

Welcome

to the



2007 Broker Forum



CDH Refresher

Cindy Otley

Director Marketing and Product Development

Cindy.Otley@CareFirst.com

410-998-7788

Visual Presentation Only

Changes to BlueFund Fees

- Effective June 1 – HRA fees eliminated
- Effective August 1– Mellon Bank fees eliminated (set up and monthly fee only)
- Applicable to new and existing groups and members, turnkey

Issues & Resolution

Issue	Resolution
FlexAmerica - Overall Service and Response	<ul style="list-style-type: none"> ✓ FlexAmerica hired Broker Sales Rep ✓ FlexAmerica hired 2 new CSRs ✓ Negotiated Service Level Agreement – effective 05/01/07 ✓ 800 Number on back of debit card redirected to CareFirst Member Services
Timing too long between application and opening HSA	<ul style="list-style-type: none"> ✓ Mail debit card prior to mailing Mellon Welcome Kit - Working with Mellon to speed up activation of member HSA
FlexAmerica application too confusing	<ul style="list-style-type: none"> ✓ Streamlined application based on feedback ✓ Separated into two applications, one for HRA and one for HSA
Employer funding is late or wrong amount	<ul style="list-style-type: none"> ✓ FlexAmerica developed functionality in their Funding Portal to collect Employer bank account number and direct funds to Mellon via ACH
Broker Education	<ul style="list-style-type: none"> ✓ Existing tools - HSA Revolution CD and BlueFund Tool Kit
Sales Education	<ul style="list-style-type: none"> ✓ Creating WebEx modules ✓ Provide refresher training at staff meetings – ongoing
Member Education	<ul style="list-style-type: none"> ✓ Existing tools – HSA Revolution CD • Revising member materials – simplify language, add more examples - Analyzing possibility of using a vendor to provide educational content specific to target audience. Tailored content delivered through a variety of mediums based on preferred learning style.
Existing business cannot move from Calendar Year to Contract Year	<ul style="list-style-type: none"> - FLEXX System Enhancements Project ✓ Interim Solution: Short plan year
MOS does not show total deductible, subscribers have to add themselves the total deductible.	<ul style="list-style-type: none"> - FLEXX System Enhancements Project
Lag time between CareFirst and Argus creates over applied deductible issues	<ul style="list-style-type: none"> - Argus Real Time Project
✓ Completed Tasks	

HSA Debit Cards Mailed Sooner

- Modified the delivery sequence of the debit card to mail after the data is loaded and approved by FlexAmerica.
- As a result of the Patriot Act, the debit card can only be used after it is activated and the free checks are mailed only after participants return the signature card mailed with the Welcome Kit
 - To expedite the activation process, members are encouraged (in the Welcome Kit) to activate the card online via e-signature
 - Checks and beneficiary information still needs to be mailed back to Mellon

New FlexAmerica Applications

- The FlexAmerica CDH master application has been improved based on broker feedback to simplify the installation process.
- Broken into 2 Applications – HRA/FSA and HSA/FSA
 - If group is choosing both HRA and HSA, both applications need submitted
 - HSA applications includes employer form for payroll deductions
 - New template on broker portal for groups to use to capture Employee payroll deductions – for group use only
 - Includes fees for HRA
 - Added special notes re LLC, S-Corps and HRA and HSA
- Applications completed accurately will speed the set-up of BlueFund plans which improves the satisfaction with the plan in the critical early stages.

Web Enabling of Form in Discussion

Expedited HSA Funding for Employers

- Up front Employer contributions can now begin the process during the open enrollment stage
- Allows for quicker funding of the initial contributions to participants' bank accounts.
- Employer contributions can be detailed on initial contribution funding form (now included in the FlexAmerica Application)
- A check can be mailed to Mellon Bank after the master employer bank account number is provided to the HR staff by FlexAmerica.

ACH Funding for Employers

- FlexAmerica will initiate an ACH pull and push of funds.
- Employers enter banking information on FlexAmerica's funding portal.
- Employers enter contribution amounts.
- FlexAmerica will initiate an ACH pull from the employer's bank account within 1 business day.
- FlexAmerica will initiate an ACH push to Mellon Bank on the same day.
- Funds will be available to distribute within 24-48 hours.
- \$100.00 fee for ACH bounces will be applied

Calendar Year - Interim Solution

Solution

- Offer July and August groups a short-plan year.
 - Groups will receive a pro-rated rate renewal that will end December 31, 2007.
 - Groups will be re-rated for a January effective date for a full twelve month period.
- Offer September, October, November and December groups an extended plan year
 - Groups will receive an extended rate renewal that will end December 31, 2008.
 - Groups will add CDH as an off-cycle benefit change on January 1, 2008.

Business Rules

- Groups of 51-199 are eligible for a short/extended plan year as long as there is a minimum enrollment of 50% in the CDH product.
- Groups with an extended plan year must select their CDH option at the time of renewal, even though it won't be added until January.
- Late submission of paperwork in December for these groups will not be accepted, no exceptions.

BlueFund – FlexAmerica Application

- FlexAmerica Application must be completed and included with group paperwork
- Contact information - name and number - must be included and legible
- **Incomplete or illegible contact information can significantly slow down the enrollment process**

Important SOPs

CDH and Renewing Groups

HSA

- No change – no forms need to be completed
- Change in contribution – no forms need to be completed
- Stay in BlueFund but add new option - new FlexAmerica Application completed

HRA

- FlexAmerica contacts group prior to renewal

CDH and Members that Cannot Have Funding

1. A member cannot have an HSA (contribute, contribute pre-tax, etc) if they:

- Are enrolled in Medicare
- Have health care coverage with a spouse that is not a HDHP
- Can be claimed as a dependent on another person's taxes
- Are 2% or more owner of an LLC, S-Corp, LLP (can only contribute post-tax)

2. For HRA, if they are 2% or more owner of an LLC, S-Corp, LLP:

- Cannot use company funds

Agreed Upon Change: Allow BlueFund and Compatible plans to be sold side by side; put members who cannot fund in Compatible plans. Must still use existing Blue Selections rules of no more than 3 plans for 1-50 and 4 plans for 51+

Medicare Enrollees

Scenario: Family/Two-Party Coverage, Spouse Enrolled in Medicare

- Spouse can remain enrolled in the health care coverage
- Subscriber can continue to contribute the family/two-party maximum amount into the HSA
- HSA funds can be used to pay for eligible expenses for all family members, including spouse enrolled in Medicare.

Scenario: Family/Two-Party Coverage, Subscriber Enrolled in Medicare

- Subscriber can remain enrolled in the health care coverage
- Subscriber can no longer contribute to HSA via BlueFund
- Subscriber will maintain HSA via BlueFund since funds are still available for eligible expenses
- Spouse could open an HSA in his/her name and contribute the family/two-party maximum amount into the HSA
- HSA funds can be used to pay for eligible expenses for all family members, including subscriber enrolled in Medicare.

Scenario: Individual Coverage, Subscriber Enrolled in Medicare

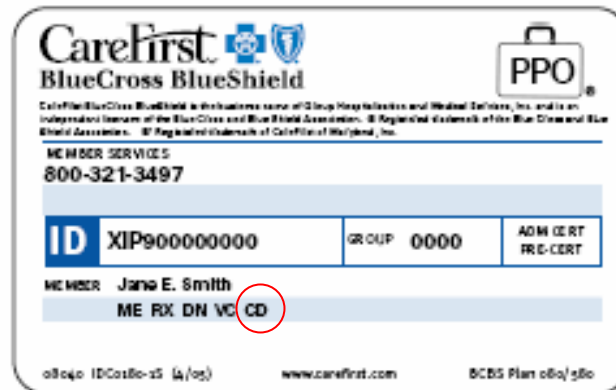
- Subscriber can remain enrolled in the healthcare coverage
- Subscriber can no longer contribute to HSA via BlueFund
- Subscriber will maintain HSA via BlueFund since funds are still available for eligible expenses
- HSA funds can be used to pay for eligible expenses for the subscriber enrolled in Medicare

SOP for Medicare Enrollees

- Subscriber or spouse with Medicare should remain in current benefits until Open Enrollment
- The Subscriber or spouse will not be allowed to change benefit options due to Medicare eligibility
- At Open Enrollment, subscriber can decide to change benefits if another health plan is offered by his/her employer
- When a subscriber enrolls in Medicare, the employer should suspend employer and/or employee payroll contributions to the HSA for this employee
- If a spouse enrolls in Medicare, the employer and employee can continue to contribute to the HSA
- FlexAmerica will continue to be paid for administration by CareFirst

The Latest on ID Cards

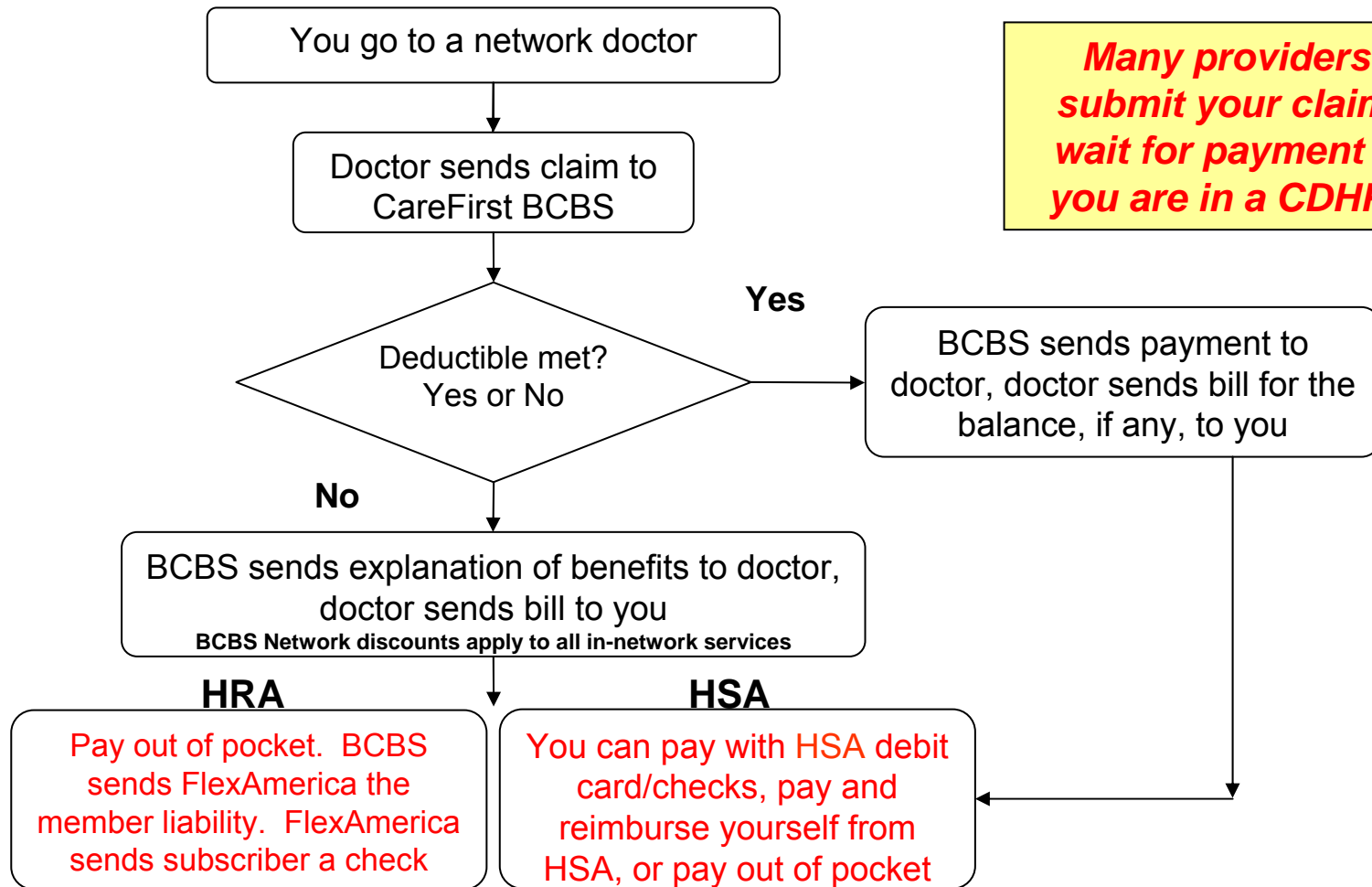
- NASCO cards have capability to note deductible amounts -- it is up to the account
- Local Group and Individual CareFirst ID cards contain a “CD” on the card
 - CD = Combines Deductible



- By 4th Quarter 2007, the actual deductible amount will be to the ID cards for CDH members.

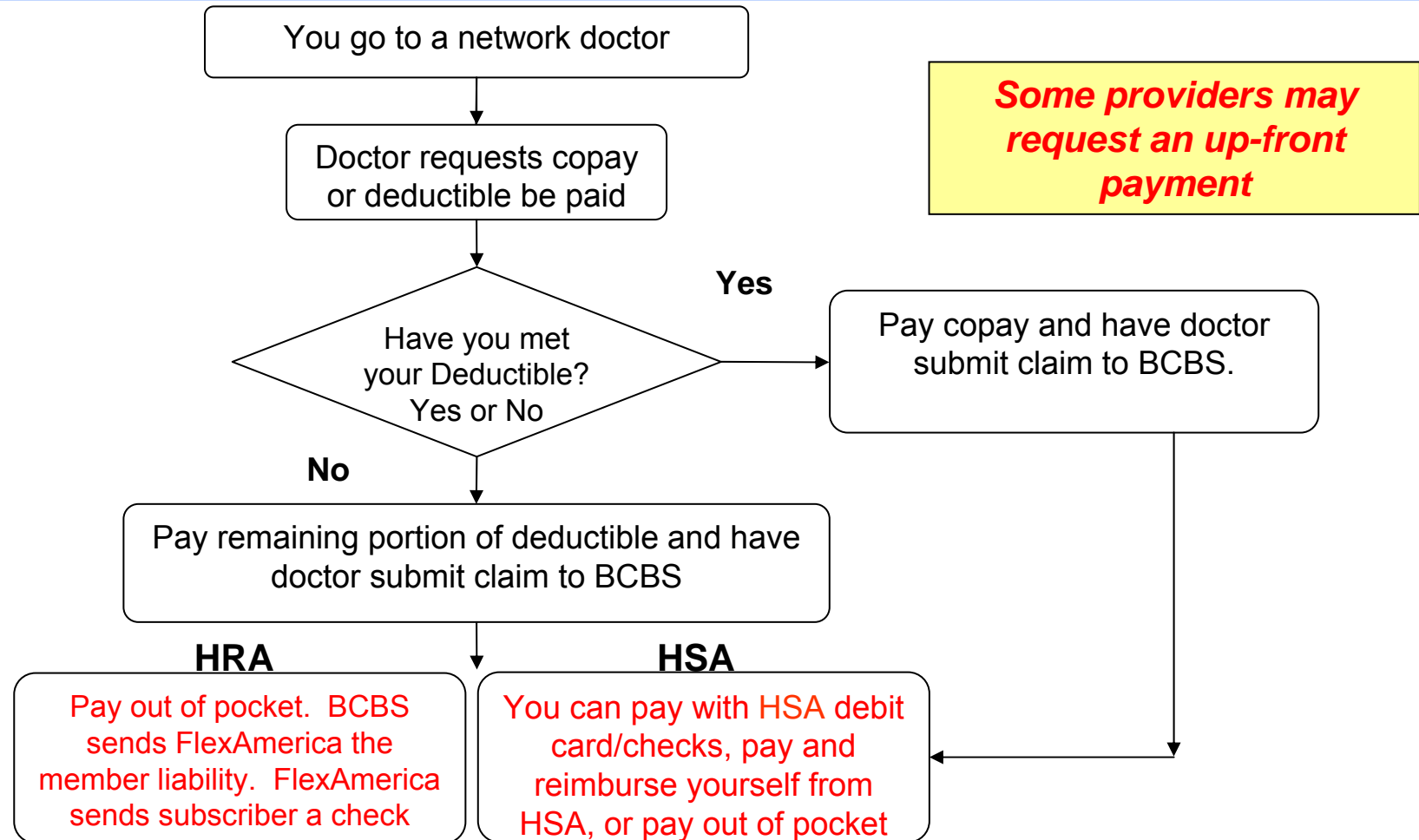
Medical Claims Process

Many providers will submit your claim and wait for payment when you are in a CDHP plan



