

# BENEFIT HIGHLIGHTS

## OUR BENEFITS PROGRAM

SMU offers a comprehensive, cost-effective and competitive benefits package to help protect you and your family. But it works only if you take control and make thoughtful decisions about your benefits. In other words, **you** need to take an active role in understanding and choosing your benefits. This way, you can be sure your benefits support your needs and goals.

To help you make informed benefits choices, SMU gives you several tools, including this *Benefits Guide*, SMU's [Benefits U](#) website, and Online New Employee Orientation.

It's time to think about your benefit needs and enroll in the benefits that will meet those needs.

SMU offers a wide range of benefit options and the chance to make new decisions each year.

## HEALTH OPTIONS AT A GLANCE

### COBRA Medical Plans

- SMU Plans (administered by Blue Cross/Blue Shield of Texas)
  - \$500 Deductible
  - \$1,000 Deductible
  - \$2,000 Deductible
  - \$2,500 Deductible (eligible for Health Savings Account)
- HMO Plan (administered by Aetna)

### COBRA Dental Plan

- Freedom-of-Choice Dental Plan (administered by Aetna)

**NOTE:** If you have Medicare or will become eligible for Medicare in the next 12 months, a new federal law gives you more choices about your prescription drug coverage. Please see the Medicare Notice at the end of this Guide.

*This booklet highlights the main features of many of the benefit plans sponsored by SMU. Full details of these benefits are contained in the legal documents governing the plans. If there is any discrepancy or conflict between the plan documents and the information presented here, the plan documents will govern. In all cases, the plan documents are the exclusive source for determining rights and benefits under the plans. SMU reserves the right to change or discontinue the plans at any time. Participation in the plans does not constitute an employment contract. SMU reserves the right to modify, amend, or terminate any benefit plan or practice described in this guide. Nothing in this guide guarantees that any new plan provisions will continue in effect for any period of time. This guide serves as a summary of material modifications as required by the Employee Retirement Income Security Act of 1974, as amended.*

## ENROLLMENT INSTRUCTIONS

### 1. Review Your Benefits

Read this Guide thoroughly – it describes SMU's benefits options. For more details on each of the plans, visit the [Benefits U](#) website.

### 2. Consider Your Choices Carefully

After your enrollment period ends, you cannot change your 2009 benefit choices during the year unless you have a qualifying life change event.

### 3. Getting Ready to Enroll

It will help to have these items handy:

- Social Security numbers and birth dates for yourself and your eligible family members,
- Information about other benefit coverage or insurance you or a family member may have,
- Beneficiary designation information, so you can properly identify your beneficiaries for your life insurance coverage,
- Your estimated out-of-pocket healthcare and dependent care (day care) expenses to help you plan your Flexible Spending Account contributions.

### 4. Fill Out and Return Your Form

- Complete your enrollment form and **return it to the Benefits Department (Box 232)** by your deadline.
- Be sure you fill out the dependent information in each benefit area if you want to enroll your dependents for coverage.

### 5. Be Alert!

- Review the Benefit Election Confirmation Statement that is sent to you,
- Your new premium payments become effective January 1, 2009.

#### Enrollment Questions?

Contact the Benefits Department

By phone at:  
214-768-3311

Or by email at:  
[benefits@smu.edu](mailto:benefits@smu.edu)

## Paying for Your Benefits

SMU pays a portion of the overall cost for your benefits. The amount you pay each month for coverage will depend on the choices you make.

### Cost of Coverage for 2009

COBRA Coverage	Monthly Premium
<b>\$500 Deductible PPO Plan</b>	
Individual	\$388.04
Two persons	\$853.69
Family	\$1,241.73
<b>\$1,000 Deductible PPO Plan</b>	
Individual	\$354.85
Two persons	\$780.67
Family	\$1,135.52
<b>\$2,000 Deductible PPO Plan</b>	
Individual	\$287.45
Two persons	\$632.38
Family	\$919.83
<b>\$2,500 Deductible PPO Plan</b>	
Individual	\$262.29
Two persons	\$577.05
Family	\$839.35
<b>HMO Plan</b>	
Individual	\$577.19
Two persons	\$1,316.01
Family	\$1,766.21
<b>Dental Plan (COBRA)</b>	
Individual	\$38.94
Two persons	\$76.12
Family	\$105.15

### CHANGING YOUR CHOICES

The only opportunity you have to change your benefit choices is during annual open enrollment each year. Annual open enrollment typically occurs during the fall of each year. Changes to your coverage will be made on-line through Access.SMU Benefits Open Enrollment.

Once you have made your enrollment choices, you generally cannot change them during the year. However, you may make certain changes if you have a qualifying life change event that affects your benefits. Typical qualifying life change events include:

- Marriage
- Divorce
- Birth or adoption of a child
- Death of a spouse or other eligible dependent
- Enrollment in (or loss of) state or federal medical coverage
- A change in your spouse's employment
- A child no longer qualifies as a dependent due to age, student status, marriage, or full-time employment

You must notify the Benefits Department of any qualifying life change events as soon as possible and before 31 days have passed.

