

NEWS 2 USE

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Message from Deputy Director Kevin Nolan

Happy New Year Healthcare Group Employers!

On January 14, 2008, Governor Janet Napolitano delivered the State of the State Address. In her announcement to the great State of Arizona, the Governor underscored the following message: "the state of Arizona is strong. And together we are writing the story of its future." Governor Napolitano's address highlights the five connected chapters of Arizona's story: Education, Economic Prosperity and Research, Public Safety, Transportation and Growth, and Health Care, specifically expanding access to affordable health care. To read the address in its entirety, visit www.azgovernor.gov.

Healthcare Group (HCG) plays an important role in Arizona's last chapter. In an effort to maximize technology, improve efficiency and cut costs by reducing paperwork, which is a goal of the Governor's and part of her message; during the past few months we have changed some of our practices. With both our members and premiums in mind, we have modified the renewal process so that we now send fewer materials, hence keeping both printing and mailing costs down. We are taking this even further and will, in the very near future, launch our renewal process online. We understand that many of you have been waiting for this technology and we will be just as excited as you to announce its implementation. Look for more information regarding this new online development in future communications.



"We have already seen the positive effects of taking many of our processes online..."

During the next few months, we will continue to streamline administrative processes in an effort to continue to improve efficiency and manage the annual increase that will be incurred this fall. We will review our ID card procedures and, later this year, will provide the capability to request a temporary card online. In addition, we will continue to provide you with the forms you need online, as well as paperless, electronic news and updates. We have already seen the positive effects of taking many of our processes online, which correlate to fewer calls and decreased wait times in our Customer Care Call Center. As we continue to emphasize the importance of more and better communications in 2008, we will keep you posted on the strides we make.

HCG hopes you have a successful and prosperous year. As always, we appreciate your continued support and look forward to serving your healthcare needs in 2008.

Kevin Nolan, HCG Deputy Director

Important Reminder Regarding Your Group's Payment Account

HCG has notified you in a recent billing statement and via e-news that we will be auditing each payment to ensure it is received from a company-authorized account. Following are some reminders about this important process:

- * Premium payment must be received from the company-authorized account only, not through an individual employee's account.
- * Effective January 1, 2008, HCG has begun auditing and enforcing the payment policy that permits premium payment from company accounts only.
- * It's important that you follow the payment guidelines; payment from sources other than your company-authorized

account will be returned, which means your business runs the risk of being terminated for non-payment.

- * This policy includes any payments for employee or dependent add-ons. Payments from employees must be made to the employer and not directly to HCG.
- * With many ways to pay (through auto debit, online by credit card or through your bank account, or by check via mail or drop off), HCG has made it easier than ever to make your premium payments, and in fact will accept payments from multiple tender types (for example: you can use your company account to pay a portion of your premium by check; and pay the remainder by credit card).
- * Please contact HCG Customer Care at hcg@hcgaz.com, 602.417.6755 or 800.247.2289 (outside Maricopa County) with any questions.

Know a Small Business that Needs Help with Health Care?

Healthcare Group of Arizona (HCG), together with other State agencies and community health programs, will be conducting statewide workshops to inform Arizona's small businesses about the various healthcare coverage options, discount programs and health-related resources available in the State.

As a valued Healthcare Group employer, we know that you generally network with other small businesses and you often refer them to HCG. With HCG's enrollment freeze in place, it's important to know that there are options for small businesses to manage their costs for health care.

If you know of a small business that needs coverage, but can't enroll with HCG now, please give them the dates and locations following. These workshops will focus on discount prescription programs, an informative and interactive Web site to assist in identifying medical issues and treatments, community clinics, and more.



Join Healthcare Group of Arizona (HCG), other State agencies and community health programs as we inform you about the various healthcare coverage options, discount programs and health-related resources available to Arizona's small businesses.

Southwest Valley Chamber of Commerce : Wed., Feb. 6, 9-11am
289 N. Litchfield Rd., Goodyear

Gilbert Chamber of Commerce : Tues., Feb. 12, 10am-12pm
119 N. Gilbert Rd., Suite 101, Gilbert : Wells Fargo Room

If you can't attend a workshop and would like more information, please contact us at hcg@hcgaz.com.

