



# Grattan Academy

## 2010 Benefits Guide



# Introduction



Its time for our Annual Open Enrollment. Any changes you make will be effective July 1, 2010, and continue until June 30, 2011.

MJ Management continues to be committed to offering our eligible employees and their family members comprehensive, affordable health care coverage. We, like most other employers, are struggling to deal with the increasing cost of healthcare. We've all read about this in the news and the problem is real. The cost of healthcare continues to rise at a much higher rate than inflation.

**Please be sure to read the Open Enrollment Newsletter in its entirety.** It contains important information on your benefits to help you make informed decisions regarding your health care participation for the 2010-2011 plan year.

## Open Enrollment Process—What Do I Need To Do?

1. Read this booklet carefully. Familiarize yourself with each benefit plan option.
2. Review your current benefit elections.
3. Consider your health care needs. Think about the health care needs that you can anticipate for yourself and your covered family members in the coming year.
4. Determine how much to contribute to your Flexible Spending Account.
5. Ask Questions. If you have questions about your benefit plan options please contact Jenny Serbantez at (734) 675-5505.
6. Finalize your elections. **Please return all completed enrollment forms by June 18th.**

### Important Dates to Remember

**June 1-30, 2010– Open Enrollment**

**June 18, 2010- Enrollment Forms Due**

**July 1, 2010– Benefit Effective Date**

# Family Status Changes



Once your enrollment elections have been submitted you will not be permitted to change your benefit elections unless you experience a qualified change in family status. Family status changes include:

- Change in marital status (marriage/divorce)
- Birth, adoption or legal guardianship of a child
- Death of a spouse or dependent
- Termination of your spouse's employment
- Switch from full-time to part-time employment
- Begin or return from an unpaid leave of absence
- Change in dependent eligibility

You must report any family status change to MJ Management within **30 calendar days** of the date of the event. Otherwise, you will be required to wait until the next open enrollment period to add or remove any qualified dependents.

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## Eligibility

### Who is eligible for benefits coverage with MJ Management?

For the purpose of health, dental, and vision benefits, "full-time" is defined as employees working at least 40 hours per week. "Part-time" employees may purchase benefits at cost.

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## Opt-Out Bonus

MJ Management will pay an "opt-out" bonus to employees who choose to opt-out of medical, dental and vision. The opt-out program allows employees to waive coverage and receive \$1,000 per year (\$500 paid on December 15th and \$500 paid on June 30th).

# Medical Plan Options



MJ Management offers a PPO medical plan to its employees. With a PPO plan, you have complete freedom to see any doctor of your choice. If you choose doctors and hospitals within the BCBS PPO network, your out-of-pocket costs are lower than if you use other providers.

BCBS utilizes the Blue Cross Blue Shield PPO network of doctors and hospitals. This is the largest national network of hospitals and primary and specialty care physicians.

A high level comparison of the plan features has been provided for your review.

| <b>BCBSM Community Blue PPO Plan 12</b>                                 |   |                       |
|---|---|-----------------------|
|   | In-Network                              | Out-of-Network        |
| <b>CALENDAR YEAR DEDUCTIBLE</b>   |   |                       |
| Single  | \$1,000                                 | \$2,000               |
| Family  | \$2,000                                 | \$4,000               |
| Co-Insurance  | 80%                                     | 60%                   |
| <b>CALENDAR YEAR OUT-OF- POCKET MAXIMUM (Deductibles not included):</b> |   |                       |
| Single  | \$3,500                                 | \$5,000               |
| Family  | \$7,000                                 | \$10,000              |
| Lifetime Maximum Benefit  | \$5,000,000                             |                       |
| <b>PHYSICIAN OFFICE SERVICES</b>  |   |                       |
| Office Visit (Illness/Injury Related)                                   | \$30 co-pay                             | 60% after deductible  |
| Preventive (Well Care) Services*  | 100%                                    | Not Covered           |
| <b>EMERGENCY MEDICAL CARE</b>   |   |                       |
| ER Co-pay**   | \$50                                    | \$50                  |
| Urgent Care Visits<br><i>Must be medically necessary</i>                | \$30 co-pay                             | 60% after deductible  |
| <b>PRESCRIPTION DRUGS</b>   |   |                       |
| Generic Co-Pay  | \$10                                    | 75%, less plan co-pay |
| Brand Name Co-Pay   | \$40                                    | 75%, less plan co-pay |
| Mail Order Drug Program   | 2x retail co-pay<br>for a 90-day supply | N/A                   |

\* \$500 per person maximum per year.

