

CompleteChoice HealthFundSM

Putting Members In Control of Their Health Care and Financial Future

THE PROBLEM

Health care costs are rising at unsustainable rates and show no signs of stopping. Factors such as improved but expensive medical technologies, an aging American population and the increasing cost of prescription drugs ensure that costs will continue to soar. UNICARE understands the dilemma employers are facing, balancing yet another year of double-digit health insurance cost increases with the need to remain competitive by meeting employee demand for choice.

Traditionally, employees lack an understanding of their health care costs. According to a recent study*:

- 63% of employees underestimate the cost of their health insurance plan;
- 69% of employees overestimate how much they contribute;
- 57% of employees surveyed are unsatisfied with their coverage.

However, that study also found that consumers are ready and willing to assume responsibility for their health care decisions. Employees expressed interest in new consumer-choice models and are increasingly confident in their ability to make health care decisions.

THE UNICARE SOLUTION

By now you've heard the buzz—there's a new movement called consumer-choice health care that's sweeping across the country. If you're ready to take control of escalating health care costs, then you're ready for UNICARE's CompleteChoice HealthFund. UNICARE takes a technological leap forward with CompleteChoice, an interactive health plan that helps turn patients into educated consumers, enabling them to actively engage in how and where they spend their health care dollars.

Through innovative online plan management tools and resources as well as health care information and services, CompleteChoice members can gain an understanding of the cost of health care services and can learn to proactively manage their health and health care finances. Informed and financially involved consumers have incentive to spend their money wisely. They become their own advocates, demanding higher quality health care services and better value.

HOW COMPLETECHOICE HEALTHFUND WORKS

CompleteChoice has four main components:

- I. An employer-funded Health Reimbursement Account (HRA);
- II. A traditional PPO plan;
- III. An intuitive, user-friendly Web site that provides a collection of valuable plan management and financial tools and health care resources; and
- IV. Optional employee-funded accounts.

I. The Health Reimbursement Account (HRA)

At the heart of CompleteChoice is the HRA, an employer-funded account set up for each employee. Every year, the employer determines a fixed HRA contribution and deposits funds into each employee's HRA. Employees draw on these funds to pay for routine health care expenses such as office visit and prescription copayments, lab tests, and even annual deductibles. If there's any money left over at the end of the year, employees get to roll it over into the next year, accruing a balance that can be utilized when it's needed most. If an employee's medical expenses exceed the annual HRA allocation, a traditional PPO health insurance plan is there to provide additional coverage.

II. The Traditional PPO Plan

With CompleteChoice, members have the added protection of a traditional PPO health insurance plan that gives them the freedom to choose from an extensive, national roster of independently contracted physicians, hospitals and other health care providers participating in the plan. Members can also go out-of-network and pay a larger share of the cost. This coverage is available with a range of coinsurance percentages and out-of-pocket maximums and includes a benefit that typically covers 100 percent of certain preventive care services, without any deductions from the HRA.

In The News

WellPoint Raises \$5.4 Million For Charity

We are pleased to announce that the 2003 Associate Giving Campaign of our parent company, WellPoint, and match from the WellPoint Foundation, will result in more than \$5.4 million for nearly 4,000 charities across the country.

WellPoint associates pledged more than \$3.6 million—a 70 percent increase from the previous year. The WellPoint Foundation's 50 percent match added another \$1.8 million creating a total of \$5.4 million. Close to 800 UNICARE associates contributed during the campaign, donating more than \$275,000.

"Social responsibility is a core value at WellPoint," said Leonard D. Schaeffer, WellPoint's chairman and chief executive officer. "Honoring our commitment to enhance the well being of individuals and families in the communities we serve is at the heart of our business. It is a value that is best exemplified by the significant increase in WellPoint's 2003 Associate Giving Campaign. We are proud of the compassion and generosity of WellPoint's associates."

