

FCHP closed formulary plan options

Last January, the Commonwealth of Massachusetts minimum creditable coverage (MCC) requirements expanded to include prescription drug coverage. As a result, Fallon Community Health Plan chose to eliminate all plan options that do not include prescription drug coverage.

Today, all standard FCHP plans meet MCC guidelines. However, in order to provide affordable health plan options for our employers and consumers, FCHP has developed closed formulary plan options.

Employers and consumers can choose a closed formulary option with the following FCHP Direct Care and FCHP Select Care plan designs: Premium Saver II and Premium Saver 2000/500 II. **It's important to note that you cannot offer plans of the same design (Premium Saver I and Premium Saver II) with both open and closed formularies; you must offer one or the other.**

You should weigh the following points when considering a closed formulary plan option:

- A closed formulary is a **limited** list of drugs covered by the health plan.
- There are approximately 2,000 drugs included on the closed formulary, compared with over 5,000 on a standard formulary.
- Drugs not included in the closed formulary will not be covered by the prescription drug benefit under any circumstances. **There will be no exceptions.**

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- Closed formulary plans would not be appropriate for individuals with chronic conditions.
- Examples of drugs not included in the closed formulary include: antihistamines, cystic fibrosis medications, proton pump inhibitors, and HIV/AIDS medications. For a complete listing of drugs that are included in the closed formulary, visit fchp.org.

FCHP recommends that you speak with your sales executive when considering a closed formulary plan, and to confirm the plan packages that are available to you. Call your sales executive at 1-800-333-2535. ■

COBRA: What brokers need to tell us

As you know, a federal subsidy of COBRA health insurance premiums for involuntarily terminated employees went into effect February 17, 2009. The subsidy applies to employees who were/will be involuntarily terminated between September 1, 2008, and December 31, 2009, and are otherwise eligible for COBRA. Fallon Community Health Plan is responsible for providing the 65% subsidy on premium to all eligible individuals in **small groups (under 20 employees)** subject to state mini-COBRA.

When, as the broker, you complete a new FCHP sale with an eligible small group, we ask that you **identify any new subscribers** in that company who are on COBRA and eligible for the subsidy. Based on that information, we will set up a dedicated COBRA group number for the customer. We also need to know from our brokers if the employer is charging the additional 2% for administrative oversight.

Please work closely with your FCHP sales executive so we can expedite this COBRA program with your new customers. For more information about the subsidy, or for access to the attestation and waiver forms, look for the link under brokers on fchp.org. ■

“ Adversity has the effect of eliciting talents, which, in prosperous circumstances, would have lain dormant. ”

– Horace

1,400 providers added in New Hampshire for cross-border sales

Adding more choice and greater access to care for our customers, Fallon Community Health Plan has expanded its Select Care network into New Hampshire, adding approximately 1,400 providers and six hospitals in the region. We know many people cross borders for work, and this expansion allows us to provide an affordable option for these employers and employees.

FCHP Select Care, part of our commercial HMO product suite, is now available to employees of Massachusetts-based companies who **live in New Hampshire, work in Massachusetts** and receive their health insurance through their employer group.

FCHP also has a PPO product, called Fallon Preferred Care, which is available to residents in New Hampshire.

Behavioral health providers added in Western Mass

Beacon Health Strategies (Beacon), Fallon Community Health Plan's contracted vendor for behavioral health management and administration, has contracted with Baycare Health Partners to provide outpatient behavioral health services effective March 1, 2009.

The addition of this group further enhances Beacon's expansive network in Western Massachusetts. Within Berkshire, Franklin, Hampden and Hampshire counties, Beacon currently is contracted with over 550 behavioral health providers, programs and facilities to provide FCHP members access to quality behavioral health care in both inpatient and outpatient settings. ■

High-deductible plans: Carryover + credit

In these economic times, more employers are asking about high-deductible plan options that can enable them, because of lower premiums, to afford ongoing health insurance for their employees. Also, while they may pay more out-of-pocket for basic care services, employees still have the security of being covered for major medical care that can cost thousands of dollars.

Fallon Community Health Plan has an extensive suite of high-deductible plan options that allows your clients to tailor the network and benefit design most appropriate to their needs. See an overview of these options at fchp.org/Brokers/FCHPSellSheets.htm or call your sales executive for more information at 1-800-333-2535.

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The New Hampshire provider groups that have joined our Select Care network to date include:

- Advantage Network PHO
- Catholic Medical Center-Physicians Practice Associates
- Dartmouth Hitchcock Keene
- Dartmouth Hitchcock Manchester
- Dartmouth Hitchcock Nashua
- Derry Medical Center/Londonderry Family Practice
- Derry Pediatrics
- Elliot Physician Network
- Southern New Hampshire Internal Medical Associates

New Hampshire hospitals that are now part of our Select Care network are:

- Catholic Medical Center
- Cheshire Medical Center
- Elliot Hospital
- Parkland Medical Center
- Portsmouth Regional Hospital
- Southern New Hampshire Medical Center ■

FCHP Direct Care network welcomes additional providers

Our FCHP Direct Care product is a popular choice for employers who want a high-quality, cost-effective focused-network option that offers up to a 13% premium savings over FCHP Select Care's more expansive network. The following providers recently joined a dozen other group practices who make up FCHP's related Direct Care network:

- **Cape Ann Medical Center.** It's important to note that Cape Ann Medical Center is not part of Cape Ann Pediatrics.
- **Greater Lawrence Family Health Center.** Please note that the health center is not affiliated with Lawrence General PHO.
- **Woburn Pediatrics.** This group was previously part of the FCHP Select Care network, but now is also part of the Direct Care network. ■

Carryover and credit policies

Do you have clients who are considering switching plans? All of our high-deductible plan options include deductible carryover. (Please note that **qualified** high deduction plan options **do not have a carryover**.) The deductible carryover will vary for those switching from a plan year to a calendar year.

