



## Broker Broadcast

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### B&P News

February 2008

#### [Peninsula & East Bay Broker Event - Piecing it Together!](#)

Spend two hours with Beere & Purves and pick up invaluable tips and tools to help piece together the finer details of Small Group.

Wednesday, February 27th or Thursday, February 28th  
San Mateo Walnut Creek

**RSVP today - Limited Space Available**

\* 76% of B&P's January 2008 small group business implemented HSA plan designs. It takes more than a group number to ensure an HSA is implemented correctly.

\* The rules for spin-off companies are not the same for all carriers. Let us help you quickly identify which carriers will consider your prospect Guarantee Issue.

\* 57% of new groups processed by B&P did not offer prior coverage. Learn to navigate legal document and payroll requirements to help get start-up companies through Underwriting.

\* Does your prospect have Union employees? Feel confident when you inform your next carve-out group whether or not they will be considered on a Guarantee Issue basis.

\* When a group wants to exit a PEO, learn how B&P carrier partners offer more flexibility to assist you and your client in a smooth and timely transition.

**RSVP today - Limited Space Available**

8:00am - Full Breakfast & Registration  
9:00am - 11:00am - Presentation

Wednesday, February 27th

Thursday, February 28th

**Marriott San Mateo**  
**San Mateo, CA 94402**  
**1770 South Amphlett Blvd**  
**650.653.6000**

[Click here](#) to RSVP

**Renaissance Club Sport**  
**Walnut Creek, CA 94597**  
**2805 Jones Road**  
**925.938.8700**

[Click here](#) to RSVP

For additional information or questions, contact Karina Bivian at 925.296.5480 or Jennifer Lisanti at 925.296.5476. To print the event flyer, [click here](#).

#### **New Individual & Family Plan Quoting via bpQuote**

We are pleased to announce that a new and improved Individual and Family Plan quoting section will be available in bpQuote on Monday, February 25th.

In the meantime, to view a thorough demonstration of the new IFP system, [click here](#).

The new Individual and Family Plan (IFP) section makes it easy for you to find the right plan for your clients and is seamlessly integrated with our small group quoting system, allowing you to have one system to manage all your small group, individual and family business.

The IFP quoting system enables you to find providers, generate quotes, create reports on prospects by a number of criteria as well as keep track of email communication with their prospective clients. Whether it is easily entering prospect information, sending proposals to their prospective clients, accessing an up-to-date provider directory and application library, or utilizing a built-in email auto responder that permits brokers to send pre-written messages to their prospects, IFP's features allow brokers to work more efficiently and attain more new business.

Please note that while Beere & Purves does give you the ability to generate IFP quotes, we do not service Individual or Family plans. Please contact your B&P Group Sales Representative with any questions.

## **Carrier News**

### **Plan Information - Aetna-Small**

**TOP**

#### **Aetna Small Group Changes for April 1, 2008 Effective Dates**

### **Plan & Benefit Changes**

#### [New Plan Benefits](#)

#### [Existing Plan Benefit Changes](#)

##### **New HMO Plans**

- HMO Deductible \$1,000
- CA AVN HMO \$20/\$40

##### **New PPO Plans**

- EPO Limited
- MC \$1000 70/50
- MC HDHP \$3,000 100/50 (HSA-Comp)

##### **Eliminated Plans**

- MC \$2500 100/50
- MC \$500 50/50

##### **HMO Plans w/ Benefit Changes**

- HMO HRA \$750/\$25.
- HMO HRA \$1,500/\$40.

##### **PPO Plans w/ Benefit Changes**

- MC Basic
- MC HSA-Compatible HDHP \$2,300 80/50.
- MC HRA-Compatible HDHP \$3,000 80/50.
- MC HSA-Compatible HDHP \$3,000 80/50; name will change to HSA HDHP \$3,300 80/50.
- MC HRA-Compatible HDHP \$5,000 80/50.

#### **Vitalidad Mexico con Aetna (Vitalidad \$5 and \$10 plans)**

- HMO services are offered through the SIMNSA provider network.
- Only Urgent Care and Emergency Services are available in the United States.
- Vitalidad can be included in the Pick A Plan portfolio with all other plans.
- Employers who have at least one employee enroll in a Vitalidad HMO are eligible for 65% participation (excluding valid waivers).
- Employers must be in an Aetna HMO Service Area to offer Vitalidad HMO (Imperial County is not a Vitalidad Service Area).
- The Service Area is defined as the Mexican cities of Tecate, Mexicali, and Tijuana. Zip codes are listed on page 45 of the Small Business Solutions booklet.

