
Health • Life • Dental

Insurance 2003 updates ...

State Health Plan welcomes CIGNA back as an HMO offered to employees

The State Health Plan is pleased to announce that CIGNA, a traditional Health Maintenance Organization (HMO), will be offered as a health insurance carrier option to Charleston County employees again, beginning Jan. 1, 2003.

Employees and their eligible dependents planning to enroll in the CIGNA healthcare plan must select a primary care physician (PCP) in the CIGNA network. CIGNA participants pay a co-pay to their PCP at the time services are rendered. The PCP is the first point of contact for most services. A referral is necessary before seeing a specialist.

Hartford Life increases optional life maximum benefit to \$400,000

Hartford Insurance Company is increasing the optional life maximum benefit from \$300,000 to \$400,000. Employees can increase their coverage to the higher optional life amount by completing a Personal Health Questionnaire during the October enrollment period. Hartford Life is also the new underwriter for the \$3,000 term life insurance policy paid by Charleston County.

MoneyPlu\$: New administrator to manage flexible spending accounts

Effective Jan. 1, 2003, **Fringe Benefits Management Company** will be the new administrator for the Medical and Dependent Spending accounts.

The plan will still allow employees to set aside up to \$3,000 in medical and \$5,000 in dependent care flexible spending accounts (for employees and eligible dependents).

The plan features are:

- ✓ Daily check processing
- ✓ Faxing claims for payment
- ✓ Direct Deposit of money reimbursement
- ✓ Minimum reimbursement amount of \$5
- ✓ Internet access with PIN number
- ✓ Status changes over the phone
(increasing or decreasing amount due to qualifying event)
- ✓ Customer Service available by telephone from 6 a.m. to 9 p.m.
- ✓ Enrollment confirmation letter

Medical
and/or
dependent
spending
account claims
for 2002
must be
submitted
to Hunt, DuPree,
Rhines and
Associates
for payment
on or before
March 31,
2003.

Important Insurance Information

DEADLINES:

All insurance enrollment forms are due to the Human Resources Department **no later than Thursday, Oct. 31, 2002**. Forms cannot be accepted past this deadline.

CARRIER CHANGES:

Health insurance carriers may be changed each October during the enrollment period. The State Health Plan offers five different insurance choices.

Carrier changes are for a calendar year. The insurance carrier selected during this October enrollment period will be effective Jan. 1, 2003.

COVERAGE CHANGES:

Coverage category lists the dependent family members an employee may cover under health and dental insurance. The employee may select employee only, employee and spouse, employee and children, or full family coverage to include employee, spouse and children.

The coverage category an employee selects during initial enrollment will be in effect until the next open enrollment - which will be October 2003.

NEW HIRE INFORMATION:

Insurance coverage begins the first day of the month following employment. If you start the first working day of the month, coverage is effective the first day of that month.

Employees must select health coverage to be eligible for the \$3,000 Basic Life and Long Term Disability coverages.

PRE-EXISTING CONDITIONS:

For new hires and their dependents - There is a 12-month waiting period for a pre-existing condition that has been treated in the last six months.

The pre-existing waiting period may be reduced or eliminated by providing to the Human Resources Department a Certificate of Coverage from a previous employer if there is no more than a 62-day break between the previous insurance coverage and the insurance coverage effective date with the county.

Certification of prior insurance coverage must be filed with the Charleston County Human Resources Department within 31 days of hire in order to be considered for reduction or elimination of the pre-existing waiting period.

STATUS CHANGES:

Changes to insurance coverage, other than during the enrollment period, **only may be made** in the event of a Change in Family Status or a Qualifying Event. The change must be made within 31 days of the Change in Family Status or Qualifying Event. **A Change in Family Status includes marriage, divorce, birth of a child, adoption or custody of a child.** A Qualifying Event is the gaining of insurance for the first time (not an enrollment period change) or loss of insurance.

Written documentation of any change must be received in the Human Resources Department within 31 days of the occurrence. If the Change in Family Status or Qualifying Event documentation is not received within the 31 day period, the next coverage enrollment period will be October 2003.

ABOUT THIS PUBLICATION:

Keep this brochure and refer to it when you have questions. For additional information or individual counseling, contact the Human Resources Department.

This publication is printed annually to provide all eligible plan participants with important information regarding changes to benefit plans, enrollment and eligibility information.

A brief summary of each plan as it relates to coverage, eligibility, cost, enrollment or other plan provisions can be found in this publication.

Nothing contained in this document is intended to modify or change any plan provisions contained in the Master Policy or Plan Document maintained under the State Plan of Benefits.

HUMAN RESOURCES CONTACT INFO

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Frequently Asked Questions

Each year, the Human Resources Department is asked to explain insurance terms and answer a variety of benefits questions. Listed below are the most frequently asked questions:

Q. What is the State Health Plan?

These are health insurance plans offered by the S.C. Budget and Control Board and currently administered by Blue Cross/Blue Shield.

Q. Who are my covered dependents?

- Your spouse, common-law spouse or ex-spouse with a divorce decree requiring continued benefits.
- Children, newborn to age 19, or through their 25th birthday if a full-time student, including:
 - ◆ Natural children
 - ◆ Stepchildren
 - ◆ Adopted children
 - ◆ Foster children
- Incapacitated children, over the age of 19, with proof of incapacity or dependency. The dependent must have had prior coverage under a state health plan or predecessor plan.
- Spouse and dependent child(ren) not already covered by the State Health Plan

Q. What is an Explanation of Benefits (EOB)?

This is a document that summarizes how reimbursement was determined and explains the claims appeal process. This document should then be submitted to a second insurance provider for coordination of benefits. An EOB also may be sent to a subscriber after the insurance company sends payment to a physician or other medical provider and indicates any outstanding amount payable by the subscriber.

