

The University of Texas System Employee Annual Enrollment Guide

For Plan Year Beginning September 1, 2004

ABOUT THE COVER ARTWORK

Special thanks to The Children's Art Project at The University of Texas M. D. Anderson Cancer Center.

Cover artwork by:

Balloons from "Numbers" Book - Tonya, Age 8 from Austin, Texas

Gift Heart - Ellen, Age 6 from Houston, Texas

Heartshine - Rachel, Age 10 from Cypress, Texas

Friends - Kalani, Age 11 from Spring, Texas

Circus from "Colors" Book - Heath, Age 12 from Houston, Texas

Lady Bug - Karen, Age 18 from Mexico City, Mexico

The Children's Art Project at The University of Texas M. D. Anderson Cancer Center began with one volunteer's creative idea 30 years ago. Since then, thanks to the dedication of thousands of inspired volunteers, customers and community and corporate supporters, the Project has supported more than \$17 million in patient-focused programs at M. D. Anderson. Today, the Project is one of the country's largest and most well-known charitable gift and card projects.

For a free catalogue of the Children's Art Project cards and gift items, featuring young cancer patients' art, or to volunteer, call 1-800 231-1580 or visit www.childrensart.org.

Welcome to Annual Enrollment

Annual Enrollment for the 2004-2005 Benefit Year begins on July 1 and ends on July 31, 2004. During this time you may change your group insurance benefit elections and add or remove dependents from coverage. In most cases the elections you make will become effective on September 1, 2004.

Your Annual Enrollment booklet has been redesigned to help you in making the best insurance decisions possible for you and your family. Detailed information about each plan offered, including all plan certificates and provider lists, is available on the UT System Office of Employee Group Insurance (EGI) website at www.utsystem.edu/egi.

Website addresses and Customer Service telephone numbers for each insurance plan are listed in the back of this booklet. Please read all material carefully, attend local campus Annual Enrollment meetings and discuss your options and any questions with your campus Benefits Office staff.

WHAT'S NEW

- HMO Blue expands service area; Humana contract ends.
- Monthly Medical plan premium rates increase 4.5% for UT Select and an average of 11.7% for the HMOBlue plan.
- Flexible Spending Accounts now offered through PayFlex Systems USA, Inc.
 - Certain over-the-counter medications will be eligible for reimbursement.
 - Optional Flex Convenience® Card now available.
- Life Insurance and Accidental Death and Dismemberment now offered through Fort Dearborn Life Insurance Company.
 - Life Insurance rates decrease overall by approximately 17%.
- STD and LTD now offered through The Hartford (formerly offered through CNA).
- Dental HMO Plan name changed from Fortis to Assurant Employee Benefits.
- UT TOUCH by telephone no longer available.

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The Basics

ELIGIBILITY

Employees

You are eligible for benefits as a full-time employee if:

- You work at least 40 hours per week, and
- Your appointment is expected to continue for at least 4-1/2 months, and
- You are not currently insured by another State-sponsored medical insurance plan.

You are eligible for benefits as a part-time employee if:

- You work at least 20, but less than 40, hours per week, and
- Your appointment is expected to continue for at least 4-1/2 months, and
- You are not currently insured by another State-sponsored insurance plan.

NOTE: Certain non-employee Post Doctoral Fellows are eligible for certain benefits under the UT Group Insurance Program. Please contact your local campus Benefits Office for more information.

Dependents

You may also enroll your eligible dependents under plans offered by UT System. Your eligible dependents include:

- Your legally-married spouse
- Your unmarried child under age 25, including
 - Stepchildren
 - Adopted children
 - Children for whom you are the legal guardian
- Your unmarried grandchild under age 25,
 - For UT SELECT, the natural parent must also be enrolled
 - For HMO coverage, the natural parent does not need to be enrolled
- Your child over age 25, if determined by EGI to be medically incapacitated

Examples of dependents who are not eligible for coverage include:

- Your common-law spouse
- Your same-sex partner
- Your former spouse
- Your married child
- Your child over age 25, if not medically incapacitated
- Foster children covered by another government program, unless required by law
- Any child for whom you have Power of Attorney only
- Any child insured by another UT employee or retiree or another state sponsored insurance plan
- Any dependent who is active in the Armed Forces of any country

PREMIUM SHARING

If you are a full-time employee, UT and the State of Texas will provide 100% of your premiums for the Basic Coverage Package, and up to 50% of the premiums for your dependents' Basic Coverage Package.

The Basics

If you are a part-time employee, UT and the State of Texas will provide 50% of your premiums for the Basic Coverage Package, and up to 25% of the premiums for your dependents' Medical coverage.

Newly hired employees and their dependents may be required to satisfy a 90-day waiting period before State Premium Sharing is provided. The waiting period can be from 90 days to 120 days depending on the date your employment began. Consult with your campus Benefits Office for additional information regarding the waiting period.

For information regarding your monthly out-of-pocket premiums, please refer to the Benefit Cost Worksheet for Annual Enrollment 2004-2005.

BASIC COVERAGE PACKAGE

UT provides eligible employees with the following coverage:

- UT SELECT Health Plan, with Prescription Drug Coverage (Employee only)
- \$10,000 Basic Life Insurance (Subscriber only)
- \$10,000 Accidental Death and Dismemberment Insurance (Employee only)

OPTIONAL COVERAGE

You may select the following Optional Coverages for you and your eligible dependents:

- Dental Insurance
- Vision Insurance
- Voluntary Life Insurance Coverage (in addition to the Basic Life Insurance)
- Increased Accidental Death and Dismemberment Insurance (in addition to the Basic Accidental Death and Dismemberment Insurance)
- Short Term Disability Insurance (for employees only)
- Long Term Disability (for employees only)
- Long Term Care
- UT Flex Medical Expense Reimbursement Account
- UT Flex Day Care Reimbursement Account

EVIDENCE OF INSURABILITY (EOI)

Evidence of Insurability (EOI) is the record of a person's past and current health events. EOI is used by insurance companies to verify whether a person meets the definition of good health. An EOI form is required to:

- Add certain dependents to medical coverage who were previously eligible, but not enrolled during your initial 31-day benefit election period. (If these certain dependents can show proof of other active group medical coverage during Annual Enrollment, EOI will be waived for the UT Select medical plan);
- Increase employee, retiree and spouse life insurance coverage;
- Reinstate terminated or waived health coverage (unless proof of other active group medical coverage can be provided during Annual Enrollment);
- Add Short Term Disability;
- Add Long Term Disability;
- Add Long Term Care.

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CHANGE OF STATUS

You have 31 days from the date of a qualifying Change of Status event to notify your campus Benefits Office and change your benefit selections. If you do not make your changes during the 31-day Status Change period, your changes cannot be made until the next Annual Enrollment period in July, to be effective the following September 1. Evidence of Insurability may be required for some benefit changes if you wait until the Annual Enrollment following your Change of Status event.

The list below includes common examples of Status Changes:

- Marriage, divorce, annulment, legal separation, or spouse's death
- Birth, adoption, medical child support order, or dependent's death
- Change in residence if the change affects your or your dependents' current plan eligibility
- Starting or ending employment, starting or returning from unpaid leave of absence, or a change of job status (e.g., from part-time to full-time)
- Change in dependent eligibility (e.g. marriage or reaching the age limit)
- Significant change in coverage or cost of other benefit plans available to you and your family

Your benefit selection changes must be consistent with your Change in Status. For questions regarding Status Changes, please contact your campus Benefits Office.

CONTINUATION OF GROUP COVERAGE (COBRA)

If you or your dependents are no longer eligible for coverage, UT will offer you the option to continue coverage at your expense for any UT health, dental, vision plan, and in some cases, your UT Flex Flexible Spending Account(s). For information regarding the conditions for continuation of coverage, please contact your campus Benefits Office.

If you enroll in the Fort Dearborn Basic or Voluntary Term Life, The Hartford Long Term Disability and/or the CNA Long Term Care plans, you may also be able to access a conversion benefit provided as part of these plans. To do so, you must obtain the required form(s) from your campus Benefits Office and forward them to the insurance company within 31 days of the end of the month in which your benefits-eligibility status changes or terminates.

HIPAA

Title 1 of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) imposes certain requirements on group health plans, including:

- Limitations on pre-existing condition exclusion periods
- Special enrollment periods for individuals (and dependents) losing other coverage
- Prohibitions against discriminating against individual participants and beneficiaries based on health status
- Standards relating to benefits for mothers and newborns
- Parity in the application of certain limits to mental health benefits

HIPAA also permits certain self-funded, governmental group health plans the right of exemption from certain provisions of this federal law. The Office of Employee Group Insurance has elected to exempt The University of Texas self-funded health plan (UT SELECT) from most of the HIPAA provisions listed above. Pre-existing condition limitations are no longer included in the UT

The Basics

SELECT plan; however, some plan limitations and exclusions apply. The fully-insured HMO plan described in this booklet is not exempt from the HIPAA requirements.

