



COMMONWEALTH OF VIRGINIA
DEPARTMENT OF HUMAN RESOURCE MANAGEMENT

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 DIRECTOR

James Monroe Building
 101 N. 14th Street
 Richmond, Virginia 23219

To: State Extended Coverage Participants Who Are Not Eligible for Medicare

From: Mary Habel, Director
 Office of Health Benefits

Date: April 7, 2005

Re:

- Open Enrollment
- Your Monthly Premium Rates Effective July 1, 2005
- Important Information and Updates

Open Enrollment - From April 15 through May 16, you have the opportunity to review and make changes to your health plan and membership, including adding or removing dependents and changing your COVA Care optional benefits. Enrollees who live in the Kaiser Permanente HMO service area (in Northern Virginia) may also elect Kaiser coverage. All Open Enrollment Changes will become effective on July 1, 2005. All Extended Coverage qualified beneficiaries have an independent right to make changes to their coverage.

If you wish to maintain your current plan and membership level, you do not need to take any action. Your new monthly premium will automatically be billed in the usual manner. If you decide to make a plan or membership change, see page two for more information.

No Change to COVA Care or Kaiser Permanente Benefits - There will be no change to COVA Care benefits, copayments, coinsurance levels or claims administrators, nor any change to the Kaiser Permanente HMO plan on July 1.

New Premium Rates - Following are monthly premium costs that will become effective on July 1, 2005, for 18 and 36-month Extended Coverage participants, not including participants on Military Leave Without Pay (see page two):

<i>Plan</i>	<i>Single Premium</i>	<i>Two-Person Premium</i>	<i>Family Premium</i>
COVA Care Basic	\$384	\$710	\$1,036
COVA Care + Out-of-Network	\$393	\$722	\$1,053
COVA Care + Expanded Dental	\$395	\$732	\$1,071
COVA Care + Vision, Hearing and Expanded Dental	\$403	\$747	\$1,089
COVA Care + Out-of-Network and Expanded Dental	\$404	\$745	\$1,087
COVA Care + Out-of-Network and Vision, Hearing and Expanded Dental	\$412	\$759	\$1,106
Kaiser Permanente HMO*	\$378	\$700	\$1,022

Premium contributions for Extended Coverage participants on Military Leave Without Pay will be as follows:

<i>Plan</i>	<i>Single Premium</i>	<i>Two-Person Premium</i>	<i>Family Premium</i>
COVA Care Basic	\$36	\$90	\$127
COVA Care + Out-of-Network	\$45	\$102	\$143
COVA Care + Expanded Dental	\$47	\$112	\$161
COVA Care + Vision, Hearing and Expanded Dental	\$55	\$126	\$179
COVA Care + Out-of-Network and Expanded Dental	\$56	\$124	\$177
COVA Care + Out-of-Network and Vision, Hearing and Expanded Dental	\$64	\$138	\$195
Kaiser Permanente HMO*	\$36	\$89	\$125

*Kaiser Permanente HMO is only available to participants who live in the Kaiser service area in Northern Virginia. If you are a current Kaiser member and do not live in its service area, you must make another plan selection. You may confirm the Kaiser service area by contacting Kaiser directly or going to the Kaiser Web site—see page four.

New COVA Care ID Numbers and ID Cards - To provide increased security for health plan members, effective July 1, COVA Care participants will no longer use their Social Security Numbers (SSNs) as the health plan identification (ID) number. Your SSN will be replaced with a new, system-generated number. **This means that you will receive all new ID cards.** All vendors will use the same ID number, but your Anthem ID will also include a prefix of YTX before the new ID number. Use your old ID cards through June 30 and present your new cards for services starting July 1. **Kaiser Permanente members will not receive new ID cards.**

Making Open Enrollment Changes - If you wish to make a plan or membership change during Open Enrollment, your completed Enrollment Form (enclosed) must be **received** by May 16 at the following address:

OHB Extended Coverage Administrator
 101 North 14th Street, 13th Floor
 Richmond, VA 23219

You may also make changes by using EmployeeDirect on the Department of Human Resource Management Web site by going to www.dhrm.virginia.gov and clicking on the EmployeeDirect link.

After the Open Enrollment period, membership and plan changes are allowed based on the same program provisions governing similarly-situated non-Extended Coverage participants or as provided by law.