Q. What is a deductible?

A deductible is the dollar amount that a covered employee must meet yearly before an insurance program begins reimbursing for eligible expenses.

Q. What is a co-payment?

A co-payment is a charge paid by an HMO member (the insured employee or covered dependents) for services rendered by a medical provider. This type of coverage usually does not require co-insurance or deductibles.

Q. What is co-insurance?

Co-insurance is the percentage of applicable costs the employee is financially responsible for paying after the insurance program pays.

Q. What is an out-of-pocket maximum?

An out-of-pocket maximum is the maximum dollar amount that an insured employee will have to pay for covered expenses under the plan.

Q. What is a lifetime maximum?

A lifetime maximum is the maximum dollar amount the plan will pay for each person during his or her lifetime.

Q. What is term life insurance?

Term life insurance is life insurance that does not build up cash value, loan options or dividends.



State Dental Plan - Harrington Benefit Services

The State Dental Plan is offered to all full-time regular employees at no cost. However, dependent coverage requires that premium payments be deducted from the employee's bi-weekly paycheck.

The table below provides an overview of the dental services covered by this plan and the level of coverage offered.

In addition to the State Dental Plan, employees may choose to enroll in the Dental Plus plan. This plan is described on the next page. **Note, if an employee wants to enroll in Dental Plus, he or she must be enrolled in the State Dental Plan.**

EMPLOYEE COST:

The following premiums are deducted from the employee's paycheck each pay period:

Single:	\$ 0.00
Employee + Spouse	\$ 3.82
Employee + Child(ren)	\$ 6.86
Full Family	\$10.67

FEE SCHEDULE:

All charges are considered for payment based on a fee schedule set by the State. If you select a dental provider who charges fees in excess of those reflected in the schedule set by the State, you will be responsible for paying the balance.

DEDUCTIBLE:

There is no deductible for Diagnostic/Preventative (Class I) or Orthodontia (Class IV) services. However, for services listed in the chart below under the headings of Basic Services (Class II) and Prosthetic Services (Class III), there is a \$25 per person per year deductible. There is a maximum of three deductibles per family for Class II and Class III services.

MAXIMUM BENEFIT:

\$1,000 per person per year for Class I, II and III services combined; lifetime maximum of \$1,000 per child for Class IV services.

State Dental Plan - Classification of Services

DIAGNOSTIC/PREVENTIVE (CLASS I)	BASIC SERVICES (CLASS II)	PROSTHETIC SERVICES (CLASS III)	ORTHODONTIA (CLASS IV)
Plan pays: 100% Fee Schedule	Plan pays: 80% Fee Schedule	Plan pays: 50% Fee Schedule	Plan pays: 50% Fee Schedule
You pay: 0% Fee Schedule	You pay: 20% Fee Schedule	You pay: 50% Fee Schedule	You pay: 50% Fee Schedule
<u>Services Included:</u> Oral Exams - 2 per year maximum X-Rays - 1 complete series per 36-month period - 2 bitewings per year Cleaning - 2 per year Fluoride Treatments - 2 per year Emergency Pain Relief Sealants - Through age 15 only - 1 treatment every three years	<u>Services Include:</u> Fillings Simple extractions Surgical extractions - Including Wisdom Teeth Root canal therapy Periodontics (gum disease) - 2 examinations per year following surgery Oral surgery - Includes anesthesia	<u>Services Included:</u> Inlays Crowns Bridges & Dentures - Coverage provided for replacement of natural teeth - 1 replacement every five years - Reline is covered - Rebase is not covered	<u>Services Included:</u> To age 19 only To correct malocclusion Diagnosis - Including models and radiographs Active treatment Necessary appliances

Dental Plus - Harrington Benefit Services

Dental Plus is an additional dental program that provides a higher level of coverage for dental services covered under the State Dental Plan. Dental Plus is not an "offset" program that pays what the State Dental Plan does not. Instead, it covers the same procedures and services (except Dental Plus does not cover orthodontia) at the same percentage rate of coverage as the State Dental Plan, but at a higher "allowance" or dollar amount for the charges.

Under Dental Plus, allowances for the various dental services and procedures were set at the rates that 90 percent of the dentists in South Carolina charge. If a dentist charges more for covered services than what Dental Plus allows, the subscriber is responsible for paying the difference.

The Employee Insurance Program (EIP) offered agreements to all South Carolina dentists to accept the lesser of their usual charges or the Dental Plus maximum allowances. **Dentists who have accepted the agreement are included on the EIP website at www.eip.state.sc.us.** Regardless of whether a dentist chooses to accept this agreement, Dental Plus will still pay benefits.

There are no additional deductibles or coinsurance under Dental Plus. However, there is a deductible under the State Dental Plan.

The combined annual maximum benefit for both the State Dental Plan and Dental Plus is \$1,500 per

covered person (compared to \$1,000 with the State Dental Plan alone). However, since Dental Plus pays more than the State Dental Plan alone, covered dental benefits for an individual may reach the combined \$1,500 maximum before reaching the State Dental Plan's \$1,000 maximum.

Although the combined maximum may be reached (and no more benefits would be paid under the Dental Plus program for the calendar year), the State Dental Plan would continue to pay benefits until its \$1,000 maximum is reached. In this situation, it is possible to receive benefits from both the State Dental Plan and Dental Plus totaling more than \$1,500 in a year.

Subscribers pay Dental Plus premiums in addition to any State Dental Plan premiums, and they must carry the same level of coverage that they carry under the State Dental Plan. The type of coverage and premiums for the two plans are listed in the boxes below.

