



Walsh Benefits Partner Press



Your source for the latest:

- Carrier Updates
- State and Federal Legislative Information
- Walsh Benefits Updates

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By Kim Simpson and Dave Mordo

May 2005

Carrier Updates

We want you to know™



- **Aetna's** packaged life and disability insurance options have been posted in the "Forms Warehouse" in the Walsh Benefits online quoting system. Go to the Forms Warehouse – NJ – Aetna – Life Plans and select either the plan summary, which includes a price, or three other plan options. Contact Walsh Benefits for more details.
- **Aetna** will hope to introduce its HSA product into the small group (2-50) market by July 1, 2005.
- For small businesses with less than 50 eligible employees, **Aetna's** Packaged Life and Disability Low Option plan can be added to their existing coverage for \$8.00 monthly premium per employee.



- **AIG** is offering a Premium Service Bundle to qualified 100 to 2,500 life groups. This bundle includes 3 year rate guarantees for Life and AD&D, participation in Client Council Web casts, and up to 5% allowance on premium in certain cases. Contact Walsh Benefits today to see if your group qualifies.
- **AIG's** new quick reference product summary is now available in the "Forms Warehouse" on the Walsh Benefits Quoting System. Go to the Forms Warehouse – NJ – American General – Benefit Summaries then click on "Product Reference Guide."

Become Licensed Today!!!

Walsh Benefits has posted the licensing and appointment forms for Aetna, Cigna, Oxford, United Healthcare and Wellchoice on our online quoting system. Go to www.walshbenefits.com, click on the broker log in link in the upper right hand side of the page, log in then go to the Forms Ware-

house. In the Broker Registration folder under each of the carriers listed above, you will find the forms that should be submitted in order to become appointed.



AIG Updates Continued...

- **American General** has made marketing their products easier. They have organized their product information into marketing campaign topics that are listed monthly. Here are May's topics:

May

- Use 06675006-0DOD or 06675006-1022DOD to promote AIG's Group STD and LTD products.
- Use 06675006-1041DOD to learn about AIG's Group Indemnity Dental program.

Contact Walsh Benefits today to learn how you can register on Smartworks.com to access personalized marketing materials for the topics above

Help Walsh Benefits to serve you better!



- Effective 1/1/05, **Allied Dental Design** will feature two new plan designs: an indemnity and PPO (In/Out) Plan. Both plans offer a choice of buy up enhancements. Contact Walsh Benefits for more information on these new plans and options.
- **Allied** provides the Horizons Cost Saver PLUS Major Medical benefit plan. This plan adds 100% major medical coverage, with an out-of-pocket maximum, to the Horizons Cost Saver limited benefit plan. As an alternative to high deductible health plans. Contact Walsh Benefits for more details.



- **AmeriHealth Formulary Changes**
After review of their Select Drug Program formulary, **AmeriHealth** is making the following changes that will be implemented:
 - Generic Addition - Effective immediately
 - Brand Drug Additions - Effective Immediately

Please try to refrain from submitting new business on or 1 day before the requested effective date. The logistics of getting the submission to the carrier in a timely manner becomes more difficult especially if the paperwork is incomplete or incorrect. We appreciate your cooperation.

AmeriHealth Continued...

- Brand Drug Deletions - effective July 1, 2005 (these drugs will now be covered at the non-formulary co-payment)
- Over-The-Counter Exclusions - effective July 1, 2005
- Prior Authorization - effective February 17, 2005

The Formulary Updates have been posted on www.walshbenefits.com in the Forms Warehouse. According to AmeriHealth, letters to group administrators and members enrolled in the Select Drug Program will be mailed shortly.

