

## a message from our president and ceo



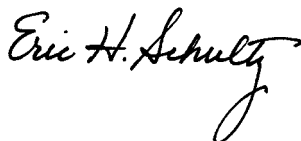
Fallon Community Health Plan juggles two roles every day. As both a health insurer and employer, we encourage people to make everyday choices that will positively impact the cost and quality of their own health care and that of others.

At FCHP, we believe it's our responsibility to be innovative in developing programs and plan designs that lower health care cost trends. However, creative benefit designs alone can take us only so far. The more challenging and "trend-bending" actions focus on engaging consumers to make healthy lifestyle choices and/or better decisions that affect their chronic medical conditions.

For example, choosing not to smoke will have a direct and significant impact on the cost of care. Statistics consistently show that the cost of health care for non-tobacco users is lower than for those who smoke or use other tobacco products. The average tobacco user incurs 18% more in health care expenses.

Beginning January 1, 2007, FCHP as an employer introduced a **Non-Tobacco Advantage** incentive that will reduce the premium contribution for our employees who don't use tobacco products. This is our way of rewarding employees for making decisions that enhance their health and wellness. At the same time, we encourage our employees who still smoke to enroll in FCHP's highly effective *Quit to Win* tobacco treatment program—for free—and also receive the premium contribution incentive.

As a health plan, we not only seek to develop new programs but also to implement them internally so that we can use our experience to provide tested programs to the market. At the core of our mission, *making our communities healthy*, is our drive to be a catalyst for innovative, healthy outcomes that make a difference in costs and lives. As an employer, we make it personal—and look forward to sharing this experience with our customers.



## new format for commission statement

Fallon Community Health Plan is changing the format of our commission statements. We're enhancing the level of information they contain based on helpful feedback we received.

### our new statement will:

- Include the total premium billed, by client
- Separate the client premium by product
- Include the number of subscribers by client
- Illustrate split commission percentages on cases with more than one broker
- Indicate if the commission cap has been met

More to come! ■

coming  
soon

## update on health care reform: technical corrections bill signed

On October 26, Gov. Romney signed a technical corrections bill to the health care reform law that clarifies several of its sections and finalizes some of its details. It touches on many of the key areas of the original bill.

### • young adult health plans

- The effective date changed from April 1, 2007 to July 1, 2007.
- A carrier must have 5,000 small group/individual members to be eligible to sell young adult plans. However, a company that does not have 5,000 small group/individual lives but is a subsidiary of a carrier that does is exempt from this requirement until July 1, 2009.

### • expanded dependent coverage

- The effective date for the dependent coverage increase to age 26 changed to January 1, 2007. (FCHP's effective date remains April 12, 2006.)
- The GIC dependent coverage increase becomes effective January 1, 2007.
- Stand-alone dental plans are not subject to the dependent coverage increase.

### • small-group/individual market

- The small-group and non-group markets merge, effective July 1, 2007.

continued from previous page

- The open enrollment period for non-group coverage through the Connector will begin May 1, 2007, for effective dates beginning July 1, 2007.
- **125 cafeteria plans**
  - The effective date for section 125 plans changed from January 1, 2007, to July 1, 2007.
  - The effective date of the section creating the free rider assessment changed from April 12, 2006, to January 1, 2007.
- **waiting periods**
  - The maximum waiting period was reduced from six months to four months, effective April 12, 2006.
  - A waiver of the waiting period for persons without insurance coverage for 18 months was effective April 12, 2006.
- **mandate moratorium**
  - The effective date changed from July 1, 2007, to April 12, 2006.
- **hsa requirement with high-deductible plan**
  - It is only required if the deductible is equal to the maximum annual contribution to a health savings account.
  - Nothing shall prohibit an HMO from being issued with deductible limits consistent with those approved before April 1, 2006, nor require an HSA.
- **creditable coverage**
  - Deductibles will be considered by the Connector when determining affordability.

