

a message from patrick hughes

president, fchp health plan operations



For us at Fallon Community Health Plan, 2007 was a dynamic year as we proactively addressed the

impact of health care reform in Massachusetts and looked to the future while celebrating our 30th anniversary. As a result, we reorganized and refocused with one goal in mind: to achieve significant membership growth now and in the coming years. We hope you'll help us get there.

We're investing in our success—and yours—as we harness “the power of FCHP.” First, that means all of our employees are working as a team to support membership growth (and retention!). No matter what their job, employees are focused on supporting our sales initiatives and promoting excellent

service and customer satisfaction. Our work is beginning to pay off as we exceeded our membership targets for 2007. It's a good beginning.

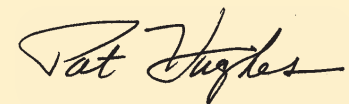
You'll read elsewhere in this publication about how we're making it easier to sell FCHP with our triple-product solution that maximizes client savings and satisfaction. FCHP Direct Care, FCHP Select Care and Fallon Preferred Care (our PPO) can usually be offered together for an attractive package. Plus, each of our HMO products has plan designs with even more choices to help clients balance benefits and cost.

Also, our network is more competitive than ever. Last year we significantly expanded our Direct Care network in the Merrimack Valley, North Shore and Boston suburbs, and added to our Select Care network key provider groups like Harvard Vanguard Medical Associates and the Berkshire Health System.

As one of America's top-rated health plans, FCHP

continues to promote quality, cost-effective care through our innovative programs like Coming Home, which reaches out to our members returning from a hospital stay; Special Deliveries, for women with high-risk, pregnancy-related health needs; and our programs for chronic conditions like asthma and diabetes.

I hope you have no doubt that Fallon Community Health Plan is a powerful choice for your prospects. We're serious about supporting you and your clients so that we can take advantage of every opportunity you send our way. We thank you for your business and hope we can continually earn your confidence in the year ahead. ■



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networks
work for you—
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network from boston to new york border

Last December, we announced major additions to the FCHP provider network that will boost coverage in important parts of our service area and give you even more opportunities to grow new business. For a summary of our entire network, please see “Networks that work for you” at the end of this publication.

berkshires on board

Fallon Community Health Plan is now available in Berkshire County, giving employers and individuals in all Western Massachusetts counties the opportunity to enroll in the FCHP Select Care plan, in addition to our usual PPO option. In January 2007, FCHP expanded into **Franklin**,

Hampden and Hampshire counties and now has enrolled more than 8,000 individuals from the area.

Our Berkshire County expansion provides current and new FCHP Select Care members with access to providers affiliated with the Berkshire Health System, which includes **Berkshire Medical Center in Pittsfield, Fairview Hospital in Great Barrington**, and their affiliated physicians. Other contracted providers are **North Adams Regional Hospital and Williamstown Medical Associates**. Members may choose these providers as soon as they are credentialed in the FCHP network.

“With this expansion, FCHP can now deliver our high-quality and affordable health insurance solutions from Boston to the New York border,” said Patrick Hughes, Division President of Health Plan Operations at FCHP. “We have partnered with the best doctors and community-based hospitals in the area, and we’re looking forward to offering more choice in health care coverage for those residing in Berkshire County.”

top doctor groups join select care

Atrius Health, the largest independent physician alliance in Massachusetts, is now contracted with FCHP. Members of FCHP Select Care have access to the more than 700 physicians and 1,000 other health care providers associated with their five community-based physician groups that provide care at more than 28 locations throughout eastern Massachusetts.