Dependents who are not enrolled in the fully-insured HMO during their initial period of eligibility may be subject to EOI requirements to enroll in UT SELECT at a later date.

UT SELECT does not have annual or lifetime maximums. Serious Mental Illness (as defined in Chapter 1601 and Article 3.51-14 of the Texas Insurance Code) will be treated as any other illness under UT SELECT.

Although The University is exempt from the HIPAA provisions relating to hospital stays for mothers and newborns, it is our intent to satisfy all the requirements for maternity and newborn benefits as set out in HIPAA regulations.

Title 2 of HIPAA requires self-funded health plans to comply with certain regulations concerning the privacy and security of personally identifiable health information that the plan collects or maintains about its enrollees. A copy of the privacy notice and policies that apply to UT SELECT, UT DENTAL SELECT and UT FLEX can be found on the EGI website at www.utsystem.edu/egi/hipaa/. A paper copy of the privacy notice is provided to all new enrollees and is available to anyone upon request from Employee Group Insurance. You can obtain HIPAA privacy information about the fully-insured health plans described in this booklet directly from the plan.

Additional information is available at www.utsystem.edu/egi. Your campus Benefits Office has a limited supply available for those without internet access.

Medical

MEDICAL PLAN OPTIONS

UT offers UT SELECT, a self-funded medical plan, and HMO Blue Texas, a fully insured HMO plan, both administered by Blue Cross and Blue Shield of Texas, Inc. Your Coverage Option Letter will indicate which medical plan(s) are available to you. Medical plans available based upon residential address.

	UT SELECT	HMO Blue
Service Area	Available Worldwide	Austin Corpus Christi Dallas/Fort Worth El Paso Houston Galveston San Antonio
Dependents Living Out of Area	Yes	Emergency Services only ¹
Evidence of Insurability (for previously eligible dependents)	Yes ²	No
Transitional Benefits	Yes	Yes

¹Regular benefits apply when services are received from network providers and facilities within the service area.

²If proof of other group coverage can be provided during Annual Enrollment, EOI will be waived. Contact your campus Benefits Office for assistance with EOI applications.

IF YOU ARE CURRENTLY ENROLLED IN HUMANA AND DO NOT MAKE A COVERAGE ELECTION DURING ANNUAL ENROLLMENT, YOU AND YOUR COVERED DEPENDENTS WILL BE AUTOMATICALLY ENROLLED IN UT SELECT EFFECTIVE SEPTEMBER 1, 2004.

If you are currently enrolled in Humana and select HMO Blue as your new plan, you MUST make a PCP selection, even if your current PCP is also contracting with HMO Blue.

If you decide to change your health plan during Annual Enrollment and you are currently being treated for a chronic or ongoing medical condition, you may be eligible for Transitional Benefits. This means if your doctor is a contracting provider with your current health plan but is not a contracting provider with your new plan, you may be allowed to continue seeing your current doctor for up to 3 months, and your claims will be paid at the new plan Network benefit level.

Medical

Transitional Benefits gives you the opportunity to find a new Network provider while not risking the loss of medical care. Some medical conditions that are eligible for Transitional Benefits consideration include:

- Pregnancy (if you are in your 3rd trimester on September 1 for UT SELECT and 2nd trimester on September 1 for HMO Blue)
- Cancer
- Heart Failure
- Diabetes
- Physical Therapy
- Allergy Treatments
- Organ Transplant
- Behavioral Health Care

A Transition of Care form, available at your campus Benefits Office or online at www.utsystem.edu/egi, must be completed and mailed to the new Health Plan administrator (listed at the end of this section) for consideration.

If you would like your new Health Plan administrator to consider adding your current provider to their network, Provider Nomination Forms are available from your campus Benefits Office or online at www.utsystem.edu/egi. You may contact your campus Benefits Office or Health Plan administrator for more information.

You may read additional information about plan features and exclusions in the Medical Plan certificates available online at www.utsystem.edu/egi. Your Campus Benefits office has a limited supply available for those without internet access.

UT SELECT PPO (medical coverage)

(Blue Cross Blue Shield of Texas)

www.bcbstx.com/ut/

(866) 882-2034

8:00 AM - 5:00PM CST

HMO Blue Texas

(Blue Cross Blue Shield of Texas)

www.bcbstx.com/ut/

(888) 322-2379

7:30 AM - 6:00 PM CST

**HEALTH PLAN COMPARISON CHART effective September 1, 2004 - August 31, 2005
FOR HMO COVERAGE, ALL CARE MUST BE PROVIDED OR AUTHORIZED BY THE MEMBER'S PRIMARY CARE PHYSICIAN.**

Coverage	HMO Blue	UT SELECT		
		Network	Out of Network	Out of Area
Evidence of Insurability Required for Previously Eligible Dependents	No	Yes (unless covered under another group health plan at time of application)	Yes (unless covered under another group health plan at time of application)	Yes (unless covered under another group health plan at time of application)
Annual Deductible	None	\$250/person \$750/family (applicable when coinsurance is required)	\$500/person \$1,500/family (applicable when coinsurance is required)	\$250/person \$750/family (applicable when coinsurance is required)
Annual Out of Pocket Maximum	\$2,500/person \$5,000/family	\$1,750/person \$5,250/family	\$4,000/person \$12,000/family	\$1,750/person \$5,250/family
Pre-existing Condition Limitation	No	No	No	No
Hospital - Semi private Room and Board	\$100 Copay/day (\$500 max/admission)	\$100 Copay/Day (\$500 max/admission) then 80% Plan/20% Member	60% Plan / 40% Member	75% Plan / 25% Member
Outpatient or Same Day surgery	\$200 per Occurrence	\$100 Copay then 80% Plan / 20% Member	60% Plan / 40% Member	75% Plan / 25% Member
Physician Office Visits	PCP \$25 Copay Specialist \$30 Copay	FCP \$25 Copay Specialist \$30 Copay	60% Plan / 40% Member	75% Plan / 25% Member
Prenatal and Postnatal care	\$25 Copay (initial visit only)	\$25 Copay (initial visit only)	60% Plan / 40% Member	75% Plan / 25% Member
Hospital inpatient surgery	Included in Hospital Copay	80% Plan / 20% Member	60% Plan / 40% Member	75% Plan / 25% Member
Surgical Assistant	Included in Hospital Copay	80% Plan / 20% Member	60% Plan / 40% Member	75% Plan / 25% Member
Hospital Obstetrical Care	Included in Hospital Copay	\$100 Copay (\$500 max/admission) then 80%	60% Plan / 40% Member	75% Plan / 25% Member
Office surgery	PCP \$25 Copay Specialist \$30 Copay	FCP \$25 Copay Specialist \$30 Copay	60% Plan / 40% Member	75% Plan / 25% Member
Skilled Nursing/Convalescent Facility	No Charge (max. 180 days)	80% Plan / 20% Member (max. 180 days)	60% Plan / 40% Member (max. 180 days)	75% Plan / 25% Member (max. 180 days)
Radiologist, Pathologist, and Anesthesiologist	No Charge PCP \$25 Copay	80% Plan / 20% Member FCP \$25 Copay	60% Plan / 40% Member	75% Plan / 25% Member
Allergy Testing	Specialist \$30 Copay	Specialist \$30 Copay	60% Plan / 40% Member	75% Plan / 25% Member
Hospice Care Services	No Charge	80% Plan / 20% Member (max. 90 visits/yr)	60% Plan / 40% Member (max. 90 visits/yr)	75% Plan / 25% Member (max. 90 visits/yr)
Home Health Care Services	No Charge	80% Plan / 20% Member (max. 120 visits)	60% Plan / 40% Member (max. 120 visits)	75% Plan / 25% Member (max. 120 visits)

