

# Health Insurance 2017



*Open Enrollment summary for  
former employees with disabilities (FEWD)*

segip

# *Table of contents*

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<b>Open Enrollment 2017</b>	<b>1</b>
How to enroll	1
An overview of your health benefits	2
Eligibility	3
Cost	3
Adding coverage at other times	5
Plan availability by county	6
2017 Monthly Plan Rates	7
<b>Health Plan features</b>	<b>8</b>
Health Plan highlights	8
Minnesota Advantage Health Plan	8
How Advantage works	9
Former employees/dependents residing outside the state of Minnesota	9
Advantage Plan Schedule of Benefits	9
<b>Other information</b>	<b>11</b>
Health plan addresses and phone numbers	11
Glossary	12
Minnesota Management and Budget (MMB) Intent to Collect Private Data	14
2017 ENROLLMENT FORM	16
2017 CANCELLATION FORM	17

# Open Enrollment 2017

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For former employees with disabilities or dependents continuing health coverage through the state employee benefits program.

## Open Enrollment is October 26 - November 8, 2016

You may take the following action during Open Enrollment period:

- You may change health insurance plans for yourself or your family.
- You may add or cancel health coverage for your dependents (if you already have coverage yourself).

## Rates

The premiums for the Minnesota Advantage plan will increase for the plan year 2017 by 8.7%.

## Steps for a successful Open Enrollment

1. **Carefully review the information in this booklet. This booklet highlights changes for plan year 2017 and provides important information about the benefits available to you.**  
Changes in your benefits will also be posted on the SEGIP website at: [mn.gov/mmb/segip](http://mn.gov/mmb/segip).
2. **Review the plan availability in this booklet on page 6.**  
This information indicates which health plans are available to you. It is advisable to choose a plan available in the county in which you live.
3. **Review the 2017 insurance rates on page 7.**  
The Advantage Plan rates will increase for plan year 2017, as indicated on page 7. Review the rates to help you determine your coverage level.
4. **Check your Primary Care Clinic (PCC) to ensure participation for Plan Year 2017. Some clinics have changed cost levels under the various carriers.**  
A list of participating clinics is available on the SEGIP website at: [mn.gov/mmb/segip](http://mn.gov/mmb/segip). To access, click on Open Enrollment tab. Next, click on the link entitled "2017 Advantage Clinic Directory." If you want to keep your current health carrier, but want to change clinics, call your carrier at the phone number listed on page 11 of this booklet. If you want to change health carriers, you must complete and return the FEWD Open Enrollment form at the back of this booklet.
5. **Complete and mail your application if you want to make changes.**  
Complete the enrollment form on page 16 in this booklet and mail it to the appropriate carrier as listed on page 11.  
**Promptly notify your current health plan of the cancelation** by completing the form on page 17 of this booklet and then mail it directly to the plan you are canceling. **If you fail to do so, you may be held responsible for payment of your health care claims.**

**Enrollment forms must be postmarked by November 8, 2016.**

**If you do not want to make changes, you do not have to complete the enrollment form.**

# ***An overview of your health benefits***

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As a former state employee with a disability, you and your eligible dependents are entitled to receive health insurance benefits through the State Employee Group Insurance Program (SEGIP).

This booklet is designed to help you make decisions about the SEGIP health benefits that you will receive in plan year 2017. Use it during the Open Enrollment period to learn where you can find Advantage changes for 2017 and to sign up for the coverage you choose. For additional information about Open Enrollment visit the SEGIP website at: [mn.gov/mmb/segip](http://mn.gov/mmb/segip). After Open Enrollment, you are encouraged to keep this booklet as a reference guide to use for your health benefits. Use it in conjunction with your Summary Plan Description to gain a greater understanding of your benefits.

For information about Open Enrollment, you may contact:

Minnesota Management & Budget  
651-355-0100, 800-664-3597

Consumers with hearing or speech disabilities may contact us via their preferred Telecommunications Relay Service.

**The Open Enrollment period this year is October 26 – November 8, 2016.**

- Open Enrollment is your opportunity to change your benefit election for the upcoming calendar year.
- If you do not want to make changes to your health coverage, you do not have to re-enroll.

