



Open Enrollment Update

Open Enrollment is well underway. More PEEHIP members than ever before are using **Member Online Services** to enroll in coverages or to make changes to their existing coverages. If you need to enroll or make changes and have not done so, we strongly encourage you to use the enhanced online system for Open Enrollment this year. Member feedback about online experiences has been very positive. It is a simple, convenient, and efficient way to enroll in or make changes to your health care benefits electronically.

Say goodbye to paper forms by using Member Online Services today!

Open Enrollment Tutorials: PEEHIP has tutorials available to assist you in making your Open Enrollment elections online through Member Online Services. These tutorials are step-by-step videos to help walk you through the online process. You can access these online tutorials on the RSA's new E-Training Web site at <http://etraining.rsa-al.gov/onlinetutorials.html>.

Please visit PEEHIP's Open Enrollment web page at www.rsa-al.gov/PEEHIP/open-enroll.html to find all the information you need to make informed decisions about your health care coverages. This is your once-a-year opportunity to enroll, make changes, or terminate coverage during the 2009 Open Enrollment period for an effective date of October 1, 2009. Remember the Open Enrollment deadlines as shown below:

Open Enrollment began July 1, 2009, and will end by the following deadlines:

- ◆ The deadline for submitting **paper** Open Enrollment forms is **August 31, 2009**. Any paper forms postmarked after August 31, 2009, will not be accepted.
- ◆ The deadline for submitting **online** Open Enrollment changes is midnight of **September 10, 2009**. After September 10, 2009, online Open Enrollment changes will not be accepted and the Open Enrollment link will be closed.
- ◆ The deadline for enrollment or re-enrolling in a **Flexible Spending Account** online or on paper is **September 30, 2009**. **You must re-enroll each year in the Flex account(s)**. Most of us have out-of-pocket health care expenses not covered by our insurance and/or dependent care costs. You can set aside **pre-tax dollars** to pay for these expenses by enrolling in a FLEX account(s). This is like giving yourself a raise because you are not taxed on the money set aside to pay for these expenses and this helps your paycheck go farther!

The Open Enrollment link to enroll online will remain available through **September 10, 2009**. To make your Open Enrollment elections online:

- ◆ Go to www.rsa-al.gov and click Member Online Services
- ◆ Enter your User ID and Password on the Log in page
- ◆ If you do not have a User ID and Password, click "Register Now" and follow the onscreen prompts to create your own User ID and Password
- ◆ Once you successfully log in, click the link "Enroll or Change PEEHIP Coverages" from the PEEHIP menu found at the left of your screen
- ◆ Click the Open Enrollment option and then click Continue and follow the on-screen prompts until you receive your Confirmation page

Creditable Coverage Notice

Your Prescription Drug Coverage and Medicare

This notice concerns your current prescription drug coverage with PEEHIP, and your options under Medicare's prescription drug coverage (Medicare Part D). This information will help you decide whether or not you want to join a Medicare drug plan or keep your PEEHIP drug coverage. If you are considering joining a Medicare drug plan, compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage.

Two important points about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can receive this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. PEEHIP has determined that the prescription drug coverage offered by PEEHIP is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing PEEHIP coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare or each year thereafter from November 15 through December 31. If you lose your current creditable prescription drug coverage through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens To Your Current PEEHIP Coverage If You Decide to Join A Medicare Drug Plan?

If you do decide to join a Medicare drug plan and drop your PEEHIP drug plan, your current PEEHIP drug coverage will terminate on the date that you enroll in a Medicare drug plan. Please be aware that you and your covered dependents will lose your PEEHIP drug coverage. You will not be able to get this coverage back until you drop the Medicare Part D coverage. You cannot have PEEHIP prescription drug coverage and Medicare Part D coverage at the same time.

If you enroll in a Medicare drug plan, you and your dependents will still be eligible for your current PEEHIP health benefits but will have no prescription drug coverage under PEEHIP.

