

# The Administrators, Inc.

# Bene its

Insurance products to fit your needs & budget

Spring 2011

## Plan Sponsors Subject to the Patient Protection and Affordable Care Act (PPACA)

PPACA Restricts Retroactive Terminations of Member Coverage

*What you need to know:*

The health care reform law puts new restrictions in place for terminations. This means plan sponsors and insurers can only terminate a member's coverage retroactively in specific circumstances. This affects all plans that are subject to the health care reform law, regardless of funding or grandfathering status. It is in effect as of your plan's first renewal or effective date after September 23, 2010.

Here's what you need to know about the new rules concerning administrative retroactive terminations.

*You can't terminate coverage effective with a date in the past if:*

- The member was covered through plan error, and
- The member paid premium or contributed to the cost of the plan.

In these cases, you can only terminate the member's coverage with a future effective date of termination.

*You may terminate coverage retroactively as part of your monthly reconciliation of eligibility data if:*

- The member did not pay any premium or contribution for coverage past the termination date.

You also may terminate coverage retroactively in cases of fraud or intentional misrepresentation. In these cases, a 30-day written notice of coverage termination is required, and the rescission of coverage may be appealed.

(The Carrier will handle this notice for insured plans upon notification. Self-funded plans must administer this notice.)

Welcome to ***BeneFits***

***BeneFits*** is TAI's report for you. Each issue will provide information on accessing your benefits, cost-saving tips, new products, and ideas on how to keep your business healthy.

## Blue Cross Introduces BlueExtra

BlueExtra<sup>SM</sup> is supplemental health coverage that includes dental, vision and hearing aid benefits that are often not included in some Medicare Advantage and Medicare Supplement plans.

This coverage is geared for plans that do not offer hearing, dental, or vision coverage, such as Original Medicare, and some Medicare Advantage or Medicare Supplement plans. BlueExtra may be purchased by anyone who would like to have hearing, dental, or vision coverage in addition to their medical coverage, whether they are covered by an IBC health plan or not.

BlueExtra is available to individuals in the five-county Philadelphia region for enrollment beginning May 1, 2011. While BlueExtra is available to anyone who wishes to enhance his or her current health care coverage, it is best suited for adults, as it does not include pediatric dentistry or orthodontia benefits.

To read the carrier's Press Release, visit TAI's website - [www.TheAdministratorsInc.com/Insurance.htm](http://www.TheAdministratorsInc.com/Insurance.htm).

## Get Paid For Being Safe

If you are a Blue Cross subscriber, did you know that by purchasing a bike helmet, you can get reimbursed \$25?

It's true! All you have to do is fill out the Healthy Lifestyles Reimbursement and Information Order Form and mail it within 90 days of completing the course or purchasing a helmet, along with the receipt, to:

Independence Blue Cross  
Healthy Lifestyles Safety Program  
1901 Market Street  
P. O. Box 41880  
Philadelphia, PA 19101-9131.

To obtain a copy of this form, simply contact TAI's Customer Service Department at (800) 634-4428 or visit [www.TheAdministratorsInc.com/forms.htm](http://www.TheAdministratorsInc.com/forms.htm).

## Plan Sponsors Subject PPACA Continued

Here are some examples:

- You find you mistakenly enrolled a part-time employee who was not eligible under your plan. The employee paid premium/contribution, received medical services and submitted claims. Under the new law, you can terminate this employee's coverage, but only with a prospective (future) termination date.
- A member's employment was terminated, and the employee did not make any payment of premium/contribution toward his benefits after he left the job, but you did not notify TAI or the Carrier about termination of coverage until a few weeks later. In this case, you may terminate benefit coverage as of the employment termination date.
- Your plan does not cover divorced ex-spouses, but an employee failed to notify you about a divorce for a period of time. As long as the employee or ex-spouse did not pay premium/contribution toward the benefit, you may terminate the ex-spouse's coverage retrospectively.

### *How TAI will handle retroactive terminations under the new rules*

If you submit a retroactive termination to TAI, you must ensure that employees/dependents did not pay premiums/contributions during the retroactive termination time period.

When retroactive terminations are submitted, we will regard the submission as verification that no premium/contribution was paid by the member/dependent for that period.

TAI's policies related to time limits for retroactive terminations continue to apply.

### *Background / Additional Information*

The Departments of Health and Human Services, Labor, and Treasury released interim final regulations and guidance for handling retroactive terminations. This regulatory guidance was summarized in the notice above.

For background information on The Patient Protection and Affordable Care Act of 2010 or to obtain additional information, please reference [www.healthcare.gov](http://www.healthcare.gov) and [www.dol.gov/ebsa/faqs/faq-aca2.html](http://www.dol.gov/ebsa/faqs/faq-aca2.html) or contact The Administrators Inc.'s Customer Service Department at (800) 634-4428.

## Your Household's Safety



### Tips When You're On Wheels

With the warmer weather right around the corner, bike riding and rollerblading is a great way to enjoy the outdoors and exercise. Before you hit the road, remember these safety precautions:

- Wear a helmet that is certified by Snell Memorial Foundation or approved by the American National Standards Institute. Look for a sticker that shows that it's certified.
- By wearing a pair of sunglasses, you can stop dust and bugs from getting into your eyes.
- Always wear bright clothing to make it easier for drivers to see you.
- Be sure to know basic traffic rules.
- Younger riders should always be kept away from traffic.

