

November 2007

To All VACE Employers, Insurance Agents, and Chambers:

This letter highlights VACE / CIGNA plan benefit changes for 2008. Please see the 2008 rates on the opposite side of this letter.

The following changes apply to all of the VACE plans:

- There is now unlimited preventive care as spelled out in “A Guide to CIGNA’s Preventive Health Benefits for Health Care Professionals” and in “2007 Preventive Health Benefits Quick Reference Guide” - both of which are available on the VACE website in pdf format - www.vaceinsurance.com. Preventive care is no longer limited to \$500, it is now unlimited.

The following changes apply to the HSA OAP plans only:

- Preventive Medications, as defined by the IRS, for both HSA plans will be covered at the 50% pharmacy benefit with no deductible applied. Please see “Preventive Medications” pdf document on www.vaceinsurance.com
- Adding an additional HSA qualified plan - the \$3,500 HSA OAP with the following benefits

In-Network

\$3,500 individual deductible for any combination of medical and pharmacy

After deductible is met, CIGNA pays 80% (member pays 20%) of medical and CIGNA pays 50% of pharmacy (member pays 50%) until member maximum paid out-of-pocket (including deductible) for any combination of medical and pharmacy is \$5,000 or an additional member out-of-pocket of \$1500 from this benefit and then CIGNA pays at 100%

Family and two person deductible and out-of-pocket maximum is two times individual

Out-of-Network

\$7,000 individual deductible

Medical coinsurance after deductible is 60/40 instead of 80/20

No pharmacy

Member maximum out-of-pocket is \$10,000

The following changes apply to the \$600 / \$1,000 / \$2,500 OAP plans only:

- Office visit copay changes from \$20 to \$25

Please review this new information carefully and if you have questions, do not hesitate to call VACE at 802-229-2231 or your insurance agent. As always, employers may choose two of any of the six plans for their business to offer employees.

Sincerely,

Charles R. Nichols
Manager, VACE Insurance Program