



PeopleSoft Is Coming to Insurance & Benefits!

Insurance & Benefits will “go live” with PeopleSoft in early July. PeopleSoft, an integrated business system, is being implemented in phases. The first phase, implemented in January, included Financial Management and Purchasing. The second phase, which includes Insurance & Benefits, Human Resources, Payroll, Absence Management, and Employee Professional Development, is scheduled for implementation in early July.

How Will PeopleSoft Affect Me?

You may be asking yourself “How will PeopleSoft affect me?” Initially, you may notice very few changes, but PeopleSoft will do a number of things to streamline the administration of benefits. One of the most significant advantages of the new PeopleSoft system is that it will capture the benefit history of employees. This will be especially useful in determining prior coverages and benefit change dates.

PeopleSoft will do a number of things to streamline the administration of benefits.

In the near future, we will be able to go “paperless” and you will be able to view your benefits online. You will also be able to make online changes to your benefits during the 2010 Open Enrollment.

Finally, your “PeopleSoft” pay stub will contain much more detailed benefit information than your current pay stub.

Terminology

Another area in which you’ll notice change is terminology. We have become accustomed to calling our Blue Cross Blue Shield plans

“health” plans. Under PeopleSoft, our Blue Cross Blue Shield plans will be referred to as “medical” plans. The term “health” under PeopleSoft includes medical, dental, vision, and cancer insurance, which are referred to collectively as “core health benefits”. While this may seem like a small change, we will make every effort to refer to the benefits by the names you will see when you go online to view your benefits.

Benefit Bank dollars (the amount the District contributes annually for you to apply toward the purchase of medical, dental, vision, and cancer insurance), will be called “Flex Credits” under PeopleSoft. Flex Credits may be applied toward the purchase of core health benefits: medical, dental, vision, and/or cancer insurance the same as Benefit

Bank dollars. Unlike Benefit Bank dollars, however, you will see Flex Credits on your pay stub. If you do not spend all your Flex Credits, the remainder will show up on your pay stub as “Unused Flex Credits”.

Aligning Effect Dates of Coverage

PeopleSoft is a state-of-the-art integrated software system that utilizes best business practices. This will result in some changes to current District practices. An excellent example is the alignment of effective dates of coverage. Under our current system, new employees can have a different effective date of coverage than their dependents, which often results in confusion.

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Understanding Your Pharmacy Benefit

If you were previously enrolled in the BCBS 927 or 903 PPO plans, you were used to the two-tiered pharmacy co-payment program under those plans. If you switched to the BCBS 706, 118, or HMO 10 plans during Open Enrollment, however, you must learn the new rules of the three-tier pharmacy co-payment program under those plans.

The similarity among all District BCBS Plans is the free generic drug program. There is no cost to you under any of the plans for a generic drug.

Brand drug co-payments under the two and three-tier pharmacy programs, however, are different. All brand drugs under the 903 Plan's two-tier program have the same co-payment. Brand drugs under the three-tier pharmacy programs are divided between "preferred" and "non-preferred" brand drugs. The co-payment for non-preferred drugs is significantly higher.

All brand drugs under the BCBS 903 plan are covered as follows:

- \$20 (30-day supply @ retail pharmacy)
- \$40 (90-day supply @ mail order pharmacy)

Brand drugs under the BCBS 706, 118, and HMO 10 plans are covered as follows:

Preferred brand drugs:

- \$25 (30-day supply @ retail pharmacy)
- \$50 (90-day supply @ mail order pharmacy)

Non-Preferred brand drugs:

- \$40 (30-day supply @ retail pharmacy)
- \$80 (90-day supply @ mail order pharmacy)

To find out if your brand name drug is a preferred or non-preferred drug, you can check the BCBS Medication Guide at www.bcbsfl.com. The list includes generic drugs, which are listed in **bold** lower case and preferred brand drugs, which are listed in UPPER CASE. If the brand drug you are taking is not on the list, it is a non-preferred brand drug and subject to the higher brand co-payment.

