



STATE AND SCHOOL
EMPLOYEES'

Life

AND

Health

P L A N

Know Your Benefits

Health Insurance Premium Changes Effective January 1, 2011

The cost of medical services and prescription drugs is constantly going up. The Mississippi State and School Employees' Life and Health Insurance Plan (Plan) has worked hard to maintain its financial stability while "holding the line" on premium increases. The Plan has been able to minimize premium increases by using its fund reserves and putting in place programs to help contain costs. In July 2008, the Plan had a 1.5% premium increase, but had no premium increases in 2009 or 2010. Also, the benefits under the Plan have remained relatively stable, and in many cases, have actually increased. Like everyone these days, our State continues to struggle to meet its obligations during these tough economic times. With no increases in State funding available, the Plan has had to look at making some changes in the overall premium structure in order to continue to provide health insurance coverage to the nearly 200,000 employees, retirees, and dependents participating in the Plan.

Among the changes to be effective January 1, 2011, is the requirement that all employees enrolled in Select Coverage pay a portion of their active employee premiums. This will mean that Legacy employees enrolled in Select Coverage will pay \$20 per month, while Horizon employees enrolled in Select Coverage will pay \$38 per month of the active employee premium. It is important to note that the State will continue to pay 100% of the active employee premium for employees (both Legacy and Horizon) enrolled in Base Coverage. In addition to the change in the active employee contribution, premiums for dependents and retirees have been increased generally across the board. Please refer to the new schedule of monthly premium rates found in this newsletter.

How Do I Know What's Best For Me?

You are encouraged to review your personal situation to determine which coverage type, Base or Select, best meets your needs. Please visit the Plan's website at <http://knowyourbenefits.dfa.state.ms.us> and click on *Understanding the Differences in Base and Select Coverage* for more information on these options. If you still have questions, please call Blue Cross & Blue Shield of Mississippi at 800-709-7881 or the Office of Insurance at 601-359-3411 or toll-free at 866-586-2781.

As always, eligible participants will have the opportunity during the annual Open Enrollment Period in October to change their coverage type (from Select to Base, or from Base to Select) with an effective date of January 1, 2011. Please consider your options carefully, as the Open Enrollment Period will be your only opportunity to change your coverage type, unless you later experience a Qualifying Event.

2011 Open Enrollment

The Plan's 2011 Open Enrollment period will be from October 1 through October 31, 2010. Active employees, non-Medicare eligible retirees, and COBRA participants may choose either Base or Select Coverage during Open Enrollment with the coverage to be effective January 1, 2011. Refer to the categories below to see what changes you can make during Open Enrollment. To help you in making your decision on which coverage to choose for 2011, visit the Plan's website at <http://knowyourbenefits.dfa.state.ms.us> and click on *Understanding the Differences in Base and Select Coverage*. If you still have questions, please call Blue Cross and Blue Shield of Mississippi (BCBSMS) at 800-709-7881 or the Office of Insurance at 601-359-3411 or toll-free at 866-586-2781.

Active Employees: If you want to change coverage types or add eligible dependents, you will need to return a completed *Application for Coverage* form to your Human Resources office. You can find the *Application for Coverage* form on the Plan's website or contact your Human Resources office to request a form and to find out the deadline to submit the completed form. Remember that you must be participating in the Plan in order to cover your dependents.

Non-Medicare Retirees: If you want to change coverage types, you will need to return a completed *Application for Coverage* form to BCBSMS by October 31, 2010. You can find the form on the Plan's website or contact BCBSMS at 800-709-7881 to request a form. Please note that retirees cannot add dependents during Open Enrollment.

COBRA Participants: If you are a COBRA participant, and want to change coverage types or add eligible dependents, you will need to return a completed *Application for Coverage* form to BCBSMS by October 31, 2010. Forms are available on the Plan's website or may be obtained from BCBSMS by calling 800-709-7881.

New Medical Management Administrator

ActiveHealth Management, Inc., (ActiveHealth) has been selected as the new medical management administrator for the Plan. Beginning January 1, 2011, ActiveHealth will provide medical management, disease management, and utilization review services such as certification of inpatient hospital admissions, outpatient MRI and CAT Scans, and other services that require certification of medical necessity. Please refer to the *Plan Document* for more information on services requiring certification. More information on the services provided by ActiveHealth, including 24/7 nurse line access, new website resources, and other programs will be provided later this year.

New Mail Order Vendor

Beginning January 1, 2011, the Plan's prescription mail order service will move to Catalyst Rx's mail service pharmacy, Immediate Pharmaceutical Services, Inc. (IPS). Participants using the current prescription mail order service, Walgreens Mail Service, will receive more information on IPS later this year. Most prescriptions can be transferred from Walgreens to IPS without the need for a new prescription. You will be notified if your medication requires a new prescription for it to be filled by IPS.

2011

BENEFIT CHANGES

Benefit Changes Required by *The Patient Protection and Affordable Care Act*

The following changes are made as a requirement under *The Patient Protection and Affordable Care Act*:

- The pre-existing condition exclusion period will be eliminated for dependent children under age 19.
- The lifetime maximum limit for all participants will be eliminated.

