

new plan designs offered for april 1

Fallon Community Health Plan is introducing new product options with attractive premiums beginning April 1, 2007. (See our [summary of plan designs](#) at the end of this newsletter.)

FCHP is committed to offering competitive, creative solutions for health care coverage. Our clear pricing levels offer considerable savings from the standard FCHP Select Care and FCHP Direct Care products (see charts). And our **Direct Care** product, which may be offered in tandem with Select Care, is even more competitively priced—**clients can save approximately another 13% over FCHP Select Care**. This allows you to customize a plan for your clients and prospects. These new plan designs are available for new business on April 1, 2007, and for existing business at renewal.

new plan options

- **FCHP Direct and FCHP Select Care**

Introducing **Premium Saver Value II** and **Premium Saver Basic II**.

These are the same as Premium Saver Value I and Basic I, except for higher prescription drug copayments that offer employers an additional premium savings—and an estimated 18% to 22% savings over our standard HMO plan design.

- **FCHP Direct and FCHP Select Care/High Deductible Options**

Introducing **Premium Saver 2000**. This option has higher deductibles and out-of-pocket maximums that result in additional premium savings.

If you have any questions about these product changes, please call your sales executive at 800-333-2535. Also, be sure to ask us about customizing plans to meet your needs.

design changes to existing plans

- We've adjusted the Rx copayments on our standard **FCHP Direct** and **FCHP Select Care** plans from \$10/20/40 to \$10/25/45.
- We added an out-of-pocket maximum to our **Premium Saver 500** and **Premium Saver 1000** plan design options.
- For all of our **Care Choice** plans (HMO and PPO), we increased the ER copayment from \$75 to \$100 (after deductible).
- For **Fallon Preferred Care** (PPO) plans, we increased the copayment for Tier-2 drugs from \$20 to \$25. ■

important broker compensation enhancement

We heard you! That's why, effective January 1, 2007, FCHP removed the \$50,000 commission cap for all accounts that are paid on FCHP's 2007 standard commission plan.

"Removing the cap is another example of how we're reinforcing our commitment to our broker channel partners and better aligning FCHP with our competitors," notes Keith Ledoux, FCHP Director of Channel Marketing. "Our brokers play an integral role in our success so we want to give them every opportunity to succeed with us, too."

FCHP's standard HMO monthly commission schedule consists of:

- 4% commission on the first \$300k of received premium
- 3% commission on the next \$200k of received premium
- 2% commission on the next \$1.6 million of received premium
- 1% commission over \$2.1 million of received premium

FCHP also offers competitive bonus plans that allow you to earn up to an additional 2% on your entire book of business.

If you have any questions, please contact your sales executive or feel free to get in touch with Keith Ledoux at 508-368-9059 or via e-mail: keith.ledoux@fchp.org. ■

more than meets the eye

Thirty years ago, Fallon Community Health Plan began as a health plan in Central Mass., where it remains headquartered today. But now our network of providers expands across the state, with a strong presence in MetroWest, Merrimack Valley and the North and South Shores, as well as new affiliations in Western Mass.

Yet, even with this broad network, many brokers and employers still think of us as the health plan that's exclusive to Central Massachusetts.

Tom Roach from **BBS Insurance Services** in Newton got more than he expected from FCHP. He recently sold FCHP to Irving Street Collision, a body shop in Framingham.

"When I looked at FCHP as a solution

brokers selling in expanded network

Last fall, FCHP announced that we had built a strong network in Franklin, Hampden and Hampshire counties with seven of the region's largest hospitals, including Baystate Medical Center, and more than 1,500 providers. Currently, we have credentialed 77% of the physicians who've sent in their credentialing applications and are ready to serve new members.

Soon after we entered the region, we received more than 150 Requests for Proposals from area employers. We're pleased to recognize the brokers who sold our first business in Western Mass.: **Foley Connelly Financial Partners** and **LeBel/Lavigne Insurance Agency**.

Michael Zampiceni and his partner **David Kozel** of **Foley Connelly Financial Partners** in West Springfield sold FCHP to Accessory Group of New England, a warehouse distributor specializing in wholesale truck accessories and van equipment. Accessory Group is located in Holyoke and employs 10 people.

for Irving Street Collision, I was pleasantly surprised. The client was excited about the low premium and the great benefits, including dental," Roach said.