Atrius Health providers new to FCHP are:

- **Dedham Medical Associates**
- **Granite Medical**
- **Harvard Vanguard Medical Associates**

The two other Atrius Health medical groups, Southboro Medical Group and South Shore Medical Center, were already part of our Select Care network. Southboro Medical Group is also part of our Direct Care network.

fchp direct care network continues to grow

We added the following key providers to the FCHP Direct Care network:

- **Lahey Clinic’s** 450 physicians (and related medical facilities)
- **Mount Auburn Cambridge Independent Practice Association**, with more than 400 primary care physicians and specialists (and Mt. Auburn Hospital)
- **Highland Healthcare Associates IPA**, with approximately 340 health care providers, including more than 100 primary care physicians (and Winchester Hospital).

FCHP Direct Care, a tailored network that is a popular choice for many employer groups, offers a **significant premium savings** over FCHP Select Care—while still giving members the same great benefits and features. ■

fchp—in your opinion

Maureen H. Baker
Vice President, Benefit Services Inc., Wellesley Hills

I want to personally thank the FCHP team for the very successful transition our client experienced in moving from Harvard Pilgrim Healthcare to Fallon Community Health Plan this February. The extra efforts—prompt quoting; provider disruption analysis; the professional open enrollment presentation and the personal one-on-one with employees who had personal issues—these made the transition a breeze! Our client is extremely happy with the move, saving them \$82,000! BSI looks forward to working with FCHP and experiencing a successful 2008!

John Gavin
COO, Akorri, Inc., Littleton

I had been hearing great things about FCHP and their aggressive expansion into the East. I didn’t realize how many doctors they had until my broker recommended that we look at FCHP as our employees’ health plan option. I was pleasantly surprised to find that FCHP contracts with the doctors that all of our 50 employees and dependents use. Being able to offer the Direct Care and the Select Care along with the PPO networks provided us as an employer with the opportunity for our employees to make the choice on what they would be willing to pay for. No other carrier can offer what FCHP was able to offer. We are very happy with our decision to switch to FCHP. ■

health care reform

our solution for pending minimum creditable coverage

By January 1, 2009, the more stringent requirements for minimum creditable coverage must be met for most health plan options. These MCC standards include prescription drug coverage and caps on certain deductible and out-of-pocket costs.

At Fallon Community Health Plan, we already offer plans that meet these standards. However, we also offer plans that do not fulfill MCC requirements, such as plans without prescription drug coverage. **Prior to the end of the year, FCHP will provide you with solutions that will allow employers to switch to plans that fully meet the requirements.**

This opportunity will enable you to offer your clients and prospects a wider range of cost-effective plan options through the year while ensuring that they are compliant with the law at year's end. We'll provide you with more information at a future date. Please consult your FCHP sales executive if you have any questions. ■

new at fchp

■ quick quote training online

Our new Quick Quote tool is now live and ready for you to use. You can log in directly from our home page at www.fchp.org. Be sure to check out our Quick Quote training presentation from the broker section, www.fchp.org/brokers.

If you still need to register, you'll find our [Broker Online Quoting Registration form](#) on our Web site, or you may request that the form be mailed or faxed to you by contacting Tina Aubin at 1-508-368-9986. Please follow the instructions on the form and return it to Tina Aubin.

As we've rolled out online quoting, you've given us some great feedback that we've responded to by making minor changes, such as changing the order that our plans appear on the "Rate Exhibit" page

and allowing applications to be optional for small group proposals.

Your feedback on our new Quick Quote system is vital. As you use the system, please let us know if you have any issues, concerns or recommendations about how we can make Quick Quote better. Also, if you'd like to receive our "small group quick quote tips" sheet, please call your sales executive at 1-800-333-2535.

■ new deadline for new business paperwork

Our new Quick Quote capability will enhance our support and service for your business. At the same time, we want to maintain our standard of service excellence for the new members you introduce to FCHP. To do so, we are asking that you **submit all new business paperwork in its entirety to FCHP five or more days before the proposed**

effective date. This will allow us the time needed to efficiently process and welcome new members.