To RSVP, or for more information, small businesses should contact us at hcg@hcgaz.com or 602.417.6717.

Thank you for continuing to talk to other small businesses about Healthcare Group and the importance of our program.

Eligibility: An Ongoing Process

Employer groups that enroll in Healthcare Group are familiar with the flurry of paperwork required to determine eligibility of the business and of each member enrolled. Some employers are not aware that this process is ongoing throughout the entire period for which the business and members are enrolled.

Because Healthcare Group is a division of a State Agency and is overseen by and reports to the Legislature, the Healthcare Group Administration must be diligent in determining that only eligible Employer Groups are allowed to enroll in Healthcare Group (HCG) coverage.

The Group Service Agreement (GSA) provides that in order to initially be eligible, the employer group must actively conduct business in the State of Arizona before applying for coverage. In order to maintain eligibility and to re-enroll in HCG, the employer must continue to actively conduct the business for which the employer originally enrolled.

The GSA also provides for an ongoing audit of the eligibility of the business, with or without cause, by the Healthcare Group Administration. The employer may, from time to time, be asked for documentation that will provide proof that business is being actively conducted in the State of Arizona.

In the event that the employer does not respond to the request for documentation from the Healthcare Group Administration, the employer group may be terminated for violating the provision of the GSA that requires the employer to provide this information when requested. If the employer is unable to provide the requested documentation because the business is not active, the coverage for the employer group may be terminated due to lack of eligibility.

The same requirements exist for the eligibility of each subscriber (or employee) and the subscriber's dependents. In order to be eligible, each employee of the employer group must be employed and work at least twenty hours per week for the employer. The employer must be able to produce documentation that verifies that the employee is working a minimum of twenty hours each week or the employee (and any of this employee's dependents) is not eligible for HCG coverage and may be terminated.

Eligibility is a fundamental requirement for HCG coverage. The Healthcare Group Administration works hard to comply with this requirement in order to maintain a viable program, allowing HCG to continue to be available to all of the Arizona small businesses that vitally need the coverage.



What is Medical Identity Theft and What to Do if You're a Victim

Medical identity theft occurs when someone uses an individual's name or other parts of the individual's identity – such as insurance information or social security number – without the victim's knowledge or consent to obtain medical services or goods. Medical identity theft can also occur when someone uses the person's identity to obtain money by falsifying claims for medical services and falsifying medical records to support those claims. The essence of the crime is the use of a medical identity by a criminal and the lack of knowledge by the victim.

– *Defined by the World Privacy Forum*

TIPS FOR VICTIMS OF MEDICAL IDENTITY THEFT

To prevent changes to your medical records that are extremely difficult to undo, it is in your best interest to find out about medical identity theft. These modifications to your records can range from small issues that do not pose a risk to substantial, incorrect information that can pose a medical risk to you.

To resolve medical identity theft, it is important to clean up your credit report, if necessary. But it is just as important to clean up your medical files, which may have been altered to reflect medical conditions that you do not have. How do you find out about identity theft? Some people find out about medical identity theft when a debt collector contacts them. Others only find out after an insurance investigator alerts them to the problem, or after they notice mistakes in their medical file, and sometimes after they receive a strange bill for medical services they did not have.

Following are some tips for victims of medical identity theft, and for those individuals who would like to take preventive measures:

Closely monitor any "Explanation of Benefits" sent by a health insurer. If anything appears incorrect, raise questions with the insurer or the provider involved. The kinds of problems you may see can include: being charged for services that you did not receive, being charged for office visits you did not make, being charged for medical equipment you did not receive.

Request a listing of benefits from your health insurers. Once a year, request a listing of benefits paid in your name by your health insurer. If there are payments you do not recognize, follow up with the insurer or provider to learn more. You have a right to a copy of your records from every health insurer (and nearly every healthcare provider) under the health privacy rule of the Health Insurance Portability and Accountability Act (HIPAA).

Request an accounting of disclosures. An accounting of disclosures is a record of the disclosures of personal health information made by healthcare providers or insurers. This record shows what information was disclosed, when it was disclosed, why it was disclosed, and the recipient of the information. If incorrect

information about you was created, it is likely that it was provided to others. The accounting can be important in tracking the information. The record keeper's notice of privacy practices should explain the procedure for making a request.