Harrington Benefit Services is the claims administrator for both the State Dental Plan and Dental Plus, so no additional claim forms need to be completed. Harrington processes claims under the State Dental Plan first, then under Dental Plus for those who are enrolled in that program.

Subscribers will receive two Explanations of Benefits (EOBs) that appear similar. EIP is working currently with Harrington to make minor changes to the Dental Plus EOB so that it is more distinguishable from the EOB for the State Dental Plan.

Dental Plus - examples of how the program works

Adult Cleaning: paid at 100% of allowance

Dentist's charge	\$70
State Dental Plan Allowance	\$46
Dental Plus Allowance	\$81
Payment:	
State Dental Plan	\$46
Dental Plus	\$24 (\$70 - \$46)
Total Benefit	\$70

Filling - one surface, permanent:

Dentist's charge	\$85
State Dental Plan Allowance	\$45
Dental Plus Allowance	\$90 ²
Payment - paid at 80% of allowance ¹ :	
State Dental Plan	\$36 (\$45 x 80%)
Dental Plus	\$32 (\$85 x 80% - \$36)
Total Benefit	\$68
With Dental Plus, you pay	\$17
Without Dental Plus, you pay	\$49

Root Canal - molar

Dentist's charge	\$750
State Dental Plan Allowance	\$340
Dental Plus Allowance	\$774 ²
Payment - paid at 50% of allowance ¹ :	
State Dental Plan	\$170 (\$340 x 50%)
Dental Plus	\$205 (\$750 x 50% - \$170)
Total Benefit	\$375
With Dental Plus, you pay	\$375
Without Dental Plus, you pay	\$580

¹ Plan pays this amount after the deductible is met.

² If the Dental Plus Allowance is greater than the actual dentist's charge, the plan will pay 80 percent of the dentist's charge.

Insurance Premium Costs Per Pay Period

Employee	\$ 7.75
Employee + Spouse	\$14.67
Employee + Child(ren)	\$16.01
Full Family	\$22.93

