

Arizona Department of Administration
Benefit Services Division

2009-2010 COBRA Guide COBRA Participants

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- COVERAGE NOTICE
- AND MORE!



Benefit Options

Choice. Value. Health.

CONTACT INFORMATION

ADOA Contacts

Benefit Services Division
100 N. 15th Ave #103
Phoenix, AZ 85007
602.542.5008 or 1.800.304.3687
www.benefitoptions.az.gov
bencissucs@azdoa.gov

Benefit Options Wellness
602.771.9355
www.benefitoptions.az.gov/wellness

Employee Assistance Program
602.771.9355
www.benefitoptions.az.gov/wellness/eap.asp

Medical Plans

Aetna
1.866.217.1953
www.aetna.com
Policy Number 476687

Blue Cross Blue Shield
of Arizona administered by
AmeriBen
1.866.955.1551
<https://services.ameriben.com>
Policy Number 1009013

CIGNA
1.800.968.7366
www.cigna.com/stateofaz
Policy Number 3331993

UnitedHealthcare
1.800.896.1067
www.myuhc.com
Policy Number 705963

Pharmacy Plan

MedImpact
1.888.648.6769
www.benefitoptions.az.gov
ADOAcustomerservice@medimpact.com

Vision Plan

Avesis, Inc.
1.888.759.9772
www.avesis.com
Policy Number 10790-1040
Discount Policy # 9000

Dental Plans

Delta Dental
602.588.3620
1.866.9STATE9
www.deltadentalaz.com
Policy Number 7777-0000

Total Dental Administrators
Health Plans, Inc. (TDAHP)
602.381.4280
1.866.921.7687
www.totaldentaladmin.com
Policy Number 680100

Flexible Spending Accounts

ASI Member Services
1.800.659.3035
www.asiflex.com
asi@asiflex.com

Life & Short-Term Disability Plans

The Hartford
1.866.712.3443
<http://groupbenefits.thehartford.com/arizona/>
Policy Number 395211

Long-Term Disability Plans

Sedgwick CMS
(ASRS participants)
1.800.495.9301
www.sedgwickcms.com/calabasas

(continued on next column)

The Hartford
(PSPRS, EORP, CORP, and ORP,
retirement participants)
1.866.712.3443
<http://groupbenefits.thehartford.com/arizona/>
Policy Number 395211

Travel Assistance

Europ Assistance Services USA
1.800.243.6108
<http://groupbenefits.thehartford.com/arizona/>
Policy Number 395211

For University Employees

UNUM - Short-Term Disability
1.800.799.4455
www.unum.com

Aetna Life Insurance
1.800.523.5065
www.aetna.com

University of Arizona
Benefits Office
520.621.3662, Option 3
www.hr.arizona.edu
benefits@email.arizona.edu

Arizona State University
Tempe and Polytechnic
campus employees
480.965.2701
www.asu.edu/hr/benefits/
OpenEnrollment@asu.edu

West and Downtown campus
employees
602.543.8400
www.asu.edu/hr/benefits/
OpenEnrollment@asu.edu

Northern Arizona University
Human Resources
928.523.2223
www.hr.nau.edu/
hr.contact@nau.edu

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Introduction

Welcome to the 2009-2010 COBRA Benefit Guide. This guide has been designed with you, the COBRA participant, in mind. It has been reformatted and enhanced to make it more user-friendly. As you review this year's guide, you may notice some of the enhancements: the left margin notes with helpful tips and quick page references, more educational content, and an easy-to-read layout. A lot has changed this year for both the guide and for benefits, so we encourage you to review each section before making your benefit elections.

Within the guide pages you will find an overview of the State of Arizona's comprehensive benefits package and the information necessary to make the best benefit elections for you. To maximize your benefits, it is important to review and understand the coverage and plan options available. Use the comparison charts to help make an informed decision.

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The Benefit Options Guide is designed to provide an overview of the Benefit Options Program and the benefits offered through the State of Arizona. The actual benefits available to you and the descriptions of these benefits are governed, in all cases, by the relevant Plan Descriptions and contracts. The State of Arizona reserves the right to modify, change, revise, amend or terminate these benefit plans at anytime.

GUIDE AMENDMENT #1

UPDATED COBRA PREMIUM ASSISTANCE



The American Recovery and Reinvestment Act of 2009 (ARRA), enacted February 17, 2009, was amended on December 19, 2009 extending the eligibility for COBRA Premium Assistance from December 31, 2009 to **February 28, 2010**, and expanding coverage from 9 months to **15 months**.

The change log below is intended to make you aware of changes that have been made to the COBRA Benefit Enrollment Guide.

Page Number	Location	Current Content in COBRA Enrollment Benefit Guide	Changes/Revisions to Content in COBRA Enrollment Benefit Guide*
1	Benefit Changes for Plan Year 2009-2010, COBRA Premium Assistance	Under a new federal law, a person involuntarily terminated between September 1, 2008 and December 31, 2009 may be eligible for COBRA Premium Assistance.	Under a new federal law, a person involuntarily terminated between September 1, 2008 and February 28, 2010 may be eligible for COBRA Premium Assistance.
1	Benefit Changes for Plan Year 2009-2010, COBRA Premium Assistance	Please see the Benefit Options website: benefitoptions.az.gov/cobra.asp if you are involuntarily terminated before December 31, 2009.	Please see the Benefit Options website: benefitoptions.az.gov/09-10%20COBRA.asp if you are involuntarily terminated before February 28, 2010 .
5	Premium Assistance - Eligibility	You are eligible for COBRA coverage between September 1, 2008 and December 31, 2009.	You are eligible for COBRA coverage between September 1, 2008 and February 28, 2010 .
5	Premium Assistance - Important	To be eligible for COBRA Premium Assistance your employment will have to be involuntary terminated during September 1, 2008 and December 31, 2009.	To be eligible for COBRA Premium Assistance your employment will have to be involuntary terminated during September 1, 2008 and February 28, 2010 .
9	Where to Enroll COBRA Form B - Premium Assistance	Premium Assistance is available to you and your eligible dependents only if you or the employee with whom you are associated was involuntarily terminated between September 1, 2008 and December 31, 2009.	Premium Assistance is available to you and your eligible dependents only if you or the employee with whom you are associated was involuntarily terminated between September 1, 2008 and February 28, 2010 .
9	Where to Enroll COBRA Form B - Premium Assistance. Section 3.	2. The loss of employment occurred between September 1, 2008 and December 31, 2009.	2. The loss of employment occurred between September 1, 2008 and February 28, 2010 .
10	Where to Enroll COBRA Form B - Premium Assistance. Section 9.	I affirm that I am eligible for COBRA and premium assistance due to an involuntary termination occurring between September 1, 2008 and December 31, 2009.	I affirm that I am eligible for COBRA and premium assistance due to an involuntary termination occurring between September 1, 2008 and February 28, 2010 .
40	COBRA Coverage Notice - Did you know?	Under a new federal law, a person involuntarily terminated between September 1, 2008 and December 31, 2009 may be eligible for COBRA Premium Assistance.	Under a new federal law, a person involuntarily terminated between September 1, 2008 and February 28, 2010 may be eligible for COBRA Premium Assistance.

*Changes/revisions are shown in **bold**.

BENEFIT CHANGES FOR PLAN YEAR 2009-2010

Vendors

New Pharmacy Benefit Vendor

The State of Arizona has contracted with a new pharmacy benefit management vendor called MedImpact. Some notable differences include: a modified formulary, new requirements for prior authorization and limited coverage of specific medications. MedImpact uses the Walgreens Health Initiative (WHI) system for both mail-order and specialty drug purchases. Therefore, those members who use these services will experience no disruption.

Medical Networks

The State has selected three new health plans to offer services for the Plan Year 2009-2010. We will now offer four networks: Aetna, Blue Cross Blue Shield of Arizona administered by AmeriBen, CIGNA, and UnitedHealthcare. In addition, the State will offer a new type of plan this year. The new Health Savings Account (HSA) Option will be offered alongside the familiar EPO and PPO plans.