If you wait longer than 31 days, you will not be allowed to make any coverage changes until the next annual open enrollment, per IRS regulations. In addition, you could end up paying for coverage you no longer have.

**If you have a qualifying Life Change Event, you must complete and submit a Benefits Change Form within 31 days of the date of the event.**

**Once you have completed the Benefits Change Form, submit it to the Benefits Department.**

**You also must send in documentation with proof of the event (a marriage license, birth certificate, death certificate, etc.).**

## SMU'S PREVENTIVE CARE BENEFITS

With more Americans than ever developing chronic conditions, wellness is becoming more about *preventing* illness before it becomes serious. Many chronic diseases and conditions can be prevented through early detection. Because it's important to SMU that all of our employees live longer, healthier lives, we offer comprehensive preventive care benefits as part of our medical, dental and vision benefit plans. Provided below are some of the recommended guidelines for preventive care and screenings. Be sure to review the detailed [Preventive Care Guidelines](#).

### Preventive Medical Screenings Recommended for Men and Women

- Influenza vaccination each year.
- Cholesterol screening every 5 years, starting at age 21.
- Blood pressure screening every 2 years, starting at age 21.
- Weight screening every 1 - 3 years, starting at age 21.
- Initial colonoscopy at age 50 and one every 10 years thereafter.

### Preventive Medical Screenings Recommended for Women

- Annual mammogram starting at age 40.
- Monthly breast self exams and an annual breast exam by your doctor if you are 40 or older, and every one to three years if you are in your 20s and 30s.
- Annual Pap test if you are older than age 21 or have been sexually active.

### Preventive Medical Screenings Recommended for Men

- Annual testicular exam if you are older than age 18.
- Initial clinical prostate exam (PSA) at age 50 and one every year thereafter

### Preventive Dental Exams/Cleanings Recommended Annually for Adults and Children

- It has been proven through clinical studies that people who practice poor dental hygiene – or develop gum disease - are at increased risk for heart disease, heart attack, stroke and diabetes, compared to those who practice excellent dental hygiene.
- Dental hygiene not only affects your health, but for women who are pregnant, the health of the baby. If you are pregnant, be sure to discuss this issue with your OB-GYN.

### Preventive Eye Exams Recommended Annually for Adults and Children

- Regardless of your age or physical health, it is important to have an eye exam each year. You should **never** skip eye exams - having great eyesight doesn't prevent the risk of eye disease. Glaucoma can cause irreversible blindness if undetected or discovered too late.
- For children, eye exams can play an important role in normal development. Children usually don't complain about vision problems, simply because they don't know what "normal" vision feels like. If your child performs poorly at school or exhibits a reading or learning disability, be sure to have their eyes examined to rule out a vision problem.

### SMU Health & Wellness BCBSTX PPO Plans

Covers 100% of the cost of in-network "preventive" annual physicals, health screenings and immunizations (up to \$500 annual maximum per person) – for you and each of your enrolled dependents.

Coverage for in-network "preventive" mammograms, colonoscopies and prostate exams are also covered at 100% and are not subject to the \$500 annual maximum.

In-network "preventive" services are also never subject to the deductible or the office visit copay.

### SMU Aetna HMO Plan

Covers 100% of the cost of in-network "preventive" annual physicals, health screenings and immunizations after a \$15 copay – for you and each of your enrolled dependents.

### SMU Freedom of Choice Dental Plan

Covers 100% of the cost of dental exams and cleanings twice each year (after you have met a \$50 individual/\$150 family lifetime deductible) – for you and each of your enrolled dependents.

### SMU Vision Plan

The CompBenefits vision plan covers 100% of the cost of a complete eye exam each year after a \$10 copay if you use a network provider. If you're enrolled in the Aetna HMO, the plan covers 100% of the cost for an exam each year after a \$35 copay once per calendar year.

## MEDICAL COVERAGE

SMU offers a Health and Wellness PPO Plan, administered by Blue Cross/Blue Shield of Texas (BCBSTX) with a number of deductible options, as well as an HMO through Aetna. All of the plans cover a wide variety of medical services, including office visits, prescription drugs, and inpatient and outpatient care.

### Preferred Provider Organization (PPO) Plans

All of our SMU Health and Wellness PPO Plan options allow you the freedom to choose either a network or out-of-network provider each time you need medical care.

Care received from network providers is paid at a lower cost to you, and you usually have no claims to file. If you choose to receive care from an out-of-network provider, medical benefits cost more – and you may have to file a claim to receive reimbursement for covered expenses.