Summary comparison of the State Health Plans - 2003

COVERAGE	ECONOMY - BC/BS	STANDARD - BC/BS	CIGNA	COMPANION	MUSC OPTIONS: <i>In-Network</i>	<i>Out-of-Network</i>
ANNUAL DEDUCTIBLE (\$ spent before benefits paid) SINGLE FAMILY	\$350 \$700	\$250 \$500	NONE NONE	NONE NONE	NONE NONE	\$300 \$900
PRIMARY CARE SERVICES PRIMARY CARE PHYSICIAN ROUTINE PHYSICAL SPECIALIST URGENT CARE	75% NOT COVERED 75% 75%	80% NOT COVERED 80% 80%	\$15 COPAY \$15 COPAY \$25 COPAY \$35 COPAY (WAIVED IF ADMITTED)	\$15 COPAY \$15 COPAY \$25 COPAY \$35 COPAY	\$15 COPAY \$15 COPAY \$25/\$45 COPAY (PCP/Self Referral) NONE	60% AFTER DEDUCTIBLE NOT COVERED 60% AFTER DEDUCTIBLE 60% AFTER DEDUCTIBLE
PRESCRIPTIONS (PARTICIPATING PROVIDER ONLY) GENERIC BRAND-NAME NON-PREFERRED GENERIC PAY-THE-DIFFERENCE MAIL ORDER COPAY - UP TO 90 DAY SUPPLY BIRTH CONTROL DEVICES	\$ 7 COPAY \$22 COPAY N/A GENERIC COPAY + COST DIFF FOR BRAND \$16 GENERIC/\$50 BRAND 75%	\$ 7 COPAY \$22 COPAY N/A GENERIC COPAY + COST DIFF FOR BRAND \$16 GENERIC/\$50 BRAND 80%	\$10 COPAY \$20 COPAY \$30 COPAY N/A \$20 GENERIC/\$40 BRAND/\$80 NON-PREFERRED SEE BENEFIT SCHEDULE	\$7 COPAY \$25 COPAY \$40 COPAY N/A \$21 GENERIC/\$75 BRAND/\$120 NON-PREFERRED APPLICABLE COPAY	\$10 COPAY \$25 COPAY \$40 COPAY N/A \$15 GENERIC/\$50 BRAND/\$80 NON-PREFERRED N/A	NOT COVERED NOT COVERED NOT COVERED N/A NOT COVERED N/A
HOSPITAL SERVICES EMERGENCY ROOM HOSPITALIZATION INPATIENT SERVICES OUTPATIENT SERVICES	\$100 PER OCCURRENCE (WAIVED IF ADMITTED) 75% 75% \$50 PER OCCURRENCE	\$100 PER OCCURRENCE (WAIVED IF ADMITTED) 80% 80% \$50 PER OCCURRENCE	\$75 COPAY (WAIVED IF ADMITTED) 90% AFTER \$250 COPAY 90% AFTER \$250 COPAY \$75 COPAY (WAIVED IF ADMITTED)	90% AFTER \$75 COPAY 90% AFTER \$200 COPAY 90% AFTER \$200 COPAY 90% AFTER \$75 COPAY	\$75 COPAY (WAIVED IF ADMITTED) \$100 COPAY \$250 COPAY PER ADMISSION \$75 COPAY (3 PER YEAR)	\$75 COPAY (WAIVED IF ADMITTED) 60% AFTER DEDUCTIBLE 60% AFTER DEDUCTIBLE 60% AFTER DEDUCTIBLE
OB/GYN SERVICES PHYSICIAN - OB/GYN ROUTINE MAMMOGRAPHY ROUTINE PAP SMEARS	75% 1/YEAR AT 100% \$15 PAYMENT/YEAR	80% 1/YEAR AT 100% \$15 PAYMENT/YEAR	\$25 COPAY 100% 100%	\$15 COPAY 1/YEAR AT 100% 100% AFTER DR. COPAY	\$10 COPAY (2 PER YEAR) \$10 COPAY (AGE BASED) \$10 COPAY	NOT COVERED 60% (AGE BASED) AFTER DEDUCTIBLE NOT COVERED
WELL CHILD SERVICES WELL CHILD PHYSICIAN ROUTINE IMMUNIZATIONS	100% Participating Provider 100% Participating Provider	100% Participating Provider 100% Participating Provider	\$15 COPAY \$15 COPAY	100% AFTER DR. COPAY 100% AFTER DR. COPAY	\$10 COPAY \$10 COPAY	NOT COVERED NOT COVERED
DURABLE MEDICAL EQUIPMENT	75% after pre-authorization	80% after pre-authorization	100% (\$3,500 MAX BENEFIT PER YEAR)	90% after pre-authorization	100% (\$1,000 MAX PER YEAR)	NOT COVERED
EYE CARE EXAMINATIONS EYEWEAR	EVERY 12 MONTHS \$50 EYE EXAM 20% DISCOUNT (Glasses)	EVERY 12 MONTHS \$50 EYE EXAM 20% DISCOUNT (Glasses)	NOT COVERED ONLY IF MEDICALLY NECESSARY DISCOUNT THROUGH HEALTH REWARDS PROGRAM	EVERY 12 MONTHS 100% EYE EXAM/ANNUAL CONTACT LENS EXAM COPAY \$45 100%	EVERY 12 MONTHS 100% (1 per year for eyeglasses only) 100% (every other year/designated selection)	NOT COVERED NOT COVERED
HOME HEALTH CARE COVERAGE LIMIT	75% LESSER OF \$5,000 OR 100 VISITS	80% LESSER OF \$5,000 OR 100 VISITS	100% 60 VISITS PER YEAR	90% NONE	100% LESSER OF \$5,000 OR 100 VISITS	40% AFTER DEDUCTIBLE LESSER OF \$5,000 OR 100 VISITS
HOSPICE CARE COVERAGE ANNUAL LIMIT	75% \$3,000	80% \$3,000	SEE BENEFIT SCHEDULE SEE BENEFIT SCHEDULE	90% NONE	100% \$6,000 LIFETIME MAXIMUM	40%AFTER DEDUCTIBLE \$6,000 LIFETIME MAXIMUM
INFERTILITY TREATMENTS	70% TO \$15,000 LIFETIME MAXIMUM (30% coinsurance does not apply to out-of-pocket limit)	70% TO \$15,000 LIFETIME MAXIMUM (30% coinsurance does not apply to out-of-pocket limit)	NOT COVERED	70% TO \$15,000 LIFETIME MAXIMUM (30% coinsurance does not apply to out-of-pocket limit)	70% TO \$15,000 LIFETIME MAXIMUM	70% TO \$15,000 LIFETIME MAXIMUM (30% coinsurance does not apply to out-of-pocket limit)
MENTAL HEALTH (PARTICIPATING PROVIDER ONLY) INPATIENT COPAYMENT INPATIENT COVERAGE OUTPATIENT COVERAGE	NONE 80% 75%	NONE 80% 80%	\$250 90% \$25 COPAY	\$250 90% \$25 COPAY	\$100 PER ADMISSION \$20 COPAY PCP/\$40 COPAY SELF \$20 COPAY PCP/\$40 COPAY SELF	60% AFTER DEDUCTIBLE 60% AFTER DEDUCTIBLE
REHABILITATION Speech, physical and other therapy	75%	80%	\$25 COPAY - 60 VISITS MAX PER YEAR	\$25 COPAY	100%	40% AFTER DEDUCTIBLE
SKILLED NURSING COVERAGE ANNUAL LIMIT	75% LESSER OF \$6,000 OR 60 DAYS	80% LESSER OF \$6,000 OR 60 DAYS	90% 180 DAYS MAX PER YEAR	90% 60 DAYS	100% NONE	NOT COVERED
SUBSTANCE ABUSE INPATIENT COPAYMENT INPATIENT COVERAGE OUTPATIENT COPAY OUTPATIENT COVERAGE	NONE 75% 75% UNLIMITED IF CERTIFIED	NONE 80% 80% UNLIMITED IF CERTIFIED	\$250 PER ADMISSION 90% \$25 COPAY 100%	\$200 PER ADMISSION 90% NONE \$25 COPAY - REFERRAL NECESSARY	\$100 PER ADMISSION 100% \$20 COPAY PCP/\$40 COPAY SELF \$20 COPAY PCP/\$40 COPAY SELF	60% AFTER DEDUCTIBLE 60% AFTER DEDUCTIBLE 60% AFTER DEDUCTIBLE 60% AFTER DEDUCTIBLE
OUT-OF-POCKET SINGLE FAMILY	\$1,500 \$3,000 Excludes Deductible/COPAY	\$1,500 \$3,000 Excludes Deductible/COPAY	\$2,000 Excludes COPAY \$4,000 Excludes COPAY	\$1,500 \$3,000 Excludes COPAY	N/A N/A	\$3,000 \$9,000
MAX LIFETIME PAYMENT	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	UNLIMITED	\$1,000,000
COST PER PAY PERIOD RATES FOR EMPLOYEE AND DEPENDENTS INCLUDE THE EMPLOYEE COST OF \$.50 PER PAY PERIOD	SINGLE: \$.50 FULL FAMILY: \$67.12 EMPL + SPOUSE \$49.85 EMPL.+ CHILD(REN) \$24.22	SINGLE: \$.50 FULL FAMILY: \$71.58 EMPL + SPOUSE \$52.73 EMPL.+ CHILD(REN) \$25.51	SINGLE: \$ 2.84 FULL FAMILY: \$132.00 EMPL + SPOUSE \$62.22 EMPL.+ CHILD(REN) \$52.48	SINGLE: \$.50 FULL FAMILY: \$117.51 EMPL + SPOUSE \$51.62 EMPL.+ CHILD(REN) \$44.12	SINGLE: \$.50 FULL FAMILY: \$90.73 EMPL + SPOUSE \$50.30 EMPL. + CHILD(REN) \$35.16	

MONEYPLUS - Fringe Benefits Management Co.

