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# Spotlight

## On Open Enrollment

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## Health Benefits Program Changes Coming July 1

- **One COVA Care ID Card:** It's here! In response to your input, the current four identification cards (Anthem, Delta, Medco and ValueOptions) will be combined into a new single COVA Care ID card to present to all your health care providers.
- **Enhanced COVA Care benefits:** Your coverage will increase for wellness services, including routine wellness, well child and preventive care.
- **New COVA HDHP (High Deductible Health Plan):** You may choose a statewide HDHP and combine it with a tax-free Health Savings Account through a bank or other financial institution.
- **Medical FRA waiting period eliminated under Flexible Reimbursement Accounts:** Effective July 1, there will be no six-month waiting period before enrolling.



Learn more about these changes on pages 2 and 3.

## Health and Flexible Benefits Open Enrollment Is April 14 – May 15

This is the period to make changes to your health benefits and enroll in one or both Flexible Reimbursement Accounts for July 1, 2006 – June 30, 2007. Open Enrollment is the only time during the year you can make changes without a qualifying mid-year event.

It's important to make your Open Enrollment decisions based on what's best for you and your family. During Open Enrollment, you may enroll in or change your plan, add or remove family members, or enroll in an FRA.

- **Carefully read this issue** for valuable information about your health benefits and FRA options for 2006.
- **Use EmployeeDirect.** Visit [www.dhrm.virginia.gov](http://www.dhrm.virginia.gov) and click on the **EmployeeDirect** link. Review

### Check Out EmployeeDirect

Visit the DHRM Web site at  
[www.dhrm.virginia.gov](http://www.dhrm.virginia.gov)  
and click on the  
**EmployeeDirect** link.

It's quick, easy and  
gives you 24/7 access  
to your personal  
Health Benefits Profile.

your current Health Benefits Profile. Check your personal information and update as needed. Then review your current health benefits and FRA elections.

- **Choose a health care plan.** Look carefully at the health plan premium, benefits and out-of-pocket costs. Make any changes you want to your current health plan and membership.
- **Consider an FRA.** Medical and Dependent Care FRAs allow you to set aside part of your salary each pay period before taxes and be reimbursed for eligible expenses. If you want to renew your FRA, you need to enroll for the new plan year.
- **Submit all Open Enrollment actions by May 15.** All changes you make during Open Enrollment take effect on July 1. Your first paycheck after July 1 will reflect new health plan premiums and monthly FRA contributions.

## What's New for July 1?

### Carry *Only One* COVA Care ID Card

Your new, single COVA Care ID card will be mailed to your home address in mid-June. Beginning July 1, present this new card to your medical doctor, behavioral health professional, dentist or pharmacist. The card has plan administrator customer service numbers on the back for your convenience.



### Look For Other COVA Care Enhancements...

- For wellness services, still no deductible and...
  - No copayments or coinsurance for well child services
  - No copayments for routine wellness exam
  - No coinsurance for routine wellness lab, shots and x-rays. The amount the plan will pay each plan year for these services increases from \$200 to \$500.
- For preventive care, still no deductible and...
  - No copayments or coinsurance for once-a-plan-year screenings, such as pap smears, mammograms, PSA tests and colonoscopies
- No more 12-month waiting period for orthodontic coverage under Optional Expanded Dental

## Important Things to Know About the COVA HDHP

An HDHP is a special type of health care plan that allows you to set up a Health Savings Account (HSA). Use the tax-deductible funds you put into the HSA to help pay for medical expenses. Your HSA goes wherever you go and you are not required to “use it or lose it”.

### • COVA HDHP coverage includes...

- **Plan year deductible** of \$1,200 for single and \$2,400 for family (two or more persons). It applies to your medical, behavioral health and prescription drug benefits. For Employee Plus One or Family coverage, the *entire* \$2,400 deductible must be met before the plan pays for any one family member, even if that person has met the individual deductible.
- **20% coinsurance** is what you pay for most covered services once the deductible is met.
- **Limit on out-of-pocket expenses** of \$5,000 for single and \$10,000 for family (two or more persons) and the deductible counts toward the limit.
- **Routine wellness benefits and Employee Assistance** are covered at 100 percent of the allowable charge with no deductible, coinsurance or plan year limit on routine lab, shots and x-rays.

- **Dental benefits** are covered, but not subject to the HDHP deductible. The separate dental deductibles do not apply to the out-of-pocket expense limit.