Request a copy of current medical files from each healthcare provider. Ask your healthcare providers to allow you to inspect, or obtain a copy of, the medical file they maintain about you. If you think you have been a victim of medical identity theft, obtaining a copy of your records from your doctor, hospital, pharmacy, or laboratory can be integral in discovering the theft.

Correct incorrect and false information in your file. If you discover your medical or insurance records contain erroneous information, work to amend those records. If you find information that is not about you, or that does not concern any diseases or treatments you have, demand that the false information be removed from the record.

Keep an eye on your credit report. A number of victims of medical identity theft discovered they were victims by checking their credit report. One frequently seen result for victims of medical identity theft was to find a collection notice for a hospital, medical lab, or for a variety of medical services on the report.

You can file a medical identity theft complaint at the FTC: www.consumer.gov/idtheft. By phone, call the FTC Identity Theft Toll-Free Hotline at 877.IDTHEFT (438.4338). If you suspect you have been the victim of Medicare/Medicaid fraud, call 800.HHS.TIPS (447.8477). In addition, you can find more information about your health privacy rights at the Web site of the Health Privacy Project at <http://www.healthprivacy.org/>.

This article is an excerpt from <http://www.worldprivacyforum.org>. Visit their site for additional information regarding the subject of medical identity theft.

How to Avoid Getting the Flu

Whether you aren't able to get a flu vaccine, or you choose not to, it's especially important to do what you can to prevent getting the flu.

According to the Centers for Disease Control and Prevention, pneumonia and flu together are the sixth leading causes of death in the U.S. More than 100,000 hospitalizations and 20,000 deaths occur each year from flu-related complications.

"Just because you feel better doesn't necessarily mean you are better... pushing yourself to do too much too soon can open you up to a significant risk of reinfection."

Here are some tips on how to stay healthy:

- 1 : Make sure you're getting the right disease treated. Many illnesses can disguise themselves as flu when they're really something else, such as respiratory syncytial virus, mycoplasma pneumonia or adenovirus.

Experts say 90 million Americans each year think they have the flu when they don't. Your doctor can give you a quick and painless test that can help tell your doctor if your flu-like symptoms – sudden headache, dry cough, runny nose, sore throat, aching muscles, fatigue and possible fever – is influenza.
- 2 : Rest, fluids and good nutrition are important in the fight against the flu and other diseases that strike in cold weather.
- 3 : Good hand-washing technique includes using soap – especially an anti-bacterial soap, which kills germs rather than simply washing them away – and hot water, as hot as you or your children can stand.



- 4 : Taking vitamin C, unless your doctor advises you to avoid it, can reduce the risk of flu and speed recovery time. Herbs such as echinacea have also been known to be effective. If your doctor prescribes antibiotics for you, be sure your allergy information is updated at the pharmacy.
- 5 : If you do come down with something, give yourself an extra day or two to recover fully. Just because you feel better doesn't necessarily mean you are better; symptoms that are diminished or gone when you're still in bed can show up again as soon as you're up and around, and pushing yourself to do too much too soon can open you up to a significant risk of reinfection.
- 6 : Make sure that you do your best to get flu shots for those who are particularly at risk – such as children under 2, elderly people, and those with severe chronic lung disease. (Note: for children under 2, be sure to ask for thimerosal-free vaccines.)
- 7 : Try to avoid stress, which can weaken your immune system and make you more vulnerable to all sorts of infections, including flu.

Sources: Center for Disease Control (CDC) and the National Institute of Allergy and Infectious Disease

What You Need When Adding New Employees to Your Plan...

Healthcare Group encourages its employer groups to continue to expand their business and grow their headcount. When new employees are added to your HCG plan, use the following checklist to ensure they are enrolled accurately and timely.

New employees are eligible to enroll when they have completed the group's required waiting period or during the group's annual open enrollment renewal period.

Include one of the following documents for each new employee:

- * Current unemployment Tax and Wage Report within Employee List, or
- * Current Workers Compensation Report with Employee List, or
- * Payroll Statement Employee List (for those new employees who have not been on the payroll for the preceding quarter), or
- * W4 form or employee pay stub

Each new employee must complete and return the following forms (which may be downloaded at www.hcgaz.com):

- * Employee Enrollment/Change Forms
- * Member Health History Forms (for each employee and dependent)
- * Employee Checklists

New employees should submit a Certificate of Creditable Coverage from their previous insurance carrier as soon as possible.

