

PG&E Management and Administrative & Technical (A&T) Employees

Open Enrollment for 2010 Benefits is November 6 – 19, 2009

What's new for 2010?

- **New cost sharing approach for medical and dental benefits** — Starting January 1, 2010, PG&E will be implementing an employee cost sharing approach where you'll pay a fixed percentage of actual premium costs for medical and dental coverage.

This cost sharing approach replaces Flex, so PG&E will no longer provide you with a base allocation of FlexDollars for benefits or extra FlexDollars for low sick leave usage. Instead, PG&E will continue to pay most of the cost of health care premiums for you and your enrolled dependents, and you'll pay before-tax contributions for medical and dental coverage. Your contributions will be a percentage of the actual premiums for the plans and coverage levels you elect:

- 5 percent for employee coverage
- 7.5 percent for dependent coverage

(For those who enroll in the Basic Medical Plan, the cost share percentages will be 2.5 percent and 3.75 percent)

This means if you enroll your spouse/domestic partner and/or children for medical (other than Basic) and dental coverage, your total percentage contribution will be a blend of the 5 percent contribution for employee coverage and the 7.5 percent contribution for dependent coverage. The dollar amount you'll pay for coverage will depend on the actual cost of your medical and dental premiums and on the coverage level you elect.

See the enclosed 2010 Benefits Enrollment Worksheet to find your costs for the medical and dental plan options.

- **New online PG&E Medical Plan Chooser** — PG&E now offers a fast, easy way to compare PG&E-sponsored medical plan options to help you find the coverage that's best for you and your family. Log on to *PG&E@Work For Me* > Open Enrollment tab to access the link to the Chooser.
- **Updates to mental health, alcohol and drug care benefits** — The mental health, alcohol and drug care benefits for the Anthem Blue Cross and HMO plans have been improved as required by federal legislation. See the Medical Plan Comparison Chart provided in your 2010 Open Enrollment materials packet for details.

- **Expanded dental benefits** — The Dental 1 and Dental 2 plans will now cover sedation in addition to general anesthesia not just for oral surgery, but also for select endodontic (root canal) and periodontal (gum) surgeries. Panorex films will be covered even if you receive a full-mouth X-ray (Panorex and full-mouth X-rays are limited to once every five years).
 - Dental 1: Panorex films will be covered at 100 percent and sedation at 80 percent.
 - Dental 2: These services will be covered at 85 percent.
- **Broader eligibility provisions** — Effective January 1, 2010:
 - You'll have the option to enroll eligible family members who are also Management and A&T employees as your dependents for health care coverage. You each have the option of enrolling as an "employee" or "dependent," but you must pick one or the other — you can't be covered as both an employee and as a dependent. If your family member is a PG&E union-represented employee, you each must enroll separately as an employee. This provision applies to all eligible dependents.
 - Common-law spouses recognized by other states will qualify as eligible dependents.
- **Change in transplant travel benefit** — Effective January 1, 2010, meals will no longer be covered by the transplant travel benefit for the Anthem Blue Cross-administered plans. This change is the result of Internal Revenue Service regulations.
- **Provider and service area updates** — All medical plans make ongoing changes to providers and service areas. Be sure to verify your plan's service area and provider availability for 2010.

Benefit Changes for Special Groups

Starting January 1, 2010, PG&E is introducing additional changes for these employees:

New hires	Must enroll within 31 days of their hire date for coverage effective the first day of the month following enrollment. Employees who do not enroll for benefits within 31 days of their hire date will only receive \$10,000 of Basic life insurance coverage.
Part-time employees	Will pay the same amount for coverage as active full-time employees pay
Interns	Will receive EAP coverage only
Leaves of absence:	Will pay the same amount for coverage as active full-time employees pay
<ul style="list-style-type: none"> • Emergency military • Medical 	Continues for up to 12 months. Will pay the same amount for coverage as active full-time employees pay
<ul style="list-style-type: none"> • Personal • Educational • Regular military 	<p>First three months: Will pay the same amount for coverage as active full-time employees pay</p> <p>Subsequent months: Will pay 100 percent of the cost of coverage</p>

WHAT YOU NEED TO DO

- **Review** your *Enrollment Worksheet, Guide and Supplement*.
- **Compare plan options using the** Medical Plan Chooser to make sure you have the medical coverage that best fits your needs.
- **Decide** if you want to change your health care coverage or enrolled dependents, or if you want to participate in a Flexible Spending Account or purchase Vacation Buy Days for 2010.

Work in San Francisco?

- **Decide** if you want to select or change your San Francisco Paid Sick Leave Designee.

Do you need to enroll?

Yes	<p>If you want to:</p> <ul style="list-style-type: none"> • Change medical, dental, vision or life insurance coverage • Add or drop dependents • Participate in the Health Care Reimbursement Account (HCRA) or Dependent Care Reimbursement Account (DCRA) for 2010 • Purchase Vacation Buy Days for 2010 • <i>San Francisco Employees:</i> Select or change your San Francisco Paid Sick Leave Designee 	Enroll: <ul style="list-style-type: none"> • Online at <i>PG&E@Work For Me</i>
No	<p>If you:</p> <ul style="list-style-type: none"> • Want to keep the same medical, dental, vision and life insurance coverage you have now • Are making no change to your enrolled dependents • Don't want to participate in the HCRA or DCRA for 2010 • Don't want to purchase Vacation Buy Days for 2010 	Do nothing.

REMEMBER YOUR WELLNESS ACCOUNT

Earn a \$200 credit in your Wellness Account by completing a Health Risk Questionnaire (HRQ) at your PG&E-sponsored medical plan's Web site. Your enrolled spouse or registered domestic partner can earn another \$200 credit — that's up to \$400 per enrolled couple. You can use the credits in your account to pay for any out-of-pocket health care expenses allowed by the IRS – copays, deductibles, and non-covered items such as dental implants or contact lenses solution.

The HRQ is designed to identify health risks so you and your doctor can plan how to improve your health. It also shows what you're doing right so you can continue your healthy choices. You may need your most recent health records, such as blood pressure readings and cholesterol levels, in order to complete the HRQ.

It's not too late to complete the HRQ for 2009 and earn your \$200. Better yet, you and your enrolled spouse or registered domestic partner also can complete another HRQ in 2010 and you each can earn another \$200 credit into your Wellness Account.

If you would like additional information on 2010 Open Enrollment, please refer to the Frequently Asked Questions that are posted on the HR intranet site or contact the HR Service Center at 415-973-4357 or 1-800-788-2363.