- **AmeriHealth's New Individual Health Coverage (IHC) Plan**
Effective May 1, 2005, AmeriHealth is offering the AmeriHealth IHC Preferred Plan with rates as low as \$190.00 per month. Call Walsh Benefits for details.
- **AmeriHealth's 2nd Quarter 2005 Bonus Program**
This bonus applies to any new business submitted and approved for effective dates between April 1, 2005 and June 15, 2005. AmeriHealth will pay:

# of Eligible Employees	Amount per Contract
2- 50	\$25
51- 499	\$20
500 - 999	\$15

- **AmeriHealth's Small Employer Health Plan Booklet** is now available in the "Forms Warehouse" on the Walsh Benefits Quoting System. Go to the Forms Warehouse - NJ - AmeriHealth - Benefit Summaries then click on "Small Employer Health Plan Booklet."
- Effective July 1, 2005, the following Amerihealth Options will **NO LONGER** be available to clients:
 - All PPO medical options with \$5 and \$10 visit co-payments.
 - All Select Drug Program PPO rider options with \$5 and \$10 generic formulary co-payments.
 - All Standard Drug Program PPO rider options, with the exception of the 50% coinsurance option featuring retail dispensing of up to a 90-day supply.

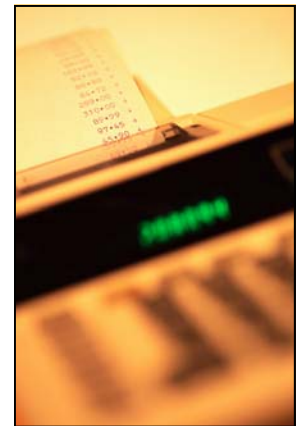
Contact Walsh Benefits for more details.

- Effective July 1, 2005, AmeriHealth's new Select Drug Program Options will be available for 51+ and small groups.

	\$5/\$25/\$50	\$7/\$35/\$50	\$10/\$40/\$60
Generic Formulary Co-payment	\$5	\$7	\$10
Brand Formulary Co-payment	\$25	\$35	\$40
Non-Formulary Co-payment	\$50	\$50	\$60

Contact Walsh Benefits for more information.

When submitting new business, please make sure you include dates of birth and social security numbers for ALL insureds and dependents. Also, please try to include any proof of full-time student status with the ORIGINAL submission as opposed to a few days afterward. Your full cooperation will speed along the underwriting process.



Visit AmeriHealth online to view expanded information on hospital ratings, physician information and relative hospital cost data

Walsh Benefits will be happy to order directories to be shipped directly from the carrier of choice to your office or the insured's place of business.

As a rule, Walsh Benefits does not mail out directories.



*If you are sending us documentation to assist you in resolving a claim issue, **PLEASE SEND US THE EXPLANATION OF BENEFITS (EOB)**. We cannot help you with the issue without this important piece of documentation.*



- **Cigna HealthCare** announced that it is expanding the availability of its consumer-driven CIGNA Choice Fund(SM) Health Savings Account (HSA) plan to businesses with 51-200 employees in the New York and New Jersey markets. The CIGNA Choice Fund HSA had previously only been available to employers with more than 200 employees. CIGNA is offering the expanded availability now for plans that take effect on or after June 1, 2005.
- **Cigna Healthcare** offers an online hospital value tool to help consumers when choosing a hospital. The online tool provides ratings for hospital-based treatments of 19 medical conditions. The new tool is available to the general public at no charge at www.cigna.com in the Provider Directory.
- **CIGNA** has announced a new program called "Academy by **CIGNA**", a comprehensive Continuing Education program designed to educate brokers in the area of employee benefits. Some of the courses offered in the curriculum include:
 - "Principles in Underwriting"
 - "Hospital Contracting"
 - "International Benefits"
 - "War Risk"

There will be new courses offered in 2005. For more information, you can contact **CIGNA's** Patricia Caballero at 201-533-5028.



- **Colonial** offers a new, updated cancer plan, Cancer 1000. The plan offers 4 levels of coverage, 3 optional riders and helps offset out-of-pocket expenses. Contact Walsh Benefits for more details.
- **Colonial** is offering a new medical plan, Medical Bridge (sm) 1000. The plan provides indemnity benefits for hospital confinement and outpatient surgery. Three different plan designs are available with five levels of benefits that are provided for a covered accident or covered sickness only. This product is available in all states except AZ, KS, MA, NJ, NY and Washington. Call Walsh Benefits for more information.
- **Colonial** is also offering Group Supplemental Health 1000 for your Pennsylvania clients. Five different plan designs are available and benefits are provided for a covered accident or covered sickness only. Call Walsh Benefits for more information.



