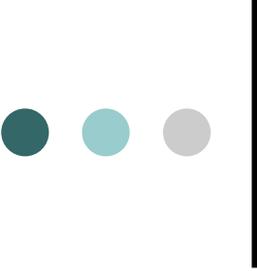


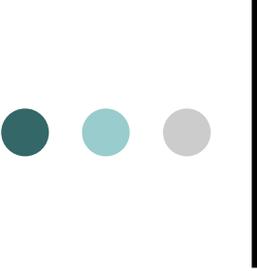
Benefit Coordinator Workshop

Charleston Civic Center
January 30, 2007
10:00 a.m. – 4:00 p.m.



Agenda

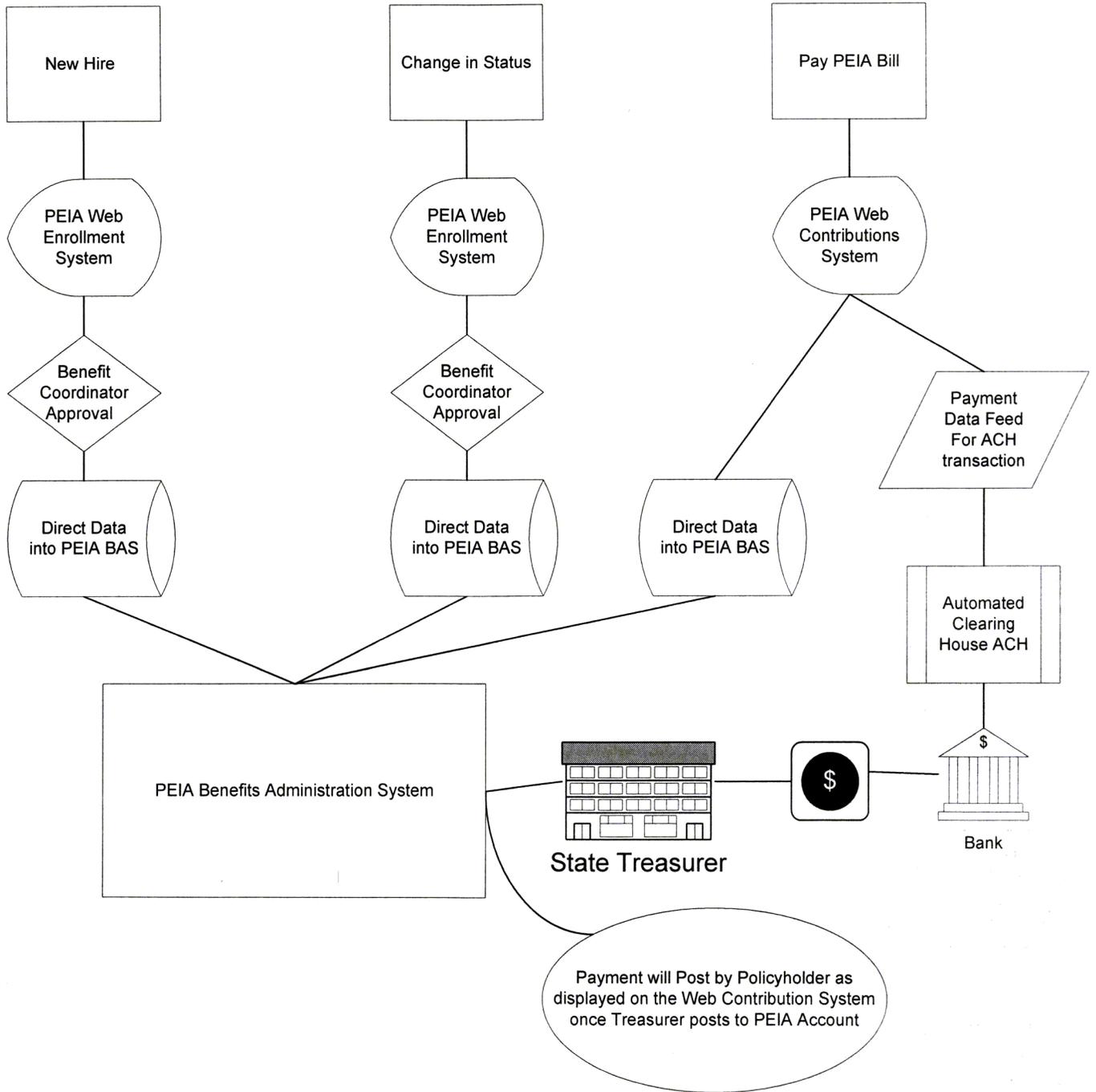
- 10 – 10:15 Welcome and Introductions
- 10:15–11:45 The New Benefits Administration System (BAS)
- 11:45 – 1:15 Lunch on your own
- 1:15 – 1:45 New plan for Medicare retirees
- 1:45 – 2:30 Current Issues
- 2:30 – 2:50 Open Enrollment and Plan Changes for 2008
- 2:50 – 3:00 Break
- 3:00 – 3:30 Mountaineer Flexible Benefits Update
- 3:30 – 4:00 Q & A/Adjourn



