

November 2009

To All VACE Employers, Insurance Agents, and Chambers:

This letter highlights VACE / CIGNA plan benefit changes for 2010. Please see the 2010 rates on the opposite side of this letter.

- As an FYI - Federal rules for the maximum annual contribution limits to an HSA for 2010 are \$3,050 for a single and \$6,150 for two person or family plan, with a \$1,000 catch-up contribution allowed for the HSA holder (age 55 or over by the end of 2010)

The \$600 OAP Plan is Eliminated for 2010 and those enrolled in this plan will automatically be switched to the \$1,250 OAP (see below) unless we are notified otherwise.

The \$1,000 OAP is Changed to \$1,250 OAP

New Plans Offered: \$4,000 OAP and \$5,000 HSA OAP

- The \$4,000 OAP will mimic the \$3,000 OAP (deductible is also the maximum out of pocket)
- The \$5,000 HSA OAP will mimic the \$2,450 HSA OAP except there will be no Rx co-insurance after deductible is met

The following changes apply to the \$1,250 / \$2,500 / \$3,000 and \$4,000 OAP plans only:

- Primary Care office visit co-pay is \$30 and Specialist office visit co-pay is now \$50
- Generic Drugs co-pay is now \$3 (30 day) or \$9 (90 day) // Brand name drugs remain at 50% co-pay
- Rx out of pocket will be \$2500/\$5000

The following changes apply to all plans:

- Preventative Labs will now be covered 100%
- VIPER / COBRA for non-student dependent children can now be extended to age 26. Child must be unmarried and not have insurance available through any employment. Employer permission will be required after expiration of the normal extension of benefits.

A few reminders about the VACE program included in all plans at no additional cost:

- All plans have an "Aggregate Deductible" - with the VACE / CIGNA plans an individual family member need only meet the individual deductible, unlike other plans that require the family deductible to be met by an individual if other family members have incurred no expenses
- Out-of-Network Coverage - this means that you can see doctors and visits hospitals that are outside of the CIGNA network (not a rider)
- Pharmacy Benefits included (not a rider)
- Unlimited Preventive Care (as spelled out in "A Guide to CIGNA's Preventive Health Benefits for Health Care Professionals" and in "2009 Preventive Health Benefits Quick Reference Guide")
- Students Covered to age 25 (not a rider), but can continue on VIPER / COBRA to age 26 (see above)

Please review this 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 seven plans for their business to offer employees.

Sincerely,

Charles R. Nichols
Manager, VACE Insurance Program