# Open Enrollment 2017

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## Eligibility

Since you are a former state employee with a disability, you and your eligible family members may choose to continue your medical coverage, at your own expense, through the State Employee Group Insurance Program (SEGIP). During Open Enrollment you may change health insurance carriers for yourself or covered dependents. Each year, you may add or cancel dependent coverage during the Open Enrollment period. In addition, there are occasions called “life events” when you may add coverage outside of Open Enrollment. For more information about adding or canceling coverage and “life events,” see page 5.

**Caution: If at any time you choose not to maintain your health coverage with SEGIP, you and your family members may not re-enroll in any of the program’s health plans.**

## Effective date of coverage

The health coverage selection you make at Open Enrollment will be effective from January 1, 2017 through December 31, 2017. Your 2016 health coverage remains in force through December 31, 2016.

## Health plans offered

The following alphabetical listing shows the health plans available under SEGIP in 2017.

- Minnesota Advantage Health Plan - BlueCross BlueShield
- Minnesota Advantage Health Plan - HealthPartners
- Minnesota Advantage Health Plan - PreferredOne

## Cost

You pay the full cost of health coverage for yourself and your eligible family members. Because you are covered by one of the state’s group contracts, you receive the benefit of lower group rates for high quality plans with low out-of-pocket maximums. This makes your health care coverage more affordable than if you were to purchase similar coverage on your own.

Your monthly cost may vary, depending on which Primary Care Clinic (PCC) and the Cost Level of that PCC. Your monthly cost is also affected by whether you cover your spouse or other eligible dependents.

## Convenience Care Clinics

Convenience Care Clinics are available at a copay amount less than an office visit, in all cost levels. The first dollar deductible is waived. Convenience Care Clinics provide a cost-effective alternative to emergency rooms, urgent care, and family practice clinics when used for simple illnesses, tests, and vaccinations. Appointments are not required. Convenience Care Clinic services are not available for children under 18 months of age. Please call your carrier for more information.

Online Care is available at the \$10 copay level in all cost levels. The first dollar deductible is waived. All Advantage Plan members are eligible to access Virtuwel [virtuwel.com](http://virtuwel.com) and Doctors on Demand [www.doctorondemand.com](http://www.doctorondemand.com).

## **Office visit copayments**

The Minnesota Advantage Health Plan Schedule of Benefits on Page 10 lists two copay amounts for office visits in all cost levels. Active employees will have an opportunity to complete a health assessment to receive the lower office visit copay. The health assessment is not available to you, so you will pay the lower copay amount. For example, the copayment in cost level 2 lists a \$30 and \$35 copay. You will pay \$30 after the annual deductible.

## **Medicare Part D and Creditable Coverage**

Former employees with disabilities and dependents with Medicare can enroll in a Medicare prescription drug plan through Medicare's Open Enrollment. However, because you have existing prescription drug coverage in the Minnesota Advantage Health Plan that, on average, is at least as good as Medicare coverage if not better, you can choose to join a Medicare prescription drug plan at a later date. This is important. It ensures that, if you join a Medicare prescription drug plan in the future, you will not be penalized by having to pay a higher premium because you did not purchase Medicare Part D when it was first available to you. A Medicare D disclosure is available to you on the SEGIP website.

## **Enrollment notes**

- When you enroll with a new carrier, you will be asked if you are enrolled in Medicare Parts A, B or D. You must furnish this information so that claims can be processed correctly. Delays in providing this information cause problems in providing appropriate benefits.
- The BlueCross BlueShield and HealthPartners participants will receive new Advantage Health Plan insurance cards in late December. PreferredOne cards will only be issued to those who have changed cost levels or Primary Care Clinics (PCCs). Please check your card(s) for accuracy. Any inaccuracies should be reported to your carrier immediately.
- You will not receive a new Navitus prescription card unless you add or drop dependent coverage. Most participants will continue to use their current Navitus card in the new plan year. Your Navitus card should be presented to your pharmacy when filling a prescription.
- Minnesota Advantage Health Plan carrier with which you enroll for 2017 will send plan membership cards to your home. Any inaccuracies should be reported to your carrier immediately.