Statewide & National Coverage

With the new health plan networks, statewide & national coverage is available. The plans are no longer restricted to regional areas. All plans are available in all domestic locations. However, not all plans have equal provider availability, so it is important to check with your current provider to determine if he/she is contracted with one of the networks.

Tier Structure

Four Tiers

A fourth tier option has been added to the previous three. The "Employee +1" tier will now be divided into "Employee +adult" and "Employee +child" tiers. This change will more accurately reflect the cost of dependents.

Legislation

Autism Coverage

A new state law prohibits some group health plans from denying coverage, imposing dollar limits, or charging higher deductibles/copays based solely on the diagnosis of autism spectrum disorder. It also requires plans to cover the cost of behavior therapy up to \$50,000 per year for a child up to age 9 and \$25,000 per year for a child age 9-16. The ADOA plan will be adjusted to comply with the state regulation.

Michelle's Law

A new federal law allows continued coverage for seriously ill college students. A college student will be able to maintain health plan eligibility for up to one year after full-time student status is lost due to a medically necessary leave of absence from school. "Michelle's Law" was named after New Hampshire college student Michelle Morse, who, despite being diagnosed with cancer, attended school full-time to stay enrolled in her parents' health insurance.

COBRA Premium Assistance

Under a new federal law, a person involuntarily terminated between September 1, 2008 and December 31, 2009 may be eligible for COBRA premium assistance. Under this program, the individual pays 35% of the COBRA premium and the federal government subsidizes the remaining 65%. Please see the Benefit Options website: benefitoptions.az.gov/cobra.asp if you are involuntarily terminated before December 31, 2009.



IMPORTANT

State employees and their dependents are not eligible to participate in the Children's Health Insurance Program. Based on your family income, you may be eligible for other Medicaid programs. For more information, please visit the Arizona Health Care Cost Containment System website azahcccs.gov

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BENEFIT CHANGES

Continued

Legislation - Continued

Genetic Information Nondiscrimination Act (GINA)

Under a new federal law, group health plans are prohibited from adjusting premiums or contribution amounts for a group on the basis of genetic information. A health plan is also prohibited from requiring an individual or his/her family member to undergo a genetic test, although the plan may request that a voluntary test be taken for research purposes.

Cost Sharing Changes

Rate Increase

Each year ADOA projects receipts and expenses for the next plan year. When the projected expenses are greater than the projected receipts, a rate increase is often necessary. Due to the State's ongoing budget challenges, employees will assume a significant percentage of that increase in the coming plan year. Employees enrolling in the PPO "Employee only" tier will be impacted the least (6% increase) while employees enrolling in the EPO "Employee+adult" tier will be impacted the most (62% increase).

PPO Changes

PPO members will experience higher costs in plan year 2009-2010 for in-network and out-of-network services. The deductible and out-of-pocket maximums have increased. There is now an in-network deductible. PPO members will also be required to pay 50% coinsurance after the deductible for out-of-network services.

Primary Care and Specialist Copay

The copays for Primary Care Physicians and Specialists will be increasing this plan year from \$10/\$20 to \$15/\$30. OB/GYN copays will remain at \$10.

Urgent Care Copay

The copay for urgent care visits will increase this plan year from \$20 to \$40.

Hospital Admission Copay

A \$150 copay for hospital admission will be implemented this plan year.

Dental State Contribution

The employer contribution is now the same for the prepaid/DHMO and the indemnity/PPO plan. The indemnity/PPO employee contribution has increased as a result.

Outpatient Surgical Center Copay

A \$50 copay for non-diagnostic, outpatient surgery services will be implemented this year. The copay will be applicable to both EPO and in-network PPO plans.

Bariatric Surgery Coinsurance

Bariatric surgeries will be covered under the Health Plan in accordance with the Centers for Medicare and Medicaid Services (CMS) eligibility guidelines. Members will pay a 20% coinsurance on the surgery, but the hospital admission copay will be waived. The coinsurance will not apply toward the member's deductible or out-of-pocket maximum.

Maternity Copay

Members who are or become pregnant will have a \$250 per baby copay at the time of delivery. The copay will be reimbursed for members who enroll in and complete the "Healthy Pregnancy" program offered through the disease and case management vendors. Members must be enrolled by the 12th week of pregnancy to qualify for the reimbursement of copay. Implementation date: April 1, 2010.



TURN to...
page 42

For a complete
version of the
COBRA notice

TURN to...
pages 24 &
25

For the
Medical Plan
Comparison
Charts with
more copay
information

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BENEFIT CHANGES

Continued



IMPORTANT

Bariatric Surgery: Full criteria will be available in our plan description located on the website benefitoptions.az.gov

TURN to... page 29

For more information on the new pharmacy plan with MedImpact

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Coverage Changes

Home Health Services

In-home services such as cardiac care, pain management, therapy, infusion, and wound care will be limited to 168 hours per plan year. These services were not previously limited.

Erectile Implants

The coverage for implants will be eliminated this plan year.

Cosmetic Surgery Complications

Medical costs associated with complications from an elective cosmetic surgery will no longer be covered under the Health Plan.

TMJ Surgery

The surgery to repair or correct TMJ will no longer be covered under the Health Plan. Members in need of the surgery will have to pay out-of-pocket to cover the cost.

Infertility Services

Infertility counseling, diagnosis, and treatment previously covered at 50% up to \$1,000 per member or \$2,000 per family will no longer be covered. Medical services for infertility will be the responsibility of the member.

Bariatric Surgery Criteria

The Health Plan criteria for bariatric surgery will be changed to meet CMS guidelines. Procedures will be covered only when a member is diagnosed with obesity (BMI 35+) and/or two or more of the following: hypertension, type 2 diabetes, coronary heart disease, stroke, gallbladder disease, osteoarthritis, sleep apnea, respiratory problems, and certain types of cancers. Additionally, procedures must only be performed at facilities certified as "Centers of Excellence" by the American College of Surgeons and the American Society for Bariatric Surgery.

Pharmacy Changes

Limited Prescription Drug Coverage

Prescription drug coverage will generally be limited to medications that do not have an equally effective over-the-counter substitute.

Name Brand Drug Coverage

Coverage of name brand drugs will be restricted this plan year. If a member requests the name brand drug instead of the generic alternative, regardless of whether the physician indicated "dispense as written" or "substitution permissible," the member will be required to pay the copay plus the difference in cost between the name brand drug and the generic equivalent (if available). Brand name drugs for which there are no generic alternatives will be covered under the applicable copay tier.

BENEFIT CHANGES

Continued

Other Changes

Eligibility Audit

The Benefit Services Division may audit a member's documentation to determine whether an enrolled dependent is eligible according to the plan requirements. This audit may occur either randomly or in response to uncertainty concerning dependent eligibility. Should you have questions after receiving a request to provide proof of dependent eligibility, please contact the Audit Services group within the Benefit Services Division.

Subrogation

Subrogation is the right of an insurer to recover from a third party all amounts paid out on behalf of its insured.

In the event you, as a Benefit Options member, suffer an injury or illness for which another party may be responsible, such as someone injuring you in an accident, and Benefit Options pays benefits as a result of that injury or illness, Benefit Options will be subrogated and succeed to the right of recovery against the party responsible for your illness or injury to the extent of benefits we have paid.

As a Benefit Options member you are required to cooperate with ADOA in its subrogation process. Failure to do so may result in legal action by the State to recover funds awarded you in related settlement(s).



PREMIUM ASSISTANCE



IMPORTANT

To be eligible for COBRA Premium Assistance your employment will have to be involuntary terminated during September 1, 2008 and December 31, 2009

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Under a new federal law enacted February 17, 2009, a person who is eligible for COBRA premium assistance will be entitled to COBRA coverage – for a limited time only – at a reduced rate. Under this program, the individual pays 35% of the COBRA premium and the federal government subsidizes the remaining 65%.

Eligibility

You are eligible for COBRA premium assistance if:

- You are eligible for COBRA coverage between September 1, 2008 and December 31, 2009.
- AND
- The qualifying event that makes you eligible for COBRA coverage is a covered employee's employment being involuntarily terminated between September 1, 2008 and December 31, 2009.