The WellPoint Foundation added additional value by covering the administrative costs of the campaign. "Every dollar of those donations will reach the charities our associates designated along with the Foundation's 50 percent match," said Schaeffer.

The gifts donated during the Associate Giving Campaign impacted thousands of organizations, bringing comfort and relief to the sick and homeless, supporting education and community outreach programs, promoting arts and culture, protecting wildlife and the environment, and more.

III. www.unicarecompletechoice.com

The CompleteChoice Web site is a powerful and intuitive support tool that enables employees to manage their accounts, make decisions and access valuable health care resources and information. www.unicarecompletechoice.com also provides benefits administrators with online tools that help streamline the enrollment process and health insurance plan administration.

IV. Optional Employee-funded Accounts Offer Additional Savings

The employer may also choose to offer the benefit of employee-funded accounts, providing additional pre-tax savings to their employees. Employees can fund a Health Care Spending Account (HCSA) and/or Dependent Care Spending Account (DCSA) with pre-tax dollars.

www.unicarecompletechoice.com

THE ONLINE ADVANTAGE THAT PUTS EMPLOYEES IN THE DRIVER'S SEAT

An important component of CompleteChoice HealthFund is our sophisticated, interactive Web site that provides intuitive educational and plan management tools and resources to help members and employers.

The Potential Member

Once the employer decides to offer CompleteChoice, each eligible employee will be provided with a temporary Password that delivers secure online access to www.unicarecompletechoice.com. After logging on, the potential member will find:

- An explanation of CompleteChoice and how it works;
- Specific details on all the UNICARE medical plans that are being offered to them;
- An easy-to-use DECISION GUIDE that helps employees determine the total estimated yearly health care costs associated with each plan option;
- Easy online enrollment capabilities. Upon submission, the enrollment application is automatically routed to the employer's benefits administrator, who may then either approve, deny or pend the enrollment application online.

The CompleteChoice Member

Once enrolled in CompleteChoice, members choose a permanent Password that gives them 24/7 access to www.unicarecompletechoice.com along with a wealth of innovative plan management tools, health care resources and services.

www.unicarecompletechoice.com allows members to:

- View the balance of their HRA, HCSA and DCSA accounts;
- Review detailed information on their claims and account deductions;
- Determine how much of their plan deductible has been met;
- Manage personal information and submit life event changes that affect their plan status;
- Easily request a new Password online;
- Re-enroll online.

The Online Resources page of www.unicarecompletechoice.com provides members with easy access to valuable resources and tools they need to help manage their benefits including:

Internet Provider Finder	Helps members quickly locate an independently contracted doctor, hospital or other health care provider.
Healthy Living/HealthyExtensions ^{SM*}	Access to our Healthy Living area, which provides health care resources and program information, including HealthyExtensions, UNICARE's member-valued prevention and wellness discount program.
Healthcare Advisor ^{TM**}	Allows members to research hospital quality data and evaluate procedures based upon the factors that matter most to them.
Healthwise [®] Knowledgebase ^{***}	A comprehensive online resource that provides members with valuable information on diagnosed conditions, medical tests, treatment options and key decision points.
Medical Cost Estimator Tool	An innovative tool that allows members to compare the total in-network and out-of-network costs for common medical procedures and services.
PharmaAdvisor ^{TM**}	A tool that provides members with helpful information on preventive measures and pharmaceuticals, and allows comparisons of commonly prescribed drugs for many medical conditions.
Member Self-Service	An interactive tool that allows members to review their Rx benefits, estimate copayments and even compare pricing for various prescriptions.
Prescription Drug Programs	Helps members access important information about their prescription drug plan, including the formulary, mail order drug program and other cost-saving programs.
Free Glucometer Program	Provides information about UNICARE's free Glucometer Program, available to our members diagnosed with diabetes.
Your EAP	Our 24-hour, Web-based EAP product provides confidential educational and reference services that assist our members and their families with difficulties related to family and relationships, substance misuse, legal and financial concerns and more.
Digital Claim Forms	Members may access interactive claim forms for reimbursement of HRA, HCSA and/or DCSA charges that do not automatically process through the UNICARE medical claims system.
Request ID Card	An easy, online request to have a new or replacement card mailed.
Customer Service	Allows members to e-mail UNICARE Customer Service for additional needs and information.