# *How to obtain information*

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## **Information about Open Enrollment**

**Via the Internet:** A list of participating doctors and clinics is available to help you make your Primary Care Clinic (PCC) selection. This list also includes the PCC number that you will need in order to enroll. Each carrier assigns a unique clinic number for each clinic. To access, click on the Open Enrollment tab on the SEGIP website at: [mn.gov/mmb/segip](http://mn.gov/mmb/segip). Then, click on the link entitled, “2017 Advantage Clinic Directory.”

The Open Enrollment tab on the SEGIP website also provides links to the provider directories published by the three Minnesota Advantage Health Plan administrators: BlueCross BlueShield, HealthPartners, and PreferredOne.

**Via the phone:** If you have specific questions or would like to request a carrier’s provider list, you may call the plan directly. Each health insurance carrier will provide a list of its participating doctors and clinics and clinic numbers in your area. The carriers’ phone numbers are listed on page 11 of this booklet.

## **SEGIP’s Open Enrollment Service Center**

For answers to questions about rates, insurance billing, eligibility, coverage or for help with enrollment issues, you can call SEGIP’s Open Enrollment Service Center for assistance. The Service Center is available from October 26, 2016, through November 8, 2016, Monday through Friday from 8:00 AM to 4:00 PM. Call 651-355-0100, or 1-800-664-3597 in greater Minnesota. Consumers with hearing or speech disabilities may contact us via their preferred telecommunications relay service.

## **Employee meetings**

Employee meetings will be held in selected locations around Minnesota. For times, dates, and locations of these meetings consult the Open Enrollment link on the SEGIP website at: [mn.gov/mmb/segip](http://mn.gov/mmb/segip). Meetings will be held for a two week period (October 10 - October 21, 2016) prior to the beginning of Open Enrollment.

## **Adding coverage at other times**

You may add dependent health or dental coverage following the birth/adoption of a dependent child. Coverage will be effective consistent with the birth/adoption. If this causes your premium rate to change, the rate change is effective the beginning of the month which includes the birth or adoption. Enroll immediately so you don’t owe a large retroactive premium.

You may add family coverage outside the Open Enrollment period if you apply within 30 days of a “life event” and provide documentation of the event. The request to change benefits must be consistent with the life event experienced. Proof of the qualified event will be required. Questions about required documentation or timing should be directed to the SEGIP Service Center. Please visit the SEGIP website at: [mn.gov/mmb/segip](http://mn.gov/mmb/segip) to obtain an Application to Change Insurance Coverage form to submit your request for a change. Documentation of the life event will be required. Life events include:

- your marriage
- birth/adoption
- a change in your dependent’s employment status that effects insurance
- loss of your spouse’s group insurance coverage
- a significant change in your spouse’s insurance coverage
- your spouse’s employer’s Open Enrollment period

(Note: If you are planning to get married and you apply for family coverage, a copy of the marriage certificate will be required.) For a complete list of events please see the Summary of Benefits available online.

## **Changing insurance carriers if you move**

You may change insurance carriers if you move to a new location and your current health carrier is not available there. For example, if you have PreferredOne and live in Ramsey County but move to Houston County, you may need to change your carrier to one of the other two carriers that provide coverage in Houston County (PreferredOne has partial coverage in Houston County). You are responsible for notifying your health carrier if you have a change that could affect your benefits. You must apply for the change within 30 days, using the form Application to Change Insurance Coverage supplied on the SEGIP website at: [mn.gov/mmb/segip](http://mn.gov/mmb/segip).

## **2017 SEGIP Plan availability by Minnesota county**

The Minnesota Advantage Health Plan is available in all Minnesota counties. However, the availability under each carrier may differ slightly.

BlueCross BlueShield and HealthPartners offer the Advantage Plan in all Minnesota counties. PreferredOne offers the Minnesota Advantage Health Plan in all Minnesota counties except Houston County, where there is partial coverage.