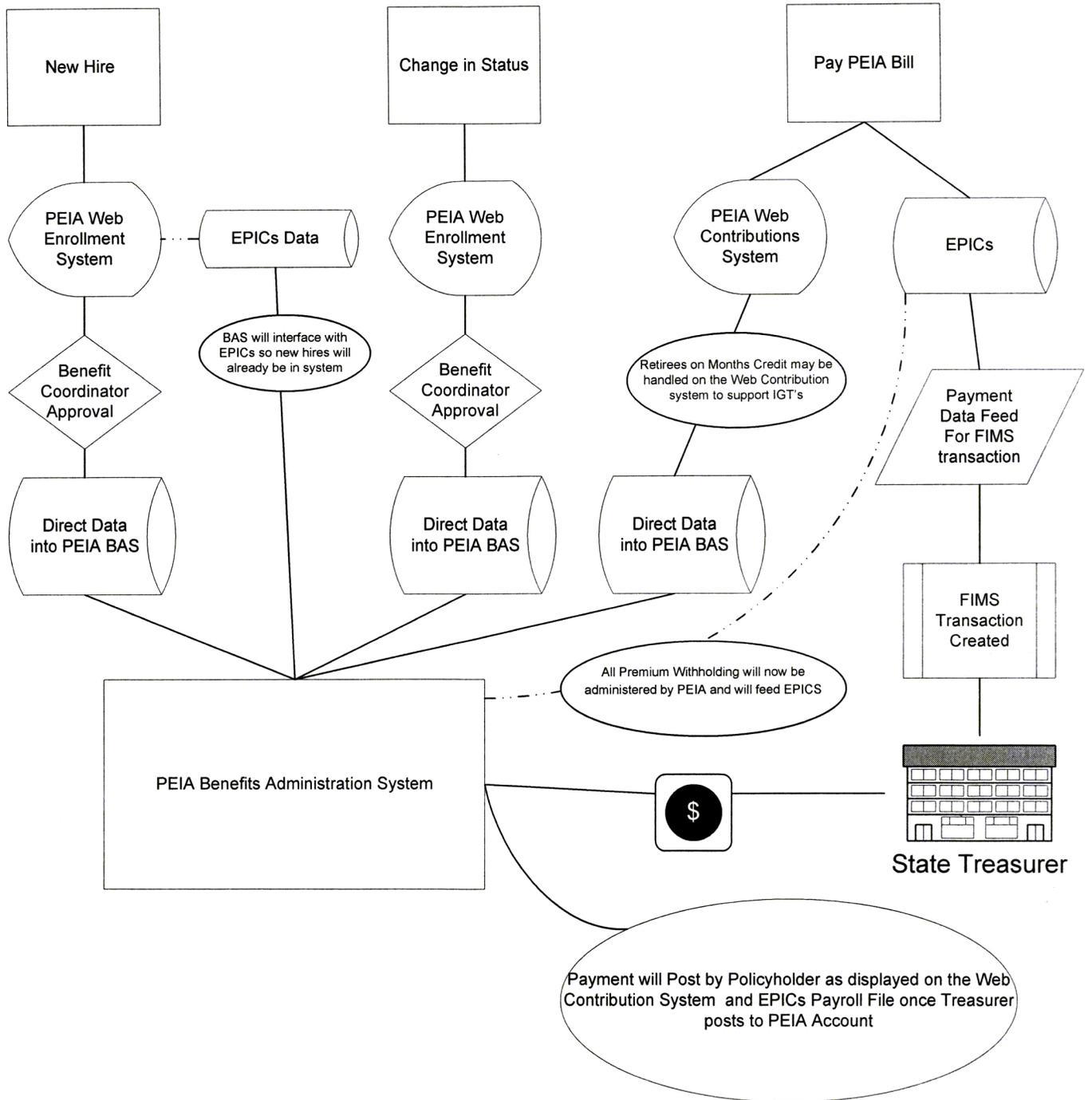
The PEIA Benefits Administration System “BAS”