* HealthyExtensionsSM materials, services and products are not eligible for benefits under a member's insurance plan. Members are fully responsible for the charges associated with these materials, services and products, all of which are provided by independent practitioners not affiliated with UNICARE. HealthyExtensions vendors are not affiliated with UNICARE and the vendors participating in HealthyExtensions can change at anytime without prior notice.

** All information is provided by "Subimo," the trademark of Subimo, LLC. The information is intended for general use only and is not a substitute for medical advice or treatment for specific medical conditions. Members should seek prompt medical care for any specific health issues and consult their physician before taking any action on their health. Use of this online service is subject to Terms and Conditions.

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To make informed plan choices, forecast the value of benefits changes and achieve cost effectiveness, you need to base your employee benefits decisions on a solid information management strategy. Our new client information services have been designed with your needs in mind, so you can more efficiently manage your company's plan benefits dollars.

The Improved, Standard Reporting Package (for groups of 250+ employees)

Our standard plan reporting package has been enhanced to provide a comprehensive, high-level overview of medical, pharmacy and dental plan activity and performance. Tables, graphs, charts and narrative descriptions make the data easier to analyze than ever before.

Our improved standard reports include:

- Snapshots of key indicators of plan performance (medical and pharmacy);
- Monthly trending of plan premiums vs. claims expenses;
- Eligible membership statistics by product;
- Claims cost, administrative savings and utilization data in a variety of report types;
- High-cost medical claims analysis.

Data Management Consultations—Analysis from the Source

While our new standard reports present a more vivid picture of plan performance, many of our clients already see the value in seeking additional consultation and decision-making support. Why not work with us, to base your cost management decisions on real data and real options from a long-term partner that understands your needs?

The UNICARE data management team includes the expertise of nationwide data analysts and health care data consultants. Our data consultants will work with your benefits decision-makers to create a reporting plan that is tailored to your unique needs. Our secure, internal systems provide the backbone for customized, informational strategies:

- **Problem Solving Reports**—These custom reports help answer questions like: "How has a recent benefit change affected my utilization or enrollment trends?" and "Which particular demographics are driving my plan costs?"
- **Focused Narrative Analyses**—These in-depth reports help you to better understand the reasons behind claims cost and utilization trends, and to compare your case experience against regional and national averages. Further analysis will help uncover areas where alternate plans, benefit changes and even supportive health programs might provide additional cost savings.

With an informational strategy in place, your UNICARE account manager (and data consultant as necessary) will meet with you on a periodic basis to help evaluate the reporting process, and, if you prefer, make recommendations for benefits plan changes. Together, we can work to establish a long-term strategic benefits course.

on MaterniCall®: Program Enhancements for 2004

MaterniCall®

MaterniCall is growing in 2004, to provide an even more supportive first step towards healthier pregnancies and more successful deliveries. On the heels of our other successful Health Improvement Programs, MaterniCall utilizes the health coaching model to provide an enhanced level of support.

Making a Difference

Every day approximately 1,300 premature babies are born in the United States. These babies may often experience developmental delays, neurological problems and other lifelong health conditions. MaterniCall is designed to improve pregnancy outcomes by promoting early and continuous prenatal care through education and support in the form of risk assessment surveys, pregnancy education, self-management strategies and encouragement to adhere to physicians' treatment plans. The program goals are to:

- ✓ Reduce the incidence of pre-term delivery and low-birth-weight infants;
- ✓ Provide outreach and support for pregnant members with special risks;
- ✓ Reduce Neonatal Intensive Care Unit admissions and length of stay;
- ✓ Enhance our pregnant members' quality of care.