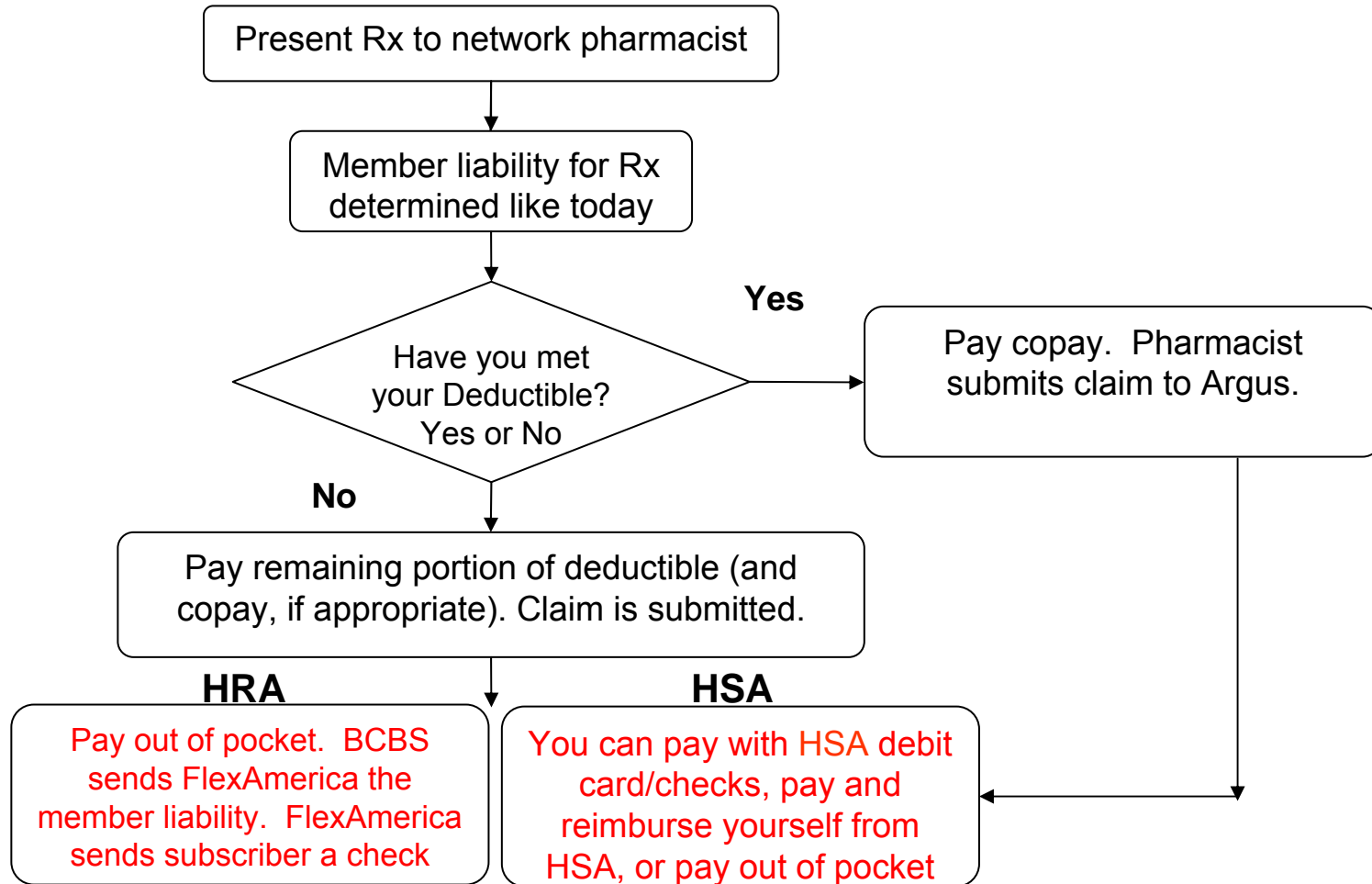
Most plans offer preventive services covered at 100% with no copay

Medical Claims Process



Practical approach: If doctor request payment up front, pay the copay shown on your ID card and let the claim be submitted to determine additional member liability, if any.

Rx Claims Process



Note: Claims submitted to Argus are coordinated with the CareFirst plan to determine when the deductible and out-of-pocket maximum are met

New Rules and Regulations

Improved HSA Rules for 2007

- Eliminates “lesser of” deductible and statutory limit rule by allowing HSA contributions up to the full statutory maximum - **\$2850 for Individual; \$5650 for Two-Party/Family.**
- Allows full-year contributions for individuals who enroll in a HDHP mid-year **provided certain conditions are satisfied**
- Allows one-time tax free rollover of Health FSA and/or HRA amounts to an HSA **provided certain conditions are satisfied**
- Allows one time tax free transfer of IRA funds to an HSA, **provided certain conditions are satisfied**
- Eliminates the negative impact of Health FSA grace period on HSA eligibility for a Health FSA participant that has a zero balance on the last day of plan year or who transfers entire balance by way of Qualified HSA Distribution

Exception to Pro-Rated Rule

- **Prior Rule:** Maximum contribution was “sum of monthly limits” based on # of months in plan
 - Example: Individual enrolled from July 1, 2007 through Dec. 31, 2007 with \$2,700 ded.
 - Under old rule, individual may only contribute 6/12 of the deductible (\$1,350)
- **New Rule:** Individual is treated as eligible for ENTIRE YEAR if eligible in December of that year and remains eligible through December of the next year.
 - Example: Individual enrolled from July 1, 2007 through Dec. 31, 2007 with \$2,700 deductible may contribute \$2,850 (as long as he remains eligible through Dec. 31, 2008).
 - If ceases to be eligible during that period, amounts attributable to months treated as eligible will be subject to tax.

New HRA/FSA Rollover...

- **Prior Rule:** HRA and/or Health FSA amounts could not be transferred to an HSA on a tax-free basis
- **New Rule:** EMPLOYER may make a one-time tax-free transfer of “applicable balance” to an HSA anytime before January 1, 2012
 - Applicable balance = lesser of balance as of 9/21/06 OR balance as of the date the transfer is made
 - NOT counted against maximum annual contribution amount (\$2,850 or \$5,650)
 - Subject to the 13 month testing period – you must stay in the HDHP

New IRA Rollover...

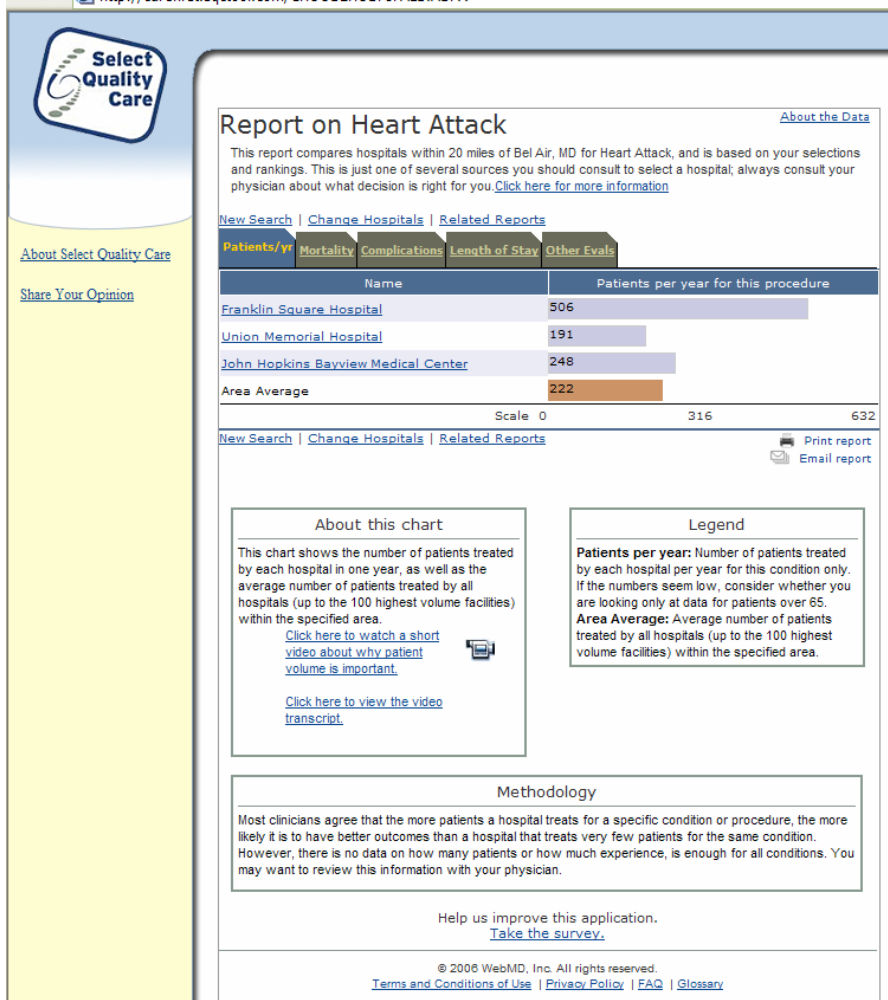
- **Prior Rule:** Individual Retirement Account (IRA) funds could not be transferred to HSA on tax-free basis
- **New Rule:** One-time tax-free transfer of IRA funds to HSA permitted (trustee-to-trustee)
 - Limited to maximum annual contribution amount (\$2,850 or \$5,650)

Zero Balance FSA Rule

- **Prior Rule:** If participant in general purpose FSA (w/grace period) on last day of plan year, participant is disqualified from HSA establishment until first day of first month following end of grace period, even w/ zero balance.
- **New Rule:** Grace period does not disqualify participant if individual has zero balance
 - They can spend down prior to end of year plan year
 - Make one time tax free rollover under new rules

Focus on the Online Experience

Hospital Comparison Tool -- Summary



At the end of the three-step search, the Member can view various topics such as patients per year, complications, mortality and length of stay to compare facilities.

Find it in My Account @ www.carefirst.com

Demo can be found on the member portal @ <http://www.carefirst.com/membsvcs/redirect/s/HospitalComparisonToolDemo1.htm>

Treatment Cost Estimator -- Summary

Condition Cost by Medical Condition Category

Area: Baltimore
Condition Category: Pregnancy Related Conditions

An Episode of Care represents all services rendered during treatment for an instance of a disease or health condition, with its related circumstances.

Click on a condition to see details about the type of care and the setting where care is provided.

Condition	More Info	Range of Episode Length (Days)	
		Low	High
Obstetric Signs and Symptoms	More Info	<1	<1
Pregnancy, Not Delivered	More Info	57	246
Normal Delivery without C-Section	More Info	6	215
Normal Delivery with C-Section	More Info	22	160
Complicated Delivery without C-Section	More Info	36	216
Complicated Delivery with C-Section	More Info	55	226
Ectopic Pregnancy Treatment without Surgery	More Info	16	49
Ectopic Pregnancy Surgery	More Info	3	39
Abortion	More Info	3	68

How Are These Numbers Determined?

Find it @ My Account on
www.carefirst.com*

CONDITION COST BY TYPE OF CARE

Area: Baltimore
Condition Category: Pregnancy Related Conditions
Condition: Normal Delivery without C-Section

These types of care are commonly used to treat this condition:

Type of Care	% of times this type of care is used to treat this condition	Range of Cost per Episode	
		Low	High
Inpatient Care	40%	\$2,760.00	\$3,609.00
Outpatient Care	81%	\$27.00	\$1,600.00
Medical Care	86%	\$802.00	\$2,111.00
Diagnostic Services	48%	\$81.00	\$257.00
Therapeutic Care	6%	\$5.00	\$94.00
Pharmacy Services	56%	\$14.00	\$88.00
Other	21%	\$64.00	\$146.00

How Are These Numbers Determined?

CONDITION COST BY SETTING

*for CDH and FEP HMO members only

Coverage Advisor -- Summary

Close Window

Coverage Advisor

Welcome

1 Your Health

2 Your Healthcare Use

3 Your Plan(s)

4 Your Costs

Start Over

Click on Section 1 or 2 above to make changes.

Fill out the chart below for each plan you wish to consider. Be sure to use the plan's in-network coverage information, as the cost estimates will only reflect in-network providers.

While complete plan information will improve your results, you must provide at least some information about one plan to move forward. Click "I'm done" to move forward. You can also use the print or email buttons to share or save your plan information.

To see your costs before coverage benefits are applied, choose "No Coverage" for a plan type below. The costs shown will reflect discounts negotiated by health plans - costs without discounts can be much higher.

	Plan Option 1	Plan Option 2	Plan Option 3
Plan Type	-Select-	-Select-	-Select-
Annual Premium Cost (\$) (what you pay for your insurance)			
Annual Deductible Amount (\$)			
Prescriptions Apply Towards Deductible	-Select-	-Select-	-Select-
Out of Pocket Maximum Amount (\$) (does not include premium)			
Medical Coinsurance (%)			
Primary Care Physician Visit Copay (\$)			
Specialist Physician Visit Copay (\$)			
Hospital Copay (\$)			
Outpatient Copay (\$)			

You may be eligible for coverage from other sources:

- Your spouse's plan
- Your previous employer, from a law called COBRA
- Your parent's plan, if you are under the age limit

The tool lets you examine a plan from any source. Look at all of your options when choosing a plan.

Powered by Subimo, the tool allows individuals to project health care service needs .

