

from the HR Department

Dear Colleagues:

RIT takes pride in its ability to offer quality benefit options that are affordable to both the university and its employees. In preparing for our 2008 open enrollment, we were faced with an increase in medical plan premiums that was much higher than what we have experienced the last several years. As a result, it was necessary to make a few changes to the plans for 2008. In making these changes, we have worked hard to balance the affordability for employees of both medical contributions and point of care medical services. The medical plan changes, including copay increases, are described in detail in this newsletter, so please take the time to read about them carefully to better understand what to expect next year.

Good News for 2008!

We are excited to introduce our new RIT Vision Care Plan with much more generous benefits than the current eyewear coverage offered through our medical plans. Be sure to read all about the new plan on page 4 of this newsletter.

There is also good news regarding our life insurance and long-term disability (LTD) plans. Due to RIT's favorable claims experience in both these areas, Unum, our insurance carrier, has lowered premiums. As a result, we are happy to provide improved RIT-paid coverage in terms of maximum benefit levels in both these areas. Additionally, you will pay less in 2008 for Supplemental Life Insurance and Supplemental LTD premiums. And, in response to employee feedback, we will offer increased levels of life insurance coverage for dependent children.

Please be sure to take an active role in your benefit selection for 2008 by making time to clearly understand each of the changes being introduced. To do so, be sure to read through all of the materials contained in this enrollment package and plan to attend the Benefits Fair October 30 and 31 to have your questions answered. The fair will have a new emphasis on health and wellness as we officially kick off RIT's new employee wellness program, "Better Me."

Sincerely,

Patty Spinelli

Patty Spinelli
Assistant Vice President
HUMAN RESOURCES

Renee Brownstein

Renee Brownstein
Associate Director
HUMAN RESOURCES

BENEFITS OPEN ENROLLMENT 2008

Key Dates

October 24

Open Enrollment BEGINS

October 30 & 31

Benefits Fair and Workshops

9 AM - 3 PM (both days)

FIRESIDE LOUNGE
STUDENT ALUMNI UNION

November 14

Open Enrollment ENDS

Flu Shot Clinic

7:30 AM - 4 PM

1829 ROOM
STUDENT ALUMNI UNION

TOPICS

- 2008 OPEN ENROLLMENT NEWS
- 2008 HEALTH CARE CHANGES
- NEW EYEWEAR BENEFIT PLAN IMPROVEMENTS
- LIFE INSURANCE NEWS
- PRESCRIPTION DRUG UPDATE
- OTHER BENEFITS NEWS



A new spin on the Annual Benefits Fair

As we celebrate the 10th annual Benefits Fair, we are also introducing RIT's new employee wellness program: *Better Me*. And what better way to introduce this new initiative than to have free stuff and raffles!?

You will see some of the familiar benefits providers, like Excellus BlueCross BlueShield, Fidelity Investments, and TIAA-CREF, as well as some new faces this year: American Diabetes Association, GOJO Industries, and Rochester School of Fitness.

We'll even have some "try-it-out" sessions including meditation and yoga!

This is your **ONLY** opportunity to make a change

Please remember that the Benefits Open Enrollment period is **your only opportunity to enroll, change, or cancel most of your benefit elections**, unless you have a qualified family or employment status change during the year. A qualified family or employment status change includes:

- Marriage
- Birth or adoption of a child
- Divorce
- Death of a spouse or dependent
- A change in employment (e.g., spouse gaining or losing employment, or your status changing from part-time to full-time)

If you have one of these events and you want to elect, change, or cancel your coverage, you must notify the Human Resources Department **within 31 days of the event**. Otherwise, you must wait until the next Open Enrollment for a January 1 effective date. Please remember that the event must be consistent with the change you want to make (e.g., changing from two person to family coverage after the birth of a child) and allowed under IRS rules. **You cannot change insurance plans during the year** (e.g., Blue Point2 POS B No Drug to Blue Point2 POS A) **even if you have a change in family or employment status**.

Remember

If you did not add a new baby to your medical or dental plan when he/she was born, Open Enrollment is the time to do it. You cannot add the child during the year.

The following are benefits you need to consider for 2008:

- Medical
- Dental
- Beneflex
- Hyatt Legal Plan
- Supplemental, Spouse, Child AD&D Insurance
- Supplemental LTD Insurance
- Supplemental, Spouse, Child Life Insurance

If you do not take action during the enrollment period, you will not be able to make changes to these benefits during the year, except as described to the left. Your 2007 benefit elections for the above-listed benefits will continue into 2008 with no action on your part, EXCEPT Beneflex. Your 2007 Beneflex election DOES NOT CONTINUE in 2008. If you want to participate in Beneflex for 2008, you MUST enroll.

How To Enroll

Once again, you will enroll online using Oracle Self-Serve. We encourage you to take advantage of the many enrollment resources available to you. Enclosed in this packet you will find the 2008 rates for all of the various benefit plans. You will also find personalized rates for your benefit choices on the enrollment screen when you log in.

More detailed, step-by-step instructions can be found on the HR website. In addition, each screen has Help Text with important information.

We have also scheduled several Open Lab sessions, staffed by HR representatives, where employees can come, at their convenience, for help with the online process (see lab schedule below). Finally, computer kiosks will be available at the Benefits Fair on October 30th and 31st. HR representatives will be there to help with your enrollment and answer your questions.

Please note that there has been a change in the screen set up for smoking status for Supplemental Life and Spouse Life Insurance. Elections are in two different sections based on smoking status. If you have Supplemental and/or Spouse Life Insurance, please verify that we have the smoking status correct. In order to choose the non-smoker rates, you (or your spouse) must not have used tobacco products for the last 12 months. Remember, for Spouse Life Insurance, the smoking status is based on whether your spouse uses tobacco products.

IMPORTANT: When completing your online enrollment, you must go through all the screens until you get to the Confirmation screen. **If you do not get to the Confirmation screen, your enrollment will not occur.** One of the great features of employee self-serve in Oracle is that you can print a confirmation when the enrollment process is completed, giving you a record of your elections for 2008. And, if the enrollment period has not ended, you can log in as many times as you want to make benefit election changes.

