



COMMONWEALTH OF VIRGINIA
DEPARTMENT OF HUMAN RESOURCE MANAGEMENT

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To: Extended Coverage/COBRA Qualified Beneficiaries in the Commonwealth of Virginia Health Benefits Program

From: Office of State and Local Health Benefits Programs

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Open Enrollment

From April 15 through May 16, you have the opportunity to make changes to your health plan and membership level to be effective July 1, 2011. This package includes information about options for the new plan year starting July 1 to help you decide if you would like to make any changes. Instructions explaining how to make allowable changes are provided starting on page four. Each qualified beneficiary has an independent right to make changes.

Read these materials carefully to ensure that you understand your coverage options for July 1, 2011. If you continue to be eligible for coverage and wish to maintain your current plan and membership level, you do not need to take any action.

Dependent Eligibility Change Effective July 1, 2011

Dependents May Be Covered up to Age 26

As a result of the Patient Protection and Affordable Care Act, better known as national health care reform, eligible children may now be covered until the end of the year in which they turn age 26. This includes biological children, stepchildren, adopted children, and children placed for adoption. The current eligibility criteria have also been expanded to include children who are married or unmarried, who may or may not reside full-time with the qualified beneficiary or other natural or adoptive parents, who may or may not be away at school, and who may or may not receive financial support from the qualified beneficiary. Qualified beneficiaries with sole, permanent custody may cover a child until the end of the year in which he/she turns 26 as long as custody was awarded prior to the child's 18th birthday and the child is unmarried, resides full-time with the qualified beneficiary, and receives more than half of his/her support from the qualified beneficiary. See your Member Handbook for complete information.

To add your dependent based on the new eligibility criteria, submit an *Extended Coverage/COBRA Change Request* form to the Office of Health Benefits Extended Coverage/COBRA Administrator by May 16, 2011, and check "*Open Enrollment*" as the reason for the membership change. As documentation for biological children, you will need to provide a copy of the dependent's birth certificate showing the qualified beneficiary or the spouse of the qualified beneficiary as a biological parent. If the dependent is a stepchild of the qualified beneficiary, you must also provide a copy of the marriage certificate documenting the spouse's

marriage to the qualified beneficiary. (Remember that all participants covered on the day before the qualifying event and who lose coverage due to the event are qualified beneficiaries. A spouse or existing child added later is not generally a qualified beneficiary.) For adopted children, include the legal adoptive agreement.

If your current Extended Coverage/COBRA period is due to your loss of eligibility as a dependent child, and these new eligibility criteria cause you to be eligible under your parent's existing state coverage, you may be added through his/her Open Enrollment opportunity. If your parent does not add you through his/her own Open Enrollment, you will continue to be billed for the remainder of your original eligibility period or until your coverage otherwise ends.

You may also exercise an Open Enrollment election on-line using EmployeeDirect. See page four for more information about making changes.

Benefit Changes Effective July 1, 2011

All plans offered by the State Health Benefits Program currently cover the full cost for an annual wellness visit and certain preventive care services. However, national health care reform has resulted in additional preventive care coverage starting July 1. This includes aortic aneurysm screening, genetic testing and counseling on breast and ovarian cancer, and screening and counseling on breastfeeding, tobacco use and diseases caused by tobacco use. Also, your chiropractic benefit will cover up to 30 visits per plan year, and there will be no annual dollar limit. A complete list of covered services will be available in your Member Handbook or Evidence of Coverage.

Appeals and Claims

Starting July 1, health care reform is expected to bring changes to the medical appeals process. Final regulations are pending. The program anticipates:

- External review by an independent review organization will be expanded to cover additional areas. These include adverse decisions related to determinations that a requested service is experimental or investigational; requirements for medical necessity, appropriateness, health care setting, level of care, or effectiveness of a covered benefit.
- Removing the restriction on appeals where the member's cost is less than \$300.
- Under some circumstances, a member will not be required to complete the plan administrator's appeal process before appealing directly to DHRM.
- Decisions on expedited appeals will be required within 72 hours.

For more information, review your new Member Handbook or Evidence of Coverage.

Early Retiree Reinsurance Program (ERRP)

The Commonwealth of Virginia Health Benefits Program is certified as a participant in the ERRP, which was established under health care reform. It reimburses employer health plans for some of the health care costs paid by or on behalf of non-Medicare eligible retirees and certain family members who participate in these plans.

The Commonwealth will use the ERRP reimbursement to reduce its health care cost trend each year. The trend, or the rate of growth in expenses, is used to set premiums for state health plans. An ERRP Notice is provided on page seven of this booklet.

Monthly Premium Rates Effective July 1, 2011

Listed below are monthly premium costs for July 1, 2011, based on specific **COBRA enrollment status**. You will note that there is no change in premium for the COVA Care, COVA Connect or COVA HDHP Plans. There is an increase in the premium for the Kaiser Permanente HMO based on increased costs experienced by that plan.