### • COVA HDHP coverage does not include...

- **Out-of-network benefits** except in an emergency. But BlueCard PPO and BlueCard Worldwide networks provide extensive care outside Virginia.
- **Optional benefits** under the HDHP.
- **One administrator...** Anthem Blue Cross and Blue Shield administers medical, behavioral health and EAP, prescription drug and dental benefits.
- **No full-time employee premium this year...** only for the HDHP. The state pays the total cost. Save the amount you would have paid for your premium in an HSA to help pay for the plan's high deductible.
- **HSA opportunity...** Participating in the COVA HDHP makes it possible for you to set up a Health Savings Account (HSA) through a bank or other financial institution for tax advantages. But you may not have both a Medical FRA and an HSA. Review the COVA HDHP brochure for more information.

Moved? Update Your Mailing Address...Use EmployeeDirect!

## Before Choosing the COVA HDHP...

### ✓ Review Your Medical Expenses

- Be sure to take the time to look at the *total expenses* you expect to incur under the plan. Review what you paid in medical expenses in the past year under your current plan, and project what you expect to spend this year if you enroll in the COVA HDHP.
- Suppose you have a catastrophic medical expense during the plan year. Will you be able to pay your full deductible amount and the coinsurance all at one time? Also consider that the out-of-pocket expense limit under the COVA HDHP is higher than under your current plan. You will be liable for more costs before the plan pays.

### ✓ Use Tools Available

- Take advantage of cost estimating tools at [www.anthem.com](http://www.anthem.com) to predict your family's routine medical costs over the next year as well as help you plan for your costs associated with unexpected illnesses or conditions. Having this information can make it much easier for you to determine if an HDHP paired with an HSA is right for you.
- Use the *Coverage Advisor* to estimate your anticipated health care expenses. Plus, learn about potential tax savings if you are considering pairing the COVA HDHP with an HSA. To access the *Coverage Advisor*, go to [www.anthem.com](http://www.anthem.com), choose Virginia and hit Enter. Scroll down to *The Commonwealth of Virginia and The Local Choice* link. Select the Commonwealth of Virginia program, then choose the HDHP plan under Plan Information on the menu.
- The *Healthcare Advisor* is available to registered users of Anthem.com. It offers a suite of tools including the Hospital Comparison to find the right hospital for your procedure, and the Treatment Cost estimator to explore costs for several common health care services.

Go to [www.anthem.com](http://www.anthem.com), choose Virginia and hit Enter. Scroll down to *The Commonwealth of Virginia and The Local Choice* link. Select the Commonwealth of Virginia program, then Member Services on the menu, and choose Member Self-Service to login.

### ✓ Special Rules

- If you want to set up an HSA, consider how much you are able to contribute to the account. You may contribute up to \$1,200 as an individual or \$2,400 if you cover others in a full calendar year. You may not contribute more than your COVA HDHP deductible amount.
- The COVA HDHP must be your only health plan to qualify for an HSA. Is your spouse enrolled in a separate plan? If so, what are your options for coverage through his or her employer? You cannot contribute to an HSA if you are covered by your spouse's traditional, non-HDHP health plan.
- You may not be enrolled in both a Medical Reimbursement Account and an HSA.

### ✓ Find Resources

- Take the time to learn more about HSAs before you choose one. Many banks and other financial institutions offer these accounts. In addition, there is a wealth of information on the Web.
  - [www.irs.gov](http://www.irs.gov) – Provides information about how HSAs impact your federal taxes and qualified medical expenses. Search using keyword HSA and review Publications 969 and 502 in particular.
  - [www.hhs.gov](http://www.hhs.gov) – Provides general information about HSAs and other tax-favored plans. Search using keyword HSA.
  - [www.ustreas.gov/offices/public-affairs/hsa](http://www.ustreas.gov/offices/public-affairs/hsa) – Provides an overview of HSAs, answers to frequently asked questions and important IRS forms and publications.

### Dependent Child Eligibility Rules Revised

Dependents otherwise eligible for coverage under the State Health Benefits Program currently must be claimed as dependents on the employee's federal income tax return. The new rule removes that requirement, allowing coverage as long as the employee provides more than one-half of the child's support. See your member handbook for a complete definition of an eligible child.

### Wait No More to Enroll in a Medical FRA

The waiting period will be gone effective July 1. Previously, you had to have six months of continuous coverage under the State Health Benefits Program to enroll.