### \$2,500 Deductible PPO Plan With Health Savings Account

In addition to the other Health and Wellness PPO plans, SMU also offers a \$2,500 Deductible PPO plan; if you enroll in this plan you are eligible to take advantage of a Health Savings Account (HSA) feature.

Here is a summary of how the HSA plan works:

- During enrollment, if you enroll in the \$2,500 Deductible PPO option you choose how much to contribute to your HSA. You can contribute up to a maximum of \$3,000 for an individual and up to \$5,950 for a family.
- You make contributions to your account through payroll deductions on a pre-tax basis. All of your contributions are put into an interest-bearing account set up in your name. Mellon Bank will assist you in establishing this account when you enroll in the plan.
- You pay for 100% of your medical expenses, including prescription drugs, until you reach your annual deductible. You can then use pre-tax dollars from your HSA to reimburse yourself for eligible medical expenses.
- **Preventive care services, like annual physicals, health screenings and immunizations, are covered by the plan 100% (up to \$500 per year). In addition, the plan pays 100% of the cost of in-network age-based preventive mammograms, colonoscopies, and prostate exams (not subject to the \$500 per year maximum). Preventive care services are not subject to office visit copays or the deductible.**
- After you reach your deductible, the plan begins paying 100% of your eligible in-network expenses. If you use out-of-network providers, the plan pays 60% after you have met the deductible (this does not include copays). If you have money left in your HSA at year-end, your money remains in your account to use for future eligible medical expenses. There are no “use it or lose it” rules with HSAs.

The next several pages summarize SMU’s medical options. Please review these summaries carefully before making your medical plan selection. For more details, go to: [Benefits U – Health & Wellness PPO Plans](#) or [Benefits U - Aetna HMO Plan](#).

In all of the medical plans, the network of participating providers changes frequently. To see the most current list of all SMU Health and Wellness PPO network providers, go online to the [Doctor and Hospital Finder](#) (select the Blue Choice PPO plan option when prompted)

To find Aetna HMO providers visit [DocFind](#).

## What You Pay

SMU Health and Wellness PPO Plan \$500 Deductible		
	In-Network	Out-of-Network
<b>Calendar Year Deductible</b> Individual Family	\$500 \$1,500	\$1,000 \$3,000
<b>Annual Out-Of-Pocket Maximum*</b> Individual Family	\$3,000 \$6,000	\$3,500 \$7,000
<b>Office Visit</b> Primary care Specialist	\$25 copay per visit \$35 copay per visit	40% after deductible
<b>Preventive Care</b>	Up to \$500 per year, per member for routine physicals, medical screenings and immunizations. In addition, 100% coverage for in-network "Preventive" mammograms, colonoscopies and prostate exams.  In-network Preventive Care services are not subject to the deductible or office visit copay.	
<b>Emergency Care</b> Primary Physician Office Urgent Care Center Hospital • Physician charges • Facility charges	\$25 copay per visit \$30 copay per visit  • 20% after deductible • \$100 copay, then 20% after deductible (copay waived if admitted)	
<b>Chiropractic Services</b> (Up to \$1,000 or 30 visits per calendar year)	20% after deductible	40% after deductible
<b>Inpatient Hospital</b> (Precertification required)	20% after deductible	40% after deductible
<b>Home Health Care &amp; Hospice Care</b>	20% after deductible	40% after deductible
<b>Mental Health/Substance Abuse Inpatient Care</b> (Precertification required)	20% after deductible (up to 30 days per calendar year)	Not covered
<b>Mental Health/Substance Abuse Outpatient Care</b>  (Up to 30 visits per calendar year for in-network and out-of-network services combined)	\$35 copay per visit	50%

\*This out-of-pocket maximum includes your deductible, copays, and co-insurance.

\*\* No limits for well-baby care (under age 2), but the plan only covers services according to American Pediatric Association guidelines.

Not Sure Which SMU Health & Wellness PPO Plan is Right For You?

Try the [BCBSTX Health Plan Cost Estimator](#), which allows you to enter information about where you live, your overall health and the services you might need. The tool will help you determine which of our plans provides the best value for your situation.

You will be required to enter one of the following passwords.