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

If you drop or lose your current coverage with PEEHIP and do not join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following November to join.

More Information About This Notice Or Your Current Prescription Drug Coverage

Contact PEEHIP at 877-517-0020 if you need further information. You will receive this notice each year, but you may request a copy at any time.

More Information About Your Options Under Medicare Prescription Drug Coverage

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You will receive a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- ◆ Visit www.medicare.gov
- ◆ Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help
- ◆ Call 800-MEDICARE (800-633-4227). TTY users should call 877-486-2048.

An exception may apply to certain "low-income" individuals who may be eligible for prescription drug subsidies and may be better off applying for a subsidy and Part D (two separate steps). For information about this extra help, visit Social Security on the web at www.socialsecurity.gov, or call 800-772-1213 (TTY 800-325-0778).

Note: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and whether or not you are required to pay a higher premium (a penalty). ■

Notice to Enrollees in a Self-Funded Non-Federal Governmental Group Health Plan

Under the federal law known as the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, as amended, group health plans must generally comply with the requirements listed below. However, the law also permits state and local governmental employers that sponsor health plans to elect to exempt a plan from these requirements for any part of the plan that is “self funded” by the employer, rather than provided through a health insurance policy. The Public Education Employees’ Health Insurance Board has elected to exempt the **Public Education Employees’ Health Insurance Plan** from the following requirements:

- 1. Prohibitions against discriminating against individual participants and beneficiaries based on health status.** A group health plan may not discriminate in enrollment rules or in the amount of premiums or contributions it requires an individual to pay based on certain health status-related factors: health status, medical condition (physical and mental illnesses), claims experience, receipt of health care, medical history, genetic information, evidence of insurability, and disability.
- 2. Parity in the application of certain limits to mental health benefits.** Group health plans (of employers that employ more than 50 employees) offering mental health benefits may not set annual or lifetime dollar limits on mental health benefits that are lower than limits for medical and surgical benefits. A plan that does not impose an annual or lifetime dollar limit on medical and surgical benefits may not impose that type of limit on mental health benefits. These requirements do not apply to benefits for substance abuse or chemical dependency.

The exemption from these federal requirements will be in effect for the plan year beginning October 1, 2009. The election will be for every subsequent plan year.

HIPAA also requires PEEHIP to provide covered employees and dependents with a “certificate of creditable coverage” when they cease to be covered under PEEHIP. There is no exemption from this requirement. The certificate provides evidence that you were covered under PEEHIP, because if you can establish your prior coverage, you may be entitled to certain rights to reduce or eliminate a pre-existing condition exclusion if you join another employer’s health plan, or if you wish to purchase an individual health insurance policy. ■

Hospital Tier Ranking

Blue Cross and Blue Shield of Alabama has developed a “Tiered Network” of hospitals within the state of Alabama. Hospitals are categorized into one of three “tiers”, based on their performance in three primary areas of interest. Hospitals designated as “Tier 1” are recognized as having attained the highest level of compliance across the following areas:

- 1. Patient Safety Awareness** – Scores in this area indicate a hospital’s commitment to improving patient safety. Hospitals scoring high in this category have engaged in an effort to protect patients from preventable harm and reduce healthcare cost by signing the Letter of Agreement on Serious Preventable Events. By signing this letter, hospitals agree not to bill for services associated with defined serious preventable events. In addition, these hospitals have made a commitment to improving patient care through active participation in the Institute for Healthcare Improvement (IHI) 5 million lives campaign.
- 2. Quality Awareness** – Scores in this category reflect a hospital’s commitment to specific programs and initiatives designed to improve quality of care and patient safety. Hospitals scoring high in this area have demonstrated a commitment to quality by implementing designated quality improvement programs, by participating in health forums and collaborations to improve patient safety, and by providing Blue Cross with information on surgical procedure volumes and quality performance measures.
- 3. Fiscal Awareness** – Measurements in this area focus on the financial performance of the hospital. Hospitals scoring high in this category have entered into financial arrangements with Blue Cross and Blue Shield of Alabama to provide the most favorable discounts for their services. Through such financial arrangements, Blue Cross is working to ensure that customers receive the most cost-effective care for their health care dollar.