Coverage	HMO Blue	UT SELECT			Out of Area
		Network	Out of Network	Out of Area	
Physical Rehabilitation Therapy	PCP \$25 Copay Specialist \$30 Copay	80% Plan / 20% Member (max. 20 visits/yr)	60% Plan / 40% Member (max. 20 visits/yr)	75% Plan / 25% Member (max. 20 visits/yr)	
Laboratory Services	No Charge	Included in Office Visit Copay	60% Plan / 40% Member	75% Plan / 25% Member	
Diagnostic X-Rays, therapeutic radiology, mammography	No Charge	Included in Office Visit Copay	60% Plan / 40% Member	75% Plan / 25% Member	
Hospital Emergency Room	\$100 Copay (waived if admitted)	\$100 Copay (waived if admitted)	\$100 Copay (waived if admitted)	75% Plan / 25% Member	
Ambulance Service	\$100 per Occurrence	80% Plan / 20% Member	80% Plan / 20% Member	75% Plan / 25% Member	
Chemical Dependency - Inpatient Treatment (max 30 days/yr)	\$100 Copay/Day (\$500 max/admission)	\$100 Copay/Day (\$500 max/admission) then 80% Plan/20% Member	60% Plan / 40% Member	75% Plan / 25% Member	
Chemical Dependency - Outpatient Treatment (max 20 visits/yr)	PCP \$25 Copay Specialist \$30 Copay	FCP \$25 Copay Specialist \$30 Copay	60% Plan / 40% Member	75% Plan / 25% Member	
Serious Mental Illness - Inpatient	\$100 Copay/Day (\$500 max/admission)	\$100 Copay/Day (\$500 max/admission) then 80% Plan/20% Member	60% Plan / 40% Member	75% Plan / 25% Member	
Serious Mental Illness - Outpatient	PCP \$25 Copay Specialist \$30 Copay	FCP \$25 Copay Specialist \$30 Copay	60% Plan / 40% Member	75% Plan / 25% Member	
Mental Illness - Inpatient (Other than Serious Mental)	\$100 Copay/Day (\$500 max/admission) 30 day max/yr	\$100 Copay/Day (\$500 max/admission) then 80% Plan/20% Member (max. 30 days/yr)	60% Plan / 40% Member (max. 30 days/yr)	75% Plan / 25% Member (max. 30 days/yr)	
Mental Illness Outpatient	PCP \$25 Copay Specialist \$30 Copay (max. 25 visits/yr.)	FCP \$25 Copay Specialist \$30 Copay (max. 20 visits/yr.)	60% Plan / 40% Member (max. 20 visits/yr.)	75% Plan / 25% Member (max. 20 visits/yr.)	
Immunizations	Dependents up to age 6, no charge for injection only	Dependents up to age 6, no charge for injection only	Dependents up to age 6, no charge for injection only	Dependents up to age 6, no charge for injection only	
Preventive Health Services - periodic health assessments, well baby, annual well woman exam	PCP \$25 Copay Specialist \$30 Copay	FCP \$25 Copay Specialist \$30 Copay	60% Plan / 40% Member	75% Plan / 25% Member	
Birth Control Management	PCP \$25 Copay Specialist \$30 Copay	FCP \$25 Copay Specialist \$30 Copay	60% Plan / 40% Member	75% Plan / 25% Member	
Durable Medical Equipment	80% Plan / 20% Member	80% Plan / 20% Member	60% Plan / 40% Member	75% Plan / 25% Member	
Prosthetic Devices	80% Plan / 20% Member	80% Plan / 20% Member	60% Plan / 40% Member	75% Plan / 25% Member	
Speech and Hearing Therapy	PCP \$25 Copay Specialist \$30 Copay	80% Plan / 20% Member (max. 60 visits/yr)	60% Plan / 40% Member (max. 60 visits/yr)	75% Plan / 25% Member (max. 60 visits/yr)	

Medical

PHARMACY BENEFITS

Your Pharmacy benefits under UT SELECT are administered by Medco Health Solutions. Pharmacy Benefits under HMO Blue Texas are administered by Advance PCS. Both Pharmacy benefit plans require a \$50 annual deductible per person, per plan year.

Generic Drugs are medications sold under a standard name that by law must have the same active ingredients and are subject to the same U.S. Food and Drug Administration (FDA) standards for quality, strength and purity as their brand name counterpart. Generic drugs usually cost less than brand name drugs.

Preferred Drugs are a list of brand name medications preferred for their clinical effectiveness and opportunities to help contain participant and plan costs. The list of preferred medications is available on each Plan administrator's website (listed at the end of this section).

Non-Preferred Drugs are brand name medications that are not on the Preferred Drug List because there are less expensive alternatives available. These medications require the highest copayments.

Copayments for both plans are the same, but each plan may have different medications on its Preferred and Non-Preferred Drug lists. Please compare each plan's Preferred Drug list with any medications you or your dependents are currently taking. The Preferred Drug lists are available online at www.utsystem.edu/egi.

UT SELECT and HMO Blue Pharmacy Benefits

Annual Deductible	\$50/person/year (Deductible does not apply to medical plan deductible)		
Access Options	Generic Drug Copayment	Preferred Drug Copayment	Non-Preferred Drug Copayment
Retail Network Pharmacy: Up to a 30-day supply*. Refills allowed as prescribed. (Good option for new prescriptions)	\$10	\$25	\$40
Home Delivery Pharmacy**: Up to a 90-day supply*. Refills allowed as prescribed. (Best option for maintenance medication)	\$20	\$50	\$80

*Copayments will not be pro-rated if you receive less than the 30- or 90-day supply.

**Home delivery prescriptions will be filed as written. Copayments are not pro-rated if prescription is written for less than a 90-day supply.

The UT SELECT Prescription Drug Plan (Medco Health Solutions) also offers a small benefit for Out-of-Network pharmacies. You will pay the full cost of your prescription and send a claim form and your receipt to Medco Health Solutions. Your reimbursement will be based on your total cost, minus the UT discount, the applicable annual deductible and copayment.

Medical

The HMO Blue Texas Plan does not include a benefit for Out-of-Network pharmacies. If you purchase prescriptions from an Out-of-Network pharmacy, you will be responsible for the full cost of your prescription.

If you choose to purchase a Brand Name Drug when there is a less expensive Generic alternative, you must pay the difference between the cost of the Brand Name and the Generic drug plus your copayment. Sometimes the cost difference is quite large. Here is an example of how you would be reimbursed if you had already met your \$50 annual deductible:

Cost of Brand Name Drug	\$150
Less cost of Generic Equivalent	-\$55
Plus cost of Generic Copayment	+\$20
Your Payment	\$115

Be sure to check with your Prescription Drug carrier to decide which plan covers your medications at the lowest expense to you. The following is a comparison of how the 25 most purchased drugs are classified by each Prescription Drug Plan.

DRUG NAME	UT SELECT	HMO BLUE
Zithromax	Preferred	Preferred
Hydrocodone	Non-Preferred	Preferred
Lipitor	Preferred	Preferred
Synthroid	Preferred	Preferred
Amoxicillin	Preferred	Preferred
Allegra	Preferred	Preferred
Zocor	Preferred	Non-Preferred
Zyrtec	Non-Preferred	Non-Preferred
Levaquin	Preferred	Preferred
Flonase	Preferred	Preferred
Premarin	Preferred	Preferred
Nexium	Preferred	Preferred
Hydrochlorothiazide	Preferred	Preferred
Ambien	Preferred	Non-Preferred
Albuterol	Preferred	Preferred
Cephalexin	Preferred	Preferred
Amox TR/Potassium	Preferred	Preferred
Celebrex	Preferred	Preferred
Fosamax	Preferred	Non-Preferred
Zoloft	Preferred	Preferred
Lisinopril	Preferred	Preferred
Norvasc	Preferred	Preferred
Toprol XL	Preferred	Preferred
Vioxx	Preferred	Non-Preferred
Atenolol	Preferred	Preferred

These classifications are subject to change depending on new drugs approved by the FDA and patent expirations.

UT SELECT

Medications requiring authorization prior to initial prescription

(Contact Medco Health to request a Managed Prior Authorization)

Human Growth Hormones:	Protropin, Humatrope, Geref, Genotropin, Norditropin, Nutropin, Saizen, Serostim
Hormone Agents:	Crinone 8%, Lupron, Factrel, Lutrepulse, Synarel
Immune Globulins:	Gamimune, Gammagard, Gammar-IV, Sandoglobulin, Venoglobulin
Anti-Obesity Agents:	Xenical, Meridia, Tenuate & generics, phentermine
Acne & other dermatologicals:	Accutane, Retin-A, Avita

Medications requiring authorization to obtain additional supplies

(Contact Medco Health to request a Managed Rx Coverage)

Onychomycosis Therapy:	Sporanox, Lamisil, Diflucan
Antidepressant Therapy:	Wellbutrin SR
Smoking Deterrents:	Zyban, Prostep, Nicotrol NS, Habitrol

Medco Health Solutions also offers Health Management Programs for certain participants, based on your prescription history. The Health Management Programs are included as part of the UT SELECT prescription drug program and are available at no additional cost. The Health Management Programs provide educational materials and expert knowledge about many chronic medical conditions including:

- Cardiovascular Disease
- Depression
- Diabetes
- Digestive Health
- Hepatitis C
- Multiple Sclerosis
- Respiratory Disease

Effective January 1, 2005, HMO Blue Texas' Pharmacy benefits will be administered by Prime Therapeutics.

The transition to Prime Therapeutics will not change your Pharmacy benefits, copays, participating pharmacies in the State of Texas, or your Preferred Drug List.