Without the Certificate of Creditable Coverage, any claim for a chronic condition within the first year of coverage will be denied as a possible pre-existing condition and medical records will be requested from the provider. If it is difficult for the employee to provide this documentation, there are other means of proving coverage was in effect and the employee should contact HCG to find out what is needed as alternate proof.

Please send all necessary enrollment forms, documents and two-months' premium to: Healthcare Group of Arizona, 10851 N. Black Canyon Hwy, Suite 660, Phoenix, AZ 85029 before the end of the month to ensure that coverage will be in effect for the new employee on the first of the following month.

My Arizona Health and Wellness Web Site for You!

Out of the continuing trends toward a stronger consumer role in the healthcare system emerges a cutting edge wellness Web site (www.myazhealthandwellness.com) that is not only informative, but also interactive.

The focus of the Web site begins with the call for consumers to choose healthier behaviors and adopt other wellness practices such as eating right and exercising more. Consumers are requesting to be more informed participants in decision-making regarding their own healthcare treatments. Experts say this type of “informed choice” is an element of a better-functioning healthcare marketplace.

In this new consumer-directed healthcare environment, knowledge is power. Consumers are demanding access to more understandable and reliable health information. The AHCCCS system, of which Healthcare Group is a part, has taken this unique opportunity to meet the growing demand and deliver health, wellness and self-care tools and information to HCG members and their families across the state without any cost to them. Through a special grant-funded project, AHCCCS has partnered with Healthwise, Inc., to develop this unique wellness Web site with evidence-based, medically-reviewed health information.

My Arizona Health and Wellness Web portal provides families access to free state-specific, bilingual health education and wellness information and resources. The Web site holds information about 6,000 common health conditions, medical tests and procedures, medications, and everyday health and



wellness issues. The site also features interactive health tools and access to decision-support tools. Healthcare Group members can access the site directly from HCG's main Web page.

To learn more about My Arizona Health and Wellness, please contact Veronica Venturini-Hunter, MPH (veronica.venturini@azahcccs.gov).

About Healthwise: Healthwise is a nonprofit organization that helps people make better health decisions. Every year people make nearly 100 million healthcare decisions with the Prescription-Strength Information™ handbooks, online content, and nurse call center resources from Healthwise. The Healthwise® Knowledgebase has earned URAC Health Web Site Accreditation. Customers include health plans, employers, disease managers, e-health companies, and integrated delivery systems. Healthwise information is the foundation of self-care programs in the United States, South Africa, Canada, and the United Kingdom. More information is available about Healthwise at www.healthwise.org or 800.706.9646.

Ten Ways to Cut Calories

After the first of a new year, staying healthy and eating right is usually a top priority. These tips may help you cut or control your calories, to ensure a healthier diet:

- 1. Get the Facts:** Foods that seem healthy can be surprising sources of calories and fat; check out the details on the Nutrition Facts panel.
- 2. Limit alcohol:** Even though it's fat-free, alcohol contains approximately 70 calories per ounce.
- 3. Switch to smaller plates:** Serve yourself on a small plate rather than on a dinner plate to reduce your portion sizes.
- 4. Kid size:** When dining out, order child-size portions.
- 5. Serve in the kitchen; eat in the dining room:** When you bring plates to the table already filled, you won't be tempted to pick from serving bowls and plates of food in front of you.

- 6. Eat slowly:** Put your fork down and take a sip of water between bites. It takes 20 minutes for your brain to register that your stomach is full.
- 7. Use plates or bowls:** Portion out what you plan to eat onto a plate or bowl, then put the package away.
- 8. Fill up on plant food:** Fruits, vegetables and whole grains take up stomach space and also take more time to chew and eat.
- 9. Switch to lower-fat dairy products:** Reduced-fat, low-fat or fat-free dairy products have significantly fewer calories.
- 10. Dull (meaning, “not shiny”) is better:** At the salad bar, shiny usually means a thick coating of oil has been added to the vegetables.