- Current Status of BAS
- Changes for 2008 Web Open Enrollment System
- Eligibility, Billing and Premium Accounting items of Note
- Web Contributions System in Preliminary Design and we Want Your Input
- Web Enrollment System for Year Round Eligibility Transactions
- Comments and Suggestions on the Design of BAS

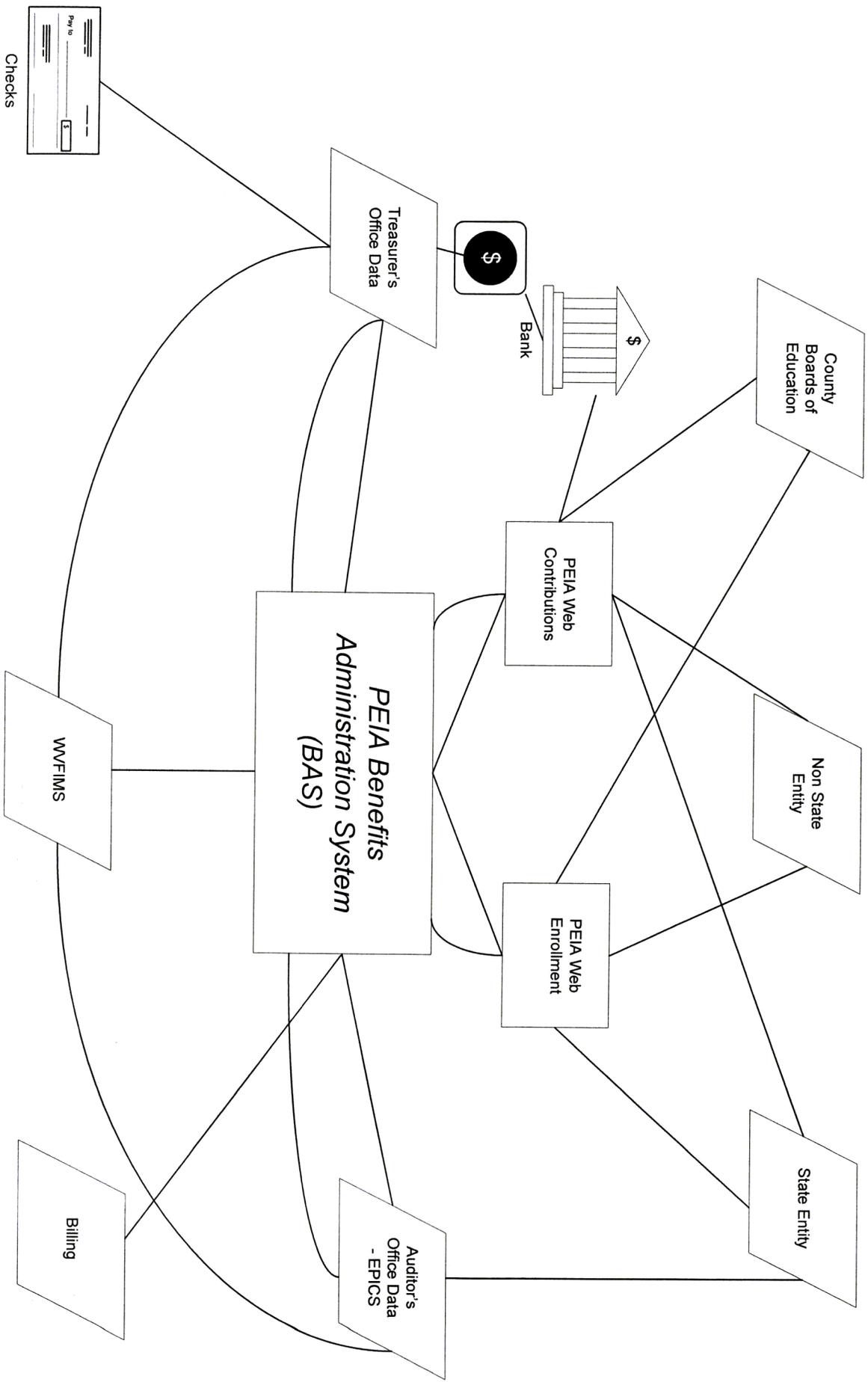
PEIA Benefits Administration System Non State Agency and County School Boards Business Model



