



Health WATCH

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**"To lengthen thy life,
lessen thy meals."**

—Benjamin Franklin

Non- Tobacco User Discount Applications Pouring In

We appreciate your quick response in returning your non-tobacco user discount applications as requested. We are currently processing thousands of applications. Please be patient.

Some of you will be receiving a follow-up letter specifying problems noted with your application.

- In order to apply the discount to your premiums, we must have your signature in **both** the declaration and authorization sections.
- If your spouse is a covered dependent, we must also have their signature.
- If you are responding on behalf of another, we require accompanying proof of your authority, such as Power of Attorney documents.

- Those subscribers who have not responded will receive a second notification in the next few weeks. It is imperative that you return this application, properly completed, by the first week in August to avoid the \$20 per month tobacco user surcharge. This surcharge becomes effective October 1.

If you have not received an application, your address may be incorrect in our records. Your address can be updated and you can apply for the non-tobacco user discount online at:
www.seib.state.al.us





How Supplemental Coverage, administered by Blue Cross Blue Shield of Alabama, can work for your family

We recently mailed all subscribers postcards that outline two important new coverage options – the Supplemental Coverage, administered by Blue Cross and the Optional Insurance Plan provided by Southland National. These plans help subscribers who are eligible for coverage under another group health insurance policy, (such as a spouse’s dependent), are currently paying more for coverage through the State Employees’ Health Insurance Plan, and wish to have added benefits at no cost. Both plans work in tandem with a primary health care plan and provide more complete coverage for those eligible subscribers. Here’s a sampling of how these plans could work for you.

Bill and Donna Scott are married and have two children. Donna works for the State, Bill works for a local manufacturing company. Both have Blue Cross policies; Donna has single coverage and Bill provides dependent coverage for the children.

After investigating the new Supplemental Coverage offered by the State, Donna decides to opt-out of the State Employees’ Health Insurance Plan coverage, enroll in the supplemental coverage plan and use Bill’s Blue Cross as their family’s primary health insurance. After all he is already paying for dependent coverage for the children and the State’s Blue Cross Blue Shield Supplemental Plan is free!

Now that Donna has chosen the Supplemental Coverage Plan for her entire family, she will be saving the family money, without the hassles of copays and deductibles. Donna is giving her family more coverage - less hassles with copays and deductibles - and she is saving her family, her department and the State money at the same time.

When their son needs an emergency appendectomy, Donna and Bill quickly see the benefits of their health care coverage. Donna’s Supplemental Coverage Plan coordinates with Bill’s primary Blue Cross to pick up the hospital’s \$200 admission deductible and the 20 percent co-insurance owed to the surgeon. There were no claims to file because the coordination of Bill’s primary plan and Donna’s Supplemental Coverage Plan was handled by Blue Cross Blue Shield. There were no claims to file. The Scotts had nothing to handle but taking care of their son.

Other examples of Supplemental Coverage Plan benefits include:

Total Charges	Allowable Amount	Other Employer’s Coverage Pays	Copays Due From Patient	BCBS Supplemental Coverage Pays	Balance Due From The Scotts
PPO Provider Office Visit	\$90	\$70	\$20	\$20	\$0
Prescription Drug	\$132	\$105.60	\$26.40	\$26.40	\$0
Dental—Visit for Crown	\$560	\$280	\$280	\$280	\$0

Using the Optional Coverage, provided by Southland National Insurance

When you enroll in Optional Coverage, you will receive four benefits: vision plan, dental plan, hospital indemnity and cancer benefits at no cost to you. Available for all active and retired employees, this coverage will replace the primary health care plan provided by the State Employees' Insurance Board. Optional coverage will be most appealing to employees who have coverage available through their spouse's insurance and retirees who don't need prescription drug coverage through the State plan.

As an example: Ted Stone works for the State and has family coverage with SEHIP at the current rate of \$164 per month. His spouse Jane works as a bank teller and has single coverage provided by the bank. Her plan offers excellent medical health care benefits with low copayments at a cost of \$70 per month for family coverage. However, this plan does not include dental or vision coverage.

After comparing benefits and costs of both plans, Ted decides to opt out of SEHIP and enroll him and his family in the Southland Optional Plan at no cost to Ted. The Stones now have comprehensive health care benefits, plus vision and dental coverage, saving them \$94 per month in premiums alone. They now have the additional benefits of hospital indemnity, cancer coverage, dental and vision plans.

Benefit 1: Optional Coverage Vision Plan

New and is not available through any health plans provided by SEIB to State employees. While the SEIB has discounted arrangements with some individual eye care providers, this benefit allows you to receive specific benefits for the eye care professional of your choice for examinations, frames and lenses, and contact lenses.

Benefit 2: Optional Dental Coverage

Similar to SEHIP's dental coverage. Southland has a network of Participating Dentists through their "DentaNet" program. These providers accept the network reimbursement rates and there is no balance billing. However, you can elect to use the dentist of your choice and dental benefits will be paid directly to you.

Dental Plan Coverage and Maximum Benefits

(See chart next column for details.)

Benefit 3: Optional Hospital Indemnity Coverage

Pays you directly for inpatient hospital confinement. This benefit provides cash payment over and above any other hospital benefits paid to providers, and can be used as you choose.

Benefit 4: Cancer Plan Coverage and Maximum Benefits

Provides additional payment directly to you for covered procedures, diagnoses, and hospitalization for cancer disease only.

Examples include:

- Hospital Confinement
- Hospice Care
- Cancer Surgery
- Anesthesia
- Radiation & Chemotherapy
- Blood & Plasma
- Nursing Services
- Attending Physician
- Prosthetic Devices
- Ambulance

Dental Plan Coverage and Maximum Benefits

Diagnostic & Preventive Services:

Pays 100% of Reasonable & Customary Charges, with no deductible.

Family—Basic & Major Services: (based on Reasonable & Customary Charges):

Basic & Major Services: (based on Reasonable & Customary Charges):

	Single Coverage	Family Coverage
Deductible	None	\$25.00
Fillings	80%	60%
General Anesthetics	80%	60%
Oral Surgery	80%	60%
Periodontics	80%	60%
Endodontics	80%	60%
Dentures	80%	60%
Bridgework	80%	60%
Crowns	80%	60%

Position #2

Retiree Representative—on the State Employees' Insurance Board of Directors will be coming open this year. Clyde White of Birmingham is completing his fourth (and final) four-year term. Mr. White announced recently that he would not be seeking reelection. For more information and a copy of the election rules and procedures, contact the SEIB. The deadline for nominations is June 30, 2005.

We're on the Web!

www.seib.state.al.us

Need information on current and upcoming changes to your health insurance?
Update Your Address? Submit your Non-tobacco user application?
Enroll in new supplemental and optional programs? Do it all on our website!

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