If your employment was not involuntarily terminated, you are not eligible for premium assistance. The Benefit Services Division will request proof of involuntary termination (copy of termination letter or similar document) from the former agency of any former employee who elects COBRA and states that he/she was involuntarily terminated.

Each qualified beneficiary (spouse and child) is entitled to elect COBRA coverage separately and will, if eligible, be entitled to premium assistance.

A domestic partner/older child is not a qualified beneficiary under COBRA, which prevents him/her from electing COBRA coverage separate from the employee. A domestic partner/older child will benefit from premium assistance if the former employee is eligible for and elects premium assistance and:

- The domestic partner/older child was listed as a tax dependent on the former employee's Declaration of Tax Status form.

OR

- The former employee enrolls at least two qualified beneficiaries in COBRA in addition to the domestic partner/older child. Under this scenario, the former employee elects the family tier with or without inclusion of the domestic partner/older child.

Individuals who are eligible for coverage under another group health plan (a spouse's plan, for example) are not eligible for premium assistance. Dependents who lose coverage due to the death or disability of an employee are not eligible for premium assistance.

Disputes regarding your eligibility for premium assistance may be appealed to the Secretary of Health and Human Services. Visit cms.hhs.gov for more information. Please call 602.542.5008 or 1.800.304.3687 if you would like to appeal a decision regarding your or your dependent's eligibility for premium assistance.

ELIGIBILITY

The following persons may be eligible for COBRA coverage:

1. An employee who had coverage through the State of Arizona and lost the coverage because of a reduction in hours of employment or a termination of employment for a reason other than gross misconduct.

2. An employee's legal spouse, as defined by Arizona Statute, who had coverage through the State of Arizona and lost the coverage for any of the following reasons:

- Death of the employee;
- Termination of the employee's employment for a reason other than gross misconduct;
- Reduction in the employee's hours of employment resulting in a loss of eligibility for coverage;
- Divorce or legal separation from the employee;
- The employee becomes eligible for Medicare.

3. An employee's dependent child who had coverage through the State of Arizona and lost the coverage for any of the following reasons:

- Death of the employee (parent);
- Termination of the parent's employment for a reason other than gross misconduct;
- A reduction in the parent's hours of employment resulting in a loss of eligibility for coverage;
- The parents' divorce or legal separation;
- The parent becomes eligible for Medicare or,
- The dependent ceases to be a dependent child as defined by the Benefit Options program.

The ADOA Benefit Services Division will determine final eligibility for COBRA coverage.

Eligible dependent children include:

- Natural, adopted and/or stepchildren under age 19, or under 25 if a full-time student at an accredited educational institution;
- Minors under the age of 19 for whom the employee-member has court-ordered guardianship;
- Foster children under the age of 19;
- Children placed in the employee/member's home by court order pending adoption;
- Natural, adopted and/or stepchildren who were disabled prior to age 19 and a dependent under the Plan at the time of the disability.

Please note: If your dependent child is approaching age 19 and is disabled, immediately contact the ADOA Benefits Office regarding procedures to continue coverage for this dependent. You will need to provide verification that your dependent child has a qualifying permanent disability, in accordance with Social Security Administration (SSA) guidelines, that occurred prior to his or her 19th birthday. Documentation may be required periodically to include a disabled dependent on your plan. Final eligibility will be determined by the ADOA Benefit Services Division.

Qualified Medical Child Support Order (QMCSO)

If a QMCSO exists, you must continue coverage for your dependent pursuant to the Order. You may not terminate coverage for a dependent covered by a QMCSO.



TAKE NOTE

If you are eligible for COBRA coverage, you have 60 days from the date of COBRA notification or loss of coverage, whichever is later, to elect coverage

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WHERE TO ENROLL COBRA FORM A

FOR INSTRUCTIONAL PURPOSES ONLY
PLEASE DO NOT COMPLETE THE FORM BELOW

Enrollment Form A is for COBRA without premium assistance. If you are eligible for and would like to receive COBRA with premium assistance, you should complete Enrollment Form B instead.

1. Indicate your reason for completing the form.

- If this is your first time enrolling in COBRA, please mark NEW ENROLLMENT.
- If you are changing your enrollment options due to a qualified life event, please mark QUALIFIED LIFE EVENT.
- If you are notifying ADOA of an address change, please mark ADDRESS CHANGE.
- If you are terminating coverage, please mark TERMINATION.

Benefit Options Choice. Value. Health.		STATE OF ARIZONA COBRA (without Premium Assistance) ENROLLMENT/ CHANGE FORM 2009-2010				A1		
<input type="checkbox"/> NEW ENROLLMENT		<input type="checkbox"/> QUALIFIED LIFE EVENT		<input type="checkbox"/> ADDRESS CHANGE		<input type="checkbox"/> TERMINATION		
AGENCY/PROCESS LEVEL	DATE MEMBER NOTIFIED	DATE RECEIVED	EFFECTIVE DATE					
MEMBER IDENTIFICATION								
LAST NAME, FIRST NAME, M.I.		SOCIAL SECURITY NUMBER		<input type="checkbox"/> MALE		<input type="checkbox"/> MARRIED		
STREET ADDRESS		COUNTY OF RESIDENCE		<input type="checkbox"/> FEMALE		<input type="checkbox"/> SINGLE		
CITY, STATE, ZIP CODE		WORK PHONE NUMBER ()		HOME PHONE NUMBER ()		DATE OF BIRTH		
EMPLOYEE LAST NAME, FIRST NAME		EMPLOYEE AGENCY		EMPLOYEE EIN OR SSN				
Are you enrolling a Domestic Partner?(circle one)						Yes or No		
Are you enrolling an Older Child(ren) that is neither a full-time student nor a disabled dependent?(circle one)						Yes or No		
<small>To qualify a Domestic Partner for the first time, you will need to complete and submit the DOMESTIC PARTNER AFFIDAVIT FORM (this form must be notarized) with your enrollment. To qualify as an Older Child (ages 19 to 25 and neither a full-time student nor a disabled dependent), the Older Child must have been covered on an ADOA plan at the age of 18 years old (see the COBRA Guide for qualifications of an Older Child). These forms can be found on the Benefit Options website www.benefitoptions.az.gov.</small>								
MEDICAL PLANS (Monthly Cost Listed)								
<input type="checkbox"/> I DECLINE MEDICAL COVERAGE								
EPO PLANS								
SELECT A PLAN	CODE	EE ONLY	CODE	EE + ADULT	CODE	EE + CHILD	CODE	EE + FAMILY
CIGNA EPO		<input type="checkbox"/> \$533.46		<input type="checkbox"/> \$1132.20		<input type="checkbox"/> \$1066.92		<input type="checkbox"/> \$1470.84
AMERIBEN EPO		<input type="checkbox"/> \$533.46		<input type="checkbox"/> \$1132.20		<input type="checkbox"/> \$1066.92		<input type="checkbox"/> \$1470.84
AETNA EPO		<input type="checkbox"/> \$533.46		<input type="checkbox"/> \$1132.20		<input type="checkbox"/> \$1066.92		<input type="checkbox"/> \$1470.84
UNITEDHEALTHCARE EPO		<input type="checkbox"/> \$533.46		<input type="checkbox"/> \$1132.20		<input type="checkbox"/> \$1066.92		<input type="checkbox"/> \$1470.84
PPO PLANS								
AMERIBEN PPO		<input type="checkbox"/> \$810.90		<input type="checkbox"/> \$1678.92		<input type="checkbox"/> \$1608.54		<input type="checkbox"/> \$2184.84
AETNA PPO		<input type="checkbox"/> \$810.90		<input type="checkbox"/> \$1678.92		<input type="checkbox"/> \$1608.54		<input type="checkbox"/> \$2184.84
UNITEDHEALTHCARE PPO		<input type="checkbox"/> \$810.90		<input type="checkbox"/> \$1678.92		<input type="checkbox"/> \$1608.54		<input type="checkbox"/> \$2184.84
HSA OPTION								
AETNA HSA OPTION		<input type="checkbox"/> \$478.38		<input type="checkbox"/> \$1005.72		<input type="checkbox"/> \$956.76		<input type="checkbox"/> \$1318.86
DENTAL PLANS (Monthly Cost Listed)								
<input type="checkbox"/> I DECLINE DENTAL COVERAGE								
SELECT A PLAN	CODE	EE ONLY	CODE	EE + ONE	CODE	EE + FAMILY		
TOTAL DENTAL ADMINISTRATORS		<input type="checkbox"/> \$10.16		<input type="checkbox"/> \$19.30		<input type="checkbox"/> \$28.25		
DELTA DENTAL INDEMNITY/PPO IN ARIZONA AND OUT-OF-STATE		<input type="checkbox"/> \$35.52		<input type="checkbox"/> \$79.41		<input type="checkbox"/> \$134.46		
VISION PLAN (Monthly Cost Listed)								
<input type="checkbox"/> I DECLINE VISION COVERAGE								
SELECT A PLAN	CODE	EE ONLY	CODE	EE + ONE	CODE	EE + FAMILY		
AVESIS VISION COVERAGE		<input type="checkbox"/> \$4.93		<input type="checkbox"/> \$13.79		<input type="checkbox"/> \$17.20		
ADOA USE ONLY								
APPROVED <input type="checkbox"/>				DENIED <input type="checkbox"/>				
COBRA EFF: _____				Length of COBRA: _____				
Vendors: _____				Date to Vendors: _____				
Reviewed by: _____								