Monthly Premium Cost for July 2011—June 2012

18 or 36-Month COBRA Participants

<i>Plan</i>	<i>Single Premium</i>	<i>Two-Person Premium</i>	<i>Family Premium</i>
COVA Care/COVA Connect Basic	\$510	\$944	\$1,379
COVA Care/COVA Connect + Out-of-Network	\$522	\$960	\$1,401
COVA Care/COVA Connect + Expanded Dental	\$525	\$974	\$1,424
COVA Care/COVA Connect + Out-of-Network and Expanded Dental	\$538	\$989	\$1,445
COVA Care/COVA Connect + Expanded Dental and Vision/Hearing	\$537	\$993	\$1,450
COVA Care/COVA Connect + Out-of-Network, Vision, Hearing and Expanded Dental	\$548	\$1,009	\$1,471
COVA HDHP (High Deductible Health Plan)	\$409	\$758	\$1,108
Kaiser Permanente HMO*	\$550	\$1,013	\$1,477

29-Month (Disability Extension) COBRA Participants

<i>Plan</i>	<i>Single Premium</i>	<i>Two-Person Premium</i>	<i>Family Premium</i>
COVA Care/COVA Connect Basic	\$750	\$1,388	\$2,028
COVA Care/COVA Connect + Out-of-Network	\$768	\$1,412	\$2,061
COVA Care/COVA Connect + Expanded Dental	\$773	\$1,433	\$2,094
COVA Care/COVA Connect + Out-of-Network and Expanded Dental	\$791	\$1,455	\$2,126
COVA Care/COVA Connect + Expanded Dental and Vision/Hearing	\$789	\$1,461	\$2,133
COVA Care/COVA Connect + Out-of-Network, Vision, Hearing and Expanded Dental	\$806	\$1,484	\$2,163
COVA HDHP (High Deductible Health Plan)	\$602	\$1,115	\$1,629
Kaiser Permanente HMO*	\$809	\$1,490	\$2,172

Military Leave Without Pay COBRA Participants

<i>Plan</i>	<i>Single Premium</i>	<i>Two-Person Premium</i>	<i>Family Premium</i>
COVA Care/COVA Connect Basic	\$43	\$102	\$150
COVA Care/COVA Connect + Out-of-Network	\$55	\$118	\$172
COVA Care/COVA Connect + Expanded Dental	\$58	\$132	\$194
COVA Care/COVA Connect + Out-of-Network and Expanded Dental	\$70	\$147	\$215
COVA Care/COVA Connect + Expanded Dental and Vision/Hearing	\$69	\$151	\$220
COVA Care/COVA Connect + Out-of-Network, Vision, Hearing and Expanded Dental	\$80	\$166	\$240
COVA HDHP (High Deductible Health Plan)	\$0	\$0	\$0
Kaiser Permanente HMO*	\$59	\$128	\$185

ARRA Assistance Eligible Individuals (for duration of ARRA benefit period)

<i>Plan</i>	<i>Single Premium</i>	<i>Two-Person Premium</i>	<i>Family Premium</i>
COVA Care/COVA Connect Basic	\$179	\$330	\$483
COVA Care/COVA Connect + Out-of-Network	\$183	\$336	\$490
COVA Care/COVA Connect + Expanded Dental	\$184	\$341	\$498
COVA Care/COVA Connect + Out-of-Network and Expanded Dental	\$188	\$346	\$506
COVA Care/COVA Connect + Expanded Dental and Vision/Hearing	\$188	\$348	\$508
COVA Care/COVA Connect + Out-of-Network, Vision, Hearing and Expanded Dental	\$192	\$353	\$515
COVA HDHP (High Deductible Health Plan)	\$143	\$265	\$388
Kaiser Permanente HMO*	\$193	\$355	\$517

NOTE: New dependents added by Assistance Eligible Individuals during Open Enrollment will not be eligible for premium assistance.

*Kaiser Permanente HMO is only available to participants who live in the Kaiser service area. If you are a current Kaiser member and do not live in its service area, you must make another plan selection. You may confirm the Kaiser service area by contacting Kaiser directly—see *Resources* on page six of this correspondence for contact information.

Making Changes

Open Enrollment Changes - If you wish to make a plan or membership change during Open Enrollment, your completed *Extended Coverage/COBRA Change Request* form must be mailed to the following address and postmarked no later than May 16, 2011: **Office of Health Benefits COBRA Administrator, 101 North 14th Street, 13th Floor, Richmond, VA 23219.**

Forms are available at the Department of Human Resource Management web site at www.dhrm.virginia.gov or by calling 1-888-642-4414. You may also make allowable changes on line by using *EmployeeDirect*, which is available at the same web site, no later than May 16, 2011. If you make a plan change, be sure that you understand the provisions of the plan that you choose. Once an election is made, it will not be changed except as allowed by the policies of the Department of Human Resource Management. After the Open Enrollment Period ends, you may not revise your Open Enrollment election because you changed your mind or you completed the form incorrectly.