Lab Schedule

Session #	Date	Time	Location
1	Tuesday, October 30*	9:00 a.m. – 3:00 p.m.	Fireside Lounge, SAU (Benefits Fair)
2	Wednesday, October 31*	9:00 a.m. – 3:00 p.m.	Fireside Lounge, SAU (Benefits Fair)
3	Wednesday, November 7*	7:30 a.m. – 10:00 a.m.	Wallace Library, Room 3650
4	Tuesday, November 13	11:00 a.m. – 5:00 p.m.	Wallace Library, Room 3650

* Interpreter has been requested

If you have a problem logging in, contact the Help Desk at x5-4357/v and x5-2810/TTY. If you have any questions or experience any difficulty during the enrollment process, please call Val Liegey (x5-5346), Brett Lagoie (x5-5983), Judy DeCoursey (x5-2604), or Julie Hawk (x5-2427) in Human Resources. Our TTY number is x5-2420. Please note that due to the Benefits Fair, our in-office availability will be limited on October 30th and 31st.

During the Open Enrollment period, there may be times when the system is slower due to other system processes (month-end closing activities, payrolls running, and pay days when employees are viewing their online payslips). Therefore, we suggest you try to avoid these peak daytime hours (9-11 a.m. and 2-4 p.m.) and complete your enrollments early in the morning or later in the day or evening. Please be patient. If the system “kicks you out,” simply log back in and try again. After completing your online enrollment you may need to complete the following:

- **Beneflex Forms** Whenever you do not use your Flex Card (described on page 9), you will need to submit claims to be reimbursed. If you did not have your Beneflex claims direct deposited in 2007, and you want your reimbursements sent directly to your bank account, you will have to complete a Beneflex Direct Deposit form. You may also request additional Flex Cards (see page 9). You can obtain the forms from the HR website.
- **Unum’s Evidence of Insurability (EOI)** Certain life and LTD changes require you to complete the EOI process. Use the link on the Oracle Enrollment confirmation page to access this online. Changes that require EOI will not go through until the insurance company has approved them. You are not required to complete the EOI process if you are enrolling in Supplemental Life for yourself for 1 times your base pay or increase from 1 to 2 times your base pay. All other life and LTD insurance enrollments and increases require the insurance company’s approval. You do not need approval to enroll or increase any AD&D elections or to reduce or cancel any life, AD&D, or LTD coverage amounts.

Medical Plan Design Changes Respond to Rising Costs

Faced with an increase in medical premiums much higher than what RIT has experienced in the last several years, it became necessary to re-evaluate our medical plan coverage and copayment costs. For the most part, employee copayments have not changed in many years. Most RIT participants have had medical plans with \$15 and \$20 copays since at least the mid-1990s. During that time, however, the cost for medical services such as office visits, outpatient services, and emergency room treatments has gone up significantly. Since copays have not increased as well, this means that the portion of cost participants pay has actually gotten smaller through the years.

To help bring cost sharing more in line with industry standards, the following changes are being made to the POS A and POS B* medical plans, effective January 1, 2008:

PLAN CHANGE	POS A		POS B*	
	2007	2008	2007	2008
Office visit copay – Primary care physician (PCP)	\$ 15	\$ 20	\$ 20	\$ 25
Office visit copay – Specialist	\$ 15	\$ 25	\$ 20	\$ 30
Inpatient hospital copay	\$ 0	\$ 0	\$ 100	\$ 200
Urgent care copay	\$ 25	\$ 35	\$ 25	\$ 40
Emergency room copay	\$ 50	\$ 75	\$ 50	\$100
Eyewear coverage	\$ 60 every two years	No coverage (new voluntary plan available)	No coverage	No coverage (new voluntary plan available)

* References to POS B also include POS B No Drug.

About the Changes

Office visit copays

As noted on the table above, copays for a visit to your primary care physician (PCP) will increase by \$5. Copays for a visit to a specialist will increase by \$10.

Why the change? This type of copay structure, with different copays for PCP and specialist visits, is becoming much more common in health care insurance since most referral requirements have now been eliminated and fees charged by medical specialists are typically much more expensive than those charged by PCPs. Having a slightly higher copay for a specialist visit encourages patients to seek care from their PCP whenever appropriate.

The new PCP copay amount will also be charged for the following services:

- Diabetic treatment, including insulin, oral medications, and supplies (30-day supply)
- Radiation therapy and chemotherapy
- Diagnostic gynecologist visits
- Routine physicals and preventive screenings such as Pap smears and mammograms (Note: these continue to be covered in full under POS A)
- Prostate screenings
- Allergy tests and treatment by a primary care physician

The new specialist copay amount will also be applied to these services:

- Diagnostic radiology procedures such as x-ray, CAT scans, MRIs, etc.
- Hemodialysis
- Outpatient visits for mental health and chemical dependency treatment
- Physical, speech, and occupational therapy
- Respiratory therapy and cardiac rehabilitation
- Outpatient surgery
- Diagnostic and routine eye exams, and hearing evaluations
- Allergy tests and treatment by a specialist
- Chiropractic care
- Bone density testing

More details about these changes can be found in the *2008 Medical Benefits Comparison Book*.

Emergency room and Urgent care copays

As noted on the table, copays are increasing for emergency care and will no longer be the same amount under POS A and POS B. The POS A copay will be \$75 and the POS B copay will be \$100. The purpose of the higher emergency room copay is to help persuade people to use the emergency room appropriately for true emergency situations, not for urgent care or primary care needs. Non-emergency use of emergency rooms remains at a high level in the Rochester community, contributing to long wait times and unnecessary cost.

Emergency room care is much more expensive than urgent care. However, many people choose to go to the emergency room instead of an urgent care center, causing unnecessarily high costs to be charged to the insurance company. For example, treatment of a sprained ankle in an emergency room in Rochester costs approximately \$430! Treatment of the same sprained ankle in a PCP's office or urgent care center may be half that cost or lower.

It is important to seek the right care for your needs.

If you or a loved one is seriously hurt, you know to go directly to the emergency department at the nearest hospital. For injuries that need immediate attention, but are not serious or life threatening, consider going to an urgent care facility instead.

An urgent care facility will give you the immediate medical care you need, often without the wait or rush that comes with an emergency room visit. You will find a current list of Rochester area urgent care facilities, including their hours in the enclosed brochure. Guidance is also provided regarding types of conditions for which it is appropriate to go to an urgent care center for treatment, and those for which an emergency room is recommended. Information regarding urgent and after hours care can also be found on your health plan's website or by calling Excellus.

Urgent care center copays are also increasing to reflect the increased cost of care. However, it still remains less expensive to seek care in an urgent care center than in an emergency room, under appropriate circumstances.

If you are not sure where to go to get the care you need, contact your doctor. He or she will be able to help you make that decision. Remember to contact your doctor after getting urgent or emergency services for any follow-up care you may need.