### **Rate Changes**

#### **Rating Area Changes**

- Tulare and Madera Counties are moving to Rating Area 7; HMO and MC rates decrease approximately 12%
- Sacramento zip codes 956 moving to Rating Area 6; HMO rates decrease by approximately 8% and MC 16%
- Alameda and Contra Costa Counties moving to Rating Area 5; HMO rates decrease by approximately 5% and MC 18%
- Placer County is moving to Rating Area 5; MC rates decrease by approximately 10%

#### **Employer Rating**

- Effective April 1, 2008, Small Group rates will be based upon the location of the Employer, not the employee for all products.
- This should eliminate 90% of the 'site add' transactions, speeding up membership changes throughout the year and at renewal.

#### **Composite Rating**

- Composite rates are available for Employers with 25 or more enrolling employees.
- Groups can offer a maximum of 4 plans.
  - At least 1 member must be enrolled in the plan for it to be offered to new hires
- Composite rates are based upon final enrollment in each plan platform (HMO, MC/PPO). If the quoted rates and the final rates vary less than 5%, Underwriting will honor the quoted rates.
- Inforce groups with 25 or more enrolled employees can move to composite rates at renewal.
  - Groups wishing to change plans at renewal, select the Pick A Plan option, or switch rating methodology (tabular to composite or composite to tabular) may be subject to underwriting.

### **Underwriting**

#### **Union versus Non Union**

- Union versus non union carve-outs will be considered Guarantee Issue when proof of coverage is provided on the union Employees. A minimum of eight enrolling is required with standard participation rules applied.
- Eligibility for union versus non union carve-outs is based on the number of non union employees.

#### **Enrollment of 1099 employees at sale or renewal**

- 1099 employees must have filed a Federal tax return with monies earned from the employer.
- Employer must have the same contribution amount for the 1099 employees.
- No more than 25% of the group may be 1099 employees.

## Selecting Pick A Plan

- Employers not enrolling in Pick a Plan may only offer a maximum of three plans to their employees and new hires.
- Employers selecting more than three plans are automatically enrolled in Pick a Plan.
- Live/Work Rule: If the Employer is located in a HMO/DMO Service Area and offers a HMO/DMO plan, employees who do not reside in the service area are eligible if their work location is within 30 miles of their residence.

## HSA-Compatible and other High Deductible HRA plans sold as stand-alone or with an HSA or HRA

- If an Employer Group wants to combine an Aetna medical plan with a partially self-funded deductible plan (such as Benelect), the employer has the choice of the \$3,000 and \$5,000 HRA High Deductible Plans or the HMO Deductible \$1,000 plan.

## Out of State Employees

- For Guarantee Issue, the employer must have at least 51% of employees in California.
- The home state is based upon the location of the majority of the employees.
- Out-of-state employees that live/work in an Aetna network area will receive California rates and products.
  - Out-of-state employees who reside in an area with an MC network must enroll in the California MC Plan.
  - Out-of-state employees who reside in an area with a PPO network must enroll in the California PPO Plan.
  - Out-of-state employees that **do not** live/work in an Aetna network area will be offered the Indemnity products.
  - HMO and EPO plans are not available outside of California.
- Network availability is confirmed by Aetna Underwriting.
  - Network availability may be determined by using Product Availability Look Up (PAL) on Producer World or by asking a member of your b&p dedicated sales team.

## Dual Waiting Periods available to different classes of employees

- Available when consistently applied across the class of employees as defined by the employer.

Contact a member of your dedicated b&p sales team with any questions regarding Aetna's April 1, 2008 changes.

## Improved & Extended RAF Program

Aetna has improved their RAF program for effective dates February 1, 2008 through December 15, 2008 for new Aetna Small Group business with 10 or more enrolling employees.

- Groups with **10-50 enrolling employees** will receive a maximum .90 RAF
- Groups with 5-9 enrolling employees will be medically underwritten to determine their RAF
- Groups with 2-4 enrolling employees will receive an automatic 1.10 RAF

## *Underwriting rules for this RAF promotion:*

- Groups must submit a copy of both their current and last year's renewal or their issued RAF at new business.
- Groups that received a 10-point increase in their RAF are ineligible for this promotion.
- Groups applying for the guaranteed RAF must be AB 1672 eligible and have a current RAF of 1.06 or less with their current carrier.
- This underwriting offer does not apply to groups enrolled with CaliforniaChoice or that have withdrawn from Aetna within 12 months of the requested effective date.
- COBRA/Cal COBRA enrollees do not count toward the enrolled employee counts.
- Groups with no prior coverage do not qualify.

