The 2005 Open Enrollment for the State Group Insurance Program 2006 Plan Year will take place from 8:30 AM, October 3, 2005 through 5:30 PM, Eastern Time, October 28, 2005.

Employee Benefit Statements will be mailed to employee home addresses directly from People First (the State's Benefit Administrator) on or around September 22, 2005. This Open Enrollment period is only for benefits offered through the State Group Insurance Program; therefore, your Benefits Statement will not include post tax benefits that you are enrolled in through outside insurance carriers (such as the Gabor Agency).

The People First Service Center will be available to respond to inquiries regarding Open Enrollment from September 26, 2005 through the end of Open Enrollment. The Service Center staff will be able to provide information and assistance in preparation for Open Enrollment at that time. They will not, however, be available to accept Open Enrollment elections or changes until October 3, 2005.

Beginning October 3, 2005, employees will have four ways to enroll in, change, or cancel their benefit elections through the People First Service Center.

**Online enrollment** - the online system at [https://peoplefirst.myflorida.com](https://peoplefirst.myflorida.com) will be available 24 hours a day, 7 days a week.

**Interactive Voice Response (IVR)** - the Service Center has incorporated an IVR system that will allow employees to make benefits changes by telephone. The toll-free number is 1-866-663-4735 and is available 24 hours a day, 7 days a week.

**People First Service Center** - Service Center Specialists can be reached at 1-866-663-4735 Monday through Friday 8:30 AM - 5:30 PM, Eastern Time.

**Paper Enrollment Forms** - Enrollment forms can be found on the web site or requested from a Service Center Specialist. Completed forms should be
submitted to the Service Center by facsimile at (904) 828-6092 or by mail. When mailing, completed forms should be sent to:

People First Service Center  
Post Office Box 6830  
Tallahassee, FL  32314

Or Fax the form to: 904-828-6092

You may also fax your form to Human Resources at 850-644-7041.

As in years past, Benefit Confirmation Statements will be mailed to all who made election changes. Individuals will have until 5:30 PM, Eastern Time, Thursday, **November 10, 2005** to make corrections to those Confirmation Statements, which are incorrect. If you do not make any changes to your current elections, you will not receive a Benefit Confirmation Statement and your benefit choices will remain as they are today.

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**2006 BENEFITS CHANGES**

**NEW HEALTH PLAN OPTIONS**

Health Savings Account & Health Investor PPO and Health Investor HMO High Deductible Health Plan

In addition to the current PPO, HMOs and the TRICARE Supplement for the upcoming year, there will be a new option introduced that consists of two components that offers a different approach to healthcare. The components are:

1. Health Savings Account (HSA)

2. Health Investor PPO High Deductible Health Plan and Health Investor HMO High Deductible Health Plan
A Health Savings Account (HSA) is a special account owned by the employee where contributions to the account are to pay for current and future medical expenses. There will be employer-funded contributions and employees also have the opportunity to make contributions to the account on a pre-tax basis; however, the total contributions are limited annually to the high deductible health plan deductible ($1,250 for Individual coverage and $2,500 for Family coverage). The employer will make a monthly contribution to an employee’s HSA equal to $41.66 for Individual Coverage and $83.33 for Family coverage. The HSA is portable. That means that the employee would keep the HSA (the funds that have been accumulated) even if you change jobs, become unemployed, move to another state, or change your medical plan (from the high deductible to another available option as allowed).

Health Savings Accounts are used in conjunction with a "high deductible" health plan. A high deductible health plan is an insurance plan that does not cover medical expenses (except for preventative care) until you have met your annual deductible ($1,250 for Individual coverage and $2,500 for Family coverage). The Health Investor PPO and Health Investor HMO offerings will have reduced premiums compared to the “current” PPO and HMO offerings.

Only employees electing to participate in either the Health Investor PPO High Deductible Health Plan or the Health Investor HMO High Deductible Health Plan may participate in the Health Savings Account.

**HEALTH INSURANCE “MONTHLY” EMPLOYEE RATES FOR 2006**

*Standard Health Plan*

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*High Deductible Health Plan*

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NEW HMO CHOICES

In 2006, there will be an additional HMO added, United Healthcare. United Healthcare will also be offering the Health Investor HMO High Deductible Health Plan.

HMO Benefit Enhancement: There will be a mail order prescription drug benefit for 2006.

INCREASED MAXIMUM FOR MEDICAL REIMBURSEMENT ACCOUNT AND INTRODUCTION OF A LIMITED PURPOSE MEDICAL REIMBURSEMENT ACCOUNT

In addition to the existing Flexible Spending Account (FSA) Medical Reimbursement Account and Dependent Care Reimbursement Account, a Limited Purpose Medical Reimbursement Account is being added in 2006.

The U.S. Treasury regulations stipulate individuals enrolled in a Health Savings Account (HSA) cannot also be enrolled in the current Medical Reimbursement Account (FSA). Health Savings Account participants, however, may enroll in a Limited Purpose Medical Reimbursement Account with allowable expenses of (a) dental, (b) vision and (c) preventative care services.

The annual minimums and maximums for both the existing Medical Reimbursement Account and the Limited purpose Medical Reimbursement Account for 2006 will be $60 and $5,000, respectively. The Dependent Care Reimbursement Account is unchanged for 2006.

SUPPLEMENTAL INSURANCE PRODUCTS

Alta's current offerings are being re-priced to age-banded rates for 2006.