The Health Coaching Model

UNICARE also offers individually focused support through the health coaching model. Health coaches are a multidisciplinary team of health professionals who help members with higher risk pregnancies understand and take charge of their (and their future babies') health. The team, led by registered nurses specially trained in prenatal care, may include respiratory therapists, dieticians, exercise physiologists and health educators.

How to Connect

Eligible participants are most frequently identified and contacted based upon claims review, customer service inquiries or direct referrals from physicians. However, successful outreach and high-risk interventions must often be made earlier in a pregnancy than these methods might allow. For this reason, eligible plan members are encouraged to self-refer as soon as their pregnancy begins. Eligible plan members can self-refer by calling **(800) 762-4528, ext. 30358 or 30359**. Callers are enrolled and are sent a packet of educational information and resources. Those with special risks or concerns will receive the support from a specialized nurse health coach that is tailored to meet their lifestyle, home environment and other individual needs. Note: Members should be reassured that the program is free, voluntary and does not have any impact upon their UNICARE plan benefits.

For more information about how you can help support these worthwhile goals, please contact your UNICARE account manager today.

Migraine Headaches

Understanding Migraine Disease

Migraine headaches, which are often debilitating with symptoms of nausea, sensitivity to light and intense pain, plague an estimated 6 percent of men and 18 percent of women in the United States. Lost productivity due to migraines could be enough to give business owners their own headaches. The loss of both labor time and productivity of migraine sufferers exacts a significant toll on United States business. According to a position paper signed by the American Academy of Pain Medicine, 150 million work days per year, the equivalent to 1,200 million work hours, are lost each year to head pain. The corresponding annual cost to industry and the health care system due to migraine amounts to an estimated \$5 to \$17 billion.

Employers are affected both by the direct cost of employee health care manifested in medical and pharmacy benefits plan claims and by the indirect costs connected with employees' lost productivity. Migraine incidence often peaks during the ages of 25 to 55, furthering the economic impact of migraine headaches on employers' costs. Although many people with migraines say they prefer to go to work and/or stay at work while suffering the headache, the cost of reduced efficiency is less visible but very much present.

Numerous studies examined by the Health Management Research Center have reported finding that the productivity costs related to what might be called "secondary" chronic diseases, such as migraine headaches, arthritis, allergies and back pain, are equivalent to the medical costs related to such severe conditions as heart disease, stroke, diabetes and cancer.

Ouch! So what can employers do?

Work place health care interventions such as occupational health departments and work site disease management programs can save costs by providing education, preventive services and appropriate direct treatment within the work place, where a large part of health-related costs are borne. Earlier treatment may also reduce the intensity or duration of the migraine, and allow the employee to resume work, even if not fully recovered. It is in an employer's best interests to take a proactive approach to limiting the impact of migraine headaches in the work place.

Don't Forget...

"Today's Health and Wellness Magazine," UNICARE's semi-annual publication that brings our HMO members valuable health and lifestyle information, is available to all of our clients and members within the "Healthy Living" section of the UNICARE Web site. Our online edition has been recently enhanced to include a "back issues" navigational feature, so members can revisit previous issues.

To view the posted magazine, log on to www.unicare.com, click on the "Healthy Living" link, then select the "Today's Health and Wellness Magazine" link. "Today's Health and Wellness Magazine" includes a variety of interesting and useful information that helps our members make informed decisions about their health. Valuable, health-related information is presented in every issue with some or more of the following departments: Women's, Men's and Family Health, Fitness, Prevention and Nutrition, which includes easy, nutritious recipes. Informative feature articles address timely health care issues such as the growing epidemic of antibiotic resistance, the relationship between large food portions and our nation's obesity problem and the warning signs of a stroke. Contact information to accredited sources follows each article, so that clients and members can easily locate additional information and resources on the covered health-care topic. Also included in each issue are HMO Member Updates, designed to help our HMO members make the most of their plan coverage.