Out-of-pocket cost modeling allows users to compare out-of-pocket expenses under different benefit plans, allowing users to plan for their healthcare expenses and make educated decisions about benefit plan options

Uses data based on the experiences of over 50 million people across the country

Find it @ Open Enrollment Central
on www.carefirst.com

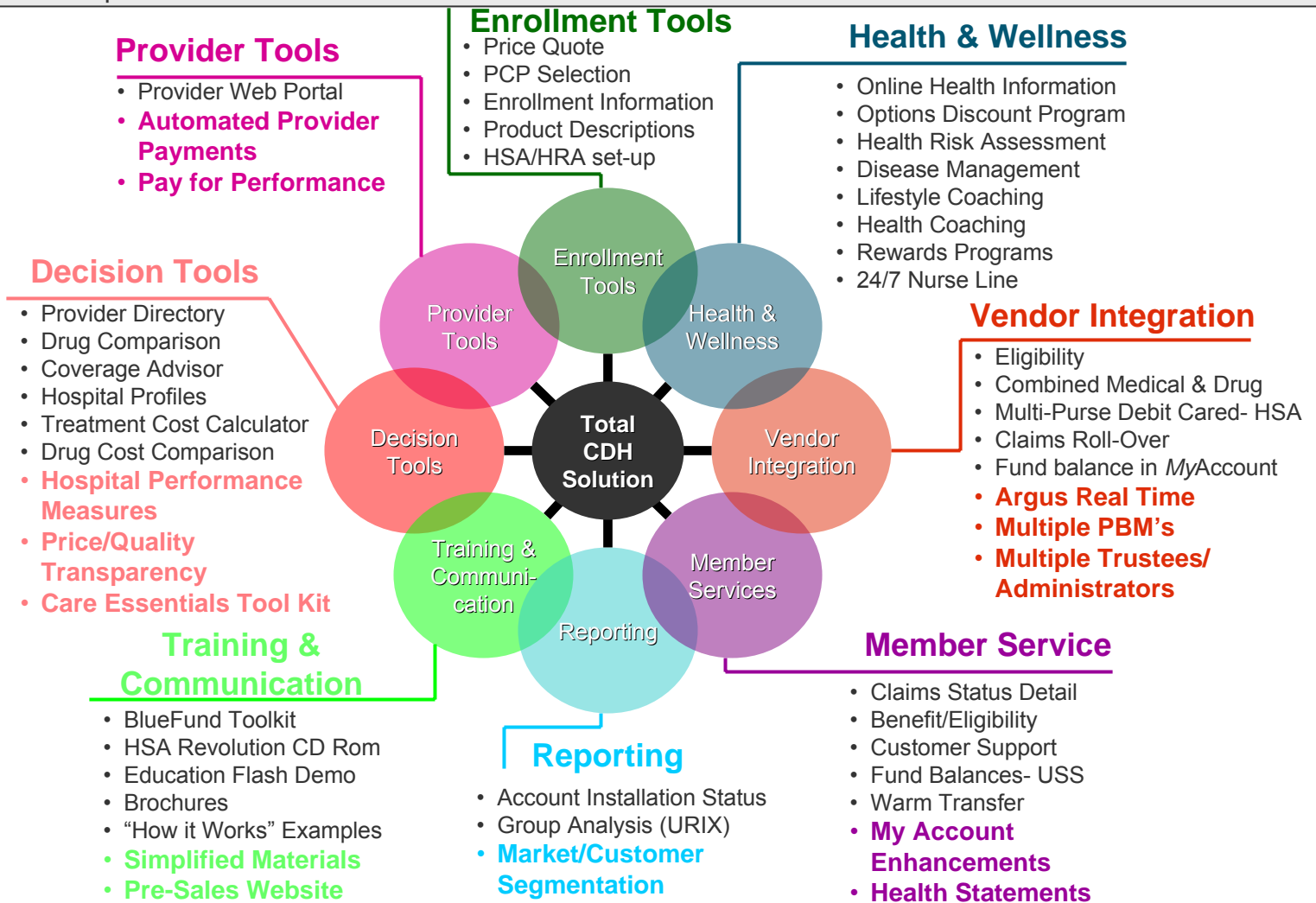
CDH Outlook

2007 CDH Corporate Initiatives

ID Card Project	•Customization of Member ID cards with Deductible amounts
CDH Tools Project	•Customized Coverage Advisor for large accounts
Health Promotion and Wellness Rewards	•Reward members for completing Health Risk Assessment via extra money in HSA or HRA (CDH Risk Business and ASO, or via premium reduction (ASO only)
Flexx/Facets Enhancement Project	•Improve accumulators related to deductible, oop and lifetime max (Correct info in My Account) •Make contract year a standard offering for all products for new and existing groups in all segments •Enable Deductible Credit for groups moving from CDH to non-CDH
Automated Provider Payment Project	•Address providers' concerns over delayed payments •RFI Completed. Top vendors identified for RFP.
Argus Real –Time Project	•Improve FLEXX/Argus feed to make the claims adjudication occur on a more real-time basis
Health Statements Project	•Phase 1 – Rollout on-line Health Statement for 51+ Segment •Phase 2 – Enhance information for Health Statement and roll out to all Segments
Enhanced Consumer Tools Project	•Transparency •Enhancements to My Account – more personalized, Chat Features •Searchable FAQs •Member Education/Advocacy
National CDH Project	•Replace WageWorks and PFPC with FiServ/CareGain and HSA Bank
Multiple Trustees Project	•Add ability to offer more choice – additional banks or administrators
Multiple PBMs Project	•Allow groups who use other PBMs to add CDH without switching to Argus

Total CDH Solution Requirements

□ CareFirst's CDH initiatives will enhance capabilities necessary to offer a total CDH solution and improve our Stakeholders' experience



Summary

Remember This About BlueFund HSAs...

- Offers **MEMBERS financial control** over how they spend health care dollars
- Provides an interest-accruing **cash account**
- **Tax-free contributions, earnings and withdrawals** for qualified expenses
 - 2% Owners and their spouses of LLC and S-Corps can only fund HSA post-tax
- **No “use it or lose it provision”** like a Flexible Spending Account
- HSA is **available for all qualified medical expenses**, including traditional medical coverage, as well as eye glasses, dental procedures, prescription drug coverage and over-the-counter medication.
- **Member is responsible** for claims substantiation – uses debit card or checks.
- **Short plan year** limit is now eliminated

Remember This About BlueFund HRAs...

- Offers **EMPLOYERS** more **financial control** over health care dollars
 - Employers can decide how to fund HRA – how much, not just deductible, etc.
- **Not a bank account** – employer pays only when claims are incurred
- **Employer decides** if you “use it or lose it”
- **Employer decides what is a qualified medical expenses**, including traditional medical coverage, as well as eye glasses, dental procedures, prescription drug coverage and over-the-counter medication.
- Claims are sent directly to FlexAmerica – **allowing automatic substantiation**
- **Subject to COBRA**
- Employer can **choose order** between **HRA and FSA usage**
- 2% Owners and their spouses in LLCs and S Corps cannot use HRA funds as they are not employees, but can be in health plan

BlueChoice Advantage

1-50 DC/VA, MD Non-MSGR all 51+ groups

Diane Flowers, Product Manager

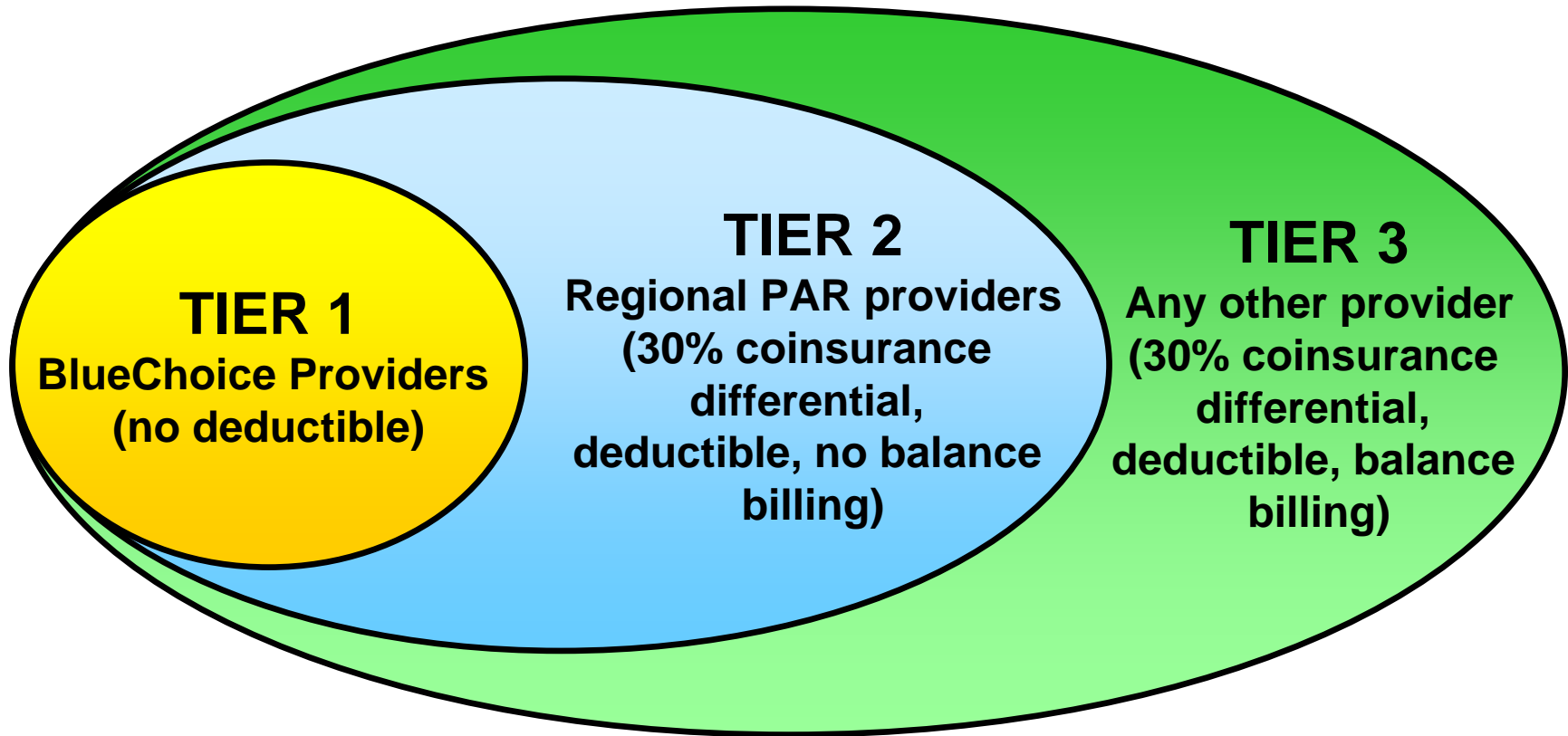
410-998-6251

Diane.Flowers@CareFirst.com

Goals

- To create a low cost PPO alternative for groups
- Provide a comprehensive benefit design with a robust network of physicians while containing costs
- Preserve choice for the member
- Steer members to lower cost providers through lower premiums and lower cost sharing

Network Design



Key Features

- Freedom to see any doctor
- Preventive Services will not be subject to deductibles
- No need to select a primary care physician
- See specialists without referrals
- Large Regional Network (23,000 providers)
- BlueVision is core
- Approx 20% lower than comparable BluePreferred plans
- Approx 5% lower than comparable BCOO+ OA plans
- Puts Carefirst on par with other carriers who are using their HMO network with PPO product designs

Advantages

- No referrals needed to see a plan specialist
- Freedom to choose any doctor, specialist or hospital - anytime members wish
- No claims to file when visiting a plan provider
- No balance billing for out-of-network services by CareFirst BlueCross BlueShield providers.
- Members enrolled in BlueChoice Advantage will continue to have a choice to receive care from any of our BlueChoice or Participating providers – depending on the plan; the tiered network merely allows them greater control of out-of-pocket costs.
- BlueChoice Advantage provides an alternative solution to help mitigate the increasing cost of health insurance.
- Completes the continuum of products to meet the needs of all groups.

Standard Options

	Option 1	Option 2	Option 3	Option 4*	Option 5 *
Coinsurance	100/70%	90/60%	80/50%	100/70%	90/60%
Office Visit	\$10	\$10	\$20	\$20	\$20
Deductible	\$0/\$250	\$0/\$500	\$0/\$750	\$0/\$500	\$0/\$1000

CareFirst Recognizes the Health Care Crisis

Richard Safeer, MD, FAAFP
Medical Director, Preventive Medicine



Five Great Programs One Great Cost- Free!

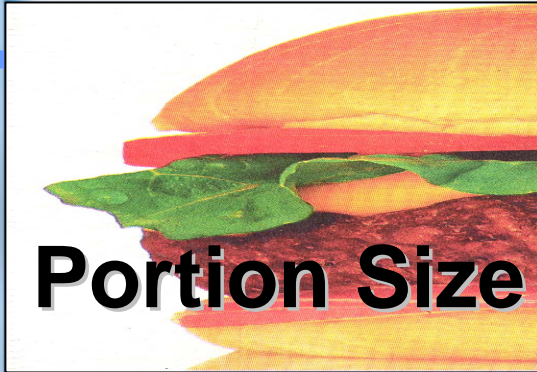
- Disease Management (Asthma, Diabetes, Coronary Artery Disease, Heart Failure, C.O.P.D.)
- MyHealthProfile (health risk assessment)
- Lifestyle Management Interventions
- Healthy Lifestyle Coaching
- FirstHelp Nurse Line

But Why?

