

# TLC 101

## Important Facts About Your Health Insurance

March 7 – 20, 2006

# Agenda

- Welcome
- Anthem – Medical
- Delta Dental – Dental
- Value Options – Behavioral Health and EAP
- Medco – Prescription Drugs
- CommonHealth – Wellness Program
- Break
- TLC Contract and Finance - Financial Issues
- TLC Program Management – TLC 101
- Questions
- Close

# Medical Coverage

By

# Anthem

Amy Feinman

# The Local Choice

2006

# The Local Choice

What's new for 2006 – 2007?

- 10/1 groups will change back to a 10/1 – 9/30 benefit period. The current benefit period will be extended by 3 months (7/1/05 – 10/1/06) to transition to the new period – preventing employees from losing any benefit.
- Fourth quarter carryover will be allowed for TLC Key Advantage intra-group changes, but not for group-to-group changes (changes from one TLC employer to another TLC employer).

# The Local Choice

What's new for 2006 – 2007?

- New Renewal Underwriting Analysis for 50-299 renewals.
- Savings report and large claims report to be included for all renewals of groups with 50 or more members.
- Ad Hoc reports will now show facility claims on a paid basis.

# The Local Choice

What's new for 2006 – 2007?

- New High Deductible Health Plan (HDHP)
  - Designed to meet Federal guidelines to be HSA compatible.
  - HSA accounts
    - are tax-favored accounts
    - are owned by the employee
    - are portable
    - have no use it or lose it rule
    - are federally regulated

# The Local Choice

What's new for 2006 – 2007?

- New High Deductible Health Plan (HDHP) - Continued
  - Name – The Local Choice High Deductible Health Plan (TLC HDHP).
  - Groups with less than 25 employees may choose as a single option. Groups with 26 or more may pair it with an additional option.
  - The plan has a \$1,200/\$2400 deductible and then pays at 80%  
Only single or family deductible – employee plus one membership type will have the same deductible and OOP as family membership.
  - *Entire family* deductible must be met before plan begins to pay for employee plus one and family membership types – *this is different from other TLC plans.*
  - Medical, behavioral health and Rx expenses apply towards the deductible.

# The Local Choice

What's new for 2006 – 2007?

- New High Deductible Health Plan (HDHP) -Continued
  - Routine Wellness (7 or older) is not subject to the deductible or coinsurance.
  - No 4<sup>th</sup> quarter carryover as with other TLC plans.
  - Anthem Virginia will administer the health, Rx (APM) and MISA (Anthem Behavioral Health).
  - Anthem will also administer a separate dental plan for those in enrolled in the TLC HDHP. The dental plan will have a separate deductible. Claims for the dental plan will be handled in the COVA Operational Unit in Richmond.
  - HDHP includes BlueCard PPO & Worldwide.
  - No out-of-network coverage.

# The Local Choice

What's new for 2006 – 2007?

- New High Deductible Health Plan (HDHP) -Continued
  - HDHP includes BlueCard PPO & Worldwide.
  - No out-of-network coverage.
  - HDHP includes Anthem's Enhanced EAP
    - Up to 4 sessions per incident
    - Provides access to legal, financial, elder care and child care consultations.

# The Local Choice

What's new for 2006 – 2007?

- The following count toward the HDHP out-of-pocket expense limit:
  - Deductible and coinsurance for covered medical, behavioral health and pharmacy services from providers, facilities and pharmacies in the Anthem and BlueCard networks.
- The following do NOT count toward the HDHP out-of-pocket expense limit:
  - Expenses for non-covered services or supplies (including out-of-network)
  - Amounts above the allowable charge
  - Amounts above the health plan limits
  - Deductible and coinsurance for all routine dental services (in-network and out-of-network)

# The Local Choice

What's new for 2006 – 2007?

- The State is NOT sponsoring an HSA. The group/members can go to [hsainsider.com](http://hsainsider.com) for HSA shopping
- Members may shop with banks or financial institutions that offer an HSA
- Our Chase HSA is available
- State may sponsor HSA in later years

# The Local Choice

Questions?

# Dental Coverage By Delta Dental

Matt Macdonald  
Terri Green

# Dental Benefit Solutions



# Discussion Points

- TLC Plan Design for 2006
- Enrollment and Network Utilization
- Delta Dental Customer Service Highlights
- Dental Trends
- Delta Dental Web Tools
- The Delta Difference

# Discussion Points

- **TLC Plan Design for 2006**
- Enrollment and Network Utilization
- Delta Dental Customer Service Highlights
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# The Local Choice Dental Plans

## Effective 7/1/06 and 10/1/06

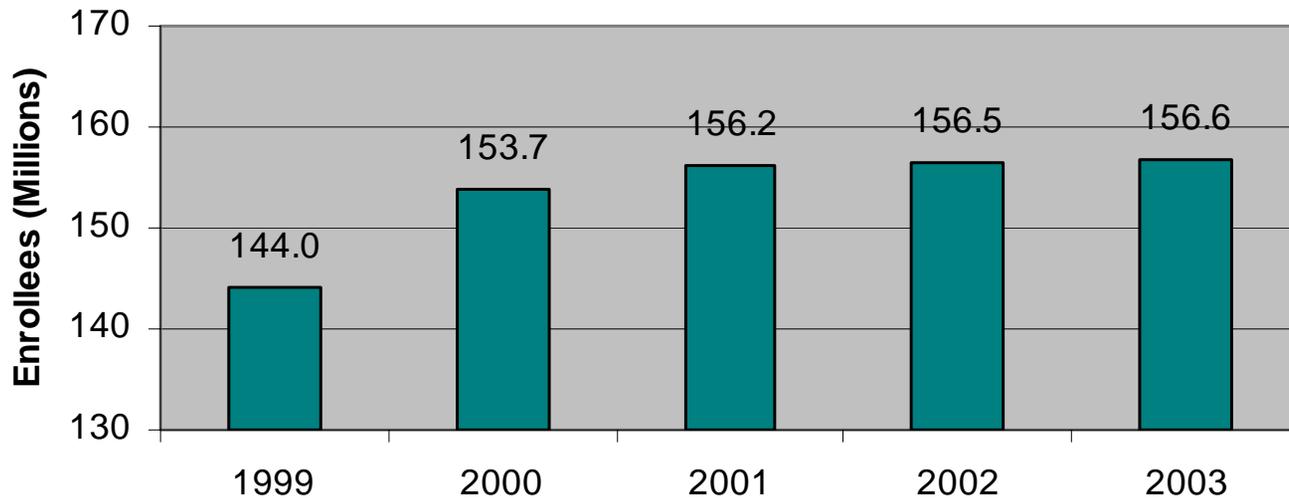
	Key Advantage Expanded	Key Advantage 200, 300, 500
Diagnostic & Preventive Services	100% Premier Allowance	100% Premier Allowance
Basic Service	80% Premier Allowance	80% Premier Allowance
Major Services	50% Premier Allowance	50% Premier Allowance
Orthodontia	50% Premier Allowance	50% Premier Allowance
Deductibles	\$25 ind.* / \$75 family*	\$25 ind.* / \$75 family*
Maximums	\$1,500 annual  \$1,500 lifetime ortho	\$1,200 annual  \$1,200 lifetime ortho
	*Deductible only applies to Basic and Major Services	*Deductible only applies to Basic and Major Services