2. Complete the MEMBER IDENTIFICATION section.

3. Answer the questions regarding enrollment of a domestic partner and older child(ren). If you are enrolling either type of dependent, read the instructions printed on the enrollment form.

4. Select your medical plan. If you elect the HSA Option, you will be allowed to open and/or contribute to a health savings account. Please note, however, that the State will not contribute to the account. If declining medical coverage, please mark I DECLINE MEDICAL COVERAGE.

5. Select your dental plan. If declining dental coverage, please mark I DECLINE DENTAL COVERAGE..

6. Select your vision plan. If declining vision coverage, please mark I DECLINE VISION COVERAGE.

WHERE TO ENROLL COBRA FORM A

Continued

FOR INSTRUCTIONAL PURPOSES ONLY
PLEASE DO NOT COMPLETE THE FORM BELOW

7. Read the payment information at the top of the page.
8. Complete the middle dependents section if you are enrolling dependents. Please note that social security numbers are required.
9. Read the statement and sign and date the form. Return form to the Benefit Services Division address provided.

Benefit Options <small>Choice. Value. Health.</small>		STATE OF ARIZONA COBRA (without Premium Assistance) ENROLLMENT/ CHANGE FORM 2009-2010					A2	
YOUR PAYMENT TO BENEFIT OPTIONS								
By law, while on COBRA coverage, you will have to pay the total cost of your COBRA coverage. You are charged the full amount of the cost for similarly-situated employees or families – both the employee's and the employer's portion - plus an additional 2% administrative fee. You must make the first payment within 45 days of notifying the plan administrator of selection of COBRA coverage. The initial payment with your enrollment needs to be sent to ADOA. Thereafter, premiums are due on the first day of each month of coverage. After your first premium payment, you may have a grace period of 30 days from the usual due date to pay the premiums. Payments for COBRA coverage are made directly to the individual plan vendors. Each vendor will bill you for your coverage. All payments must be made out to the vendor. ADOA cannot process these payments. ADOA and your vendor will not be able to confirm that you are entitled to covered services until the vendor has received your premium for the month in which the care is to be provided.								
Effective January 1, 2009, Social Security numbers (SSN) will be required for you and your enrolled dependents.								
The SSN is used as the basis for the Medicare HICN. The Medicare program uses the HICN to identify Medicare beneficiaries receiving health care services, and to otherwise meet its administrative responsibilities to pay for health care and operate the Medicare program. In performance of these duties, Medicare is required to protect individual privacy and confidentiality in accordance with applicable laws, including the Privacy Act of 1974 and the Health Insurance Portability and Accountability Act Privacy Rule. Please note that the Centers for Medicare & Medicaid Services (CMS) has a longstanding practice of requesting SSNs or HICNs for coordination of benefit purposes.								
DEPENDENTS - List all eligible dependents to be enrolled or disenrolled in medical, dental, and/or vision plans								
LAST NAME, FIRST NAME, M.I. <small>(USE AN ADDITIONAL FORM FOR MORE THAN 6 DEPENDENTS)</small>	DATE OF BIRTH (MM/DD/YY)	Social Security Number	RELATIONSHIP CODE	MALE OR FEMALE	FULL TIME STUDENT	DISABLED	ADD OR DELETE	INDICATE PLAN TYPE MEDICAL(M) DENTAL(D) VISION(V)
Employee	REQUIRED	REQUIRED			Y OR N	Y OR N	A OR D	
Spouse or Domestic Partner			S-Spouse C-Child D-Domestic Partner G-Guardian P-Placed for adoption T-Stepchild	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> V
			<input type="checkbox"/> S <input type="checkbox"/> D	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> V
			<input type="checkbox"/> C <input type="checkbox"/> G <input type="checkbox"/> P <input type="checkbox"/> T	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> V
			<input type="checkbox"/> C <input type="checkbox"/> G <input type="checkbox"/> P <input type="checkbox"/> T	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> V
			<input type="checkbox"/> C <input type="checkbox"/> G <input type="checkbox"/> P <input type="checkbox"/> T	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> V
			<input type="checkbox"/> C <input type="checkbox"/> G <input type="checkbox"/> P <input type="checkbox"/> T	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> V
			<input type="checkbox"/> C <input type="checkbox"/> G <input type="checkbox"/> P <input type="checkbox"/> T	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> V
EMPLOYEE AUTHORIZATION AND SIGNATURE								
I hereby certify under penalty of perjury that the information I have provided in this application for employee benefits, including address and spouse/domestic partner and/or dependent information is accurate. I further acknowledge that I am aware that providing false information may subject me to a denial of employee benefits, disciplinary action, and potential prosecution pursuant to ARS Sections 13-2310, 13-2311, 13-2702, and other applicable provisions of the law. In addition, I have read and understand the declarations.								
SIGNATURE:					DATE:			
Return form to: ADOA Benefit Services Division, 100 N. 15th Ave., Suite 103, Phoenix, AZ 85007 OR FAX TO:602-542-4744								

WHERE TO ENROLL - FORM A

WHERE TO ENROLL COBRA FORM B - Premium Assistance

FOR INSTRUCTIONAL PURPOSES ONLY
PLEASE DO NOT COMPLETE THE FORM BELOW

Enrollment Form B is for COBRA with premium assistance. Premium assistance is available to you and your eligible dependents only if you or the employee with whom you are associated was involuntarily terminated between September 1, 2008 and December 31, 2009. Individuals eligible for other group health plan coverage or Medicare are not eligible for premium assistance. If you are not eligible for or want to decline premium assistance, you should complete Enrollment Form A instead.

1. Indicate if one of the two check boxes at the top of the page pertains to your situation. Leave both boxes unmarked in you are enrolling in COBRA with premium assistance.