**Fax  
It**



867 Sussex Boulevard, P.O. Box 800  
Broomall, PA 19008  
(800) 634-4428 Phone  
TheAdministratorsInc.com  
BenefitHelp@TheAdministratorsInc.com

Interested in receiving information on our benefit products?\*

- |   |   |
|---|---|
| <input type="checkbox"/> Aetna                    | <input type="checkbox"/> Health America               |
| <input type="checkbox"/> AFLAC                    | <input type="checkbox"/> Health Savings Account       |
| <input type="checkbox"/> Assurant                 | <input type="checkbox"/> HR Library                   |
| <input type="checkbox"/> Blue Cross               | <input type="checkbox"/> Life Insurance               |
| <input type="checkbox"/> Cash Supplements         | <input type="checkbox"/> Long & Short Term Disability |
| <input type="checkbox"/> COBRA                    | <input type="checkbox"/> UnitedHealthcare             |
| <input type="checkbox"/> Dental                   | <input type="checkbox"/> Unum                         |
| <input type="checkbox"/> Dental Discounts         | <input type="checkbox"/> Workers' Comp                |
| <input type="checkbox"/> Disability               |   |
| <input type="checkbox"/> Employee Assistance Plan |   |

Fax your info to 610-604-4922:

Name \_\_\_\_\_

Business Name \_\_\_\_\_

Business Address \_\_\_\_\_

\_\_\_\_\_

E-mail \_\_\_\_\_

\*Not all products are association products.

# Press Release

## Independence Blue Cross introduces BlueExtra - new supplemental dental, vision, and hearing benefits

*Two options available to enhance health care coverage*

**Philadelphia, PA - April 5, 2011** - [Independence Blue Cross](#) (IBC) today introduced BlueExtra<sup>SM</sup>, new supplemental health coverage that includes dental, vision, and hearing aid benefits that are often not included in some Medicare Advantage and Medicare Supplement plans. BlueExtra is available to individuals in the five-county Philadelphia region for enrollment beginning May 1, 2011.

BlueExtra is geared for plans that do not offer hearing, dental, or vision coverage, such as Original Medicare, and some Medicare Advantage or Medicare Supplement plans. BlueExtra may be purchased by anyone who would like to have hearing, dental, or vision coverage in addition to their medical coverage, whether they are covered by an IBC health plan or not. While BlueExtra is available to anyone who wishes to enhance his or her current health care coverage, it is best suited for adults, as it does not include pediatric dentistry or orthodontia benefits.

"To control costs, many Medicare Advantage plans have had to cut back on benefits such as hearing, dental and vision, and those extra out-of-pocket costs can be a burden on people," said Stephen P. Fera, vice president, Government Business for IBC. "BlueExtra provides many of these benefits at an affordable monthly cost, as well as additional benefits that will help keep members healthy."

IBC is offering two BlueExtra plans: Basic and Plus.

The Basic plan is \$19 a month and includes the following benefits:

- vision coverage for annual eye exams and eyeglasses (or contact lenses);
- low copays for dental cleaning exams twice annually;
- coverage for certain dental maintenance and surgical procedures;
- hearing aid reimbursement.

The Plus plan is \$29 a month and offers all the benefits listed above, plus enhanced vision, dental, and hearing aid benefits. Individuals who enroll in the Plus plan will also have access to added wellness benefits through IBC's [Healthy Lifestyles](#)<sup>SM</sup> program, such as a \$150 reimbursement for fitness center membership fees, reimbursements for weight management and tobacco cessation plans, and more.

For more information about the specific benefits offered by BlueExtra or to enroll, visit [www.ibxmedicare.com](http://www.ibxmedicare.com) or call us at 1-877-393-6733 (speech- or hearing-impaired at 1-877-219-5457).

### About Independence Blue Cross

Independence Blue Cross is a leading health insurer in southeastern Pennsylvania. Nationwide, Independence Blue Cross and its affiliates provide coverage to nearly 3.3 million people. For more than 70 years, Independence Blue Cross has offered high-quality health care coverage tailored to meet the changing needs of members, employers, and health care professionals. Independence Blue Cross's HMO and PPO health care plans have consistently received the highest ratings from the National Committee for Quality Assurance.

Independence Blue Cross is an independent licensee of the Blue Cross and Blue Shield Association.

# **ALERT!**

**Your overage dependents may need their own dental policy as of age 19 or 23.**

The Patient Protection and Affordable Care Act, also known as the Health Care Reform Act, was signed into law on March 23, 2010.

There is a change to the definition and age limitations of a dependent child. The new law mandates that a dependent child is eligible for health coverage under his/her parent's policy until age 26.

**Certain dental plans are exempt from these changes and are not mandated to adhere to this provision of the Health Care Reform Act.**

For those subscribers enrolled in a UCCI or Aetna Dental plan, the limiting age for coverage is 19 and if enrolled full time in an accredited secondary school, age 23.

If you have a dependent that has reached their limiting age on the dental plan, please contact TAI's Client Relations Department at (610) 604-4500 or Toll Free at 1-800-634-4428. There are several plan options available for your overage dependent and our knowledgeable staff will find a plan that meets your needs.