- **Empire BCBS** Out of the Area Rates have been posted on our website, www.walshbenefits.com, in the Forms Warehouse under Rate Worksheets.
- **Empire BCBS** has a standardized Broker of Record letter which you can download from www.empireblue.com. As of May 2, 2005, **Empire BCBS** will not accept anything but the standardized letter.



- **Great-West** has expanded their Generic Incentive Program. This program automatically fills members' prescriptions with the generic equivalent when available unless the doctor writes "dispense as written" on the prescription or if the member specifically requests the brand-name version. This applies at retail pharmacies as well as mail order pharmacies.
- Select drugs (mostly injectable drugs) will be limited to a select group of pharmacies within the larger pharmacy network. The pharmacies in this specialty pharmacy network specialize in dispensing and delivering these drugs. If members currently receive one of these specialty drugs from a pharmacy not included in the network, Great-West Healthcare sent a letter informing them of the new pharmacies and provided directions in getting their prescription transferred. Contact Walsh Benefits for more details.



- **Health Net's** Pharmacy Discount Program for individual Health Net Medicare Advantage and Medicare Supplement plan members allows them to receive discounts on prescriptions. It applies to those who do not have a pharmacy benefit or those who have pharmacy benefits and have exceeded their annual maximums or those who have a generic-only prescription benefit and want to access brand name medications. Contact Walsh Benefits for more details.
- Visit **Health Net's** "It's Your Life" on www.healthnet.com to find out about wellness programs and assistance with emotional health issues, health & fitness and family issues.



Set yourself apart with "My Coverage Connection"

Offer your clients online access to their benefits with their own website.

Call Kim at Walsh Benefits for details.



- **Effective May 1, 2005, Small employers may only add a new health benefits plan or rider or replace an existing health benefits plan or rider with one of greater or lesser actuarial value:**
 - **Effective upon the group's next anniversary date; or Provided the most recently purchased /replaced plan or rider has been in effect for at least 12 months, effective on the group's next benefit month.**
- **Horizon's HSA compatible plans will be effective May 1, 2005. These plan designs are available for both small employer renewals and new business. To view the new Horizon HSA Compatible PPO rate sheet, go to the Forms Warehouse on www.walshbenefits.com.**

- **Horizon BCBS 2005 Second Quarter Bonus Plan
for small groups**

For every small group (2-50) new business contract sold with an effective date between April 1, 2005 and June 28, 2005, Horizon BCBS will pay an additional \$25.00 per contract. New business bonus payouts are in addition to standard commission for these groups.

- **Horizon BCBS 2005 2nd Quarter Bonus Plan
for midsize groups**

Listed below are the incentive program qualifications that you must meet:

1. The new business must be effective by June 28, 2005.
2. The case must have 51 to 499 eligible employees and must be new to [Horizon BCBSNJ](#).
3. You must submit the notice of sale by June 15, 2005.

What you can earn ...For every case that qualifies, your firm receives:

- **51 to 99 eligible employees: \$30 per enrolled subscriber beginning with the first enrolled subscriber.**
- **100 to 250 eligible employees: \$25 per enrolled subscriber beginning with the first enrolled subscriber.**
- **251 to 400 eligible employees: \$20 per enrolled subscriber beginning with the first enrolled subscriber.**
- **401 to 499 eligible employees: \$15 per enrolled subscriber beginning with the first enrolled subscriber.**



- **Brokers of NY and NJ United Healthcare small groups were sent copies of the Migration Renewal package for United Healthcare July 1, 2005 renewing small groups. Oxford has realized that the "Parent/Children" and "Couple" tiers were inverted on the broker copy of the renewal. A corrected version will be mailed to you. The letters sent to your groups will reflect the correct tier headings and will be mailed out by May 1, 2005.**

Oxford Continued...

