

Spotlight

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Open Enrollment April 14 – May 14 For Health Benefits and Flexible Reimbursement Accounts

During Spring Open Enrollment, you may make changes to your health plan or membership, and enroll in Flexible Reimbursement Accounts that take effect July 1, 2004.

Looking Ahead to July 1

Your covered services under **COVA Care** will remain the same starting July 1, along with your deductible, out-of-pocket expense limit, copayments and coinsurance. See page 8 for a summary of benefits. However, there will be a few changes in the administration of COVA Care benefits and Flexible Reimbursement Accounts (FRAs) and new COVA Care monthly premiums.

Plan Year

Now health benefits and FRAs will be on the same schedule, from July 1 – June 30 each year

- The COVA Care benefit year (time period when benefits are administered) will change from the calendar year to the fiscal year, from July 1 – June 30.
- Your Flexible Reimbursement Accounts return to a 12-month plan year, from July 1 – June 30.

Plan Administrators

Effective July 1, COVA Care will have four separate administrators of benefits (see details below)

- You will be mailed four separate identification (ID) cards at your home address. See page 6.



For more information on COVA Care and FRAs, see the health benefits and FRA sections that begin on pages 2 and 10.

The **Kaiser Permanente HMO** continues to be offered in Northern Virginia *only*. Membership in the Kaiser plan is limited to those who live or work in the Kaiser service area (Northern Virginia, Washington, D.C. or parts of Maryland).

- If you are currently enrolled in Kaiser, and do not live or work in the service area, you must elect the COVA Care plan or waive coverage during Open Enrollment.
- You may search by zip code on the Kaiser Web site at <http://my.kaiserpermanente.org/mida/commonwealthofvirginia/> to determine if your job location or home address is in the Kaiser service area.

COVA CARE HEALTH PLAN ADMINISTRATORS

For Assistance Beginning July 1... Contact

- | | |
|--|---|
| • Medical, Vision and Hearing | • Anthem Blue Cross and Blue Shield: (804) 355-8506 in Richmond or toll free 1-800-552-2682 outside Richmond or www.anthem.com |
| • Behavioral Health and Employee Assistance Program (EAP) | • ValueOptions, Inc.: Toll free 1-866-725-0602 or www.achievesolutions.net/covacare |
| • Dental | • Delta Dental Plan of Virginia: Toll free 1-888-335-8296 or www.deltadentalva.com |
| • Prescription Drug | • Medco Health Solutions, Inc.: Toll free 1-800-355-8279 or www.medcohealth.com |

COVA Care Plan Administrators Change

The State Health Benefits Program awarded new health benefits administrative contracts for medical, dental, prescription drug, behavioral health and employee assistance program services effective July 1, 2004. See page 1 for a list of the new COVA Care plan administrators and how to get in touch with them.

COVA Care Questions & Answers

This section provides answers to help ensure a smooth transition in working with the four COVA Care plan administrators.

Question.

How will I find a participating provider or facility?

Answer.

Medical, and Optional Vision and Hearing Benefits

The most current listing of providers is on the Anthem Web site at www.anthem.com. From the Virginia Members home page, scroll down to the "Commonwealth of Virginia and The Local Choice" link. The printed medical directory is available from your agency Benefits Administrator. You may also call **1-800-552-2682** for assistance.

Behavioral Health and Employee Assistance Program

For the most current list of providers, visit the ValueOptions Web site at www.achievesolutions.net/covacare or call member services at **1-866-725-0602**.

Dental Benefits

Visit the Delta Dental of Virginia Web site at www.deltadentalva.com. Click on the "Searching for a Dentist" link, select the DeltaPremier program and follow the prompts. You may also call the toll-free member services number at **1-888-335-8296**.



Prescription Drug Program

You will be using the same pharmacy network beginning July 1, 2004 as you do today. Visit the Medco Health Web site at www.medcohealth.com. Once you register you may search for a local participating pharmacy and access all of your prescription drug information, including information about drug tiers and copayments. You may also call **1-800-355-8279** for assistance.

Important Note:

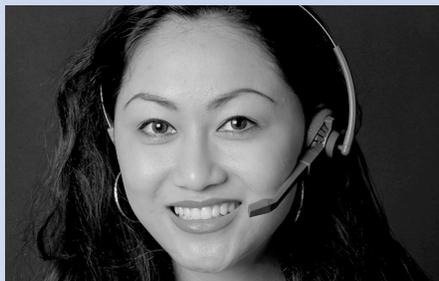
The information in this newsletter is only a summary of your health and flexible benefits. Complete details may be found in your member handbook or the *Flexible Benefits Sourcebook*. The premiums on page 7 are accurate as of press time, but may be subject to change by the General Assembly.