Each carrier offering the Minnesota Advantage Health Plan also provides a National Preferred Provider Organization (PPO) for members who permanently reside outside the state and the service area (bordering counties) of Minnesota. Please check with the carriers if you require access to the PPO, as not all carriers offer PPOs in every state. You must provide your current address and request access to this benefit before it is provided.

## **Important Plan Note**

The descriptions in this book are meant only to highlight the benefits provided by each carrier. Please refer to the Certificate of Coverage or Summary of Benefits for a complete description of all benefits and exclusions. If there are any differences between this document and the plans' Certificates of Coverage or Summaries of Benefits, the Certificate of Coverage and Summary of Benefits will govern.

The state expects to continue the State Employee Group Insurance Program (SEGIP) indefinitely. However, the state reserves the right to change or discontinue all or any part of the program, consistent with the state's rights and obligations under law and collective bargaining agreements.

The Plan assumes fraud or intentional misrepresentation if a participant enrolls a dependent who does not meet the Plan's definition of a dependent. Upon 30-day notice, coverage will be rescinded to the effective date of coverage. You may be liable for all claims paid by the Plan on behalf of an ineligible dependent.

# 2017 Monthly FEWD Plan Rates

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2017 Plan	Former Employee Only	Family
<i>Minnesota Advantage Health Plan - BlueCross BlueShield</i>	613.32	1803.56
<i>Minnesota Advantage Health Plan - HealthPartners</i>	613.32	1803.56
<i>Minnesota Advantage Health Plan - PreferredOne</i>	613.32	1803.56

# *Health plan features*

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## **Health plan highlights**

### **Minnesota Advantage Health Plan is the medical benefits program for all former state employees**

All State of Minnesota employees, former employees, retirees under age 65, and eligible dependents who receive medical coverage under the State Employee Group Insurance Program (SEGIP) are enrolled in a benefits program called the Minnesota Advantage Health Plan. Currently, former employees with disabilities may continue to participate in the Advantage Plan even after turning age 65 and or obtaining Medicare. If you or an enrolled dependent enroll in Medicare, contact your carrier to inform them of the enrollment to ensure efficient processing of claims.

### **Advantage Plan**

The Minnesota Advantage Health Plan features include:

- Cost sharing features that help you better control your health care costs while maintaining flexibility in your access to doctors and clinics.
- Uniform, comprehensive set of benefits across all plans.
- Out-of-pocket expense maximums for both prescription drugs and medical services to protect you from financial hardships.
- No copayments charged to you for preventive care such as immunizations, annual check-ups, etc.
- Most medical care is coordinated through your primary care clinic (PCC), and generally requires a referral to see a specialist.
- You may self-refer to certain specialists including obstetricians/gynecologists, chiropractors, and mental health/chemical dependency practitioners. You may also self-refer for routine eye exams. Access to this specialty care still depends on your plan network and possibly your PCC.
- Covered eligible dependents may elect different PCCs (even in a different benefit cost level), but must enroll with the same carrier.
- Referrals to a specialist's office will be covered at the same benefit level as your PCC.
- It is advisable to choose a plan that is available in the county in which you live and you may choose a clinic in your area.

## **How does Advantage work?**

Under Advantage, you will share in paying the cost of specific medical services you obtain by paying out-of-pocket costs (office visit copayments, annual deductibles, co-insurance), similar to those paid by members of most other employer-sponsored benefit plans

Health care providers have been placed into one of four cost levels. The cost level in which each provider is placed depends on the care system in which the provider participates and on that care system's total cost of delivering health care. Participants receive the greatest available coverage when using cost level 1 or 2 clinics.

The amount of cost sharing that will be paid when using health care services varies depending on the cost level of the clinic that is chosen. Primary care clinics in the cost levels 1 and 2 provide the best value with the lowest possible out-of-pocket costs. Members in cost level 1 and 2 have annual out-of-pocket maximums set at the lowest amounts available under the plan, \$1,200 for single coverage and \$2,400 for family. Participants opting for coverage in a cost level 3 or 4 level clinic will have higher out-of-pocket costs, as the delivery of care under these cost levels is higher. Participants in cost level 3 will share in their cost of care up to the out-of-pocket maximum of \$1,600 single and \$3,200 family. Participants using cost level 4 clinics will share in the cost of their care to a maximum of \$2,600 single and \$5,200 family. Once you've reached your annual out-of-pocket maximum, the Advantage Plan will pay all remaining medical costs allowed under the plan for that year.

