



2016 Annual Enrollment

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Benefits Enrollment November 2 – 13

It's almost time to enroll for your 2016 benefits. Use this opportunity to think about your health care needs and the choices available to you. It's up to you to decide what's right for you, your family, and your budget.

Here's a look at the changes to your BMC benefits for next year.

2016 Cost Changes

Medical plans

Like most employers, BMC's medical costs continue to rise. You can expect to pay a higher monthly cost for medical coverage next year. Your paycheck contributions will increase between \$6 and \$40 per month, depending on the medical option you choose and number of dependents you are covering.

Dental and vision

Your paycheck contributions for dental and vision coverage will increase slightly. See your new prices starting November 2 on mybmcbenefits.com.

New Tax-Free Limits

Save more HSA dollars in 2016.

All Health Savings Account (HSA) plan participants are able to contribute up to an annual maximum of \$3,350 (no change) for employee-only and \$6,750 (up from \$6,650) for family coverage.



Remember!

A Health Savings Account has better tax advantages than a 401(k), and is a great way to save for health care expenses that come up next year or much further down the road.

Make the most of the new FSA limit.

You can contribute up to \$2,550 (up from \$2,500) in your Health Care Flexible Spending Account (HCFSA). Remember, you can roll forward up to \$500 in your HCFSA at the end of the year.



Same Great Benefits!

BMC will offer the same medical, dental, and vision options for 2016. Medical and dental copays, deductibles, coinsurance, and out-of-pocket maximums will also stay the same.

Prescription Drug Program Changes

We're making several changes to the prescription drug program (administered by Express Scripts) to help manage increasing costs. These changes apply to everyone covered in the BCBS medical plan options. Effective January 1, 2016, we are introducing generic preferred and mail-order incentive programs.

- **Generic preferred:** You'll pay more of the cost if you choose a brand-name prescription drug when a generic equivalent is available. If your doctor writes a prescription for a brand-name drug and a generic equivalent is available, your pharmacy will automatically substitute the generic drug. If you ask the pharmacist not to substitute the generic for a brand-name drug instead, you'll pay the brand-name copayment (or coinsurance) plus the difference in cost between the brand-name and its generic equivalent.
- **Exclusive Home Delivery:** This program encourages you to get medication to treat an ongoing medical condition (maintenance medications) through the Express Scripts Exclusive Home Delivery service. After your initial purchase plus two refills at a retail pharmacy, you will pay 100% of the drug cost for maintenance medications if you don't move your prescription to mail order.
- Please review *Frequently Asked Questions and Answers about Medication Management* at mybmcbenefits.com for more information about these program changes.





Our Partnership in Health Care

Rising health care costs are a concern we all share. As employees, you need continued access to high-quality, affordable coverage. As a business, BMC must manage costs to remain competitive. Together, we pay the bill. Two key factors determine the cost of coverage under the BMC Medical Plan:

- 1. The cost of health care services** — the amount doctors, hospitals, and other health care providers charge for their services.
- 2. The total dollar amount of the claims paid on behalf of BMC Medical Plan participants in previous years** — which is used to predict future costs and determines the rates for health care coverage. So when we spend more during a year, it drives higher costs for BMC and increased employee rates the next year.

You Can Help Control Costs

Our commitment is to offer you access to the tools and resources that help you understand and maximize your benefits. From electing the right coverage, to shopping smart for your benefits, to participating in the BMC bWell wellness program, your role is to remain actively involved in your health care — all year long!

How Does BCBS Fit In?

The BMC medical plan is self-funded, which means BMC acts as the insurance company. Claims are paid using money BMC and you contribute for coverage. Blue Cross Blue Shield of Texas (BCBSTX) is the administrator that applies network discounts and processes the claims. Then BCBS pays the claims using a BMC account, which is funded by BMC and your paycheck deductions.

New Tools...Good Medical Decisions

Starting in January, you will have access to free cost-saving tools and resources to help you make good medical decisions — Best Doctors® and Healthcare Bluebook.

Best Doctors

Best Doctors provides access to objective guidance from best-in-class specialists when you or a covered family member faces a medical decision. Think of Best Doctors like a second opinion — you'll get help with a wide range of medical conditions that may require specialized or complex treatment.