## Open Enrollment 2006 Benefits At-A-Glance 2006

Benefit	COVA Care You Pay	COVA HDHP You Pay	Kaiser Permanente You Pay
<b>Deductible – per plan year</b>			
• One person	\$200	\$1,200	None
• Two or more persons	\$400	\$2,400	None
<b>Out-of-pocket expense limit – per plan year</b>			
• One person	\$1,500	\$5,000	None
• Two or more persons	\$3,000	\$10,000	None
<b>Doctor's visits</b>			
• Primary care physician	\$25	20% coinsurance after deductible	\$10
• Specialist	\$35		\$10
<b>Hospital services</b> <i>(including surgery)</i>	\$300 per stay	20% coinsurance after deductible	\$100 per admission
<b>Emergency room visits</b>	\$100 per visit (waived if admitted)	20% coinsurance after deductible	\$50 per visit (waived if admitted)
<b>Outpatient diagnostic laboratory, tests, shots and x-rays</b>	10% coinsurance after deductible	20% coinsurance after deductible	\$10 physician, x-ray and diagnostic services \$0 copayment lab, pathology, radiology, diagnostic testing
<b>Prescription drugs – mandatory generic</b>			
• Retail Pharmacy	<i>Up to 34-day supply:</i> \$15/\$20/\$35	20% coinsurance after deductible	<i>Up to 60-day supply</i> • Kaiser On-Site Pharmacy ....\$10 • Community Pharmacy .....\$20
• Home Delivery Pharmacy	<i>Up to 90-day supply:</i> \$30/\$40/\$70	20% coinsurance after deductible	<i>Up to 90-day supply</i> • Mail Service .....\$8
<b>Wellness services</b>			
• <b>Well child</b> – through age 6, office visits at specified intervals, immunizations, lab and x-rays	\$0	\$0	\$0
• <b>Routine wellness</b> – age 7 and older			
– Annual checkup visit			
– Primary care physician	\$0	\$0	\$10
– Specialist	\$0	\$0	\$10
– Immunizations, lab and x-rays	\$0 (plan pays up to \$500 per member, per plan year)	\$0	\$0
• <b>Preventive care</b> – one of each per plan year with specific age limits	<i>Includes gynecological exam, Pap test, mammography screening, prostate exam (digital rectal exam), prostate specific antigen test (PSA), and colorectal cancer screening.</i> \$0	\$0	\$0
<b>Dental benefits</b>	Basic	Basic Plus Expanded	Basic Plus Expanded
<b>Routine vision benefits</b>	No	No	Yes
<b>Optional benefits</b>	Out-of-Network, Expanded Dental, and Vision/Hearing	None	None

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# Open Enrollment 2006 Open Enrollment 2006 Open Enrollment 2006

## Plans and Monthly Premiums Effective July 1, 2006

Health Plans	Single (You Only)	Plus One (You and One Family Member)	Family (You and Two or More Family Members)
<b>COVA HDHP (High Deductible Health Plan)</b>			
<b>Employee Pays</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
State Pays	<u>\$335</u>	<u>\$620</u>	<u>\$906</u>
Total Premium	\$335	\$620	\$906
<b>COVA Care Health Plan (includes basic dental)</b>			
<b>Employee Pays</b>	<b>\$40</b>	<b>\$99</b>	<b>\$140</b>
State Pays	<u>\$378</u>	<u>\$675</u>	<u>\$991</u>
Total Premium	\$418	\$774	\$1,131
<b>COVA Care Plus Out-of-Network</b>			
<b>Employee Pays</b>	<b>\$50</b>	<b>\$112</b>	<b>\$158</b>
State Pays	<u>\$378</u>	<u>\$675</u>	<u>\$991</u>
Total Premium	\$428	\$787	\$1,149
<b>COVA Care Plus Expanded Dental</b>			
<b>Employee Pays</b>	<b>\$52</b>	<b>\$123</b>	<b>\$176</b>
State Pays	<u>\$378</u>	<u>\$675</u>	<u>\$991</u>
Total Premium	\$430	\$798	\$1,167
<b>COVA Care Plus Out-of-Network and Expanded Dental</b>			
<b>Employee Pays</b>	<b>\$62</b>	<b>\$136</b>	<b>\$194</b>
State Pays	<u>\$378</u>	<u>\$675</u>	<u>\$991</u>
Total Premium	\$440	\$811	\$1,185
<b>COVA Care Plus Vision, Hearing and Expanded Dental</b>			
<b>Employee Pays</b>	<b>\$61</b>	<b>\$139</b>	<b>\$197</b>
State Pays	<u>\$378</u>	<u>\$675</u>	<u>\$991</u>
Total Premium	\$439	\$814	\$1,188
<b>COVA Care Plus Out-of-Network, Vision, Hearing and Expanded Dental</b>			
<b>Employee Pays</b>	<b>\$71</b>	<b>\$152</b>	<b>\$214</b>
State Pays	<u>\$378</u>	<u>\$675</u>	<u>\$991</u>
Total Premium	\$449	\$827	\$1,205
<b>Kaiser Permanente (available only in Northern Virginia)</b>			
<b>Employee Pays</b>	<b>\$39</b>	<b>\$96</b>	<b>\$135</b>
State Pays	<u>\$365</u>	<u>\$651</u>	<u>\$956</u>
Total Premium	\$404	\$747	\$1,091