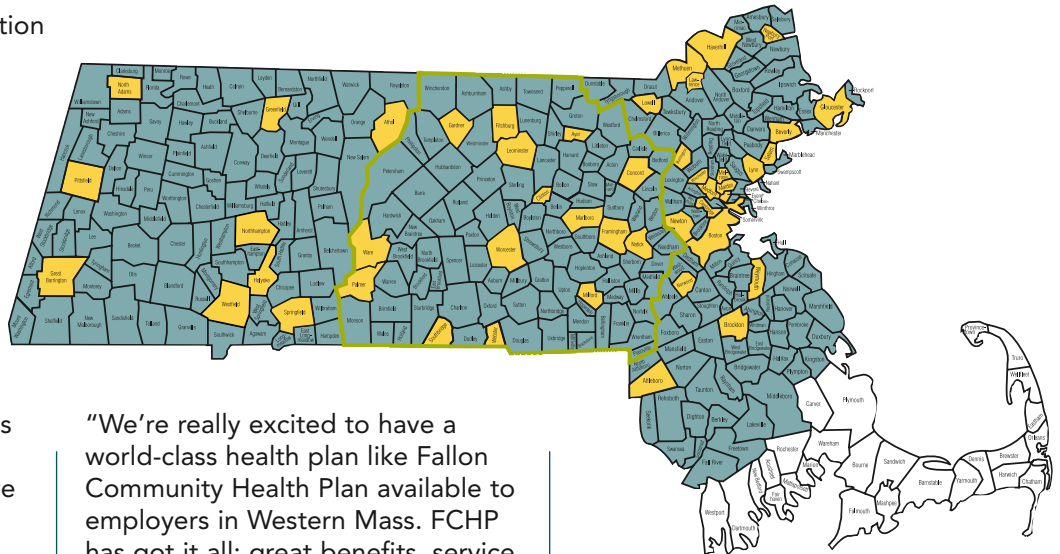
Primarily doing business in Boston, this was Roach's first FCHP sale. Previously, he thought of FCHP as a plan just for businesses based in Central Mass. Now he's aware that the plan has a broad network that's particularly strong in the MetroWest region.

In addition to the MetroWest Health Care Alliance, Inc., a physician organization affiliated with the MetroWest Medical Center in Natick

and Framingham, FCHP is contracted with such major group practices as Southboro Medical Group, Charles River Medical Associates, Tri-County Medical Associates and the Greater Milford Health Alliance.

"FCHP has a niche. With a growing network, they're a great lower-cost yet full-service alternative to the others. I'm looking forward to doing business with them again," Roach said.

For information about the FCHP service area, please ask your sales executive for a copy of our current map. ■



"We're really excited to have a world-class health plan like Fallon Community Health Plan available to employers in Western Mass. FCHP has got it all: great benefits, service area and the network that even goes into the eastern part of the state," said Zampiceni. "There's been much anticipation over FCHP's arrival, and we're pleased to offer it."

John Eagan of **LeBel/Lavigne Insurance Agency** in Chicopee sold Knights of Columbus in Chicopee, an employer of five lives. K of C is a large Fraternal Benefit Society that has 1,200 full-time life insurance professionals nationwide dedicated to serving its members' needs.

"Our clients are pleasantly surprised with all that FCHP has to offer, from the great benefits (especially the wellness benefits) to the premium,"

said Eagan. "Everyone I've spoken with at FCHP, including FCHP's Western Mass. Sales Executive Jill Goulet, Sales Coordinator Tina Aubin and Customer Service, has been helpful at meeting and exceeding my needs."

Other businesses are on board and Requests for Proposals continue to come in. We thank our brokers for your continued interest in making FCHP a strong presence in this new region. And, we look forward to helping you grow your business, too. ■



fchp is your source for health care news

Health care reform in Massachusetts is a moving target—new state and federal regulations appear regularly and legislators debate health care issues every week. It's hard to keep up!

FCHP is here to help. We're introducing a new quarterly e-mail publication, called **Eye on Government in Health Care**, that will keep you on top of the news important to you and your customers. We'll highlight what you need to know in an easy-to-read format. And when there's breaking news, particularly on the state's health care reform initiatives, we'll send you an e-mail alert so you'll know what's happening as soon as we do.