## Network Updates - Aetna-Small

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### Aetna Network: Colusa Regional Medical Center - Colusa County

Aetna announced that Colusa Regional Medical Center joins the Northern California network effective February 1, 2008. Colusa Regional Medical Center will be available to employees and their dependents enrolled in the following products (*Note: This facility is located within Colusa County which is a non HMO county*): HMO; Open Access® (an HMO plan); Quality Point-of-Service® (QPOS®); Choice® POS; Choice® POS II; Managed Choice® POS; Open Access® Managed Choice POS; Elect Choice® EPO; Open Access Elect Choice EPO; Aetna SelectSM; Open Access Aetna SelectSM; Open Choice® PPO; Aetna HealthFund® and National Advantage™ Program.

Current physician and hospital directories do not include Colusa Regional Medical Center. Colusa Regional Medical Center will be added to the next directory. Additionally, Colusa Regional Medical Center will be added to DocFind® upon the next scheduled DocFind update following the effective date of the addition.

## Plan Information - Aetna-Large

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### Hearing Discount Program

Aetna has teamed with HearPO®, a national hearing benefits provider, to offer your employees substantial savings on hearing exams, hearing services and hearing aids.

The Aetna HearingSM discount program is available to all members, plus their parents and grandparents. Advantages include:

- Savings on many styles of hearing aids from complete canal to behind-the-ear hearing aids
- Cost break on the newest technologies including digital and programmable instruments from leading manufacturers
- 40 percent off the retail cost of a hearing exam at a participating HearPO provider
- 1,500 provider locations nationwide
- No extra administration for you

Since the discount program is not insurance, there is no limit on the number of times members can use services. A member [flyer](#) is available on request for distribution to your employees.

Aetna continually works to introduce innovative programs that give employees access to affordable, quality care. Please contact your b&p Large Group specialist with any questions or to request an Aetna quote today!

### Self-Injectable Information

Have you ever wondered how self-injectables are covered or if payment of self-injectables apply toward the plan's out-of-pocket maximum? Well, answers to both of these questions are available in Aetna's informative [one-page flyer](#).

### Formulary Drug List Changes for 2008

[Click here](#) to view the formulary changes for 2008.

### Members who will receive 2008 step-therapy and precertification change letters

Commercial members in the following medical plans with pharmacy benefits will receive a 2008 advance notice letter that only references changes to the precertification and step-therapy lists if the member's benefits plan includes those programs. These members will not receive a CRC with their letter as they are not eligible to receive a Preferred Drug Guide.

- HMO, QPOS, Aetna Open Access and USAccess members with Single Tier/Open Formulary plans that include the Precertification and/or Step-Therapy programs.
- HMO, QPOS Open Access and USAccess members with Two-Tier/Open Formulary plans that include the precertification and/or step-therapy programs.
- Indemnity and PPO-based members whose employers have purchased the precertification and/or step-therapy programs.

## Members who will not receive the 2008 Preferred Drug List change letters

- Any commercial member with a Single-Tier/Open Formulary or Two-Tier/Open Formulary that does not include precertification or step-therapy programs.
- First Step Pharmacy Card Program members.
- Medicare members.

B&P is available to assist you with your Aetna Large Group needs. Submit your next Aetna Large Group quote to your dedicated Large Group Specialist.

### Network Updates - Aetna-Large

TOP

No significant updates at this time.

### Plan Information - Blue Cross-Small

TOP

#### PEO Spin-Offs Considered Guarantee Issue with Blue Cross

Effective immediately, Blue Cross is considering companies leaving a Professional Employer Organization (PEO) and applying directly with Blue Cross as Guarantee Issue in conjunction with certain requirements.\*

The **obvious requirement**:

>Qualifying groups, among other AB1672 criteria, must have maintained 2-50 worksite employees for 50% of the previous calendar quarter or 50% of the previous calendar year in order to be considered guarantee issue.

The **unique requirements**, for participation purposes, assume a DE-6 or payroll is unavailable at the time of submission:

>A copy of the PEO client invoice billed to the worksite business, including the name of each employee previously leased to the worksite employer;

**AND**

>A letter from a company owner/officer stating the following (contact B&P for the recommended verbiage):

- the company has cancelled its contract with the PEO;
- approval is contingent upon Blue Cross receiving, within 45 days of the effective date, 30 days' payroll records for all employees; and
- Blue Cross reserves the right to rescind or non-renew coverage if payroll documentation is not provided in a timely manner, or it does not meet Blue Cross criteria for enrollment eligibility.