Clinics may have changed cost levels for 2017. To check the cost level of your clinic, refer to the Advantage Clinic Directory on the SEGIP website at: [mn.gov/mmb/segip](http://mn.gov/mmb/segip). Click on "Open Enrollment" tab to find the 2017 Primary Care Clinic Directory.

If you are not changing your carrier and only want to change your PCC with your current carrier, please contact the member or customer service number on the back of your ID card. Be sure to ask when your request to change PCC is effective.

Navitus is the Pharmacy Benefits Manager for all participants of the Minnesota Advantage Health Plan regardless of the carrier selected. Under the SEGIP plan, most drugs are covered under one of three tiers, regardless of the PCC selected. The formulary may be accessed at [www.navitus.com](http://www.navitus.com). The out-of-pocket maximum is the same, \$800 single and \$1,600 family, regardless of the cost level of a participant's Primary Care Clinic.

## **Point of Service Benefits for former employees/dependents residing outside the State of Minnesota**

If your permanent residence is outside the state of Minnesota and outside the service area of the Minnesota Advantage Health Plans contact your carrier to request access to the point of service (POS) benefit. This includes a \$350 single/\$700 family deductible and 70% coverage to the same out-of-pocket maximums for plan year 2017.

Former employees and/or covered dependents may receive provider discounts when using the national Preferred Provider Organization (PPO) of the health plan in which they are enrolled. Call your health carrier to request this benefit and to obtain additional information about the national PPO. (See page 11 of this booklet for a phone listing.)

Note: Prescription drugs will be covered at the benefit level indicated on the Benefits Schedule found on page 10. This information is also posted on the MMB website. Participating pharmacies can be found on the Navitus website: [www.navitus.com](http://www.navitus.com).