Question.

Who do I contact if I have a questions about claims for services I received before July 1, 2004?

Answer.

Simply contact Anthem if you have questions about medical, dental, prescription drug, vision or hearing claims for services received prior to July 1. Contact Magellan Behavioral Health for behavioral



health claims for services received prior to July 1. For care received after July 1, you will contact the appropriate plan administrator as shown on page 1 to answer your questions.

Question.

What if I have treatment in progress or have prior authorizations currently on file?

Answer.

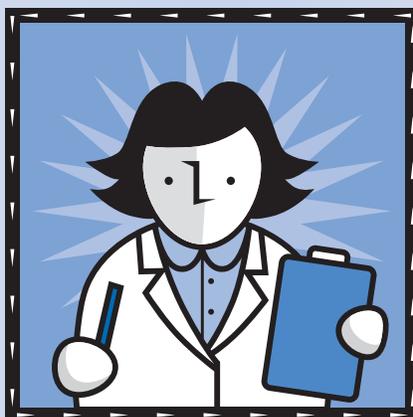
Medical, and Optional Vision and Hearing Benefits

There is no change. All prior authorizations currently in place from Anthem will continue.

have not elected the COVA Care out-of-network option, you will have no coverage.

Behavioral Health and Employee Assistance Program

If you are in outpatient treatment prior to July 1, you will have a transition period of up to three months (7/1 – 9/30) or 10 visits, whichever comes first. This will allow continued coverage for services from a provider who does not participate with ValueOptions. During this period you may complete your treatment or transition to a ValueOptions network provider. If you continue to receive treatment from an out-of-network provider, you will be responsible for any amount over the allowable charge. Please be aware that if you continue treatment with an out-of-network provider after the transition period, and you



Dental Benefits

- If you currently have orthodontic coverage under COVA Care with Expanded Benefits, your coverage will transition to Delta Dental without interruption. The \$1200 lifetime maximum for orthodontic care will not start again on July 1.

Prescription Drug

After July 1, contact Medco Health for drug prior authorizations. Any drug prior authorizations already approved will continue until they expire.

Medical Note...

COVA Care members, remember to access the BlueCard® network for care outside Virginia! You and covered family members may visit any medical provider who participates in the nationwide BlueCard® PPO network or BlueCard Worldwide® and receive the highest level of benefits. To locate a BlueCard PPO provider in the U.S. or for assistance locating a provider outside the U.S. call **1-800-810-BLUE (2583)**. On the Web go to www.bcbs.com and select "BlueCard® Doctor and Hospital Finder" to locate a provider in the U.S., or select "HealthCare Anywhere" for information before you travel outside the U.S.



Behavioral Health Note...

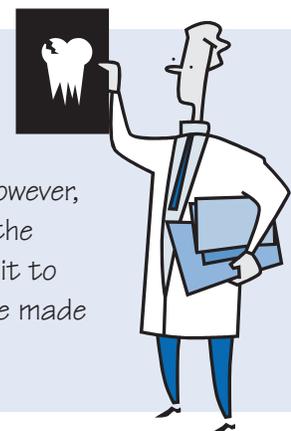
Don't Forget Your EAP: Up to Four Visits Free!

The Employee Assistance Program (EAP) provides up to four counseling sessions at no cost to you. Services are easy to use and confidential. EAP counselors are professionals trained to assist employees with problems in a variety of areas, including alcohol and drug abuse, mental health, legal and financial difficulties, child and elder care, and family, grief and career-related issues. COVA Care members may call ValueOptions at **1-866-725-0602**. If you are enrolled in the Kaiser Permanente HMO, call **(703) 873-1503**.



Dental Note...

You may see an out-of-network dentist under COVA Care and the plan payment will be the same as for a Delta Dental network dentist. Remember, however, that an out-of-network dentist may choose to bill you for any amount above the plan's allowable charge. You also may have to complete a claim form and send it to Delta Dental. For both in-network and out-of-network dentists, payment will be made to the dentist.



Prescription Drug Note...

