacy.

Paying for Brand Name Drugs at Non-JeffPLUS Pharmacies

The greatest change to our prescription drug benefits this year is in the area of brand name drugs and use of retail pharmacies. In 2012, what you pay for brand name prescription drugs at retail pharmacies will change to a percentage of the actual cost of the medication. Remember, the best way to manage costs is to use generic drugs and get your prescriptions filled at Jefferson pharmacies.

Please remember that certain prescriptions must be filled at Jefferson pharmacies. For more information on the prescription drug plan, please consult the OPT 2012 Jefferson Flexible Benefits Program and Enrollment Guide, which can be found online at www.jeffersonhr.org or picked up at the HR Service Center, the Benefits Fair or at one of the benefits briefings.

We recognize prescription drugs can be expensive, particularly for individuals with chronic illness or multiple conditions. The maximum copay amounts we have established on brand-name drugs obtained at retail facilities help protect you and your family from overwhelming prescription drug expense. If you have high out-of-pocket costs for medications, you may want to consider opening a Medical Flexible Spending Account that can save you money by allowing you to pay for drugs using pre-tax dollars.

Short-Term Disability Options Change for 2012

Jefferson will continue to provide short-term disability (STD) insurance options and partial benefit credits to full-time employees. This coverage provides protection against disability-related income loss if you are out of work due to a non-work related illness or injury. In 2012, we will offer:

- Option A which provides a benefit equal to 66⅔% of base pay to a maximum of \$165 per week
- Option B providing a benefit equal to 66⅔% of base pay with no maximum benefit

The 80% option has been discontinued. Please select your desired coverage level during the open enrollment period. If you do not select coverage and previously had the 80% option, you will automatically be enrolled in the 66⅔% option.

New FSA/COBRA Administrator Enhances Your Options

With our new Flexible Spending Account (FSA) administrator, SHPS, you will have new options. One of these enhanced options is a FSA Debit Card that will work in more locations, including medical providers who accept VISA. Other advantages SHPS offers Jefferson employees include:

- Reduced claims verification due to electronic interfaces with our insurance companies
- Methods for communicating via phone, online or mobile device
- Same-day claims processing when claim is submitted with complete information
- Personalized online account
- Online educational materials to help you understand and make the most of your FSAs

Wellness

Wellness is the foundation for everything we do and enhances the health and productivity of our employees, patients and communities. Taking advantage of our wellness and preventive benefits can help you and your family minimize medical care and expense, which in turn also helps reduce expenses in Jefferson’s overall insurance program. A holistic approach to wellness is critical to Jefferson’s strategic plan and future success because wellness is key to managing costs and productivity. Most importantly, a commitment to wellness can positively impact your health and quality of life.

As in years past, the features of our benefit plans continue to support wellness and preventive care, and more opportunities for wellness will be announced in coming months. Please look for these opportunities and participate. As healthcare providers and leaders in the community, it is important for each of us to embrace wellness, care for ourselves responsibly and demonstrate our values as a healthcare organization.

Methodist Benefits Integration

Methodist continues to integrate its policies and practices with Center City. As part of that integration, we welcome the participation of Methodist employees in Jefferson’s OPT Flexible Benefits Program open enrollment this fall to select optional benefits that become effective January 1, 2012.