

HEALTH BENEFITS E-NEWS

*Department of Human Resource Management
Office of Health Benefits*

December 15, 2006

Retiree Group Policy Will Change

Retiree group enrollees (retirees, survivors and LTD participants) who are in family memberships with at least one family member eligible for Medicare currently are allowed to stay in the COVA Care plan, but Medicare is primary for the Medicare-eligible family member(s). Effective July 1, 2007, this policy will change, and all retiree group participants will be required to make a plan selection based on their Medicare eligibility. However, premiums will be adjusted to ensure that no family has to pay a combined premium of more than the COVA Care family premium amount.

Attached is a copy of the letter that was sent to all enrollees who are currently covered under this policy. Please take a few moments to review this information, which explains in detail the process that will take place for July 1 and any action that could be required on their part. (However, our records indicate that most of these Medicare beneficiaries have already enrolled in Medicare Part B.)

You may continue to enroll families who meet these current policy criteria in COVA Care through June. However, please make them aware of the change that will occur effective July 1. New family groups of three may want to strongly consider initially enrolling in the appropriate Medicare or non-Medicare plans for the first half of 2007, but family groups of four or more will need to stay in COVA Care until June 30 when their premium can be properly administered to avoid paying more than the COVA Care family premium level.

FBMC Expands Hours of Operation

In an effort to better serve its customers, Fringe Benefits Management Company (FBMC) is expanding its Customer Service hours to include Saturday service through the months of January, February, March and April of 2007. During this four-month period, customer service representatives will be available from 9:00 a.m. to 3:00 p.m. EST every Saturday. Please take advantage of the extended weekend hours in order to avoid the weekday rush. Also, please be aware that FBMC's Customer Service Department will be closed on Saturday, Jan. 13, and Monday, Jan. 15, 2007, in observance of Martin Luther King, Jr. Day.

Today's Health Benefits Tip

As a reminder, the schedule below of health benefits effective dates applies to newly eligible employees in December and immediately in the New Year who apply for coverage within 31 days of becoming eligible.

- **If an employee's first day of eligibility is during December 2006** and the enrollment form is completed and returned on Jan. 3, 2007, the effective date of coverage will be Feb. 1, 2007.
- **If an employee's first day of eligibility is the first workday of the month (Jan. 3)**, and the enrollment form is completed and submitted that day, coverage is effective on Jan. 1, 2007. When paperwork is received after Jan. 3, coverage is effective the first of the month following receipt of the enrollment form. For example, if the paperwork is received between Jan. 4 and Feb. 1, coverage takes effect on Feb. 1.
- **If an employee's first day of eligibility is after January 3, 2007**, coverage is effective the first of the month following receipt of the enrollment form.

Be sure to tell your newly eligible employees that once an enrollment form is submitted it is binding and may not be changed after coverage takes effect.