# 2017 Minnesota Advantage Health Plan Schedule of Benefits

2016 - 17 Benefit Provision	Cost Level 1 - You Pay	Cost Level 2 - You Pay	Cost Level 3 - You Pay	Cost Level 4 - You Pay
<b>A. Preventive Care Services</b> <ul style="list-style-type: none"> <li>• Routine medical exams, cancer screening</li> <li>• Child health preventive services, routine immunizations</li> <li>• Prenatal and postnatal care and exams</li> <li>• Adult immunizations</li> <li>• Routine eye and hearing exams</li> </ul>	Nothing	Nothing	Nothing	Nothing
<b>B. Annual First Dollar Deductible (single/family)</b>	\$150/300	\$250/500	\$550/1,100	\$1,250/2,500
<b>C. Office visits for Illness/Injury, for Outpatient Physical, Occupational or Speech Therapy, and Urgent Care</b> <ul style="list-style-type: none"> <li>• Outpatient visits in a physician's office</li> <li>• Chiropractic services</li> <li>• Outpatient mental health and chemical dependency</li> <li>• Urgent Care clinic visits (in &amp; out of network)</li> </ul>	\$25/30* copay per visit Annual deductible applies	\$ 30/35* copay per visit Annual deductible applies	\$60/65* copay per visit Annual deductible applies	\$80/85* copay per visit Annual deductible applies
<b>D. In-network Convenience Clinics &amp; Online Care (deductible waived)</b>	\$10 copay	\$10 copay	\$10 copay	\$10 copay
<b>E. Emergency Care (in or out of network)</b> <ul style="list-style-type: none"> <li>• Emergency care received in a hospital emergency room</li> </ul>	\$100 copay Annual deductible applies	\$100 copay Annual deductible applies	\$100 copay Annual deductible applies	25% coinsurance Annual deductible applies
<b>F. Inpatient Hospital Copay (waived for admission to Center of Excellence)</b>	\$100 copay Annual deductible applies	\$200 copay Annual deductible applies	\$500 copay Annual deductible applies	25% coinsurance Annual deductible applies
<b>G. Outpatient Surgery Copay</b>	\$60 copay Annual deductible applies	\$120 copay Annual deductible applies	\$250 copay Annual deductible applies	25% coinsurance Annual deductible applies
<b>H. Hospice and Skilled Nursing Facility</b>	Nothing	Nothing	Nothing	Nothing
<b>I. Prosthetics, Durable Medical Equipment</b>	20% coinsurance	20% coinsurance	20% coinsurance	25% coinsurance Annual deductible applies
<b>J. Lab (including allergy shots), Pathology, and X-ray (not included as part of preventive care and not subject to office visit or facility copayments)</b>	5% coinsurance Annual deductible applies	5% coinsurance Annual deductible applies	20% coinsurance Annual deductible applies	25% coinsurance Annual deductible applies
<b>K. MRI/CT Scans</b>	5% coinsurance Annual deductible applies	10% coinsurance Annual deductible applies	20% coinsurance Annual deductible applies	25% coinsurance Annual deductible applies
<b>L. Other expenses not covered in A-K above, including but not limited to:</b> <ul style="list-style-type: none"> <li>• Ambulance</li> <li>• Home Health Care</li> <li>• Outpatient Hospital Services (non-surgical)</li> <li>• Radiation/chemotherapy</li> <li>• Dialysis</li> <li>• Day treatment for mental health and chemical dependency</li> <li>• Other diagnostic or treatment related outpatient services</li> </ul>	5% coinsurance Annual deductible applies	5% coinsurance Annual deductible applies	20% coinsurance Annual deductible applies	25% coinsurance Annual deductible applies
<b>M. Prescription Drugs</b> 30-day supply of Tier 1, Tier 2, or Tier 3 prescription drugs, including insulin, or a 3-cycle supply of oral contraceptives Note: all Tier 1 generic and select branded oral contraceptives are covered at no cost.	\$14/25/50	\$14/25/50	\$14/25/50	\$14/25/50
<b>N. Plan Maximum Out-of-Pocket Expense for Prescription Drugs (excludes PKU, Infertility, growth hormones) (single/family)</b>	\$800/1,600	\$800/1,600	\$800/1,600	\$800/1,600
<b>O. Plan Maximum Out-of-Pocket Expense (excluding prescription drugs) (single/family)</b>	\$1,200/2,400	\$1,200/2,400	\$1,600/3,200	\$2,600/5,200

\*The level of the office visit copayment for the employee and his or her family is dependent upon whether the employee has completed the Health Assessment in each Open Enrollment period, and agreed to accept a health coach call. Employees who have completed the Health Assessment and accept a health coaching call are entitled to the lower copayment. Employees hired after the close of Open Enrollment will be entitled to the lower copayment.

This chart applies only to in-network coverage. Point-of-Service (POS), coverage is available only for members whose permanent residence is outside the State of Minnesota and outside the service areas of the health plans participating in Advantage. This category includes employees temporarily residing outside Minnesota on temporary assignment or paid leave [including sabbatical] and college students. It is also available to dependent children and spouses permanently residing outside the service area. These members pay a \$350 single or \$700 family deductible and 30% coinsurance to the out-of-pocket maximum described in Section O above. Members pay the drug copayment described at Section M above to the out-of-pocket maximum described at Section N. This benefit must be requested.

A standard set of benefits is offered in all SEGIP Advantage Plans. There are still some differences from plan to plan in the way that benefits, including the transplant benefit, are administered, in the referral and diagnosis coding patterns of primary care clinics, and in the definition of Allowed Amount. Beginning in 2016, benefits for palliative care and for the treatment of autism have been added, and are fully described in the Advantage Summary of Benefits.