Eyewear

The eyewear rider providing limited benefits every two years under the POS A and Blue PPO medical plans will be eliminated as of January 1. Instead, RIT is offering you the opportunity to purchase a voluntary Vision Care Plan. The Vision Care Plan provides much more generous annual benefits, and is priced with favorable group rates.

We urge you to consider purchasing the Vision Care Plan if you and your family members wear glasses or contact lenses. When you are comparing your medical plan options, be sure to take into consideration that POS A no longer includes the eyewear rider. For some people, this might mean that they are able to enroll in POS B.

All RIT-offered medical plans will continue to provide coverage for a vision exam.

Introducing a Great New Eyewear Benefit: the RIT Vision Care Plan

We are excited to introduce the RIT Vision Care Plan administered by VSP. This new plan offers coverage for eyeglasses, contact lenses, and eye exams. In addition, there is a discount for laser vision correction through participating laser centers.

If you are enrolled in POS A, POS B, POS B No Drug, or Blue PPO, eye exams will continue to be covered under the medical plan. However, the POS A and Blue PPO plans will no longer have the \$60 benefit every two years toward the cost of eyewear. Instead, RIT is introducing the new Vision Care Plan which offers much more generous benefits!

The cost of prescription glasses can be substantial. With the RIT Vision Care Plan, you will find a significant improvement over the current benefit that is available through RIT's medical plans. Details about this exciting new coverage, can be found in the enclosed flyer.

Coverage Level	Semi-Monthly	Bi-Weekly	Annual Cost
Individual	\$ 4.48	\$ 4.13	\$ 107.40
Two Person	\$ 8.94	\$ 8.25	\$ 214.56
Family	\$ 14.39	\$ 13.28	\$ 345.36

Some important notes:

- This is a voluntary plan, with the employee paying the full premium by pre-tax payroll deduction.
- You can enroll in the RIT Vision Care Plan whether or not you have RIT medical coverage – they are two separate enrollments.
- If you have RIT medical coverage, your coverage level under the RIT Vision Care Plan can be different. For example, your medical coverage can be 'family', but you can have 'two person' coverage for the Vision Care Plan. This provides flexibility if some family members don't wear glasses. However, an employee must be covered in order to cover other family members.
- If you are in POS A, this might be the best time to re-evaluate your medical plan choice because you may find you can save money with POS B, since the eyewear benefit has been eliminated for POS A. Use the **Medical Plan Cost Comparison Worksheet** to help you determine if POS A or POS B is a better choice for you and your family. You may pay less in 2008 with POS B than you do in 2007 for POS A, so carefully consider this option.

For more information about this new plan or to find a participating provider, visit the VSP website or call (Monday – Friday, 8 a.m. to 10 p.m., Eastern Time). You can enroll in the Vision Care Plan through Oracle Self-Service. If you enroll, beginning in January, you will have online access to your benefit information. Please note that you won't receive an ID card; you simply let your eye doctor know you have VSP coverage. If you like, you may print out a wallet size member reference card from the VSP website.

About VSP

- Award-winning company in business since 1955
- Ranked "Highest in Member Satisfaction Among National Vision Plans" in 2006, 2005, and 2004 by J.D. Power and Associates
- On *FORTUNE* magazine's list of the "100 Best Companies to Work For" for seven years – ranking 7th in 2006
- 51 million members nationwide with 28,000 business clients, including 224 of the 2006 Fortune 500 companies
- Extensive network of 24,000 doctors, located in rural and metropolitan areas nationwide
 - 98% of Americans have access to two VSP doctors within 3.6 miles
 - VSP doctors provide both eye exams and eyewear, making them a convenient "one-stop" means for obtaining eye care benefits

SAVINGS EXAMPLE: GLASSES

	Cost Without Coverage	Your Cost With Coverage
Exam copay		\$ 15
Eyewear copay		\$ 20
Eye Exam*	\$ 80	
Eyeglasses: Lenses	\$ 300	\$ 0
Frame (up to \$120)**	\$ 200	\$ 64
Total Cost	\$ 580	\$ 99
Your Savings with RIT's Vision Care Plan		\$481
Less: Annual Individual Premium		\$ 107
Net Savings		\$374

* Most RIT medical plans provide coverage for an eye exam.

** Your Cost is after the 20% VSP discount.

Even if you have family coverage and only one family member had an eye exam and purchased glasses, you could still save money. The savings are even higher if more than one person purchases glasses.



Additional Savings through Protection Assured PLUS Plan

RIT continues to offer the Protection Assured PLUS Plan with Rochester Optical as another alternative for eyewear savings (Rochester Optical is not a VSP provider). As a reminder, you pay a \$10 annual membership fee and Rochester Optical sends you over \$200 worth of cash certificates to use on the purchase of eyeglasses. To determine which option is best for you and your family, carefully evaluate your anticipated eyewear needs for 2008.

Long-Term Disability Plan Improvements

Favorable claims experience in the Long-Term Disability (LTD) Plan has resulted in Unum's lowering of the premiums employees pay to purchase Supplemental LTD coverage. Monthly maximum LTD benefits will increase under both the Basic (RIT-paid) and Supplemental (buy-up) LTD plans. The improvements in both premium rates and monthly maximum benefits are shown below:

Plan Feature	Premium Rate Paid by Employee 2007	Premium Rate Paid by Employee 2008	Monthly Maximum Benefit 2007	Monthly Maximum Benefit 2008
Basic LTD	None – fully paid by RIT	None – fully paid by RIT	60% of pay up to \$5,000	60% of pay up to \$7,000
Supplemental LTD	\$0.32 per \$1,000 coverage per month	\$0.26 per \$1,000 coverage per month	70% of pay up to \$7,000 – combined with Basic LTD benefit	70% of pay up to \$10,000 – combined with Basic LTD benefit

A "pre-existing condition limitation" applies to the increased amount of benefit. This means that if a person has a condition for which he or she received medical treatment, including prescription drugs, between April and December, 2007 (9 months prior to January 1, 2008), the increased coverage will not be provided for a disability related to that condition which begins during 2008. In this situation, the maximum monthly benefit would be determined under the 2007 policy.

One additional change extends the maximum duration of LTD benefit payments for certain employees who become disabled after age 60. The change affects people who go on LTD on and after January 1, 2008. The new schedule is as follows:

Age at Disability	Benefit Duration
Under Age 61	To age 65
61	48 months
62	42 months
63	36 months
64	30 months
65 through 74	24 months
Age 75 and over	12 months

If you do not currently participate in Supplemental LTD, we encourage you to consider adding this important coverage. The new rates are more affordable, and there are risks associated with not having this additional coverage. See the article titled "Why Should I Elect Supplemental Long-Term Disability Insurance?"