- Improve Health, Productivity and Employee Retention
- Decrease Costs, Disability and Absenteeism



Then and Now



Portion Size

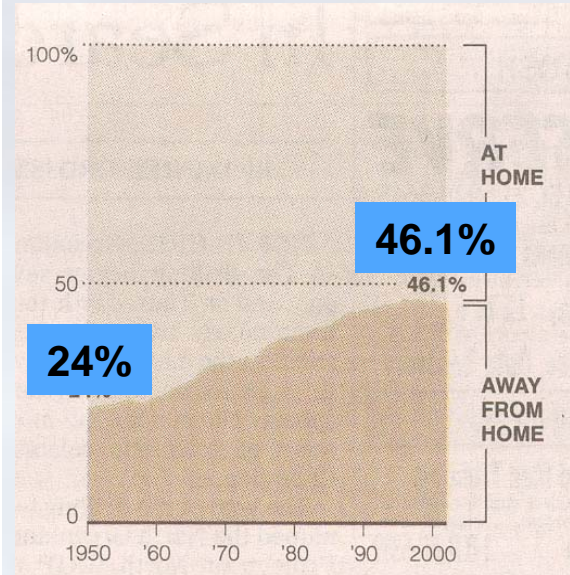
1954 Hamburger Sandwich

	3.9 oz
2002 Sandwiches Offered	
Hamburger	4.4 oz
Whopper Jr.	6.0 oz
Double hamburger	6.1 oz
Whopper	9.9 oz
Double Whopper	12.6 oz

Source: Dr. Lisa R. Young, New York University



Availability



Source: U.S. Department of Agriculture



Advertising

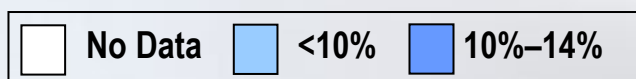
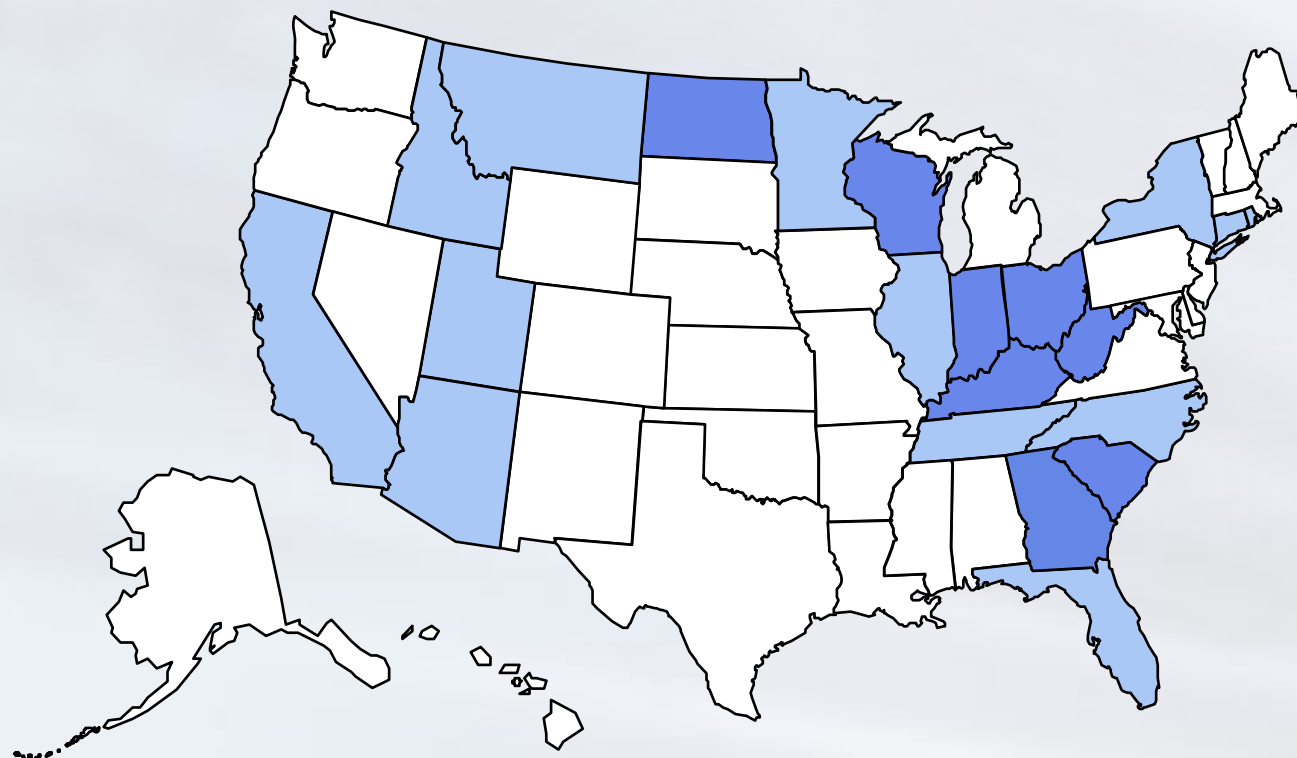
1997 Ad Spending in Millions

Breakfast Cereals	\$792
Candy, Gum	\$765
Beer	\$728
Carbonated Soft Drinks	\$549
Snacks, Nuts	\$330
Coffee, Tea, Cocoa	\$322
Fruits, Vegetables	\$105

Source: U.S. Department of Agriculture

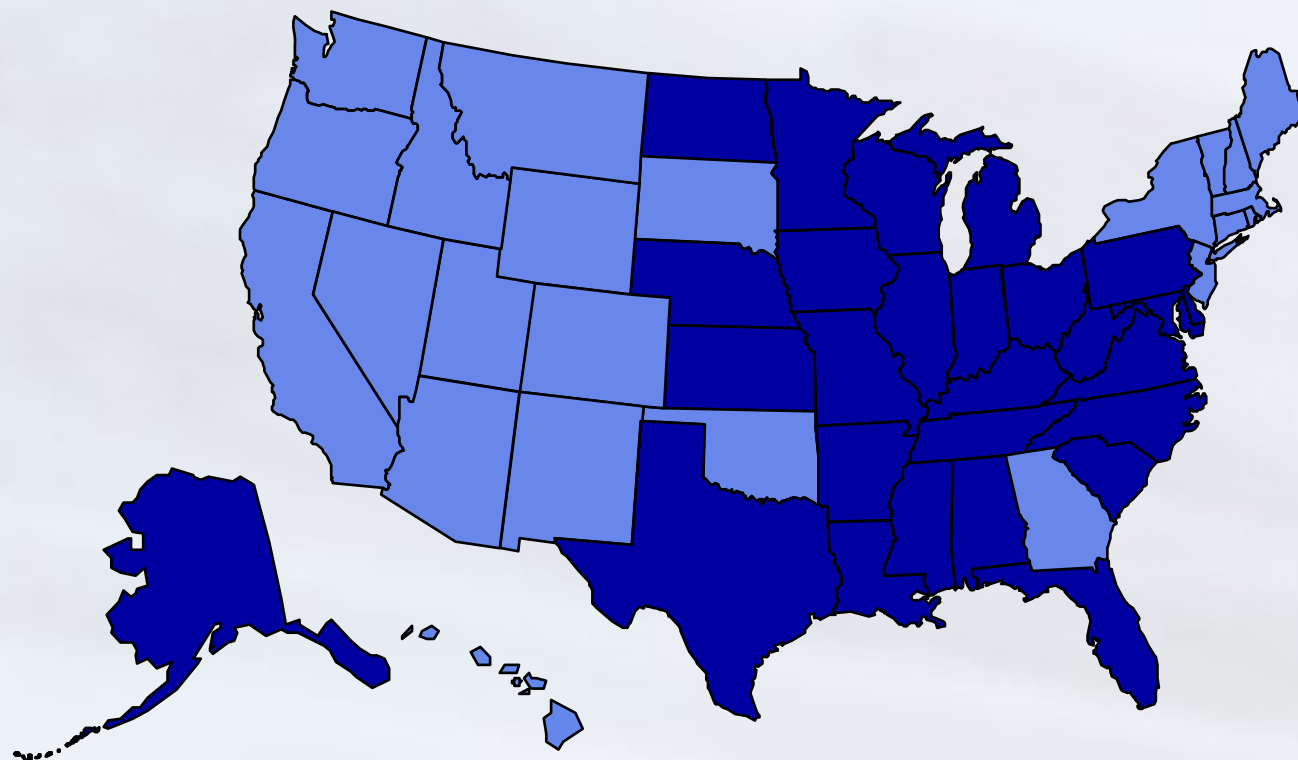
Obesity Trends* Among U.S. Adults 1985

(*BMI ≥ 30 , or ~ 30 lbs overweight for 5' 4" person)



Obesity Trends* Among U.S. Adults- 1995

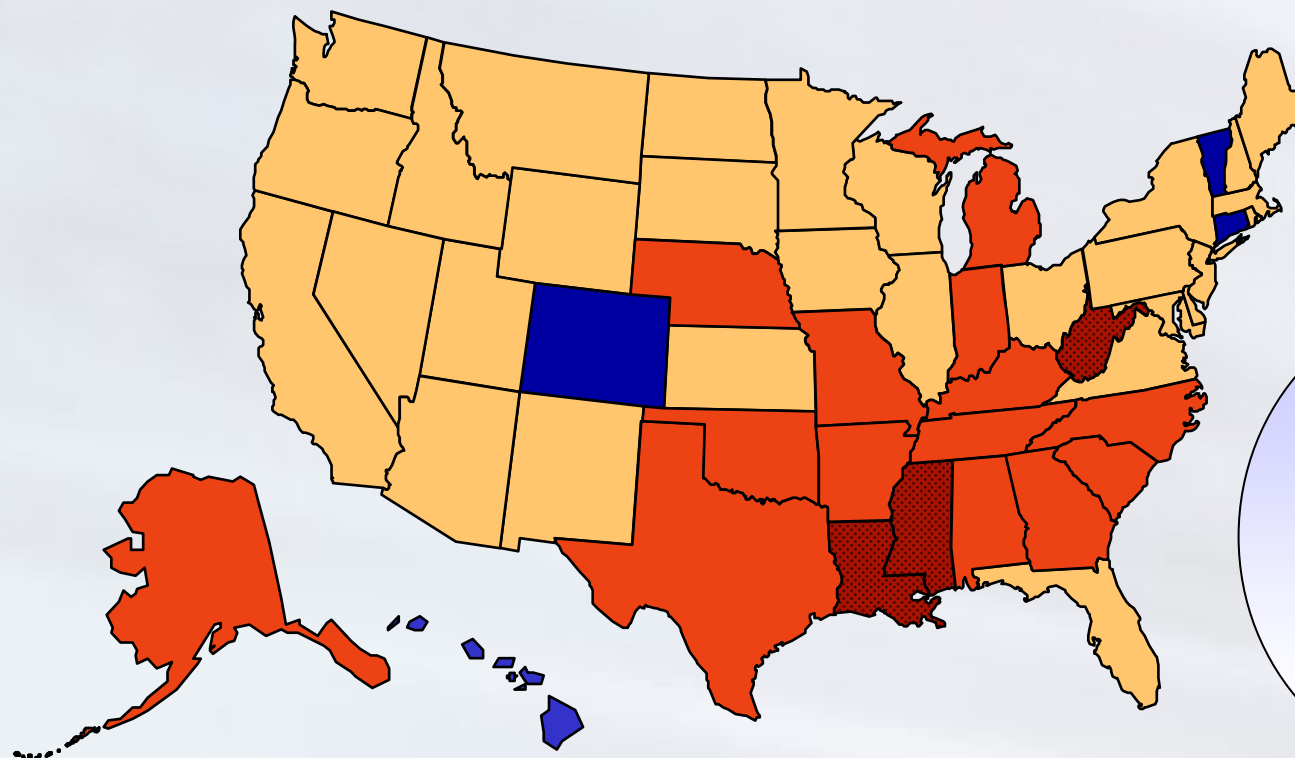
(*BMI ≥ 30 , or ~ 30 lbs overweight for 5' 4" person)



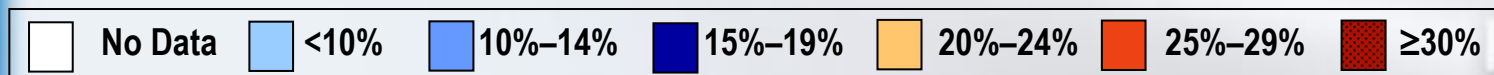
Source: Behavioral Health Surveillance System, CDC

Obesity Trends* Among U.S. Adults 2005

(*BMI ≥ 30 , or ~ 30 lbs overweight for 5' 4" person)



About 60 million adults (30% of the adult population) are now obese, which represents a doubling of the rate since 1980.





Prevention

Vitality

My Care First

Options

Targeted Mailings

FirstHelp Nurse Line

MyHealthProfile

Lifestyle Interventions

*Healthy Lifestyle
Coaching*

Workplace Solutions



Utilization Management

Hospital Pre-Auth

Discharge planning,
concurrent review

Networks Mgmt.

Pharmacy Mgmt.



Disease Management

Asthma

Diabetes

CHF/CAD

COPD



Case Management

Assist member in
navigating complex
health condition/
experience

Great Beginnings



An Integrated Solution



Prevention



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www.glasbergen.com



“What fits your busy schedule better, exercising one hour a day or being dead 24 hours a day?”

MyHealthProfile

- Integral point of entry for various *CareEssentials* Programs
 - Can lead to lifestyle management, healthy lifestyle coaching, disease management, or case management
- Online, telephonic, or paper available
- Gathers information on:
 - Personal medical history
 - Preventive services
 - Emotional health and lifestyle choices
- Assesses health risk
- Measures member's readiness to change an unhealthy behavior
- Tailors subsequent interventions to that degree of readiness
- Personalized Health Report



MyHealthProfile

HEALTH RISK ASSESSMENT

Exercise Habits (Section 9 of 13)

44. **Regular moderate exercise** is any **planned** physical activity (e.g., fast walking, aerobics, jogging, tennis, easy bicycling, volleyball, badminton, easy swimming, alpine skiing, dancing, etc.) performed to increase physical fitness. Exercise should be done at a level that increases your breathing rate and causes you to break a light sweat. Do you engage in regular moderate exercise according to the previous definition **5-7 times** per week for at least **30 minutes**?
- ☐ No, and I do not intend to in the next 6 months.
 - ☐ No, but I intend to in the next 6 months.
 - ☒ No, but I intend to in the next 30 days.
 - ☐ Yes, I have been, but for less than 6 months.
 - ☐ Yes, I have been for more than 6 months.
45. During the past month, other than your regular job, how often did you participate in any physical activity (exercise that was hard enough to make you breathe heavily and increase your heart rate and was done for at least 30 minutes)?
- ☐ Less than 1 time per week
 - ☒ 1-2 times per week
 - ☐ 3 times per week
 - ☐ 4 times per week
 - ☐ 5 or more times per week

< PREVIOUS

NEXT >

Medium

MyHealthProfile >



JANE DOE

PRINT MY REPORT

CLOSE MY REPORT

The outcome of your Health Risk Assessment indicates that you are at a Medium Risk status for development of lifestyle related diseases and conditions. Please review your report to better understand the lifestyle behaviors you'll want to monitor or change to insure your continual good health.

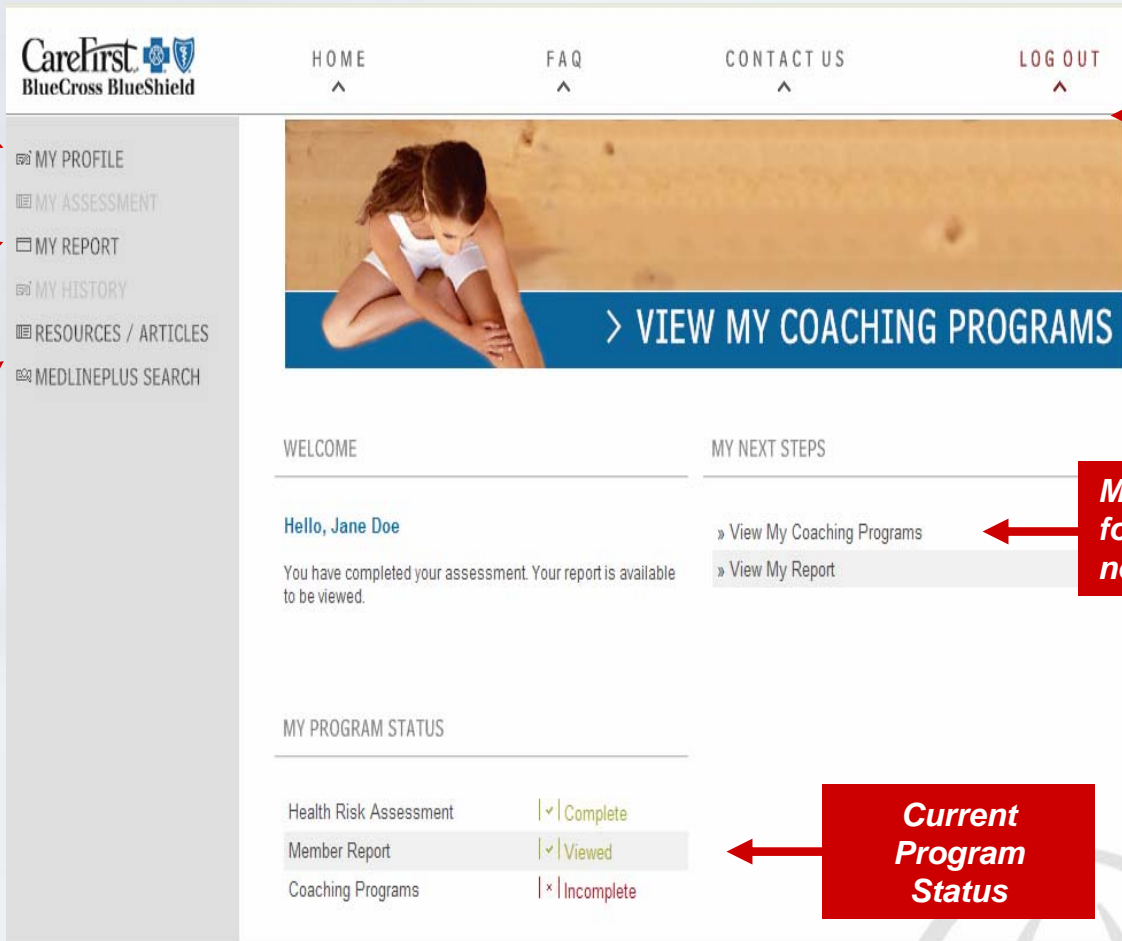
HEALTH RISK ASSESSMENT SUMMARY

The following information is generated from your Health Risk Assessment answers. You may learn about the areas of your health that you are managing well. You may also discover unknown risk factors and uncover areas of your lifestyle that can be improved. Please look at this report carefully. You may also want to discuss it with your doctor or health care provider to determine what aspects of your lifestyle you can change to improve your overall health.

