




Employee Health Care Advisory #3

With our benefits open enrollment fast approaching, it is time to learn more about our new CIGNA Choice Preferred Provider Organization (PPO) Plan and your other health care options for 2007. This is the third and final Employee Health Care Advisory.

IN THIS ISSUE YOU WILL FIND:

- 2007 open enrollment important dates
- Your 2007 plan options
- Your 2007 contributions to the medical plans
- Details about the new medical plan - CIGNA Choice PPO
- Changes to CIGNA's prescription coverage
- Your HMO (non-CIGNA) changes - state-by-state

2007 Open Enrollment Important Dates

Open enrollment is Nov. 13 – Dec. 1, 2006. With the exception of 401(k) and voluntary benefits, you must re-enroll in the 2007 benefits program even if you are not changing the type of coverage you currently have. Failure to do so will result in your enrollment in default coverage!

New benefits start date – Jan. 1, 2007

New deductions start date – Jan. 5, 2007

HMO application deadline – varies by plan

For detailed information about open enrollment procedures and guidelines, please refer to your 2007 Open Enrollment Guide included in your enrollment packet coming to your office in mid-November.

If you have any questions about the latest Employee Health Care Advisory, please contact your COR Benefits group or your local Human Resources representative.

Your 2007 Plan Options

Plan Features	CIGNA PPO		CIGNA Choice PPO NEW!		HMOs (non-CIGNA)
	In-Network (Individual/Family)	Out-of-Network	In-Network	Out-of-Network	
Annual Deductible	$300/$600 (Individual/Family)	$500/$1,000 (Individual/Family)	$1,500/$3,000 (Individual/Family)	$1,500/$3,000 (Individual/Family)	Plans vary by location
Coinsurance (after deductible)	80%/20%	60%/40%	80%/20%	60%/40%	
Preventive Care (after deductible)	80%/20%	60%/40%	100%, no deductible	60%/40%	
Annual Out-of-Pocket Maximum (excluding deductible and prescription copays)	$1,500/$3,000 (Individual/Family)	$3,000/$6,000 (Individual/Family)	$2,000/$4,000 (Individual/Family)	$4,000/$8,000 (Individual/Family)	
Prescription Drug Copays	$10/$25/$40 (Generic/Brand/Non-preferred brand)	60%/40%	$10/$25/$40 (Generic/Brand/Non-preferred brand)	60%/40% (Generic/Brand/Non-preferred brand)	
FSA Funded by Employee	Up to $5,000 per year		Up to $5,000 per year		Up to $5,000 per year
FSA Matched by Company	None		100% up to $200 per year		None
HRA Provided by Company (annual amount used for coinsurance only)	None		Employee only - $400 Employee + 1 - $800 Employee + 2 - $1,000		None

Your 2007 Contributions to the Medical Plans *

	HMO (non-CIGNA)	CIGNA Choice PPO	CIGNA PPO	CIGNA Indemnity[1]	CIGNA Catastrophic[1]	Declined
Employee	$103	$80	$136	$163	$80	($40)
Employee + 1	$200	$140	$262	$315	$140	($80)
Employee + 2 or more	$293	$165	$386	$489	$165	($120)

** These are monthly rates for full-time employees only.*
[1] As we mentioned in the last Employee Health Care Advisory, the CIGNA Indemnity and the Catastrophic plans are only available in a few offices that lack a provider network.

Details about the New Medical Plan - CIGNA Choice PPO Plan

The new CIGNA Choice PPO plan is available to all full- and part-time employees. The new medical plan has three components – the Choice PPO, Healthcare Flexible Spending Account (FSA) and Healthcare Reimbursement Arrangement (HRA). Additional detail of each is listed here:

The CIGNA Choice PPO

Premiums for the CIGNA Choice PPO Plan will be the lowest of any of the plans that CH2M HILL offers.

Certain preventive services such as well-person checkups, immunizations and screenings are paid at 100 percent with the deductible waived.

The network of providers is the same as the current CIGNA PPO plan.

The Healthcare Flexible Spending Account (FSA)

You will be given a 100 percent company match on the first $200 you elect to contribute to the Healthcare FSA.

Your Healthcare FSA can be used to pay for expenses not covered by the health plan, including your deductible, coinsurance, dental and vision expenses and prescription copays.

The Healthcare FSA (including the match) is also available to part-time employees.