Full-time employee:  
SMUFTE09

Part-time employee:  
SMUPTTE09

## What You Pay

SMU Health and Wellness PPO Plan \$1,000 Deductible		
	In-Network	Out-of-Network
<b>Calendar Year Deductible</b> Individual Family	\$1,000 \$3,000	\$2,000 \$6,000
<b>Annual Out-Of-Pocket Maximum*</b> Individual Family	\$4,000 \$8,000	\$5,000 \$10,000
<b>Office Visit</b> Primary care Specialist	\$25 copay per visit \$35 copay per visit	40% after deductible
<b>Preventive Care</b>	Up to \$500 per year, per member for routine physicals, medical screenings and immunizations. In addition, 100% coverage for in-network "Preventive" mammograms, colonoscopies and prostate exams.  In-network Preventive Care services are not subject to the deductible or office visit copay.	
<b>Emergency Care</b> Primary Physician Office Urgent Care Center Hospital • Physician charges  • Facility charges	\$25 copay per visit \$30 copay per visit  • 20% after deductible  • \$100 copay, then 20% after deductible (copay waived if admitted)	
<b>Chiropractic Services</b> (Up to \$1,000 or 30 visits per calendar year)	20% after deductible	40% after deductible
<b>Inpatient Hospital</b>	20% after deductible	40% after deductible
<b>Home Health Care &amp; Hospice</b>	20% after deductible	40% after deductible
<b>Mental Health/Substance Abuse Inpatient Care</b>	20% after deductible (up to 30 days per calendar year)	Not covered
<b>Mental Health/Substance Abuse Outpatient Care</b>  (Up to 30 visits per calendar year for in-network and out-of-network services combined)	\$35 copay per visit	50%

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SMUFTE09

Part-time employee:  
SMUPTE09

\*This out-of-pocket maximum includes your deductible, copays and co-insurance.

\*\* No limits for well-baby care (under age 2), but the plan only covers services according to American Pediatric Association guidelines.

## 2009 COBRA Benefits

# PLAN SUMMARIES

## What You Pay

SMU Health and Wellness PPO Plan \$2,000 Deductible		
	In-Network	Out-of-Network
<b>Calendar Year Deductible</b> Individual Family	\$2,000 \$6,000	\$4,000 \$8,000
<b>Annual Out-Of-Pocket Maximum*</b> Individual Family	\$5,500 \$11,000	\$8,000 \$16,000
<b>Office Visit</b> Primary care Specialist	\$25 copay per visit \$35 copay per visit	40% after deductible
<b>Preventive Care</b>	Up to \$500 per year, per member for routine physicals, medical screenings and immunizations. In addition, 100% coverage for in-network "Preventive" mammograms, colonoscopies and prostate exams.  In-network Preventive Care services are not subject to the deductible or office visit copay.	
<b>Emergency Care</b> Primary Physician Office Urgent Care Center Hospital • Physician charges • Facility charges	\$25 copay per visit \$30 copay per visit  • 20% after deductible  • \$100 copay, then 20% after deductible (copay waived if admitted)	
<b>Chiropractic Services</b> (Up to \$1,000 or 30 visits per calendar year)	20% after deductible	40% after deductible
<b>Inpatient Hospital</b>	20% after deductible	40% after deductible
<b>Mental Health/Substance Abuse Inpatient Care</b>	20% after deductible (up to 30 days per calendar year)	Not covered
<b>Mental Health/Substance Abuse Outpatient Care</b> (Up to 30 visits per calendar year for in-network and out-of-network services combined)	\$35 copay per visit	50%

Not Sure Which SMU Health & Wellness PPO Plan is Right For You?

Try the [BCBSTX Health Plan Cost Estimator](#), which allows you to enter information about where you live, your overall health and the services you might need. The tool will help you determine which of our plans provides the best value for your situation.

You will be required to enter one of the following passwords.

Full-time employee:  
SMUFTE09

\*This out-of-pocket maximum includes your deductible, copays and co-insurance.

\*\* No limits for well-baby care (under age 2), but the plan only covers services according to American Pediatric Association guidelines.

## 2009 COBRA Benefits

## What You Pay

<b>\$2,500 Deductible PPO Plan</b>		
	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Calendar Year Deductible</b> Individual Family	\$2,500 \$5,000	\$3,000 \$9,000
<b>Annual Out-Of-Pocket Maximum</b> Individual Family	None None	\$8,000* \$16,000*
<b>Office Visit</b> Primary care Specialist	\$25 copay per visit (after deductible has been met) \$35 copay per visit (after deductible has been met)	40% after deductible
<b>Preventive Care **</b>	Up to \$500 per year, per member for routine physicals, medical screenings and immunizations. In addition, 100% coverage for in-network "Preventive" mammograms, colonoscopies and prostate exams.  In-network Preventive Care services are not subject to the deductible or office visit copay.	
<b>Emergency Care</b> Primary Physician Office Urgent Care Center Hospital <ul style="list-style-type: none"> <li>Physician charges</li> <li>Facility charges</li> </ul>	\$25 copay per visit (after deductible has been met) \$35 copay per visit (after deductible has been met) <ul style="list-style-type: none"> <li>100% after deductible</li> <li>\$100 copay per visit (after deductible has been met)</li> </ul>	
<b>Chiropractic Services</b> (Up to \$1,000 or 30 visits per calendar year)	100% after deductible	40% after deductible
<b>Inpatient Hospital</b>	100% after deductible	40% after deductible
<b>Mental Health/ Substance Abuse Inpatient Care</b>	100% after deductible (up to a \$10,000 lifetime maximum)	Not covered
<b>Mental Health/ Substance Abuse Outpatient Care</b> (Up to 30 visits per calendar year for in-network and out-of-network services combined)	100% after deductible	40% after deductible

### Note About Medicare Part D Coverage

If you enroll in the \$2,500 Deductible Plan with the HSA and you're eligible for Medicare (or will be Medicare eligible in the next few years), it's important to know that this plan does not provide "creditable coverage" should you enroll in the Medicare Part D prescription plan going forward.