2. Complete the MEMBER IDENTIFICATION section.

Benefit Options <small>Choice. Value. Health.</small>		STATE OF ARIZONA COBRA Premium Assistance ENROLLMENT/ CHANGE FORM 2009-2010		B1				
<i>The new American Recovery and Reinvestment Act of 2009, which the President signed into law on February 17, 2009, includes a 65 percent reduction on the cost of COBRA premiums for up to 9 months.</i>								
<input type="checkbox"/> I DECLINE COBRA COVERAGE AND PREMIUM ASSISTANCE*								
<small>*By declining/waiving my rights to COBRA coverage, I understand that I will not be permitted to select COBRA coverage for this qualified life event.</small>								
<input type="checkbox"/> I AM CURRENTLY ENROLLED IN COBRA AND DECLINE PREMIUM ASSISTANCE								
FOR AGENCY USE ONLY - DO NOT WRITE IN THE SHADED AREAS								
INVOLUNTARY TERMINATION DATE		DATE MEMBER NOTIFIED		DATE RECEIVED				
MEMBER IDENTIFICATION								
LAST NAME, FIRST NAME, M.I.		SOCIAL SECURITY NUMBER		<input type="checkbox"/> MALE <input type="checkbox"/> MARRIED				
STREET ADDRESS		COUNTY OF RESIDENCE		<input type="checkbox"/> FEMALE <input type="checkbox"/> SINGLE				
CITY, STATE, ZIP CODE		WORK PHONE NUMBER ()		HOME PHONE NUMBER ()				
EMPLOYEE LAST NAME, FIRST NAME		EMPLOYEE AGENCY		EMPLOYEE EIN OR SSN				
1. The loss of employment was due to an involuntary termination. <input type="checkbox"/> Yes <input type="checkbox"/> No								
2. The loss of employment occurred between September 1, 2008 and December 31, 2009. <input type="checkbox"/> Yes <input type="checkbox"/> No								
3. Individuals listed on this enrollment form are NOT eligible for other group health plan coverage. <input type="checkbox"/> Yes <input type="checkbox"/> No								
4. Individuals listed on this enrollment form are NOT eligible for Medicare. <input type="checkbox"/> Yes <input type="checkbox"/> No								
MEDICAL PLANS (Monthly Cost Listed)								
<input type="checkbox"/> I DECLINE MEDICAL COVERAGE								
EPO PLANS								
SELECT A PLAN	CODE	EE ONLY	CODE	EE + ADULT	CODE	EE + CHILD	CODE	EE + FAMILY
CIGNA EPO		<input type="checkbox"/> \$186.71		<input type="checkbox"/> \$396.27		<input type="checkbox"/> \$373.42		<input type="checkbox"/> \$514.79
AMERIBEN EPO		<input type="checkbox"/> \$186.71		<input type="checkbox"/> \$396.27		<input type="checkbox"/> \$373.42		<input type="checkbox"/> \$514.79
AETNA EPO		<input type="checkbox"/> \$186.71		<input type="checkbox"/> \$396.27		<input type="checkbox"/> \$373.42		<input type="checkbox"/> \$514.79
UNITEDHEALTHCARE EPO		<input type="checkbox"/> \$186.71		<input type="checkbox"/> \$396.27		<input type="checkbox"/> \$373.42		<input type="checkbox"/> \$514.79
PPO PLANS								
AMERIBEN PPO		<input type="checkbox"/> \$283.82		<input type="checkbox"/> \$587.62		<input type="checkbox"/> \$562.99		<input type="checkbox"/> \$764.69
AETNA PPO		<input type="checkbox"/> \$283.82		<input type="checkbox"/> \$587.62		<input type="checkbox"/> \$562.99		<input type="checkbox"/> \$764.69
UNITEDHEALTHCARE PPO		<input type="checkbox"/> \$283.82		<input type="checkbox"/> \$587.62		<input type="checkbox"/> \$562.99		<input type="checkbox"/> \$764.69
HSA OPTION								
AETNA HSA OPTION		<input type="checkbox"/> \$167.43		<input type="checkbox"/> \$352.00		<input type="checkbox"/> \$334.87		<input type="checkbox"/> \$461.60
DENTAL PLANS (Monthly Cost Listed)								
<input type="checkbox"/> I DECLINE DENTAL COVERAGE								
SELECT A PLAN	CODE	EE ONLY	CODE	EE + ONE	CODE	EE + FAMILY		
TOTAL DENTAL ADMINISTRATORS		<input type="checkbox"/> \$3.56		<input type="checkbox"/> \$6.76		<input type="checkbox"/> \$9.89		
DELTA DENTAL INDEMNITY/PPO IN ARIZONA AND OUT-OF-STATE		<input type="checkbox"/> \$12.43		<input type="checkbox"/> \$27.79		<input type="checkbox"/> \$47.06		
VISION PLAN (Monthly Cost Listed)								
<input type="checkbox"/> I DECLINE VISION COVERAGE								
SELECT A PLAN	CODE	EE ONLY	CODE	EE + ONE	CODE	EE + FAMILY		
AVESIS VISION COVERAGE		<input type="checkbox"/> \$1.73		<input type="checkbox"/> \$4.83		<input type="checkbox"/> \$6.02		
ADOA USE ONLY								
APPROVED <input type="checkbox"/>			DENIED <input type="checkbox"/>					
COBRA EFF: _____			Length of COBRA: _____					
Vendors: _____			Date to Vendors: _____					
Reviewed by: _____								

2009-2010 COBRA WITH PREMIUM ASSISTANCE ENROLLMENT FORM

3. Answer the questions regarding the nature of your or the employee's termination.

4. Select your medical plan. If you elect the HSA Option, you will be allowed to open and/or contribute to a health savings account. The State will not contribute to the account. If declining medical coverage, please mark I DECLINE MEDICAL COVERAGE.

5. Select your dental plan. If declining dental coverage, please mark I DECLINE DENTAL COVERAGE.

6. Select your vision plan. If declining vision coverage, please mark I DECLINE VISION COVERAGE.

WHERE TO ENROLL COBRA FORM B - Premium Assistance Continued

FOR INSTRUCTIONAL PURPOSES ONLY
PLEASE DO NOT COMPLETE THE FORM BELOW

7. Read the information at the top of the page.
8. Complete the middle dependents section if you are enrolling dependents. Please note that SSN numbers are required.
9. Read the last statement and sign and date the form. Return form to the address provided.

Benefit Options <small>Choice. Value. Health.</small>		STATE OF ARIZONA COBRA Premium Assistance ENROLLMENT/ CHANGE FORM 2009-2010 CONTINUED				B2		
Effective January 1, 2009, Social Security numbers (SSN) will be required for primary members and all enrolled dependents.								
The SSN is used as the basis for the Medicare HICN. The Medicare program uses the HICN to identify Medicare beneficiaries receiving health care services, and to otherwise meet its administrative responsibilities to pay for health care and operate the Medicare program. In performance of these duties, Medicare is required to protect individual privacy and confidentiality in accordance with applicable laws, including the Privacy Act of 1974 and the Health Insurance Portability and Accountability Act Privacy Rule. Please note that the Centers for Medicare & Medicaid Services (CMS) has a longstanding practice of requesting SSNs or HICNs for coordination of benefit purposes.								
DEPENDENTS - List all eligible dependents to be enrolled or disenrolled in medical, dental, and/or vision plans								
LAST NAME, FIRST NAME, M.I. <small>(USE AN ADDITIONAL FORM FOR MORE THAN 6 DEPENDENTS) LIST LAST NAME IF IT IS DIFFERENT FROM EMPLOYEE</small>	DATE OF BIRTH (MM/DD/YY)	SSN	RELATIONSHIP CODE	MALE OR FEMALE	FULL TIME STUDENT	DISABLED	ADD OR DELETE	INDICATE PLAN TYPE MEDICAL(M) DENTAL(D) VISION(V)
	REQUIRED	REQUIRED			Y OR N	Y OR N	A OR D	
Employee			<small>B- Spouse C- Child D- Domestic Partner E- Guardian F- Placed for adoption T- Stepchild</small>					
Spouse or Domestic Partner			<input type="checkbox"/> S <input type="checkbox"/> D	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> V
			<input type="checkbox"/> C <input type="checkbox"/> G <input type="checkbox"/> P <input type="checkbox"/> T	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> V
			<input type="checkbox"/> C <input type="checkbox"/> G <input type="checkbox"/> P <input type="checkbox"/> T	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> V
			<input type="checkbox"/> C <input type="checkbox"/> G <input type="checkbox"/> P <input type="checkbox"/> T	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> V
			<input type="checkbox"/> C <input type="checkbox"/> G <input type="checkbox"/> P <input type="checkbox"/> T	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> V
			<input type="checkbox"/> C <input type="checkbox"/> G <input type="checkbox"/> P <input type="checkbox"/> T	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> V
I affirm that I am eligible for COBRA and premium assistance due to an involuntary termination occurring between September 1, 2008 and December 31, 2009. I am not eligible for any other group health plan or Medicare. I have not previously waived my right to the premium assistance offered by the State of AZ or any other employer. I hereby certify under penalty of perjury that the information I have provided in this application for employee benefits, including address and spouse/domestic partner and/or dependent information is accurate. I further acknowledge that I am aware that providing false information may subject me to a denial of employee benefits, monetary penalties, and potential prosecution pursuant to ARS Sections 13-2310, 13-2311, 13-2702, and other applicable provisions of the law. In addition, I have read and understand the declarations.								
SIGNATURE: _____				DATE: _____				
Return form to: ADOA Benefit Services Division, 100 N. 15th Ave., Suite 103, Phoenix, AZ 85007 Or fax to: 602-542-4744								
For additional COBRA help or to view pertinent frequently asked questions please visit: www.benefitoptions.az.gov/cobrafaq								
<small>REVISED 10/16/09</small>								

WHERE TO ENROLL - FORM B

UNDERSTANDING YOUR COBRA COVERAGE

How Long COBRA Coverage Lasts

If you lose coverage through the State of Arizona plan because of a termination of employment or a reduction in hours, you and your eligible family members may maintain COBRA coverage for a maximum period of 18 months from the date of the event.