\*Please note that groups are subject to normal new business underwriting requirements, including but not.

#### 2008 AMAP Reimbursement Process Changed

As always, the Blue Cross Agent Marketing Assistance Program (AMAP) funds you earned for this year must be used (or spent) by December 31, 2008; but this year, the reimbursement process is changing.

Starting in 2008, expenses that are eligible for reimbursement must be submitted within 60 days of utilization. While this is a minor change if you currently submit your expenses in a timely manner, Blue Cross wants to make sure you are aware of our new reimbursement requirement. In order to improve the reimbursement process, Blue Cross encourages you to always submit your reimbursement requests as soon as you incur the costs. For your convenience, the form is always available [here](#).

#### HealthyExtensions Gets a Total Makeover

New name. New look. New discounts.

In mid-December, HealthyExtensions changed its name to SpecialOffers. As part of a total facelift for the discount program, the website will be redesigned so it's even easier to use. Plus, there will be new discounts on products and



services that promote better health and wellbeing.

Some of the new discounts employees will enjoy include:

- BabyStyle - 15% discount on everything needed for mother and baby.
- Barnes & Noble.com - 5% discount on a library of selected health and wellness books.
- Lauren's Hope - 10% discount and free standard shipping on medical ID bracelets that combine safety and style.

SpecialOffers is just one of the perks Blue Cross offers members — at no extra cost to them. To check out the new name, new look and new discounts of SpecialOffers, go to [www.bluecrossca.com](http://www.bluecrossca.com), select "Members" and then "Enter." Next, select "Health Information," then "Health Programs" followed by "Health Discount."

#### Network Updates - Blue Cross-Small

TOP

##### Blue Cross Network: Scripps Clinic - San Diego County

Effective April 1, 2008, Scripps Clinic locations throughout San Diego County will be a part of the Blue Cross of California (Blue Cross) traditional HMO Network. Effective April 1, 2008, both newly enrolling and current Blue Cross HMO members (and eligible dependents), can enroll in a Scripps Clinic location.\* Please note: Members are not eligible to change their medical group enrollment if they are in a course of treatment or if pending treatment is scheduled.

\*For Individual HMO members, a 20% rate-up applies when a Scripps facility is selected.

##### Blue Cross Network: Valley Health System - Riverside County

Blue Cross of California is pleased to announce that Valley Health System has rescinded their termination of the following hospitals: Hemet Valley Medical Center; Menifee Valley Medical Center; Moreno Valley Community Hospital.

The contract for the Comprehensive Hospital Agreement never terminated as VHS agreed to extend the old rates effective 2/15/2007 thru 2/14/2008. Effective 2/15/08, the Comprehensive Hospital Agreement will be amended in order to have the new rates take effect. These VHS hospitals remain participating in-network facilities with no disruption to Blue Cross members.

##### Blue Cross Network: Tenet Healthcare

Blue Cross reached a four year agreement with all contracted Tenet facilities, with the exception of Encino Tarzana Regional Medical Center, in the state of California effective February 1, 2008.

An agreement with Encino Tarzana Regional Medical Center was reached for a period of one year and is effective February 1, 2008.

##### Blue Cross Network: Rady Childrens Hospital - San Diego County

Blue Cross of California is pleased to announce that they have reached an agreement with Rady Childrens Hospital-San Diego. The fully executed contract is effective February 1, 2008 and extends for a period of two years.

#### Plan Information - Blue Cross-Large

TOP

### Specialty Drug List Updated

**Oral and adjunct oncology and transplant medications added.** Beginning March 15, 2008, Blue Cross of California (Blue Cross) Large and Small Group members must transition their prescriptions for oral and adjunct oncology, transplant and a small number of other specialty medications to PrecisionRx Specialty Solutions (PRxSS), our network specialty pharmacy. This will enable those members to continue receiving their highest level of coverage.

Members who opt not to transition their oral and adjunct oncology, transplant or other specialty medications to our network specialty pharmacy may be responsible for a greater share of the cost. Their out-of-pocket expenses and copays may be higher.

Members will be notified by letter 30 days before the change. The notification will prompt them to contact our network specialty pharmacy to transition their medications. Blue Cross will also remind the impacted members about the change through a phone call and an additional letter two weeks before the effective date.