MONEYPLUS helps employees keep more spendable income. It does this by enabling you to pay certain health and dependent care expenses with before-tax dollars. Using pre-tax dollars for these expenses is allowed under Section 125 of the Internal Revenue Code.

The plan includes payment of insurance premiums on a pre-tax basis, and the use of Flexible Spending Accounts for unreimbursed medical/dental expenses and dependent care.

Any money that remains in a Flexible Spending Account at the end of the year, however, cannot be carried over into the next calendar year or returned to the employee; if the money is not claimed by March 31, 2004, it is forfeited to the Plan.

An employee may increase and/or decrease his/her medical and/or dependent spending account(s) if there is a qualifying event. Examples of qualifying events: birth, death, marriage, divorce or a change in employment status.

PRE-TAX GROUP INSURANCE PREMIUMS:

The premiums paid by employees for state-sponsored Medical, Dental and Optional Life insurance are withheld on a pre-tax basis. This means no taxes are paid on the dollars used to pay premiums in this manner. (Dependent Life, Long Term Care and Supplemental Long Term Disability Insurance premiums are **not** paid pre-tax.)

MEDICAL SPENDING ACCOUNT:

Employees who have been employed by the county for at least one year will have the ability to redirect part of their income, on a pre-tax basis, to an account that can be used to pay health care expenses that are not covered by their medical and/or dental insurances.

These expenses may include deductibles, copayments or items that are not covered, such as vision care, well-baby care, etc.

Up to \$3,000 per year can be set aside to cover any eligible medical/dental expense. Employees do not pay taxes on the money they direct into a Medical Spending Account.

To file for reimbursement, submit a claim form plus a copy of an itemized bill from the service provider or Explanation of Benefits.

MONEYPLUS Example

WITHOUT MONEYPLUS

Gross pay	\$1,500
Retirement	- 90
Taxable income	1,410
Taxes	- 350
Net Pay	1,060
Insurance Premium & Child/Medical Expenses	- 100
Adjusted Net Pay	\$ 960

WITH MONEYPLUS

Gross pay	\$1,500
Retirement	- 90
Insurance Premium & Spending Accounts	- 100
Taxable income	1,310
Taxes	- 321
Net Pay	\$ 989

Employee Gain Per Month = \$29.00
Employee Gain Per Year = \$348.00

DEPENDENT CARE SPENDING ACCOUNT:

Employees may set aside, on a pre-tax basis, up to \$5,000 per year to pay dependent care expenses. Eligible expenses include day-care, in the home or outside the home, for any dependent child under age 13, physically or mentally handicapped dependents of any age, or elderly dependents.

The benefit is limited to employees who must have dependent care to permit both the employee and spouse or a single parent to work. Employees do not pay taxes on the money they direct to a Dependent Care Spending Account.

To file for reimbursement, submit a receipt from the daycare provider or a receipt listing the caretaker's name, social security number, date of service and amount paid to the service provider.

EMPLOYEE COST:

There is no administrative cost for pre-tax Medical, Dental and Optional Life Insurance Premiums. The Medical Spending Account and Dependent Care Spending Account cost **\$1.25** each per pay period.

Group Life Insurance

(Underwritten by the Hartford Insurance Company)

BASIC GROUP TERM LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D)

The County provides \$10,000 of Group Term Life and Accidental Death and Dismemberment coverage for each employee. Of the \$10,000 amount, \$3,000 is underwritten by Hartford Insurance Company and \$7,000 is underwritten by Pacific Life & Annuity Company. There is no cost to employees for Basic Group Term Life and Accidental Death and Dismemberment coverage.

OPTIONAL GROUP LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D)

This optional life plan offers active employees the opportunity to purchase additional Term Life and AD&D insurance at reasonable group rates. The maximum coverage amounts allowed are determined by your salary level and premiums by your age. If you remain in an active, regular employment status beyond age 70, the coverage will continue but at a reduced amount. The Optional Group Life and Accidental Death and Dismemberment Plan includes:

ACCIDENTAL DEATH: If you die accidentally, an additional benefit equal to the face value of your Life Insurance will be paid to your beneficiary (double indemnity).

CONVERSION: Upon separation from employment, any amount up to the full face amount of coverage is convertible to a universal life policy.

DAY CARE BENEFIT: Pays a benefit to each dependent who is less than age 7 (at the time of the insured's death) and is enrolled in a day care program. The benefit is the lesser of 5% of the face amount of your coverage or \$10,000 per year.

EDUCATION BENEFIT: Pays a benefit for each dependent who qualifies as a student, with one payment issued per 12-month period to a maximum of four consecutive periods. Qualifications apply. The benefit is the lesser of 5% of the face amount of your coverage or \$5,000 per year.

FELONIOUS ASSAULT BENEFIT: If the insured is injured in a felonious assault and the injury results in

a loss for which benefits are payable, the plan pays the lesser of your annual earnings, \$25,000 or the underlying AD&D maximum.