■ rating changes effective april 1

With Quick Quote, we now have opportunities to more effectively align our costs with how we price our products. As a result, we've introduced a change to our underwriting methodology effective April 1, 2008. With this change, FCHP will now require that our brokers submit the number of children for an "employee and child(ren)" quote. The coverage types on Quick Quote will remain:

- Individual
- Child
- Waive
- Spouse
- Family

Employers still may choose to offer two, three or four tiers as billing options. Please contact your sales executive if you have any questions.

■ member tools for healthier living

FCHP offers its members **Nurse Connect**—free around-the-clock access to registered nurses or other health care professionals by calling 1-800-609-6175. For additional resources, members can log in to Nurse Connect's Dialog CenterSM through the "My FCHP" section of our Web site. **New on the Dialog Center** are five self-learning programs that provide health assessments and tailored plans for achieving goals. The five modules offered are: **weight management, nutrition improvement, stress management, smoking cessation and low-back pain.** The programs offer thoughtful guidance, motivational tips and the tools to make lasting health behavior changes. ■

renewing business is our priority—year after year

We understand that retaining business is as important as bringing in new business. We focus on keeping our plan prices and benefits highly competitive. But we especially work hard at building solid relationships with our employer groups and delivering the extras that equal satisfied employees/members.

In 2007, we improved member satisfaction for the fourth year in a row by working hard to provide outstanding service to our customers. For example, we made 35,000 calls to members for welcome, outreach and education; participated in more than 300 employer benefits fairs; and created “service teams” for employer groups. (We also have client service coordinators to help employers and their employees navigate the health care system.) We continued to enhance member service with such initiatives

as increasing our It Fits! reimbursement, expanding and enhancing our health promotions programs that businesses can offer their employees, introducing a palliative care program, reducing claims turnaround times and improving our Web site interactions.

High membership retention is the underlying foundation for our aggressive growth strategy. We work at it every day, and want you to know that once you sell a group with us, the likelihood of ongoing renewals is high. ■

fchp fact or fiction?

FCHP has an option for employees who don't “fit” into its Select Care or Direct Care networks.

TRUE! Fallon Preferred Care, our PPO product, gives members access to a network of hundreds of thousands of providers and health care facilities across the country.

Members get the coverage they want with maximum flexibility, including the option to seek care from any provider they wish (they pay more for out-of-network coverage), no requirement to designate a primary care physician and no referrals for specialty care. **Plus, on January 1, we extended our It Fits! and Oh Baby! programs to Fallon Preferred Care members—as well as the \$0 routine in-network physicals for all ages!**

In most cases, Fallon Preferred Care can be offered alongside any of FCHP's other product offerings, including our HMOs—FCHP Select Care and FCHP Direct Care.

Benefits may vary by employer. ■



Broker Edge is published quarterly to provide the broker community with the latest Fallon Community Health Plan news and product facts, health care trends and marketplace information. E-mail your comments on *Broker Edge* to broker.services@fchp.org, or call Tina Aubin at 1-508-368-9986.

networks that work for you

At Fallon Community Health Plan, we know that one size does not fit all when it comes to your client's needs—that's why we offer three different networks. We encourage you to evaluate the needs of your clients and help them choose the right network for their employees. They can offer one, two or all three of our networks to their employees.