# Discussion Points

- TLC Plan Design for 2006
- **Enrollment and Network Utilization**
- Delta Dental Customer Service Highlights
- Dental Trends
- Delta Dental Web Tools
- The Delta Difference

# Current Dental Marketplace

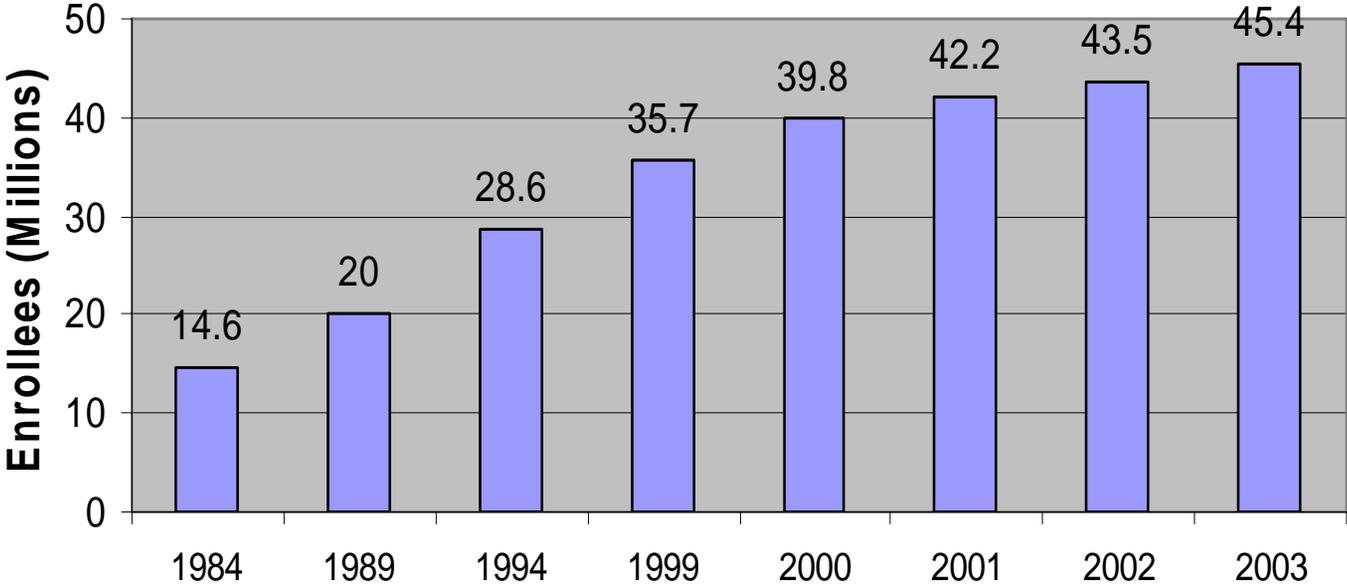
## National Dental Plan Enrollment



IBIS Study, 2000-2004

# Delta Dental National Enrollment

## Delta Dental Plan Enrollment



IBIS Study, 2000-2004

# Superior Networks and Access

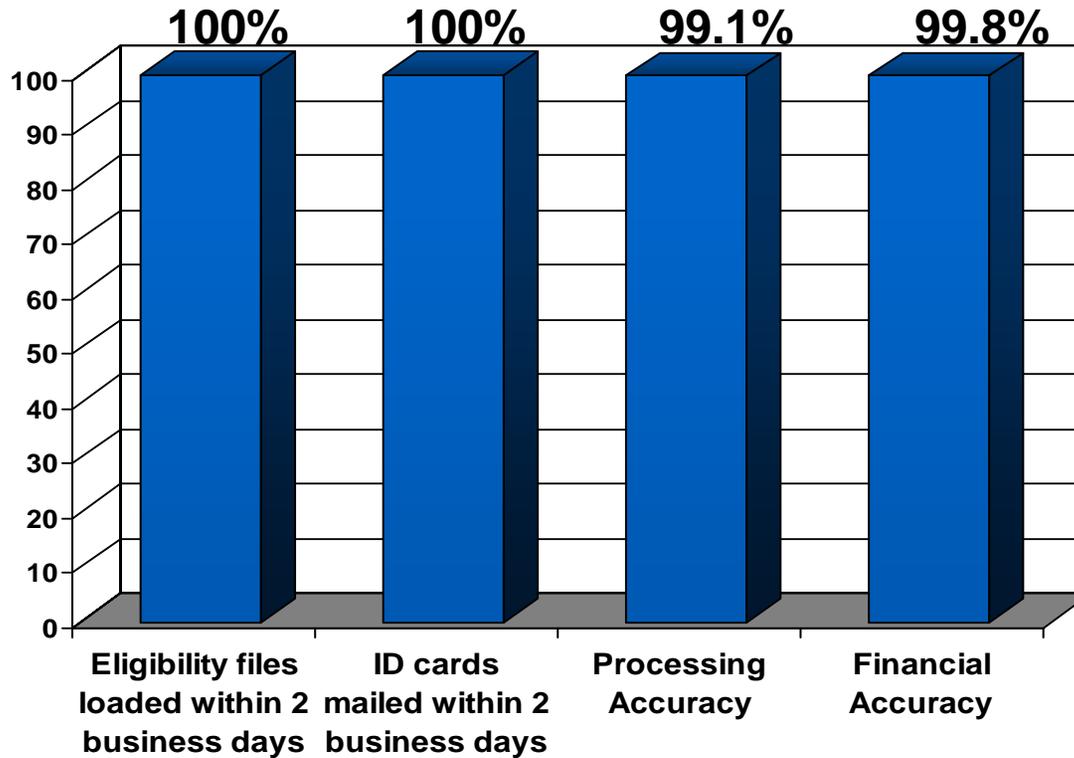
## DeltaPremier

- Largest Network  
Available Anywhere!
  - 161,000 dental offices
  - 3,700 Participating Premier Provider locations in Virginia (80% of all providers statewide)
  - 1 Million covered members in Virginia
- 23,859 TLC subscribers
  - 82% of TLC/School groups using a Premier provider
  - 77% of TLC Government groups using a Premier provider