NOTE: Individuals whose coverage under the Plan ended because they reached the lifetime maximum limit, and who otherwise are still eligible under the Plan, may re-enroll in the Plan. Individuals may apply for coverage during the October Open Enrollment Period for an effective date of January 1, 2011. For more information contact BCBSMS at 800-709-7881 or the Office of Insurance at 601-359-3411 or toll-free at 866-586-2781.

Expanded Wellness Benefits

The Plan's annual wellness benefits will be expanded to include services recommended by the U.S. Preventative Services Task Force. For a list of covered wellness services, please visit the Plan's website at <http://knowyourbenefits.dfa.state.ms.us>, or call BCBSMS at 800-709-7881 to request a copy. **Please remember that participants age 18 and older must complete the HealthQuotient health risk assessment each calendar year prior to receiving wellness benefits.**

Diabetic Self-management Training and Education

The calendar year limit for diabetic self-management training and education will be eliminated. Participation in ActiveHealth's Informed Care Management program and certification of medical necessity will be a requirement for receiving this benefit. More information about this program will be provided by ActiveHealth later this year.

Home Health and Private Duty Nursing Services

The calendar year limit for home health and private duty nursing services will be eliminated. Prior to receiving these services, certification of medical necessity by ActiveHealth will be required.

Pulmonary Rehabilitation Services

The annual visit limit for pulmonary rehabilitation services will be eliminated. Prior to receiving these services, certification of medical necessity by BCBSMS will be required.

Cardiac Rehabilitation Services

The session limit for cardiac rehabilitation services will be eliminated. These services will continue to require prior approval by BCBSMS. Participants must use a cardiac rehabilitation program that is certified by the American Association of Cardiovascular and Pulmonary Rehabilitation. Participants can contact BCBSMS at 800-709-7881 to locate a certified provider.

Emergency Room Co-payment

A \$100 co-payment will apply to each emergency room visit after the first emergency room visit in a calendar year. Base Coverage participants who have met their coinsurance/co-payment maximum for the year will not be charged the emergency room co-payment.

Smoking Cessation Prescription Drugs

Coverage for smoking cessation prescription drugs will be subject to the participant's enrollment in the Plan's online tobacco cessation program through WebMD at www.webmdhealth.com/mississippi. Coverage will also continue to be subject to the participant's applicable deductible and the appropriate prescription drug co-payment amount, and will be limited to a lifetime maximum of \$350. Over-the-counter smoking cessation products will not be covered. Plan participants residing in Mississippi may utilize the services of The ACT Center and the Mississippi Tobacco Quitline free of charge. To contact The Act Center, call 601-815-1180 or visit www.act2quit.com for more information. To contact the Quitline, call 1.800.QUIT.NOW (800-784-8669) or visit www.quitlinems.com for more information.

Select Coverage Deductibles and Coinsurance Maximums

The 2011 calendar year deductibles and coinsurance maximums under Select Coverage will be as follows:

Select Coverage	In-Network	Out-of-Network
Calendar Year Deductible - Individual Coverage	\$1,000	\$2,000
Calendar Year Deductible - Family Coverage	\$2,000	\$4,000
Individual Medical Coinsurance Maximum	\$2,500	\$3,500
Individual Prescription Drug Deductible	\$75	

Base Coverage Deductibles and Coinsurance/Co-payment Maximums

The 2011 calendar year deductibles and coinsurance/co-payment maximum amounts under Base Coverage will be as follows:

Base Coverage	In-Network	Out-of-Network
Calendar Year Deductible - Individual Coverage	\$1,800	
Calendar Year Deductible - Family Coverage	\$3,000	
Coinsurance/Co-payment Maximum - Individual Coverage	\$2,500	\$4,000
Coinsurance/Co-payment Maximum - Family Coverage	\$5,000	\$8,000

Base Coverage will continue to qualify as a high deductible health plan under federal tax regulations.

Proton Pump Inhibitors

The Plan will provide coverage for proton pump inhibitor (PPI) medications in generic form only. A PPI is a medication that reduces the production of acid in the stomach and is used to treat gastroesophageal reflux disease (GERD), ulcers, erosive esophagitis, Barrett's Esophagitis, and Zollinger-Ellison syndrome. Requests for coverage of brand PPI medications will be considered for the more severe diseases and will require prior approval by Catalyst Rx. The prescribing physician must contact Catalyst Rx at 866-757-7839 for prior authorization.

**STATE AND SCHOOL EMPLOYEES' HEALTH INSURANCE PLAN
MONTHLY PREMIUM RATES**

Effective January 1, 2011

Legacy - Initially hired before 1/1/2006

Horizon - Initially hired on or after 1/1/2006

ACTIVE EMPLOYEE	LEGACY EMPLOYEES				HORIZON EMPLOYEES			
	BASE		SELECT		BASE		SELECT	
	TOTAL	EMPLOYEE	TOTAL	EMPLOYEE	TOTAL	EMPLOYEE	TOTAL	EMPLOYEE
Employee*	\$356	\$0	\$376	\$20	\$356	\$0	\$394	\$38
Employee + Spouse	\$745	\$389	\$819	\$463	\$745	\$389	\$837	\$481
Employee + Spouse & Child(ren)	\$949	\$593	\$1,023	\$667	\$949	\$593	\$1,041	\$685
Employee + Child	\$457	\$101	\$531	\$175	\$457	\$101	\$549	\$193
Employee + Children	\$614	\$258	\$688	\$332	\$614	\$258	\$706	\$350

*The State pays 100% of the employee's premium for Base Coverage. Active employees enrolling in Select Coverage must pay a portion of the employee premium.