All changes will become effective January 1, 2008. Increases in benefits are subject to evidence of insurability, as described in the article titled "Unum's Evidence of Insurability (EOI) Rules for Life Insurance and Long-Term Disability." For more detailed information on the Long-Term Disability Plan, see the HR website at <http://finweb.rit.edu/humanresources/benefits/>.

Why Should I Elect Supplemental Long-Term Disability Insurance?

The risk of disability is greater than most employees realize. In addition to reduced or lost income, you are most likely experiencing an increase in medical expenses to deal with your disabling injury or illness. Medical insurance doesn't cover every expense related to an illness or injury. Bills and expenses can continue to add up, especially if you have to stop working and lose your income.

To help you better understand your risk of becoming disabled, here are some national disability statistics:

- Disabilities affect one-fifth of Americans (approximately 49.7 million);
- On average, about 2,329 disabling injuries occur every hour during the year;
- A disabling injury occurs every eight seconds at work;
- As many as 1 in 3 employees will miss at least three months of work due to injury or illness, and once disabled for 90 days, will have an average length of disability of two years.

Significant Enhancements to RIT's EAP Plan

In September, you received a brochure describing services available under Employee Assistance Program (EAP) through the Health Association, part of the ESI Employee Assistance group. The brochure highlights the many benefits available with RIT's EAP. While the term "EAP" traditionally referred to counseling services for employee work or personal problems, or substance abuse programs, today's EAP offers a great deal more.

Each year, one out of five employees faces a significant problem that disrupts life at home and productivity at work. That's why it is so important to have an EAP that provides the broadest possible menu of services to address those problems. The benefits available with RIT's EAP are much more than counseling.

In addition to counselors being available 24 hours a day, 7 days a week, EAP offers a wealth of information and resources on their website: www.theEAP.com.

We encourage you to take advantage of the many benefits your EAP has to offer.

HOW TO LOG ON.

Simply click on the **Employee and Family Login** button and log in.

If you have not logged in before, click on the **REGISTER HERE** link

- Type in "RIT" in the employer line
- Click on the small circle to the left of "RIT" on the employer listing
- Click **Continue** button at the bottom of the page
- Complete the registration page; you can choose your own User Name and Password; **they should be different than your Oracle User Name and Password**
- Click **Continue** button at the bottom of the page

Good News: Improvements in Life Insurance Program

Premium Rate Reduction: As a result of favorable group claims experience, RIT has received word from Unum, our life insurance carrier, that our premium rates for Supplemental Life Insurance will decrease for 2008. If you purchase Supplemental Life Insurance, your rate per \$1,000 of coverage will be lower in 2008 than in 2007 (except for nonsmoker rates for age 29 and under). However, you may not see an actual decrease in your payroll deduction for two reasons:

- Your life insurance coverage will be adjusted January 1, 2008 to reflect your annual base pay as of that date. If your pay has increased since last January (or since your date of hire if hired after January 1), this means your coverage amount will increase. And your contribution for the coverage will increase to reflect the higher coverage amount.
- If you moved into a new 5-year age band, your rate per \$1,000 will move up to that age band. This could be higher than what you are currently paying, although it will be lower than it would have been in the absence of Unum's rate decrease.

The table shows the new rates per \$1,000 of coverage compared with the current rates, for your reference. Age bands and 2008 rate columns are lightly shaded. When you review your 2008 benefit options in the enrollment system, the new rates will be reflected.

MONTHLY RATE PER \$1,000 OF COVERAGE				
Age as of 1/1/08	2007 Non-Smoker	2008 Non-Smoker	2007 Smoker	2008 Smoker
29 and under	\$0.05	\$0.05	\$0.10	\$0.09
30-34	\$0.07	\$0.06	\$0.16	\$0.14
35-39	\$0.10	\$0.09	\$0.24	\$0.22
40-44	\$0.13	\$0.12	\$0.32	\$0.29
45-49	\$0.21	\$0.19	\$0.52	\$0.47
50-54	\$0.35	\$0.32	\$0.85	\$0.77
55-59	\$0.54	\$0.49	\$1.18	\$1.06
60-64	\$0.73	\$0.66	\$1.45	\$1.31
65-69	\$1.42	\$1.28	\$2.55	\$2.30
70-74	\$2.65	\$2.39	\$4.24	\$3.82
75 and over	\$4.97	\$4.47	\$6.85	\$6.17

Increased Life Insurance Maximums:

Regular full-time employees are automatically covered by the Basic Life Insurance Plan. The premium for this plan is fully paid for by RIT. Currently, you are covered for two times your annual base pay with a maximum of \$150,000. Beginning January 1, 2008, the maximum Basic Life coverage will increase to \$500,000.

For employees also purchasing Supplemental Life Insurance, there is currently a combined maximum of \$650,000; beginning in January, the combined maximum will increase to \$750,000. Evidence of insurability rules will remain as they are today (see "Unum's Evidence of Insurability Rules for Life Insurance and Long-Term Disability" on page 7). Accidental Death & Dismemberment Insurance and Spouse Dependent Life Insurance maximums will also increase accordingly.

For your reference, the various maximums are listed below:

Plan	2007 Maximum	2008 Maximum	Premium Paid By
Basic Life Insurance	\$150,000	\$500,000	RIT
Supplemental Life Insurance	\$500,000	\$500,000	Employee
Combined Basic and Supplement Life Insurance Limit	\$650,000	\$750,000	RIT & Employee
Basic Accidental Death & Dismemberment (AD&D)	\$150,000	\$500,000	RIT
Supplemental AD&D	\$500,000	\$500,000	Employee
Combined Basic and Supplemental AD&D Insurance Limit	\$650,000	\$750,000	RIT & Employee

Higher Coverage Levels for Children: In order to provide more meaningful levels of life insurance coverage for children, the Dependent Life Insurance coverage for children will be increased. Currently, you choose from two coverage levels: \$2,000 and \$4,000 (per child). Beginning January 1, 2008, the coverage levels will be \$5,000 and \$10,000 (per child).

