

October 23, 2013

**MEMORANDUM**

**TO:** UofL Faculty, Staff, and Active Retirees  
Participating in “Cardinal Care” Health Plan Option

**FR:** Sam Connally  
Vice President for Human Resources

**RE:** Phase Out of Cardinal Care Health Plan Option from 2014 – 2016

Dear Colleagues:

As you may recall from last year’s Open Enrollment materials, the University closed the Cardinal Care Health Plan Option for new enrollments last year, with the expectation that we would phase out Cardinal Care as a separate health plan option from 2014 through 2016. The rationale for this decision was to eliminate “excess subsidies” in Cardinal Care that do not apply to other options in the health plan, so as to help avoid future premium increases that would affect all health plan members.

Cardinal Care is the most expensive of our health plan options and includes a monthly premium subsidy that is almost \$120 more per month than other health plan options sponsored by our health plan provider. To phase out Cardinal Care in a gradual manner, employee premiums in Cardinal Care will be increased by \$40.00 per employee per month in 2014, 2015, and 2016 – and will be discontinued as a separate health plan option beginning January 1, 2017.

During our current Open Enrollment for 2014 health plan coverage, you may remain in Cardinal Care or may choose a different health plan option with lower monthly premiums. Cardinal Care remains price-competitive in relation to the EPO and PPO options, but may be more expensive than the Personal Care Account (PCA) options.

Since many employees simply “roll” their health coverage forward, without taking any action during Open Enrollment, I wanted to reach out to you personally to be sure you were aware of the premium increases in Cardinal Care, so you were not taken by surprise in January when we start taking new payroll deductions. Premiums for health, dental, and vision insurance for 2014 are printed on the back side of this letter for quick comparison. Comprehensive Open Enrollment information – including a comparison of health plan options – is available on Human Resources’ website at <http://louisville.edu/hr/benefits/openenrollment>.

Please take a moment to evaluate whether Cardinal Care remains the best health plan option for you during 2014. Changes to your health, dental, or vision insurance coverage must be made during our Open Enrollment Period from October 23 through November 5, 2013 in order to be effective for 2014.