	Minimal Risk	Moderate Risk	Medium Risk	High Risk	Extreme Risk
HDL (Good) Cholesterol					
LDL (Bad) Cholesterol					
Total Cholesterol					
Total Cholesterol / HDL Ratio					
Blood Pressure					
Body Mass Index					
Health Related Fitness					
Physical Health					
Work and Family					
Alcohol & Substance Abuse					
Emotional Health					
Safety					
Tobacco Use					
Women's Health					

MyHealthProfile Custom Portal

24/7 access to health content, tools, reports, and online support



Personal Account Information

- MY PROFILE
- MY ASSESSMENT
- MY REPORT
- MY HISTORY
- RESOURCES / ARTICLES
- MEDLINEPLUS SEARCH

Archive of Assessments

Health Information Web links

Online Assistance

HOME ^ FAQ ^ CONTACT US ^ LOG OUT ^

> VIEW MY COACHING PROGRAMS

WELCOME

Hello, Jane Doe

You have completed your assessment. Your report is available to be viewed.

MY NEXT STEPS

- » View My Coaching Programs
- » View My Report

Message prompt for member's next steps

MY PROGRAM STATUS

Health Risk Assessment	✓ Complete
Member Report	✓ Viewed
Coaching Programs	× Incomplete

Current Program Status

Lifestyle Management Programs

- Once completed, MyHealthProfile will direct members to online lifestyle management programs
- Provides tailored health information and lifestyle management modules
- Helps participants progress through the stages of change
- Over 16,000 unique feedback sessions

Program modules include:

- Stress management
 - Nutrition and weight management
 - Smoking cessation
 - Exercise
 - Depression prevention
 - Medication adherence
- (Available in Spring 2007)



Healthy Lifestyle Coaching

- Participants identified by MyHealthProfile results
- Telephonic counseling/coaching to change lifestyle behavior (motivational interviewing)
- Aggregate data report
- The health coach:
 - Measures level of uncertainty
 - Identifies barriers to change
 - Assesses readiness to change
 - Measures level of support and self-efficacy



Program Modules Include:

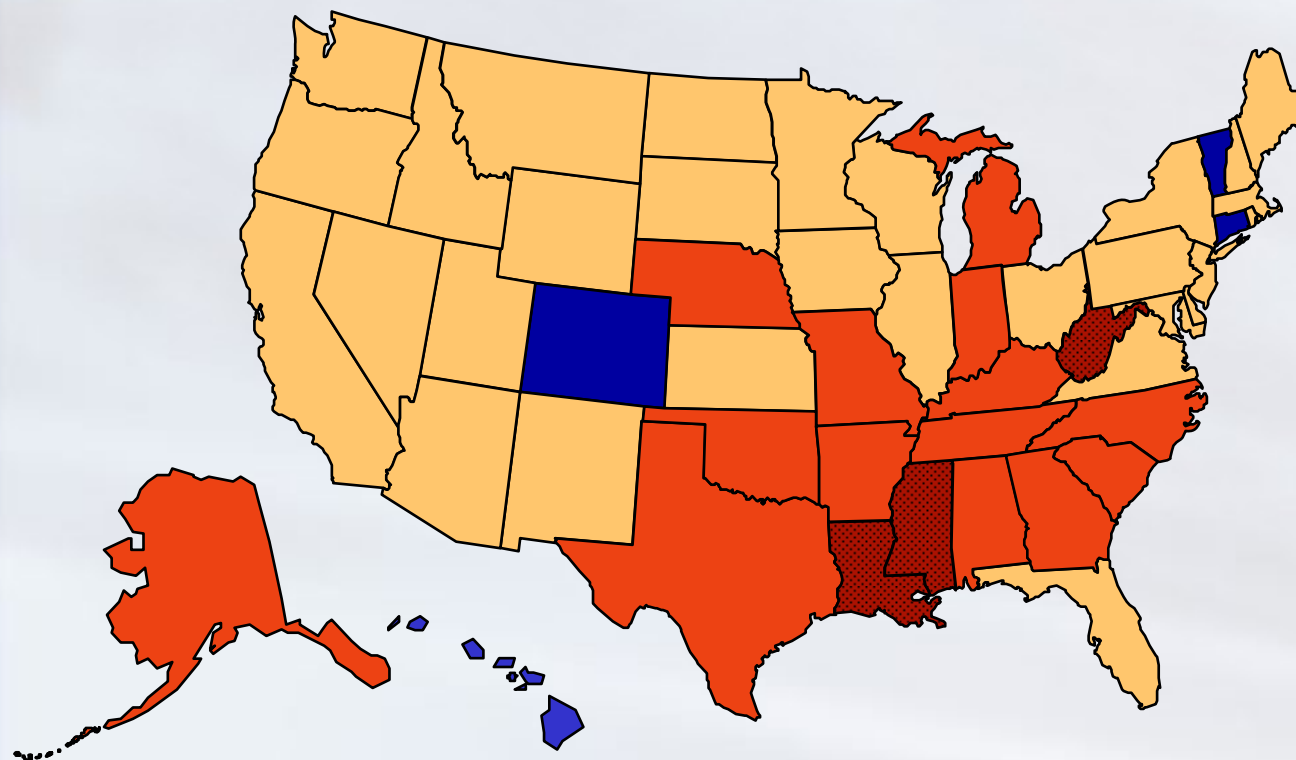
- Stress Management
- Smoking Cessation
- Weight Management
- Exercise



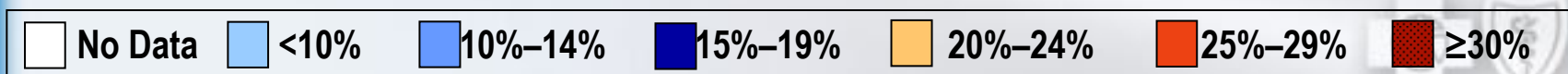
Disease Management



(*BMI ≥ 30 , or ~ 30 lbs overweight for 5' 4" person)



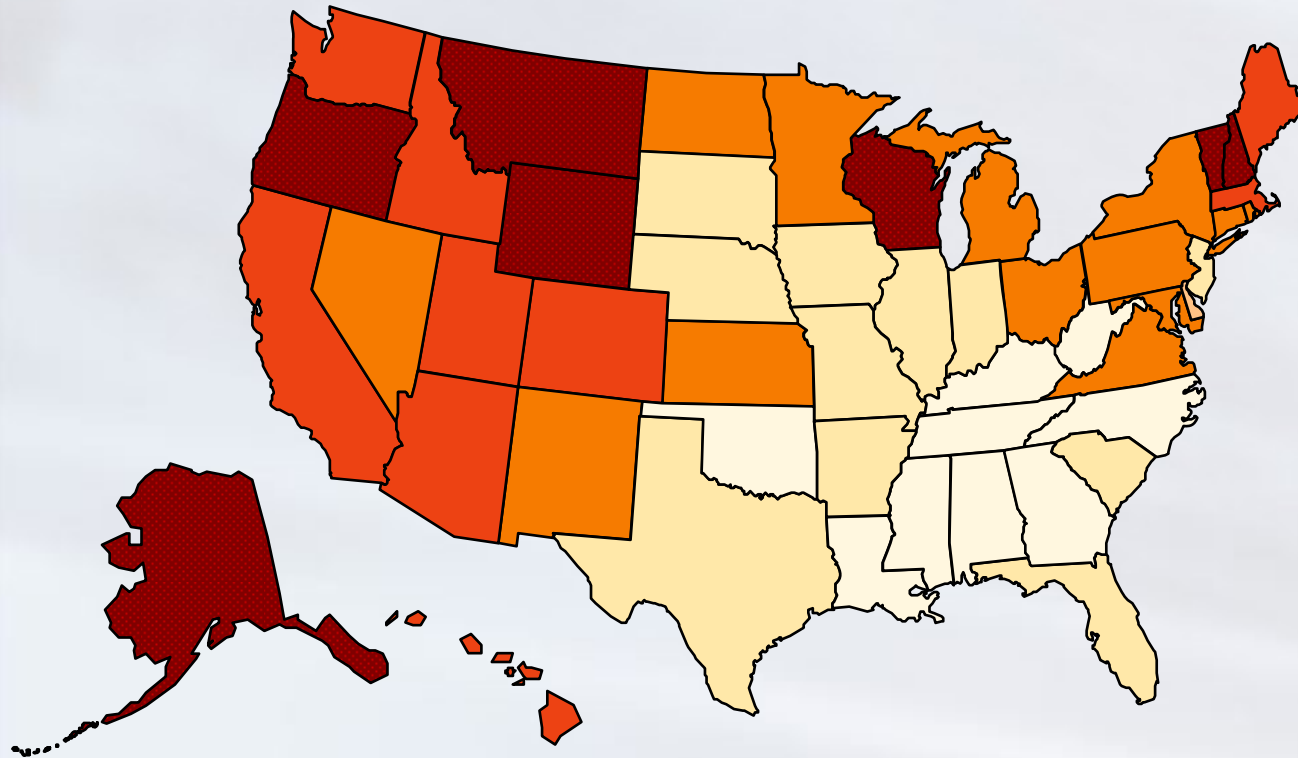
About 60 million adults (30% of the adult population) are now obese, which represents a doubling of the rate since 1980.



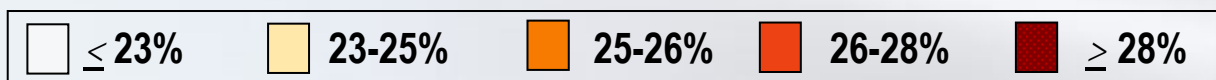
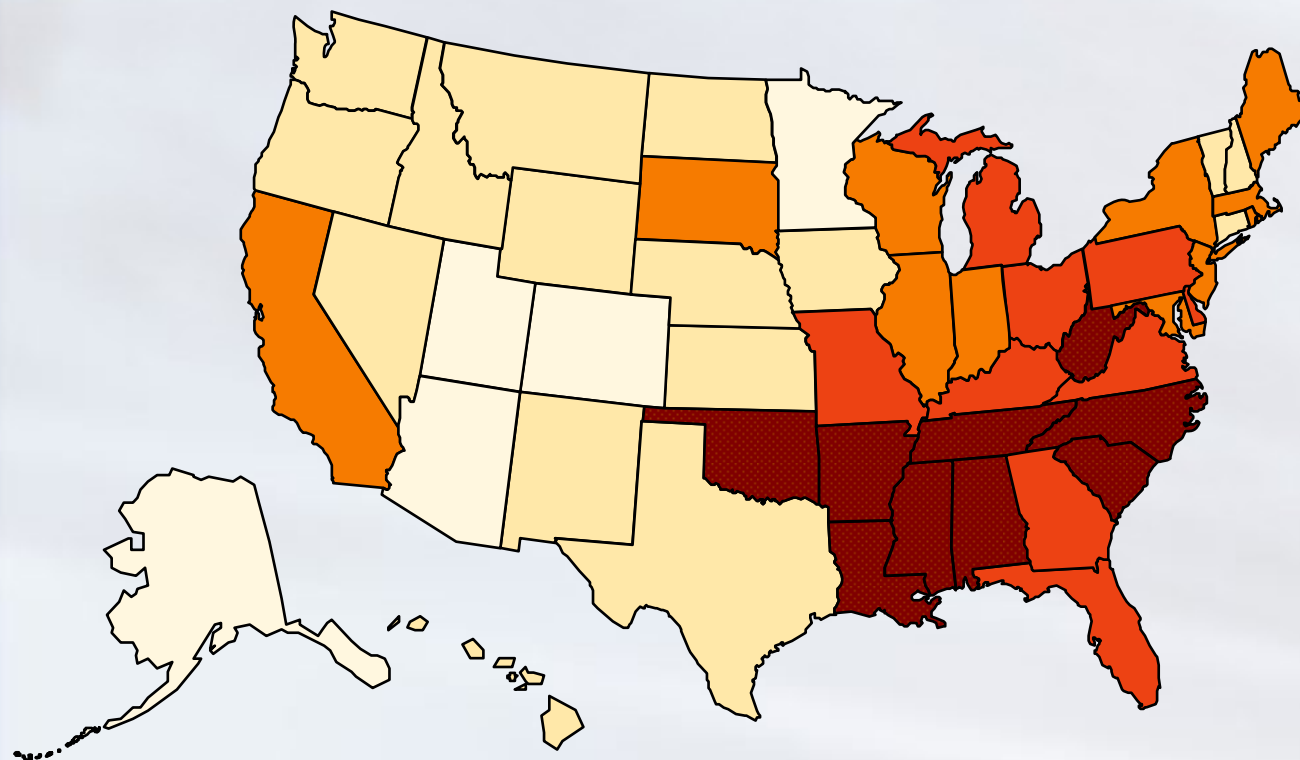
Source: Behavioral Health Surveillance System, CDC

Moderate Physical Activity 2005

(30 + minutes - five or more days a week)