PEIA Benefits Administration System State Agency Business Model



New PEIA Business Model



PEIA
Web
Contributions

Initial Employee Deductions Screen

Employer Account Information:

Displays the:

- Employer Account ID
- Current period to be viewed (defaulted to the most recent invoice).

Tab Navigation:

Allows navigation between the following screens:

- Premium Overview screen
- Employee Deductions screen
- Submit Monthly Contributions screen

Processing Period will be initially set to the current month and year but may be changed to any date previously invoiced. (Is also set when entering from the Premium Overview screen)

Search for an Employee:

- Status - enables User to view a list of active or inactive employees in an agency.
- SSN – enables User to search on a full or partial SSN.
Example:
222-222-2222 - if matched would return an individuals information.
2 - Would return all SSNs that started with a 2.
- Last name - enables User to search on a full or partial last name.
The same principle applies from the preceding SSN example above.
- View all Employees - will list all of the employees in the Processing Period and Status selected above.

PEIA Web Contributions

Employee Deductions

Logout

Employer Account ID: XX2244
Submitting for: November 2006

Premium Overview	Employee Deductions	Submit Monthly Contributions
Processing Period Nov <input type="checkbox"/> Month 2006 <input type="checkbox"/> Year		
Search for an employee:		
Status:	Active	Inactive
SSN:	Submit	
Last name:	Submit	
View all employees		

Employee Deductions Screen

- Two Section display: On Payroll and Retirees sections.

Each section has an ACH subtotal.

These subtotals are then combined to produce the ACH Grand Amount which represents the entire amount available for an “ACH / Lockbox” Transaction.

- Elements highlighted in Magenta indicate balance problems that can be corrected automatically.
- Elements highlighted in Red indicate problems that must be manually addressed.
- Rows that are Yellow indicate an individual is currently in a hold status, thereby removing their outstanding balance from the ACH amount.
- Employee ID - This hypertext link will allow Users to edit / view an individual’s profile.
- View Payment History - link will allow Users to see an individual(s) payment information, line by line.

PEIA Web Contributions

Employee Deductions

Logout

Employer Account ID: XX2244
Submitting for: November 2006

Premium Overview			Employee Deductions				Submit Monthly Contributions	
Processing Period			Nov	Month	2006	Year		
Search for an employee:								
Status:			Active	Inactive				
SSN:			Submit					
Last name:			Submit					
View all employees								
Emp ID#	Name		Invoiced		Received		Balance Due	ACH Amount
	Last	First	Employee	Employer	Employee	Employer		
On Payroll								
1976533	Calhoun	Robert	136.00	705.00	136.00	705.00	0	0
1497222	Cosnier	Kevin	116.00	300.00	116.00	300.00	0	0
1122239	Haymet	Lacie	116.00	300.00	116.00	300.00	0	0
1938475	Keebler	Elvis	166.00	300.00	166.00	280.00	20.00	20.00
1899097	Kenue	Beavis	166.00	300.00	146.00	300.00	20.00	20.00
1701006	Kirk	James	116.00	300.00	116.00	300.00	0	0
1128289	Mush	Yuchzie	116.00	300.00	0	0	416.00	0
1834338	Rodgers	Kenny	96.00	280.00	96.00	280.00	0	0
1897338	Talbot	Nancy	96.00	280.00	96.00	280.00	0	0
1899097	Zarthra	Achmed	166.00	300.00	0	0	466.00	466.00
			1,290.00	3,365.00	988.00	2,745.00	922.00	506.00
Retirees								
1978523	Bronson	Charles		800.00		0	800.00	800.00
1939465	Conrad	Robert		800.00		800.00	0	0
1988476	Spears	Britanny		800.00		0	800.00	800.00
				2400.00		800.00	1600.00	1600.00
			1,290.00	5,765.00	988.00	3,545.00	2,522.00	2,106.00