\*\*Waived if admitted or for an accidental injury

# Medical Plan Options (Cont'd)



## Blue Care Network (BCN) Healthy Blue Living HMO

Effective July 1, 2010, we will continue to offer Healthy Blue Living Option 6 as another option of medical benefits. Healthy Blue Living **rewards** employees with lower costs for pursuing their health goals. This plan has the following two levels of coverage—Enhanced and Standard:

| Healthy Blue Living—Option 6  |  |  |
|---|--|--|
| Benefits  | Enhanced Plan  | Standard Plan  |
| Office Visit  | \$25 copay   | \$30 copay   |
| Emergency Room  | \$100 copay  | \$150 copay  |
| Urgent Care   | \$35 copay   | \$50 copay   |
| Inpatient Hospital  | 20% copay after deductible                           | 30% copay after deductible                           |
| Deductible  | \$750/ \$1,500                                       | \$2,000/\$4,000                                      |
| Coinsurance   | 80%  | 70%  |
| Out of Pocket Max<br>(includes deductible)  | \$2,750/\$5,500                                      | \$5,000/\$10,000                                     |
| Prescription Drug options<br>30 day Scripts (Retail Only)<br>90 day Scripts (Retail / Mail Order) | \$10 Generic /\$20 Brand<br>\$20 Generic /\$40 Brand | \$10 Generic /\$40 Brand<br>\$20 Generic /\$80 Brand |

All employees will remain at the same benefit level (Enhanced) for the **first 90** days of coverage. To remain within the Enhanced benefit plan, both you as an employee AND your spouse (if enrolled on your plan), need to:

- (1) Adopt a healthy lifestyle,
- (2) Complete a Health Risk Appraisal and complete the Healthy Blue Living Qualification form and have it signed by your Primary Care Physician (PCP).

Either you or your PCP can mail the form to BCN within **90** days of being covered to remain in the Enhanced level. If BCN does not receive a signed form within the **90** day period, you will automatically be moved to the Standard plan. The Healthy Blue Living Qualification explores six aspects of your overall health as noted on the following page. You will receive a score based on your health status. If you score 80 or more points and/or follow the reassessment plan outlined by your PCP you will remain in the Enhanced plan. If you score below 80 points and do not participate in the reassessment plan outlined by your PCP you will be moved to the Standard plan.

# Medical Plan Options



## Blue Care Network (BCN) Healthy Blue Living HMO

| Six High Impact Health Measures    | Wellness Targets                             | How can members qualify for Enhanced benefits if targets are not met?  |
|------------------------------------|--|--|
| Alcohol use (15 points)            | Pass a physician-administered screening exam | Agree to follow treatment plan. Physician follow up required.  |
| Blood Pressure Control (15 points) | At or below 140/90                           | Agree to follow treatment plan. Physician follow up required.  |
| Diabetes Management (15 points)    | Blood sugar at or below target               | Agree to follow treatment plan. Physician follow up required.  |
| Cholesterol Management (15 points) | LDL-C below target (based on risk factors)   | Agree to follow treatment plan. Physician follow up required.  |
| Smoking Status (25 points)         | Non Smoker                                   | Agree to enroll in BCN's free Quit the Nic smoking cessation program.  |
| Weight (15 points)                 | Body Mass Index at or below 30               | Agree to participate in physician-supervised approved weight management program. Physician follow up required. |

### Commonly asked questions:

- If a member is diabetic or has high blood pressure, will he/she automatically be enrolled in the Standard Plan?**  
 No. Members can qualify for Enhanced benefits and save money - as long as they and their spouse are both committed and working toward healthier lifestyles.
- If a member smokes, will he/she automatically be enrolled in the Standard Plan?**  
 Not necessarily. If they wish to quit, they must meet with their PCP during the first 90 days and complete the Qualification form and state that they will join BCN's Quit the Nic Smoking Cessation program. They must actively participate in the program until they quit smoking.
- What if the member doesn't want to quit smoking, can he or she still qualify for the Enhanced benefit?**  
 No. Only nonsmokers, and smokers who agree to quit by joining the free Quit the Nic program can qualify for Enhanced benefits.