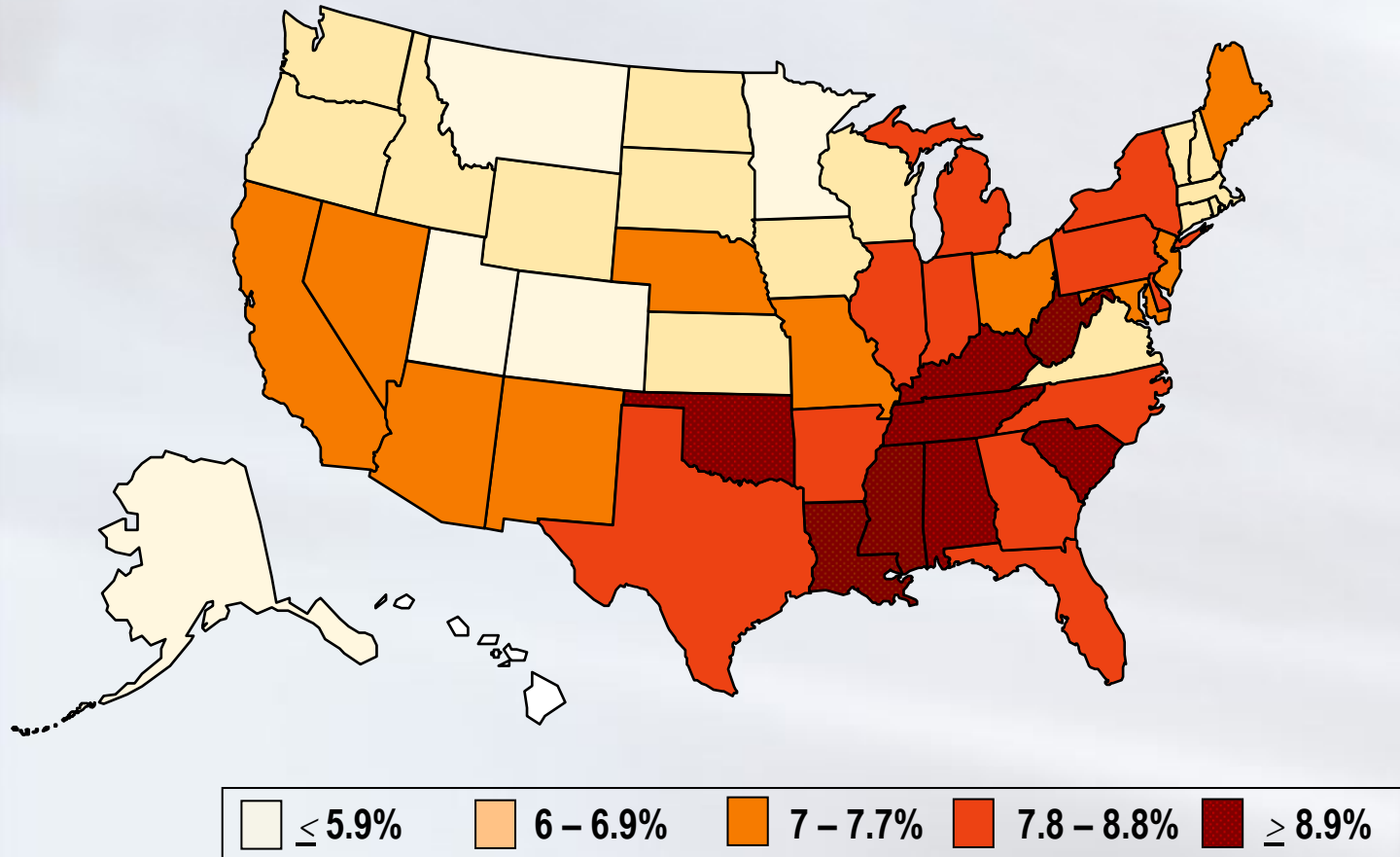


Adults Having High Blood Pressure -2005



Source: Behavioral Health Surveillance System, CDC

Adults Having Diabetes 2005



Source: Behavioral Health Surveillance System, CDC

Disease Management

“A Day In The Life...”

From Your Employee's Perspective

Meet Linda



A Middle School Teacher who:

...is a “closet” smoker

...has a family history of high BP

...and has Diabetes



95% of What a Person with Diabetes should do to Maintain Good Health is Self-Directed

Test and Exams	Insulin Using	Non-Insulin Using
Hemoglobin A1c (Measures average blood sugar for past 3 months)	Four times a year (Quarterly)	Two times a year (once control established)
Foot Inspection by Doctor or Nurse	One time a year	One time a year
Blood Pressure	Each visit	Each visit
Dilated Eye Exam	One time a year	One time a year
Lipid Profile (Cholesterol; HDL; LDL; Triglycerides)	One time a year	One time a year
Kidney Function Exam (Serum Creatinine Tests-Microalbumin)	One time a year	One time a year
Flu Shot - Vaccine	One time a year	One time a year
Pneumonia Shot - Vaccine	Initial	Initial
Talk to Your Doctor About		
Pre-pregnancy – Family Planning Counseling	As needed	As needed
Aspirin Therapy	Over 40 years	Over 40 years
Stopping Smoking	Each visit	Each visit
Your Health Care Goals	Each visit	Each visit

- Up to **70%** of all foot amputation happen to people with diabetes
 - Up to 85% of foot ulcers can be prevented with regular examination of feet, and prompt treatment
- Nearly 2/3 of Type 2 diabetes patients risk **heart attacks, blindness and kidney failure** because they do not take their pills correctly*
- 6 out of 10 diabetics are left with glucose, cholesterol and blood pressure levels that are too high.*

*Source: European Association for the Study of Diabetes

I feel fine! My doctor is making a mountain out of a mole hill!

I have to pick up the art supplies for tomorrow!

- ✓ Take Medications
- ✓ Follow Diet
- ✓ Do Prescribed Tests

- ✓ Reduce Stress
- ✓ Exercise
- ✓ Visit Doctor Regularly

How will I ever get those essays graded by Friday?



Guess I'll have to skip aerobics again tonight

Fewer than 25% of the patients being treated in our health care system are following accepted/proven standards of care 100% of the time.



There are many “Lindas”

Condition	Prevalence Rate
Heart Failure	0.26%
COPD	0.45%
Diabetes	2.60%
CAD	1.27%
Asthma	2.35%
Total	6.93%



Limited Time with Physicians

- It would take 7.4 hours per day for a primary care clinician to deliver the preventive services recommended by the U. S. Preventive Services Task Force.⁵
- Patients spend far more time making independent decisions that affect their health outside of your office, and they do so with minimal training or information.⁶
- **The primary goal of our programs are to support the patient in making healthy choices between office visits.**

5. Yarnall KS, Pollak KI, Ostbye T, Krause KM, Michener JL. Primary care: is there enough time for prevention? *Am J Public Health* 2003; 93:635-41;

6. The Power of Prevention, Reducing the health and economic burden of chronic disease. U.S. Department of Health and Human Services. 2003





First we'll "find Linda"...

- We identify program participants by:
 - Monthly Medical and Pharmacy Claims
 - MyHealthProfile (HRA)
 - Case Management Referral
 - Physician Referral
 - Self Referral
 - Healthy Lifestyle Coaching Referral
- Welcome Kit
 - Personalized Welcome Letter
 - Condition Specific Workbooks



We'll reach out to your employees



- 90% outbound calls
- Inbound calls handled by a dedicated team with full transfer and overflow capability
- Care Calls conducted 6 days a week,
12 hours per day
- Nurses are available 24 hours a day, 7 days a week



The Results

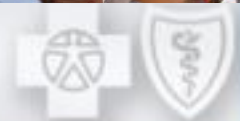
Linda and other participating employees are:

- Healthier
- Absent less often
- More productive
- Have lower claims costs
- Appreciate their benefits and don't want to leave!



Outcomes:

- ◆ Financial
- ◆ Clinical
- ◆ Satisfaction
- ◆ Productivity



Why Does Our Disease Management Program Beat the Competition?



- Participants are assessed at 4 levels of condition severity
- Our enhanced programs offer more direct interaction with the participant
- Third Party Validation
- Provider Services Managers – in market liaisons between the physicians and program participants
- Unique Clinical Information System that integrates with a predictive dialer



MyHealthProfile/Lifestyle Management

What CareFirst Can Offer



4 Easy Steps to Complete MyHealthProfile

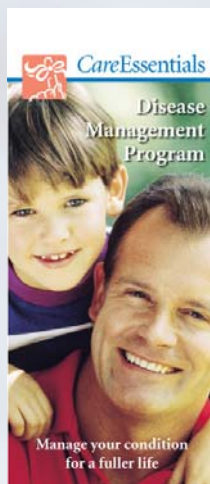


- Initial letter with MyHealthProfile log-in information
- Employer- sponsored template letter to members introducing MyHealthProfile
- Flyer to distribute at open enrollment
- Notification postcard
- Reminder postcard
- Step-by-step flyer
- Open enrollment poster
- Commonly asked member questions
- Member health report



Disease Management

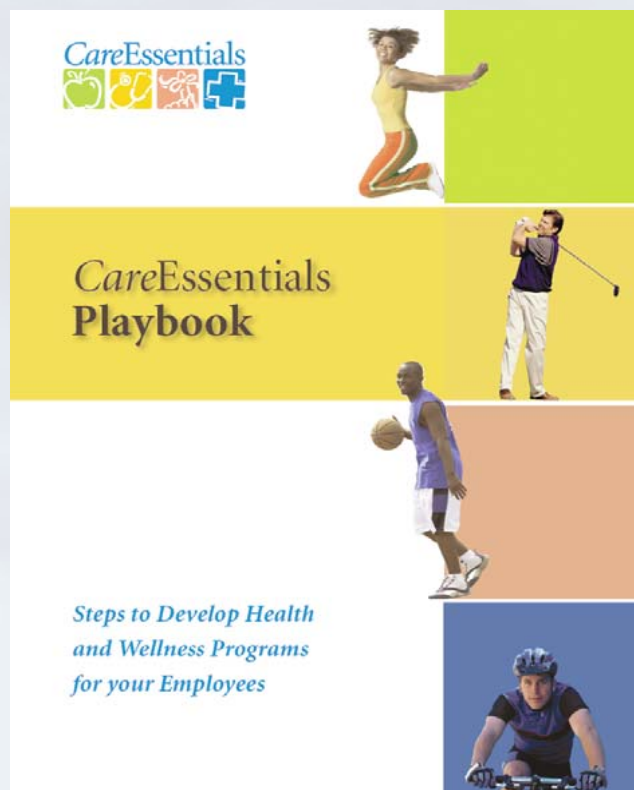
What CareFirst Can Offer



- Disease Management brochure
- Open enrollment poster
- Chronic disease articles
- Newsletter article templates
- General health education brochures



The CareEssentials Playbook

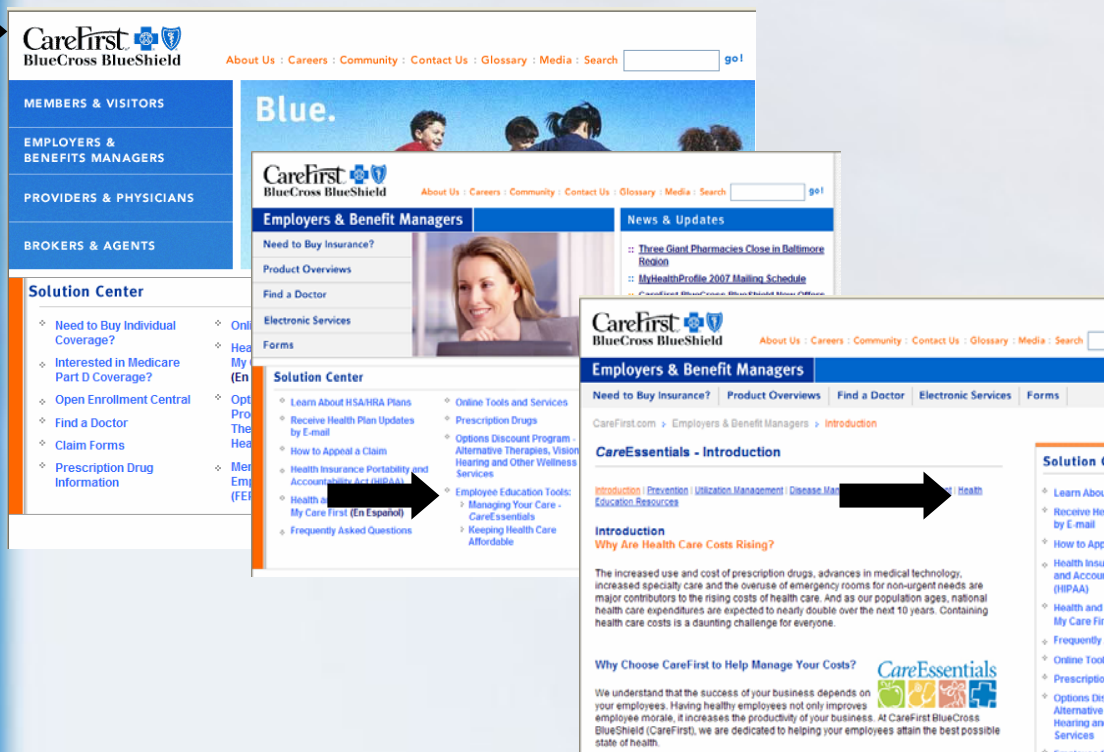


CareEssentials manual:
Available to fully insured
groups to help
implement their own
wellness programs



How to Find Materials



1. Order through your WholeSaler/DBE or Broker Sales Representative
2. Visit www.carefirst.com (Employers & Benefit Managers, Managing Your Care in the Solution Center, Health Education Resources)



The screenshot shows the CareFirst BlueCross BlueShield website. The navigation menu on the left includes: MEMBERS & VISITORS, EMPLOYERS & BENEFITS MANAGERS, PROVIDERS & PHYSICIANS, and BROKERS & AGENTS. Below this is the 'Solution Center' with links to: Need to Buy Individual Coverage?, Interested in Medicare Part D Coverage?, Open Enrollment Central, Find a Doctor, Claim Forms, Prescription Drug Information, and Health Insurance Portability and Accountability Act (HIPAA). The main content area shows the 'Employers & Benefit Managers' section with links to: Need to Buy Insurance?, Product Overviews, Find a Doctor, Electronic Services, Forms, and the 'Solution Center'. The 'Solution Center' has links to: Learn About HS/HRA Plans, Receive Health Plan Updates by E-mail, How to Appeal a Claim, Health Insurance Portability and Accountability Act (HIPAA), Employee Education Tools: Managing Your Care - CareEssentials, Keeping Health Care Affordable, and Frequently Asked Questions. An arrow points from the 'Solution Center' link in the left menu to the 'Solution Center' link in the main content area.

CareEssentials - Health Education Resources


[Introduction](#) | [Prevention](#) | [Utilization Management](#) | [Disease Management](#) | [Case Management](#) | [Health Education Resources](#)

The following material can be used to promote CareEssentials to your employees. The information is presented in either Microsoft Word  or printer-friendly, PDF format. 