You'll find more about health care reform on the FCHP Web site. Go to the broker section and, under "News and announcements" on the right, click on "**How will health care reform affect you and your customers?**"

We're also pleased to provide you with our brochure, **Get in the Know: Health Care Reform and Your Business**. This publication is becoming quite popular among our customers. You may download it from the above section of our Web site, or request printed copies from your FCHP sales executive by calling 800-333-2535. ■

it fits! is looking good

It's a fact: exercise improves overall health and well-being. FCHP is doing its part to encourage our members to get moving through our *It Fits!* program, which reimburses members for memberships at a fitness center or in Weight Watchers®, or for school and town sports programs, aerobics, Pilates classes or yoga classes.

Now, members get even more for their efforts.

Effective January 1, we've increased the reimbursement of most plans to \$300 for families and \$150 for individuals.



It Fits! has been well-received by our members. In 2006, 75% of our reimbursement requests

were from members in a family plan. Approximately half of their children's *It Fits!* activities were classes such as gymnastics, dance, karate, swimming or skiing. The top vendors for adult reimbursements were YMCA, Curves and Gold's Gym.

Employers love our *It Fits!* benefit, too, because it helps keep their employees healthy. It's just another great reason for choosing FCHP! ■

why choose fchp?

- FCHP can offer your clients a **two-tier network**. Compared to other health insurers, we offer two different provider networks—Direct Care and Select Care—and employers may choose to offer them both side-by-side. The Direct Care network is a tailored network of providers with up to a 13% price difference over the Select Care network, which offers a broader choice of physicians across the state.
- **Oh Baby!** is our program that gives new and expectant parents information and resources for their newest family addition. Participants receive prenatal vitamins, a convertible car seat, a book on caring for their child, reimbursement toward childbirth classes, discounts on birth announcements, plus a few little extras—all at no additional cost. ■



building on our momentum

We're well into 2007 and as busy as ever growing our network and developing the products and services your customers want. Since this is the first issue of *Broker Edge* this year, however, we'd like to share with you a brief year-in-review for 2006. It was a very productive year, and we want to thank you, our brokers, for helping us to make it a really dynamic one for sales and service.

(continued, page 4)

here are a few highlights of 2006:

- We implemented **new broker and sales compensation programs!**
 - We **expanded into Western Mass.**
 - **FCHP purchased the TPA, UltraBenefits, Inc.**
 - We worked hard to provide outstanding service to our customers. For example, we reached out to members in 37 renewing group accounts, implemented new employer group reporting and expanded *Wellness Works*, our worksite wellness program. We're proud of our **employer retention rate of 96%** and strive to improve on it.
 - **FCHP achieved "Excellent" accreditation** from the National Committee for Quality Assurance *for all three of our core products*—commercial, Medicare and Medicaid.
 - On the product front, **we implemented Care Choice**, FCHP's qualified high-deductible health plan. We also were one of only four plans to offer the new **Commonwealth Care** program. For our **Fallon Senior Plan™** retiree group product, we had a 99% retention;
- for the consumer plan, we successfully implemented the Medicare Part D program.
- **We improved member satisfaction for the third year in a row.** We continued to enhance member service with such initiatives as the creation of a secure **member portal** on our Web site, expansion of our ***It Fits!*** fitness reimbursement program and the introduction of programs like **Nurse Connect** (24/7 access to health care professionals) and **Coming Home** (an outreach program for members recently discharged from the hospital).
 - **FCHP expanded the location of and participation in our Summit ElderCare program** that helps frail elders to live independently. ■



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 508-368-9986.

summary of fchp plan designs for april 1, 2007

fchp direct care and fchp select care (hmo) plan design options

Benefits	Standard	Premium Saver	PS Value I	PS Basic I	<i>new!</i> PS Value II	<i>new!</i> PS Basic II
OV	\$10	\$15	\$20	\$25	\$20	\$25
Specialist	\$10	\$15	\$35	\$40	\$35	\$40
Rx	\$10/25/45	\$10/25/50		\$10/50/100		
ER	\$50	\$50	\$75	\$100	\$75	\$100
Inpatient	Covered in full	\$250	\$500	\$1000	\$500	\$1000
Same day surgery	Covered in full	\$125	\$250	\$500	\$250	\$500
Imaging	Covered in full	Covered in full	\$50	\$100	\$50	\$100
OOP max	N/A	\$1000/ 2000	\$2000/ 4000	\$2,500/ 5,000	\$2000/ 4000	\$2,500/ 5,000
Pricing	Competitive market price	-11%*	-15%*	-18%*	-18%*	-22%*

