



The University of Mississippi

Interoffice Memorandum
DEPARTMENT OF HUMAN RESOURCES
University, MS 38677
Phone: (662) 915-7431 Fax: (662) 915-5836

To: All Employees
From: Clay Jones, Director
Date: May 2, 2006
RE: Health Insurance Rate Increase

VERY IMPORTANT TO READ ENTIRE MEMO

Effective July 1, 2006, premiums for the State and School Employees' Health Insurance Plan will be increasing. Please see the back of this memo for more details. These rate changes will be reflected beginning with your June 15 and June 30 paychecks since premiums must be collected in advance for the following month. The University will pay the entire cost of insurance for **Legacy employees who have Select Employee Only** coverage and for **Legacy and/or Horizon employees who have Base (High Deductible Health Plan) Employee Only** coverage. The University also contributes this same amount to employees who have some form of family coverage. **Legacy employees** are those who are or have been employed on a full time basis by a state agency in Mississippi before January 1, 2006. **Horizon employees** are those initially hired by a state agency in Mississippi on or after January 1, 2006.

ATTENTION NINE-MONTH FACULTY ONLY:

As a result of this increase, any employee paid over nine months will have additional deductions for health insurance on the May 15, 2006 payroll. The additional deductions are designed to capture the premium increase for the summer months of July and August. This applies to 9-month faculty who are Horizon employees maintaining Select Employee Only or any level of dependent coverage. This also applies to 9-month faculty who are Legacy employees maintaining any level of dependent coverage. The additional deductions will vary depending on the type of coverage maintained. You should be able to determine these additional deductions by multiplying the appropriate per pay period increase for your coverage by four. This figure is found in the "Per Pay Period Increase for Employees" column on the reverse side of this memo.

EXAMPLE: Per pay period insurance premium increase for Select Coverage Legacy Employee + Spouse equals \$18.00.

$\$18.00 \times 4 = \72.00

EMPLOYEES DESIRING TO DROP COVERAGE DUE TO INCREASE:

Based on these rate increases, we are allowing employees to drop health insurance on dependents if they desire. This must be done between June 1 and July 30. The dropped coverage will go into effect the first day of the next month after it is dropped.

Please remember you will probably not be able to get coverage under the State of Mississippi Health Insurance Plan on your dependents again until the Open Enrollment period in October if you choose to drop the coverage.

If you have any questions concerning this information, please contact Human Resources at 7431.

Table 1: Applies to employees hired full time by a state agency in Mississippi before 1/1/2006 only (Legacy Employees)

Coverage	Select Coverage Option				Base Coverage Option (High Deductible)			
	Legacy Monthly Premiums				Legacy Monthly Premiums			
	New Monthly Rate	Employee Portion Per Month	Employee Portion Per Pay Period	Per Pay Period Increase for Employees	New Monthly Rate	Employee Portion Per Month	Employee Portion Per Pay Period	Per Pay Period Increase for Employees
Employee (100% Select or Base for Legacy employees paid by the University)	\$339.00	\$0	\$0	\$0	\$322.00	\$0	\$0	\$0
Employee + Spouse	\$700.00	\$361.00	\$180.50	\$18.00	\$640.00	\$318.00	\$159.00	\$16.50
Employee + 1 Child	\$466.00	\$127.00	\$63.50	\$6.50	\$406.00	\$84.00	\$42.00	\$5.00
Employee + Children (2 or more)	\$593.00	\$254.00	\$127.00	\$12.50	\$533.00	\$211.00	\$105.50	\$11.00
Employee + Spouse & Child(ren)	\$868.00	\$529.00	\$264.50	\$26.00	\$808.00	\$486.00	\$243.00	\$24.50
Employee + 1 Child w/ High Option Coverage	\$486.00	\$147.00	\$73.50	\$6.50	\$426.00	\$104.00	\$52.00	\$5.00
Employee + Children w/ High Option Coverage	\$613.00	\$274.00	\$137.00	\$12.50	\$553.00	\$231.00	\$115.50	\$11.00
Employee + Spouse & Child(ren) w/ High Option Coverage	\$888.00	\$549.00	\$274.50	\$26.00	\$828.00	\$506.00	\$253.00	\$24.50

Table 2: Applies to employees initially hired by a state agency in Mississippi on or after 1/1/2006 only (Horizon Employees)

Coverage	Select Coverage Option				Base Coverage Option (High Deductible)			
	Horizon Monthly Premiums				Horizon Monthly Premiums			
	New Monthly Rate	Employee Portion Per Month	Employee Portion Per Pay Period	Per Pay Period Increase for Employees	New Monthly Rate	Employee Portion Per Month	Employee Portion Per Pay Period	Per Pay Period Increase for Employees
Employee (95% Select for Horizon employees paid by the University; 100% Base for Horizon employees paid by the University)	\$339.00	UM Pays \$322.00; EE Pays \$17.00	\$8.50	\$1.00	\$322.00	\$0	\$0	\$0
Employee + Spouse	\$700.00	\$378.00	\$189.00	\$19.00	\$640.00	\$318.00	\$159.00	\$16.50
Employee + 1 Child	\$466.00	\$144.00	\$72.00	\$7.50	\$406.00	\$84.00	\$42.00	\$5.00
Employee + Children (2 or more)	\$593.00	\$271.00	\$135.50	\$13.50	\$533.00	\$211.00	\$105.50	\$11.00
Employee + Spouse & Child(ren)	\$868.00	\$546.00	\$273.00	\$27.00	\$808.00	\$486.00	\$243.00	\$24.50
Employee + 1 Child w/ High Option Coverage	\$486.00	\$164.00	\$82.00	\$7.50	\$426.00	\$104.00	\$52.00	\$5.00
Employee + Children w/ High Option Coverage	\$613.00	\$291.00	\$145.50	\$13.50	\$553.00	\$231.00	\$115.50	\$11.00
Employee + Spouse & Child(ren) w/ High Option Coverage	\$888.00	\$566.00	\$283.00	\$27.00	\$828.00	\$506.00	\$253.00	\$24.50