# Discussion Points

- TLC Plan Design for 2006
- Enrollment and Network Utilization
- **Delta Dental Customer Service Highlights**
- Dental Trends
- Delta Dental Web Tools
- The Delta Difference

# Superior Performance



**Delta Dental's dedicated TLC and COV unit met or exceeded all performance guarantees for the year!**

# More Customer Service Highlights

- 95.7% of Group Administrators responded with a positive rating to our member satisfaction survey
- Average speed to answer member phone calls was 7 seconds
- Abandonment rate of member phones calls was .7%

# Discussion Points

- TLC Plan Design for 2006
- Enrollment and Network Utilization
- Delta Dental Customer Service Highlights
- **Dental Trends**
- Delta Dental Web Tools
- The Delta Difference

# Sealants – Delta Dental study (DAC)

- 239,443 children with sealants
- 272,872 children without sealants
- 85% reduction in all caries in sealed group
- If all sealed saves \$31 million
- Sealants are cost and health effective
- All plans for The Local Choice cover sealants at 100% for dependents under 19 years old

# Xylitol

- A sugar-free natural sweetener
- Used in foods since the 1960's
- Proven to dramatically reduce tooth decay
- Recommended by dentists worldwide for use after eating to prevent tooth decay
- Xylitol Cavity Fighting Mints compliments of Delta Dental

# Discussion Points

- TLC Plan Design for 2006
- Enrollment and Network Utilization
- Delta Dental Customer Service Highlights
- Dental Trends
- **Delta Dental Web Tools**
- The Delta Difference

# Internet Website: www.deltadentalva.com

The screenshot shows the Delta Dental Plan of Virginia website. At the top left is the logo with the text "DELTA DENTAL" and "Delta Dental Plan of Virginia". Below the logo is a navigation menu with buttons for "DDPV Home", "Dentists", "Subscribers", "Employers", and "Brokers". To the right is a large banner with the text "Welcome to Delta Dental Plan of Virginia" and "Dedicated to strengthening communications with our Subscribers, Employers, Dentists and Brokers/Consultants." Below the banner are three sections: "Searching for a dentist?" with links for locations, directions, maps, and more; "Other Features" with links for Careers, Other Websites, and Forms; and "Featured Information" sections for Dentists, Subscribers, and Employers, each with a list of links to specific resources like logins, search, and product information.

**DELTA DENTAL**  
Delta Dental Plan of Virginia

DDPV Home  
Dentists  
Subscribers  
Employers  
Brokers

**Welcome**  
to Delta Dental Plan of Virginia  
Dedicated to strengthening communications with our  
Subscribers, Employers, Dentists and Brokers/Consultants.

**Searching for a dentist?**  
• locations  
• directions  
• maps  
• and more . . .  
start here!

**Other Features**  
• Careers  
• Other Websites  
• Forms  
start here!

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**\*NOTICE\***  
You MUST have cookies turned on for this site to function properly. To learn more

**Featured Dentist Information**  
Below are some featured sections that provide useful information for our Dentists. Please check back for frequent updates.  
• [Dentist Login](#)  
• [About Delta](#)  
• [Dentist Search](#)  
• [Product Information](#)

**Featured Subscriber Information**  
Below are some featured sections that provide useful information for our Subscribers. Please check back for frequent updates.  
• [Subscriber Login](#)  
• [About Delta](#)  
• [Dentist Search](#)  
• [Product Information](#)  
• [Oral Health & Wellness Information](#)

**Featured Employer Information**  
Below are some featured sections that provide useful information for current and potential Employers. Please check back for frequent updates.  
• [Employer Login](#)  
• [About Delta](#)  
• [Dentist Search](#)  
• [Product Information](#)  
• [Oral Health & Wellness Information](#)

- Find Participating Dentists
- Check Benefit Design
- Check Claims

- Annual Maximum Status
- Real Time/On-line Enrollment
- Deductible Status

# Internet Website: Subscriber Registration



## Subscriber Registration

### Dentists and Subscribers

Looking for Benefits, Eligibility or  
Claims information: login here



[Forgot password?](#)

[New user? Need to register?](#)

[Forgot user name?](#)

### About Delta Dental

### Oral Health and Wellness

### Dentists

### Subscribers

### Employers

### Brokers

Current Location: [Delta Dental](#) > [Subscribers](#) > Subscriber Registration

Mon, Feb. 27, 2006

## Register - Step 1 of 2

Please enter your information in the registration form below. We will validate this information against our records before continuing to step two in the registration process. Required fields are indicated with an asterisk (\*).

If you are having difficulty registering [click here](#) for customer service contact information.

(Note: Only primary Subscribers are supported for access to Subscriber Connection. Registration of a Spouse or Dependents is not currently supported.)

*First Name:	<input type="text"/>	
*Last Name:	<input type="text"/>	
*Subscriber ID/SSN:	<input type="text"/>	
*Date of Birth:	<input type="text"/>	[mm/dd/yyyy]

Register User

# Internet Website:

## Check Claims

### Delta Dental Plan of Virginia

4818 Starkey Rd.  
Roanoke, VA 24014

(540) 989-8000  
(800) 237-6060

### Claim Status Report

Subscriber ID: 99999AAAA  
Report Date: 03-19-2001

Benefits described in this document are not a guarantee of payment unless the claim status is "Processed." Specific information regarding EXCLUSIONS, LIMITATIONS, and WAITING PERIODS are noted in the subscriber's Evidence of Coverage or Summary Plan Description. You will receive a Notice of Payment in the mail. If you have any questions, please contact Delta's Benefit Services Department.