MyHealthProfile/Online Lifestyle Management Programs

- ❖ [Employer-sponsored Template Letter](#) 
- ❖ [Introductory Flyer \(Woman\)](#)
- ❖ [Introductory Flyer \(Man\)](#)
- ❖ [Informational Poster](#)
- ❖ [Notification Postcard](#)
- ❖ [Reminder Postcard](#)
- ❖ [Instructional Flyer](#)
- ❖ [Commonly Asked Questions](#) 

Disease Management

- ❖ [Program Brochure](#)
- ❖ [Informational Poster](#)
- ❖ [Lung Disease Article](#)
- ❖ [Diabetes Article](#)
- ❖ [Asthma Article](#)
- ❖ [Heart Disease Article](#)
- ❖ [Newsletter Article \(1\)](#) 
- ❖ [Newsletter Article \(2\)](#) 

CareEssentials Promotional Collateral

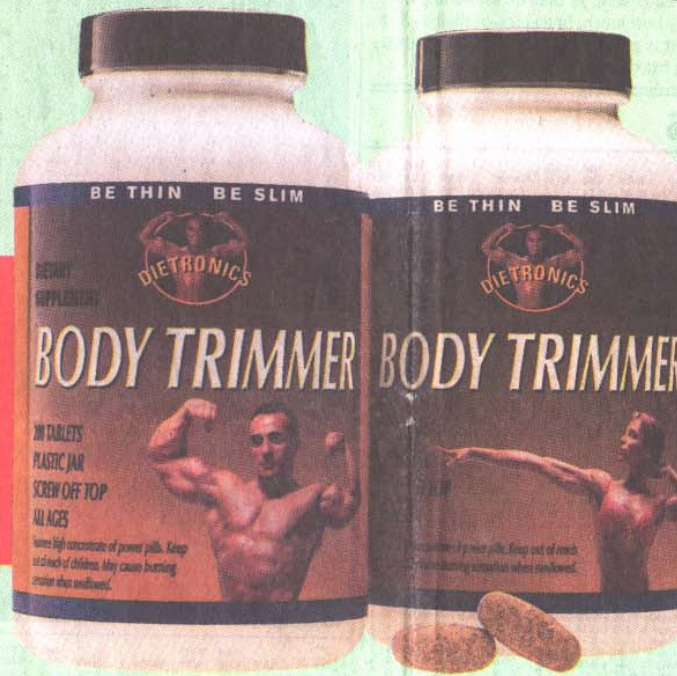
What Weight Loss Ads Should Say

LOSE MONEY...NOT FAT!

**TWO INCREDIBLY
USELESS WEIGHT
LOSS FORMULAS!**

“What was I thinking?”

Karen Palmer



**Scientists Agree:
“Why don’t you just
start exercising!”**

“It didn’t work!”

David Sigel

BEFORE

AFTER

Clinically Proven Programs

- Case Study of American Healthways' Diabetes Disease Management Program.**
Health Care Financing Review 2005; 27: 47-58.
James E. Pope, M.D., Laurel R. Hudson, M.S.N., R.N., and Patty M. Orr, M.S.N., Ed.D., R.N.
- The Effectiveness of Heart Failure Disease Management: Initial Findings from a Comprehensive Program.**
Disease Management 2002; 5: 215-223.
Janice L. Clarke, R.N., B.B.A., and David B. Nash, M.D., M.B.A.
- Efficacy of a Transtheoretical Model-Based Expert System For Antihypertensive Adherence.**
Disease Management 2006; 9: 291-300.
Sara S. Johnson, Ph.D., Mary-Margaret Driskell, M.P.H., Janet L. Johnson, Ph.D., Janice M. Prochaska, Ph.D., William Zwick, Ph.D., CSAC, and James O. Prochaska, Ph.D.
- Impact of Telephonic Interventions on Glycosylated Hemoglobin and Low-density Lipoprotein Cholesterol Testing.**
The American Journal of Managed Care 2007; 13: 188-192.
Carter Coberley, Ph.D., Brent Hamar, D.D.S., M.P.H., Bill Gandy, Ed.D., Patty Orr, R.N., Ed.D., Sadie Coberley, Ph.D., Matthew McGinnis, B.S., Laurel Hudson, R.N., M.S.N., Sam Forman, M.D., M.P.H., M.B.A., Dexter Shurney, M.D., M.P.H., M.B.A., & James Pope, M.D.
- Quality Improvement and Cost Reduction Realized by a Purchaser Through Diabetes Disease Management.**
Disease Management 2003; 6: 233-241.
James W. Snyder, M.D., Joyce Malaskovitz, Ph.D., R.N., C.D.E., Janet Griego, M.S.N., R.N., C.D.E., Jeffrey Persson, M.H.A., & Kristy Flatt, M.A.



BREAK/Door Prizes

ACTUARIAL PRICING UPDATE

June 12, 2007



Todd Switzer, A.S.A., M.A.A.A.

410-998-7107

Todd.Switzer@CareFirst.com

3Q07 Group Renewals

Market	1	2	4	5	9	10	11
	Legal Entity	PLAN Contracts a/o 12/31/07	Average 2006 Renewal Increase	1Q07 Incremental Increase	2Q07 Renewal Increase	3Q07 Incremental Increase	3Q07 Renewal Increase
MD SGR	BlueChoice	109,000	18%	6%	6%	2%	8%
	GHMSI	24,500	15%	6%	6%	3%	10%
	CFMI	9,700	20%	0%	0%	3%	3%
	SUBTOTAL:	143,200	17%	5%	5%	2%	8%
MD 1-50 Non-SGR	BlueChoice	10,099	10%	9%	9%	6%	16%
	GHMSI	3,448	10%	5%	5%	6%	11%
	CFMI	73					
	SUBTOTAL:	13,620	10%	8%	8%	6%	14%
1-50 Non-SGR (VA, DC)	BlueChoice (incl. CC)	45,500	10%	3%	3%	3%	7%
	GHMSI	52,500	9%	3%	3%	3%	7%
	SUBTOTAL:	98,000	9%	3%	3%	3%	7%
51+ Fully Insured	BlueChoice (incl. CC)	96,800	13%	4%	10%	3%	10%
	GHMSI	65,000	13%	4%	10%	3%	10%
	CFMI	19,000	14%	4%	10%	0%	12%
	SUBTOTAL:	180,800	13%	4%	10%	3%	10%

CDH Illustration

Deductible	For 100 Members (60 Contracts), # Exceeding...		Premium Change (Parallel non-CDH to CDH)
\$250	63	1 in 1.6	
\$500	46	1 in 2	
\$1,200	25	1 in 4	-35%
\$2,000	19	1 in 5	-40%
\$2,700	15	1 in 7	-50%
\$5,000	9	1 in 11	-60%

H.S.A. Illustration

	Current	H.S.A. \$1,200	% Δ	\$ Δ
Contracts	57	57		
Members	100	100		
Claims	\$312K	\$203K		
Income	\$391K	\$254K	-35%	-\$137K
Loss Ratio	80%	80%		
ER Contribution to Premium @ 50%	\$196K	\$127K	-35%	-\$69K
ER Fund ½ Deductible	\$0	\$34K		
EE Interest H.S.A. @ 3.0% (\$600 Ave Balance)	\$0	\$2K		
EE Cost Share	\$78K	\$135K		+\$57K
Triple Tax Saving (EE: Federal Income @ 28%)	\$0	\$10K		
Triple Tax Saving (EE & ER: FICA @ 7.65%)	\$0	\$3K Each		
Triple Tax Saving (EE: MD State Income @ 8.2%)	\$0	\$3K		
ER Cost	\$196K	\$159K	-19%	-\$37K
EE Cost	\$274K	\$246K	-10%	-\$28K
TOTAL COST	\$470K	\$405K	-14%	-\$65K

Group Medicare Advantage

1. MMA 2003, bigger govt but open wider to private enterprise.
2. CMS motivated to privatize Medicare, led to good reimbursements.
3. By 12/31/07, 8M seniors out of 40M will have MA plan (20%, 1 in 5).
4. CF benefits will be like “Plan F” for 51+ groups only (4 standard options).
5. Current retiree premium = \$261. MA retiree premium = \$196 (-25%).
6. Variability by county (e.g., Frederick premium = \$425, D.C. = \$26).
7. Market potential = 139,615.
8. Initiating with existing groups, many municipalities.
9. By end of 2009, GASB will require governments of all sizes to accrue retiree medical liabilities before employees actually retire. Consequently, controlling these liabilities will become more important for employers.
10. SAVINGS TO EMPLOYER WITH 10 RETIREES = \$4,000/year.

RX Portfolio (51+, 3Q07)

Benefit	Enrlmt Distrib	Individual Rate	Cost vs. # 1	Medical & RX Savings
\$10/20/35	51%	\$65		
\$0/25/45	0%	\$59	-9%	-2%
\$10/25/45	17%	\$58	-11%	-3%
\$15/35/60	11%	\$49	-25%	-6%
30% Coinsurance	0%	\$49	-25%	-6%
\$15/35/60, \$200 Ded, \$4K Max	0%	\$32	-51%	-13%
TOTAL	79%			85

Dental Portfolio (51+, 3Q07, Rider)

Benefit	Enrlmt Distrib	Individual Rate	Cost vs. # 1
DHMO 20 No Opt-Out (Cleaning Copay \$20)	0.3%	\$9	
DPPO 100/80/80/50%, \$25 Ded, \$1,000 Max	15%	\$18	+\$9
DIndem - 100/80/80/50%, \$50 Ded, \$1,500 Max	60%	\$24	+\$15
DPPO 80/50/50/50%, \$25 Ded, \$1,000 Max	1%	\$14	+\$5
DIndem - 100/90/90/60%, \$50 Ded, \$1,500 Max	3%	\$25	+\$16
TOTAL	79%		86

Vision Portfolio (51+, 3Q07, Rider)

Benefit	Enrollment Distribution	Individual Rate	Cost vs. # 1
BlueVision Plus (DAVIS): \$10 Copay Exams Benefits Reset Every 24 Mos. Lenses & Frames Covered in Full	45%	\$3	
BlueVision Plus (DAVIS): \$0 Copay Exams Benefits Reset Every 12 Months Lenses & Frames Covered in Full	35%	\$4	+\$1
TOTAL	80%		

Incremental Progress (Group Markets)

- A. H.S.A. Shared Cost Elements (In & Out of Network)
- B. VA: Make POS Our Compliant Product (HB 1075)
- C. HPN BlueAdvantage & HPN BlueSelect
- D. Online/Web Enrollment
- E. Build Networks Over the Borders (e.g., Live in Martinsburg, WVA, Work in Alexandria, VA)
- F. Removing Barriers for Hispanic, Asian, etc. Communities
- G. Customer Service (CDH & non-CDH)
- H. Transplants Covered (Small Groups, BlueChoice)
- I. CDH Banking Fees

Thank you.

Dental Products Overview

Presented by Keith Creamer

Keith.Creamer@carefirst.com

410-998-7594 (office)

410-952-9664 (cell)

Dental Product Portfolio

- **Discount Dental**
- **DHMO (Ridered & Freestanding)**
- **Regional Preferred (PPO) Dental**
- **Regional Traditional Dental**
- **National Dental**

Discount Dental Plan

- Discount Dental is core to all BlueChoice medical products only.
- Not available to any other CareFirst medical products.
 - An added value to BlueChoice medical offerings.
 - A discounted fee schedule with member co-pays rather than a percentage discount.
 - Discounts range from 25 - 40%.
 - Uses the DHMO network of providers.

Ridered DHMO Plans

- Ridered DHMO plans can only be sold with BlueChoice product line.
- Must be sold on a PARALLEL basis !!!
- Ridered DHMO plans are available in MD, DC & VA.
- Ridered plans use the DHMO network of providers.
- Four plans available:
 - **Plan 10** (in-network only)
 - **Plan 20** (in-network only)
 - **Plan 10** with Opt-out
 - **Plan 20** with Opt-out

Ridered DHMO Plans

The Dental Network

Dental Site Selection Form

Important Information — Regarding Your Dental Coverage

Current Members

If you are currently receiving dental benefits through a CareFirst BlueChoice (BlueChoice) HMO, your dental plan administrator is The Dental Network (TDN).

If your current primary dental provider is listed in the enclosed directory, there is no need for you to do anything because your primary dental office remains unchanged. If your dentist is not listed, you are required to select a new primary dentist by completing the selection card below.

When you receive your new information card(s), if you see that either you or your dependents are not registered in the correct dental office, please call TDN Customer Service. They will make the necessary changes immediately.

New Enrollees

If you are enrolling in a BlueChoice HMO dental plan for the first time, please read the following important information and complete the site selection form below.

1. In order to receive dental benefits under your dental plan, you must select a primary dental office for you and each of your covered dependents using the enclosed Dental Provider Directory.
2. On the selection form below, fill in the requested information. Please be sure to include the provider ID number associated with the dentist selected for each member. Family members may each choose a different primary dentist from this directory.
3. Please return this selection form with your completed enrollment form to your Human Resources Department.
4. If we do not receive your site selection card within 30 days of your effective date, we will select a site for you and your dependents, close to your home. You are welcome to change your site selection at any time by calling TDN Customer Service.

If you have any questions or need assistance, please do not hesitate to contact the TDN Customer Service Department, Monday through Friday, 8:30 AM - 5:00 PM, at 410-847-9060 or toll free 1-888-833-8464.

Effective Date of Coverage _____ Daytime Phone Number _____

Names Last	First	MI	Social Security Number	Relationship	Please Indicate Dental Office for each Member	Dentist Provider Number
				Self		
				Spouse		
				<input type="checkbox"/> Son		
				<input type="checkbox"/> Daughter		
				<input type="checkbox"/> Son		
				<input type="checkbox"/> Daughter		
				<input type="checkbox"/> Son		
				<input type="checkbox"/> Daughter		
				<input type="checkbox"/> Son		
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				<input type="checkbox"/> Son		
				<input type="checkbox"/> Daughter		

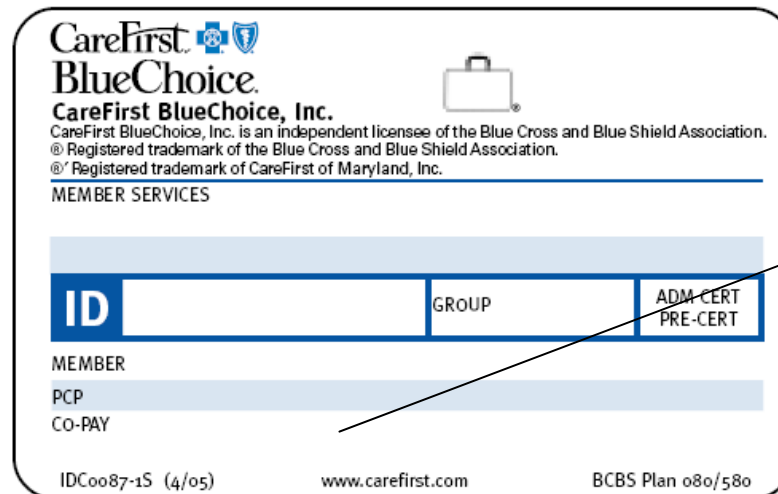
The Dental Network is an independent licensee of the Blue Cross and Blue Shield Association.
® Registered licensee of the Blue Cross and Blue Shield Association.

CU75-622-15 (2/06)

- Employees signing up for the Ridered DHMO coverage must complete a provider site selection form.
- Enrollment will be processed as part of the BlueChoice medical product selected by the group.