See the first member notification letter [here](#). [Contact](#) your b&p sales team if you have any questions!

### Lumenos Customer Service Numbers Changed

Now California Lumenos members should call:

- 866-207-9878 - New CA Large Group Lumenos members (enrollment effective January 2, 2008)

#### Call center hours are:

Monday - Friday: 8:30am to Midnight PST

Saturday: 9:00am to 1:00pm PST

#### Transitioning to the new numbers:

If a member calls the old number, the call center team in Virginia will provide the correct number based on the caller's state and contract type (individual, small group or large group).

### Lumenos Plans Require 45+ Days to Implement

Any Large Group wishing to initially offer (or add at renewal) a Lumenos Consumer Driven Health Plan in their plan offering (HSA and HIA Plus), must submit group paperwork **at least 45 days prior to the effective date**. For example, a new group requesting a May 1, 2008 effective date must submit their new business paperwork no later than March 15, 2008.

#### New business paperwork includes:

Employer paperwork

Employee paperwork

Binder check

Please note that this policy does not apply to the 51-99 EmployeeElect product. Contact your Large Group specialist if you have any questions about the new policy.

### Network Updates -Blue Cross-Large

[TOP](#)

Please see the Blue Cross of California-Small Network Updates.

### Plan Information - CaliforniaChoice®-Small

[TOP](#)



**Early Bird from CaliforniaChoice®**

Group numbers guaranteed on the effective date with CaliforniaChoice®.

When you submit your group through Beere & Purves by the 19th of March for an April 1, 2008 effective date, and all pending requirements are completed by the 25th of the same month, we will submit your case to CaliforniaChoice® as an Early Bird case. Cases meeting special receipt and pending item dates receive a group number on the requested effective date.

**Early Bird Special Timeline:**

March Timeline for April 1st Groups:
19th - submit group to Beere & Purves
25th - all missing requirements must be complete
1st - group number will be issued

If you have any questions, please contact one of the B&P Underwriters.

**Network Updates - CaliforniaChoice®-Small****TOP**

No significant updates at this time.

**Plan Information - CaliforniaChoice 51+****TOP****Quoting Large Groups with CaliforniaChoice 51+ is Easy!**

CaliforniaChoice 51+ is the perfect multi-carrier solution for large employers looking for expanded choices in providers and benefits - without increasing their administrative efforts or hassles.

CaliforniaChoice 51+ offers:

· 3 Health Plans	· Chiropractic & Acupuncture
· Plan Designs:	· Life
4 HMOs	· Employee Choice
4 PPOs	· Defined Contribution
3 HSA Qualified Plans	· Single Source Administration
· Dental	· One Monthly Bill
· Vision	

[Click here](#) to print a convenient, one-page reference to share with your clients.

Kaiser Permanente, Health Net and Cigna for employer groups **without** current Kaiser Permanente enrollment. Please [contact](#) your Large Group Specialist for a CaliforniaChoice 51+ quote.

**Network Updates - CaliforniaChoice 51+****TOP**

Please see the CaliforniaChoice® -Small Network Updates.

**Plan Information - Delta Dental****TOP**

### **HIPAA Business Associate Addendum Revised**

Delta Dental revised their HIPAA Business Associate Addendum for DeltaCare USA plans. When a group purchases a stand alone DeltaCare USA plan or in conjunction with a PPO or Premier plan the HIPAA Business Associate Addendum must be signed by the employer and submitted with the Group Application. Visit [www.beerepurves.com](http://www.beerepurves.com) to obtain the most recent version.

### **SIC Changes Effective January 1, 2008**

Delta Dental has introduced several noteworthy changes to their SIC list for January 1, 2008 effective dates. [Click here](#) for a complete list of eligible/ineligible industries. Summary of changes include:

#### **Newly Eligible SICs:**

- Employment Agencies (7361-7363) have been moved from Ineligible to Level 2 category
- Jewelry Manufacturing (3911-3915) have been moved from Ineligible to Level 2 category

#### **Newly Ineligible SICs:**

- Private Households (8811) has been added to the Ineligible list

#### **Refinements to Current Eligible SICs:**

- Education has been renamed Public Education and has retained the same SIC range; no changes have been made to Private Schools (8200-8299).
- Manufacturing has been split into two sub-categories:
  - Manufacturing, except Jewelry Manufacturing (2000-2699; note 2699 was formerly 2999)
  - Manufacturing, Chemicals, Allied and other products (2810-3999)
- Retail has been further refined from 5200-5510 and 5000-5999 to 5200-5510, 5610-5699, 5712-5736 and 5912-5999
- Computer Programming & Related Services was changed from 7370 to 7371
- Engineering & Management Services was changed from 8700-8799 to 8711-8748

Visit [www.beerepurves.com](http://www.beerepurves.com) for the Delta Dental's 2008 rates and benefits.