* Price savings relative to standard plan.
Highlighted benefits reflect April 1 changes.

fchp direct care and fchp select care (hmo) high deductible plan design options

Benefits	PS 500	PS 1000	<i>new!</i> PS 2000
OV	\$20	\$20	\$20
Specialist	\$20	\$20	\$20
Rx	\$10/25/50	\$10/25/50	\$10/25/50
ER	\$100		\$100
Inpatient	Covered in full after deductible		Covered in full after deductible
Same day surgery	Covered in full after deductible		Covered in full after deductible
Imaging	Covered in full after deductible		Covered in full after deductible
Deductible	\$500/1000	\$1000/2000	\$2000/4000
OOP max	\$2000/\$4000	\$2500/\$5000	\$3000/\$6000
Price savings	-20%*	-25%*	-30%*

* Price savings relative to standard HMO plan.
Highlighted benefits reflect April 1 changes.

fchp direct care and fchp select care *qualified high deductible options*

Benefits	Care Choice 1250	Care Choice 1500*	Care Choice 2000
OV	\$20 (after deductible)	\$20 (after deductible)	\$20 (after deductible)
Specialist	\$20 (after deductible)	\$20 (after deductible)	\$20 (after deductible)
Rx	\$10/25/50 (after deductible)	\$10/25/50 (after deductible)	\$10/25/50 (after deductible)
ER	\$100 (after deductible)	\$100 (after deductible)	\$100 (after deductible)
Inpatient	Covered in full (after deductible)	Covered in full (after deductible)	Covered in full (after deductible)
Same day surgery	Covered in full (after deductible)	Covered in full (after deductible)	Covered in full (after deductible)
Deductible	\$1250/2500	\$1500/3000	\$2000/4000
OOP max	\$2500/5000	\$3000/6000	\$4000/8000
Price savings	-30%**	-32%**	-36%**

* Not available to small groups.

** Price savings relative to standard HMO plan.

Highlighted benefits reflect April 1 changes.

fallon preferred care (ppo) plan design options

In-network benefits	Preferred Care	Preferred Care 500	Preferred Care 1000*
OV	\$15	\$20	
Rx	\$10/25/45	\$10/25/50	
ER	\$50	\$100	
Inpatient	\$250	Coinsurance applies after deductible	
DME (\$1500 limit)	Covered in full	Coinsurance applies after deductible	
Ambulance	Covered in full	Covered in full	
Same day surgery	\$125	Coinsurance applies after deductible	
Dental	Not available	Not available	
<i>It Fits!</i>	Not available	Not available	
<i>Oh Baby!</i>	Not available	Not available	
Deductible	\$300/600 (out of network)	\$500/1000 (combined in & out of network)	\$1000/2000 (combined in & out of network)
OOP max	\$1500/3000	\$2500/5000	\$3750/\$5000
Coinsurance	100/80%	90/70%	80/60%
Price savings		-18%**	-25%**

* Not available to small groups.

** Price savings relative to Preferred Care (standard PPO).

Highlighted benefits reflect April 1 changes.

fallon preferred care choice (ppo): qualified high-deductible plan design options*

Benefits	Care Choice 1250	Care Choice 1500	Care Choice 2000
OV	\$20 (after deductible)	\$20 (after deductible)	\$20 (after deductible)
Specialist	\$20 (after deductible)	\$20 (after deductible)	\$20 (after deductible)
Rx	\$10/25/50 (after deductible)	\$10/25/50 (after deductible)	\$10/25/50 (after deductible)
ER	\$100 (after deductible)	\$100 (after deductible)	\$100 (after deductible)
Inpatient	Covered in full (after deductible)	Covered in full (after deductible)	Covered in full (after deductible)
Same day surgery	Covered in full (after deductible)	Covered in full (after deductible)	Covered in full (after deductible)
Chiropractic	\$20 (after deductible)	\$20 (after deductible)	\$20 (after deductible)
Deductible	\$1250/2500	\$1500/3000	\$2000/4000
OOP max	\$2500/5000	\$3000/6000	\$4000/8000
Price savings	-22%**	-25%**	-32%**

* Not available to small groups.

** Price savings relative to Preferred Care (standard PPO).

Highlighted benefits reflect April 1 changes.