This means if you enroll in this plan and later enroll in Medicare Part D, you will incur a 1% late enrollment fee for every month you remain in this plan past your eligibility for Medicare.

\*This out-of-pocket maximum includes your deductible and co-insurance.

\*\* No limits for well-baby care (under age 2), but the plan only covers services according to American Pediatric Association guidelines.

## 2009 COBRA Benefits

# PLAN SUMMARIES

## What You Pay

Aetna HMO	
<b>Calendar Year Deductible</b>	None
<b>Annual Out-Of-Pocket Maximum</b> Individual Family	\$2,000 \$4,000
<b>Office Visit</b> Primary care Specialist	\$25 copay per visit \$35 copay per visit
<b>Preventive Care</b>	\$15 copay per visit
<b>Emergency Care</b> Urgent Care Center Hospital	\$35 copay per visit \$100 copay per visit
<b>Chiropractic Services</b> (Up to 20 visits per calendar year)	\$35 copay per visit
<b>Inpatient Hospital</b>	\$250 copay per admission
<b>Outpatient Hospital</b>	\$200 copay per day
<b>Vision Exam</b>	\$35 copay (one time per year)
<b>Vision Materials</b>	\$70 copay (once every 24 months)
<b>Mental Health/Inpatient Care</b>	\$250 copay per admission (up to 45 days per year)
<b>Mental Health/Outpatient Care</b>	\$35 copay per visit (up to 60 visits per year)
<b>Substance Abuse/Inpatient Care</b>	\$250 deductible per admission
<b>Substance Abuse/Outpatient Care</b>	\$35 copay per visit

For lists of network providers—or more details on how the Aetna HMO covers services, go to the [Aetna website](#).

# PRESCRIPTION DRUGS

## PRESCRIPTION DRUG COVERAGE

If you enroll in one of the SMU Health and Wellness Plan PPO options, prescription drug benefits are administered by Prime Therapeutics/BCBSTX. If you enroll in the HMO, prescription drugs are covered through Aetna's pharmacy program. Both programs give you the choice of purchasing your prescriptions through local "retail" pharmacies or through a mail order program.

The \$2,500 Deductible Plan covers a portion of the cost of prescription drugs after you meet your annual deductible (for both retail network pharmacies and the mail order program).

### Retail Prescription Program

The retail prescription program utilizes a network of participating pharmacies. To receive the highest benefit level, you must use a participating pharmacy. Prescriptions you fill at non-participating pharmacies are generally not covered (except for the \$2,500 Deductible Option with HSA, where you pay your portion of the prescription —after you have met the annual deductible — and then file a claim for reimbursement). For a complete list of participating pharmacies, visit the [Prime Therapeutics Pharmacy Finder](#).

Retail (30-day supply)	In-Network	Out-of-Network
<b>\$500, \$1,000, \$2,000 Deductible Plans</b>	You must meet a \$100 deductible each year for any brand-name medications. Then, you pay the following in-network amounts:	
	Generic	Not covered
	Preferred Brand Name	Not covered
	Non-Preferred Brand Name	Not covered
<b>\$2,500 Deductible Plan</b>	You pay 100% of the cost until you have met the annual plan deductible. Then, you pay the following in-network amounts:	
	Generic	Not covered
	Preferred Brand Name	Not covered
	Non-Preferred Brand Name	Not covered
<b>HMO Plan</b>	Generic	Not covered
	Brand Name	Not covered

**NOTE:** Whenever there is a generic drug available, it will be substituted for a brand name, unless otherwise directed by your physician as "Brand Necessary" on your prescription.

If you choose a brand-name drug when a generic is available, you will pay the applicable copay—after you've met the \$100 deductible—plus the difference in cost between the generic and brand name drug.

## Mail Order Prescription Program

Mail order prescription programs are available through the SMU Health and Wellness Plan PPO options and the Aetna HMO. These programs can be used for prescription medications that you take on a regular basis (maintenance medication).

You will be able to order up to a 90-day supply of your medications and they will be mailed directly to your home, at reduced cost to you. Using the Mail Order service is convenient because you can avoid the pharmacy and get a three months supply at one time.