Prime Therapeutics is a national Prescription Benefits Manager (PBM) owned by a number of not-for-profit Blue Cross and Blue Shield Plans. Currently, Prime Therapeutics provides full PBM services to over 4.5 million members. The partnership with Prime Therapeutics will allow the benefits of a national pharmacy provider with the flexibility, customization and quality of service of an in-house PBM.

You will receive additional information from HMO Blue Texas prior to the transition on January 1, 2005.

Medical

You may read additional information about plan features and exclusions in the Medical Plan certificates available online at www.utsystem.edu/egi. Your campus Benefits Office has a limited supply available for those without internet access.

UT SELECT PPO Pharmacy Benefits

(Medco Health Solutions, Inc.)

www.medcohealth.com

(800) 818-0155

24 hours a day

HMO Blue Texas

(Blue Cross Blue Shield of Texas)

www.bcbstx.com/ut/

(888) 322-2379

7:30 AM - 6:00 PM CST

UT SELECT AND MEDICARE

The University of Texas System urges all retired employees and dependents to enroll in Medicare Part B when they become eligible. If you are a retired employee or about to become a retired employee and are age 65 or over, you must have Medicare Part B to receive the maximum benefits available from a UT health plan option.

If you are retired and also eligible for Medicare, Medicare becomes your primary payer and pays your health claims first. UT SELECT pays second. If you choose a doctor who accepts Medicare assignment, you will not be responsible for any difference between the billed charge and the Medicare allowed amount.

You become eligible for Medicare at age 65. You have the option of enrolling in Part A and refusing Part B coverage. If you are retired and decline Medicare Part B coverage, you will be required to pay the portion that Medicare would have paid for Part B covered items. In addition, Medicare will charge a premium surcharge if you ever re-apply for coverage later. The same applies if you under age 65 and eligible for Medicare benefits because of a disability.

In order to assure that your claims are correctly processed, you should contact Blue Cross and Blue Shield of Texas and report your Medicare Health Insurance Claim (HIC) number and the effective dates of Medicare Parts A and B immediately upon enrollment.

If you are enrolled in Medicare and your doctor accepts Medicare assignment:

- The doctor may be in or out of the UT SELECT Network
- UT SELECT will pay 100% of benefits approved but not paid by Medicare
- No Deductibles
- No Copayments
- No Coinsurance

Medical

When you are an inpatient at a facility that accepts Medicare assignment, UT SELECT will pay your Medicare inpatient deductible, and the \$100 per day Copay (\$500 maximum) will not apply. If your doctor does not accept Medicare assignment:

- Network and out-of-network benefits apply
- UT SELECT will coordinate with Medicare
- Deductibles may apply
- Copayments may apply
- Coinsurance may apply

This chart shows you exactly how UT SELECT coordinates benefits with Medicare:

Provider Accepts Medicare Assignment	BCBSTX In-Network Provider	Service Covered by Medicare	Medicare Pays	UT SELECT Pays	Member Pays
Y	Y	Y	80% MC Allowed	20% MC Allowed	0
Y	N	Y	80% MC Allowed	20% MC Allowed	0
Y	Y	N	0	80% of BCBS Allowed After \$250 UTSELECT Deductible or 100% after Copay, whichever is applicable	20% of BCBS Allowed After \$250 UTSELECT Deductible or Copay, whichever is applicable
Y	N	N	0	60% of BCBS Allowed ² after \$500 UT SELECT Deductible	\$500 UT SELECT Deductible + 40% of BCBS Allowed+ Difference between Billed Charge and BCBS Allowed
N	Y	Y	80% MC Limiting Charge ¹	20% MC Limiting Charge after \$250 UT SELECT Deductible	\$250 UT SELECT Deductible
N	N	Y	80% MC Limiting Charge	20% MC Limiting Charge after \$500 UT SELECT Deductible	\$500 UT SELECT Deductible
N	Y	N	0	80% of BCBS Allowed After \$250 UTSELECT Deductible or 100% after Copay, whichever is applicable	20% of BCBS Allowed After \$250 UTSELECT Deductible or Copay, whichever is applicable
N	N	N	0	60% of BCBS Allowed after \$500 UT SELECT Deductible	\$500 Deductible + 40% of BCBS Allowed + Difference between Billed Charge and BCBS Allowed

¹ The difference between BCBS Allowed and Billed Charges may be paid if that amount is in available COB Savings

² Provider who does not participate with Medicare may not bill more than the Medicare Limiting Charge (115% of MC Allowed).

UT FLEX

Effective September 1, 2004, PayFlex Systems USA, Inc. will be the new administrator for the UT FLEX flexible spending accounts. The Medical Expense Reimbursement Accounts will have two new features:

- Certain over-the-counter items will be eligible for reimbursement;
- Flex Convenience® Card is available to use as a “debit card.”

Authorized by the IRS, the UT FLEX plan lets you set aside money from your pay before taxes are withheld. As you incur medical care expenses and/or dependent day care expenses throughout the plan year, you submit a claim, and you will be reimbursed with tax-free dollars from your UT FLEX account. This reduces the amount you pay in taxes, and increases your spendable income. If you elect to use the Flex Convenience® Card feature of the Medical Expense Reimbursement Account, you will use your card at the time of service and the payment will be automatically deducted from your UT FLEX account.

The UT FLEX plan has two accounts:

- The Medical Expense Reimbursement Account; and
- The Day Care Reimbursement Account.

UT FLEX Reimbursement Account	Your Monthly Payroll Deduction¹	Eligible Expenses
Medical Expense	\$15 minimum to \$416 maximum	Medically necessary health-care expenses and certain over-the-counter medications incurred and paid during your period of coverage. These expenses should not be paid by other benefit plans.
Day Care	\$15 minimum to \$416 maximum or (\$208 maximum if married filing separate federal income tax returns) IMPORTANT: In any given calendar year (Jan. 1 – Dec. 31), the dependent day care deductions cannot exceed \$5,000 for tax-filing purposes.	For children under age 13 or qualified disabled dependents of any age who are claimed as dependents for federal income tax purposes. Dependent day care expenses that are necessary for you and your spouse (if married) to work or attend school full-time, such as child care services in a home, licensed day care, and adult day care.

How the Plan Works

- To participate, you decide how much you want deducted from your paycheck and transferred to your UT FLEX account. (See www.utsystem.edu/egi for a “Savings Calculator.”) Plan care fully as any amount left in your account after the claims run-out period will be forfeited.
- During Annual Enrollment, you enroll in one or both UT FLEX accounts through the UT Touch enrollment system.
- When you have a medical expense or day care expense, send a claim form with your receipts to PayFlex. (See Flex Convenience® Card information below for medical expenses.)
- You decide if you want the reimbursement check mailed to your home or directly deposited to your bank account. If you choose “Direct Deposit,” be sure to fill out and submit a special PayFlex Direct Deposit authorization form with a “voided” check. Forms are located at www.utsystem.edu/egi.

THE MEDICAL EXPENSE REIMBURSEMENT ACCOUNT

If you enroll in the Medical Expense Reimbursement Account, you can be reimbursed for eligible out-of-pocket expenses you incur during the plan year (September 1 through August 31), up to the amount you have elected and while you are covered by the plan.

Eligible Medical Expenses

Eligible medical expenses are amounts paid for the diagnosis, cure, mitigation or treatment of a disease, or for treatments affecting any part or function of the body. The expense must be primarily to alleviate a physical or mental illness.

Here are some examples of eligible expenses:

- Deductibles, co-pays, coinsurance
- Prescription drugs, allergy shots, insulin & syringes, annual physicals, contraceptives
- Chiropractor treatments, psychiatric/psychologist fees
- Smoking cessation programs
- Wheelchair/crutches or other durable medical equipment
- Dental exams, x-rays, fillings, crowns, bridges, dentures, orthodontia
- Eye exams, prescription eyeglasses and prescription sunglasses, LASIK surgery
- Contact lenses and cleaning solutions
- Hearing aids and batteries

New: Over-the-Counter Items Eligible

Beginning September 1, 2004, you can be reimbursed for certain over-the-counter items. Here are some examples:

- Antacids
- First-aid antibiotic ointments and creams
- Anti-Fungal ointments and creams
- Cold remedies, including nasal sprays and cough syrups
- Eye drops
- Hemorrhoid ointments and creams
- Pain relievers, such as aspirin, and acetaminophen
- Stop-smoking gums and patches

New: FLEX Convenience® Card

If you enroll in the Medical Expense Reimbursement account, you have the option to use the FLEX Convenience® card for qualified medical expenses. This card works like a debit card.

Here are the advantages:

- Improved cash flow – You don't have to pay money when you use the card at participating merchants and providers.
- It's easy to use – You don't have to complete a claim form. Be sure to save your receipts in case PayFlex requests receipts to verify that some expenses were eligible under the plan. (IRS guidelines require appropriate documentation of qualifying expenses.)