Are you planning to travel on vacation or leaving home for an extended period? If so, under COVA Care you may request an additional 34-day supply of your medications at your retail pharmacy or an additional 90-day supply through the Home Delivery Pharmacy Service. The Department of Human Resource Management (DHRM) must approve any prescription drug quantities that exceed these limits. Send a written request by e-mail to hbp@dhrm.virginia.gov or by regular mail to DHRM, State and Local Health Benefits Programs, 101 N. 14th Street, 13th Floor, Richmond, VA 23219. Allow two to three weeks for your request to be processed.



Your COVA Care Deductible, Out-of-Pocket Limit, and Benefit Maximums – Helping You with the Transition

Medical and Behavioral Health Deductible and Out-of-Pocket Limit

With the transition from a calendar to a fiscal benefit year (July 1 – June 30), any portion of your deductible or out-of-pocket limit that you have met by June 30 will not have to be satisfied again once the new benefit year begins on July 1. This expands by six months the amount of time you have to meet your deductible or out-of-pocket limit. (See Example 1.)

Medical and Dental Benefit Maximums

- Plan maximums for medical services such as routine wellness and chiropractic care will start over with the new benefit year effective July 1.
- Dental care maximums (\$1200 under COVA Care, and \$1500 under COVA Care with Expanded Dental) will start over on July 1. The \$1200 orthodontic lifetime maximum under the Expanded Dental option will not start again on July 1. (See Example 2.)

Example 1:

John satisfies \$150 of his COVA Care \$200 deductible on May 16. He will only need to meet an additional \$50 when the new benefit year begins on July 1, 2004.

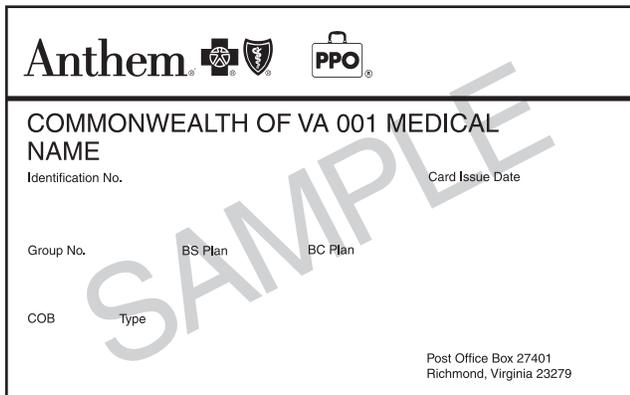


Example 2:

Jean has basic COVA Care coverage which has a \$1200 routine dental benefits maximum. As of June 30, 2004 she has incurred \$500 in dental claims. On July 1 the routine dental care maximum starts over for the new July 1 – June 30 benefit period, and her dental claims will be paid by Delta Dental rather than Anthem.

New COVA Care ID Cards Coming In June!

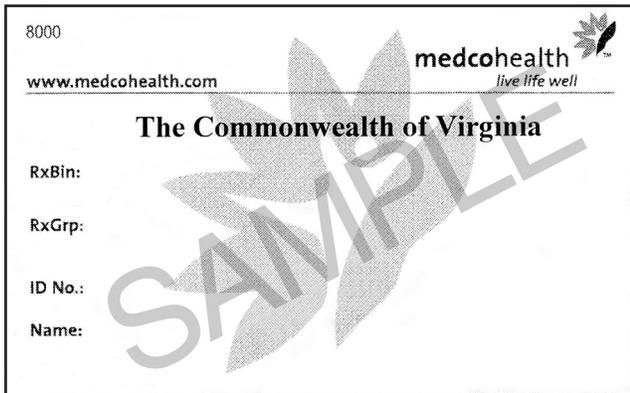
COVA Care members will receive a new ID card from each COVA Care plan administrator in mid-to-late June. Carry your cards with you at all times and present the appropriate card when you receive services. Use your new Medco Health pharmacy card at any participating pharmacy. Present your Anthem card whenever you visit a medical doctor or medical facility. Use your ValueOptions card for mental health and substance abuse care and EAP counseling. And use your Delta Dental card at the dentist. Your COVA Care ID number will appear on each card. See the sample cards below:



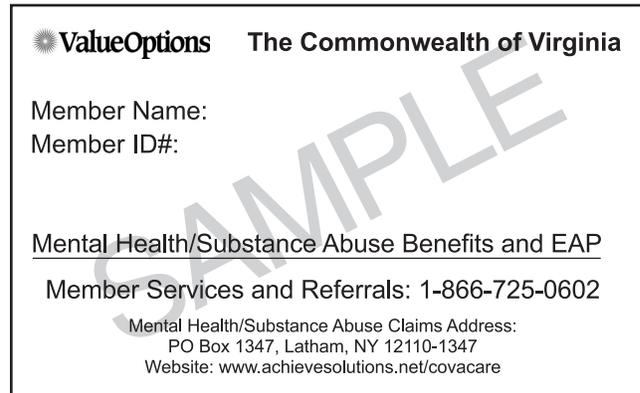
Anthem Blue Cross and Blue Shield



Delta Dental Plan of Virginia



Medco Health Solutions, Inc.