If an employee's covered dependents lose their coverage because:

- of the employee's death or entitlement to Medicare;
- of the employee's legal separation or divorce the employee's child is no longer a dependent under the Plan.

The eligible family members may maintain COBRA coverage for a maximum period of 36 months from the date of the event.

By law, these coverage periods may be reduced for any of the following reasons:

- the State of Arizona no longer provides group health coverage to any of its employees;
- you do not pay the amount due for your COBRA coverage on time;
- you or one of your covered family members become covered under another group health plan that does not contain any exclusion or limitation with respect to any pre-existing condition; or
- you or one of your covered family members become entitled to Medicare.

Extended COBRA Coverage

In addition, if during or before an 18 month period of COBRA coverage, you or any of your qualified dependents are determined by the Social Security Administration to be disabled, the maximum period of COBRA coverage may be extended for up to 11 months.

This extension is available if:

- the Social Security Administration determines that the individual's disability began no later than 60 days after the employee's employment was terminated or his/her hours were reduced; and you or another member of your family notifies the ADOA Benefit Services Division of the disability determination by the Social Security Administration before the end of the 18 month COBRA coverage period.

Electing Your COBRA Benefits

Upon termination from State Service, employees and eligible dependents will be notified in writing of their COBRA rights and the deadline for returning their enrollment form(s).

To have the opportunity to continue coverage after a divorce, legal separation, or a child ceasing to be a dependent, the employee and/or affected family member(s) must inform the ADOA Benefit Services Division in writing no later than 60 days after the event.

If notice is not received by the end of that 60-day period, the affected spouse or dependent will not be entitled to choose COBRA coverage. When notified that one of these events has happened, the ADOA Benefit Services Division will provide the covered dependents with the information and forms needed to elect COBRA coverage.

Under the law, the covered dependents have 60 days from the date they would lose coverage because of one of the events described above, to inform the ADOA Benefit Services Division that they want to elect COBRA coverage.



DID YOU KNOW?

COBRA coverage may be elected for some dependents, even if the employee does not elect it, as long as those for whom it is chosen were covered by the Plan on the date of loss of coverage

Benefit Options
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UNDERSTANDING YOUR COBRA COVERAGE

COBRA coverage may be elected for some members of the family but not others (including one or more dependents, even if the employee does not elect it), as long as those for whom it is chosen were covered by the Plan on the date of the event (e.g., termination of employment, death, divorce) that led to the loss of regular coverage. A parent may elect or reject COBRA coverage on behalf of dependent children living with him or her.

If one of the dependents elects COBRA coverage for him/herself only, the enrollment form must be signed by that dependent unless the dependent is a minor. When the dependent is a minor, the employee-parent must sign the form.

Changing Your COBRA Benefits

If, while you are enrolled for COBRA coverage, you marry, have a child or have a child placed for adoption, you may enroll that spouse or child for coverage for the balance of the period of your COBRA coverage, provided you do so within 30 days after the marriage, birth or placement. Adding a spouse or child may increase the amount you must pay for COBRA coverage.

A Second Qualified Life Event

If you have a second Qualified Life Event while under COBRA coverage and you were eligible for COBRA coverage as the result of an employee's termination (for other than gross misconduct) or the reduction in hours of an employee, you may be granted an extension of coverage for up to 36 months from the date of termination or reduction in hours.

The extension applies only to qualified beneficiaries, including children of the employee who were born or adopted while the employee was on COBRA coverage. (Qualified beneficiaries include an employee's spouse who was covered by the Plan and an employee's dependent children who were covered by the Plan).

If You and Your Spouse are State Employees

You cannot enroll as a single subscriber and be enrolled as a dependent on your spouse's policy simultaneously. If you do enroll in this manner, no refunds will be made for the employee contributions.

COBRA Coverage for Older Child (ren):

If your child is age 19 up to 25 years old and is no longer eligible to be continued on your coverage, s/he may be eligible for continuation coverage for up to 36 months pursuant to the Consolidated Omnibus Budget Reconciliation Act (COBRA).

The member must notify the Benefit Services Division when a dependent is no longer eligible or fails to meet the criteria for coverage of an Older Child and complete an Enrollment/Change form to cancel the dependent from their benefit plan.

A COBRA enrollment form with coverage information, rates and COBRA enrollment guide will be mailed to the employee's home address on file by the Benefit Services Division.



UNDERSTANDING YOUR COBRA COVERAGE

Your Contributions

By law, while on COBRA coverage, you must pay the total cost of your COBRA coverage. You are charged the full amount of the cost for similarly-situated employees or families – both the employee's and the employer's portion - plus an additional 2% administrative fee.

When to Pay

You must make the first payment within 45 days of notifying the plan administrator of selection of COBRA coverage. Thereafter, premiums are due on the first day of each month of coverage.

After your first premium payment, you may have a grace period of 30 days from the usual due date to pay the premiums.



CONTACT

For more information about COBRA coverage and your rights under the Plan, visit *benefitoptions.az.gov*

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UNDERSTANDING YOUR COBRA COVERAGE

This chart will show you the maximum period of continuation of coverage for specific qualifying events and beneficiaries.

Qualifying Event	Qualified Beneficiaries	Maximum Period of Continuation Coverage
Termination (for reasons other than gross misconduct) or reduction in hours of employment	Employee Spouse Dependent child	18 months*
Employee enrollment in Medicare	Spouse Dependent Child	36 months
Divorce or legal separation	Spouse Dependent Child	36 months
Death of employee	Spouse Dependent Child	36 months
Loss of "dependent child" status under the plan	Dependent Child	36 months

**If during or before the 18th month period of COBRA coverage a dependent is determined to be disabled by the Social Security Administration, COBRA coverage will be extended for up to an additional 11 month period.*

If a second qualified life event occurs while under COBRA coverage, qualified beneficiaries might be granted an extension of coverage for up to 36 months.

2009-2010 MONTHLY INSURANCE PREMIUMS

Monthly Medical Premium

Plan	Tier	Premium
EPO (Aetna, AmeriBen*, CIGNA, UnitedHealthcare)	Emp only	\$533.46
	Emp+adult	\$1,132.20
	Emp+child	\$1,066.92
	Family	\$1,470.84
PPO (Aetna, AmeriBen*, UnitedHealthcare)	Emp only	\$810.90
	Emp+adult	\$1,678.92
	Emp+child	\$1,608.54
	Family	\$2,184.84
HSA (Aetna)	Emp only	\$478.38
	Emp+adult	\$1,005.72
	Emp+child	\$956.76
	Family	\$1,318.86

Monthly Dental Premium

Plan	Tier	Premium
DHMO (Total Dental Administrators)	Emp only	\$10.16
	Emp+1	\$19.30
	Family	\$28.25
PPO (Dental Dental)	Emp only	\$35.52
	Emp+1	\$79.41
	Family	\$134.46

Monthly Vision Premium

Plan	Tier	Premium
Insured plan (Avesis)	Emp only	\$4.93
	Emp+1	\$13.79
	Family	\$17.20

*Blue Cross Blue Shield of Arizona administered by AmeriBen.