The annual fee for this card is \$9. The fee is deducted at the beginning of the plan year from your annual elected amount.

Important: You can use this card only for the UT FLEX Medical Expense Reimbursement Account. It cannot be used for the Day Care Reimbursement Account. For more detailed information about the FLEX Convenience® Card, visit www.utsystem.edu/egi.

DAY CARE REIMBURSEMENT ACCOUNT

You can be reimbursed for qualified dependent care expenses that meet the requirements described below. Reimbursements can be made up to the amount actually contributed to your account, less prior reimbursements.

Eligible Dependent Day Care Expenses

- The expenses must be incurred to enable you to be gainfully employed (earning income). Gainful employment does not include unpaid volunteer work, or work for a nominal salary. The expense must be incurred for services rendered during the plan year and while you are covered under the plan. Expenses have been incurred when you are provided with the care and not when you are formally billed, charged for, or pay for the care.
- The expenses must be for a qualifying individual. This includes a dependent of yours under age 13 when the care is provided; or a spouse or other dependent of yours who is physically or mentally incapable of self-care and for whom you can claim an exemption.
- The services must be provided by an eligible provider of care. This includes a licensed day care facility that complies with applicable state and local laws; and any individual who is not a tax dependent of yours, or a child of yours age 19 or older.
- The expense must be for services incurred, not for services to be provided in the future.
- The annual expense reimbursement may not exceed the lesser of:
 - your earned income,
 - if married, your spouse's earned income; or,
 - \$5,000 (\$2,500 if married, filing separate income tax returns).

Note: The amount which you may consider in calculating the tax credit under the Federal Tax Credit is reduced, dollar-for-dollar, by any amount that you place into the Dependent Care Account. The tax credit limits are \$3,000 for one qualifying dependent, and \$6,000 for two or more qualifying dependents. **You should carefully review the benefits of the Federal Tax Credit with the benefits of the Dependent Care Account and seek advice from your tax advisor before making your final decision.**

Eligible Dependent Day Care Expenses

- Work-related expenses incurred so that you and, if married, your spouse can work;
- Custodial care for qualified tax dependents;
- Before/after school care;
- Preschool/nursery school for pre-kindergarten;
- Day care center expenses for custodial care
- Au pair or nanny dependent care expenses; adult day care expenses

Ineligible Dependent Care Expenses

- Educational/tuition – kindergarten, first grade or higher
- Registration/reservation/holding fees
- Activity fees or fees for supplies or materials/field trip expenses
- Overnight camp
- Transportation expenses, food, clothing, entertainment expenses
- Payment of services not yet provided (advance payments)

OTHER IMPORTANT UT FLEX PLAN FEATURES

“Use it or lose it.” The Internal Revenue Code sets the rules and does not permit the carryover of non-reimbursed funds. In other words, the UT FLEX plan is a “Use it or lose it” plan. Any amounts you do not use through out the plan year will be forfeited, so it is very important to plan carefully. Review your prior year’s expenses to estimate your medical and day care expenses for the new plan year. Be conservative and plan only for predictable expenses.

Your UT FLEX elections must be renewed each Annual Enrollment. Your election amounts are not continued from the previous year.

You may read additional information about plan features and exclusions in the Flexible Spending Plan certificates available online at www.utsystem.edu/egi. Your campus Benefits Office has a limited supply available for those without internet access.

UT FLEX
(PayFlex Systems USA, Inc.)
www.utflex.com

Phone: (866) 887-3539 (UTS-FLEX)
Fax: (877-230-4283)

Dental

DENTAL OPTIONS

Depending on where you live, you may have a choice between UT DENTAL SELECT, the self-funded dental plan, managed by Delta Dental, or Assurant Employee Benefits (formerly Fortis), a fully-insured dental HMO plan. Your Coverage Option Letter will tell you which plans are available to you.

The following chart shows which portion of the dental charges you are expected to pay and the service areas for each dental plan option:

Dental Plan Comparison Chart

Dental Service	UT DENTAL SELECT ¹	ASSURANT
Service Area	Available Worldwide	Austin Dallas/Ft. Worth El Paso Galveston Houston San Antonio
Annual Deductible	\$25 per Person ¹	None
Oral Exam, X-rays, Cleaning	\$0	\$0-5
Fluoride Treatment	\$0, up to age 19	\$0-5, up to age 18
Sealants	\$0, up to age 14	\$7, per tooth
Space Maintainers	\$0, up to age 14	\$60-75
Fillings	20%	\$8-60
Extractions	20%	\$9-80
Root Canals	20%	\$95-175
Periodontics ²	20%	\$0-200
Crowns, Jackets and Cast Restorations	50%	\$235 (lab fees may also apply)
Bridges and Dentures	50%	\$295-350 (lab fees may also apply)
Orthodontics	50%, \$1,000 Lifetime benefit per person	25% discount of Dentist Retail Fee, no lifetime maximum
Out-of-Network Benefits	Yes	Limited to Emergencies
Maximum Annual Benefit	\$1,000	None

¹ Reimbursement is based on a percentage of the allowable amount

² Excludes Oral exams, x-rays, cleanings, fluoride treatments, sealants, space maintainers and specialist consultations

³ Scaling, root planing and treatment of gum disease

UT DENTAL SELECT Highlights:

- You may see Network or Out-of-Network dentists
- DeltaPreferred Option dentists charge reduced contract fees
- No pre-approval needed to change dentists
- No referral needed to see a specialist
- 130,000 dental locations nationwide
- Delta Dental pays network dentists directly
- Works in progress not covered

Assurant DMO Highlights:

- No claim forms
- No deductibles
- No maximum annual benefit
- No maximum lifetime benefit for orthodontics
- Work in progress not covered
- Primary Family Dentist required for each family member
- No exclusions for pre-existing conditions
- No balance billing
- No referrals needed for Network specialists

You may read additional information about plan features and exclusions in the Dental Plan certificates available online at www.utsystem.edu/egi. Your campus Benefits Office has a limited supply available for those without internet access.

UT Dental Select (Delta Dental)

www.deltadentalins.com

(800) 893-3582 or
(800) 521-2651
6:15 AM - 6:30 PM CST

Assurant Dental DMO

www.assurantemployeebenefits.com

(800) 443-2995
7:00 AM - 6:00 PM CST

Vision

Fully insured Vision Care benefits will continue to be offered by Superior Vision Care.

Summary of Vision Care Benefits

Covered Services ¹	Network Benefits	Out-of-Network Benefits
Comprehensive eye exam by an ophthalmologist or optometrist	Covered in full after a \$35 Copay, but does not include the contact lens exam or fitting fees ²	Up to \$42 (ophthalmologist) Up to \$37 (optometrist)
Standard lenses (per pair)- Plastic (CR39), clear, uncoated	Covered in full	Up to \$32 (Single vision) Up to \$46 (Bifocal) Up to \$61 (Trifocal) Up to \$84 (Lenticular)
Frames	Covered up to \$140	Up to \$53
Contact Lenses	Covered in full (Non-elective) ³ Up to \$125 retail (Elective) ³	Up to \$210 (Non-elective) ³ Up to \$100 (Elective) ³

¹Only one comprehensive exam is covered per plan year. Only one pair of eyeglass lenses and one set of frames or one contact lens allowance is covered per plan year.

²Comprehensive eye exam is subject to a \$35 Copay (in-network only).

³Contact lenses in lieu of eyeglass lenses and one set of frames.

Contact Lenses

Contact lenses are a covered benefit to members who have one or more of these medical conditions:

- Aphakia
- Pseudo-aphakia
- Anisometropia
- Kerataconus
- When visual acuity cannot be corrected to 20/70 in the better eye except through the use of contact lenses

Contact lenses are also covered for those who prefer to wear contacts instead of glasses.

LASIK and other Eye Surgery

- Superior Vision offers a 20% discount off the Usual and Customary prices for LASIK surgery. This discount is provided through specially contracted ophthalmologists (Look for 'RF' in the Provider Directory).
- Blepharoplasty (eyelid surgery) is also available for the 20% discount.

Additional Features

- 20% discount on upgrades and add-ons to the eyeglass lens benefit from Network providers
- 10% discount on charges above the allowance for cosmetic (not medically necessary) contact lenses from Network providers
- 20% discount on additional purchases of eyeglasses
- 10% discount on additional purchases of contact lenses

NOTE: These discounts are not available at Wal-Mart Vision Centers.

Vision

You may read additional information about plan features and exclusions in the Vision Plan certificate available online at www.utsystem.edu/eji. Your campus Benefits Office has a limited supply available for those without internet access.

Superior Vision

www.superiorvision.com

(800) 507-3800

M-F 5:00 AM - 6:00 PM PST

Sat 8:00 AM - 1:00 PM PST

Group Term Life Insurance

Effective September 1, 2004, Fort Dearborn Life Insurance Company (FDL) will become the insurer for the Group Term Life options available to you and your dependents. You will be required to complete a new Beneficiary Form, available from your campus Benefits Office.