# Blue Care Network (BCN) Resources



## Secure Member Area

Log in to our secure member area - [www.mibcn.com](http://www.mibcn.com).

Our secure member area requires a user ID and password, and is 128-bit encrypted to ensure privacy. This secured environment allows you to:

- Verify eligibility and coverage for everyone on your contract
- Order additional identification cards
- View your benefits
- Select or change your primary care physician
- Access our online health resources
- Tell us what you think about our service

## Managing Member Health

Our many health resources and programs help our members stay healthy, get better and improve their quality of life while living with an illness. These programs provide our members with the information and assistance they need to make informed health care choices.

## BlueHealth Connection Programs

Our BlueHealth Connection® integrated health care management programs help members to:

- Stay healthy
- Get better
- Live with an illness

## BlueHealth Connection Online

Log in to our secure member area to:

- Take a Health Risk Appraisal
- Create a customized health dashboard and personal health record
- Read health tips, articles and prevention information
- Research a condition

## Other Resources

Log in to our secure member area and select our Healthcare Advisor™ for valuable background information about medical conditions, as well as the following health resources to manage your health and make better health care decisions. Included in the Healthcare Advisor:

- **PharmaAdvisor™** - Research and compare drug treatment options.
- **Physician Selection Advisor™** - Select a physician using the criteria most important to you.
- **Hospital Advisor™** - Find and compare hospitals using the factors most important to you.
- **Treatment Cost Advisor™** - Research the cost of common health care service.

## Ready to Quit Smoking?

The facts about smoking:

- Tobacco use accounts for about one third of all cancer deaths in the United States. Smoking causes almost 90 percent of lung cancers.
- Smoking is possibly the single largest preventable cause of cancer death. In 2000, about 1.4 million

# Blue Care Network (BCN) Resources (Cont'd)



cancer deaths, or more than one in every five worldwide, were caused by smoking.

- More than seven million current and former smokers suffer from chronic obstructive pulmonary disease, the name used to describe both chronic bronchitis and emphysema.
- Smoking cigarettes increases the risk of heart disease, which is the number one cause of death in the United States.
- Kids are at risk. Every single day nearly 4,400 youngsters between the ages 12 and 17 start smoking.

## Act now

We want to help you quit smoking. If you are a commercial member, we invite you to call 800-811-1764 to enroll in our free smoking cessation program — Quit the Nic.

Quit the Nic includes a battery of tools to help you quit smoking and is available to all members. You get educational materials and opportunities to talk with registered nurses about how to kick the habit. You'll also get ongoing telephone support to help keep you motivated.

If you have prescription drug coverage and enroll in Quit the Nic, you are covered for over-the-counter and prescription nicotine replacement products for three months. To ensure coverage, Quit the Nic requires a doctor's prescription for both over-the-counter and prescription nicotine replacement products. Coverage can be repeated after six months if you re-enroll in the program.

## Ready to Lose Weight?

Blue Care Network offers Weigh to Go™, a program designed to help our adult members overcome the challenges of maintaining a healthy weight and physical activity level. It is available to all members 18 years or older who have a body mass index of 27 or greater and want to:

- Lose weight
- Increase fitness
- Decrease their risk of developing medical problems

Our partnership with the Michigan Institute for Health Enhancement allows us to offer program components based on each participant's fitness level and weight-management needs.

To register for Weigh to Go, contact the Michigan Institute for Health Enhancement at 866-648-3265 or enroll online at [miteam.org](http://miteam.org). Counselors are available 8:30 a.m. to 5 p.m., Monday through Friday. After hours, you can leave a phone message and request a callback. Institute counselors will determine which program components will best suit your needs.

The Michigan Institute for Health Enhancement has locations in Lansing, Rochester, Roseville and Trenton. Everyone who joins Weigh to Go will receive encouragement, nutrition and exercise information and a plan to help achieve goals.