#### General Claim Information:

<b>Claim #:</b>	29993050049406	<b>Patient Name:</b>	JOE SMITH
<b>Provider Name:</b>	JANE DOE	<b>Patient DOB:</b>	02-18-1989
<b>Plan Type:</b>	DELTA PREMIER	<b>Subscriber ID:</b>	99999AAAA
<b>In/Out of Network:</b>	IN	<b>Subscriber Name:</b>	JOHN SMITH
		<b>Address:</b>	14 ROANOKE RD ROANOKE, VA 55555

<b>Delta Payment</b>	\$83.50	<b>Patient Responsibility</b>	\$0.00
<b>COB</b>	\$0.00	<b>Deductible</b>	\$0.00

Claim Received	Claim Status	Paid Date	Check Cleared	Paid To	Check Number	Paper or Electronic
01-04-2001	PROCESSED	01-11-2001	N/A	PROVIDER	555555	PAPER CHECK

#### Treatment Information:

Tth	Surf	Proc	DOS	Subm	Apprv	Allow	Patient Resp	Ded	Delta Paid	PP1	PP2	PP3
		D0120	12-27-2000	\$25.00	\$21.50	\$21.50	\$0.00	\$0.00	\$21.50			
		D0272	12-27-2000	\$30.00	\$20.00	\$20.00	\$0.00	\$0.00	\$20.00			
		D1110	12-27-2000	\$45.00	\$42.00	\$42.00	\$0.00	\$0.00	\$42.00			

# Internet Website: Check Benefit Design

## Delta Dental Plan of Virginia

4818 Starkey Rd.  
Roanoke, VA 24014

(540) 989-8000  
(800) 237-6060

## Subscriber Benefit Report

Subscriber ID: 99999AAAA  
Report Date: 03-19-2001

This document is provided for your convenience only and is subject to change. Benefits described in this document are subject to Processing Policies and Professional Review and are not a guarantee of payment. Specific information regarding EXCLUSIONS, LIMITATIONS, and WAITING PERIODS are noted in the subscriber's Evidence of Coverage or Summary Plan Description. You will receive a Notice of Payment in the mail. If you have any questions, please contact Delta's Benefit Services Department.

<b>Subscriber:</b>	JOHN SMITH 14 ROANOKE RD ROANOKE VA 55555	<b>Product:</b>	DELTA PREMIER EMP/CHILDREN
<b>Group Number:</b>	000006011-00001111-0000	<b>Original Effective Date:</b>	01-01-2000
<b>Group Name:</b>	COUNTY OF ROANOKE	<b>Benefit Period Begin:</b>	01-01-2001
		<b>Benefit Period End:</b>	12-31-2001

Covered Individuals					
Name	Birthdate	Relationship	Effective Date	Term Date	Next Exam Date
JOHN SMITH	10-02-1963	SUBSCRIBER	01-01-2000	0	08-22-2001
TOM SMITH	05-13-1988	DEPENDENT	01-01-2000	0	08-26-2001
JOE SMITH	01-24-1991	DEPENDENT	01-01-2000	0	08-26-2001

Maximums										
Benefit Class	In/Out Network	Individual				Family				
		Annual Ded	Life Ded	Annual Max	Life Max	Annual Ded	Life Ded	Annual Max	Life Max	
ALL COVERED CLASSES (EXCLUDING ORTHO)	BOTH	50	0	1000	0	150	0	0	0	0
ORTHODONTICS	BOTH	0	0	0	1000	0	0	0	0	0

**Dependent Age Limit:** NONE    **Student Age Limit:** NONE    **Orthodontic Age Min:** N/A    **Orthodontic Age Max:** N/A

Coverage Levels				
Description	In/Out Network	% Delta Pays	Deductible	Benefit Waiting Period
DIAGNOSTIC & PREVENTIVE	BOTH	100%	NONE	NONE
SEALANTS	BOTH	50%	YES	NONE
RESTORATIVE	BOTH	80%	YES	NONE
ENDODONTICS	BOTH	50%	YES	NONE
PERIODONTICS	BOTH	50%	YES	NONE
ORAL SURGERY	BOTH	80%	YES	NONE
DENTURE REPAIR AND RECBMENTATION	BOTH	80%	YES	NONE
EMERGENCY TREATMENT	BOTH	80%	YES	NONE
CROWNS	BOTH	50%	YES	NONE
PROSTHODONTICS	BOTH	50%	YES	NONE

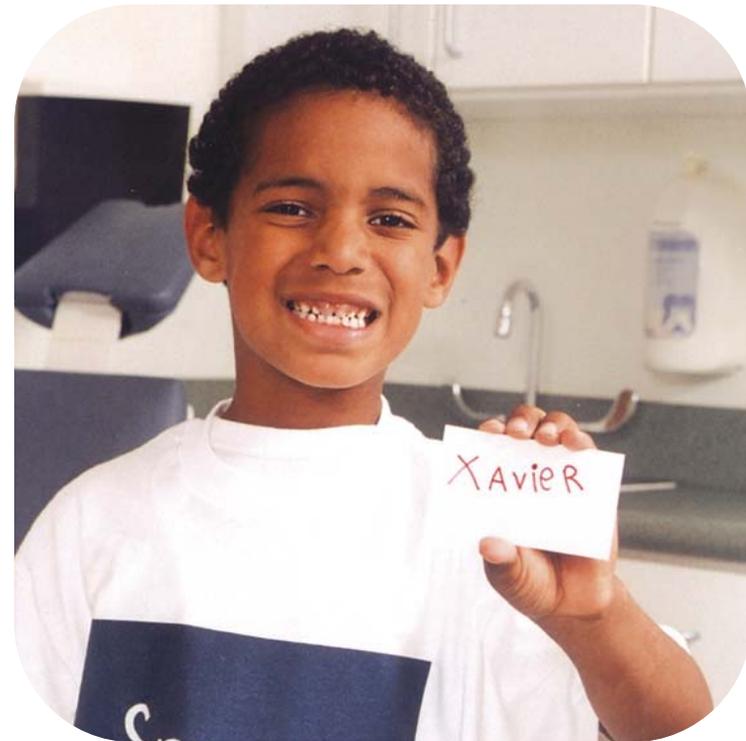
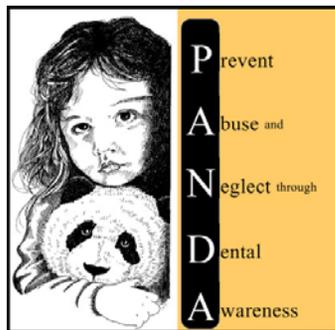
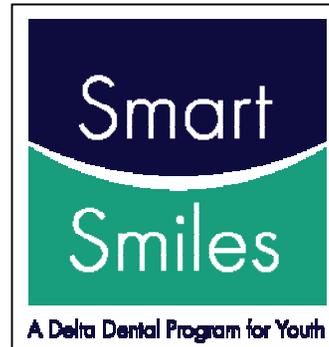
# Discussion Points