FDL will offer the following plan options:

- Employee Basic Group Term Life (Basic GTL)
- Employee Voluntary Group Term Life (Voluntary GTL)
- Voluntary Spouse Group Term Life (Voluntary Spouse GTL)
- Voluntary Dependent Group Term Life (Voluntary Dependent GTL)

If you are currently enrolled in the Voluntary GTL coverage of 1-6 times Basic Annual Earnings through the CIGNA Group Term Life plan, your coverage as well as any Voluntary Dependent GTL coverage will transition to the FDL Group Term Life plan without reduction in coverage unless you elect to reduce or cancel coverage during Annual Enrollment.

NOTE: Due to plan changes:

- The \$50,000 employee Voluntary GTL option offered through Cigna Group Term Life plan will no longer be available.
- All employees must participate in a UT Medical plan in order to receive the \$10,000 basic term life coverage.

If you are currently enrolled in \$50,000 voluntary GTL coverage or you are not enrolled in a UT Medical plan but have the \$10,000 basic term life insurance, you should received communication from UT System Employee Group Insurance. If you have not received this letter, please contact your campus Benefits Office or UT System Employee Group Insurance to receive appropriate instructions in order to prevent possible loss of coverage.

Group Term Life Options

Member	Basic GTL	Voluntary GTL
Employee	\$10,000 (provided as part of the Basic Package)	1-6 times Basic Annual Earnings up to a maximum of \$1,500,000 ^{1, 2, 3, 4, 5}
Spouse	N/A	\$10,000 Voluntary Dependent GTL \$10,000 Voluntary Dependent GTL + \$15,000 Voluntary Spouse GTL ^{5,6} \$10,000 Voluntary Dependent GTL + \$40,000 Voluntary Spouse GTL ^{5,6}
Dependent Child(ren)	N/A	\$10,000 Voluntary Dependent GTL

¹Basic Annual Earnings are the contract salary for employees on a nine-month or twelve-month contract, the hourly rate times 2,080 for hourly wage employees or the weekly rate times 52 for weekly wage employees. Basic Annual Earnings excludes overtime pay, commissions, bonuses and other types of extra compensation.

²If you receive a salary increase during the plan year, your premiums will not be increased. However, in the event of your death, benefits will be paid according to your Basic Annual Earnings at the time of death. Benefits and premiums will not reduce if your salary decreases during the plan year.

³Premiums for the 1st \$50,000 of Voluntary GTL are deducted from an employee's paycheck before taxes are calculated.

⁴Effective September 1, 2004, the Voluntary GTL amount will be in addition to the Basic GTL coverage. NOTE: You must be enrolled in a UT medical plan to be enrolled in the Basic GTL coverage.

⁵Evidence of Insurability is required if you or your spouse were previously eligible and wish to elect Voluntary GTL or if you or your spouse wishes to increase Voluntary GTL benefits.

⁶The Voluntary Spouse GTL benefit may be elected as long as the employee Voluntary GTL and Voluntary Dependent GTL are elected.

Group Term Life Insurance

Voluntary GTL Features

- Accelerated Payment Benefit: You may receive up to 50% of your coverage amount if you become terminally ill.
- Automatic Increase Feature: Your coverage will automatically be raised when your salary increases without Evidence of Insurability.
- Employee Waiver of Premium: If you become totally disabled for more than six continuous months before age 60, you can apply for your out-of-pocket premiums to be waived. This benefit ends at age 65, or when you are no longer disabled, whichever comes first.
- The opportunity to convert your Basic and Voluntary GTL and the Voluntary Spouse and/or Dependent GTL coverage to an individual policy if you leave employment with The University.

Note: For benefits to be payable under the plan for first time enrollees, employees and their dependents must meet the following Active Service definition before the coverage will become effective:

Active Service means you are:

- performing the normal duties of your occupation; and
- working the number of hours set forth in the plan's eligibility provisions.

The Active Service requirement does not pertain to dependent coverage; however, if your dependent is confined in the hospital on the date his/her coverage would otherwise become effective, the insurance effective date will be deferred until a later date when the dependent is no longer confined in the hospital.

Exclusions: The Voluntary GTL plan does not pay benefits for death by suicide during the first two years of coverage.

You may read additional information about plan features and exclusions in the Group Term Life Plan certificate available online at www.utsystem.edu/egi. Your campus Benefits Office has a limited supply available for those without internet access.

Fort Dearborn Life Insurance Company

www.fdl-life.com/ut

(866) 628-2606

M-F 8:00 AM - 5:00 PM CST

Accidental Death and Dismemberment Insurance

Fort Dearborn Life Insurance Company (FDL) will become the insurer for the Accidental Death and Dismemberment (AD&D) (formerly called Personal Accident Insurance) options available to you and your dependents effective September 1, 2004. The AD&D plan provides benefits for you and your dependents following an accidental death or certain bodily injuries which occur as a result of a covered accident. You will be required to complete a new Beneficiary Form, available from your campus Benefits Office.

FDL offers the following plan options:

- Employee Basic AD&D
- Employee Voluntary AD&D
- Voluntary Spouse AD&D
- Voluntary Dependent AD&D

If you are currently enrolled in the Voluntary AD&D coverage through the CIGNA Group Term Life plan, your coverage, as well as any Voluntary Dependent AD&D coverage will transition to the FDL AD&D plan without reduction in coverage unless you elect to reduce or cancel coverage during Annual Enrollment.

NOTE: Due to plan design changes, if you are an active employee and do not participate in a UT medical plan, you should have received a letter from UT System Employee Group Insurance indicating how plan design changes may affect you during Annual Enrollment. If you have not received this letter, please contact your campus Benefits Office or UT System Employee Group Insurance to receive appropriate instruction in order to prevent possible loss of coverage.

Accidental Death and Dismemberment Options

Member	Basic AD&D	Voluntary AD&D
Employee	\$10,000 (provided as part of the Basic Package)	The lesser of \$1 million or 10 times Basic Annual Earnings ^{1, 2} . Coverage is purchased in \$10,000 increments.
Spouse	N/A	The lesser of \$500,000 or 50% of employee's Voluntary coverage. Coverage is purchased in increments of \$10,000 ³
Dependent Child(ren)	N/A	\$10,000 ³

Evidence of Insurability is not required to enroll in or increase Voluntary AD&D coverage.

¹Basic Annual Earnings are the contract salary for employees on a nine-month or twelve-month contract, the hourly rate times 2,080 for hourly wage employees or the weekly rate times 52 for weekly wage employees. Basic Annual Earnings excludes overtime pay, commissions, bonuses and other types of extra compensation.

²Effective September 1, 2004, the Voluntary AD&D amount will be in addition to the Basic AD&D coverage. NOTE: You must be enrolled in a UT medical plan to be enrolled in the Basic AD&D coverage.

³You must have at least \$20,000 Voluntary AD&D coverage to be eligible for Voluntary Spouse AD&D coverage or your Voluntary Dependent AD&D.

Accidental Death and Dismemberment Insurance

AD&D PLAN FEATURES:

Seat Belt, Air Bag, Coma, Exposure and Disappearance Benefit, Child Care Center, Common Disaster, Education, Felonious Assault, Increased Dependent Child, Rehabilitation, Medical Continuation and Spouse Training benefits are additional benefits available to plan participants. You can obtain additional information regarding the details of these additional features online at www.utsystem.edu/egi.

Note: For benefits to be payable under the plan for first time enrollees, employees and their dependents must meet the following Active Service definition before the coverage will become effective:

Active Service means you are:

- performing the normal duties of your occupation; and
- working the number of hours set forth in the plan's eligibility provisions.

The Active Service requirement does not pertain to dependent coverage; however, if your dependent is confined in the hospital on the date his/her coverage would otherwise become effective, the insurance effective date will be deferred until a later date when the dependent is no longer confined in the hospital.

EXCLUSIONS:

- suicide or intentionally self-inflicted injuries, or any attempt thereat, while sane or insane;
- declared or undeclared war or acts of war;
- accident which occurs while the covered person is serving on full-time active duty for more than 30 days;
- accident resulting during the commission of a felony by the covered person; or
- sickness, disease, bodily or mental infirmity, or medical or surgical treatment thereof bacterial or viral infection, regardless of how contracted. This does not include bacterial infection that is the natural and foreseeable result of an accidental external cut or wound, or accidental food poisoning.

You may read additional information about plan features and exclusions in the Accidental Death and Dismemberment Plan certificate available online at www.utsystem.edu/egi. Your campus Benefits Office has a limited supply available for those without internet access.

