



The Broker Brief

The latest news for you and your business.

April 2014

A Word from Monica Neronha – Vice President, Legal Services



Amazingly, March 23 marked the fourth anniversary of the Affordable Care Act (ACA) becoming law. It seems so long ago that we were all just beginning to wonder how healthcare reform would look and what we needed to do to get ready for it. Now we have already seen the end of the first annual open enrollment period through HealthSource RI, Rhode Island's state-based exchange. While Rhode Island has certainly had its share of bumps in the road, overall things are going very well locally. According to the latest reports, more than 70,000 Rhode Islanders have signed up for Medicaid and private coverage through HealthSource RI.

So, that's it...the exchange is open and healthcare reform is done, right? Not so fast! It may appear quiet, but things are still happening at a lightning-quick pace. Blue Cross and other insurers continue to receive guidance from the federal government about upcoming changes, for this year and beyond. In fact, since mid-February alone, we've received more than 1,000 pages of brand new regulations! We've been going through all of this new information and plan to provide details soon on what's most important for employers. In the meantime, there are two key areas we want to update you on now:

- ***Employer Shared Responsibility (modified on February 10, 2014)*** – Starting on January 1, 2015, employers with at least 100 full-time employees (or a combination of full-time and part-time employees equivalent to 100) are required to offer affordable health coverage with a minimum level of benefits (called minimum essential coverage) to their employees or be subject to an Employer Shared Responsibility payment. Employers with between 50 and 100 full-time employees have an extra year to comply.
- ***Reporting Requirements (finalized on March 5, 2014)*** – Also starting on January 1, 2015, the same large employers subject to the Employer Shared Responsibility requirements must file a return with the IRS describing healthcare coverage that they provide to their full-time employees, including a list of full-time employees, the coverage offered to each full-time employee, and the months the coverage applied to that employee. In addition, these large employers must provide each full-time employee with a related statement. The final regulations issued in March 2014 provide simplified requirements and transitional relief for some employers, including allowing self-insured employers to file one combined report to satisfy their reporting obligations as employers and plan sponsors.

Stay tuned for additional updates as new information becomes available.

Talk to Us

We want this newsletter to benefit you, so if there are any topics you would like to see covered, please let us know at TheBrokerBrief@bcbsri.org. This newsletter is just one of the ways we're partnering with you to address your needs—and the needs of your clients.

Thanks for all you do for BCBSRI and our customers.

News You Can Use

Important: RI All Payer Claims Database

The State of Rhode Island has recently announced a healthcare reform-related program to collect and analyze medical claims and payment data for Rhode Island residents. Called the All Payer Claims Database (APCD), this initiative is similar to those that have been developed by several other states.

This database is being created to provide reports about healthcare quality, cost, utilization, trends, and reforms, as well as to identify opportunities to improve healthcare quality and create more informed healthcare consumers. As a health insurer, Blue Cross & Blue Shield of Rhode Island (BCBSRI) is required by law to participate by sending information to the APCD.

Members have the right to opt out

The system will have safeguards in place to protect members' information and identity during collection. Members also have the right to choose not to participate by excluding their information from the database – this opt-out process will be managed by the State through a new website: www.riapcd-optout.com.

Some additional information:

- Members can opt out now or at any time at www.riapcd-optout.com.
- Members can also opt back in to the database at any time.
- If members have questions, they can contact the RI APCD directly at RIAPCD@ohic.ri.gov, or contact OHIC's Consumer Support at 1-855-747-3224 or www.rireach.org.

What BCBSRI is doing

We have sent a letter to notify members about the program and let them know about their right to opt out and how to do so. It was sent to:

- **Small employers:** All subscribers
- **Large employers and self-funded groups:** All subscribers who reside in Rhode Island

We wanted to make you aware of this initiative. If you have any questions about the APCD program, please contact RI APCD directly at RIAPCD@ohic.ri.gov, or contact OHIC's Consumer Support at 1-855-747-3224 or www.rireach.org.

Changes to the Blue Cross Large Group Sales Team

We wanted to make you aware of recent changes to our Large Group Sales team. As always, our goal is to provide the best possible service to our customers and brokers, and our structure and personnel changes position us to best accomplish that. Large Account Sales will continue to have four key areas: New Business, Major Accounts, Labor Office, and Large Group Sales.

Here are the specific personnel changes:

- **Kim Capuano**, formerly Manager, Special Accounts, has retired after a 37-year career at Blue Cross. Kim's dedication and hard work were assets to the many large group clients that she worked with over her career here, and we wish her well.
- Replacing Kim with the title of Key Account Executive is **Karen Russotti**. A 13-year Blue Cross employee, Karen has vast experience in sales and underwriting and has built solid relationships with brokers and many large group customers, including the City of Providence. Karen joins **John Gilliland**, a 12-year Blue Cross employee, in the same role. In this position, Karen and John will be responsible for managing the sales relationship and growing the business across all product lines for our largest and key national accounts.
- Joining the Large Group Sales team from Underwriting as an Account Executive is **Seth Garthee**. Seth has 13 years of underwriting experience at Blue Cross across many segments, including ASC, stop-loss, fully insured accounts, dental, and new business.