2009-2010 MONTHLY INSURANCE PREMIUMS

(WITH PREMIUM ASSISTANCE)**

Monthly Medical Premium

Plan	Tier	Premium
EPO (Aetna, AmeriBen*, CIGNA, UnitedHealthcare)	Emp only	\$186.71
	Emp+adult	\$396.27
	Emp+child	\$373.42
	Family	\$514.79
PPO (Aetna, AmeriBen*, UnitedHealthcare)	Emp only	\$283.82
	Emp+adult	\$587.62
	Emp+child	\$562.99
	Family	\$764.69
HSA (Aetna)	Emp only	\$167.43
	Emp+adult	\$352.00
	Emp+child	\$334.87
	Family	\$461.60

Monthly Dental Premium

Plan	Tier	Premium
DHMO (Total Dental Administrators)	Emp only	\$3.56
	Emp+1	\$6.76
	Family	\$9.89
PPO (Dental Dental)	Emp only	\$12.43
	Emp+1	\$27.79
	Family	\$47.06

Monthly Vision Premium

Plan	Tier	Premium
Insured plan (Avesis)	Emp only	\$1.73
	Emp+1	\$4.83
	Family	\$6.02

*Blue Cross Blue Shield of Arizona administered by AmeriBen.

**Only effective through December 30, 2009.

MEDICAL PLAN INFORMATION



TAKE NOTE

Please refer to your enrollment form for information regarding monthly premiums

You must choose one of the Medical networks: Aetna, CIGNA, Blue Cross Blue Shield of Arizona administered by AmeriBen, or UnitedHealthcare. Each of these networks provides nationwide access to providers.

Understanding Your Options

COBRA participants choose from three plans, four networks, and four coverage tiers. The word network describes the company contracted with the State to provide access to a group of physicians, hospitals, etc.

Certain physicians may belong to one network but not another. Plans are loosely defined as the structure of your insurance policy: the premium, deductibles, copays, and out-of-network coverage.

	Aetna	BCBS of AZ*	CIGNA	UnitedHealthcare
EPO	X	X	X	X
PPO	X	X		X
HSA Option	X			

* Blue Cross Blue Shield (BCBS) of Arizona administered by AmeriBen

Finally, you must choose the tier that meets your needs. A tier describes the number of persons covered by the medical plan. The State has expanded the number of tiers available and now offers four levels: Employee, Employee +Adult, Employee +Child, and Family.

How the Plans Work

As noted above there are three medical plans offered to active employees under Benefit Options. They are the Exclusive Provider Organization (EPO), the Preferred Provider Organization (PPO), and the Health Savings Account Option (HSA).

The EPO

If you choose the EPO plan under Benefit Options you must obtain services from a network provider. Out-of-network services are only covered in emergency situations. Under the EPO plan, you will pay the monthly premium and any required copay at the time of service. The EPO plan is available with all four networks: Aetna, Blue Cross Blue Shield of Arizona administered by AmeriBen, CIGNA, and UnitedHealthcare.

The PPO

If you choose the PPO plan under Benefit Options you can see providers in-network or out-of-network, but will have higher costs for in-network and out-of-network services. Additionally, there is a in-network and out-of-network deductible that must be met. Under the PPO plan, you will pay the monthly premium and any required copay or coinsurance (percent of the cost) at the time of service. The PPO plan is available with Aetna, Blue Cross Blue Shield of Arizona administered by AmeriBen, and UnitedHealthcare.

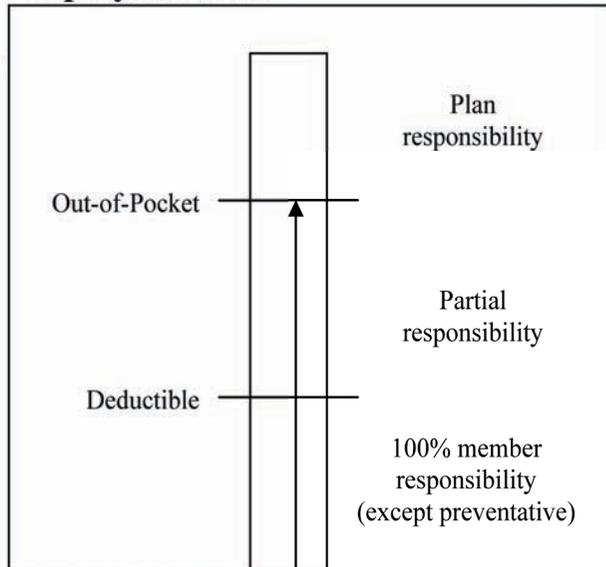
The HSA Option

The Benefit Options HSA Option is a new offering and unfamiliar to COBRA participants. Enrolling in the HSA Option makes you eligible to open a Health Savings Account (HSA) which is a special type of account that allows tax-free contributions, earnings, and healthcare-related withdrawals. If you choose the HSA Option you can use in-network and out-of-network providers. The members must reach a deductible before the insurance “kicks in.” The premiums for the HSA Option are lower, preventative services are free, and members pay coinsurance rather than copays. The chart on the following page may help you understand the costs associated with the HSA Option. More detailed information on the HSA Option is available on pages 19-22.

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MEDICAL PLAN Continued

Employee's Cost



Choosing the Best Plan for You and Your Family

To choose the right plan for you:

1. Assess the costs you expect in the coming year including: monthly premiums, copays, and coinsurance. Refer to pages 24 and 25 for plan comparisons.
2. Determine if your doctors are contracted with the network you are considering. Each medical network has a website or phone number (listed to the right) to help you determine if your doctor is contracted.
3. Once you have selected which plan best suits your needs and your budget, you must complete and return benefit elections form to the Benefit Services Division.

Transition of Care (TOC)

If you are undergoing an active course of treatment with a provider who is not contracted with one of the new networks, you can apply for transition of care.

If you are approved, you will receive in-network benefits for your current provider during a transitional period after October 1, 2009. Transition of care is typically approved if one of the following applies:

1. You have a life threatening disease or condition;
2. You have been receiving care and a continued course of treatment is medically necessary;
3. You are in the third trimester of pregnancy; or
4. You are in the second trimester of pregnancy and your doctor agrees to accept our reimbursement rate and to abide by the Plan's policies, procedures, and quality assurance requirements.

TOC forms are available on the Benefit Options website benefitoptions.az.gov.

ID Cards

Your personal insurance cards typically arrive 7-14 business days after your benefits become effective.

Contacts

Aetna: 1.866.217.1953, aetna.com

AmeriBen: 1.866.955.1551,
<https://services.ameriben.com>

CIGNA: 1.800.968.7366,
cigna.com/stateofaz

UnitedHealthcare: 1.800.896.1067
myuhc.com



MEDICAL PLAN Continued

Understanding the Health Savings Account (HSA) Option

In addition to the familiar EPO and PPO plans, Benefit Options is offering COBRA participants a third choice: the Health Savings Account (HSA) Option. Please read this section carefully as it describes the HSA Option and provides information about how the plan could impact you and your family should you choose to enroll.

Things You Should Know About the HSA Option

1. The HSA Option should not be confused with the Health Savings Account:
 - The HSA Option is a health plan. As a COBRA participant you can choose to enroll in the EPO, the PPO, or the HSA Option.
 - HSA stands for Health Savings Account. It is a special type of savings account that allows tax-free contributions, earnings, and healthcare-related withdrawals.
 - Enrolling in the HSA Option allows you to open a Health Savings Account. EPO and PPO members are not eligible.
2. The HSA Option is different from the EPO in that:
 - An HSA Option member pays lower monthly premiums.
 - An HSA Option member can use out-of-network providers (although it is more expensive than using in-network providers).
 - In the HSA Option, preventative services are free.
 - An HSA Option member must pay a high deductible before the insurance “kicks in” (preventative services are available before satisfying the deductible).

- An HSA Option member will often pay “coinsurance” instead of “copays”
- An HSA Option member is eligible to open and contribute to a Health Savings Account (HSA).