### **Plan Information - Health Net-Small**

**TOP**

#### **Health Net Continues Healthy Financial Improvement**

Message from Health Net of California Commercial Officer Mark Morgan:

Health Net, Inc., the parent of Health Net of California, announced fourth-quarter 2007 earnings of \$123.4 million, or \$1.10 per diluted share. For the full year, earnings were \$200.2 million, or \$1.76 per diluted share.

This is continued strong performance, and we are pleased with our progress and committed to further improvement.

Overall, you and your clients can take comfort in knowing the financial strength of Health Net, Inc. remains sound:

- Cash and investments of \$2.6 billion
- Total assets of \$4.9 billion
- \$1.3 billion in reserves for claims and settlements
- Debt-to-capital ratio 22.5%; a standard measure of balance sheet soundness
- Risk-based capital exceeds the benchmark set by the ratings agencies

For Health Net of California, the fourth quarter was our seventh-consecutive quarter of 50,000+ sales, lead by 14-percent growth among small-group and individual plans. This area continues being a strong focus for us, and we are

excited by our future prospects. [More...](#)

### Health Net's AB 910 Compliance

#### AB 910: Overage Dependent Notification (OAD)

New California legislation took effect on January 1, 2008 that changes the notification requirements for dependents who are reaching the age limitation for coverage. The legislation, AB 910, impacts all health plans and insurance carriers, and applies to both Individual and Family Plan (IFP) and group lines of business.

Health Net is updating our processes and updating both clients and brokers.

#### Definition of Overage Dependent

An overage dependent is defined as one of the following:

- Age 19 and not full-time students.
- The maximum age for coverage, regardless of student status.
- IFP and small business groups - maximum age is 24 – coverage remains in effect until the 1st of the month following the day the member turns 24.
- Mid-market and large accounts - maximum age is the age specified in the group's contract with Health Net.
- Certified disabled.

#### AB 910 Timeframes

Under AB 910, the following timeframes apply for members reaching overage status in March 2008 and later:

- 90-day advance notification - Members must be notified at least 90 days in advance of the date they'll reach overage status.
- 60-day response time - Members have 60 days to confirm that they meet the evidence of coverage requirements to remain on the plan, and to provide certification of academic enrollment or disability as requested.

#### Member Impact

**Individual and Families** - No action is required of IFP members. Health Net will continue to send OAD notifications per the new timeframes.

**Employer Groups** - Action items for Employer groups will vary depending on the scenario that applies to them:

Scenario	AB 910 Compliance
1) Health Net handles the OAD reporting and notification process on behalf of the employer.	Health Net will continue the OAD reporting and notification process in accordance with the new guidelines.
2) Health Net processes and sends OAD reports to the employer. The employer sends OAD notifications to members.	Health Net will continue to send OAD reports to the employer in accordance with the new guidelines.  The employer will continue to send OAD notifications to members, incorporating the new dates to comply with the new guidelines.
3) Employer handles the OAD reporting and notification process.	The employer must adjust their reports and notifications to comply with the with the new timeframes and send Health Net termination lists as necessary.

#### Communications

Health Net will communicate this information to brokers in the February issue of *Health Net Monthly*. Health Net also distributed letters to all employers outlining AB 910 during the second week of February. Prior to this mailing, they expect to send a Sales Alert with copies of the letters.

Please contact your b&p Group Sales Representative with any questions.

### Health Net's Preventive Care Coverage

We are pleased to provide you access to Health Net's Preventive Care Coverage fliers for their Small Business Group plans.

- [PPO Preventive Care Summary](#)
- [HMO Preventive Care Summary](#)
- [EOA and POS Preventive Care Summary](#)

Please note that above documents are a summary of the preventive care services covered by Health Net and does not imply coverage. For specific plan details, please refer to your Certificate of Insurance.

Contact your B&P Sales Representative for additional questions regarding Health Net's Preventive Care.

### Network Updates - Health Net-Small

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#### Health Net Network: UCI Medical Center - Orange County

Effective January 1, 2008, University of California Irvine Medical Center re-joined the Health Net network as a participating hospital for HMO, PPO, POS and Healthy Family plans.