There is a \$90 charge for this program, but the enrollment fee is refundable if you stay with the program for six months and lose at least 20 pounds.

# Dental Benefits



MJ Management offers a dental plan through The Guardian.

Highlights of the in-network benefits are as follows:

| Annual Deductible                             | None  |
|---|---|
| Class I Services - Preventive & Diagnostic    | Covered at 100%   |
| Class II Services - Basic Restorative         | Covered at 75%  |
| Class III Services - Major Restorative        | Covered at 50%  |
| Class IV Services - Orthodontics              | Covered at 50%.<br>\$1,000 per member lifetime max                    |
| Benefit Year Maximum (based on calendar year) | \$1,000 per member per year for covered Class I, II, and III services |

# Vision Benefits

MJ Management offers a vision plan which is administered through Blue Cross Blue Shield of Michigan, utilizing the Vision Service Plan (VSP) network, the largest provider of vision care in the nation. Under this plan, you can receive services from one of VSP's over 23,000 member doctor locations or a non-participating provider.

## Covered Services Include:

- Internal and external eye exams
- Glaucoma testing
- Cost and fitting for either frames or contact lenses

## With a VSP Participating Provider, you receive:

- Lower out-of-pocket expenses
- No claims to file
- 100% coverage for eye exams after \$5 co-pay
- 100% coverage for lenses/frames to the allowed amount after \$10 co-pay

**Frequency:** Optical benefits for exams, lenses, and frames are payable once every 12 months.

# Flexible Spending Accounts



The Flexible Spending Accounts (FSA) for the medical and dependent reimbursement plans will continue to be available to all eligible Grattan Academy employees. The FSAs allow you to pay for certain health care expenses (e.g., deductibles, co-pays and prescription drug co-pays and dependent day care expenses) with tax-free dollars. One of the easiest ways to estimate your out-of-pocket health care expenses and day care expenses is to base it upon expenses you incurred in the 2009-2010 plan year.

The IRS requires you to re-enroll in the FSA accounts each year. If you are not enrolled, this is the time to consider the importance of this money saving, pre-tax benefit option. The 2010-2011 maximum FSA pre-tax annual deduction limits are \$3,000 for health care expenses and \$5,000 for dependent care expenses.

## Eligible Healthcare Expenses

- Deductibles, co-pays, doctor's office, clinic visits
- Routine physical exams
- Mental health / substance abuse services
- Vision care (glasses and contacts)
- Dental expenses
- Prescription / over-the-counter medications

## Eligible Dependent Care Expenses

- Child care (licensed daycare / preschool)
- Before/after school care
- Day camps
- Transportation

\* Please note that starting in January 2011, healthcare FSA accounts will no longer reimburse for over-the-counter medicine (except insulin) unless it is prescribed by a physician. Regular prescribed medications can still be run through your FSA, as well as all other previously eligible medical expenses.

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# Additional Benefits

MJ Management offers the following benefits to all Grattan Academy employees:

- **Basic Life/AD&D**
- **Disability Income**

# Your Rights Under Federal Law



## Special Enrollment Events/Changes in Family Status

If you decline coverage for yourself and/or your dependents (including your spouse) now because you are covered by another health insurance plan, you may be able to enroll yourself or your dependents in this plan in the future. If you acquire a new dependent as a result of marriage, birth, adoption or placement for adoption, you may be able to enroll yourself and your dependents provided that you request enrollment within 30 days after the event. These events are referred to as changes in "family status." In addition, if you were to lose coverage, you must request enrollment within 30 days after the coverage ends and if the event qualifies as a "family status" change. When you become enrolled as the result of a Special Enrollment Event, coverage will be made effective on the date of the event.

## Women's Health and Cancer Rights Act of 1998 - Annual Notice

Federal law requires a group health plan to provide coverage for the following services to an individual receiving plan benefits in connection with a mastectomy:

- ◆ Reconstruction of the breast on which the mastectomy has been performed;
- ◆ Surgery and reconstruction of the other breast to produce a symmetrical appearance, and
- ◆ Prosthesis and physical complications for all stages of a mastectomy, including lymph edemas (swelling associated with the removal of the lymph nodes).