Fort Dearborn Life Insurance Company

www.fdl-life.com/ut

(866) 628-2606

M-F 8:00 AM - 5:00 PM CST

Short Term Disability

Choosing the Short Term Disability (STD) plan gives you income protection in case you become disabled due to illness or a non-occupational injury. The Short Term Disability plan is fully-insured through The Hartford.

After a 30-day elimination period requirement has been satisfied or after you use all of your sick leave (whichever is longer), if your disability claim is approved, you will be eligible to receive 60% of your covered salary. Benefits under this program will be decreased by deductible sources of income or other disability benefits received from other sources. Your total disability pay, including other sources of income, cannot be more than 60% of your covered salary.

Short Term Disability Benefits Summary

Weekly Benefit	60% of weekly earnings up to a maximum benefit of \$693.00 per week subject to reduction by deductible sources of income or disability earnings.
Elimination Period	Accident: Thirty (30) days Sickness: Thirty (30) days
Maximum Period Payable	22 Weeks; 4 weeks for pre-existing conditions
Definition of Disability	Occupation Definition: You are unable to perform the duties of your regular occupation because of sickness or a non-occupational injury. OR Earnings Definition: You are working, but you are unable to earn more than 80% of your pre-disability earnings because of sickness or non-occupational injury.
Sick Leave	You must exhaust all of your sick leave before benefits are payable.
EOI	All previously eligible employees must complete an Evidence of Insurability form.
Pre-Existing Condition	A pre-existing condition is a condition for which medical treatment or advice was rendered, prescribed or recommended within three (3) months prior to the employee's effective date of STD insurance. A condition will no longer be considered pre-existing if it causes disability that begins after the employee has been insured under the Short Term Disability policy for a period of twelve (12) months.
Other Exclusions	Disabilities resulting from war, suicide or felony, occupational accident or sickness or while incarcerated.

You may read additional information about plan features and exclusions in the Short Term Disability Plan certificate, available online at www.utsystem.edu/egi. Your campus Benefits Office has a limited supply available for those without internet access.

The Hartford

Short Term Disability

www.thehartfordgroupbenefits2.com

User ID: 'uni101", Password, "plan"

(800) 303-9744

8:00 AM - 8:00 PM EST

Long Term Disability

Long Term Disability (LTD) insurance is offered to you through The Hartford.

LTD provides income protection should you become disabled. After the 90-day elimination period requirement has been satisfied or after you have exhausted your sick leave (whichever is longer), if your disability claim is approved, you will be eligible to receive 60% of your covered salary. Benefits under this program will be decreased by the same amount as any disability benefits received from other sources. Your total disability pay, including other sources of income, cannot exceed 60% of your covered salary. The LTD program does not cover Long Term Care services.

Long Term Disability Benefits Summary

Monthly Benefit	60% of your monthly earnings up to a maximum benefit of \$12,025 per month, subject to deductible sources of income or other disability earnings.	
Elimination Period	90 days from onset of disability, during which you are continuously disabled	
Maximum Period Payable	Age at Disability	Maximum Period Payable
	Less than age 60	To age 65, but not less than 5 years
	Age 60 through 64	5 years
	Age 65 through 69	To age 70, but not less than 1 year
	Age 70 and over	1 year
Definition of Disability	Occupation Definition: During the first 24 months of disability, you are unable to perform the duties of your regular occupation because of sickness or accidental injury. After 24 months of disability, you are unable to perform the duties of any occupation for which you are reasonably qualified. OR Earnings Definition: You are working, but you are unable to earn more than 80% of your pre-disability earnings because of sickness or accidental injury.	
Sick Leave	You must exhaust all of your sick leave before benefits are payable.	
Pre-Existing Condition Exclusion	A pre-existing condition is a condition for which medical treatment or advice was rendered, prescribed or recommended within three (3) months prior to your effective date of Long Term Disability insurance. After you have been insured under the Long Term Disability plan for a period of twelve (12) months, a medical condition will no longer be considered pre-existing.	
Waiver of Premium	Premiums are waived when LTD benefits begin.	
EOI	All previously eligible employees must complete an Evidence of Insurability form.	
LTD Exclusions	Disabilities resulting from war, suicide or felony, loss of a professional license, occupational license or certification, participation in a riot or while incarcerated.	
Limitations	24 months of benefits for mental nervous disorders or substance abuse.	

You may read additional information about plan features and exclusions in the Long Term

Long Term Disability

Disability Plan certificate available online at www.utsystem.edu/egi. Your campus Benefits Office has a limited supply available for those without internet access.

The Hartford

Long Term Disability

www.thehartfordgroupbenefits2.com

User ID: 'uni101", Password, "plan"

(800) 303-9744

8:00 AM - 8:00 PM EST

Long Term Care

Group Long Term Care (LTC) insurance is available to you, your spouse, adult children (25 years and older), parents, grandparents, parents-in-law and grandparents-in-law. The Group LTC plan is insured through Continental Casualty Company, a subsidiary of CNA, Group Life Assurance Company.

LTC insurance provides funds for necessary services once individuals become incapable of caring for themselves. Covered services include assistance in the home with day-to-day activities or special assistance in a nursing home.

Your eligible family member may apply without you having applied. However, only the premium for you and your spouse may be deducted from your UT paycheck. Other enrolled family members are required to pay CNA directly.

Long Term Care Benefit			
Daily Maximum Benefit	\$100	\$125	\$150
Lifetime Maximum Benefit	\$182,500	\$228,125	\$273,750
Automatic 5% Benefit Increase (1st yr)	\$191,625	\$239,531	\$287,438
Automatic 5% Benefit Increase (2nd yr)	\$201,206	\$251,508	\$301,810

- You may elect either the Guaranteed Benefit Increase Option, which will increase on the 3rd anniversary of the Master Policy or the optional benefit which allows a Lifetime Compound Automatic Benefit increase. If this benefit is elected, on each anniversary of your coverage effective date, CNA will increase each benefit amount in effect by 5%.
- Daily Maximum Benefit options of \$100, \$125 or \$150 payable for each day of care.
- Lifetime Maximum equals 1,825 times the Daily Maximum benefit selected. For example, if you select the \$125 Per Day benefit, the total available Lifetime Maximum Benefit payable would be \$228,125.
- An Automatic Benefit Increase Option that will automatically increase your Daily Maximum Benefit payable by 5% each year. Also, Automatic Benefit Increase can lead to a significantly higher Lifetime Maximum

A person becomes eligible for LTC benefits when they are certified chronically ill by a licensed healthcare practitioner. Chronically ill means the person is unable to perform two or more activities of daily living (bathing, continence, dressing, eating, toileting, transferring) for 90 days without substantial assistance or supervision.

Chronically ill can also mean that an individual has a severe cognitive impairment that can cause threats to the individual's health and safety without a great deal of supervision. The waiting period for benefits is 90 days, starting on the first day of chronic illness and ending 90 calendar days later.

For additional information, or to order a complete package of information including enrollment materials, please call CNA Customer Service at (888) 825-0353. Additional information is also available at www.ltcbenefits.com (password: utsguest).

CNA Group Benefits

Long Term Care

www.ltcbenefits.com

password: utsguest

(888) 825-0353

8:00 AM - 6:00 PM EST

Reviewing and Selecting Coverages

A convenient, paperless enrollment system called UT TOUCH (www.utsystem.edu/UTTOUCH) has been developed for your use during the Annual Enrollment period. UT TOUCH Online allows you to view and change your coverages on the Internet.

The Annual Enrollment period is July 1 through July 31, 2004. Benefit selections are effective September 1, 2004 through August 31, 2005.

In June you will receive a Coverage Option Letter (or email message) that includes your unique Personal Identification Number (PIN) that will provide access to the UT TOUCH systems. You must have a PIN to make automated updates to your coverage. Your PIN remains the same from year to year unless you request a new one. The Coverage Option Letter lists your current coverages, your future coverage options, and, if you are being defaulted out of your current coverage, the coverage that you will have on September 1, 2003. You must enroll to keep or join the UT FLEX benefit. You may wish to verify the ZIP code at your residence is eligible for the plans you want to choose.

After completing your UT TOUCH Online enrollment session, you will receive a personalized confirmation of your selections. You may change your benefit selections as often as you wish before midnight CDT, July 31, 2004. Completing your selections as early as possible allows you more time to review your confirmation statement.

Under certain circumstances, you will be required to submit an Evidence of Insurability (EOI) or signature verification form to your campus Benefits Office by their deadline before your selections can take effect. UT TOUCH and your confirmation statement will notify you when EOI is necessary. You are encouraged to complete and submit EOI forms as soon as possible because approval may take several weeks. If you do not submit required EOI forms, your selection will not take effect.

You may also add dependents by using UT TOUCH Online or in person at your campus Benefits Office. If you add dependents to medical coverage, you are required to complete a dependent information form, available from your campus Benefits Office. If you have questions regarding the Annual Enrollment process, contact your campus Benefits Office.