Please note that if you currently purchase either level of child coverage, your level will automatically increase to \$5,000 for 2008. If you wish to increase this coverage to \$10,000, you will need to do so by making an election during the open enrollment period. If you do not currently have Child Life Insurance and elect it, it will be subject to evidence of insurability. For your reference, the new coverage levels and rates are:

2007 Coverage Level	2008 Coverage Level	2007 Monthly Premium	2008 Monthly Premium
\$2,000	\$5,000	\$0.38	\$0.93
\$4,000	\$10,000	\$0.74	\$1.85



REMINDER OF SOME RULES:

While the following rules are currently in the life insurance plans and have not changed, it is important to keep them in mind.

- Spouse life insurance rates are based on the employee's age and the spouse's smoker/non-smoker status. This means that when you cross into a new age band, your cost for both Supplemental Life Insurance and Spouse Dependent Life Insurance will increase.
- Coverage for Basic and Supplemental and Spouse Life Insurance is reduced at employee ages 70 and 75. Details can be found on the HR website at <http://finweb.rit.edu/humanresources/benefits/>.
- Life insurance does not continue into retirement. You have several options available as described in the sidebar titled "Life Insurance: Your Options at Retirement." You may want to consider this information as you make decisions around how much insurance to purchase through RIT's group plan or privately.

See the HR website at <http://finweb.rit.edu/humanresources/benefits/> for details regarding the various life insurance plans.

New Waiver Helps You Avoid Taxes on Life Insurance

We are introducing a new, lower Basic Life Insurance coverage amount of \$50,000 for those who do not want the RIT-paid coverage amount over that level because they want to avoid the legally-required taxes on the value of the coverage.

Internal Revenue Service (IRS) regulations require that the value of employer-sponsored group term life insurance coverage over \$50,000 be treated as taxable income. The taxable amount, which is often quite small, uses an IRS age-based rate table (the older the person, the higher the rate). You can find your taxable amount (if any) on your paystub in Oracle as a pay element labeled "GTL Imp Inc." This is shorthand for "group term life insurance imputed income." Note that if your Basic Life Insurance coverage increases, your GTL will also increase. Please remember that this amount is:

- NOT paid to you; and
- NOT deducted from your check;
- IS part of your taxable pay and taxes are withheld.

If you are interested in this new feature or want further information, please contact your benefits representative in the Human Resources Department (see page 12).

LIFE INSURANCE: YOUR OPTIONS AT RETIREMENT

All RIT group life insurance ends at retirement. This includes Basic, Supplemental and Spouse and Child Life, Basic, Supplemental and Dependent AD&D, as well as Business Travel Accident Insurance. Retirees have three options to continue Basic, Supplemental and Spouse Life Insurance and pay premiums directly to the insurance company (Unum). The other plans listed cannot be continued.

1. **Continue the term insurance under the portability feature.** You would be eligible to pay for the insurance at group rates which are usually lower than purchasing individual term insurance, but are likely more costly than RIT's group rates. Under New York State law, this insurance ends at age 75. Term insurance has no cash value. With portability, you may continue coverage up to the amount you have at the time you retire. You may apply for additional coverage, if desired, with evidence of insurability.
2. **Convert the term insurance to an individual whole life insurance policy.** This coverage can continue until your death and it does build cash value. The cost for whole life can vary, but would be quite a bit higher than either RIT's group rates or the premiums under the portability feature described in number 1 above.
3. **Continue the term insurance for one year, then convert the insurance to an individual whole life insurance policy.** This coverage can continue until your death and, after the first year, it does build cash value. The cost for whole life can vary, but would be quite a bit higher than RIT's group rates or the premiums under the portability feature described in number 1 above.

Unum's Evidence of Insurability (EOI) Rules for Life Insurance and Long-Term Disability

Certain life insurance and LTD changes require you to complete the EOI process. Use the link on the Oracle Enrollment confirmation page to access this online. Changes that require EOI will not go through until the insurance company has approved them. You are not required to complete the EOI process if you are enrolling in Supplemental Life for yourself for 1 times your base pay or increase from 1 to 2 times your base pay.

All other life and LTD insurance enrollments and increases require the insurance company's approval. You do not need approval to enroll or increase any AD&D elections or to reduce or cancel any life, AD&D, or LTD coverage amounts. To elect or increase spouse dependent life insurance during open enrollment or as a result of a qualified status change such as marriage or birth of a child, EOI is required. EOI is also required if you are electing Child Life Insurance and currently do not have it.



Medco By Mail Update

Some people have used mail order for years for maintenance medication (something you take every day for an ongoing condition) and have had great success. Some people, however, recently changed due to RIT's introduction of the Retail Refill Allowance (RRA) for 2007. As with any change, several employees voiced concerns and frustrations.

We, in RIT Human Resources, took the concerns that people raised seriously and provided assistance and answered questions whenever possible. We also posted information on the HR website to explain why RIT made the change as well as to address some of the specific concerns that people raised and correct some misconceptions.

If you have any concerns or questions, we encourage you to review the information on the HR website at <http://finweb.rit.edu/humanresources/benefits/healthy/medical.html> in the Important Announcements section.



Medco recently introduced a new web tool – “My Rx Choices.”

This prescription savings feature on the Medco website highlights potential lower-cost medication alternatives to help you save money.

To view possible lower-cost alternatives, log into www.medco.com, then click the “My Rx Choices” link. If you are not registered on the Medco website, do so today to benefit from many useful resources and tools.

RIT Rx Cost Management Pays Off!

RIT has a self-funded prescription drug plan administered by Medco, a Pharmacy Benefit Manager (PBM). Medco offers plan sponsors, like RIT, a variety of management techniques to help contain costs. We utilize several of these techniques to ensure you get the high-quality medications you need in the most cost-effective manner. When applying these techniques, we subscribe to the following principles:

- *Give you choice, rather than mandate specific cost-saving opportunities.*

An example is RIT Rx's three-tiered cost structure that encourages you to choose generic drugs by offering them at the lowest cost. If you choose a brand-name drug when a generic is available, you are required to pay the difference for the more expensive choice.

- *Share the savings with you that result from your more cost-effective choices.*

Another way Medco helps RIT keep the cost of the prescription drug program affordable is through a clinical management program called “step therapy.” Step therapy is used for certain drug categories and requires a patient to try a generic drug first (if available), then a preferred brand name drug, before it covers a non-preferred brand name drug. The patient's physician is involved with the step therapy process to determine the most clinically effective and cost-effective form of treatment. Examples of drug categories for which step therapy applies include “proton pump inhibitors” (PPIs) for treatment of acid reflux, and anti-depressants called “Selective Serotonin Reuptake Inhibitors” (SSRIs).

Because of these cost management techniques, coupled with your smart prescription drug choices in 2007, RIT's total prescription plan cost per person is now lower than national averages and lower than Medco's overall book of business. As a result, you will not see any RIT Rx plan changes for 2008!