LIVING BENEFIT: For employees under age 60, the plan contains a Living Benefit that allows payment of up to 80% of the face amount of your coverage if you are diagnosed as terminally ill (the remaining 20% is paid to the beneficiary upon death).

RETIREMENT PORTABILITY: Upon retirement, 50% or 100% of policy face value may be continued at the same rate as active employees until age 75.

SEATBELT RIDER: If you die in an automobile accident while wearing your seatbelt, your death benefits will increase by 25%.

WAIVER OF PREMIUMS: The plan contains a provision under which premiums are waived for up to one year for employees who become disabled.

EMPLOYEE OPTIONAL LIFE CHANGES

New hires are limited to three times their basic annual earnings rounded to the next lower increment of \$10,000. Any higher amount will require evidence of good health.

SPOUSE OPTIONAL LIFE

An employee may elect \$10,000 or \$20,000 life coverage for his or her spouse without providing medical evidence of good health. In addition, an employee who is currently enrolled in Optional Life may elect to cover his or her spouse in additional increments of \$10,000 up to 50 percent of the employee's approved optional life election of \$100,000, whichever is less, with medical evidence of good health. The spouse premiums will be based on the age of the employee.

Effective July 1, 2001, spouses currently enrolled in Optional Life are covered by Accidental Death and Dismemberment provisions.

DEPENDENT CHILD LIFE

An employee may elect \$10,000 dependent child life coverage on all eligible children at a cost of \$.75 per pay period.

Optional Group Life and Accidental Death and Dismemberment (AD&D)
 Schedule for Active Employees and Spouse - Amount of Insurance and cost per pay period

<u>LIFE COVERAGE</u>	<u><35</u>	<u>35-39</u>	<u>40-44</u>	<u>45-49</u>	<u>50-54</u>	<u>55-59</u>	<u>60-64</u>	<u>65-69</u>	<u>70-74</u>	<u>75-79</u>
\$ 10,000	\$.41	\$.48	\$.76	\$ 1.05	\$ 1.63	\$ 2.56	\$ 3.92	\$ 5.85	\$ 6.15	\$ 6.46
\$ 20,000	\$.82	\$.96	\$ 1.52	\$ 2.10	\$ 3.26	\$ 5.12	\$ 7.84	\$ 11.69	\$ 12.29	\$ 12.93
\$ 30,000	\$ 1.23	\$ 1.44	\$ 2.28	\$ 3.15	\$ 4.89	\$ 7.68	\$ 11.76	\$ 17.54	\$ 18.44	\$ 19.39
\$ 40,000	\$ 1.64	\$ 1.92	\$ 3.04	\$ 4.20	\$ 6.52	\$ 10.24	\$ 15.68	\$ 23.38	\$ 24.58	\$ 25.86
\$ 50,000	\$ 2.05	\$ 2.40	\$ 3.80	\$ 5.25	\$ 8.15	\$ 12.80	\$ 19.60	\$ 29.23	\$ 30.73	\$ 32.32
\$ 60,000	\$ 2.46	\$ 2.88	\$ 4.56	\$ 6.30	\$ 9.78	\$ 15.36	\$ 23.52	\$ 35.07	\$ 36.87	\$ 38.78
\$ 70,000	\$ 2.87	\$ 3.36	\$ 5.32	\$ 7.35	\$ 11.41	\$ 17.92	\$ 27.44	\$ 40.92	\$ 43.02	\$ 45.25
\$ 80,000	\$ 3.28	\$ 3.84	\$ 6.08	\$ 8.40	\$ 13.04	\$ 20.48	\$ 31.36	\$ 46.76	\$ 49.17	\$ 51.71
\$ 90,000	\$ 3.69	\$ 4.32	\$ 6.84	\$ 9.45	\$ 14.67	\$ 23.04	\$ 35.28	\$ 52.61	\$ 55.31	\$ 58.17
\$100,000	\$ 4.10	\$ 4.80	\$ 7.60	\$ 10.50	\$ 16.30	\$ 25.60	\$ 39.20	\$ 58.45	\$ 61.46	\$ 64.64
\$110,000	\$ 4.51	\$ 5.28	\$ 8.36	\$ 11.55	\$ 17.93	\$ 28.16	\$ 43.12	\$ 64.30	\$ 67.60	\$ 71.10
\$120,000	\$ 4.92	\$ 5.76	\$ 9.12	\$ 12.60	\$ 19.56	\$ 30.72	\$ 47.04	\$ 70.14	\$ 73.75	\$ 77.57
\$130,000	\$ 5.33	\$ 6.24	\$ 9.88	\$ 13.65	\$ 21.19	\$ 33.28	\$ 50.96	\$ 75.99	\$ 79.89	\$ 84.03
\$140,000	\$ 5.74	\$ 6.72	\$ 10.64	\$ 14.70	\$ 22.82	\$ 35.84	\$ 54.88	\$ 81.83	\$ 86.04	\$ 90.49
\$150,000	\$ 6.15	\$ 7.20	\$ 11.40	\$ 15.75	\$ 24.45	\$ 38.40	\$ 58.80	\$ 87.68	\$ 92.19	\$ 96.96
\$160,000	\$ 6.56	\$ 7.68	\$ 12.16	\$ 16.80	\$ 26.08	\$ 40.96	\$ 62.72	\$ 93.52	\$ 98.33	\$103.42
\$170,000	\$ 6.97	\$ 8.16	\$ 12.92	\$ 17.85	\$ 27.71	\$ 43.52	\$ 66.64	\$ 99.37	\$104.48	\$109.88
\$180,000	\$ 7.38	\$ 8.64	\$ 13.68	\$ 18.90	\$ 29.34	\$ 46.08	\$ 70.56	\$105.21	\$110.62	\$116.35
\$190,000	\$ 7.79	\$ 9.12	\$ 14.44	\$ 19.95	\$ 30.97	\$ 48.64	\$ 74.48	\$111.06	\$116.77	\$122.81
\$200,000	\$ 8.20	\$ 9.60	\$ 15.20	\$ 21.00	\$ 32.60	\$ 51.40	\$ 78.40	\$116.90	\$122.92	\$129.28
\$210,000	\$ 8.61	\$10.08	\$ 15.96	\$ 22.05	\$ 34.23	\$ 53.76	\$ 82.32	\$122.75	\$129.06	\$135.74
\$220,000	\$ 9.02	\$10.56	\$ 16.72	\$ 23.10	\$ 35.86	\$ 56.32	\$ 86.24	\$128.59	\$135.21	\$142.20
\$230,000	\$ 9.43	\$11.04	\$ 17.48	\$ 24.15	\$ 37.49	\$ 58.88	\$ 90.16	\$134.44	\$141.35	\$148.67
\$240,000	\$ 9.84	\$11.52	\$ 18.24	\$ 25.20	\$ 39.12	\$ 61.44	\$ 94.08	\$140.28	\$147.50	\$155.13
\$250,000	\$10.25	\$12.00	\$ 19.00	\$ 26.25	\$ 40.75	\$ 64.00	\$ 98.00	\$146.13	\$153.64	\$161.60
\$260,000	\$10.66	\$12.48	\$ 19.76	\$ 27.30	\$ 42.38	\$ 66.56	\$101.92	\$151.97	\$159.79	\$168.06
\$270,000	\$11.07	\$12.96	\$ 20.52	\$ 28.35	\$ 44.01	\$ 69.12	\$105.84	\$157.82	\$165.94	\$174.52
\$280,000	\$11.48	\$13.44	\$ 21.28	\$ 29.40	\$ 45.64	\$ 71.68	\$109.76	\$163.66	\$172.08	\$180.99
\$290,000	\$11.89	\$13.92	\$ 22.04	\$ 30.45	\$ 47.27	\$ 74.24	\$113.68	\$169.51	\$178.23	\$187.45
\$300,000	\$12.30	\$14.40	\$ 22.80	\$ 31.50	\$ 48.90	\$ 76.80	\$117.60	\$175.35	\$184.37	\$193.91