The UCI Medical Group is also under contract. UC employees and post-doctoral fellows may choose UCI Medical Group for primary care; all other members may utilize the group for non-primary care services. HMO, Healthy Family and POS members using the HMO benefits of their plan may go to the UCI Medical Group if referred by their primary care physician.

### Plan Information - Health Net-Large

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#### Health Net Starting Line-Up Phase II: Modular by Design

In 2005, Health Net introduced the Starting Line-Up (SLU) portfolio – a collection of smart solutions designed for mid-size and large business clients. Now, based on the success of our portfolio, they're taking SLU to the next level.

**Introducing SLU Phase II.** Built on what works, SLU Phase II brings together new and old. Here's what they did:

- Started with everything you love about their mid-market Starting Line-Up. Most of the popular SLU plans you quote today are part of SLU Phase II.
- Added a new modular-by-design approach, which was created by:
  - Identifying the benefits favored by you and your clients
  - Simplifying plan selection by further standardizing benefits
  - Offering benefit modules to choose from, making it easy to get the perfect fit

**Now you're the architect** with a toolbox of options that makes it easy to custom-build a health plan that fits every client.

1. Start with one of three base models – HMO/EOA, PPO or HSA-eligible PPO.
2. Choose from Health Net's selection of modular benefits at varying price points to create the perfect fit.

Plus, SLU Phase II includes a consumer-directed suite of products (Optimizer HMO and EZ Access HSA) and the cross-border Salud HMO y más.

#### Sell now for April 1, 2008

SLU Phase II is available to sell now for an April 1, 2008 effective date. To make selling simple, Health Net has available:

- SLU Phase II Portfolio Book – Illustrates the ease and value that is SLU Phase II.
- Interactive CD (included with Portfolio Book) with two ways to choose a plan:
  - go through the modular choices to design your own plan; or

- o view a finalized plan overview based on the components you want (e.g., HMO with \$10 copay and \$250 per day hospital benefit).

B&P is your valued business partner for Health Net 51-250. Please contact your Large Group Specialist for a copy of the new Portfolio Book or to request a quote today!

### Why Annual Routine Physicals are Not Covered on the HMO/EOA Plans

Annual Routine Physical exams are not covered, but Periodic Health Evaluations are. Here's the distinction:

**Annual Routine Physical** exam is a benefit requested by a member without any medical indication and not only for preventive purposes, and likely to be offered under PPO plans.

In contrast, an annual preventive check-up for general health with a PCP is a **Periodic Health Evaluation** and falls under the HMO Preventive Care benefit.

[Click here](#) for a flyer that provides further explanation of the differences between a Periodic Health Evaluation and Annual Routine Physical.

### Network Updates - Health Net-Large

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No significant updates at this time.

### Plan Information - Kaiser Permanente Choice Solution

TOP

#### New Sales RAF Reduction with Multiyear RAF Guarantee

We are happy to provide you the details on Kaiser Permanente Choice Solution's *New Sales RAF Reduction and Multiyear RAF Guarantee*. When you enroll any new group with an effective date of February 1 through July 1, 2008, Kaiser Permanente Choice Solution will guarantee their first year renewal RAF.

New groups will receive guarantees as follows:

- Groups with 16 or more medically enrolling employees get a guaranteed .90 RAF today and a guaranteed a .90 RAF at their first-year renewal<sup>1</sup>
- Groups with 11-15 medically enrolling employees get a guaranteed .90 RAF today providing their current carrier RAF is 1.05 or better today; and a guaranteed maximum .95 RAF at their first-year renewal<sup>2</sup>
- Groups with 6-10 medically enrolling employees get a guaranteed .90 RAF today providing their current carrier RAF is 1.05 or better today. No RAF guarantees at renewal apply.

<sup>1</sup> For groups of 16 or more medically enrolling employees, they must maintain an average of 16 or more medically enrolled employees with Kaiser Permanente Choice Solution throughout the year to receive the RAF guarantee of .90 at their first-year renewal.

<sup>2</sup> For groups of 11-15 medically enrolling employees, they must maintain a minimum of 11 or more medically enrolled employees with Kaiser Permanente Choice Solution throughout the year to receive the RAF guarantee of .95 at their first year renewal.