Edit Employee Profile Screen

- Displays an individual's demographic information, Plan, ESPS, Tier, Index, ESP TBF (Tobacco affidavit), Opt. Life etc. Retirees will have additional information such as Retirement Date, MCR etc.
- Policy Holder Total is an accumulation which includes Optional and Dependant life premiums.
- Employer Total is an accumulation which includes Basic life, Employer premiums and Administrative Fees.
- Premium Total is the combined Policy Holder Total and Employer Total.
- Processing Status:
Active - (default) indicates available for processing this month.
Hold - do not automatically correct balance problems for this individual.
- Payroll / Retirement Status:
Active - (default) indicates available for processing this month.
Inactive - will inactivate the employee for this agency.
- Purpose of this screen is to allow the Benefit Coordinator to view the Demographic and billing data used to calculate a Policy Holder and Employer Premium.

Note: The Processing Status and Payroll/Retirement Status are the only updatable fields on this screen. All other updates shall occur in the Open Enrollment System to reduce/eliminate redundant code.

PEIA Web Contributions

Edit Employee Profile

Logout

Employer Account ID: XX2244
Submitting for: November 2006

Premium Overview	Employee Deductions	Submit Monthly Contributions
Emp ID:	1976533	Plan: 01
SSN:	XXX-XX-4923	ESPS: Y
First Name:	Robert	Tier: S
Middle Initial:	W	Index: 2
Last Name:	Calhoun	ESP TBF: Y
Active Since:	03/01/1977	Opt. Life Code:100
Optional Life Premium:	1.25	
Dependant Life Premium:	0	
Policy holder Premium:	134.75	
Policy holder Total:	<u>136.00</u>	
Basic Life Premium:	5.37	
Administration Fee:	0	
Employer Premium:	699.63	
Employer Total:	<u>705.00</u>	
Premium Total:	<u>\$841.00</u>	
Processing Status	Active	Hold
Payroll/Retirement Status	Active	Inactive (<input type="checkbox"/> month <input type="checkbox"/> year)
View Payment History Cancel Update		

PEIA Web Contributions

Edit Employee Profile

Logout

Employer Account ID: XX2244
Submitting for: November 2006

Premium Overview	Employee Deductions	Submit Monthly Contributions
Emp ID: 1978523	Plan: 01	
SSN: XXX-XX-2333	ESPS: N/A	
First Name: Charles	Tier: S	
Middle Initial: B	Index: N/A	
Last Name: Bronson	ESP TBF: Y	
Active Since: 03/01/1977	Opt. Life Code: 100	
Retired: 10/31/2006	MCR: JUL - 100%	
Optional Life Premium:	1.25	
Dependant Life Premium:	0	
Policy holder Health Premium:	<u>0</u>	
Policy holder Total:	1.25	
Basic Life Premium:	5.37	
Administration Fee:	0	
Employer Premium:	<u>794.63</u>	
Employer Total:	800.00	
Premium Total:	<u><u>\$800.00</u></u>	
Processing Status	Active	Hold
Payroll/Retirement Status	Active	Inactive (<input type="checkbox"/> month <input type="checkbox"/> year)
View Payment History	Cancel	Update

Submit Contributions Screen

- Displays the Agencies identifying information, Time period, Number of employees on Payroll/Retirement and the Agencies designated Contact Person.
- Two Section display: On Payroll and Retirees sections. Each section has an ACH subtotal. (Far right) These subtotals are then combined to produce the Total “ACH/Lockbox” Amount.
- There are no updatable fields on this screen. Updates to the Policy Holder, Benefit Coordinator, Contact Information and Agency data shall occur in the Open Enrollment System to reduce/eliminate redundant code.
- **Submit Monthly Contributions:**
Sends ACH transaction to the Treasurer
Produces a Lockbox “OCR” document that, when combined with a payment, will be scanned in by Treasurers Office.