* For rates from \$300,000 to \$400,000 of coverage, please contact the Human Resources Department

** For rates at 80 years and above, please contact the Human Resources Department

Group Long Term Disability

(Underwritten by the State of South Carolina - Administered by Standard Insurance Company)

LONG TERM DISABILITY

Under the State Plan, employees enrolled with health insurance will be provided Long Term Disability Insurance. Ninety days after a disability begins, the plan provides a benefit of 62.5% of monthly base earnings, less certain offsets, **to a maximum benefit of \$800 per month.**

Offsets include annual leave, sick leave, Social Security Disability and S.C. Retirement Systems Disability. Benefits may be payable up to age 65 for sickness or accident.

There is no cost to employees for the Group Long Term Disability coverage.

NOTE: employees who decline health insurance will not be eligible for Group Long Term Disability coverage.

SUPPLEMENTAL LONG TERM DISABILITY

Supplemental Long Term Disability is totally employee paid. This benefit pays 65% of monthly base earnings, with certain offsets, **to a maximum benefit of \$8,000 per month.**



Supplemental Long Term Disability cost per pay period - Premiums are based on your age and salary.

Your age as of the preceding Jan. 1	Plan One (90 day waiting)	Plan Two (180 day waiting)
Under age 31	.00077	.00059
31 through 40	.00105	.00081
41 through 50	.00210	.00161
51 through 60	.00423	.00326
61 through 65	.00509	.00392
66 and older	.00621	.00478

Non-taxable benefits are payable for 24 months if you are disabled from your own job and up to age 65 if you are disabled from any and all jobs for which you are eligible through education, training and experience.

There is a two-year limit for mental and chemical dependency related disabilities.

Employees may choose either a 90-day or 180-day benefit waiting period at enrollment. This plan is convertible upon separation from employment. Premiums are based on age (and increase in age brackets) and salary.

For more information, contact Standard Insurance Company directly at 1-800-628-9696.

Instructions for calculating the cost for Supplemental Long Term Disability per pay period:

1. Divide your annual salary by 12
2. Multiply this figure by the category for your age in either Plan One or Plan Two
3. Divide the total by two and this is your premium deduction per pay period

Example:

Employee is 33 years old, earns \$25,000 per year.

Calculation:

$\$25,000/12 = \$2,083$. $\$2,083$ per month \times .00105 (Plan One, age factor for age 31 through 40) = $\$2.19$ per month. $\$2.19$ per month $/ 2 = \$1.095$ per pay period.

Optional Long Term Care

(Underwritten by the AETNA/US HealthCare)

Optional Long Term Care insurance is available for you, your spouse or your parents. You do not have to purchase a Long Term Care policy on yourself in order to purchase coverage on your spouse or parents.

Coverage includes home health care, skilled and unskilled nursing homes and adult day care centers. Premiums are paid on an after-tax basis.

RETURN OF CONTRIBUTION:

This provides a refund of premium feature that refunds premiums paid for the contract in the event of an active employee's death. This feature only applies to an active employee or the spouse of an active employee. For more information, contact the Aetna at 1-800-537-8521.