Want to save money? Ask for generics!

- Generic equivalent medications contain the same active ingredients and are subject to the same rigid Federal Food and Drug Administration standards for quality, strength, and purity as their brand name counterparts.
- Generic drugs generally cost 30-60% less than the equivalent brand name product.
- Generic drugs make up nearly half of all prescriptions filled.
- About half of generic drugs are made by companies with ties to the brand name drug manufacturers.



Flu Shot Clinic

November 14, 2007, 7:30 AM - 4 PM
1829 ROOM, STUDENT ALUMNI UNION

Radiology Procedures to Require Advance Authorization Under Excellus Plans

Beginning this fall, Excellus BlueCross BlueShield will require prior authorization of complex radiology procedures including MRI, MRA, CT, CTA, and PET under all plans. This is an Excellus-wide program.

The main reason for the change is that the use of these radiology procedures has increased dramatically in recent years, making them one of the major drivers of outpatient costs, as well as overall medical cost increases.

Another reason for the change is to better respond to concerns regarding radiation doses associated with these types of procedures. The advance review and approval process will promote patient safety and quality by more thoroughly evaluating each patient's radiology history before authorizing procedures.

Excellus has hired an outside vendor, CareCore National (CCN), a firm that specializes in radiology management services, to administer the new authorization process. CCN:

- is a nationally recognized leader, with accreditation from the National Council on Quality Assurance (NCQA), the same organization that accredits managed care plans.
- has an established reputation for excellence in customer service. Many health plans in New York State already employ CCN.
- includes a panel of physicians from various specialties as part of the review process.

Several steps are in place to avoid delays in urgent cases. The new requirement does not apply to hospital inpatients or emergency room patients. CCN also has an expedited process in the event of an urgent need. If an urgent case requires a procedure outside CCN's business hours, physicians can perform the procedure without prior authorization, but must seek approval within two days.

Excellus believes this review and approval process will help to better manage radiology procedures and associated costs.

RETIREE HEALTH CARE CHANGES

Consistent with the direction set by RIT several years ago, designed to keep retiree health care sustainable for the long term, two modifications have been adopted, effective in 2008.

One of the changes made in 2005 defined a category we call the "benchmark group." This group generally includes employees who retire on and after January 1, 2005, who are not in the "RMA group" (defined below), as well as people who retired before that date who were not then eligible for Medicare. Most current employees will be in the benchmark group after they retire.

Beginning in January, 2008, Medicare-eligible retirees in the benchmark group will be required to pay a \$25 monthly contribution for coverage. Since 2005, a contribution has been required for the retiree only when the retiree chose a medical plan that is more costly than the benchmark plan. The \$25 monthly contribution for spouse coverage will not change in 2008. The current benchmark plans are Medicare Blue Choice and Preferred Care Gold for retirees living in the Rochester area, and Blue PPO for retirees living outside Rochester.

The other change is an expansion of the RMA group. "RMA" stands for Retiree Medical Account. When employees in the RMA group retire, they will have access to a lump sum account funded by RIT. The RMA is available to the retiree to help pay premiums for health insurance. Retirees in the RMA group will have access to purchase health care plans offered by RIT. Currently, the RMA group is limited to employees whose adjusted date of hire is on or after January 1, 2004. Beginning January 1, 2008, the RMA group is expanded to include employees hired prior to 2004 who will be younger than age 35 on January 1, 2008. These employees are being notified by letter. Details of the RMA are available on the HR website.

Beneflex Flex Card a Big Success

We have heard from a number of people that the Beneflex Flex Card we introduced this year has been a great success. For those who don't know, the Flex Card is a convenient way for you to pay for your health care and dependent day care expenses without paying the bills out of your pocket – the funds come right from your Beneflex account! It automates the process of paying for your eligible expenses by paying your provider at the point of service. This way, you avoid having to pay cash for your service and waiting for your reimbursement check to arrive.

One Flex Card will automatically be provided to you when you enroll in Beneflex. If you participate in Beneflex in 2007, you will be able to use the same card in 2008. If you need an additional card for a spouse or other eligible dependent, simply complete the "Request Form for Issuance of EBS Flex Card to Dependent" found on the HR website and mail to EBS at the address indicated on the form. It takes several weeks to receive additional cards, so be sure to do this as soon as possible once you have enrolled in Beneflex for 2008 if you are a new member.

If You Have Beneflex in 2007—When you use your Flex Card between January 1 and March 15, 2008, dependent care and health care claims will be paid from any remaining funds in your 2007 account BEFORE the 2008 account. If you have any manual claims to submit to your 2007 account, you should submit them *before* using the Flex Card for 2008 expenses; otherwise, you may inadvertently use up your 2007 account dollars with 2008 expenses. To submit for reimbursement of 2007 claims, use the claim form on the HR website in the forms section.

IMPORTANT UPDATES

EBS, the Beneflex administrator, will be issuing new flex cards to 2007 Beneflex participants this fall. It is important to note that these cards will have a new number. Therefore, if you use this card for your Medco By Mail prescriptions, you will need to update your Medco record to reflect this new number.

A number of grocery, pharmacies, and discount stores will be using a new system that will only permit allowable health care expenses to be paid with your Flex Card, and you will be asked to pay for your non-allowable expenses separately.

This is a great improvement and will cut down on the number of audits that will be required in the future. We expect several stores to be up and running by January 1, 2008, with Wegmans expected to be ready by February 1, 2008. Please remember that it is still your responsibility to use the card only for allowable expenses and you must still keep your receipts.