<b>Mail Order (90-day supply)</b>	<b>You Pay...</b>
<b>SMU Health and Wellness Deductible PPO Options</b>  Generic Preferred Brand Name Non-Preferred Brand Name	You must meet a \$100 deductible each year for any brand-name medications; then, you pay the following amounts:  30% up to \$18 30% up to \$65 50% up to \$125
<b>\$2,500 Deductible Plan</b>  Generic Preferred Brand Name Non-Preferred Brand Name	You pay 100% of the cost until you have met the annual plan deductible; then, you pay the following amounts:  30% up to \$18 30% up to \$65 50% up to \$125
<b>HMO Plan</b> Generic Brand Name	\$25 copay \$50 copay

### OTHER MEDICAL INFORMATION

#### Blue Care® Connection Program

If you enroll in an SMU Health and Wellness Plan administered by BCBSTX, you can take advantage of Blue Care Connection, a program designed to support you in living a healthier lifestyle. Some of the tools and information available to you include:

- **Online resources and information** about symptoms, treatment options and decision-making tools for more than 250 conditions.
- The **24/7 Nurseline**, which gives you round-the-clock access to experienced nurses, can be reached at 1-800-581-0368.
- The **Special Beginnings® program**, which offers the services of prenatal nurses, as well as books, free information and giveaways to expectant mothers.

For more information on the Blue Care Connection Program, contact BCBSTX directly at 1-800-462-3275.

#### Vision Discounts For BCBSTX Members

If you enroll in a BCBSTX medical plan, you can take advantage of valuable discounts on routine exams, lenses, frames, contact lenses and laser vision correction, as well as a mail order contact lens replacement program. These discounts are provided through Davis Vision to all BCBSTX plan members. For more information on the vision discount plan contact Davis Vision at **1-800-501-1459** or visit their web site [www.davisvision.com](http://www.davisvision.com) and enter **Control Code 2295**.

#### Mastectomy Coverage

SMU-sponsored medical plans cover surgery after a mastectomy to:

- Reconstruct the breast on which the mastectomy was performed and
- Reconstruct the other breast to produce a symmetrical appearance.

This coverage is required by federal law. Prostheses and physical complications in all stages of the mastectomy, including lymphedemas, are also covered.

#### Maternity Coverage

For maternity stays, in accordance with federal law, SMU's plan does not restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a Cesarean delivery.

However, federal law generally does not prevent the mother's or newborn's attending care provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours, as applicable). The plan cannot require a provider to prescribe a length of stay any shorter than 48 hours (or 96 hours following a Cesarean delivery).

#### Health Improvement Program

The Health Improvement Program, also available through BCBSTX, is available to individuals who have been diagnosed with—or who are high risk for—chronic health conditions, including asthma, diabetes, congestive heart failure, lower back pain, high blood pressure or coronary artery disease.

If you want to take advantage of this program, you or your doctor can contact BCBSTX at 1-800-462-3275. In addition, BCBSTX will identify individuals who are eligible for this program using information like prescription/health claims, Wellness Assessment results, and lab and pharmacy data. If you are eligible, BCBSTX will contact you directly.

## DENTAL COVERAGE

SMU's Dental Plan is administered by Aetna. The Freedom-of-Choice Dental Plan offers you two different dental options to choose from: a Preferred Dental Provider (PDP) and a Dental Maintenance Organization (DMO). The advantage of the Freedom-of-Choice plan is that you can begin the year by choosing the plan that's right for you and switch between the plans throughout the year as your dental coverage needs change.

The **PDP plan** gives you the freedom to visit any dentist, without referrals, for all of your dental care. If you select one of Aetna's network dentists, you'll generally pay less for your care. If you choose a dentist outside of Aetna's PDP network, your share of costs will be higher and you may need to file your own claims.

The **DMO plan** provides a higher level of benefits and has lower out-of-pocket costs. And, there are no deductibles, benefit maximums or claim forms. However, you are required to choose an Aetna primary care dentist for all of your dental care, including referrals to other Aetna network dentists. If you do not use your primary care dentist for services and referrals, the plan does not pay any benefits.

You will receive an Aetna dental ID card, which you must present at the time you receive services. If you change plans during the year, you will receive a new card each time you call Aetna to make a change.

### Freedom-of-Choice Dental Plan Summary

Feature	PDP Plan	DMO Plan
<b>Lifetime Preventive Care Deductible*</b>		
• Individual	\$50	None
• Family	\$150	None
<b>Annual Basic/Major Services Deductible</b>		
• Individual	\$75	None
• Family	\$225	
<b>Orthodontic Deductible</b>	\$100	None
<b>Preventive Care Services</b>	100% (after deductible)	100%
<b>Basic Services</b>	80%	90%
<b>Major Services</b>	50%	60%
<b>Orthodontic Services</b>	50%, up to a lifetime maximum of \$1,500 (children only)	\$2,400 copay, with no lifetime maximum (adults and children)
<b>Annual Benefit Maximum</b>	\$1,500	None
<b>Office Visit Copay</b>	None	\$5 per visit

\*The preventive services deductible is waived if you were enrolled in the SMU Dental Plan prior to January 1, 2008.