ValueOptions, Inc.

It's important that we have your current name and address for the ID card mailing. You can change your name and/or address in minutes using EmployeeDirect at <http://edirect.virginia.gov> or notify your Benefits Administrator.

When you receive your new cards in June, be sure to verify that all of the information is correct. Your name and ID number should be the same on all four cards. Contact your Benefits Administrator *immediately* if any information is incorrect.

Along with your ID cards, your COVA Care Member Handbook is important for using and understanding your coverage. It will be available in late June from your Benefits Administrator and on the DHRM Web site at www.dhrm.virginia.gov.

State Health Benefits Program Monthly Premiums

(Effective July 1, 2004 - June 30, 2005)

For Those Not Eligible for Medicare

Available Statewide	Single (You Only)	Plus One (You and One Family Member)	Family (You and Two or More Family Members)
COVA Care			
<i>Employee Pays</i>	\$32	\$80	\$113
<i>Employer Pays</i>	<u>\$302</u>	<u>\$539</u>	<u>\$790</u>
<i>Total Premium</i>	\$334	\$619	\$903
Additional Coverage Options			
COVA Care Plus Out-of-Network			
<i>Employee Pays</i>	\$40	\$91	\$127
<i>Employer Pays</i>	<u>\$302</u>	<u>\$539</u>	<u>\$790</u>
<i>Total Premium</i>	\$342	\$630	\$917
COVA Care Plus Expanded Dental			
<i>Employee Pays</i>	\$42	\$99	\$143
<i>Employer Pays</i>	<u>\$302</u>	<u>\$539</u>	<u>\$790</u>
<i>Total Premium</i>	\$344	\$638	\$933
COVA Care Plus Vision, Hearing and Expanded Dental			
<i>Employee Pays</i>	\$49	\$112	\$159
<i>Employer Pays</i>	<u>\$302</u>	<u>\$539</u>	<u>\$790</u>
<i>Total Premium</i>	\$351	\$651	\$949
COVA Care Plus Out-of-Network and Expanded Dental			
<i>Employee Pays</i>	\$50	\$110	\$157
<i>Employer Pays</i>	<u>\$302</u>	<u>\$539</u>	<u>\$790</u>
<i>Total Premium</i>	\$352	\$649	\$947
COVA Care Plus Out-of-Network and Vision, Hearing and Expanded Dental			
<i>Employee Pays</i>	\$57	\$123	\$173
<i>Employer Pays</i>	<u>\$302</u>	<u>\$539</u>	<u>\$790</u>
<i>Total Premium</i>	\$359	\$662	\$963
Available In Northern Virginia Only			
Kaiser Permanente			
<i>Employee Pays</i>	\$35	\$84	\$120
<i>Employer Pays</i>	<u>\$302</u>	<u>\$539</u>	<u>\$790</u>
<i>Total Premium</i>	\$337	\$623	\$910

Employee, Employee on Military Leave, VSDP Short-Term Disability: Pays the Employee amount

Retiree Group Not Eligible for Medicare (Retirees, Survivors, VSDP Long-Term Disability): Pays the Total Premium (VRS-administered health insurance credit may apply)

Extended Coverage (COBRA) Participant: For 18 or 36 months, pays the Total Premium + 2%; for 19 to 29 months of disability, pays the Total Premium + 50%.