PEIA Web Contributions

Submit Contributions

Logout

Employer Account ID: XX2244
Submitting for: November 2006

Premium Overview	Employee Deductions	Submit Monthly Contributions	
Middletown C.P.A. 3210 Quarrier Street Suite 151 Middletown WV 25285-2634		Employer No: XX2244 Month Ended: November Employees: 8 Retirees: 3 Total Covered: 11	
Contact Person:			
Bobby Jo Sanbower 445-5476 Ext. 5555 bjсанbower@comcast.net			
Payroll Billing			
Employee Invoiced	1,290.00		
Employee Deductions	<u>-988.00</u>		
		302.00	
Employer Invoiced	3,365.00		
Employer Deductions	<u>-2,745.00</u>		
		<u>+620.00</u>	
Payroll Premiums Balance:		922.00	
Payroll Premiums eligible for ACH:		<u>-506.00</u>	506.00
Total Unpaid Payroll Premiums:		416.00	
Retiree Billing			
Employer Invoiced	2,400.00		
Employer Deductions	<u>-800.00</u>		
		1600.00	
Total ACH/Lockbox Amount:			<u><u>2,106.00</u></u>
Submit monthly contributions			

Premium Overview Screen

- Lists the current status of all invoice data for an Agency by month. (time period boundaries need to be set) example... Calendar year , vs. Program year vs. Fiscal Year or, limit to unbalanced months only.
- Date - This hypertext link will allow you to drill down into the Agencies Employee Deductions screen for a specific month year.

PEIA Web Contributions

Premium Overview

Logout

Employer Account ID: XX2244
Submitting for: November 2006

Premium Overview		Employee Deductions		Submit Monthly Contributions	
Date	Invoiced	Received	Balance	ACH Amount	UNPAID Act. Payroll & Retiree Premiums
12/2005	7,055.00	7,055.00	0	0	0
01/2006	7,055.00	7,055.00	0	0	0
02/2006	7,055.00	7,055.00	0	0	0
03/2006	7,055.00	7,055.00	0	0	0
04/2006	7,055.00	7,055.00	0	0	0
05/2006	7,055.00	7,055.00	0	0	0
06/2006	7,055.00	7,055.00	0	0	0
07/2006	7,055.00	7,055.00	0	0	0
08/2006	7,055.00	7,055.00	0	0	0
09/2006	7,055.00	6,639.00	416.00	0	416.00
10/2006	7,055.00	6,639.00	416.00	0	416.00
11/2006	7,055.00	4,533.00	2,522.00	2,106.00	416.00

Admin Premium Overview Screen

- Lists by Agency and month, the current status of all invoice data for all Agencies. (Time period boundaries need to be set) example... Calendar year, vs. Program year vs. Fiscal Year, limit to unbalanced months or last 12 months, Etc.
- Employer ID/Agency – This hypertext link will allow you to drill down into the Premium Overview Screen for that Agency.

PEIA Web Contributions

Admin Premium Overview

Logout

Premium Overview	Future Development						Future Development					
	Jan 2006	Feb 2006	Mar 2006	Apr 2006	May 2006	Jun 2006	Jul 2006	Aug 2006	Sep 2006	Oct 2006	Nov 2006	Dec 2006
XX2244									■	■	■	
XX3012											■	
XX3014											■	
XX3098											■	
XX3099											■	
XX4010											■	
XX4012											■	
XX4032											■	
XX4053											■	
XX4055										■	■	
XX4056								■			■	
XX7732											■	
XX7809					■						■	
XX8828											■	
XX8856											■	
XX8857									■	■	■	
XX8866											■	
XX8967											■	
XX8970											■	
XX8990											■	
XX9000											■	
XX9401											■	
XX9405											■	
XX9410											■	
XX9433											■	
XX9494											■	

The PEIA Benefits Administration System “BAS”

Current Phases:

Developing 3rd version of online open enrollment system for 2008 Plan Year
Developing eligibility system
Designing Billing and Premium Accounting System, Web Contribution System and Year Round Web Enrollment System

Changes for 2008 Open Enrollment:

New registration process for both benefit coordinators and policyholders.

Benefit Coordinators

As of April 1, 2007, Benefit Coordinators who wish to conduct business with PEIA through the Web Open Enrollment System will be required to register with PEIA. Registration entails a confidentiality agreement and signature of approval from your Agency Head or designee.