# Other information

## Health plan addresses and phone numbers

Carrier	Address	Phone Number
Minnesota Advantage Health Plan - HealthPartners	HealthPartners Attn: Membership Accounting P.O. Box 297 Minneapolis, MN 55440-0297 <a href="http://www.healthpartners.com/segip">www.healthpartners.com/segip</a>	952-883-7900 1-888-343-4404 952-883-5127 - TTY
	National PPO: CIGNA <a href="http://www.healthpartners.com/segip">www.healthpartners.com/segip</a>	1-888-343-4404
Minnesota Advantage Health Plan - PreferredOne	PreferredOne/Administrative Services 6105 Golden Hills Drive Golden Valley, MN 55416 <a href="http://www.preferredone.com/segip">www.preferredone.com/segip</a>	763-847-4477 1-800-997-1750 763-847-4013 - TTY
	National PPO: Multiplan PHCS <a href="http://www.multiplan.com">www.multiplan.com</a>	1-800-432-1776
Minnesota Advantage Health Plan - BlueCross BlueShield	BlueCross BlueShield of Minnesota P.O. Box 64560 St. Paul, MN 55164-9756 <a href="http://www.bluecrossmn.com/segip">www.bluecrossmn.com/segip</a>	651-662-5090 1-800-262-0819 1-888-878-0137 - TTY
	National PPO: BlueCross BlueShield <a href="http://www.bcbs.com/healthtravel/finder">www.bcbs.com/healthtravel/finder</a>	1-800-810-2583
Navitus Health Solutions	Navitus P.O. Box 999 Appleton, WI 54912-0999 <a href="http://www.navitus.com">www.navitus.com</a>	1-866-333-2757 1-920-225-7005-TTY
Medicare	<a href="http://www.medicare.gov">www.medicare.gov</a>	1-800-Medicare (1-800-633-4227) TTY/TDD: 1-877-468-2048
121 Benefits for HRA	121 Benefits Benefits (SEGIP Pre-tax Plans) <a href="http://www.121benefits.com">www.121benefits.com</a>	612-877-4321

# Glossary

**Allowed amount:** A set fee which an insurance company (often referred to as a plan) agrees to pay for a particular service or product provided by a doctor or health care provider. Under some plans, there may be a difference in the insurance company's allowed amount and the health care provider's charge for a particular service or product. In some of these cases, the insured person is responsible for paying the difference.

**Benny Card:** A debit card that allows you to pay for qualified health care expenses via a pre-tax expense account and/or Health Reimbursement Arrangement (HRA).

**Carrier:** An organization, such as an insurance company, that provides or administers programs that arrange for health, life or other insurance services. All of the companies that offer health, dental, life and optional insurance plans through the State Employee Group Insurance Program may be called carriers.

**Coinsurance:** This is a percentage of the cost that is charged for certain services after the deductible has been paid. For example, a coinsurance level of 90% means that the member first pays the deductible, then the plan pays 90% of the costs, and the member pays the remaining 10% of the costs. Once the employee costs reach the out-of-pocket limit, the plan would pay all costs for the rest of the plan year.

**Copayment (or copay):** A flat dollar amount that is charged every time a service is provided. For example, under Advantage, members will be charged an office visit copay for most visits to the doctor's office.

**Deductible:** An annual amount that must be paid each year before the plan starts paying for services. A "\$250 deductible" means that you would pay the first \$250 per year for certain services before the plan would begin covering the cost of services.

**Dependent:** Generally, the spouse and children of a covered person, as defined in the insurance policy or plan.

**Effective date:** The date on which an insurance policy or plan goes into effect and coverage begins.

**Eligible expenses:** Medical expenses for which a health plan will provide benefits. Some health providers may charge more than what an insurance plan considers eligible. In these cases, a covered person is responsible for paying the additional costs.

**Family coverage:** Health insurance for the former employee and all eligible dependents.

**Formulary:** A drug formulary is a listing of preferred high-quality, cost-effective drugs selected by a professional committee of physicians and pharmacists.

**Health Reimbursement Arrangement (HRA):** This is an employer funded account that reimburses participants for certain medical-dental expenses not otherwise covered under the health plan.

**In-network:** The group of health care providers with whom a plan has contracted to provide services to members of the plan. Networks may change during the year, so ask if a provider is still participating with your plan before you seek services.

**Open Enrollment:** The period during which participants in the State Employee Group Insurance Program have an opportunity to change from one plan to another.

**Out-of-pocket (OOP) maximum:** The defined limit of combined copayments, deductibles, and coinsurance that an individual (or family) will have to pay during a single insurance year. Under Advantage, members have an OOP maximum for prescription drug copays and a separate OOP maximum for copayments, deductibles, and coinsurance associated with other medical services.