Instructions for calculating the cost for Long Term Care Insurance per pay period:

1. Select the amount of Nursing Facility Benefit you wish to purchase
2. Determine your rate per \$1 of benefit from the table below
3. Multiply your rate per \$1 of benefit by the amount you selected
4. Divide the total by two and this is your deduction per pay period

Example:

Employee age 45 selects a \$90 Nursing Facility Benefit.

Calculation:

$90 \times \$0.242 = \21.78 . Divided by two = \$10.89 deduction per pay period.

AGE / RATE PER \$1

used to calculate your deduction per pay period for Long Term Care

20	\$0.050	48	\$0.296
21	\$0.054	49	\$0.314
22	\$0.056	50	\$0.336
23	\$0.060	51	\$0.358
24	\$0.064	52	\$0.382
25	\$0.068	53	\$0.408
26	\$0.070	54	\$0.440
27	\$0.076	55	\$0.476
28	\$0.080	56	\$0.512
29	\$0.086	57	\$0.552
30	\$0.090	58	\$0.594
31	\$0.096	59	\$0.638
32	\$0.104	60	\$0.684
33	\$0.110	61	\$0.734
34	\$0.116	62	\$0.788
35	\$0.124	63	\$0.844
36	\$0.132	64	\$0.906
37	\$0.142	65	\$0.972
38	\$0.150	66	\$1.056
39	\$0.162	67	\$1.150
40	\$0.174	68	\$1.252
41	\$0.186	69	\$1.368
42	\$0.196	70	\$1.494
43	\$0.212	71	\$1.632
44	\$0.226	72	\$1.788
45	\$0.242	73	\$1.958
46	\$0.258	74	\$2.148
47	\$0.278	75	\$2.360

Long Term Care Benefits

<u>NURSING FACILITY</u>	<u>HOME CARE</u>	<u>LIFETIME MAXIMUM</u>
\$ 40 per day	\$ 20 per day	\$ 73,000
\$ 50 per day	\$ 25 per day	\$ 91,250
\$ 60 per day	\$ 30 per day	\$109,500
\$ 70 per day	\$ 35 per day	\$127,750
\$ 80 per day	\$ 40 per day	\$146,000
\$ 90 per day	\$ 45 per day	\$164,250
\$100 per day	\$ 50 per day	\$182,500
\$110 per day	\$ 55 per day	\$200,750
\$120 per day	\$ 60 per day	\$219,000
\$130 per day	\$ 65 per day	\$237,250
\$140 per day	\$ 70 per day	\$255,500
\$150 per day	\$ 75 per day	\$273,750
\$160 per day	\$ 80 per day	\$292,000

Checklist for October Enrollment

The following forms must be correctly filled out and returned to the Human Resources Department no later than **Thursday, October 31, 2002**:

A NOTICE OF ELECTION FORM MUST BE COMPLETED IN BLACK INK TO SWITCH HEALTH INSURANCE CARRIERS

A MEDICAL EVIDENCE FORM MUST BE COMPLETED TO:

- Increase Optional Life insurance to the maximum level
- Add Supplemental Long Term Disability
- Add Long Term Care

UNIVERSAL NAME/ADDRESS CHANGE FORM:

- Change name - for this request, the form must be accompanied by a Marriage License or Divorce Decree
- Change address

A MONEYPLU\$ FORM MUST BE FILLED OUT TO:

- Enroll/re-enroll in the Medical Spending Account for 2003
- Enroll/ re-enroll in the Dependent Care Spending Account for 2003

Deductions for the Medical or Dependent Care Spending Accounts will not automatically continue into 2003 unless you sign a new participation form.

TO KEEP THE SAME BENEFITS AS LAST YEAR:

If you do not wish to make any changes or additions to your insurance coverage, you will need to sign a statement indicating that you want your benefits to remain the same. This does not include MoneyPlu\$ accounts, which requires a separate form.

Important Contact Information

Insurance companies

Aetna U.S. Healthcare	1-800-537-8521	www.aetna.com/group/southcarolina
Blue Cross Blue Shield of South Carolina	1-800-868-2520	www.southcarolinablues.com
BC/BS Medi-Call (pre-certification)	1-800-925-9724	www.southcarolinablues.com
CIGNA	1-800-244-6224	www.cigna.com
Companion Healthcare	1-800-868-2528	www.companionhealthcare.com
Fringe Benefits Management Company	1-800-342-8017	www.fbmc-benefits.com
Medco Health	1-800-711-3450	www.medcohealth.com
MUSC Options	1-800-821-3023	www.companionhealthcare.com
The Hartford Insurance Company	1-888-803-7346	www.thehartford.com
Standard Insurance	1-800-537-8521	www.standard.com
APS	1-800-221-8699	www.apshealthcare.com (password: statesc)

Government contacts

S.C. Deferred Compensation	1-800-922-1380	www.sc.hrbenefits.com
S.C. Employee Insurance Program	1-888-260-9430	www.eip.state.sc.us
S.C. Retirement Systems	1-800-868-9002	www.scrs.state.sc.us
S.C. Budget and Control Board		www.myscgov.com
Healthcare Financing Administration	1-404-562-7500	www.hcfa.gov
Internal Revenue Service	1-800-829-4933	www.irs.gov
Medicare	1-800-633-4227	www.medicare.gov
Social Security Administration	1-800-772-1213	www.ssa.gov

Other useful contacts

American Association of Retired People	1-800-424-3410	www.aarp.org
MUSC Health (health info and resources)	1-800-424-6872	www.muschealth.com
S.C. Health Alliance (many S.C. hospitals)	1-803-796-3080	www.scha.org
S.C. Medical Association	1-800-327-1021	www.scmanet.org