It is a one time process; you will not be required to register again. You will also have the ability to add and remove other benefit coordinators for your agency as you wish.

As of July 1, 2007, Benefit Coordinator registration will be mandatory for both paper and electronic transactions.

Policyholders

As in years past, Policyholders will be required to sign a statement acknowledging the use of the online system is legally binding. However, this will be a perpetual acknowledgement. They will not be required to sign anything in the future to conduct business with PEIA electronically.

Upon registering and signing their acknowledgement form, they will submit it to their benefit coordinator for retention. The benefit coordinator will acknowledge receipt, place the signed form in the policyholder's personnel file, and activate the policyholder for online transactions.

Additionally, policyholders will be required to utilize a password this year.

Another change to the process this year is that policyholders will be permitted to register for the online system throughout the open enrollment period. That means that, if a policyholder can't find his transfer form, he can go to the website, register, logon, and use the system.

Eligibility, Billing and Premium Accounting

For State Agencies, PEIA's system will now retain premium withholding data. EPICS will no longer perform this function.

Instead of tracking payments by agency accounts, PEIA will recognize the individual policyholder as the "account". Payment will be posted at the new policyholder account level. This way, PEIA will know, and you will know, exactly whose premiums have been paid, and whose have not.

Policy change under discussion is to automatically terminate policyholder when there is no payment applied within a certain time frame. This will be possible, since we will be tracking premium payments at the policyholder account level.

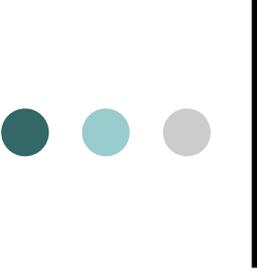
Web Contributions System

Currently in design phase and we would like your input. The web contributions system will replace the current paper billing and check writing process. The purpose of the web contribution system is to permit the benefit coordinator to identify any differences between PEIA's billing and the Agency's remittance. In some instances, the benefit coordinator will be permitted to make a change to the eligibility without policyholder approval.

Please note however, this system does not eliminate the requirement of submitting approved eligibility transactions. An approved eligibility transaction can be a paper form signed by you and the policyholder, or an online change approved by both. If you hold a payment identified as owed by PEIA, it is still collectible until eligibility records are updated accordingly. The 60 day retro activity rule will remain in effect.

Web Enrollment System

Will permit online transactions to occur and thus speed up the process by removing the paper delay. Policyholders will be able to conduct Change in Status transactions online, new hires will be performed online, etc.



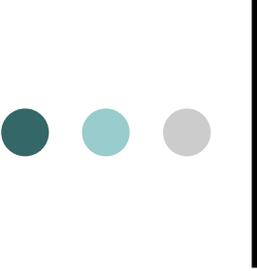
Medical Plan

○ Medicare Retiree Changes

Medicare Retiree Changes	
Primary Care Office Visit	\$10/visit
Specialty Care Office Visit	\$20/visit
Lab, Imaging and most other services	20% coinsurance
Hospital Outpatient	\$50/facility copay + 20% coinsurance
Hospital Inpatient	20% coinsurance
Annual Deductible	\$0
Annual Out-of-Pocket Maximum (includes coinsurance and copayments)	\$500
Premium monthly reduction (per Medicare member)	\$22
Annual Premium reduction (monthly amount x 12)	\$264

Medical Examples

Example 1 - \$500 OOP Max includes coinsurance and copayments	Retiree Cost-share per service	Total
4 Primary Care Office Visits	\$10	\$40
2 Specialty Office Visits	\$20	\$40
Lab Tests -- \$600	20% after deductible	\$120
Total Cost-share		\$200
Premium Reduction	\$22/month	\$264
Retiree savings		\$64
Example 2 - \$500 OOP Max includes coinsurance and copayments		
Example 2 - \$500 OOP Max includes coinsurance and copayments	Retiree Cost-share per service	Total
\$10,000 Hospital Charges	\$10,000 x 20% = \$2,000	\$500 Maximum Out-of-Pocket
10 Primary Care Office Visits	0	0
10 Specialty Office Visits	0	0
Total Cost-share		\$500
Premium Reduction	\$22/month	\$264
Cost Increase		\$236
Example 3 - \$500 OOP Max includes coinsurance and copayments		
Example 3 - \$500 OOP Max includes coinsurance and copayments	Retiree Cost-share per service	Total
5 Primary Care Office Visits	\$10	\$50
5 Specialty Office Visits	\$20	\$100
\$10,000 Hospital Charges	\$10,000 x 20% = \$2,000 with \$500 Maximum Out-of-Pocket	\$350
7 Primary Care Office Visits	0	\$0
3 Specialty Office Visits	0	\$0
Total Cost-share		\$500
Premium Reduction	\$22/month	\$264
Cost increase		\$236