UT TOUCH Online or UT TOUCH Direct

UT TOUCH Online is an enrollment system for reviewing your coverage at any time during the year and for making benefit selections during Annual Enrollment. It is best viewed with Netscape Navigator or Microsoft Internet Explorer version 4.0 or better. America Online (AOL) users should use version 5.0 or better. Users with older versions of AOL should first connect to the Internet with AOL, and then use a compatible version of Netscape Navigator or Microsoft Internet Explorer to access this system.

By July 1, you should receive your coverage option letter listing your coverage and options for the 2003-2004 plan year. The letter provides a Personal Identification Number (PIN) which, when used with your Social Security number, acts as a secure password into the system. If you have a high assurance electronic ID (EID) on UT Austin's UTDirect system, you will be able to enroll through UT TOUCH Direct using your EID. UT TOUCH Direct can be found at <https://utdirect.utexas.edu/nlogon/sgwww/uttouch/>

Reviewing and Selecting Coverages

On the screenshot below you will see both a "Current" and "Future" option. This year, the "Future" option is also available before you have made your Annual Enrollment selections. Once you have made changes and successfully updated them, you can confirm them using the "Future" view, and you will then only be able to submit changes from the "Future" view.

Enter the Social Security number of the primary insured (subscriber) Enter the four-digit PIN from the coverage option letter sent to you by EGI Select the button next to 'Future' or 'Current' based on above instructions Click the 'View' button to see current coverage or options for next year

the UNIVERSITY of TEXAS
System **UT TOUCH**
Employee Group Insurance
Subscriber SSN or Reference Number PIN Current Future (eff. 9/1/2009) VIEW Try UTTouchDirect
LOGOFF Help Center Protect your PIN - LOGOFF when done Mail: 512766090 11/31/08
Welcome to U.T. Touch Online.

YOU MUST HIT THE RED "UPDATE" BUTTON TO SAVE YOUR CHANGES.

While using UT TOUCH Online, there are several buttons that will move you out of the "update" process by opening another browser window. Since there is a time limit for automated logoff, we suggest the following order for updates on UT TOUCH Online:

- If you will be adding any dependent coverage, and your dependents do not appear on the "Dependents list", please add your dependents first.
- Make your future coverage selections and press "UPDATE".
- Review your Long Term Care options.
- Logoff.

Hit the "LOGOFF" button to exit. If you correctly update your coverage, you will receive a confirmation statement by mail or email. You may make as many changes as necessary until midnight of July 31, Central Daylight Time.

Contact Information: Plan Administrators

Plan/Plan Administrator	Claims Address	Telephone/Hours	Website
UT SELECT PPO medical (Blue Cross Blue Shield of Texas)	P.O. Box 660044 Dallas, TX 75266	(866) 882-2034 8:00 AM - 5:00PM CST	www.bcbstx.com/ut/
UT SELECT PPO prescription (Medco Health Solutions, Inc.)	P.O. Box 2187 Lee Summitt, MO 64063-2277	(800) 818-0155 24hrs a day	www.medcohealth.com
HMO Blue Texas (Blue Cross Blue Shield of Texas)	P.O. Box 660044 Dallas, TX 75266-0044	(888) 322-2379 7:30 AM - 6:00 PM CST	www.bcbstx.com/ut/
UT FLEX (PayFlex Systems)	P.O. Box 3039 Omaha, NE 68103-3039	(866) 887-3539 Fax - (877) 230-7286	www.utflex.com
UT Dental Select (Delta Dental)	P.O. Box 1809 Alpharetta, GA 30023	(800) 893-3582 or (800) 521-2651 6:15 AM - 6:30 PM CST	www.deltadental.com
Assurant Dental DMO	P.O. Box 830949 Birmingham, AL 35283-0949	(800) 443-2995 7:00 AM - 6:00 PM CST	www.assurantemployeebenefits.com
Superior Vision	P.O. Box 967 Rancho Cordova, CA 95741	(800) 507-3800 M-F 5:00 AM - 6:00 PM PST Sat 8:00 AM - 1:00 PM PST	www.superiorvision.com
Fort Dearborn Life	P.O. Box 655403 Dallas, TX 75265-5403	(866) 628-2606 M-F 8:00 AM - 5:00 PM CST	www.fdl-life.com/ut
Fort Dearborn Life (Death and Dismemberment)	P.O. Box 655403 Dallas, TX 75265-5403	(866) 628-2606 M-F 8:00 AM - 5:00 PM CST	www.fdl-life.com/ut
The Hartford (Short Term Disability and Long Term Disability)	P.O. Box 946710 Maitland, FL 32794-6710	(800) 303-9744 8:00 AM - 8:00 PM EST	www.thehartfordgroupbenefits2.com (User ID: 'uni101', Password, "plan")
CNA (Long Term Care)	P.O. Box 946760 Maitland, FL 32794-6760	(888) 825-0353 7:00 AM - 5:00 PM CST	www.ltcbenefits.com (password: utsguest)

Contact Information: Benefits Offices

UT Arlington

Office of Human Resources
J.D. Westel Bldg
1225 W Mitchell, Ste 212
Arlington, TX 76019
Phone: (817) 272-5554
Fax: (817) 272-5798

UT Austin

P.O. Drawer V
Austin, TX 78713
Phone: (512) 471-4343 or
Toll Free (800) 687-4178
Fax: (512) 471-5034

UT Brownsville

Human Resources UTB/TSC
Cortez 129
80 Fort Brown
Brownsville, TX 78520
Phone: (956) 544-8205
Fax: (956) 982-0175

UT Dallas

Mail Station MS, HR 10
P.O. Box 830688
Richardson, TX 78083-0688
Phone: (972) 883-2221
Fax: (972) 883-2156

UT El Paso

Administration Building, Room 216
500 West University Avenue
El Paso, TX 79968
Phone: (915) 747-5202
Fax: (915) 747-5815

UT Health Science Center Houston

7000 Fannin UCT 10th Floor
Houston, TX 77030
Phone: (713) 500-3935
Fax: (713) 500-3701

UT Health Science Center San Antonio

7703 Floyd Curl Drive, MSC 7972
San Antonio, TX 78229-3900
Phone: (210) 567-2600
Fax: (210) 567-6791

UTMB Correctional Managed Care

1500 State School Road
Gatesville, TX 76598
Phone: (254) 865-8901 x164
Fax: (254) 865-8901 x340
UTMB Correctional Managed Care
Two Circle Drive
Sugarland, TX 77478
Phone: (281) 490-1146
Fax: (281) 491-8498

UTMB Correctional Managed Care

HC02 Box 967
Beeville, TX 78102
Phone: (361) 362-6357
Fax: (361) 362-6355

UTMB Correctional Managed Care

6 miles south of Tennessee Colony
off FM 645
Tennessee Colony, TX 75880
Phone: (903) 928-2217 x3163
Phone: (903) 928-2217 x3409
UTMB Correctional Managed Care
3009 A Highway 30, West (I-45)
Huntsville, TX 77340
Phone: (936) 437-3512
Fax: (936) 437-3511

UT MD Anderson Cancer Center

Physical Address:
2450 Holcombe Boulevard
Benefits, Unit 634
Houston, TX 77021
Mailing Address:
HR Benefits, Unit 634
PO Box 301402
Houston, TX 77230-1402
Phone (713) 745-6947
Fax: (713) 745-7167

UT Pan American

PSO 111
1201 W University Drive
Edinburg, TX 78539-2999
Phone: (956) 381-2551
Fax: (956) 381-2340

UT Permian Basin

4901 East University Boulevard
Odessa, TX 79762
Phone: (432) 552-2747
Fax: (432) 552-3747

UT San Antonio

5723 University Heights Blvd Ste 500
San Antonio, TX 78249-0610
Phone: (210) 458-4250
Fax: (210) 458-7890

UT Southwestern Medical Center Dallas

5323 Harry Hines Blvd
Dallas, TX 75390-9023
Phone: (214) 648-9820 or 9830
Fax: (214) 648-9891

UT System Administration

702 Colorado Street, 2.150
Austin, TX 78701
Phone: (512) 499-4587
Fax: (512) 499-4395

UT Tyler

3900 University Boulevard
Tyler, TX 75799
Phone: (903) 566-7234
Fax: (903) 565-2845

HRCMC Galveston

301 University Boulevard
Galveston, TX 77555-1006
Phone: (409) 747-2619
Fax: (409) 763-1915

UT Health Center Tyler

11937 US Highway 271
Tyler, TX 75708-3154
Phone: (903) 877-7740
Fax: (903) 877-2845

UTMB

301 University Boulevard
Galveston, TX 77555-0140
Phone: (409) 772-2630
Fax: (409) 772-2754

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