The group health plan must determine the coverage in consultation with the attending physician and patient. Coverage for breast reconstruction and related services will be subject to deductibles and coinsurance amounts that are consistent with those that apply to other benefits under the plan.

## Newborn and Mother's Health Protection Act - Annual Notice

This 1998 Federal law states: "Group plans and health insurers generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth."

The law provides that neither you nor your newborn baby may be sent home less than 48 hours following a natural childbirth. If you

have a Caesarean section, you may remain at the hospital for 96 hours. A longer stay is based on medical necessity, which is determined by your physician. However, the law does not prohibit either of you from going home in less than 48 hours, or 96 hours following a Caesarean section, provided that you and your physician agrees that is safe to do so.

## Michelle's Law - For plans renewing on or after October 9, 2009

Michelle's Law requires group health plans to continue coverage for up to one year for seriously ill or injured college students who leave school due to a medically necessary leave of absence. The child's treating physician must provide to the plan a written certification that states that the child is suffering from a serious illness or injury and that the leave of absence (or other change of enrollment) is medically necessary.

## Medicaid /CHIP Special Enrollment Period - Effective April 1, 2009

If you or a dependent is covered under a Medicaid or a State child health medical plan (CHIP) plan and coverage is terminated as a result of the loss of eligibility for Medicaid or CHIP coverage, you may be able to enroll yourself and/or your dependent(s). However, you must request enrollment within 60 days after the date eligibility is lost.

Finally, if you or a dependent becomes eligible for premium assistance under an applicable State Medicaid or CHIP plan to purchase coverage under the group health plan, you may be able to enroll yourself and/or your dependent(s). However, you must request enrollment within 60 days after you or your dependent is determined to be eligible for State premium assistance. Please note that premium assistance is not available in all states.

## GINA

The Genetic Information Nondiscrimination Act of 2008 (P.L. 110-233, 122 Stat. 881), also referred to as GINA, is a new Federal law that prohibits discrimination in the health coverage and employment based on genetic information. The President signed the act into law on May 21, 2008.

# YOUR Benefit RESOURCES



|                                  |  |   |
|----------------------------------|--|---|
| <b>Medical</b>                   | <b>BCBSM-PPO</b><br><a href="http://www.bcbsm.com">www.bcbsm.com</a><br>(800) 637-2227               |  <b>Blue Cross<br/>Blue Shield<br/>of Michigan</b>   |
| <b>Medical</b>                   | <b>Blue Care Network (BCN)</b><br><a href="http://www.mibcn.com">www.mibcn.com</a><br>(800) 662-6667 |  <b>Blue Care<br/>Network<br/>of Michigan</b><br><small>A nonprofit corporation and independent licensee<br/>of the Blue Cross and Blue Shield Association</small> |
| <b>Prescription</b>              | <b>Medco</b><br><a href="http://www.medcohealth.com">www.medcohealth.com</a><br>(800) 903-8346       |  <b>medco</b> MAKING MEDICINE SMARTER™   |
| <b>Dental</b>                    | <b>Guardian</b><br><a href="http://www.glic.com">www.glic.com</a><br>(800) 541-7846                  |  <b>GUARDIAN</b> ®  |
| <b>Vision</b>                    | <b>BCBSM (VSP)</b><br><a href="http://www.vsp.com">www.vsp.com</a><br>(800) 877-7195                 |  <b>vsp</b><br><small>Vision care for life</small>   |
| <b>Life/Disability</b>           | <b>Guardian</b><br><a href="http://www.glic.com">www.glic.com</a><br>(800) 541-7846                  |  <b>GUARDIAN</b> ®   |
| <b>Flexible Spending Account</b> | <b>AFLAC</b><br><a href="http://www.aflac.com">www.aflac.com</a><br>(800) 992-3522                   |  <b>Aflac</b><br><small>We've got you under our wing.™</small>   |

This guide summarize certain features of the company's benefits plans. Full details of the plans can be found in the official plan documents, the official plan documents will govern. The company reserves the right to amend or terminate these benefits at any time. The information in this guide does not constitute a contract of employment. If you have any questions about the benefit plans described in this guide, please contact your Human Resources Representative.