If you are submitting an *Extended Coverage/COBRA Change Request* form to make an Open Enrollment change to be effective July 1, 2011, be sure to check the *Open Enrollment* box as the reason for making the change. Certain changes are only allowed at Open Enrollment. However, some changes are allowed outside of Open Enrollment. If you check another reason for your requested change, it could become effective before July 1.

Making Changes After Open Enrollment - After the Open Enrollment period, membership changes will only be allowed based on the occurrence of a consistent qualifying mid-year event (such as marriage or birth of a child). The change must be made within 60 days of the event, and the effective date of the change will be the first of the month after the request is received. Any increase in membership level will require documentation to support the addition of new dependents. Of course, coverage for qualified beneficiaries will end if the premium payment is not made by the end of the grace period.

Children’s Health Insurance Program Reauthorization Act of 2009 (CHIPRA) Notice – CHIPRA created two new Special Enrollment rights for certain eligible employees and dependents who lose coverage or become eligible for premium assistance under a Medicaid or state children’s health insurance program. Coverage changes must be requested within 60 days of the eligibility determination. Please note that you

must be eligible for coverage in order to exercise these special enrollment opportunities. For additional information, refer to your Notice entitled “Medicaid and the Children’s Health Insurance Program (CHIP) Offer Free or Low-Cost Health Coverage To Children And Families”, which will be provided along with your new Member Handbook by the end of June.

Reconciliation/Update of COVA Care and COVA Connect Elections by Service Area

Eligibility for a COVA Care or COVA Connect Plan is based on whether the qualified beneficiary lives in or out of the COVA Connect zip code area. After the start of the plan year, moves in or out of this area may result in enrollment in a plan that does not coincide with your zip code of record. For example, a qualified beneficiary living in the COVA Connect zip code area who moves outside of that area during the plan year would be allowed to keep the COVA Connect coverage or make a plan change based on his/her new address. However, each year, this is reconciled for the start of the plan year on July 1. If you are in the COVA Care or COVA Connect Plan but do not live in the coinciding zip code area for that plan, you will be moved to the appropriate plan based on your zip code of record on April 1, and the plan change will be effective July 1. If you move to a zip code that does not coincide with your plan for July 1 after April 1 (the date designated to generate your plan for July 1), you may either remain in the assigned plan or elect another plan within 60 days of the move. However, if you do change plans, you must live in the zip code area of the new plan. If you need additional information, please contact your Benefits Administrator.

You’re Invited—Informational Meeting Schedule

The Department of Human Resource Management’s Office of Health Benefits will be conducting informational meetings for participants to discuss national health care reform and answer questions regarding the state program as follows:

Date	Location	Address	Time
April 11	Hampton	Thomas Nelson Community College Moore Hall, Espada Room 99 Thomas Nelson Drive	11:00 am
April 12	Va. Beach	Tidewater Community College, Va. Beach Campus Advanced Technology Center, Technology Theater 1700 College Crescent	2:30 pm
April 19	Richmond	Department of Motor Vehicles, Cafeteria 2300 West Broad Street	4:00 pm
April 19	Fredericksburg	University of Mary Washington, Stafford Campus North Building, 125 University Boulevard	1:00 pm
April 21	Abingdon	Virginia Highlands Community College Keyser-Aday Theatre, Room 605 Learning Resource Center 110 Opportunity Lane	11:00 am
April 22	Roanoke	Virginia Western Community College Whitman Auditorium, Business Science Bldg. 3095 Colonial Avenue, SW	10:00 am
April 22	Annandale	Northern Virginia Community College The Theatre, Ernst Community Cultural Center 4001 Wakefield Chapel Road	1:00 pm
April 25	Harrisonburg	James Madison University, Highlands Room Festival Conference and Student Center 1301 Carrier Drive	1:00 pm

Other News and Information

ID Cards – New ID cards will be issued **only** to participants who change plans (not including just changing optional benefits).

Member Handbooks – Enrollees in the COVA Care and COVA Connect Plans will receive a new Member Handbook by the end of June to be effective July 1. COVA HDHP participants may continue to use their existing Member Handbook. Kaiser Permanente HMO Enrollees will receive a new Evidence of Coverage.