With this free, confidential program, you have access to four services:

- **In-Depth Medical Review** — Get a second opinion. An expert specialist will review your medical diagnosis and treatment plan and either confirm what you've been told or recommend a change.
- **Ask the Expert** — Get advice from expert doctors about your particular medical condition from a doctor who fully understands your situation.
- **Find a Best Doctor** — Find an in-network specialist you can trust, from the Best Doctors database of doctors voted best-in-class by their medical peers.
- **Critical Care Support** — Get advice from emergency medical experts after a serious accident or medical event, such as spinal cord injuries, traumatic brain injuries, severe burns or sepsis.

Healthcare Bluebook

According to *Consumer Reports* magazine, if clothes shopping worked like health care, you might pay \$80 for a pair of jeans at your local boutique and \$400 for the identical pair at the nearest department store — and the jeans wouldn't have price tags on them. That's a shopping problem Healthcare Bluebook helps solve.

Healthcare Bluebook is an online tool that helps you to find the best prices for the healthcare services you may need — from surgery to doctor visits and medical tests. With Healthcare Bluebook, you can shop for care and get the most affordable care available in your area, from high-quality providers.

See the **“2016 U.S. Benefits Guide”** at mybmcbenefits.com for more information about how you can use these tools to make good medical choices.





bWell Olympics

Qualifying is under way for the 2016 bWell Olympics. When you complete your Well-Being Assessment and health screening you qualify for the games, earn 1,000 points, and receive a Fitbit activity tracker. Earn 7,000 points by May 31, 2016, and you'll be entered into the grand prize drawing for a trip for two to the Summer Olympics in Rio de Janeiro next August.

All employees can participate in the bWell Olympics. If you're not covered by a BMC medical plan, you are eligible for two rewards — a Fitbit and a Gold medal.

Let the Olympic spirit inspire you on your own personal well-being journey. Go to mybmcwellness.com to start your Well-Being Assessment today.

Sign up for Text Alerts

Would you like to stay on top of what's important in BMC benefits? You can register your mobile phone number to receive text alerts* and never miss an important benefits enrollment reminder, action item, or update. To subscribe, text **BMCBENEFITS to 25827** from your mobile phone.



*Text messaging fees may apply depending on your mobile phone plan.

Time to Decide

Benefits Enrollment November 2 – 13

If you don't take action during Annual Enrollment, you'll have the same benefit coverage that you have for 2015, with higher paycheck contributions for medical, dental, and vision coverage. However, you will miss your opportunity to contribute to your Health Savings Account or a Flexible Spending Account (FSA) in 2016. You must go online and **actively elect** how much you want to contribute to these accounts for the year.

Your 2016 Enrollment Checklist

- Get more information.** Check out mybmcbenefits.com for details about your 2016 benefits.
- Attend a webinar.** Attend one of the Annual Enrollment webinars to learn more about the 2016 benefits or to ask questions.
- Consider your coverage needs.** Decide if you want to make any changes for next year.
- Enroll** – 3 convenient ways:
 - From mybmcbenefits.com, click on Enroll Now. You'll need your User ID and password.
 - From mybmcrewards.com, click on Enroll Now. No User ID and password required.
 - Talk to a Benefits Center representative at [1-877-262-4849](tel:1-877-262-4849). You can enroll by phone weekdays between 8 a.m. and 9 p.m., Eastern time. You'll need your User ID and password.

Your Chance to Choose!

Annual Benefits Enrollment is your once-a-year chance to enroll for or change your benefits unless you have a qualifying event, like marriage, new baby, or divorce.

2016 Annual Enrollment: November 2 – 13, 2015

This information is only a summary. The provisions of the benefit plan documents, the current BMC Software, Inc. (the Company) policies, and the insurance policies as applicable will determine your actual benefits. If there is a conflict between this document and the plan/Company policies or documents, the plan/Company policies or documents will govern. The Plan Administrator has the final discretionary authority to determine all issues arising under the benefit plans it administers, including issues of interpretation, eligibility, benefits, and factual determination. If there is a conflict between this guide and a determination or interpretation made by the Plan Administrator, the interpretation adopted by the Plan Administrator will govern.



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Open Now: Important Information Inside
Learn About Your BMC Benefits for 2016