RETIRED EMPLOYEE < 65 and NON-MEDICARE ELIGIBLE	LEGACY RETIREES		HORIZON RETIREES	
	BASE	SELECT	BASE	SELECT
Retiree	\$409	\$432	\$597	\$620
Retiree + Spouse (Non-Medicare)	\$856	\$941	\$1,232	\$1,317
Retiree + Spouse & Child(ren) (Non-Medicare)	\$1,091	\$1,176	\$1,387	\$1,472
Retiree + Child	\$525	\$587	\$690	\$775
Retiree + Children	\$706	\$744	\$847	\$932
Retiree + Spouse (Medicare)	N/A	\$618	N/A	\$806
Retiree + Spouse & Child(ren) (One or more Medicare)	N/A	\$773	N/A	\$961

DISABLED RETIREE < 65 and NON-MEDICARE ELIGIBLE	LEGACY RETIREES		HORIZON RETIREES	
	BASE	SELECT	BASE	SELECT
Retiree	\$409	\$432	\$597	\$620
Retiree + Spouse (Non-Medicare)	\$856	\$941	\$1,232	\$1,317
Retiree + Spouse & Child(ren) (Non-Medicare)	\$1,091	\$1,176	\$1,387	\$1,472
Retiree + Child	\$525	\$587	\$690	\$775
Retiree + Children	\$706	\$744	\$847	\$932
Retiree + Spouse (Medicare)	N/A	\$618	N/A	\$806
Retiree + Spouse & Child(ren) (One or more Medicare)	N/A	\$773	N/A	\$961

DISABLED RETIREE < 65 and MEDICARE ELIGIBLE	LEGACY RETIREES		HORIZON RETIREES	
	BASE	SELECT	BASE	SELECT
Retiree	N/A	\$186	N/A	\$186
Retiree + Spouse (Non-Medicare)	N/A	\$695	N/A	\$883
Retiree + Spouse & Child(ren) (Non-Medicare)	N/A	\$930	N/A	\$1,038
Retiree + Child	N/A	\$341	N/A	\$341
Retiree + Children	N/A	\$498	N/A	\$498
Retiree + Spouse (Medicare)	N/A	\$372	N/A	\$372
Retiree + Spouse & Child(ren) (One or more Medicare)	N/A	\$527	N/A	\$527

RETIRED EMPLOYEE > or = 65 and MEDICARE ELIGIBLE	LEGACY RETIREES		HORIZON RETIREES	
	BASE	SELECT	BASE	SELECT
Retiree	N/A	\$186	N/A	\$186
Retiree + Spouse (Non-Medicare)	N/A	\$695	N/A	\$883
Retiree + Spouse & Child(ren) (Non-Medicare)	N/A	\$930	N/A	\$1,038
Retiree + Child	N/A	\$341	N/A	\$341
Retiree + Children	N/A	\$498	N/A	\$498
Retiree + Spouse (Medicare)	N/A	\$372	N/A	\$372
Retiree + Spouse & Child(ren) (One or more Medicare)	N/A	\$527	N/A	\$527

RETIRED NON-MEDICARE MARRIED TO ACTIVE	LEGACY RETIREES		HORIZON RETIREES	
	BASE	SELECT	BASE	SELECT
Retiree	\$409	\$432	\$409	\$432
Retiree + Child	\$510	\$587	\$510	\$587
Retiree + Children	\$667	\$744	\$667	\$744

COBRA	LEGACY PARTICIPANTS		HORIZON PARTICIPANTS	
	BASE	SELECT	BASE	SELECT
Participant	\$363	\$383	\$363	\$401
Participant + Spouse	\$759	\$835	\$759	\$853
Participant + Spouse & Child(ren)	\$967	\$1,043	\$967	\$1,061
Participant + Child	\$466	\$541	\$466	\$559
Participant + Children	\$626	\$701	\$626	\$720

COBRA DISABILITY EXTENSION	LEGACY PARTICIPANTS		HORIZON PARTICIPANTS	
	BASE	SELECT	BASE	SELECT
Participant	\$534	\$564	\$534	\$591
Participant + Spouse	\$1,117	\$1,228	\$1,117	\$1,255
Participant + Spouse & Child(ren)	\$1,423	\$1,534	\$1,423	\$1,561
Participant + Child	\$685	\$796	\$685	\$823
Participant + Children	\$921	\$1,032	\$921	\$1,059

STATE OF MISSISSIPPI
DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF INSURANCE
P.O. BOX 24208
JACKSON, MS 39225-4208

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IMPORTANT INFORMATION

This newsletter contains important information about premium rates and benefit changes for 2011.