

Benefit Briefs



Brought to you by System Benefits Administration
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Focus on Dependents

Dependent Audit Coming

Beginning in late March, Gallagher Benefit Services will be assisting the System with a dependent audit. This will involve requesting a random sample of employees with dependent coverage, across the System, to provide documentation that their dependents are eligible according to the state's and the plan's guidelines. Although this may be an inconvenience, here's why it is in all of our best interests to make sure that the individuals covered under our benefit plans are eligible.

An Aon Hewitt report predicts 2011 health cost increases to be the highest in five years – an 8.8% average premium increase for employers compared to 6.9% in 2010. Reasons for the increase include recent higher medical claim costs, an aging population and changes created by health care reform. According to the report, employer strategies for dealing with the increase include:

- Increased employee cost sharing including increases in co-insurance
- **Managing dependent eligibility**
- Vendor and consolidation and replacing vendors not delivering measurable results
- Improving employee health through disease management and using penalties and incentives to increase employee participation in health improvement efforts.

More information will be forthcoming as the project gets underway.

Age Limits For Dependent Children

While some plans have already increased the dependent coverage maximum age to 26, none of the state plans (ERS, UTS and TAMUS) will change the current maximum of age 25 to age 26 until 9-1-2011.

If you have a child turning age 25 between now and August 1, you will need to find alternate coverage for them until the plan rules change. You will be able to add them back to the plan during the Annual Enrollment period this summer, should they need coverage, until they turn age 26. Coverage will be effective September 1, 2011.

A&MCare Plans Have Hidden Benefits

A&MCare plans are self-insured, as opposed to fully-insured. If there is a deficit, revenue comes from plan reserves; if there is a surplus, money goes back into the plan funds to offset future premium increases.

Self-insuring also gives us more freedom to design the plans, providing our members, in many cases, with better benefits. For example:

Office surgery

Our plan covers in-network office surgery for an office-visit copay unless the surgery charge is greater than \$500. Most plans reimburse these services at 70% or 80% after the deductible is met.

Our plan provides for no "balance billing" for the difference between the physician's billed charge and the BlueCross BlueShield allowable amount in the following situations:

- If a non-network facility or doctor is seen for emergency treatment.
- If a referral to a non-network doctor is set up because there is not a network doctor within 50 miles.
- If a hospitalized patient in a network hospital is seen by a non-network provider.

Most plans reimburse these services based on the BlueCross BlueShield allowable amount. Since these are not in-network providers, they can bill the member for charges greater than the allowable amount.

Other advantages include:

- No precertification required for outpatient Behavioral Health provider office visits.
- No precertification required for Medicare-primary retirees.



UnitedHealthCare Vision New Lens Benefit

The Basic Progressive (now Standard Progressive) is covered in full by the vision plan. The progressive lens cost is lower than the previous 20-40% discount (see tables below):

Anti-Reflective Coatings:

New Name	Estimated Retail Price	New Cost
Standard Anti-Reflective	\$60	\$40
Premium Anti-Reflective	\$130	\$80
Platinum Anti-Reflective	\$150	\$90

Progressive Lenses: Current coverage includes Basic progressive lenses covered-in-full with High-End progressive lenses out-of-pocket maximum cost of \$110. Beginning January 1, 2011, the out-of-pocket cost will be as shown below.

Existing Name	New Name	Estimated Retail Price	New Cost
Basic Progressive	Standard Progressive	\$209	Covered-in-full
High-End Progressive	Deluxe Progressive	\$289	\$40
N/A	Premium Progressive	\$375	\$80
N/A	Platinum Progressive	\$440	\$180

For more information about your vision coverage, visit UnitedHealthcare Vision at www.myuhcvision.com.

Change to Health Care Spending Account Debit Card Use For Over-The Counter Drugs

The IRS has issued a new ruling indicating that debit cards may continue to be used to purchase over-the-counter medicines and drugs at certain types of stores as long as certain requirements are satisfied. The prescription must be presented to a pharmacist, the pharmacist must dispense the medicine or drug and assign an Rx number. Individuals may use health debit cards to purchase OTC drugs and medicines from vendors at drug stores, pharmacies, non-health care merchants with pharmacies, and mail-order or web-based vendors as long as those vendors have a health care-related "merchant category code".

AHAA

American Hearing Aid Associates is pleased to continue to provide hearing aid benefits for Texas A&M System employees, retirees and their families. American Hearing Aid Associates, Inc. (AHAA) is a national network of audiologists, ENT physicians, hearing aid dispensers, universities and hospitals.

Your Universal Hearing Benefits Plan includes:

- A 10% discount or \$250.00 off provider's usual and customary pricing on each hearing aid device (whichever is greater).
- Semi-annual cleanings and adjustments
- Yearly audiometric screenings where applicable
- Yearly hearing aid evaluations
- First year lost and damage insurance
- First year repair and warranty (two years on some models)
- Repair and/or loss and damage replacement renewal options available
- Batteries provided for the life of the hearing aids (two packages per quarter)

To find a provider in your area, call toll free 800.984.3272 or visit www.AHAA.net or talk to your hearing care professional.



The Walk Across Texas program, sponsored by Texas AgriLife Extension, kicked off Saturday, February 12th and will end April 9th. The goal of the program is to get people in the habit of regular physical activity. Teams can walk 830 miles across the state, tracking your progress as you go! For more information, visit <http://walkacrosstexas.tamu.edu>.