To change plans during the year, call Aetna Member Services at 1-877-238-6200 by the 15<sup>th</sup> of the month PRIOR to the month you want to receive dental services.

For more information on the dental plan, visit [Benefits U – Dental Plan](#).

### Important Notice from SMU About Your Prescription Drug Coverage and Medicare

(Applies to All Health Plans *Except* the \$2,500 Deductible PPO w/ HSA)

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with SMU and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. SMU has determined that the prescription drug coverage offered by SMU's plan is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered creditable coverage. Because your existing coverage is creditable coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

#### **When Can You Join A Medicare Drug Plan?**

You can join a Medicare drug plan when you first become eligible for Medicare and each year from November 15th through December 31st. However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

#### **What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?**

If you do decide to join a Medicare drug plan and drop your current SMU coverage, be aware that you and your dependents will not be able to get this coverage back.

#### **When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?**

You should also know that if you drop or lose your current coverage with SMU and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following November to join.

## LEGAL INFORMATION

### **For More Information About This Notice Or Your Current Prescription Drug Coverage**

Contact the Department of Human Resources at the phone number shown below for further information.

**NOTE:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through SMU. You also may request a copy of this notice at any time.

### **For More Information About Your Options Under Medicare Prescription Drug Coverage...**

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans. For more information about Medicare Prescription drug coverage:

- Visit [www.medicare.gov](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call them at 1-800-772-1213 (TTY 1-800-325-0778).

**Remember: Keep this creditable coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).**

Date: October 2008

Name of Entity/Sender: Southern Methodist University

Contact/Office: Department of Human Resources

Address: P.O. Box 750232, Dallas, TX 75275-0232

Phone Number: 214-768-3311

## **Important Notice from SMU About Your Prescription Drug Coverage and Medicare (Only Applies to the \$2,500 Deductible PPO Option w/HSA)**

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with SMU and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are three important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. SMU has determined that the prescription drug coverage offered by the medical plan is, on average for all plan participants, NOT expected to pay out as much as standard Medicare prescription drug

### **2009 COBRA Benefits**

## LEGAL INFORMATION

coverage pays. Therefore, your coverage is considered

because, most likely, you will get more help with your drug costs if you join a Medicare drug plan, than if you only have prescription drug coverage from the SMU. This also is important because it may mean that you may pay a higher premium (a penalty) if you do not join a Medicare drug plan when you first become eligible.

3. You can keep your current coverage from SMU. However, because your coverage is non-creditable, you have decisions to make about Medicare prescription drug coverage that may affect how much you pay for that coverage, depending on if and when you join a drug plan. When you make your decision, you should compare your current coverage, including what drugs are covered, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area. Read this notice carefully - it explains your options.

### **When Can You Join A Medicare Drug Plan?**

You can join a Medicare drug plan when you first become eligible for Medicare and each year from November 15th through December 31st. However, if you decide to drop your current coverage with SMU, since it is employer- sponsored group coverage, you will be eligible for a two-month Special Enrollment Period (SEP) to join a Medicare drug plan; however you also may pay a higher premium (a penalty) because you did not have creditable coverage under the High Deductible Plan.

### **When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?**

Since the coverage under SMU's \$2,500 Deductible PPO Option is not creditable, depending on how long you go without creditable prescription drug coverage, you may pay a penalty to join a Medicare drug plan. Starting with the end of the last month that you were first eligible to join a Medicare drug plan but didn't join, if you go 63 continuous days or longer without prescription drug coverage that's creditable, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following November to join.

### **What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?**

If you decide to join a Medicare drug plan, your current SMU coverage will be affected. If you enroll for Medicare Part D coverage, you must drop your SMU medical and prescription drug coverage. If you do decide to join a Medicare drug plan and drop your current SMU coverage, be aware that you and your dependents will not be able to get this coverage back.

### **For More Information About This Notice Or Your Current Prescription Drug Coverage...**

Contact the Human Resources Department at the phone number shown below for further information.

**NOTE:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through SMU. You also may request a copy of this notice at any time.

### **For More Information About Your Options Under Medicare Prescription Drug Coverage...**

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans. For more information about Medicare prescription drug coverage:

- Visit [www.medicare.gov](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help is available. For information about this extra help, visit [www.socialsecurity.gov](http://www.socialsecurity.gov), or call them at 1-800-772-

## LEGAL INFORMATION

**Remember: Keep this creditable coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).**

Date: October 2008

Name of Entity/Sender: Southern Methodist University

Contact/Office: Department of Human Resources

Address: P.O. Box 750232, Dallas, TX 75275-0232

Phone Number: 214-768-3311

## CONTINUATION COVERAGE RIGHTS UNDER COBRA

### Introduction

You are receiving this notice because you have recently become covered under a group health plan (the Plan). This notice contains important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. **This notice generally explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect the right to receive it.**

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you when you would otherwise lose your group health coverage. It can also become available to other members of your family who are covered under the Plan when they would otherwise lose their group health coverage. For additional information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator.