If you are interested in more information about COVA Care optional benefits, consult your COVA Care Member Handbook. If you do not have a Member Handbook, please contact Anthem to obtain additional information. If you would like information about the Kaiser Permanente HMO, contact Kaiser directly. Your *Plan Contact Summary* on page four provides telephone numbers and Web site information.

Member Handbooks - You will not receive a complete new COVA Care Member Handbook this year. Instead, all COVA Care participants will receive a Notification of Changes (amendment) along with their Anthem ID card. Keep your notification with your handbook. Your handbook

describes all COVA Care benefits, even those administered by Delta Dental, ValueOptions and Medco.

If You Become Entitled to Medicare or Start Coverage Under Another Group Health Plan...

- The Extended Coverage provisions of the Public Health Service Act provide that continuation coverage will be terminated before the end of the maximum coverage period if a qualified beneficiary becomes covered under another group health plan that does not impose a pre-existing condition exclusion or if a qualified beneficiary becomes entitled to Medicare benefits (under Part A, Part B, or both) after electing continuation coverage. It is the obligation of the qualified beneficiary to notify the Office of Health Benefits Extended Coverage Administrator within 30 days of the start of such coverage by sending notification in writing to the address listed on page two. Upon reporting these events, coverage will be terminated. Failure to report other coverage within the 30-day time limit will not preclude termination retrospectively to the date that coverage would have been terminated had it been reported timely.

Prompt Payment of Premiums - Extended Coverage premium payments are due on the first day of the coverage month; however, by law, participants are given a grace period of 30 days to make each periodic payment. If the premium payment is not received by the first day of the coverage month, coverage will be suspended and then retroactively reinstated when the premium is paid. This means that any claim you submit for benefits while your coverage is suspended may be denied, but it may be resubmitted once your coverage is reactivated upon receipt of payment. If you fail to make your premium payment by the end of the grace period, you will lose all rights to continuation coverage effective the first of the month for which payment was not received. Payments are considered made when mailed.

Enclosure:

- Enrollment Form

Plan Contact Summary

If you have a question regarding benefits, claims or a participating provider, contact the appropriate administrator listed below:

Benefit	Contact This Administrator
<ul style="list-style-type: none"> • Medical • Optional Vision and Hearing 	<p>Anthem Blue Cross and Blue Shield 1-804-355-8506 (in Richmond) 1-800-552-2682 (outside of Richmond) TDD (for the hearing impaired): 1-804-354-4327 (Richmond) or 1-800-554-7752 Web site: www.anthem.com (Virginia Members site)</p> <p>BlueCard Worldwide 1-800-810-BLUE (2583) Web site: www.bcbs.com</p>
<ul style="list-style-type: none"> • Behavioral Health or Employee Assistance Program 	<p>Value Options, Inc. 1-866-725-0602 Web site: www.achievesolutions.net/covacare</p>
<ul style="list-style-type: none"> • Dental 	<p>Delta Dental Plan of Virginia 1-888-335-8296 Web site: www.deltadentalva.com</p>
<ul style="list-style-type: none"> • Prescription Drugs 	<p>Medco Health Solutions, Inc. 1-800-355-8279 Web site: www.medco.com</p>
<ul style="list-style-type: none"> • Kaiser Permanente HMO Participants 	<p>1-301-468-6000 (in Washington, DC) 1-800-777-7902 (outside of Washington, DC) Web site: http://my.kaiserpermanente.org/mida/commonwealthofvirginia/</p>

If you have questions about eligibility or enrollment, contact the Office of Health Benefits Extended Coverage Administrator at 804/371-6465, or mail correspondence, Enrollment Forms or address changes to:

OHB Extended Coverage Administrator
 101 North 14th Street, 13th Floor
 Richmond, VA 23219

Notice

Women's Health and Cancer Rights

In the case of a participant who is receiving benefits under the state's health benefits plan in connection with a mastectomy and elects breast reconstruction, the coverage will be provided in a manner determined in consultation with the attending physician and the patient for:

- Reconstruction of the breast on which the mastectomy has been performed
- Surgery and reconstruction of the other breast to produce a symmetrical appearance
- Prostheses and physical complications during all stages of the mastectomy