- For those of you NOT YET APPOINTED with **Oxford**, PLEASE, PLEASE either log on to www.oxhp.com, call the licensing department at 888-666-6844 or go to www.walshbenefits.com, log in as a broker and download the licensing forms from the "Forms Warehouse". You MUST be licensed and have a "**broker code**" in order to be paid commissions.
- **Oxford** now offers Medco's Medicare-approved prescription discount card to their customers. The cards will provide Medicare beneficiaries with access to discounts ranging up to 30% or more on prescription medications from the Centers for Medicare and Medicaid Services approved list. Registration for the discount cards will begin on May 3rd. Contact Walsh Benefits for more details.
- **Oxford** offers 2 HSA plans effective April 1, 2005 – Oxford HSA Direct (with Out-of-Network Coverage) and Oxford HSA Exclusive. Call Walsh Benefits for more details.

Please make sure you are familiar with Oxford's Broker of Record policy. All Broker of Record letters should be mailed or faxed to Oxford's commissions department. The effective date will be the first day of the month following the receipt of the letter provided the broker is licensed and appointed with Oxford.



- **United Healthcare** Quarterly Medical Bonus Discontinued for 2005
The small business quarterly medical bonus program for NY, NJ, CT and PA has been discontinued for 2005. The fourth quarter 2004 payment was the final payment made under this program.
- **United Healthcare** has combined their two retail pharmacy networks into a single network known as the Premier Network. This merger should mean financial savings and access to 60,600 pharmacies.
- **United Healthcare** will mail new Agent and Agency Agreements to appointed agents starting in March, with comprehensive instructions for completing and returning the forms. A separate agreement will have to be completed and signed for every agent and agency having an appointment. Please look for the new agreement starting in early April, and return it as quickly as possible. The new agreement includes additional "Business Associate" language required by HIPAA, and covers all **United Healthcare** affiliates and subsidiaries.
- **United Healthcare** will begin notification of brokers online when they will be distributing the policy pre-termination and termination letter to their clients. Notice of pre-termination will begin rolling out on May 21 and notice of termination will begin rolling out on June 2.
- Some of your clients may have received notification of changes for **United Healthcare's** Out-Of-Network Diagnostic Services. Enrollees residing in the following states will not have this change take place at this time:
CT, FL, Maryland (including D.C.), MA, NJ, NY, NC, Ohio, RI, TN



Important!!!

All United Healthcare appointed agents and agencies will be required to sign a new standard agreement in order to maintain their appointment with United Healthcare.



United Healthcare Continued...

- Effective May 1, 2005, **United Healthcare** is making changes to the Prescription Drug List in the area of diabetic test strips and insulin products, as well as changes to eye drops and non-sedating antihistamines. Check with Walsh Benefits on the products that have moved Tiers.
- Effective May 1, 2005, **United Healthcare** pharmacy benefit will exclude Clarinex (all strengths and dosage forms and Prevacid (15 mg and 30 mg capsules only). For both medications, over-the-counter or prescription alternatives that treat the same medical condition and may be at a lower cost are available to your client's employees.



- Two new, enhanced voluntary products will be available on March 1, 2005 by **Unum Provident**, although the products are still awaiting final approval in some states. The specified critical illness insurance now includes the option of base or enhanced coverage. Base coverage features a benefit payout for heart attack, stroke, permanent paralysis, kidney failure, organ transplant or coronary artery bypass surgery. Enhanced coverage includes all conditions listed under the base plan, plus an additional benefit if diagnosed with cancer. Enhancements also include increased benefit amounts for covered children, and, for eligible employee groups, the first \$10,000 in coverage is guaranteed-issue (some restrictions apply).
- A new five-year benefit period tops the list of enhancements to the individual short term disability insurance, which also includes a new optional rider that covers mental illness. Contact Walsh Benefits for more information.
- **Unum/Provident** also offers a free virtual training academy for brokers who sell individual income protection and/or long-term care insurance products. The learning sessions detail Unum/Provident products, provide tips for initiating sales and completing applications and explain the underwriting requirements. Sales partners receive a schedule and registration information in advance of each month's course offerings. Contact Walsh Benefits for more details.
- **Unum Provident** now provides a step-by-step guide to filing and checking on a claim specific to maternity and long term disability. Go to www.unumprovident.com for details.
- Sign up on the **UnumProvident** website for disability income protection and long term care training workshops. These online workshops more clearly detail the benefits of income protection and LTC insurance. Each workshop is about one hour and are FREE.