How to Get Emergency & Urgent Care Coverage When Traveling

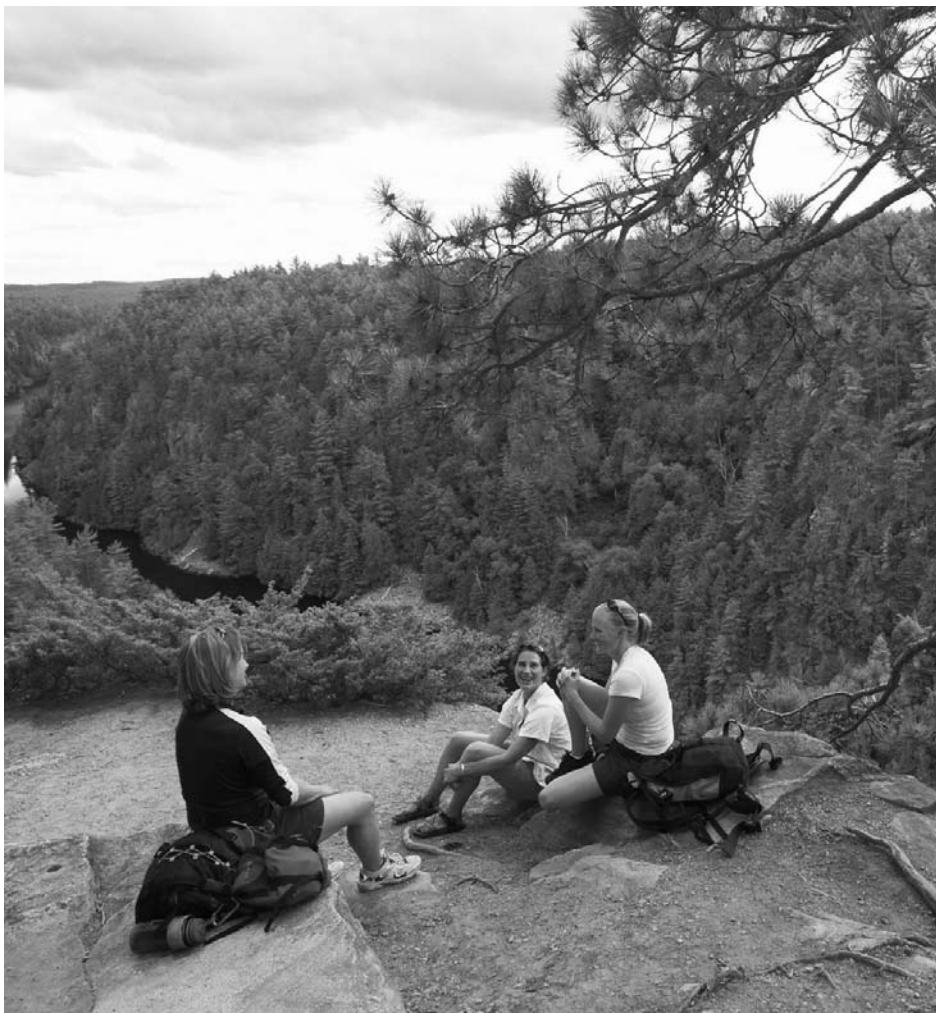
Most people know what medical coverage they have and how to get the care they need when they're near home, but what happens when care is needed while traveling or living temporarily outside the area? This is a common topic of confusion for many employees and retirees. The following article provides some clarification about what kind of coverage you can expect, and how to access care, when traveling within the country or around the world.

All Excellus Blue Cross Blue Shield Plans

When you are covered by an Excellus BlueCross BlueShield plan (POS, BCBS Comprehensive, or Blue PPO), you have out-of-area coverage through the BlueCross BlueShield "BlueCard" program. Details of what is covered under your specific plan can be found in your *2008 Medical Benefits Comparison Book* and on the Human Resources website.

Your BlueCross BlueShield member identification card is your direct link to care anywhere in the country and many places overseas. Show your identification card to any BlueCross BlueShield participating hospital or physician when you travel and receive the same treatment as local patients.

More than 85% of all hospitals and physicians throughout the United States contract with independent BlueCross BlueShield plans. They also have participating hospitals and physicians in 16 countries overseas. The BlueCard links these health care providers to an electronic data system that quickly delivers your benefit information anywhere in the country or overseas.



How the Program Works

Within the United States:

1. For emergency medical care, go directly to the nearest hospital.
2. To find the names and addresses of nearby doctors and hospitals, visit www.bcbs.com or call BlueCard Access at 1-800-810-BLUE (2583). When you arrive at the doctor's office or hospital, simply present your member ID card.
3. Call Excellus BlueCross BlueShield for pre-certification or prior authorization. Refer to the phone number on your member ID card.
4. Call your own physician to ensure that the proper referral paperwork is completed.
5. After you receive medical attention, your claim is electronically routed to Excellus for processing. You are only responsible for the usual out-of-pocket expenses (non-covered services, deductible, co-payment, and co-insurance).
6. Excellus will then send you a detailed Explanation of Benefits report. All participating providers are reimbursed automatically, relieving you of any paperwork hassles.

In other countries:

1. For emergency medical care, go to the nearest hospital. If you're admitted, call the BlueCard Worldwide Service Center at 1-800-810-BLUE (2583) or call collect at 1-804-673-1177.
2. For non-emergency medical care, you must call the BlueCard Worldwide Service Center at 1-800-810-BLUE (2583). The Service Center will facilitate hospitalization at a BlueCard Worldwide hospital or make an appointment with a doctor. It is important that you call the BlueCard Worldwide Service Center in order to obtain cash-less access for inpatient care. The Service Center is staffed with multilingual representatives and is available 24 hours a day, seven days a week.
3. Call Excellus BlueCross BlueShield for pre-certification or prior authorization. Refer to the phone number on your member ID card.
4. Call your own physician to ensure that the proper referral paperwork is completed.
5. For inpatient care at a hospital that was arranged through the BlueCard Worldwide Service Center, you only pay the provider the usual out-of-pocket expenses (non-covered services, deductible, co-payment, and co-insurance). The provider files the claim for you.
6. For all outpatient and professional medical care, you pay the provider and submit a claim. You may also have to pay the hospital (and submit a claim) for inpatient care obtained from a non-BlueCard Worldwide hospital or when inpatient care was not arranged through the BlueCard Worldwide Service Center.

RARES Discount Program Offers Valuable Benefits

RIT is a General Member of RARES – the Regional Area Recreation and Employee Services Association. RARES offers employees and retirees an exclusive way to obtain **significant discounts**.

RARES issues ID cards annually (the membership number changes each year). You can obtain an ID card by contacting RIT Human Resources.

- The 2007 ID# is 20075482
- The 2008 ID# will be 20084482 (2008 cards will be available in December)

To learn more about available discounts, visit the RARES website at www.rares.org. At the site, enter the membership ID# in the Membership ID box (upper left corner of home page). You'll be directed to a "members only" section where you can click on the "discounts" tab to see a listing of all available discounts.

Discounts are provided in one of two ways:

1. You receive some discounts by simply showing your RARES ID card at the point of sale. Participating establishments include Downstairs Cabaret Theatre, Dunn Tire, Genesee Country Village & Museum, George Eastman House, Ravenwood Golf Club, Rhinos, Staubs Cleaners, and more.
2. Other discounts are provided when you purchase tickets directly from RARES. You can order online at the RARES online web store with any major credit card. Or, you can submit an order form (found on the RARES website) and order by mail. Organizations offering these discounts include Buckmans Car Wash & Detail, Cedar Point Amusement Park, Dell Computers, Hershey Park, Marineland of Canada, Rochester Red Wings, Six Flags parks, Splash Lagoon Indoor Water Park Resort, and more.