Health Benefits At-A-Glance Health Benefits At-A-Glance

COVA Care Plan COVA Care Basic			Kaiser Permanente HMO (Northern Virginia Only)	
Benefit	You Pay In-Network	Administrator	Benefit	You Pay In-Network
Plan Year Deductible (July 1–June 30)	\$200 per person; \$400 per family	Anthem or ValueOptions	<ul style="list-style-type: none"> You must live or work in the Kaiser service area to enroll. See page 1. You must select a primary care physician (PCP). 	
Out-of-Pocket Expense Limit	\$1,500 per member \$3,000 per family	Anthem or ValueOptions		
Doctor's Visits <i>Outpatient:</i>		Anthem or ValueOptions	Doctor's Visits <i>Outpatient:</i>	
<ul style="list-style-type: none"> Primary care physician Specialist 	\$25 \$35		<ul style="list-style-type: none"> Primary care physician Specialists <i>(Specialist visits require a PCP referral)</i>	\$10 \$10
<i>Inpatient:</i>				
<ul style="list-style-type: none"> Primary care physician Specialist 	\$0 \$0			
Hospital Services <i>Inpatient</i>	\$300 per stay	Anthem or ValueOptions	Hospital Services <i>Inpatient</i>	\$100 per admission
<i>Outpatient</i>	\$100 per visit		<i>Outpatient</i>	\$10 per visit
Emergency Room Visits <i>Facility Services</i>	\$100 per visit	Anthem or ValueOptions	Emergency Room Visits <i>ER Facility Services</i>	\$50 (waived if admitted)
<i>Professional Providers:</i>			<i>Urgent Care Center</i>	\$10
<ul style="list-style-type: none"> Primary care physician Specialist 	\$25 \$35			
Diagnostic laboratory, tests, shots and x-rays	10% coinsurance after deductible	Anthem or ValueOptions	Diagnostic laboratory, tests, shots and x-rays	\$10 physician, x-ray, and diagnostic services \$0 lab, path, radiology, diagnostic testing
Routine gynecological exam <i>Annual exam and tests:</i>		Anthem	Routine gynecological exam <i>Exam and tests (no referral needed):</i>	
<ul style="list-style-type: none"> Primary care physician Specialist Preventive tests (pap, mammography) 	\$25 \$35 10% coinsurance, no deductible		<ul style="list-style-type: none"> Primary care physician Preventive tests (pap, mammography) 	\$10 \$0
Routine wellness care (7 and older) <i>Annual checkup visit:</i>		Anthem	Routine wellness care (5 and older) <i>Periodic checkup:</i>	
<ul style="list-style-type: none"> Primary care physician Specialist 	\$25 \$35		<ul style="list-style-type: none"> Primary care physician 	\$10
<i>Routine lab, tests, shots and x-rays (plan pays up to \$200 per member per year)</i>	10% coinsurance, no deductible			
Routine well child care (to age 7)		Anthem	Routine well child care (under age 5)	
<ul style="list-style-type: none"> Primary care physician Specialist 	\$25 \$35		<ul style="list-style-type: none"> Primary care physician 	\$0
<i>Routine lab, tests, and x-rays</i>	10% coinsurance, no deductible			
Prescription Drugs—three-tier <i>Participating Retail Pharmacy: Per 34-day supply</i>		Medco Health	Prescription Drugs <i>Generic (brand covered only when generic unavailable or prescribed by physician):</i>	
<ul style="list-style-type: none"> Tier 1 Tier 2 Tier 3 	\$15 \$20 \$35		<ul style="list-style-type: none"> Kaiser On-Site Pharmacy Community Pharmacy Mail Service 	Up to 60-day supply \$10 \$20 Up to 90-day supply \$8
<i>Home Delivery Pharmacy: Service</i>				
<ul style="list-style-type: none"> Tier 1 Tier 2 Tier 3 	\$30 \$40 \$70			

Health Benefits At-A-Glance Health Benefits At-A-Glance

COVA Care Plan COVA Care Basic			Kaiser Permanente HMO (Northern Virginia Only)		
Benefit	You Pay In-Network	Administrator	Benefit	You Pay In-Network	
Behavioral Health and Employee Assistance Program		ValueOptions	Behavioral Health and Substance Abuse		
<i>Inpatient Facility</i>	\$300 per stay		<i>Inpatient Facility</i>	\$100 per admission	
<i>Outpatient Facility</i>	\$100		<i>Outpatient Professional</i>	\$10	
<i>Outpatient Professional</i>	\$35		<i>EAP</i>	\$0	
<i>EAP (4 visits per incident)</i>	\$0		<i>(Coordinate care with Plan, not primary care physician)</i>		
Dental Basic Services		Delta Dental	Dental Services		
<i>Plan pays up to \$1,200 per member per plan year</i>			<i>Plan pays per member per plan year up to \$1,000</i>		
<ul style="list-style-type: none"> • Diagnostic and preventive (oral exam, cleanings) \$0 • Primary (fillings, periodontal, root canals) 20% coinsurance, no deductible 			<i>Dental HMO (DHMO), \$500</i>		
			<i>Out-of-Network (OON)</i>	<u>DHMO</u>	<u>OON</u>
			• Annual deductible	\$25	\$50
			• Diagnostic and preventive	0%	25%
			• Basic services	20%	40%
			• Major services	50%	60%
			• Ortho (19 and under), \$1,000 lifetime max	50%	not covered