Register to
begin online
quoting at
www.walshbenefits.com
today!!!!





- Effective June 1, 2005, **Well Choice** will offer Well Choice Access HMO. This plan has the design of Well Choice HMO but members can see a specialist without a referral from their PCP.
- **Wellchoice** has also expanded the options for their basic HMO plan designs. More cost-sharing options are available for office visits, hospitalizations and emergency room charges including office copays of \$40 and \$50. These new options are also available under Well choice's new Access HMO.



New Jersey Legislation

- **A3379** is a bill that will allow for credit to be given towards minimum participation percentage for people covered under Medicaid and NJ Family Care. This bill is currently in its second reading in the Assembly.
- The Assembly Financial Institutions Committee will be considering **A3496**, "**Health and Dental Claims Authorization, Processing and Payment Act.**" This legislation deals with the authorization procedures, prompt payment of claims and potential penalties for violations.
- **A3759** has been introduced by Assemblyman Cohen. This bill would allow for the extension of health benefits coverage for certain dependants up to the age of 30. This bill passed with amendments in the Assembly on 2/24/2005.
- Senator John Adler has introduced Senate Bills **S2164**, **S2165** and **S2166** all of which deal with tax credits for employers who offer healthcare benefits and tax deductions for employees who contribute to the cost of their health insurance. These bills have been referred to the Senate Commerce Committee.
- May 1 through May 6 is "**Cover the Uninsured Week.**" This is a nationwide event which seeks attention to the problems of the uninsured and to initiate reforms and answers to those problems. Currently, New Jersey's rate of uninsured employed adults is 16.3% or 869,779.

You can look up various pieces of state and federal legislation by logging on to one of the following websites:

www.njleg.state.nj.us

www.cspan.org

<http://thomas.loc.gov>



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Federal Legislation

- **S 354** has been introduced by Senator John Ensign. *The Help Efficient Accessible Low-Cost Timely Healthcare Act of 2005* would create a \$250,000 cap on non-economic damages, limit punitive damages to \$250,000 and create a statute of limitations for medical malpractice claims. The House companion bill, **H.R. 534** is expected to pass but Senate passage will be difficult.
- **S406** has been introduced by Senator Olympia Snowe. This bill would create Association Health Plans under the authority of the Department of Labor. The companion bill in the House, **H.R. 525** did pass in committee but now needs to pass the entire house. Passage in the Senate remains doubtful.
- **S. 109** has been introduced in the Senate as the "*Pharmaceutical Market Access Act of 2005*." This bill would allow for reimportation of drugs into the states from a designated permitted country. **S. 184**, the "*Safe Import Act of 2005*" would allow for reimportation from Canada 1 year after enactment of the law.
- **The National Association of Insurance Commissioners (NAIC) met in Salt Lake City on March 12 -15 to discuss the ongoing debate on BROKER COMPENSATION ISSUES! As of now there is no decision as to whether or not Section B will be added as an amendment to the Producer Licensing Model Act.** You should log on to www.nahu.org for more information on this very important issue.
- **H.R. 218** has been introduced into the house. "*The Health Care Tax Deduction Act of 2005*" would provide for a tax deduction for amounts paid towards health insurance and prescription drugs.
- **The new COBRA rules now require six different notices:**
 - The initial notice to the employee about the availability of COBRA;
 - The notice that the employer must provide to the plan administrator regarding the occurrence of an event that triggers a loss of coverage under the plan ("qualifying event");
 - The notice that the plan administrator must provide to covered employees and dependents upon the occurrence of certain qualifying events;
 - The notice that a covered employee or dependent must provide to the plan administrator at the occurrence of certain qualifying events (e.g., divorce or a child's loss of dependent status under the terms of the plan);
 - A new notice from the plan administrator to an individual that he or she is determined to be ineligible for COBRA coverage; and
 - A new plan from the plan administrator notice regarding the termination of COBRA coverage prior to the maximum period permissible under COBRA.

Thank you for your business!!!!