fchp direct care network

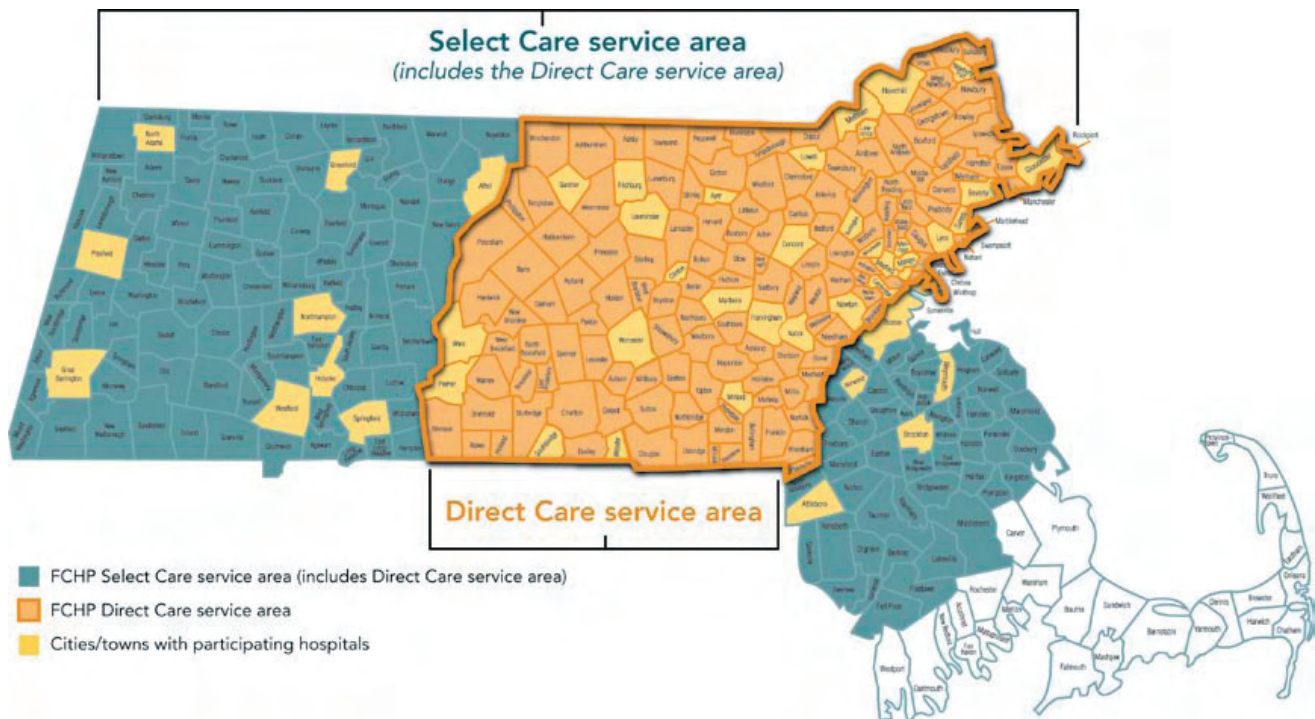
A high-performing network focused on several of the Commonwealth's most cost-efficient, high-quality provider groups and community-based hospitals. Unique to the marketplace, FCHP Direct Care offers members more coordinated care and is one of the lowest-cost HMO plans available in Massachusetts today.

fchp select care network

An expansive network that includes physician practices, community-based hospitals and medical facilities across the Commonwealth. The network encompasses more than 17,000 providers and 50 hospitals. FCHP Select Care offers greater choice at a competitive price.

fchp preferred care network

An extensive national and regional network comprised of hundreds of thousands of providers gives your clients and their employees the flexibility to receive care close to where they live and work. Members can also choose to see any provider they wish—whether the provider is in the network or not!



so how do they work for you?

Do you have a client that has most employees in Western Massachusetts, but with a few in a satellite office out-of-state? Consider suggesting FCHP Select Care alongside Fallon Preferred Care. Their in-state employees can take advantage of the extensive list of providers in the FCHP Select Care network, while those outside can use providers in their area with Fallon Preferred Care.

Do you have a client that is looking to reduce their health care costs for their Central Massachusetts company, but are concerned about their employees that have physicians outside the FCHP Direct Care network? Consider suggesting both FCHP Direct Care and FCHP Select Care. Their employees who want to take advantage of the premium savings of FCHP Direct Care while using the network's cost-efficient, high-performing groups can do so, while those who wish to seek care at another physician group practice can use the statewide FCHP Select Care network.

As always, we are here to help you determine the best approach to take with your clients. Give us a call at 1-800-333-2535 to discuss how we can help you advise your clients on the best possible solution.