- TLC Plan Design for 2006
- Enrollment and Network Utilization
- Delta Dental Customer Service Highlights
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- Delta Dental Web Tools
- **The Delta Difference**

# The Delta Difference!

- Total Focus on Dental Benefits
- Largest, Most Experienced Dental Benefits Carrier in the Nation
- Aggressive Cost Management
- Superior Network Access
- Community Involvement
- Satisfied Customers!

# Making a Difference in the Community



**Fulfilling our mission of providing affordable oral healthcare to all Virginians**

# Behavioral Health and EAP by Value Options

Nathan Coley  
Joe Chodkiewicz

# The 2006 Local Choice Road Show

March 3, 2006

# The Local Choice Road Show

- Mental Illness/Substance Abuse and EAP Benefit Provider
- Dedicated toll free number: 866-725-0602
- Website: [www.achievesolutions.net/tlc](http://www.achievesolutions.net/tlc)

# The Local Choice Road Show

## **Employee Assistance Program Benefits**

- Four sessions per problem per year with no cost to the member
- Everyone in the household is eligible
- Provides confidential, professional counseling, education and referral services

# The Local Choice Road Show

## **EAP Offers help with a variety of issues:**

- Marital and family problems
- Alcohol and /or drug abuse assessment
- Balancing work and family
- Work-related concerns
- Financial or legal issues (including mediation services)
- Grief and loss
- Personal growth and development

# The Local Choice Road Show

## Mental Illness/Substance Abuse

- Call 866-725-0602 for pre-certification
- Certification is based on medical necessity
- Benefit coverage is based on provider status
- Out of Network benefit, when available, provides lower coverage and providers may balance bill the member

# The Local Choice Road Show

## Medical Necessity

- The service must be appropriate and essential for the evaluation and/or treatment of a mental disorder.
- The service must expect to improve a patient's condition or level of functioning, and/or prevent regression.
- The service must meet national standard of practice.

**Medical Necessity Criteria can be found at our website:  
[www.valueoptions.com](http://www.valueoptions.com)**

# The Local Choice Road Show

- Other Topics
  - Mixed Services Protocol
  - Trainings
  - Critical Incident & Stress Debriefing

# The Local Choice Road Show

- What's new at ValueOptions:
  - New Logo
  - New Workplace Consult

# The Local Choice Road Show



# The Local Choice Road Show



The screenshot shows the homepage of the VALUEOPTIONS website. The logo is in the top left corner with the tagline "Putting People First". A blue navigation bar contains links for Home, Tour, FAQs, and Contact Us. Below this, a secondary navigation bar lists Workplace Tips, Library, Resources & Tools, Trainings, and Goals & Jour. The main content area features a large "WORKPLACE CONSULT" button on the left, a photo of three professionals in the center, and a welcome message on the right. The welcome message includes a "Learn More" and "Login Now" button.

**VALUEOPTIONS**  
Putting People First

Home Tour FAQs Contact Us

Workplace Tips Library Resources & Tools Trainings Goals & Jour

**WORKPLACE CONSULT**

**Learn More**

**Login Now**

**Welcome to WorkplaceConsult.com**  
**The Online EAP Consultative Resource for Managers**

Come here to discuss with an employee assistance professional any workplace concerns you have ... via the telephone and/or the Web. Access articles, information, trainings and other resources.

# The Local Choice Road Show

- WorkplaceConsults.com is a new web-based tool designed to assist the **Benefit Administrator** in accessing articles, resources and expert advice and counsel on:
  - dealing with difficult employee situations
  - managing aggression and potential for violence
  - employee development and team building
  - constructive confrontation and feedback

# The Local Choice Road Show

## **WorkplaceConsult.com Continued:**

- enhancing communication skills
- fitness for duty
- critical incident support
- impairment from alcohol and/or drugs
- managing through change and transition
- maintaining a drug-free workplace
- conflict resolution
- management referrals
- release of information

# The Local Choice Road Show

- For more on [WorkplaceConsults.com](http://WorkplaceConsults.com):

Call 866-725-0602

# The Local Choice Road Show

Questions????

# Out Patient Prescription Drugs by Medco

Alison Robertson

George Bogнар

Robin Scott

# The Local Choice Rx Benefit **administered by Medco**

# Medco Customer Service for TLC

1-800-355-8279

Accessible 24 hours a day, seven days a week (except for  
Thanksgiving and Christmas)

How can this help me?

1. Ask a pharmacist....
2. Refill a prescription
3. Order new mail order forms
4. Locate a retail pharmacy
5. Get a copay quote

These are only some of things we can assist you with.

# Retail Pharmacy

1. When you need a drug on a short term basis
2. Over 50,000 stores in the network nationwide
3. All major chains are in the network
4. A retail copay is applied per 34 day supply of medication, up to a 102 day supply (3 month) with one prescription



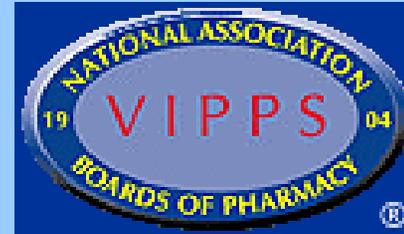
# medco.com

*secure and convenient prescription  
management for members*

Award winning member website

- **Verified Internet Pharmacy Practice Sites (VIPPS™)**

A Program of the [National Association of Boards of Pharmacy](#)



What can I do?

1. Refill medications by mail on line
2. Get the status of a Mail Rx Order
3. Copay quotes
4. Ask a pharmacist
5. Find a retail pharmacy
6. Is my medication covered?