### more information any time

FCHP will continue to keep you up to date as we receive information on other aspects of the Massachusetts health care reform legislation. At any time, be sure to consult our Web site for details on reform issues. Follow the link on our home page, [www.fchp.org](http://www.fchp.org), to the special broker section. You also

can visit the Governor's Health Care Plan section of the Commonwealth of Massachusetts Web site at [www.mass.gov](http://www.mass.gov). ■

### key group added in pioneer valley

The FCHP Select Care network has contracted with the Valley Medical Group, an independent, multispecialty group that provides primary and specialty care to residents of the Pioneer Valley in Western Massachusetts. This new relationship adds 40 providers to the network, including 21 primary care physicians. Valley Medical Group is affiliated with Cooley Dickinson Hospital in Hampshire County and Franklin Medical Center in Franklin County. ■

### fchp adds providers in metrowest

The FCHP Select Care network contracted this fall with **MetroWest Health Care Alliance, Inc.**, a physician organization affiliated with the MetroWest Medical Center in Natick and Framingham.

This new relationship adds 222 physicians to the network, including 49 PCPs and 173 specialists. MetroWest Health Care Alliance serves several MetroWest communities, including Framingham, Natick, Marlboro and Milford. This addition solidifies the strong provider network that FCHP has built in the MetroWest region. ■

### introducing ...

#### dennis cahill

In September, FCHP welcomed Dennis Cahill in the new position of **Vice President of Sales & Account Management**. Dennis was most recently Vice President of Sales at Anthem Blue Cross Blue Shield New Hampshire, which has 565,000 members. Over the last five years, he directed the efforts of the plan's sales, service and account management staff for all commercial product lines and increased membership annually. Prior to Anthem, Dennis held progressively more responsible sales and marketing positions with several health plans in Connecticut. He has his M.B.A. from the University of Hartford and a B.A. in business from Babson College.

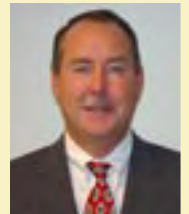
"I'm impressed with the professionalism of the broker community interacting with FCHP in Massachusetts," Dennis says. "I appreciate the strong relationship established between the broker community and FCHP's Sales and Account Management staff. I'm looking forward to an even more productive relationship as FCHP's network, product lines and services evolve to meet our customers' needs."

#### jill goulet

This fall, Jill Goulet joined FCHP as our **sales executive dedicated to Western Mass**. Jill has been an account manager and sales consultant with Tufts Health Plan in the Springfield area for more than four years. She has worked closely with brokers and employer groups, with an emphasis on service as well as sales. Jill has a B.S. in marketing from Providence College.

"I'm so excited to be working for a company that truly values its relationship with the broker community," Jill says. "I look forward to continuing my relationships with Western Mass. brokers. I feel so lucky to be able to work with some of the nicest, most innovative professionals in our state."

"FCHP has a reputation as a community-based health insurance solution—and brings this approach to Western Mass.," Jill adds. "We'll work collaboratively with our customers to meet their specific needs, with service and community support as priorities." ■



## why choose fchp?

- We offer **\$0 copayments** for routine physical exams with a primary care physician or gynecologist. Well-child visits for dependent children also are covered in full. We're proud to be the **only health plan in Massachusetts** to offer this benefit, making preventive care easier and more affordable.

These routine physical exams are based on the Massachusetts Health Quality Partners guidelines for wellness visits. Typically, such visits are "checkups" that focus on determining the risk of disease and recommending preventive measures, rather than discussing an acute or ongoing problem.

- FCHP offers preventive **dental care for every member of the family** as part of our standard benefits package. Most HMOs only cover dental care for children. FCHP members may get benefits and discounts without paying any additional money out of their paycheck. That can save them hundreds of dollars every year in dental premiums and bills. ■

## medicare private fee-for-service plans

In the Medicare market, several insurers will be offering Private Fee-For-Service plans in Massachusetts for 2007. This is a type of Medicare Advantage plan that recently has attracted many insurers nationally.

The perceived advantage of a Private Fee-For-Service plan is that there is no network restriction. Its members may see any Medicare-approved provider who accepts the terms and conditions of the plan. However, provider acceptance is not guaranteed; providers may be unable or unwilling to take the plan. It will be important for any Medicare beneficiary considering a Private Fee-For-Service plan to contact his/her providers to ensure that they will accept the payment terms of the plan.