If you have any questions, please contact the RARES office at (585) 503-8160/v or by e-mail at rares@rochester.rr.com.



Pet Insurance Provides Peace of Mind

To help offset the high cost of veterinary services and medicine, RIT offers employees and retirees medical insurance for pets. Offered at a group discount rate through VPI Pet Insurance, the policy covers thousands of medical problems and conditions related to accidents or illnesses (even cancer) for dogs, cats, birds, ferrets, rabbits, reptiles, and other exotic pets.

Coverage helps pay for various medical services including diagnostic tests and office visits, prescriptions, and x-rays, to name a few. With this coverage, you have the freedom to visit any licensed veterinarian, even when you're away from home. If your pet has certain pre-existing conditions or is over ten years of age, VPI will review its medical history prior to enrollment.

To learn more about VPI Pet Insurance, call 800-USA-PETS (800-872-7387/v), extension 4937 (be sure to mention that you are from Rochester Institute of Technology) or log onto their website at <http://eb.petinsurance.com/>.

Reminder to Enter Your Contact Information for RIT's New Emergency Mass Notification System

As was recently announced, RIT will be implementing the Emergency Mass Notification System (EMNS) this Fall. The EMNS allows the University to contact the community in the event of an emergency by sending messages via:

- Text message
- Instant message
- E-mail
- Voice message (mobile or land-line)

Contact information for the system, including the new field for Instant Message, will be taken from the data you provide in Oracle Self-Service. **Please take the time during benefits enrollment to make sure your contact information is complete and accurate.** This is imperative for you to receive emergency notifications.



Benefits Fair

& BETTER ME EMPLOYEE WELLNESS PROGRAM KICK OFF

October 30 & 31 • 9AM ~ 3PM

FIRESIDE LOUNGE • STUDENT ALUMNI UNION

MORE INFORMATION

For any benefits questions you may have, please contact your benefits representative in the Human Resources Department (TTY (585) 475-2420):

LAST NAME	CONTACT	TELEPHONE (V)	E-MAIL ADDRESS
A-L	Valerie Liegey	(585) 475-5346	valpsn@rit.edu
M-Z	Brett Lagoe	(585) 475-5983	bllpsn@rit.edu

Check out the Human Resources Department website at:

<http://finweb.rit.edu/humanresources/benefits/>

ENROLLMENT INFORMATION RESOURCES

Assembled here is a list of contact names, phone numbers, and websites to assist you as you begin to carefully evaluate your many choices.

NAME	VOICE	TTY	WEBSITE
RIT Human Resources	(585) 475-2424	(585) 475-2420	http://finweb.rit.edu/humanresources/benefits/

Health Care

BlueCross BlueShield	(585) 454-4810	(585) 454-2845	www.excellusbcb.com
Dental	(585) 325-3630 (800) 847-1200	(585) 454-2845	www.excellusbcb.com
Beneflex (EBS)	(585) 232-7500 (800) 544-0328	(585) 454-2845	www.excellusbcb.com
EAP	(585) 325-2980 (800) 417-6304	(585) 325-2980	www.thehealthassociation.org/EAP
Long-Term Care (MedAmerica)	(800) 544-0327	(585) 454-2845	www.yourlongtermcare.com
RIT Rx (Medco)	(800) 230-0508	(800) 759-1089	www.medco.com
Rochester Optical	(585) 254-0022	Use Relay	http://rofactoryoutlet.com/
Vision Care (VSP)	(800) 877-7195	(800) 428-4833	www.vsp.com

Retirement Program

Fidelity	(800) 343-0860	(800) 259-9743	www.fidelity.com
TIAA-CREF New York City	(800) 842-2776	(800) 842-2755	www.tiaa-cref.org
TIAA-CREF Rochester	(585) 246-4600 (877) 209-3144	(585) 246-4610	www.tiaa-cref.org

Other Savings Programs:

U.S. Savings Bonds	(800) 487-2663	Use Relay	www.savingsbonds.gov
N.Y. College Savings Program	(877) 697-2837	Use Relay	www.nysaves.org

Employee Discount Services

Hyatt Legal	(800) 821-6400	(800) 821-5955	www.legalplans.com password = 571112
Marsh@WorkSolutions	(866) 272-8902	Use Relay	www.metpay.com company code = 017
RARES	(585) 503-8160	Use Relay	www.rares.org
Veterinary Pet Insurance	(800) 872-7387 ext. 4937	Use Relay	http://eb.petinsurance.com

FREE SERVICES INCLUDING:

Chair Massages
Blood Pressure Checks
Body Fat Analysis

Enter and Win!
RAFFLES & FREE STUFF

WORKSHOPS

Refer to flyer and HR website for workshop details.

Representatives
available from:

- Medical, Dental, and Beneflex (Excellus BCBS)
- RIT Rx (Medco)
- RIT Vision Care Plan (VSP)
- Retirement Plan providers (Fidelity and TIAA-CREF)
- Life and Disability Insurance (Unum)
- EAP Provider (ESI Employee Assistance Group)
- RIT Human Resources and RIT Ergonomics Lab

New for this year as part of the
Better Me Employee Wellness Program Kick Off:

- Better Me employee wellness program
- Rochester Optical – offering eyeglass adjustments and cleaning
- American Diabetes Association
- GOJO Industries
- Weight Watchers (Tuesday only)

Open Enrollment Begins October 24
and Ends November 14, 2007

ATTEND THE BENEFITS FAIR!

Flu Shot Clinic

November 14, 2007

7:30 AM ~ 4 PM

1829 ROOM • STUDENT ALUMNI UNION

Rochester Institute of Technology
Department of Human Resources
George Eastman Building
8 Lomb Memorial Drive
Rochester, New York 14623-5604

RIT 2008 Benefits Open Enrollment Newsletter is distributed to employees to help explain RIT's Employee Benefits plans, describe features and provide hints on how to better use benefits. Some information contained in this newsletter may not apply to you. This newsletter does not replace the document/contract, unless specifically identified as a change in plan provision. If there is any confusion or conflict regarding plan features, the document/contract will be the final authority. RIT reserves the right to change, modify, discontinue, or terminate benefits at any time for any reason.

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