# Medco by Mail

1. For prescription medications you use on a regular basis
2. Dedicated primary mail pharmacy just for TLC and State employees – located on Richmond VA  
PO Box 35030  
Richmond VA 23235-0030
3. Wilson Rx Award - Medco has re-earned the distinction of being named the nation's top-rated PBM and mail order pharmacy in the WilsonRx Pharmacy Benefit Satisfaction Report 2004.
4. Safe, convenient, cost effective, and it is quick.

# Frequently Asked Questions

## **Q: How can I start using Medco by Mail?**

A: To get started using the **Medco By Mail** for medications you take on an ongoing basis, ask your doctor to write a prescription for up to a 90 day supply plus for up to 1 year.

To fill the prescription, you may:

- Mail your prescription(s) along with the enclosed “Medco Health Home Delivery Pharmacy Service Order Form” form and required in the envelope provided.
- Ask your doctor to call **1 888 EASYRX1 (1 888 327-9791)** for instructions on how to fax the prescription. Your doctor must have your Member ID number which is on your prescription ID card to fax your prescription.
- Order through our website after registering on [www.medco.com](http://www.medco.com).

## **Q: Is there an additional charge for shipping and handling?**

A: No, medications are shipped via standard service at no cost to you. Express shipping is also available for an additional fee.

## **Q: How do I know if my medication is covered or if there is a generic equivalent**

A: When you fill a prescription at a participating retail pharmacy or through Medco By Mail, you will be notified if your plan does not cover your medication. To find coverage and pricing details online, along with information about generics, visit **www.medco.com**, and choose “price a medication” from the left menu to review prescription pricing and coverage information. Or you can contact Member Services.

# Frequently Asked Questions

**Q: How soon will I receive my Mail order prescription and how can I check the status of my order?**

A: Orders are usually processed and mailed within 48 hours of receipt. Please allow 7-11 days from the day you mailed your prescription for normal mail delivery. To check on the status of your order, visit **www.medco.com** and choose “order status” from the left menu, or call Member Services and use the automated system.

**Q: How do I pay for my Medco by Mail prescriptions?**

A: You may pay by check, money order, or credit card. If you prefer to use a credit card, you have the option of joining our automatic payment program by calling **1 800 948-8779** or enrolling online.

If you pay by check or money order and happen to overpay, your account will be credited. If you send less than your cost of the prescription, in most cases you will get an invoice for the balance with your Medco by Mail order.

# Frequently Asked Questions

## **Q: How do I refill my mail order prescriptions?**

**A:** Ordering mail order prescription refills is easy. Be sure to have your ID number (which is on your (GQB04 prescription ID card)) and your prescription number for the medication handy.

- **Online**—Each time registered users log in to [www.medco.com](http://www.medco.com) available prescription refills will be displayed in the personalized “order center,” as well as within your prescription history. From the order center, simply check the box next to the items you want to order and follow the on-screen instructions to check out.
- **By telephone**—Call **1 800 4REFILL (1 800 473-3455)** to use the automated refill system.
- **By mail**—Use the refill order form that will accompany your prescription. Mail it with your co-payment to Medco Health in the return envelope.

To make sure that you don't run out of medication, remember to reorder 14 days before your medication runs out. You can find the refill date on your prescription bottle, on the refill slip that comes with every order, or at [www.medco.com](http://www.medco.com).

# Frequently Asked Questions

**Q: How do I order additional mail order forms?**

A: Order via the Internet at **www.medco.com** or call Member Services toll-free at to use the automated system. We will mail your requested information to you right away.

**Q: Who has access to my prescription information?**

A: Medco Health has a strong commitment to your privacy. We have established effective administrative and technical safeguards to protect the confidentiality of your prescriptions and other information and to secure this information from unauthorized or improper access, disclosure, or use. In addition, Medco Health does not sell individually identifiable information or lists of members and their covered dependents to outside companies for solicitation or marketing purposes.

# CommonHealth

Linda Sweeney  
Stacey Dorton

***Our Vision Statement  
For CommonHealth is that:***

**State and Local Choice employees in Virginia  
will be the healthiest in the nation**



***The CommonHealth Mission:***

**To make a difference in the health of the  
employee and the workplace by:**

**Integrating health into the work culture,**

**Building trustworthy partnerships,**

**Changing individual behavior.**

# What does CommonHealth include?

## On-site Health Check Screening

- Total Cholesterol
- HDL Cholesterol
- Blood Glucose
- Blood Pressure
- Comprehensive Health Questionnaire
- Participant Incentive
- Incentive for CommonHealth Administrators achieving a 35% participation rate

# What does CommonHealth include?

## Annual Health Education Program

- Have a Ball with Fitness
- Tame Your Stress *(Available July 2006)*
- Stand Up for Your Health *(Available July 2006)*

# What does CommonHealth include?

## Baby Benefits

This free program is designed to promote a healthy pregnancy and prevent premature birth.

**1-800-828-5891**

## Breaking Free from Tobacco

This program offers the support needed to quit and stay quit. Participants can receive an eight-week supply of nicotine patch or gum at no cost.

**1-800-394-6380**

# **What does CommonHealth include?**

***The Compass Quarterly Newsletter***

**Annual Health Improvement Challenge**

**Fitness Center Discounts**

# Questions?

**Eastern Region** – Tammy Glotz  
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Visit us at [www.tlcccommonhealth.com](http://www.tlcccommonhealth.com)

*Thank you for supporting CommonHealth!*<sup>68</sup>

# Financial Topics

George Gibbs  
Walt Norman

# Premium Payments

- Premium checks can be by sub-group
- TLC can not accept checks from individual retirees or COBRA participants

# Late Payments

- Premiums are due on the first of each month
- Premiums are late after the 10<sup>th</sup> of the month regardless of mail date
- Late payments are subject to 1% per month late fee including retiree premiums
- COBRA premiums have a 45 day grace period

# Payments and Forms

- Send These:

- Premium Billing Statement
- Payment

To This Address:

Anthem Blue Cross and Blue Shield  
Post Office Box 580494  
Charlotte, NC 28258-0494

- Send These Forms:

- Enrollment Forms
- Membership Changes

To This Address:

Attention: Cheryl Freeman  
Anthem Blue Cross and Blue Shield  
2015 Staples Mill Road  
Mail Drop VA 13S 141  
Richmond, VA 23230  
Fax (804) 354-4240

# What is GASB 43 & 45?

The Government Accounting Standards Board (GASB) issued Statement No. 43 of the GASB (GASB 43) entitled "Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans" in April, 2004.