If you have any questions about your pharmacy benefit, you can contact BCBS Customer Service at 800-945-3676.

PeopleSoft (continued)

Under PeopleSoft, employees and their dependents will have the same effective date of coverage, which will always be the first day of a month (with the exception of future family status changes).

While this change will not impact existing employees, it will streamline the enrollment process for new hires going forward.

Imputed Income

A change that will impact certain employees will be the calculation of "Imputed Income". This calculation has not been possible under the District's current legacy software system. Beginning with the July 15th payroll, however, imputed income will be calculated for employees who meet the Internal Revenue Code (IRC) criteria.

Imputed income is the amount the IRS deems an employee has "saved" by purchasing life insurance at a group rate. They compare the amount an employee actually pays to a standard rate table and treat any savings as "earnings."

Imputed income is only calculated on employee life insurance in excess of \$50,000. To determine imputed income for employee group life insurance amounts over \$50,000, the IRC uses a table divided into five-year age brackets. An employee is only subject to imputed income if the amount he/she pays is less than the standard rate for his/her age bracket.

The cost of District employee supplemental life insurance is currently \$.274/thousand dollars/month. The first age bracket on the IRC chart with a monthly cost over \$.274/thousand dollars/month is the 55-59 year age bracket; therefore, any employee younger than 55 would not be recognized as having earned imputed income, while any employee 55 and over would be. (It should be noted that the age of the employee on the last day of the calendar year is used for this calculation.)



Imputed income will also be calculated on spouse life insurance. If the spouse life policy has a face value of over \$2,000, imputed income will be calculated on the entire amount. The same age tables apply to spouse life insurance as employee life insurance. Imputed income on spouse life insurance is based on the spouse's age.

If you are 55 years of age or older and you purchase more than \$50,000 of group life insurance, you will see an amount of "imputed income" on your pay stub. This amount is not the amount of Federal Income Tax (FIT) you will have to pay. It is the amount of "imputed income" being reported to the IRS. Employees will be responsible for paying taxes on imputed income just as they would for their other earnings.

Employee Self Service

One of the highlights of the new PeopleSoft system will be the ability of employees to view their benefits on line and to make "paperless" changes to their benefits during Open Enrollment. You will no longer have to send in multiple forms and wonder if they were received on time. You will have instant validation/confirmation of the changes you made.

The Insurance & Benefits team will make every effort to help employees make the transition from our current legacy system to the new PeopleSoft system as smooth as possible. We will provide email assistance via Insurance & Benefits Notifications and we will provide extensive assistance on our website. We will keep you posted on how the implementation is going and let you know if we experience any challenges that may require special instructions.

We look forward to the July PeopleSoft implementation for Insurance & Benefits and hope you will be looking forward to it, too!

Additional Life Insurance Deduction from Final FY09 Paycheck

The School District will be moving employee benefits to PeopleSoft, a new software system, effective July, 2009. The PeopleSoft System utilizes industry best practices by aligning the effective date of all benefits, pre-payment of benefits, and coverage end dates.

Currently, all benefits except group term life insurance are pre-paid. Life insurance is paid at the end of the pay period for which there was coverage. To align your life insurance with your other benefits, the District will be required to take one additional life insurance payroll deduction from your final FY 09 paycheck with deductions.

This will not result in an overcharge; it just realigns life insurance payments. Currently, when you terminate your employment, your life insurance ends earlier than your other benefits. Under the PeopleSoft system, when you terminate employment, your life insurance will end the same time as your other benefits.

An additional payroll deduction will be taken for your employee supplemental life insurance and your spouse and/or child(ren) life insurance (if applicable).

Aligning all benefit deductions, effective dates, and coverage end dates will streamline the process and be easier to understand.

If you have any questions, please call Insurance & Benefits at 337-8321.