Source: American Dietetic Association



HCG Pharmacy Update: PPO Members

On September 1, 2007, Healthcare Group of Arizona changed its Pharmacy Benefit Manager (PBM) to Walgreens Health Initiatives (WHI) for our PPOS members. A Pharmacy Benefits Manager (PBM) is a company that manages prescription drug benefits and other related services such as drug utilization, claims payment, establishment, and maintenance of a pharmacy network and a mail-order service.

Members will see very few changes as a result of the transition to WHI. Through WHI, we will continue to provide members with the same comprehensive benefits that they receive today, as well as an extensive retail pharmacy network and online and phone customer support. In most cases, the pharmacies that members use today will participate in the WHI pharmacy network which will have over 54,000 retail pharmacies nationwide including all major chains. Members will also have the option of receiving a 90-day supply of most medications from their mail order pharmacy or retail pharmacy. This is called the "Advantage 90" program. Some medications PPOS members are currently receiving may now have a different co-pay, so be sure to check the current PML (Preferred Medication List) for the status of the medications. The current PML, Advantage 90 Program and other important information is available on www.mywhi.com.

For further information, PPOS members may call the Walgreens Customer Care Center at 800.207.2568. This service is available 24 hours a day, seven days a week.

When Should You Call Your Health Plan?

Healthcare Group Customer Care is a helpful resource for your business and answers questions related to enrollment, billing, ID cards, and plan changes without issue.

If you are on a PPOS plan through the AFMC network, Healthcare Group should be contacted directly for all questions.

If you or your employees, however, are on an HMO plan and have questions in the following areas, please contact your health plan (Care1st, Mercy or UPH) directly: Medications & Formulary, Claims, Provider PCP Change, Provider Availability, Provider Referral Status, Non-Covered Services, Non-Formulary Drug, Out-of-Network Referral, Pre-Existing Condition, Appeal, Prior Authorization, Grievance

For our HMO members, the health plans can easily access the information needed to address questions related to the items above. They take an active role in these issues and will be happy to help. You can contact the applicable health plan by calling:

Care1st Health Plan Arizona
602.778.8300 / 866.560.4042

Mercy Healthcare Group
602.798.2800 / 800.780.2300

University Physicians Healthcare Group
520.874.5290 / 800.582.8686

HCG Customer Care is available Monday thru Friday from 8:00 a.m. to 5:00 p.m. (except holidays)
602.417.6755 / 800.247.2289 (outside Maricopa County)
E-mail: hcg@hcgaz.com

Exciting News: Renewals are Going Online!

HCG is going paperless...with its renewals, that is. Beginning this summer, renewing groups will be able to complete their renewal information online. HCG will mail and/or e-mail the pertinent information to your group upon renewal. HCG will contact you with more information once the process has been finalized. Most groups renewing with a September 1 effective date or later, should be on the lookout for their online renewal instructions later this spring.

In addition to renewing online, you will be able to update your billing and street address, change your group contact, and quickly link to other online forms like the GSA. We have been working diligently to move this process online and know that you will be pleased with the future outcome.

HCG on the Net

Did you know that you can ask a Customer Care representative a question directly from the HCG Web site? Simply go to the main page (www.hcgaz.com) and click on the "ask a customer service rep" link. You provide us with your name, group number and e-mail address, and then you can type your question, comment, or request any time...day or night. You will receive a response from a Customer Care rep within two business days, and usually within 24 hours.

The Web site is continuing to become more interactive. You will eventually be able to renew and make demographic changes online!

Continue to read the quarterly editions of *News2Use* for more updates regarding what's new on the Healthcare Group Web site. Thanks for visiting.



Do We Have Your E-mail Address?

Now more than ever it's vital to share your e-mail address with us. As we develop more and more processes online, we find that this is the best way to communicate with many of our members. If you have not yet given us yours, join the 5,000 other member groups that have, and send your e-mail address to hcg@hcgaz.com.

Share the Spotlight, Tell a Story, Ask a Question!

If you'd like to be considered as a featured business in a future edition, would like to propose a timely informational story to share with other employer groups, or if you have any questions or comments regarding this edition of *News2Use*, please contact Jenelle Dubois: jdubois@hcgaz.com.

Questions or Comments?

Contact Jenelle Dubois, Marketing and Communications Manager, at 602.417.6740, jdubois@hcgaz.com, or visit us on the Web at www.hcgaz.com.



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