GASB issued GASB 45 entitled "Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions" in June, 2004.

# Purpose

- The purpose of GASB 43 is to require the accrual of liabilities of other post-employment benefits (OPEB) generally over the working career of plan members rather than on a pay-as-you-go basis which is the current practice for most government sponsored plans.
- The purpose of GASB 45 is to require the accrual of the OPEB expense over the same period of time.

# What are OPEBs?

Benefits that are provided (other than pensions) after employment ends such as medical, dental, vision and prescription plans. They can include life insurance, disability, long term care and legal services that are *not* offered as part of a pension plan. It does not include vacation, sick leave or COBRA continuation.

# What Does GASB 45 Require?

The value of the promise made to provide retiree benefits must now be accrued during the working years of employees & recognized as a financial obligation of the employer as the OPEB cost. This amount needs to be reported on the financial statement of all public sector employers.

# Effective dates?

<b>Phase</b>	<b>Total annual revenues (1)</b>	<b>GASB 43 applies for periods beginning after the following dates:</b>	<b>GASB 45 applies for periods beginning after the following dates:</b>
1	\$100,000,000 or more	12/15/05	12/15/06
2	\$10,000,000 - \$100,000,000	12/15/06	12/15/07
3	Less than \$10,000,000	12/15/07	12/15/08

(1) Based on a government's total annual revenues in the first year ending after 6/15/99.

# Does GASB-OPEB require funding?

GASB addresses the identification & disclosure of the liability & funding status. Not complying with the actuarial methods, assumptions & suggested funding process could have a substantial impact on the financial status & credit rating of the employer.

# Implement a strategy

- Determine if a liability exists.
- **Have an actuarial valuation** to determine the amount of unfunded liability.
- Review the existing plans for potential cost controls & savings along with their impact on the GASB-OPEB liability.
- Examine funding options & their effect on cash flow and/or borrowing capabilities & cost.
- Determine the funding vehicle(s) to be used. To be credited with an OPEB contribution an insurance company or irrevocable asset transfer to a trust must be used.
- Evaluate the current & future interest rates.
- Establish a collective bargaining & implementation strategy regarding benefit levels & funding options.

# TLC 101

Walt Norman

# Local Administrative Manual LAM

- Available on TLC Web Site
- To Be Distributed in March 2006
- Replaces 1997 Edition and Sequential Memos
- Future Updates Will Replace Pages rather than Supplement with Sequential Memos

# ID Cards

New ID Cards Again this Year

**GREAT NEWS!!!**

Only One Card for All TLC Coverage

# 2006 Single ID Card

<b>Anthem.</b> 	 BC 423/BS 923 BIN #610014 CMMLTH1	<i>medco</i>
 <b>VALUEOPTIONS</b> <i>Putting People First</i>	 <b>DELTA DENTAL</b>	
Member: Jane B. Doe ID Number: YTX123M56739 Group Number: 48XXXXXX PCP/Specialist Copay: \$15/25	Key Advantage Expanded 	

# Who is Eligible?

- Full Time and Part Time Employees
- Legally married spouse of eligible employee
- The eligible employee's unmarried biological or legally adopted child(ren)
- A child placed in an eligible employee's home under a pre-adoptive agreement

# Who is Eligible?

- Unmarried stepchildren living full time with the eligible employee in a parent-child relationship and who are eligible to be claimed as a dependent on the eligible employee's federal income tax return
- Disabled adult children who are certified as disabled by the Plan
- Other children, on an exception basis

# Who Is Not Eligible?

- A child who is married
- A child not living at home and not claimed on parent's federal income tax return
- A child over the age of 23, unless disabled
- Stepchildren not living full time with employee and/or not claimed as dependents on eligible employee's federal income tax return
- Parents, Grandparents, Brothers, Sisters or Grandchildren
- Ex-spouses

# Penalty

- Removal of Employee from Plan for Up to Three Years
- Retraction of Claims and/or Refunded payments
- Prosecution for Fraud

# When Coverage Begins

- Effective on the first day of the month after receipt of enrollment form for new hires. If an employee begins on the first day of the month, coverage can begin on that day if paperwork is completed that day. Employee must be at work on effective date
- Employees must enroll within 31 days of hire or QME
- All eligible employees must complete Enrollment Form to Join or Waive Coverage

# When Coverage Ends

- Coverage ends at the end of the month in which the employee terminates work or otherwise loses group eligibility.
- Ineligible dependents must be dropped within 31 days. Failure to do so may result in the employee being dropped from the plan for up to 3 years and/or charged with fraud!
- Eligible dependents may stay on the plan until the end of the year in which they turn 23.

# Qualifying Mid-Year Events

## Section 125

- TLC Assumes All Groups Have 125 Plan
- Once Election is made, it is Irrevocable until Open Enrollment unless a Qualifying Mid-Year Event (QME) Occurs. Outside Open Enrollment, Changes only with QME on Account of and Consistent with Status Change

# TLC Allows Changes

- Membership and/or Plan
  - The TLC program allows changes in membership
    - At open enrollment
    - If an employee/retiree experiences a qualifying mid-year event – changes must be on account of and consistent with the QME to be permitted. A list of QME's can be found at [www.thelocalchoice.virginia.gov](http://www.thelocalchoice.virginia.gov)

# Qualifying Mid-Year Events

- **Change in your employment status**
  - begins/ends full-time employment
  - begins/ends leave without pay or family medical leave
  - begins retirement
- **Change in your marital status**
  - marriage, divorce or death of a spouse  
**(Separation is never a QME)**

# Qualifying Mid-Year Events

- **Change in your number of eligible family members**
  - birth or adoption (DHRM must review all pre-adoptive placements to verify eligibility)
  - death of a covered child
  - covered child loses eligibility coverage under your plan (exceeds age limit, marries, becomes self-supporting, etc.)
  - judgment, decree or order requiring coverage of a child
  - permanent custody of a child
  - Social Services order requiring coverage of a child

# Qualifying Mid-Year Events

- **Changes affecting your family member(s) employment**
  - spouse or covered child gains employer health plan eligibility (including switching from part-time to full-time employment)
  - spouse or eligible child loses employer eligibility (including switching from full-time to part-time employment)
  - spouse begins/ends leave without pay

# Qualifying Mid-Year Events

- **Other changes affecting your dependent(s)**
  - annual enrollment or significant change allowed under another employer's plan
  - gains/loses eligibility for Medicare or Medicaid
  - loses eligibility under another government-sponsored plan

# Qualifying Mid-Year Events

- **Changes due to special circumstances**
  - employee or dependent moves in or out of plan's service area
  - HIPAA special enrollment due to loss of other coverage \*
  - you or a family member permanently change residence, affecting eligibility for the Plan

# Qualifying Mid-Year Events

- **If you move in or out of your plan's service area**

You may change plan or membership if you move in or out of your plan's service area and submit your request within 31 days of the event. The change will be effective the first of the month after the request and enrollment form is received.