Workers' Compensation: Employee Rights & Responsibilities

Rights

If you have a work-related injury or illness, you have the right under the State of Florida's workers' compensation law to:

- Select and/or change your Primary Care Provider or Specialist Provider from among the authorized physicians offered by Johns Eastern, the District's workers' compensation third party claims adjusting firm;
- Receive medical treatment with dignity, courtesy, privacy, respect, and confidentiality within the confines of the Florida Workers' Compensation Act;
- Receive timely information about your treatment, including available alternatives and their potential effectiveness;
- Request a second medical opinion from a participating network provider using the established procedures;
- Access your medical records and have copies made at your own expense; and
- Appeal any disputed medical or administrative decision using the established appeal procedures.

Responsibilities

As an employee treating for a work-related injury or illness, you have the responsibility to:

- Immediately report any injury you sustain on the job to your supervisor and the Benefit Contact at your location;

- Obtain all medical care from a Johns Eastern approved provider;
- Follow your medical provider's and Johns Eastern claim representative's instructions concerning your treatment;
- Provide your Primary Care Provider and/or Specialist Physician with a complete medical history, as well as the current medical problem(s) related to your employment;



- Keep all scheduled appointments for medical care and evaluations;
- Keep your supervisor, Benefit Contact, and Johns Eastern adjuster aware of all your appointments and doctor's recommendations;
- Immediately report all work restrictions to your supervisor and your Johns Eastern adjuster so they can provide appropriate work for you under the School District's Light Duty program; and
- Return to active employment as soon as you are released for either limited or full duty by your medical provider(s).

Benefit Directory

Cancer Insurance:

Hartford Life/AIG
1-800-880-2776

Dental Insurance:

Delta Dental DPO
1-888-858-5252
DeltaCare DHMO
1-800-422-4234

Disability Insurance:

UNUM
General Information
1-800-633-7479
Claims (local) 337-8155

Employee Assistance Program:

EAP Consultants
(local) 433-1211

Flex Spending Accounts:

Cornerstone
(local) 337-8318
(fax) 337-8666

Health Insurance:

Blue Cross Blue Shield
(claim information and new ID cards)
1-800-945-3676
On-site CSR (Insurance & Benefits Management)
(local) 335-1403

Insurance & Benefits Management:

General Information
(local) 337-8321

Life Insurance:

Minnesota Life
(local) 335-1402

Mail-Order Prescription Drugs:

PrimeMail Pharmacy
Customer Service
1-888-849-7865, TTY 711

Vision Insurance:

Avesis Vision Plan
(local) 332-1417

Workers' Comp. (Johns Eastern):

1-800-749-3044

Benefit Coverage End Dates for Terminating Employees

Insurance & Benefits has received a number of calls from employees asking how long they will be covered under the District's BCBS health plan if their employment is terminated at the end of this school year. Below is a chart of the various employee work calendars ("Work Calendar" column) and the final work day for each work calendar ("Last Day Worked" column). If you work through the final day of your work calendar and do not return next



year, you will have health insurance through the date in the "Coverage Through" column.

The same "Coverage Through" dates apply to dental, vision, and cancer, and life insurance.

If you return to your position next year, you will have no break in your insurance coverage.

If you have any questions about your health or other insurance coverage dates, please call Insurance & Benefits at 337-8321.

WORK CALENDAR	LAST DAY WORKED	LAST DEDUCTION	COVERAGE THRU...
12 Month (255 Day)			30 days from Termination
11 1/2 Month (226 Day)	06/25/09	06/30/09	08/15/09
11 Month (216 Day)	06/25/09	06/30/09	08/31/09
Except JROTC	06/15/09	06/15/09	08/31/09
206 Day	06/18/09	06/15/09	08/31/09
201 Day	06/15/09	06/15/09	08/31/09
196 Day	06/11/09	06/15/09	09/15/09
190 Day	06/11/09	06/15/09	09/15/09
187 Day	06/10/09	06/15/09	09/15/09
186 Days (Bus Operators/Attend)	06/10/09	06/30/09	09/30/09