



Open Enrollment 2005 Is Almost Here

This year, the *FlexSolutions* 2005 Open Enrollment will take place from October 25 through November 12. In the next few weeks you will receive your Open Enrollment packet, which will contain a benefits guide, a medical comparison chart, a 2005 Enrollment Worksheet, and a *FlexSolutions* bulletin with instructions for making your Open Enrollment changes.

What's New For 2005

Health Care Contributions

As communicated in 2003, A&B's employee contributions have been well under the national average, even during peak years of health care inflation. As a result, an A&B task force developed a three-year strategy to bring our employee contributions closer to the national average. 2005 will be the second year of that initiative, and employee contributions for medical, prescription drug, and dental will increase on an aggregate basis to 16%.

The amount each employee actually contributes will depend on his or her salary, geographic location, which dependents, if any, are covered, the benefit option chosen, and how *FlexSolutions* (FS) Credits are used. The amount of FS Credits available to you will be shown on your 2005 Enrollment Worksheet that will be included in your Open Enrollment packet.

Benefit Plan Changes

In 2005, the following changes will take place:

- HMSA Health Plan Hawaii Plus—The annual out-of-pocket maximum will increase from \$750 per individual and \$2,250 per family to \$1,500 per individual and \$4,500 per family.
- Kaiser HMO Plan Hawaii—The office visit copay will increase from \$10 per visit to \$12 per visit, and benefits for contraceptive drugs and devices will be paid under the medical plan instead of the prescription drug plan after a 50% copay.
- Vision Service Plan (VSP)—Polycarbonate lenses for children will be covered by the plan. These plastic lenses are designed to be 10 times more impact resistant than most plastic lenses, thinner and lighter, and scratch resistant.
- Transportation Benefit Plan—The maximum amounts you can contribute per month will increase from \$100 to \$105 for commuting expenses and from \$195 to \$200 for parking expenses.

Key Open Enrollment Dates

October 25—Open Enrollment packets mailed

November 12—Last day to complete your enrollment

November 19—Confirmation statements mailed

[Turn the page for important benefit reminders](#) →



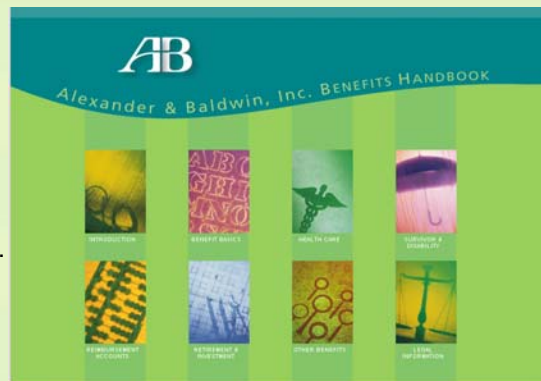
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Important Benefit Reminders

A&B Benefits Website

A&B's benefits website was given a makeover earlier this year. Here are some of the highlights:

- The benefits home page has new links to **FlexSolutions Bulletins** produced throughout the year and to external websites for **Benefit Providers**.
- A&B's online Benefits Handbook has been redesigned and includes new features to help you move around the site more easily.



If you haven't had a chance yet, please visit the site at www.flexab.com.

Health Care Reimbursement Account

In 2003, over-the-counter drugs became eligible for reimbursement under the Health Care Reimbursement Account. If you participate in this account, make sure you keep your receipts and include them with your claim for reimbursement. This is an excellent way to pay for out-of-pocket health care expenses with money that is not subject to federal or Social Security taxes.

Things To Consider During Open Enrollment

Open Enrollment is your once-a-year opportunity to make changes to your benefit elections. As you review your Open Enrollment materials, ask yourself these questions:

- What's more important to you in a health care plan: the monthly cost you pay in employee contributions or the level of coverage available if you need medical and dental care?
- Are you covering your spouse on a FlexSolutions medical or dental plan when he or she has other coverage available?
- Do you have enough life and disability coverage to provide financial protection for your family if you die or become disabled?
- Are you paying for out-of-pocket health care or dependent day care expenses with after-tax dollars instead of taking advantage of the reimbursement accounts to pay for them with money that is not taxed?

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