For information about Medicare Advantage products available through Fallon Community Health Plan, please contact your sales executive at 800-333-2535. ■

## fchp news

### excellent three ways

FCHP has retained the highest level of accreditations—"Excellent"—from the National Committee for Quality Assurance, or NCQA. And for the first time ever, we've received this accreditation rating for all three of our core products: commercial HMO, Medicare Advantage and Medicaid (or MassHealth). FCHP is **now the only accredited Medicaid HMO in the state.**

NCQA visited us in September and conducted an extensive review of several critical areas of our organization. We scored a perfect 100% for our site visit. Our accreditation status reflects the high quality of health care provided to our members.

### www.fchp.org improved

We recently launched an updated version of our Web site, [www.fchp.org](http://www.fchp.org). The "new" site features a fresh visual design that is in line with our brand as well as a number of usability improvements, including larger, easier-to-read text; improved navigation; and enhanced page layout. In addition to these benefits, the site now uses

a content management system that allows quick and easy edits to the site content. See for yourself at [www.fchp.org](http://www.fchp.org).

### fchp acquires benefit plan administrator

Fallon Community Health Plan has purchased UltraBenefits, Inc., a third-party administrator, in a unique acquisition designed to expand our portfolio and broaden services to a growing self-insured market. UltraBenefits manages health benefits for approximately 20,000 members nationally.

### western mass. responds

We announced our expansion into **Western Mass.** in September and in short order received **150 Requests for Proposals** from area employers. We were thrilled at the immediate interest in FCHP. We are offering the health plan to employers and individuals in Franklin, Hampden and Hampshire counties. Our members will have access to seven of the region's largest hospitals, including Baystate Medical Center, and more than 1,500 providers.

### fchp prominent at business expo

FCHP was a major corporate sponsor of the New England Business Expo held on October 19 in Worcester. FCHP also sponsored the opening event, The Breakfast Club, and had a large exhibit at the expo, which attracted quite a crowd.

### referrals simplified

Beginning January 1, 2007, the FCHP referral process will be much simpler for all involved. Currently, primary care physicians have to submit a referral to FCHP prior to, or in time with, the date of service. In 2007, PCPs only need to give the specialist physician their FCHP vendor ID number—and the specialist will include that number on the submitted claim. PCPs will no longer need to contact FCHP. They will work directly with the specialists to expedite services for their patients.

### program for frail elders expanding

Summit ElderCare<sup>SM</sup>, FCHP's innovative program for frail elders, has been expanding. We've been accepting participants at our new Charlton site since last spring—and now will open a **brand new site in Leominster** during 2007. Our flagship

continued from previous page

site remains active on East Mountain Street in Worcester. Summit ElderCare provides medical care, 100% prescription and hospitalization, day health care, physical and occupational therapies and in-home support services, as well as support for the caregiver.

### **golfers raise \$100k+ with fchp**

FCHP's first annual **Golf FORE a Goal** charitable golf tournament was a huge success—raising more than \$115,000 for our targeted community organizations, Boys & Girls Clubs

throughout Massachusetts. Thank you to all of you who joined us on September 25 at the Worcester Country Club to support our mission, *making our communities healthy*. FCHP will distribute proceeds from **Golf FORE a Goal** to Boys and Girls Clubs of Worcester, Lynn, Lawrence, Salem, Lowell, North Central Mass., Blackstone Valley, Webster/Dudley, Cambridge, Springfield, Westfield and Amherst.

### **supporting our troops**

FCHP recently participated in the **Support Our Troops** campaign for the third year. FCHP asked for community donations for members of Massachusetts' 101st Engineers Battalion, which is serving in a peacekeeping mission in the Balkans. The campaign was conducted in partnership with FOX 25 TV and WSRS 96.1 radio, and six local hospitals. FCHP employees donated to the families in a separate campaign. ■



*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](mailto:broker.services@fchp.org), or call Tina Aubin at 508-368-9986.