COVA Care Additional Coverage Options Benefit	Who Pays	Administrator
Out-of-Network <i>(May be combined with Expanded Dental or Vision, Hearing and Expanded Dental) Applies to Medical and Behavioral Health Services</i>	Plan payment is reduced by 25%. You pay applicable deductible, copayment and/or coinsurance. Provider may balance bill for amount above allowable charge.	Anthem or ValueOptions
Expanded Dental <i>(May be combined with Out-of-Network)</i> <i>Plan pays up to \$1,500 per member per plan year for Basic and Expanded Dental Services</i>		Delta Dental
• Complex Restorative (inlays, onlays, crowns, dentures, bridgework)	You pay 50% coinsurance, no deductible	
• Orthodontic (\$1,200 lifetime max per member)	You pay 50% coinsurance, no deductible	
Vision, Hearing and Expanded Dental <i>(May be combined with Out-of-Network)</i>		
<i>Vision</i>		Anthem
• Routine eye exam (once every 24 months)	You pay \$35	
• Eyeglass frames (one set every 24 months)	Plan pays up to \$75	
• Lenses (every 24 months)		
• One pair single lenses, or	Plan pays up to \$50	
• One pair bifocal lenses, or	Plan pays up to \$75	
• One pair trifocal lenses, or	Plan pays up to \$100	
• Contact lenses (any kind)	Plan pays up to \$100	
<i>Hearing</i>		Anthem
• Routine hearing exam (once every 48 months)	You pay \$35	
• Hearing aids and other hearing aid related services (\$1,200 benefit maximum every 48 months)	You pay \$0	
<i>Expanded Dental (see above)</i>		Delta Dental

12-Month Plan Year For Flexible Reimbursement Accounts Begins July 1

Your FRA plan year for Medical Expense Flexible Reimbursement (MFRA) and Dependent Care Flexible Reimbursement (DFRA) accounts is *July 1, 2004 – June 30, 2005*. See page 13 for how to enroll in an FRA. The chart below gives more details on your election, how much you can contribute and who to contact for information.

2004-05 Plan Year

(July 1, 2004 – June 30, 2005)

FRA Election and Open Enrollment Period

- Your FRA election (the dollar amount you set aside) is for the fiscal year, the same as your health benefits.
- Your FRA Open Enrollment period is April 14 - May 14, 2004, the same as your health benefits.
- If you currently have an FRA, you must re-enroll during Open Enrollment. Your current FRA will end on June 30, 2004.

Contribution to an MFRA:

- **Minimum:** \$10 each pay period
- **Maximum:** up to \$5,000 per plan year

Contribution to a DFRA:

- **Minimum:** \$10 each pay period
- **Maximum:** up to \$5,000 per plan year, depending on how you file your taxes (see the *Flexible Benefits Sourcebook*)

No Election Changes After Open Enrollment

- Your FRA Open Enrollment election and contribution are binding:
 - Your election cannot be changed after Open Enrollment ends.
 - 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.

Who To Contact With Questions

- See or call your agency Benefits Administrator with questions on FRA Open Enrollment, eligibility or making changes.
- Call the administrator of your Flexible Reimbursement Accounts, Fringe Benefits Management Company (FBMC), with questions about your FRA claims. The toll-free customer service number is **1-800-342-8017**.
- See the *Flexible Benefits Sourcebook* for more on FRAs, including who may enroll and what expenses may be reimbursed. The sourcebook is available from your Benefits Administrator or on the DHRM Web site at www.dhrm.virginia.gov.

Account Information

- Call the FBMC Interactive Benefits Information Line at **1-800-865-FBMC (3262)**, or
- Visit the FBMC Web site at www.fbmc-benefits.com. To access your account on the site, click on "Account Information", enter your employee number (your Social Security number), and your temporary password (the last four digits of your SSN).
- **Remember:** If you have already used the Interactive Benefits telephone information line, the password you chose to use there will be the password you use on the Web site.