### WHAT IS COBRA CONTINUATION COVERAGE?

COBRA continuation coverage is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you are an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because either one of the following qualifying events happens:

- Your hours of employment are reduced, or
- Your employment ends for any reason other than your gross misconduct.

If you are the spouse of an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because any of the following qualifying events happens:

- Your spouse dies;
- Your spouse's hours of employment are reduced;
- Your spouse's employment ends for any reason other than his or her gross misconduct;
- Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- You become divorced or legally separated from your spouse.

### 2009 COBRA Benefits

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Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because any of the following qualifying events happens:

- The parent-employee dies;
- The parent-employee's hours of employment are reduced;
- The parent-employee's employment ends for any reason other than his or her gross misconduct;
- The parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both);
- The parents become divorced or legally separated; or
- The child stops being eligible for coverage under the plan as a "dependent child."

### **When is COBRA Coverage Available?**

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. When the qualifying event is the end of employment or reduction of hours of employment, death of the employee, or the employee's becoming entitled to Medicare benefits (under Part A, Part B, or both), the employer must notify the Plan Administrator of the qualifying event.

### **You Must Give Notice of Some Qualifying Events**

**For the other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you must notify the Plan Administrator within 60 days after the qualifying event occurs. You must provide this notice to:**

**Name of Entity: Southern Methodist University**

**Contact/Office: Department of Human Resources**

**Address: P.O. Box 750232, Dallas, TX 75275-0232**

**Phone Number: 214-768-3311**

### **How is COBRA Coverage Provided?**

Once the Plan Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children.

COBRA continuation coverage is a temporary continuation of coverage. When the qualifying event is the death of the employee, the employee's becoming entitled to Medicare benefits (under Part A, Part B, or both), your divorce or legal separation, or a dependent child's losing eligibility as a dependent child, COBRA continuation coverage lasts for up to a total of 36 months. When the qualifying event is the end of employment or reduction of the employee's hours of employment, and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA continuation coverage for qualified beneficiaries other than the employee lasts until 36 months after the date of Medicare entitlement. For example, if a covered employee becomes entitled to Medicare 8 months before the date on which his employment terminates, COBRA continuation coverage for his spouse and children can last up to 36 months after the date of Medicare entitlement, which is equal to 28 months after the date of the qualifying event (36 months minus 8 months). Otherwise, when the qualifying event is the end of employment or reduction of the employee's hours of employment, COBRA continuation coverage generally lasts for only up to a total of 18 months. There are two ways in which this 18-month period of COBRA continuation coverage can be extended.

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### ***Disability extension of 18-month period of continuation coverage***

If you or anyone in your family covered under the Plan is determined by the Social Security Administration to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to receive up to an additional 11 months of COBRA continuation coverage, for a total maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage.

### ***Second qualifying event extension of 18-month period of continuation coverage***

If your family experiences another qualifying event while receiving 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if notice of the second qualifying event is properly given to the Plan. This extension may be available to the spouse and any dependent children receiving continuation coverage if the employee or former employee dies, becomes entitled to Medicare benefits (under Part A, Part B, or both), or gets divorced or legally separated, or if the dependent child stops being eligible under the Plan as a dependent child, but only if the event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred.

### **If You Have Questions**

Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the contact or contacts identified below. For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit the EBSA website at [www.dol.gov/ebsa](http://www.dol.gov/ebsa). (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.)

### **Keep Your Plan Informed of Address Changes**

In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.

### **Plan Contact Information**

Date: October 2008

Name of Entity/Sender: Southern Methodist University

Contact/Office: Department of Human Resources

Address: P.O. Box 750232, Dallas, TX 75275-0232

Phone Number: 214-768-3311

## CONTACT INFORMATION

### PHONE NUMBERS, WEB ADDRESSES

The following list of contacts, telephone numbers and web site addresses may be helpful throughout the plan year:

COVERAGE	ADMINISTRATOR	PHONE/WEB SITE/EMAIL
SMU Benefits Department	SMU	214-768-2132 or 214-768-2072 <a href="http://www.smu.edu/hr">www.smu.edu/hr</a> <a href="mailto:benefitsu@smu.edu">benefitsu@smu.edu</a>
SMU Health and Wellness Plan (PPOs)	Blue Cross/Blue Shield of Texas	1-877-768-2005 <a href="http://www.bcbstx.com">www.bcbstx.com</a>
Medical/ Prescription Drugs (HMO)	Aetna	1-877-402-8742 <a href="http://www.aetna.com">www.aetna.com</a>
Freedom-of-Choice Dental Plan	Aetna	1-877-238-6200 <a href="http://www.aetna.com">www.aetna.com</a>