FCHP also permits deductible credits for items that are subject to the deductible under a new FCHP plan design option or if your client is moving from another carrier to FCHP.

If switching plans within FCHP, your sales executive will set the process in motion. If we are looking at new business, FCHP needs substantiation, usually in form of Explanation of Benefits, from the previous carrier.

For more information about deductible carryovers or deductible credit, please contact your sales executive at 1-800-333-2535. ■

New time frame replaces 30-day renewal policy

Effective for **small groups** as of June 1, 2009, employers must communicate to Fallon Community Health Plan all changes concerning their company's renewal **in advance of the renewal date**. FCHP will no longer entertain plan changes after that date for a retroactive effective date.

As you might assume, any retroactivity results in late ID cards, incorrect premium bills and possible retroactive claims adjustments, which all contribute to member and provider dissatisfaction, as well as administrative hassles for customers. This policy will help us avoid these issues and ensure that all changes are communicated by the renewal effective date. ■

Reminder: Deadline for new business paperwork

To help us maintain our standard of service excellence for new members you introduce to FCHP, please **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.

Streamlining our new business set-up process has been an important goal for FCHP. We're pleased to report that, in the first quarter of 2009, 98% of our new business (some 10,900 new members) was set up within our standard five-day turnaround time. ■

Minor benefit changes for mental health parity

Fallon Community Health Plan is making some minor changes to several of its products as a result of the recent mental health parity laws, which require that mental health and substance abuse services be covered at the same level as general medical care.

The 30-day substance abuse inpatient rehabilitation limit on FCHP Select Care, FCHP Direct Care and Fallon Preferred Care plans has been removed. In addition, the \$500 per year substance abuse outpatient limit on Fallon Preferred Care has been removed.

These changes go into effect July 1. Updated *Summaries of Benefits* will be available on our Web site, fchp.org. If you have questions, please contact your sales executive at 1-800-333-2535. ■

Oh Baby!—now even more support for whole family

We've made our popular Oh Baby! program for members expecting or adopting a child even better, adding more choices to our menu of wellness items for the whole family—all at no cost. A member simply has to sign up.*

Oh Baby! continues to offer a home safety kit for childproofing the home, prenatal vitamins, exclusive discounts on baby announcements and other special items, plus eligibility for a drawing to receive a \$100 American Express® Gift Cheque.

Now more choice!

Our Oh Baby! package now includes new alternatives (in bold face) that parents-to-be may select:

- Choose either a convertible toddler car seat **or a breast pump**.
- Choose either the American Academy of Pediatrics' book, *Caring For Your Baby and Young Child: Birth to Age 5* **or Siblings Without Rivalry**, a #1 New York Times bestseller.
- In addition to reimbursement toward the cost of childbirth classes, we've added a **reimbursement of \$20 for either the childbirth refresher course or the sibling class**.
- We've included information on **where to get help for breastfeeding** and how to sign up for FCHP's Quit to Win **stop-smoking program**.

For more information, go to fchp.org/Members/OhBaby or call your sales executive at 1-800-333-2535.

* Program eligibility and benefits may vary by employer, plan and product. ■

MCC in 2010 under health care reform

FCHP announced changes in response to the minimum creditable coverage (MCC) guidelines for 2010. MCC is the least amount of coverage that an individual must obtain to be in compliance with the health care reform law.

Beginning in 2010, **plan design options with deductibles** exceeding \$2,000 (individual)/\$4,000 (family) and/or out-of-pocket maximums for in-network services that exceed \$5,000 (individual)/\$10,000 (family), **may be combined with a health savings account (HSA)** so that, when combined, the plan option meets the MCC 2010 requirement.

The MCC 2010 standard for high-deductible health plan (HDHP) coverage also has changed.

This change requires that core services, including prescription drug coverage, be covered benefits under a high-deductible health plan. Members also must have access to a health savings account, and the HDHP must meet federal requirements. FCHP's HDHP, Independent Care Choice, currently meets MCC 2009 standards because it is a high-deductible health plan and is not required to provide prescription drug coverage. However, beginning in 2010, Independent Care Choice will no longer meet MCC standards.

Also, the Department of Revenue announced that individuals who fail to obtain MCC insurance coverage this year will see an increase in the **maximum penalty from \$912 in 2008 to \$1,068 for 2009.** ■

Discount admission for FCHP brokers

On Saturday, July 25, plan to head out to **Six Flags® New England!** Fallon Community Health Plan is sharing a unique ticket purchasing opportunity for this day. For \$38.84 per person, you'll receive:

- Admission to Six Flags New England, including Hurricane Harbor (\$41.99 value)
- Free parking (\$15.00 value)
- An all-you-can-eat cookout with burgers, hot dogs, salads and ice cream (\$20.00 value)
- Kodak® Event Photo voucher that can be redeemed for one 6x8 souvenir photo (\$12.99 value)



Tickets may be purchased online at www.sfnepicnic.com/fallon.html. Deadline is July 17. For questions about this ticket offer, please call 1-800-370-7488, ext. 3500. ■

Save these dates

Mark your calendar and plan to participate in these FCHP-sponsored events in 2009:

July 2

Independence Day Celebration in Worcester (rain date July 3)

September 13

Canal Diggers 5Km race and walk in Worcester's Canal District

September 21

FCHP's 4th annual Golf FORE a Goal tournament. Help us raise money again for hunger relief programs throughout Massachusetts by reserving your sponsorship—call Cheryl Schmalz at 1-508-368-9834 or e-mail golf@fchp.org. ■

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.