Ridered DHMO ID Cards

- Ridered DHMO plans are included on the BlueChoice medical card. The one card includes the medical and dental coverage.



CareFirst. BlueChoice. CareFirst BlueChoice, Inc. is an independent licensee of the Blue Cross and Blue Shield Association. © Registered trademark of the Blue Cross and Blue Shield Association. ® Registered trademark of CareFirst of Maryland, Inc.

MEMBER SERVICES

ID	GROUP	ADM-CERT PRE-CERT
MEMBER		
PCP		
CO-PAY		

IDC0087-1S (4/05) www.carefirst.com BCBS Plan 080/580

The Descriptor code is DH

Freestanding DHMO Plans

- Freestanding DHMO plans are called **Provider Choice**.
- Plans...**PC-5, PC-10 and PC-20**.
- Current DHMO network includes approximately 398 General Dentists and 386 Specialists = 784.
- The Dental Network (TDN) continues to be the administrator for the Provider Choice plans.
- Freestanding DHMO plans can be sold with any CareFirst medical offering or other medical carriers.
- Plans can be sold on a group basis (employer funded) or on a voluntary basis (100% employee paid).
- **Plans available in MD, DC and VA !!!**

Freestanding DHMO Plans


- Provider Choice DHMO plans can be sold with Preferred or Traditional Dental plans; total enrollment will count towards the group's 75% minimum participation requirement.
- If a group does not meet the participation requirement or offers dental on a voluntary basis, then the Provider Choice DHMO plans can be sold down to two lives.
- Minimum participation for any size group = 2 enrolled

Freestanding DHMO Paperwork

- Each new group requires:
 - TDN Group Contract
 - TDN Group Application
 - Completed TDN or DBE / Wholesaler approved employee enrollment application.
 - All employee applications must include dental site selection.
- Contracts and applications are located on the CareFirst or TDN website.
- Paperwork process: Submit to your contracted DBE or Wholesaler.
- Direct broker cases submitted to TDN or through your CareFirst sales rep.

Freestanding DHMO ID Cards

- Freestanding Provider Choice (PC) DHMO products have separate ID cards; 2 cards per subscriber with all family members listed.

The Dental Network 
The Dental Network is an independent licensee of the Blue Cross and Blue Shield Association.
® Registered trademark of the Blue Cross and Blue Shield Association.

Subscriber: JOHN DOE (TYPE 7)

ID#: 123456789 Eff. Date: 1/1/03 Covered Dependents:

Plan: CF20 Group: 12345

Primary Dental Office: 9999
BALTIMORE DENTAL SERVICE
987 SPRING STREET
BALTIMORE MD 21200
410-876-5432

Regional Preferred (PPO)

- Current Preferred Dental network includes approximately **2,894 General Dentists and 840 Specialists = 3,734**.
- Members receive the highest level of benefits (in-network), when using a Preferred provider...no balance billing.
- May be balance billed when using a non-participating provider.
- Member coinsurances are higher in-network than out-of-network.
- **Four plan options available (1-50); Five options (51+)**
 - sold with or without Ortho.
 - annual deductibles and benefit maximums do apply.

Regional Traditional

- Current Traditional Dental network includes approximately **3,282 General Dentists and 918 Specialists = 4,200**.
- Members receive the highest level of benefits (in-network), when using a Traditional provider...no balance billing.
- May be balance billed when using a non-participating provider.
- Coinsurances for in-network and out-of-network services are the same.
- **Four plan options available (1-50); Five options (51+).**
 - sold with or without Ortho.
 - annual deductibles and benefit maximums do apply.

Business Rules

- Regional Preferred and Traditional Dental plans may be packaged with freestanding Provider Choice DHMO plans.
- Total enrollment for any combination of plans offered will count towards a group's 75% minimum participation requirement.
- This will give your clients more dental choices and provide greater flexibility in funding dental benefits.

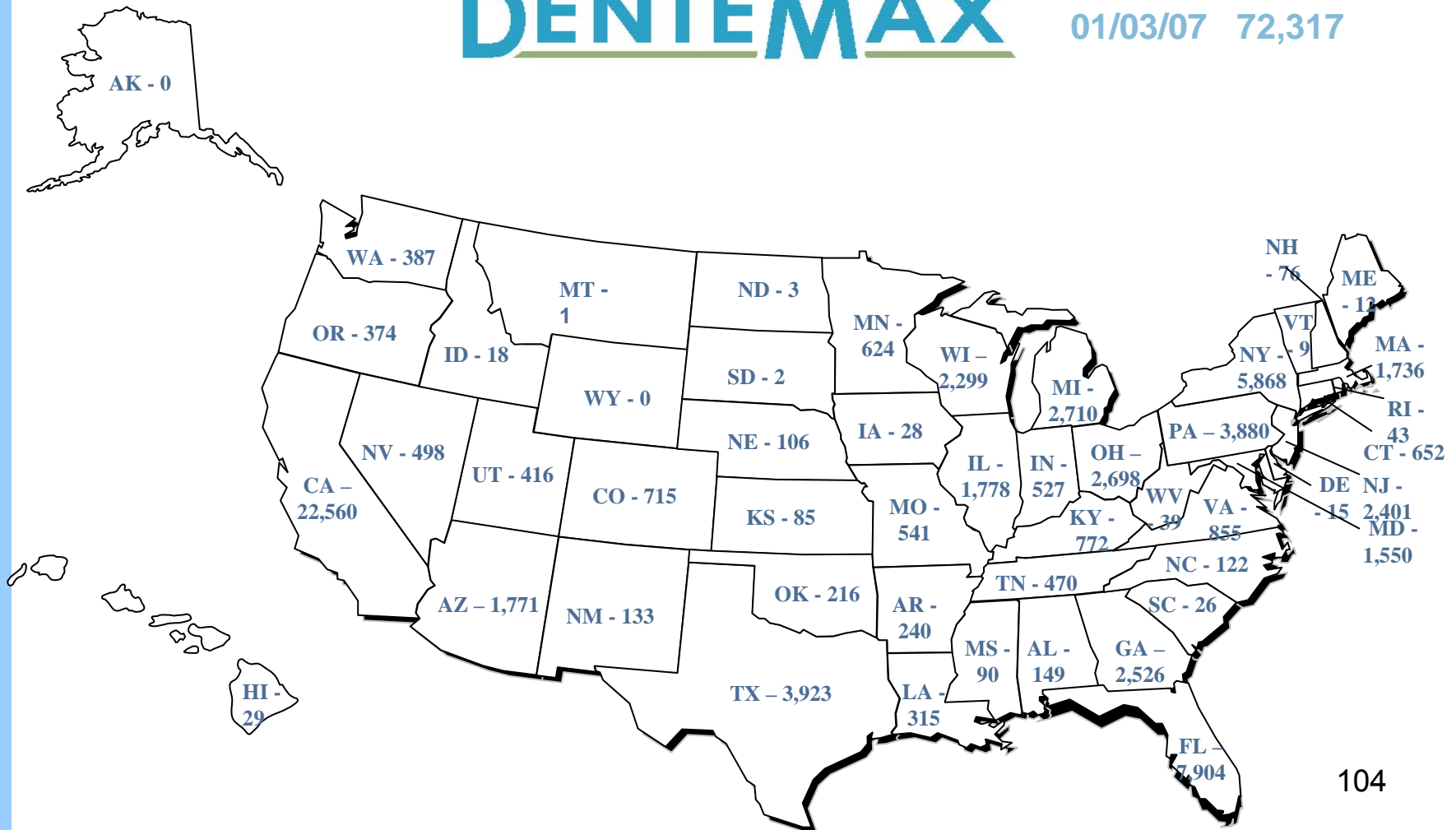
National Dental

- ASO / Self-insured only groups
- 200+ employer groups with employees outside the CareFirst service area.
- Sold on a freestanding basis with a minimum participation requirement of 200 enrolled.
- Can be sold regardless of group's medical status with CareFirst.
- **Benefit Designs** - Preferred and Traditional plan offerings; customized benefits available.
- **Provider Networks** - Preferred or Traditional in combination with the **Dentemax National PPO** ...(seamless network to members).

DenteMax Provider Network

DENTEMAX

01/03/07 72,317



National Dental

- This is a **NCAS** product.
- **NCAS** is CareFirst's wholly owned TPA.
- **NCAS** will handle all administrative functions – enrollment, billing, ID cards, customer service, claim processing, EOB's, reporting, provider access, summary plan document and electronic member booklet...(included in monthly fee).
- **NCAS** will handle the RFP / Proposal process, including ASO pricing and GEO access reporting.
- Sales opportunities or more information – see your CareFirst large group sales rep.

National Dental ID Cards

- ID cards are issued based on the location of the subscriber.
- The ID card identifies which product and network – Preferred (PPO) or Traditional.



- Members in the CareFirst service area will receive an ID card with the CareFirst logo in the lower right corner.

Future Enhancements!

- Voluntary PPO plan using the Preferred network of providers.
- Investigating a national network solution for fully-insured (risk) business.
- Integrate freestanding DHMO plans into the “rate-quote system”.
- Improve existing dental provider networks – (DHMO, PPO & Traditional).

NCIA Insurance Agency and Fort Dearborn Life Insurance Company

**Susan Homar, FLMI
NCIA Vice President**

Susan.Homar@CareFirst.com

202.680.7074

Broker Incentive Opportunities

Commissions

\$ Group Life/ADD/STD/LTD

- 15% graded schedule
- Alternatives available at point of quote

\$ Voluntary Life, ADD, STD, LTD, Critical Illness

- 20% 1st year and renewal

2007 Broker Bonus Program – Fort Dearborn Life

- **New Business Bonus Schedule**

- Qualifications: a minimum of 5 new cases & \$25,000 in new premium
- Additional Compensation 15%* or more.....
 - As new premium increases, compensation increases up to 30%*

- **Renewal Business Bonus Schedule**

- Minimum of 10 In-Force Employer Groups as of 12/31 of the prior calendar year
- Must qualify for the New Business Bonus
- 92.5% - 100% persistency yields a 10% bonus**
- 85% - 92.4% persistency yields a 5% bonus**

*as a % of standard commission

**as a % of renewal commission

Congratulations to the following qualifying
Fort Dearborn Life Ireland trip brokers:

David Mosier (Kelly)

Mike Gomez (BenefitMall)

Ed Jerace (Warner Co)

Steve Ivey (Agility HR)

2008 Adventure on the Sea

Fort Dearborn Life Leaders Conference

March 30 – April 6, 2008



- **7 Day Caribbean Cruise**
aboard the *Adventure of the Seas*
- **Qualifications:**
 - Minimum of 4 cases sold
 - \$125,000 of annualized Basic or voluntary Life/ADD, STD, LTD or Critical Illness premium



New Ad Campaign



Fort Dearborn Life Works
Group Benefits

Be Strong

- Strong Ratings
- Strong Products
- Strong Relationships

Put the strength of Fort Dearborn Life to work for you and your customers.

Group Benefits • Voluntary Group Benefits
Life • Disability • Dental

www.fdl-life.com
1-800-331-0512

 **FORT DEARBORN LIFE**
Insurance Company

 Fort Dearborn Life is rated A++ (Superior) by A.M. Best Company, effective August 10, 2009, and A Strongly by Standard & Poor's for its financial strength. A.M. Best Company rates the overall financial condition of companies using a scale of A++ (Superior) to B (Satisfactory). A.M. Best Company rates the overall financial condition of companies using a scale of A++ (Superior) to B (Satisfactory).

Appearing Nationally In:

- Benefit Selling
- Employee Benefit Advisor

Voluntary Workplace Benefits

Presented by Mitch Stringer

Select Benefits Communications Group

Selectbenefitsgroup.com

MStringer@selectbenefitsgroup.com

888-711-4478 ext. 157

CareFirst Voluntary Workplace Benefits - Year One in Review

- Sold cases with nearly 4,000 eligible lives
- Mix of large, mid-size and smaller employers
- Some groups were replacements of prior carriers due to myriad of issues from billing to cost to general service.
- Majority of groups involved communication & enrollment of FSA plans and/or health insurance along with voluntary benefits.
- Products included mini-med, permanent life, critical illness, group legal among others.

Alliance Partners

- CareFirst and Select Benefits Communications Group (SBCG) have alliance offers voluntary worksite benefits to groups of 2+ employees (target 25+) via the broker and consultant channels.
- Through the alliance, brokers enjoy increased client revenue, enhanced relationships and reduced workload.
- SBCG can offer multiple products on a single bill from numerous carriers to ensure the most competitive underwriting and product options for clients.
- SBCG alliance responsibilities: Design voluntary product offerings on behalf of the broker, manage client sales process, execute enrollment, pay commissions, manage ongoing new hire enrollments and policyholder service.

Product Spotlight: Mini-med

- Target audience – part-time employees, non benefit eligible, seasonal
- No pre-existing condition exclusions
- Guaranteed issue coverage
- In & out of PPO network benefits
- Minimum of 5 enrolled employees
- Benefits such as life and std may be included in package

Product Focus: Mini-med

Coverage Examples

- Doctor office visits
- X rays and lab work
- In/out patient surgery
- Daily hospital confinement
- Anesthesia
- Attending physician

Sales Process

5 Steps to Worksite Success

1. CF rep and/or SBCG rep meet with broker or consultant to identify prospective group(s) and define product needs/interest.
2. SBCG researches carrier markets to determine most competitive options to be introduced or replace current in-force carrier(s).
3. SBCG rep and broker or consultant present recommendations to client or prospect.
4. SBCG performs enrollment planning and completes enrollment.
5. SBCG sets up billing and ongoing new hire orientation process.

Commission Opportunity

CareFirst Voluntary Benefits Broker Commission Program

Product	CareFirst Annual Premium (\$1 - \$50,000) Base Level	CareFirst Annual Premium (\$50,001+) Bonus Level
Universal Life	20%	25%
Term Life	15%	15%
Short Term Disability	15%	15%
Cancer	11%	16%
Accident	10%	15%
STD (Individual)	11%	14%
Hospital Indemnity	12%	16%
Critical Illness	11%	16%

Year Two through Year Ten Renewal Commission	
Product	Commission Percentage Paid To Producer
Universal Life	1%
Term Life	15%
Short Term Disability	15%
All Other Products	3%

- Commission percentages are based on first year paid premiums.
- Year One commissions on products not listed will be determined on a case-by-case basis.
- Bonus Level will be paid prospectively on new sales after achieving the required annual sales premium targets status will carry over year to year subject to review and adjustments by CareFirst if sales volumes are not maintained at an adequate level.
- Commissions shown are for face to face, manual enrollment. These do not pertain to CareFirst Connect, web-based enrolled voluntary products.

Commission Opportunity

Case Examples

- 35 life case with universal life and cancer benefit
- Prior to reaching bonus level Year One commission = \$2,121
- Year One commission after attaining bonus level = \$2,870

- 95 life case adding cancer, accident and universal life
- Prior to reaching bonus level Year One broker commission = \$5,654
- Year One after attaining bonus level: \$7,641

Assumptions: Average UL annual premium of \$470
Average Cancer annual premium of \$360
Average Accident premium of \$365
35% participation by product

Bonus levels are paid prospectively on new business written after reaching \$50,000 of paid, annualized premium.