**Important:** Part-time classified employees pay the full premium.

Visit [EmployeeDirect.com](http://EmployeeDirect.com)...It's quick and easy!

## About Your Flexible Reimbursement Accounts (FRAs)

### FRA Elections

- **FRAs do not automatically renew.** If you want to participate, enroll in an FRA during Open Enrollment from April 14 – May 15, 2006.
- **Your FRA election** (the dollar amount you set aside) is for the plan year July 1, 2006 – June 30, 2007.
- **New!** The six-month waiting period to participate in a Medical FRA will be eliminated effective July 1.
- **You may not change your FRA election amount until the next FRA Open Enrollment** unless you experience a qualifying mid-year event consistent with your requested change. See the Flexible Benefits Program page on the DHRM Web site at [www.dhrm.virginia.gov](http://www.dhrm.virginia.gov).

### FRA Contributions

- **Minimum:** \$10 each pay period
- **Maximum:** up to \$5,000 per plan year (see the *Flexible Benefits Program Sourcebook* for dependent care FRA limits)
- **Contributions:** Must be in whole dollars
- **Dependent Care FRA Calendar Year Limit:** If you enroll in a Dependent Care FRA for the plan year beginning July 1, 2006, carefully evaluate your elections to ensure they remain within the Internal Revenue Service (IRS) limits. You cannot exceed the calendar year maximum set by the IRS.

### Use It Or Lose It!

- You must use all of the money in plan year account by June 30.
- You have three months at the end of the plan year for reimbursement of all eligible expenses incurred during your period of coverage within the plan year.
- You must file for reimbursement on time or lose the remaining money in your accounts:
  - For an FRA ending June 30, 2006, file for reimbursement by **September 30, 2006**.
  - For an FRA ending June 30, 2007, file for reimbursement by **September 30, 2007**.

### FRA Reimbursement

- Reimbursements are issued within 5 working days from the time the FRA administrator receives a complete reimbursement request.
- **Send reimbursement request forms to the FRA Administrator:**  
**Fringe Benefits Management Company (FBMC)**  
**P.O. Box 1800**  
**Tampa, FL 32302-1800**  
**FAX: (850) 425-4608**

### Resources

#### Contact...

- **Your agency Benefits Administrator or**  
[www.dhrm.virginia.gov](http://www.dhrm.virginia.gov)
- **FBMC**
- **Flexible Benefits Program Sourcebook**

#### For...

- FRA Open Enrollment, FRA Worksheet, program eligibility or making changes.
- FRA claims or reimbursable expenses.
- More on enrollment and what expenses may be reimbursed.

**Important!** If you enroll in an FRA for the new plan year be sure to ask your Benefits Administrator for a *Flexible Benefits Program Sourcebook* or visit the DHRM Web site at [www.dhrm.virginia.gov](http://www.dhrm.virginia.gov) under Compensation and Benefits, Flexible Benefits Program.