**Outpatient services:** Treatment that does not require hospitalization.

**Over the Counter (OTC):** a class or group of medications or durable medical goods used to alleviate or treat personal injuries or sickness. Any OTC items that are not medically necessary are not reimbursable.

**Preferred Provider Organization (PPO):** A group of physicians and hospitals that contract with an insurance company to provide medical services.

**Prescription Drug Plan (PDP):** Private risk-bearing entities providing stand-alone Medicare Part D coverage.

**Primary care:** Routine medical care, normally provided in a doctor's office, by an internist, family or general practitioner, obstetrician-gynecologist, osteopath or pediatrician.

**Provider:** A doctor, therapist, chiropractor or other licensed health practitioner. A participating provider is a provider who contracts with a plan to provide services to members of the health or dental insurance plan.

**Summary of Benefits:** A document available to plan participants describing details of coverage. Insured plans call this a certificate of coverage and self-insured plans call this a summary of benefits.

# ***Minnesota Management and Budget (MMB) Notice of Collection of Private Data***

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Minnesota Management & Budget (MMB) administers the State Employee Group Insurance Program (SEGIP). This notice explains why we are requesting the private data about you, your spouse, and dependents, how we will use it, who will see it, and your obligation to provide the data.

## **What data will we use?**

We will use the data you provide us at this time, as well as data previously provided us, about yourself, your spouse, or dependent(s). If you provide any data that is not necessary, we will not use it for any purpose.

SEMA4, the information system used to administer employee benefits, contains required information fields that may not be necessary for us to process your request. We only need your dependent's date of death to process a death benefit claim or to discontinue the dependent's coverage due to his or her death. Disability status is needed only to determine eligibility for insurance continuation for your dependent. We need the social security numbers and birth dates of your spouse and dependent to offer insurance continuation, process a death benefit, to ensure we are matching them to the correct insurance benefit transaction and to comply with federal Medicare coordination laws.

## **Why we ask you for this data?**

We ask for this data so that we can successfully administer SEGIP.

This data is used to process your request to add or change coverage for yourself, your spouse, or dependents. The requested data helps us to determine eligibility, to identify you and your spouse, and dependents, and to contact you or your spouse, and dependents. The data is also used to develop new programs, ensure current programs effectively and efficiently meet member needs, and to comply with federal and state law and rules. We may ask for data about you, your spouse or dependents that we have already collected, including all or part of your social security number, in order to ensure we are matching you to the correct insurance benefit transaction. We need the social security numbers and birth dates of your spouse and dependent to offer insurance continuation, process a death benefit, to ensure we are matching them to the correct insurance benefit transaction and to comply with federal Medicare coordination laws (in compliance with Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (P.L. 110-173)). If you provide any data about you, your spouse, or dependents that is not necessary, we will not use it for any purpose.

## **Do you have to answer the questions we ask?**

You are not required to provide all of the data but certain data must be collected. If you do not provide the requested data, your dependent(s) may not be approved to participate in the program or may lose coverage under the program. If you do provide the data, it will be used as described.

## **What will happen if you do not answer the questions we ask?**

If you do not answer these questions, the insurance benefit transaction you requested for you or your spouse, dependent or other insurance benefit transaction may be delayed or denied.

## **Who else may see this data about you and your spouse and dependents?**

We may give data about you and your spouse, and dependents to the insurance carrier you have chosen, SEGIP's other representatives, vendors and actuary; the Legislative Auditor; the Department of Health; the Department of Commerce; and any law enforcement agency or other agency with the legal authority to have the data; and anyone authorized by a court order. In addition, the parents of a minor may see data on the minor unless there is a law, court order, or other legally binding instrument that blocks the parent from that data.

## **How else may this data be used?**

We can use or release this data only as stated in this notice unless you give us your written permission to release the data for another purpose or to release it to another individual or entity. The data may also be used for another purpose if Congress or the Minnesota Legislature passes a law allowing or requiring us to release the data or to use it for another purpose.