#### Rules and Conditions:

- Offer applies only to new small business groups eligible under AB1672 with 6-50 employees.
- Groups with 2-5 enrolling employees will continue to qualify at a 1.10 RAF.
- Group's original effective dates with Kaiser Permanente Choice Solution must be February 1, 2008 through July 1, 2008.
- RAF reductions and guarantees only apply to groups with a renewal RAF of 1.05 or lower with their current carrier and you must submit a copy of their renewal notice with submission of new group paperwork to receive these reductions and guarantees.
- RAF reductions and guarantees do not apply to groups with no previous medical coverage.
- RAF reductions and guarantees do not apply to groups currently enrolled with Kaiser Permanente direct or through CaliforniaChoice®, an exchange, association, trust fund or union.
- RAF discounts will be applied to final rates when all appropriate new group documentation has been submitted.

For additional assistance, contact your B&P Sales Representative.

### 20% Savings on All Eyewear

Effective January 1, 2008, all Kaiser Permanente Choice Solution members\* receive a 20% discount on eyeglasses, sunglasses and contact lenses purchased at any Kaiser Permanente optical store.

### Save 20% on Eyewear

Members receive a 20% discount on eyeglasses, sunglasses, and contact lenses purchased at any Kaiser Permanente optical center. Discounts only apply to eyewear and cannot be used in conjunction with any other discount.

### Locating a Provider

Kaiser Permanente optical centers are conveniently located throughout the state. Just go to [www.kp2020.org](http://www.kp2020.org) and click on Northern or Southern California to find a location, or call 800.464.4000.

### Service

Kaiser Permanente optical centers offer a vast selection of frames and lenses at competitive prices, including eyewear from top designers such as Anne Klein, Armani, Calvin Klein, Fendi, Gucci, Guess, Jones New York, Versace and many more.

### Easy to Use

Simply present your Kaiser Permanente I.D. card at any Kaiser Permanente optical center.

[Click here](#) to print a convenient, one-page reference to share with your clients.

\* Discounts available only with Kaiser Permanente Choice Solution plans which provide access to Kaiser Permanente HMO benefits. Members enrolled in a PPO or Indemnity plan are not eligible for vision discounts.

### Network Updates - Kaiser Permanente Choice Solution

TOP

No significant updates at this time.

## Industry News

TOP

### Health Net Announced 4th Quarter Earnings

Health Net announced fourth-quarter 2007 earnings on February 5, 2008. [Click here](#) for the full article.

### Aetna Announced 4th Quarter Earnings

Aetna announced fourth-quarter 2007 earnings on February 7, 2008. [Click here](#) for the full article.

### San Francisco Businesses Gear Up for Health Access Program

As legal challenges continue, businesses with employees who work in San Francisco are preparing to comply with a provision of a San Francisco law that requires employers to spend a certain amount on health care, either in coverage for their workers or in payments to the city, the San Francisco Chronicle reports.

The San Francisco law went into effect January 9, 2008 for businesses with 50 or more employees, but payments to the city are not due until April 30, 2008. The law will go into effect April 1, 2008 for for-profit employers with 20 to 49 employees. [More...](#)

### Google to Store Patient's Health Records

Google Inc. will begin storing the medical records of a few thousand people as it tests a long-awaited health service. The pilot project will involve 1,500 to 10,000 patients at the Cleveland Clinic who volunteered to an electronic transfer of their personal health records so they can be retrieved through Google's new service. Each health profile will be protected by a password that's also required to use other Google services such as e-mail and personalized search tools. [More...](#)



## Events TOP

### **B&P's Piecing It Together Day - February 27th & 28th, 2008**

[Click here](#) for more details or visit the b&p section of the Broker Broadcast.

### **GGAHU Forum Discussion - February 27, 2008**

Join GGAHU at their February 27th membership meeting for a one-hour CE course (#193559) - forum discussion on local, state and national issues impacting your business. [Click here](#) for the registration form.

### **SVAHU Annual Panel CE Day - April 10, 2008**

SVAHU will be holding their Annual Panel CE Day at the San Jose Wyndham Hotel on Thursday, April 10th. The event will begin at 8:00am concluding following lunch at 1:30pm. The registration form will be available soon at [svahu.org](http://svahu.org).

### **GGAHU Annual Benefits Golf Tournament - May 2, 2008**

Mark your calendar for GGAHU Annual Benefits Golf Tournament on Friday, May 2nd, at the Boundary Oaks Golf Club. This is the annual social event that you would not want to miss. Information on sponsorship opportunities is coming soon - If you would like to reserve your sponsorship, please call (800) 488-2506.

## Contact B&P TOP

For a complete list of B&P contacts, [click here](#). Questions for Beere & Purves? [click here](#).

## Feedback & Suggestions TOP

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