

HEALTH BENEFITS E-NEWS

Department of Human Resource Management Office of Health Benefits

July 31, 2009

Flu Shot Program on Track for This Fall

The State Health Benefits Program is again planning to offer state health plan members free flu shots at participating network pharmacies beginning in September. Prescription drug program vendors are currently working to confirm the pharmacies that will be participating in the program. Details will be coming soon. At this point, there is no information on when the vaccine for H1N1 (swine flu) may be available and where it may be administered (doctor's office or pharmacy). As with the seasonal flu vaccine, H1N1 will be covered under the wellness and preventive care provisions of the state health benefits program.

Benefits Administrators are reminded that many agency locations include both COVA Care and COVA Connect participants. If you are one of these agency locations, make sure the pharmacy that conducts your clinic participates with both programs.

New Rules in Place for Non-Sedating Antihistamine Prescriptions

Beginning on Aug. 17, the COVA Care plan will require a coverage review (prior authorization) with a doctor before non-sedating antihistamines (NSAs) used to treat allergies will be covered under the prescription drug program. Examples of these drugs are *Allegra* and *Clarinet*. There are many over-the-counter NSAs now available, such as *Claritin* and *Zyrtec*. Medco, which administers the COVA Care pharmacy benefit, has mailed letters to COVA Care members who currently use NSAs informing them of this new rule. Coverage review of NSAs will determine if use of the medication meets COVA Care's coverage requirements. If a member takes one of these drugs and coverage is approved, they will pay the normal copayment; however, if coverage is denied, the member will be responsible for the full cost of the medication at a participating retail pharmacy or at the *Medco By Mail* home delivery pharmacy service. **If a member fails to obtain a coverage review, they will pay 100 percent of the cost for these drugs.**

Members or their doctors may call Medco toll-free at 1-800-417-1764, 8:00 a.m. to 9:00 p.m. EDT, Monday through Friday, to arrange a coverage review.

2009 Open Enrollment Report Available

The 2009 Open Enrollment Report is attached and will be posted soon on the DHRM Web site. More than 15,800 individuals made elections during 2009 Health and Flexible Benefits Open Enrollment, with 67 percent using EmployeeDirect. Customer satisfaction with EmployeeDirect continued at a record 99.8 percent rate.

Recently Terminated Participant/Dependent Monthly Report

Check your agency's HuRMan FTP folder in early August for the new monthly report titled PM4175 on recently terminated participants and dependents. The csv version of the report can be loaded into Microsoft Excel. Use this report to identify those who should be sent a HIPAA Certificate of Creditable Health Coverage or an Extended Coverage (COBRA) election notice.

American Recovery and Reinvestment Act (ARRA) COBRA Premium Assistance Process

As a reminder, per BA Memo #09-04, following is the current COBRA process. Also included are a few general COBRA provision reminders.

- As always, any qualified beneficiary experiencing a COBRA qualifying event, regardless of the event, should be provided with a COBRA Election Notice. The updated notice, including ARRA information, should be used for all qualifying events. It is available at the DHRM web site at: <http://www.dhrm.virginia.gov/resources/benefitsadmin/benefitsadmintoc.html>. Election Notices should be provided within 14 days of the date coverage is lost due to the qualifying event or within 14 days of notification of the qualifying event, as appropriate to the event. (The Health Insurance Manual discusses this time frame and the appropriate means of address and delivery.) Providing an offer of extended coverage prior to loss of coverage due to the qualifying event creates timing problems regarding election and initial billing.
- If the qualified beneficiaries elect continuation coverage and request premium assistance, all documentation should be sent to DHRM for processing. The agency should not key an enrollment that includes a request for premium assistance. When the documentation (election form and request for premium assistance) is sent to DHRM, it should include a written confirmation of the involuntary termination or reason that the agency does not consider the qualifying event to be involuntary termination of employment. This must be included in order to process the request. DHRM will not accept only the coding entered in PMIS as confirmation of involuntary termination.
- Agencies must use the guidance provided in BA Memo #09-03 to determine whether the termination qualifies as involuntary. Note that resignations and retirements can be considered involuntary terminations under circumstances described in the memo. If, after consulting the guidance, you are unsure as to whether a qualifying event would be considered an involuntary termination of employment under ARRA, please send a complete write-up of the circumstances of coverage loss to DHRM, along with the application for COBRA and premium assistance, so that a determination can be made.
- DHRM will notify the applicant when the request for premium assistance is approved or denied.

Please follow this process to ensure that requests for premium assistance are handled efficiently and accurately. COBRA elections that do not include a request for premium assistance can be processed and keyed by the agency.