# Qualifying Mid-Year Events

- Under HIPAA, if you lose your group health coverage, you may be able to enter another group health plan for which you are eligible (such as a spouse's plan), even if the plan generally does not accept late enrollees. Special enrollment rights are also triggered by marriage, birth, adoption, and placement for adoption.

# Adding Newborn Children



# Adding Newborn Children

- Coverage for Newborns **Is Not** Automatic
- Failure to Add Within 31 Days Could Result in Denied Coverage.
- You Must Complete Enrollment Form

# Retiree Eligibility Requirements Conform with VRS

- Minimum Age 50 with 10 Years of Service with the Participating Employer, or Age 55 with 5 Years of Service with the Participating Employer  
and
- Eligible for and Receiving Immediate Annuity from Primary Retirement Vehicle

# Employers may choose:

- Not Eligible for Medicare Only
- Not Eligible for Medicare Coverage and Eligible for Medicare Coverage
- Eligible for Medicare Coverage **Can Not** Be Offered Without Not Eligible for Medicare Coverage

# Early Retirees

- Coverage Available at ER Option
  - No Employer Contribution Required
- May Be Offered without Medicare Plan
- Continue with Active EE Benefits
- Employer Selects Stand Alone or Blended for S/F Plans – Regional Plans Already Blended
  - Stand Alone is 2 X Active EE Rate (applies to dependents also)
  - All Pay Same Rate if Blended (subsidized by actives)

# Early Retirees at Medicare Eligibility

- If Employer Offers Medicare Eligible Coverage, Retiree Should Elect A & B; Must Select Medicare Plan
- Medicare Eligibility is Key Not Age 65
- Eligible Dependents Retain Active Benefits
- As Dependents Become Medicare Eligible, They Move to Same Medicare Plan

# Medicare Eligible Retirees

- Available Only in Conjunction with Early Retiree Coverage
- Retirees Should Have both Medicare Parts A , B & D
- Plans Available – ER Selects Only One
  - Advantage 65
  - Advantage 65 with Dental/Vision
  - Medicare Complementary (Grandfathered)
- No Out Patient Prescription Coverage

# Contributions VAC Minimums

## KA and HMO Plans

- Full-Time: 80% of average single cost
- Part-Time: 40% of average single cost
- No employer contribution is required for dependents if more than 75% of all eligible employees are enrolled.
- Additional cost of Dependent Coverage (if required): 20% of average cost.

# Contributions VAC Minimums

## HDHP

- HDHP contributions are calculated separately from other contribution calculations.
- Minimum employer contributions for HDHP are 80% of F/T single employee cost plus 20% of dependant cost
- P/T 40% / 10%

# 1500+ Pooling

- For Groups with More than 1500 Employees and TLC Effective Dates of 7/1/2002 or Later
- Cost Plus for Medical and Rx (Possibly Dental and Behavioral Health)
  - No Pooling Protection – 100% Claims Driven
  - Aggregate Stop Loss Advisable
  - IBNR Reserves Recommended
- Any Deficit Settlements at least Annually (Possibly Monthly or Quarterly)
  - AEA Not Applicable - 24 Month Run-Out with Monthly Settlements

# USERRA

- Extended to 24 Months
- Most Favorable Treatment for Any Comparable Leave
- Employers Required to Post Model Notice

Available at

[http://www.dol.gov/vets/programs/userra/USERRA\\_Private.pdf#Non-Federal](http://www.dol.gov/vets/programs/userra/USERRA_Private.pdf#Non-Federal)

# Medicare D – Creditable Coverage

- Two Creditable Coverage Deadlines
  - Already Past 11/15/2005
- TLC Coverage is Creditable
  - File on line before 3/31/2006 at

<http://www.cms.hhs.gov/apps/ccdisclosure/default.asp>

# Better Prepared

Administered by Health Management  
Corporation

Disease Management Program to Assist  
Members with these conditions:

1. Coronary Artery Disease
2. Diabetes
3. Asthma
4. Congestive Heart Failure
5. Metabolic Syndrome (New)

# Metabolic Syndrome

The term **metabolic syndrome** refers to a combination of three or more of the following risk factors:

- high blood pressure,
- pre-diabetes or diabetes,
- raised LDL “bad” cholesterol, and
- reduced HDL “good” cholesterol.

# Better Prepared

## Goal

Provide Tools and Support to  
Minimize your Condition's  
Effects, Improve your Health  
and Help you Feel Better

# Better Prepared

- Voluntary and Confidential Plan
- Dedicated Nurse will help Coordinate Benefits and Provide Support for your Doctor's Plan of Treatment
- Call (800) 445-7922

# Adverse Experience Adjustment Protection (AEA)

- Terminating Groups **May Be** Accessed AEA
  - Payable over 12 month period
- No Adjustment Applied if No Deficit Exists
- Under 300, Charged Only If Pool Is In Deficit for Current Plan Year
  - Pro-rata Based on Group Contract Units vs. Pool Contract Units as % of Pool Loss
- 300+ Based on Actual Employer Plan Losses
- AEA Assures Current Member Groups Will Not Be Penalized for a Terminating Group's Losses

# Why TLC

- S/F Plans Least Costly
- In S/F Plans, Claims are Claims
- What Factors Should Be Considered?
  - Customer Service / Administration
  - Size of Network
  - Network Discounts
  - Administrative Fees
  - Value Added Services
- TLC Provides Best of All Worlds

# Questions???

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The Local Choice Program Manager

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13<sup>th</sup> Floor

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[www.thelocalchoice.virginia.gov](http://www.thelocalchoice.virginia.gov)