



THE UNIVERSITY OF TENNESSEE

TO: Participants in the Medical Group Insurance Programs

SUBJECT: Changes for Calendar Year 2006

DATE: August 26, 2005

The State Insurance Committee has made the following changes to the group medical insurance program available to State and University employees.

- There will be a 3 percent premium increase effective with the insurance deduction from the December 2005 payrolls. The increase applies to both the employee and the University's portion of the total premium. The University's share of the total cost is approximately 80 percent.
- The 3 percent increase is the smallest in five years. For the past five years the premium increases have been: 15% in 2001; 25% in 2002; 25% in 2003; 7% in 2004; and 9% in 2005.
- Effective January 1, 2006, CIGNA will be responsible for all Point of Service (POS) plans throughout the State and for the Health Maintenance Organization (HMO) plans in Middle and West Tennessee.
- John Deere HMO will continue to service employees in the Chattanooga, Knoxville, and Tri-Cities area.

Additional information about the change in the POS and HMO companies will be announced shortly.

Plan	Employee Monthly Premium			UT Contribution
	2005	2006	Increase	Monthly
Blue Cross PPO				
Individual	86.09	88.68	2.59	354.71
Family	214.95	221.40	6.45	885.60
Split Coverage	128.86	132.72	3.86	530.89
CIGNA POS – East				
Individual	68.50	70.57	2.07	354.71
Family	171.07	176.21	5.14	885.60
Split Coverage	102.57	105.64	3.07	530.89
CIGNA POS - Middle				
Individual	68.50	70.57	2.07	354.71
Family	171.07	176.21	5.14	885.60
Split Coverage	102.57	105.64	3.07	530.89

(over)

SUBJECT: Changes for Calendar Year 2006 (continued)

CIGNA POS – West

Individual	68.50	70.57	2.07	354.71
Family	171.07	176.21	5.14	885.60
Split Coverage	102.57	105.64	3.07	530.89

CIGNA HMO –Nashville

Individual	60.98	62.82	1.84	354.71
Family	155.05	159.71	4.66	885.60
Split Coverage	94.07	96.89	2.82	530.89

CIGNA HMO – Memphis

Individual	63.00	64.90	1.90	354.71
Family	156.04	160.73	4.69	885.60
Split Coverage	93.04	95.83	2.79	530.89

John Deere HMO – Chattanooga

Individual	63.39	65.30	1.91	354.71
Family	158.30	163.05	4.75	885.60
Split Coverage	94.91	97.75	2.84	530.89

John Deere HMO – Knoxville

Individual	63.39	65.30	1.91	354.71
Family	158.30	163.05	4.75	885.60
Split Coverage	94.91	97.75	2.84	530.89

John Deere HMO – Tri-Cities

Individual	63.39	65.30	1.91	354.71
Family	158.30	163.05	4.75	885.60
Split Coverage	94.91	97.75	2.84	530.89