If You Become Entitled to Medicare or Start Coverage Under Another Group Health Plan... - The Extended Coverage/COBRA provisions of the Public Health Service Act provide that continuation coverage will be terminated before the end of the maximum coverage period if a qualified beneficiary becomes covered under another group health plan that does not impose a pre-existing condition limitation or if a qualified beneficiary becomes entitled to Medicare benefits (under Part A, Part B or both) after electing continuation coverage. It is the obligation of the qualified beneficiary to notify the Office of Health Benefits (OHB) COBRA Administrator in writing within 30 days of the start of such coverage. Upon reporting these events, coverage will be terminated. Failure to report other coverage within the 30-day time limit will not preclude termination back to the date that coverage would have been terminated had it been reported on time.

Prompt Payment of Premiums – Extended Coverage premium payments are due on the first day of the coverage month; however, by law, participants are given a grace period of 30 days to make each periodic payment. If the premium payment is not received by the first day of the coverage month, coverage will be suspended and then retroactively reinstated when the premium is paid. This means that any claim you submit for benefits while your coverage is suspended may be denied, but it may be resubmitted once your coverage is reactivated upon receipt of payment. If you fail to make your premium payment by the end of the grace period, you will lose all rights to continuation coverage effective the first of the month for which payment was not received. Payments are considered made when mailed.

NOTE - All information included in this booklet was accurate at the time of printing. However, all published information is subject to change pending final approval of the state budget after the General Assembly veto session. Enrollees will be notified immediately if this information changes.

Attachments:

Notice – Women’s Health and Cancer Rights (page 7)
Notice About The Early Retiree Reinsurance Program (page 7)
Resources (page 8)

Notice
Women's Health and Cancer Rights

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient for:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Prostheses; and
- Treatment of physical complications of the mastectomy, including lymphedemas.

These benefits will be provided subject to the same deductibles and coinsurance applicable to other medical and surgical benefits provided under this plan.

NOTICE ABOUT THE EARLY RETIREE REINSURANCE PROGRAM

You are a plan participant in an employment-based health plan that is certified for participation in the Early Retiree Reinsurance Program. The Early Retiree Reinsurance Program is a Federal program that was established under the Affordable Care Act. Under the Early Retiree Reinsurance Program, the Federal government reimburses a plan sponsor of an employment-based health plan for some of the costs of health care benefits paid on behalf of, or by, early retirees and certain family members of early retirees participating in the employment-based plan. By law, the program expires on January 1, 2014

Under the Early Retiree Reinsurance Program, your plan sponsor may choose to use any reimbursements it receives from this program to reduce or offset increases in plan participants' premium contributions, co-payments, deductibles, coinsurance, or other out-of-pocket costs. If the plan sponsor chooses to use the Early Retiree Reinsurance Program reimbursements in this way, you, as a plan participant, may experience changes that may be advantageous to you, in your health plan coverage terms and conditions, for so long as the reimbursements under this program are available and this plan sponsor chooses to use the reimbursements for this purpose. A plan sponsor may also use the Early Retiree Reinsurance Program reimbursements to reduce or offset increases in its own costs for maintaining your health benefits coverage, which may increase the likelihood that it will continue to offer health benefits coverage to its retirees and employees and their families.

RESOURCES

If you have questions regarding claims, benefits or participating providers, contact:

<i>Benefit</i>	<i>Contact This Administrator</i>
<ul style="list-style-type: none"> • COVA Care Medical • COVA Care Optional Vision and Hearing • COVA HDHP Medical, Prescription Drug and Dental 	Anthem Blue Cross and Blue Shield Member Svcs. 800-552-2682 TDD: 804-354-4327 (Richmond) or 800-554-7752
<ul style="list-style-type: none"> • COVA Connect Medical, Vision, Hearing, Behavioral Health or Employee Assistance Program and Prescription Drugs 	Optima Health 866-846-COVA (2682) or 757-687-6350
<ul style="list-style-type: none"> • COVA Care Behavioral Health or Employee Assistance Program 	Value Options, Inc. 866-725-0602
<ul style="list-style-type: none"> • COVA HDHP Behavioral Health 	Anthem Blue Cross and BlueShield 800-991-6045
<ul style="list-style-type: none"> • COVA HDHP Employee Assistance Program 	Anthem Blue Cross and BlueShield 800-346-5484
<ul style="list-style-type: none"> • COVA Care or COVA Connect Dental 	Delta Dental 888-335-8296
<ul style="list-style-type: none"> • COVA Care Prescription Drugs 	Medco Health Solutions, Inc. 800-355-8279
<ul style="list-style-type: none"> • Kaiser Permanente HMO (all benefits) 	Medical: 800-777-7902 or 301-468-6000 (in Washington, DC) Behavioral Health and EAP: 866-517-7042 Dental: 888-518-5338

If you have questions about eligibility and enrollment, contact:

Office of Health Benefits COBRA Administrator
101 North 14th Street, 13th Floor
Richmond, VA 23219
888-642-4414