Here's a brief breakdown of each of the four key department areas:

- **New Business** – With a focus on generating new large group business, this team includes Account Executives Dave Deblois and Beth Schaad.
- **Major Accounts** – As noted above, this team includes Karen Russotti and John Gilliland, with a focus on growing the business for our largest and key national accounts.
- **Labor Office** – Under the direction of Bob Knowles, Director of Labor Relations, our Labor Office works to meet the unique needs of both public sector labor groups as well as Health and Welfare Funds.
- **Large Group Sales** – Under the direction of Jay Heimgartner, Director of Large Group Sales, this group has two teams focused on growing business and account management:
 - > **Senior Account Executives:** Sue Bellem, Sara Nowicki
 - > **Account Executives:** Trish Mulligan, Kathleen Sullivan, Dee O'Hayre, and Seth Garthee
 - > **Account Managers**, under the direction of Team Leader Melissa Reyes: Gina Cokely, Sherri Saber, Jeanne Luiz, Kim Andersen, Marc Gagnon, and Deborah French

If you have any questions about the new Large Account Sales structure, please contact Rich Krupski at **(401) 459-5740**.

Product Update

BCBSRI's Flexible Network Options

Lower costs. Coordinated care. Better value.

Our flexible network options give small employers and their employees more for their healthcare dollars. These network options address the needs of small employers through preferred and tiered networks and empower employees to get the care they need at the best price.

BCBSRI offers two network options: Select (new for August 2014) and SelectRI (launched April 2013).

Introducing VantageBlue Select

VantageBlue Select is BCBSRI's first preferred network option for small employers, and will be available beginning in August 2014. Pairing the great health benefits and rewards of VantageBlue with the cost-savings of a local, preferred provider and hospital network, VantageBlue Select offers these great benefits:

- Premiums approximately 15% less^(1,2) than comparable plans
- A primary care-based plan with unique access to coordinated and comprehensive care
- \$0 deductible plan designs
- \$100 incentive for completing two wellness activities

VantageBlue SelectRI

VantageBlue SelectRI was BCBSRI's first tiered network option and launched in April 2013. It offers:

- Premiums approximately 6% less⁽¹⁾ than comparable plans
- The flexibility to choose any provider in our national network
- Statewide advanced primary care through patient-centered medical homes
- Free *PureRunner* mobile app and Telephonic Wellness Coaching
- A \$50 incentive for completing online health assessment

VantageBlue Select bonus program!

We're excited to announce a bonus program to help you promote and sell VantageBlue Select (medical). Here are the details:

- The bonus program will apply to new and renewal business, for VantageBlue Select only (*not applicable for VantageBlue SelectRI*).
- The program will be launched on August 1, 2014 to coincide with the launch of VantageBlue Select.
- The program will run from August 1 to December 31, 2014.
- The program applies to the small group market (1 to 50 contracts).

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- You will be compensated your standard \$20 PCPM allowance. For each new VantageBlue Select product sold or renewed, you will receive a bonus of \$20 per contract in addition to our standard reimbursement on a one time basis only.
- Payment will be reimbursed for effective dates from August 1 to December 31, 2014, with bonuses paid out in February 2015.

Upcoming training/more information

- VantageBlue Select will be available to small employers that are renewing in August 2014. Product materials will be included in renewal kits being sent to those employers in June.
- Prior to that, you will be invited to product training/education sessions – stay tuned for more details and specific dates.
- Also, we want you to be aware that we'll soon be sending pre-renewal information to certain employer groups prior to their renewal about this new innovative network option.

Please contact us with any questions you have about VantageBlue Select.

(1) Actual savings is approximate and may vary depending on plan design

(2) Subject to OHIC approval

Hot Off the Press

Updated Small Group Application

We have recently updated the Small Group member application. Please use [this version](#) going forward.

Partnerships in Health

Living Well Program Effective Mid-April

We are pleased to announce a new program called Living Well, managed by Vital Decisions, a company specializing in healthcare counseling services for patients who are experiencing serious illness (and their family members). Beginning in mid-April, this program will be offered to fully insured BCBSRI Commercial and Medicare Advantage members.

Through a series of telephone conversations, Vital Decisions' specially trained counselors work with patients and their families to help educate, discuss, and work through the important topics of advance care and life planning. Their role is to help patients identify their quality of life preferences and values and help them communicate effectively with their family and physicians. This helps ensure that care planning decisions can be made with their preferences in mind.

Vital Decisions does not interfere with the patient/physician relationship, provide medical advice, or provide an opinion regarding the care plan or team in place. In fact, their experience has demonstrated that the counseling program actually enhances patient/physician communication as well as the overall relationship.

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Vital Decisions currently works with multiple national, regional, and local health plans across the country, and the Living Well program has been recognized as a Best Practice in Consumer Protection and Empowerment by the Utilization Review Accreditation Commission (URAC). We believe the Living Well program will positively impact the lives of our seriously ill members and their families during a difficult time. If you have any questions on the program, please contact your BCBSRI representative.

Word on the Street

This section highlights recent news articles that contain information about our changing healthcare marketplace, both nationally and locally.

[Health director gives RI mixed grades in address to lawmakers, *The Providence Journal*](#)

The state's health director recently gave a presentation on the "State of the State's Health" to leaders of the Rhode Island General Assembly. It gave the state high marks for the quality of its healthcare providers, but lower scores for social factors that influence health, such as poverty, educational opportunities, and environmental exposures.

[Smart Benefits: Pay or Play Delay Could Bode Well for Employers, *GoLocalProv.com*](#)

The Affordable Care Act's (ACA) employer penalty has been delayed for mid-sized employers, from 2015 to 2016. Under the ACA, employers are required to pay penalties for full-time employees to whom they don't provide affordable, minimum value health insurance. This delay directly benefits employers with 50-100 employees, but there are also some benefits to smaller employers, as well as to those employers with more than 100 employees.