To find out which “tier” your hospital is in, go to **myBlueCross** at www.bcbsal.org/peehip1/ then click “Find a Doctor” and then click the desired link under “Find a Hospital or Facility” and follow the on-screen prompts. Click the link on the hospital’s “Tier” ranking to view the hospital’s detailed scoring information. ■

Free Medications!

Zero-dollar copayment between October 1, 2009, and January 31, 2010

The PEEHIP Board recently approved the **Zero Dollar Copayment Program** effective **October 1, 2009**, which will allow members another opportunity to save money on their copayments for **up to four months** when they switch from taking a brand-name medication shown in the chart below to taking the generic therapeutic alternative medication **during the period of October 1, 2009, through January 31, 2010**. During this four-month period, **your copayment will be \$0** if you use one of the listed generic alternatives.

If you or one or your covered dependents had or will have two or more processed claims during **May through August 2009** for one or more of the brand-name medications shown below, you will receive a letter from Express Scripts about your eligibility for PEEHIP's Zero Dollar Copayment Program to receive a therapeutically equivalent generic drug **absolutely free for up to four months**. This zero-dollar copayment program will **save you money on your copayments** and will reduce the drug costs to PEEHIP if you continue to use the therapeutically equivalent generic medication instead of the brand-name drug. **Your regular copayment for generics after the zero dollar copayment program is over will only be \$5.**

If you and your doctor agree that you are able to switch to the therapeutically equivalent generic drug, you can participate in this special program. Your doctor should write a prescription for the generic medication and indicate on the prescription that the brand-name medication should be discontinued. When a pharmacy processes the new prescription, the computer will automatically **charge nothing (\$0) for your copayment for up to four months**.

Please note that members who were already taking one or more of the generic medications listed below and were not taking the brand-name drug(s) will not be eligible for the zero dollar copayment and will not receive a letter from Express Scripts. We thank the members who are taking the lower cost therapeutically equivalent generic medication and are pleased that so many members are saving money on their copayments.

Drug Category	Condition	Brand Name Drugs	Generic Substitutes
Angiotensin II Receptor Blockers (ARB)	High Blood Pressure	ATACAND; AVAPRO; BENICAR; COZAAR; DIOVAN; MICARDIS; TEVETEN	benazepril; captopril; enalapril; fosinopril; lisinopril; quinapril
Angiotensin II Receptor Blockers HCTZ (ARB)	High Blood Pressure	ATACAND HCT; AVALIDE; BENICAR HCT; DIOVAN HCT; HYZAAR; MICARDIS HCT; TEVETEN HCT	benazepril hctz; enalapril hctz; lisinopril hctz; quinapril hctz
Bisphosphonates	Bone Conditions	ACTONEL; ACTONEL WITH CALCIUM; BONIVA; FOSAMAX PLUS D; FOSAMAX ORAL SOLUTION	alendronate*

**Alendronate is available generically by prescription and does not include Vitamin D or Calcium. Vitamin D can be obtained in over-the-counter and prescription supplements and multivitamins, calcium supplements, fortified foods, and from sunlight; calcium can be obtained from over-the-counter calcium supplements.*

Low-Dose HMG	High Cholesterol	ALTOPREV; CRESTOR 5 MG; LESCOL XL; LIPITOR 10 MG OR 20 MG; VYTORIN 10MG/10MG	lovastatin; pravastatin; simvastatin
NSAID	Pain & Inflammation	CELEBREX (celecoxib)	ibuprofen; nabumetone; naproxen
Proton Pump Inhibitors (PPI)	Heartburn & Ulcers	ACIPHEX; KAPIDEX; NEXIUM; PREVACID; ZEGERID	omeprazole

Public Education Employees' Health Insurance Plan

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