Keep These FRA Facts in Mind

- **Certain over-the-counter items, medicines and drugs** can be reimbursed with an MFRA. These include antacids and remedies for allergies, colds, pain and other conditions. There are specific reimbursement requirements. For more information, see the *Flexible Benefits Sourcebook* or visit the FBMC Web site at www.fbmc-benefits.com.
- **Use It or Lose It.** You must use all of the money in your 12-month plan year account by June 30, 2005. It cannot be carried over into the next plan year.
- **No Transfer.** Money cannot be transferred between the two accounts or between plan years.
- **File for Reimbursement by September 30.** *If you are in an FRA that ends on:*
 - **June 30, 2004**, you have until September 30, 2004 to file for reimbursement.
 - **June 30, 2005**, you have until September 30, 2005 to file for reimbursement.
- **Reimbursement rules differ according to the type of FRA.**
 - For a Medical Reimbursement Account, you may be reimbursed as expenses occur.
 - For a Dependent Care Reimbursement Account, your payroll contribution must be received and posted before you can be reimbursed.
- **Getting Reimbursed.** Reimbursement checks are issued within 5 working days from the time a complete reimbursement request is received.

Fax or send Reimbursement Request Forms to:

Fax: (850) 425-4608

Contract Administrator
Fringe Benefits Management Company
P.O. Box 1800
Tallahassee, FL 32302-1800

Important! You must re-enroll in Flexible Reimbursement Accounts during Open Enrollment. Remember that current accounts expire on June 30, 2004.

IRS Calendar Year Limit for Dependent Care FRAs

The maximum amount you can set aside each year in a Dependent Care FRA is determined by the Internal Revenue Service (IRS) and based on:

- a calendar year (January through December) for tax purposes and
- your tax filing status.

If you are enrolling in a Dependent Care FRA during spring 2004 Open Enrollment for the July 2004–June 2005 plan year, carefully evaluate your elections to ensure they remain within the IRS limits. You cannot exceed the calendar year maximum established by the IRS for a Dependent Care FRA. For more information on IRS limits, see the *Flexible Benefits Sourcebook* or visit the Flexible Benefits Program link on the DHRM Web site at www.dhrm.virginia.gov.

Mid-year changes to your election are not allowed unless you experience a qualifying event as outlined in the *Flexible Benefits Sourcebook*. Any amount over the allowable dependent care maximum will be subject to all applicable taxes.



FRA Worksheets

Deciding How Much To Deposit

To figure out how much to deposit in your FRA, refer to the following worksheets. Calculate the amount you expect to pay during the plan year for eligible, uninsured out-of-pocket medical and/or dependent care expenses. This calculated amount cannot exceed established IRS guidelines for calendar or plan year limits. (Refer to the individual FRA descriptions and "Enrollment at a Glance" in the *Flexible Benefits Sourcebook* for limits). Be conservative in your estimates, since any money remaining in your accounts cannot be returned to you or carried forward to the next plan year.

TAX-FREE MEDICAL EXPENSE WORKSHEET

Estimate your eligible, uninsured out-of-pocket medical expenses for the plan year.

YOUR UNINSURED MEDICAL, DENTAL AND VISION EXPENSES

_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

SUBTOTAL

Estimated eligible uninsured medical expenses for your period of coverage during the plan year. = \$ _____

DIVIDE

by the number of pay periods during the plan year* ÷ _____

This is your pay period contribution (In whole dollar amounts only) = \$ _____

* If you are a new employee enrolling after the plan year begins, divide by the number of pay periods remaining in the plan year based on the effective date.

TAX-FREE DEPENDENT CARE WORKSHEET

Estimate your eligible dependent care expenses for the plan year.

NUMBER OF WEEKS

you will have dependent (child, adult or elder) care expenses during the plan year.
Remember to subtract holidays, vacations, and other times you may not be paying for eligible child, adult or elder care. = _____

MULTIPLY

by the amount of money you expect to spend each week. x \$ _____

SUBTOTAL = \$ _____

DIVIDE

by the number of pay periods during the plan year * ÷ _____

This is your pay period contribution (In whole dollar amounts only) = \$ _____

* If you are a new employee enrolling after the plan year begins, divide by the number of pay periods remaining in the plan year based on the effective date.

At your request, your FRA checks may be deposited into your checking or savings account by enrolling in Direct Deposit.

Use EmployeeDirect to Enroll

Q. What is EmployeeDirect and how do I use it?

A. EmployeeDirect is a do-it-yourself online service that enables you to make changes to your health benefits and personal information anytime, from any computer! You may make Open Enrollment changes by visiting EmployeeDirect at <http://edirect.virginia.gov>.