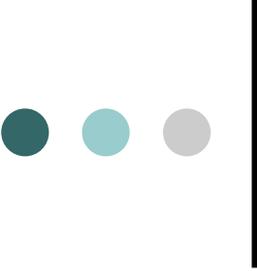
Retiree Assistance Program

- Current Program
 - FY 2008 expected program costs of \$4 million
 - Premium relief of \$2.5 million
 - Prescription copay relief of \$1.5 million
 - Benefits 5,000–6,000 retirees
 - Eligibility up to 250% FPL
 - Premium benefit banded on years of service and FPL percent and very complicated
- Proposed Program
 - Same total expected program costs of \$4 million
 - Less complexity
 - Eligibility up to 250% FPL
 - Higher degree of assistance for under 150% FPL and 20 or more years of service



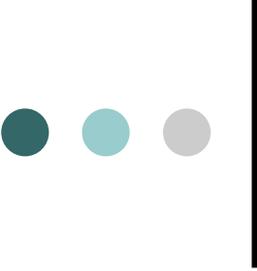
Current Issues

- Life Insurance update
 - EOI Status
- Eligibility Staff contacts
 - Change in agency policy
 - Calls now go to customer service, not to your eligibility person
 - Customer service will resolve your problem or take a message to be returned by your eligibility contact
- Medical Home program
 - Began January 1
 - Members can still name a medical home
 - Directory is updated as new providers are added
- Dependent SSNs and HIC Numbers
 - We'll be collecting them during open enrollment
 - We are required to transmit claims using the individual's SSN, so we **must** have SSNs for dependents
 - If we don't get them on transfer forms, we'll be sending letters to policyholders to get them
 - It will save money and time if folks write them in on the transfer form
 - HIC numbers are used by Medicare – if a Medicare dependent, we **NEED** a copy of the Medicare card



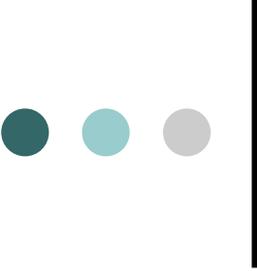
FY 2008 Plan

- Premiums
 - No increase for employer or employee, state or non-state
 - Get to 80/20 this year
- Medical Plan
 - Active Employees – No change
 - Non-Medicare retiree (Policyholder Only) – No change
 - Non-Medicare retiree with non-Medicare dependents – No change
- Drug Plan
 - Deductible change
 - from \$75/individual and \$125/family
 - to \$75/individual and \$150/family
 - Non-preferred drug copay increases to \$50 per fill



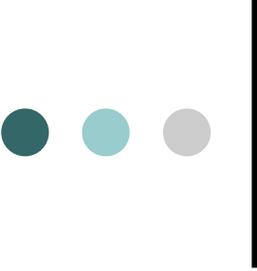
Open Enrollment 2008

- Dates are April 1–30
- Transfer forms with Tobacco Affidavit will be mailed by the last week of March
- Tobacco affidavits must be completed for discounts
- EVERYONE must do a new affidavit to get the discount for 2008
- Benefit Coordinator training schedule is attached



Open Enrollment 2008

- Benefit Fair schedule will be on website as soon as it's done
- There will be NO new plans for 2008
- You have until May 11 to send paperwork to PEIA
- Salaries will be collected in May, as always
- **Every agency must have a designated benefit coordinator – even for paper forms.**



Open Enrollment

- PEIA's open enrollment website will open for registration on February 1
- Policyholders can register in advance to keep from receiving a transfer form in the mail
- Everyone registered by 2/28 will not receive a transfer form in the mail
- Site will open for members to log in and make changes on April 1