Any unused balance is forfeited each calendar year.

The Health Reimbursement Arrangement (HRA)

CH2M HILL will automatically award employees an account balance dependent on their CIGNA Choice PPO Plan coverage status. The annual allocation to your account is $400 for employee-only coverage, $800 for employee + 1 coverage, and $1,000 for family coverage.

Your full account balance is available to you beginning Jan. 1, 2007.

The dollars in the account are used to pay for coinsurance expenses only. You will be automatically reimbursed using the balance from your HRA.

Any unspent balance rolls over from year to year as long as you remain in the CIGNA Choice PPO plan.

Your reimbursement account balance is yours at retirement to pay for any future health care expenses with the firm's retiree medical plan, including premiums, if you qualify.

If you leave your employment with CH2M HILL for any reason prior to retirement, or if you change to another medical plan, you will forfeit your balance.

Changes to CIGNA's Prescription Coverage

The pharmacy benefit for all CIGNA plans (except Catastrophic) will be changing as follows:

Copays for a 30-day supply will now be based on a three-tier structure

Generic: $10

Brand: $25

Non-preferred brand: $40

A 90-day supply is available for mail-order prescriptions. The copays are:

Generic: $20

Brand: $50

Non-preferred brand: $80

For non-participating pharmacies, your plan pays 60 percent of the total cost, and you must file paper claims for reimbursement.

To find out if a particular drug is available as generic, brand or non-preferred brand, visit CIGNA's website at www.cigna.com

Your HMO (non-CIGNA) Changes – State-by-State

Changes to the HMO (non-CIGNA) plans are outlined below. Additional changes may be announced by your local Human Resources group after the release of this newsletter because some 2007 contracts have not been finalized. For complete details, please refer to the HMO's enrollment packet available from your local Human Resources group.

California

Minimal coverage for bariatric surgery will be available under the PacifiCare of California HMO plan.

Colorado

HMO coverage will change to Aetna from PacifiCare. If you are interested in this plan, please contact your local Human Resources representative for enrollment information on or after Monday, Nov. 6, 2006

Delaware

Aetna's prescription copay for brand name drugs will increase from $15 to $25, and for non-preferred brand name drugs the copay will increase from $30 to $50. Generic prescription copay will remain at $10.

Florida

Blue Cross Health Option of Florida's prescription copays will change from $5 to $10 (generic), $15 to $25 (brand) and $30 to $40 (non-preferred brand).

Georgia

Aetna's prescription copay for brand name drugs will increase from $15 to $25, and for non-preferred brand name drugs the copay will increase from $30 to $40. Generic prescription copay will remain at $10.

Hawaii

The HMSA HPH Plus plan's office visit copays will increase from $12 to $14.

Maryland

Aetna's prescription copay for brand name drugs will increase from $15 to $25, and for non-preferred brand name drugs the copay will increase from $30 to $40. Generic prescription copay will remain at $10.

New Jersey

Dependent child coverage will continue to age 30.

Aetna's prescription copay for brand name drugs will increase from $15 to $25, and for non-preferred brand name drugs the copay will increase from $30 to $40. Generic prescription copay will remain at $10.

Ohio

Aetna's prescription copay for brand name drugs will increase from $15 to $25, and for non-preferred brand name drugs the copay will increase from $30 to $40. Generic prescription copay will remain at $10.

Pennsylvania

Aetna's prescription copay for brand name drugs will increase from $15 to $25, and for non-preferred brand name drugs the copay will increase from $30 to $40. Generic prescription copay will remain at $10.

Texas

Aetna's prescription copay for brand name drugs will increase from $15 to $25, and for non-preferred brand name drugs the copay will increase from $30 to $40. Generic prescription copay will remain at $10.

Virginia

Aetna's prescription copay for brand name drugs will increase from $15 to $25, and for non-preferred brand name drugs the copay will increase from $30 to $40. Generic prescription copay will remain at $10.

Washington

Group Health Alliant Select's prescription coverage will now include a $40 copay for non-preferred drugs.

Wisconsin

- The current HMO name is changing to Blue Preferred HMO.
- Dependent students are covered to their 24th birthday, not 25th.
- Office visit copay is $5.00 for allergy testing and injections. Previously, a copay was not required.
- Infertility benefit is limited to diagnosis only. Infertility correction is no longer covered.
- Therapy services are limited to 20 visits per benefit period per therapy, not combined.