Q. Where can I find instructions for using EmployeeDirect during Open Enrollment?

A. The Welcome page on EmployeeDirect has a link to the step-by-step instructions you need to make changes during Open Enrollment. Simply print the instructions and use them as a guide to making your changes online. You will need a passcode to log on to EmployeeDirect.

Q. How do I get my EmployeeDirect passcode?

A. You must have an e-mail address on file to receive your EmployeeDirect passcode. If it is missing or incorrect, EmployeeDirect will refer you to your



Benefits Administrator. Once your Benefits Administrator corrects your e-mail address, you can immediately return to EmployeeDirect and request your passcode again. It will be sent to the corrected e-mail address within an hour of your request.

Q. How do I know my Open Enrollment changes have been made?

A. EmployeeDirect approves, confirms and immediately displays your Open Enrollment changes on your updated Health Benefits profile that becomes effective on July 1. It's important to keep a copy for your records.

Q. What information do I need to verify in EmployeeDirect?

A. Be sure to verify that your telephone number, mailing and e-mail address are correct on your Health Benefits profile. Also be sure to have with you the names, birth dates and social security numbers of any family members you may want to cover.

ENROLLMENT REMINDERS...

- If you use EmployeeDirect to enroll or make changes, **review your Benefits Profile** for accuracy and keep a copy for your records as a confirmation of your election.
- If you submit a Health Benefits Enrollment Form for Active Employees or an FRA Election Form to your Benefits Administrator, **keep a copy for your records**. If you mail the form, call your Benefits Administrator by May 14 to be sure it was received.
- Fringe Benefits Management Company (FBMC) will mail a confirmation of your FRA election to your home address before July 1, 2004. Check your election confirmation. If there are any errors, contact your Benefits Administrator immediately.
- **Check your first pay stub** of the new plan year to verify that the amounts deducted for your health insurance and/or FRA(s) are accurate. See your Benefits Administrator immediately if an error has occurred.
- If you enroll in the COVA Care health plan or elect a Flexible Reimbursement Account for the first time, **ask your Benefits Administrator** for a HIPAA Privacy Notice.

Eligibility Update

Family Membership – Two State Employees

Beginning on July 1, two state employees enrolled in Family membership with one covered family member must reduce to an Employee Plus One membership if the dependent loses eligibility. At the next Open Enrollment or with a consistent qualifying mid-year event, each individual will have the opportunity to enroll in a Single membership.



Under Section 125 of Internal Revenue Service (IRS) regulations, when a dependent loses eligibility, coverage can only decrease to a level consistent with loss of eligibility. Section 125 governs our program's ability to allow you to pay premiums before taxes and to offer Flexible Reimbursement Accounts (FRAs).

Adjustments to Membership

Some health benefits program participants continue to carry an incorrect number of covered family members for their level of membership (Single, Employee Plus One or Family). As a service to employees during Open Enrollment, the membership of all health benefits program participants will be adjusted so that the level of membership matches the number of covered family members indicated.

It's Easy to Find What You Need Online

Visit the Compensation and Benefits page on the Department of Human Resource Management's (DHRM) Web site at www.dhrm.virginia.gov/compandbenefits.html 24 hours a day, seven days a week for links to Health Benefits and the Flexible Benefits Program. You can find:

- Available plans Statewide and in Northern Virginia
- A COVA Care Member Handbook
- Frequently asked questions on the plans
- A Flexible Benefits Sourcebook
- A special 2004-05 insert on Flexible Reimbursement Accounts (FRAs)
- EmployeeDirect
- An Enrollment Form for Active Employees
- A Flexible Reimbursement Account (FRA) Election Form...and much more!



Be Sure Your New ID Cards Are Sent To The Right Place!

This June each administrator (Anthem, Delta Dental, ValueOptions, and Medco Health) will send you a new ID card. Now it's more important than ever that we have your correct mailing address, since that is the address the administrators will use to mail cards! Receiving new ID cards is something you don't want to miss!

Has your address and/or name changed? Be sure to update your information on EmployeeDirect at <http://edirect.virginia.gov> or notify your Benefits Administrator. Please do not notify the plan administrators of name and/or address changes.

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



DHRM Web Site Has What You Need!

Would you like to preview your benefits and premiums for July 1, 2004?

You'll find this information and much more on the DHRM Web site at www.dhrm.virginia.gov/compandbenefits.html.



Virginia Department of
**HUMAN RESOURCE
MANAGEMENT**

Enroll the Easy Way...Visit EmployeeDirect at <http://edirect.virginia.gov>