

**Office of Health Plan Administration**

P.O. Box 720724

Sacramento, CA 94229-0724

Telecommunications Device for the Deaf, TTY 1 (800) 795-2929; (916) 795-3240

(916) 795-2515; FAX (916) 795-4105

Toll Free: 888 CalPERS or 888-225-7377

October 3, 2007

Yolanda Emerson
Director, Human Resources
Rio Hondo Community College
3600 Workman Mill Road
Whittier, CA 90601

Dear Ms. Emerson:

The PERS Select and PERS Choice Basic health plans provide that payment of medical expenses incurred by a plan member do not exceed a two million dollar (\$2,000,000) lifetime aggregate maximum, as stated in the plans' Evidence of Coverage booklets. This lifetime aggregate maximum does not include payment of benefits under the Outpatient Prescription Drug Program. Medical benefits in excess of this amount will not be provided to plan members or their providers under the PERS Select or PERS Choice plan. Beginning January 1, 2008, the lifetime aggregate maximum will not apply to the PERS Select or PERS Choice Supplement to Medicare plans.

Blue Cross of California, the medical plan administrator for PERS Select, PERS Choice, and PERSCare, tracks members who are close to reaching the lifetime aggregate maximum, and provides a confidential report to CalPERS. CalPERS notifies members in writing when they are close to reaching their lifetime maximum and encourages them to change health plans during the next CalPERS open enrollment period. Attached is a copy of the notification. However, if unexpected circumstances occur and a member reaches their lifetime maximum outside of an open enrollment period, CalPERS will make an administrative exception to move the member, at their request, to the PERSCare Basic plan.

I hope this information will assist you in notifying your faculty members of CalPERS policy to ensure that members have access to health care when they need it the most.

Sincerely,

A handwritten signature in black ink, appearing to read "Sharon Wake-Reavis", is written over a horizontal line.

Sharon Wake-Reavis

Contracts Manager

Self-Funded and Long-Term Care Program

Attachment