## Attend An Employee Meeting in Your Area

DATE AND LOCATION	ADDRESS	DATE AND LOCATION	ADDRESS
<b>April 10</b> <i>Richmond</i>	*VDOT Auditorium 1221 E. Broad Street	<b>April 17</b> <i>Portsmouth</i>	Tidewater Community College Portsmouth Campus, Theater 7000 College Drive
<b>April 11</b> <i>Harrisonburg</i>	James Madison University 111 University Service Bldg. 181 Patterson Street	<b>April 18</b> <i>Annandale</i>	Northern Virginia Community College The Forum Ernst Community Cultural Center 4001 Wakefield Chapel Road
<b>April 12</b> <i>Roanoke</i>	Virginia Western Community College Whitman Auditorium, Business Science Bldg. 3095 Colonial Avenue, SW	<b>April 20</b> <i>Richmond</i>	J. Sargeant Reynolds Community College The Gallery, Building "B" Room 101 1651 East Parham Road
<b>April 13</b> <i>Abingdon</i>	Virginia Highlands Community College Auditorium – Room 605 Learning Resources Center State Route 372 off Route 140	<b>April 21</b> <i>Chester</i>	John Tyler Community College Nicholas Center, Room N102-B 13101 Jefferson Highway
<b>April 13</b> <i>Fredericksburg</i>	Germanna Community College Fredericksburg Campus, Seal Auditorium, Room 134 10000 Germanna Point Drive	<p><b>All meetings begin at 3 p.m.</b></p> <p><i>For more information, please see your agency Benefits Administrator.</i></p>	

\* Satellite videoconference transmitted to the following VDOT locations: Bristol, Culpeper, Fredericksburg, Suffolk, Lynchburg, Chantilly, Colonial Heights, Salem and Staunton. See the DHRM Web site at [www.dhrm.virginia.gov](http://www.dhrm.virginia.gov) or your Benefits Administrator for details.

### *Women's Health and Cancer Rights*

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient, for:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Prostheses; and
- Treatment of physical complications of the mastectomy, including lymphedemas.

These benefits will be provided subject to the same deductibles and coinsurance applicable to other medical and surgical benefits provided under this plan.

# Open Enrollment 2006 Open Enrollment 2006 Open Enrollment 2006

## How To Enroll or Make Open Enrollment Election Changes Before the May 15 Deadline

**Use EmployeeDirect:** Visit [www.dhrm.virginia.gov](http://www.dhrm.virginia.gov) and click on the **EmployeeDirect** link. It's quick, easy, and gives you immediate confirmation that your request has been received.

If you are unable to access the Web, submit a Health Benefits Enrollment Form or a separate FRA election form for FRA enrollment to your Benefits Administrator.

### Contact Information

HEALTH PLANS	CONTACT
<b>COVA HDHP (High Deductible Health Plan)</b> • Medical, Behavioral Health and Employee Assistance Program (EAP), Dental, and Prescription Drug	• <i>Anthem Blue Cross and Blue Shield:</i> Toll-free <b>1-800-552-2682</b>
<b>COVA Care:</b> • Medical, Vision and Hearing • Behavioral Health and EAP • Dental • Prescription Drug	• <i>Anthem Blue Cross and Blue Shield:</i> Toll-free <b>1-800-552-2682</b> • <i>Value Options, Inc.:</i> Toll-free <b>1-866-725-0602</b> • <i>Delta Dental of Virginia:</i> Toll-free <b>1-888-335-8296</b> • <i>Medco Health Solutions, Inc.:</i> Toll-free <b>1-800-355-8279</b>
<b>Kaiser Permanente HMO</b> • Medical, Behavioral Health and Employee Assistance Program (EAP), Dental, and Prescription Drug	• <i>Kaiser Foundation Health Plan of the Mid-Atlantic States:</i> Toll-free <b>1-800-777-7902</b> or <b>(301) 468-6000</b> in Washington, D.C.
FLEXIBLE BENEFITS	CONTACT
• <b>Medical FRA</b> • <b>Dependent Care FRA</b>	• <i>Fringe Benefits Management Company:</i> Toll-free <b>1-800-342-8017</b> • <i>Interactive Benefits Information Line:</i> Toll-free <b>1-800-865-FBMC (3262)</b>
LONG-TERM CARE INSURANCE	CONTACT
<b>DHRM Long-Term Care</b>	• <i>Aetna Life Insurance Company:</i> Toll-free <b>1-877-894-2470</b>
OTHER EMPLOYEE BENEFITS	CONTACT
• <b>Retirement</b> • <b>Life Insurance</b> • <b>VSDP</b>	• <i>Virginia Retirement System:</i> Toll-free <b>1-888-827-3847</b> or <b>(804) 649-8059</b> in Richmond

**Important Note:** The information in this newsletter is only an overview. Plan changes and premiums are subject to approval by the 2006 General Assembly. Details on your health coverage and FRAs may be found in the appropriate member handbook and/or *Flexible Benefits Program Sourcebook*, or on the Web at [www.dhrm.virginia.gov](http://www.dhrm.virginia.gov).



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