

Carleton's Emeriti Retirement Health Solutions Plan (an employee benefit plan in which Carleton has contributed dollars to be used toward an employee's health care costs in retirement) is scheduled to end December 31, 2009. By that time, it is our goal to have as few dollars as possible remaining in the plan.

The Emeriti Plan account balances can consist of up to two types of contributions, pre-tax employer (Carleton) contributions and after-tax employee contributions. Carleton made monthly contributions on behalf of benefit-eligible employees who hold a regular, continuing position. In addition, some employees chose to make additional after-tax contributions to these accounts. For the purpose of terminating the Emeriti plan, we will be dividing each employee's overall balance by the source of the contribution (employee or Carleton).

Effective September 21, 2009, we will stop all employee elected after-tax contributions to the Emeriti Plan. The balance in these employee accounts will be distributed to employees in the form of a lump sum cash payment no later than December 31, 2009.

For legal reasons, we are unable to provide employees with a cash distribution for the money that was contributed by Carleton. Employees will have the opportunity to "spend down" their (Carleton contribution) account balances in the following ways:

Employees who participate in Carleton's health care plans:

- Employees who participate in Carleton's medical insurance program with BlueCross Blue Shield and/or the dental insurance program with Delta Dental will receive a premium holiday. Most employees will experience this premium holiday starting in October.

A premium holiday means that the employee portion of medical and dental insurance premiums will be deducted from an employee's Emeriti account instead of their paycheck. The premium holiday will last until December 31, 2009 or until the employees account is exhausted. Because we offer so many different plans, with a wide range of costs, it is difficult for us to give a general estimate of the length of the premium holiday. For some employees, the premium holiday will last through the end of the calendar year. For others, it may only cover a portion of October's premium. Additionally, for a small number of employees, the premium holiday will start in the last half of September. This is only the case for employees who could not exhaust their account balances through premium holidays during the months of October, November, and December.

The premium holiday will be automatic for employees who are enrolled in the Emeriti program and have elected either medical or dental insurance through Carleton.

Employees may contact Emeriti at anytime to determine their account balance. Information is also available through Human Resources.

- If the Emeriti account balance is not exhausted by health care premiums, employees will be able to submit a claim for reimbursement for any qualified medical expenses that were incurred in the 2009 calendar year. The claims must be submitted no later than November 30, 2009 to be considered for reimbursement. Additionally, employees must first exhaust their 2009 flexible spending account balance prior to submitting claims to the Emeriti plan.
- Any remaining employer contribution balance will be forfeited and used to pay plan expenses.

Employees who do not participate in Carleton's health care plans:

- Employees will be able to submit a claim for reimbursement for any qualified medical expenses that were incurred in the 2009 calendar year. The claims must be submitted no later than November 30, 2009 to be considered for reimbursement. Additionally, employees must first exhaust their 2009 flexible spending account balance prior to submitting claims to the Emeriti plan

Employees will receive a notice from Human Resources in mid-October that indicates their account balance and provides instructions on how to file a claim for reimbursement. Prior to that, Employees may contact Emeriti at anytime to determine their account balance. Information is also available through Human Resources.

- Any remaining employer contribution balance will be forfeited and used to pay plan expenses.

For more information, we invite you to attend an informational meeting in the Alumni Guest House meeting room at one of these dates and times: Thursday, September 24, 2:30 p.m.; Tuesday, September 29, 8:30 a.m.; Wednesday, September 30, 1:00 p.m.; or Thursday, October 8, 8:30 a.m. You can also visit the HR website at https://apps.carleton.edu/campus/human_resources/. If you have specific questions, please feel free to contact Human Resources at x4068.