3. The HSA Option offers financial advantages in that:
 - An HSA Option member pays lower monthly premiums.
 - In the HSA Option, preventative services are free.
 - An HSA Option member may have lower out-of-pocket costs.
 - An HSA Option member is eligible to open and contribute to a Health Savings Account (HSA).
4. The HSA Option presents financial disadvantages in that:
 - An HSA Option member must pay a high deductible before the insurance “kicks in” (preventative services are available before satisfying the deductible).
 - An HSA Option member may have higher out-of-pocket costs.
 - An HSA Option member’s out-of-pocket healthcare costs are less predictable than an EPO member’s.
5. The HSA Option might be right for you if:
 - You want to open a tax-advantaged HSA and save for future healthcare costs.
 - You are willing to accept some degree of financial risk.
 - You (and your family members, if applicable) are generally healthy; you believe your healthcare costs between Oct. 1, 2009 and Sep. 30, 2010 will be low.
 - You can afford to pay a high deductible if necessary.



MEDICAL PLAN Continued

Things You Should Know About the Health Savings Account (HSA) Option - Continued

6. The HSA Option may be wrong for you if:

- You like copays because they are simple and predictable.
- You don't like financial risk.
- You believe your healthcare costs between Oct. 1, 2009 and Sep. 30, 2010 will be high.
- You cannot afford to pay a high deductible.

Making Sense of HSA Option

Benefits

The HSA Option has a different structure than the EPO and PPO plans. This section is included to help you understand how much you will pay for services and prescriptions as an HSA Option member.

Annual Limits

Before discussing specific benefits, however, you'll need to understand two important terms:

Deductible – fixed dollar amount a member pays before the health plan begins paying for medical covered services. Copayments and/or coinsurance amounts may or may not apply, see comparison charts on pages 24 and 25.

Out-of-pocket maximum – the amount the member will pay annually before the health plan pays 100% of the covered expenses. Out-of-pocket amounts do not carry over year to year, and maximums reset each year.

Only usual and customary charges apply to these limits. If you go to an out-of-network provider who charges more than usual and customary, the excess will not be applied towards your deductible and out-of-pocket maximum. Please refer to page 18 for a graphic that demonstrates the costs associated with the HSA Option.

Cost for Services/Prescriptions

The cost for services/prescriptions depends on three things:

Whether the service/prescription is:

- Preventative
- Non-Preventative
- Emergency

Whether the provider is:

- In-Network
- Out-of-Network

How much you have paid so far during the plan year:

- Less than the deductible
- More than the deductible, but less than the out-of-pocket maximum
- Out-of-pocket maximum

These three areas are shaded in the chart on the following page.



IMPORTANT

You will not be eligible for the HSA Option if you:

- Are covered by other health insurance
- Can be or are claimed as a dependent by someone else

Benefit Options
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MEDICAL PLAN Continued

Making Sense of HSA Option Benefits - Continued

At the top of the table you can see that:

- In-network preventative services are free, even before the deductible is satisfied
- In-network preventative prescriptions will cost the regular copay amounts (\$10/\$20/\$40) up to the out-of-pocket maximum.
- Once the out-of-pocket maximum is satisfied, in-network preventative prescriptions are free.

- Once the deductible is satisfied, in-network emergency services will be 90% covered. The remaining 10% must be paid by the member.
- Once the out-of-pocket maximum is satisfied, in-network emergency services will be 100% covered (no member cost).

Before enrolling in the HSA Option, make sure you fully understand the table below.

In the middle of the table you can see that:

- In-network emergency services will not be covered until after the deductible is satisfied.

EMPLOYEE COST FOR CARE

<i>Individual/family total out-of-pocket cost at time of expense →</i>		Less than deductible	More than deductible, less than out-of-pocket maximum	Out-of-pocket maximum
IN-NETWORK	Preventative	Services Prescriptions	\$0 \$10/\$20/\$40 copays	\$0 \$10/\$20/\$40 copays
	Non-Preventative	Services Prescriptions	100% of contracted rate 100% of contracted rate	10% of contracted rate \$10/\$20/\$40 copays
	Emergency	Services	100% of contracted rate	10% of contracted rate
OUT-OF-NETWORK	Preventative	Services	50% of total cost	50% of total cost
	Non-Preventative	Services	100% of total cost	50% of total cost
	Emergency	Services	100% of total cost	10% of total cost



MEDICAL PLAN Continued

Making Sense of HSA Option Benefits - Continued

Preventative care

Preventative care is defined as:

- Periodic health evaluations, including tests and diagnostic procedures ordered in connection with routine examinations (i.e., annual physicals)
- Routine prenatal and well-child care
- Child and adult immunizations
- Tobacco cessation programs
- Obesity weight-loss programs
- Certain screening services
- Prescriptions that are preventative in nature.

Opening a Health Savings Account

While Benefit Options offers an HSA-qualified health plan, it is the responsibility of each COBRA participant to open his/her individual or family Health Savings Account. HSAs can be established with any qualified trustee or custodian. This includes many banks and investment houses. *Eligibility rules apply.*

Network Options Outside of Arizona

The charts below will indicate you the coverage options and right network choices for members who live out-of-state.

EPO Plan	Location	Network
Aetna	Nationwide	Aetna Select Open Access
BCBS of AZ* †	BCBS of Arizona network for In-State Services	PHCS / MultiPlan for Nationwide Services
CIGNA	Nationwide	Cigna Open Access
UHC	Nationwide	UHC Choice

PPO Plan	Location	Network
Aetna	Nationwide	Aetna Choice POS II Open Access
BCBS of AZ* †	BCBS of Arizona network for In-State Services	PHCS / MultiPlan for Nationwide Services
UHC	Nationwide	UHC Options PPO

HSA Option Plan	Location	Network
Aetna	Nationwide	Aetna Choice POS II Open Access

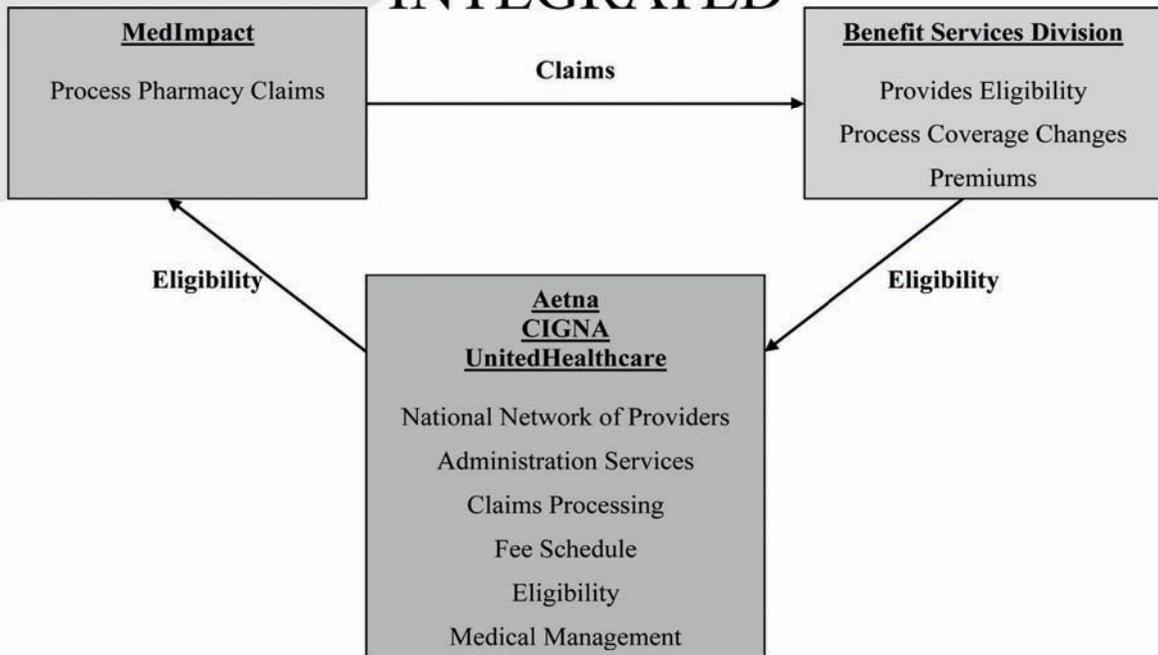
**Blue Cross Blue Shield of Arizona administered by AmeriBen.*

†The Blue Cross Blue Shield of Arizona network administered by AmeriBen is only available in Arizona. AmeriBen has made the PHCS / MultiPlan network available to those members living out of state.

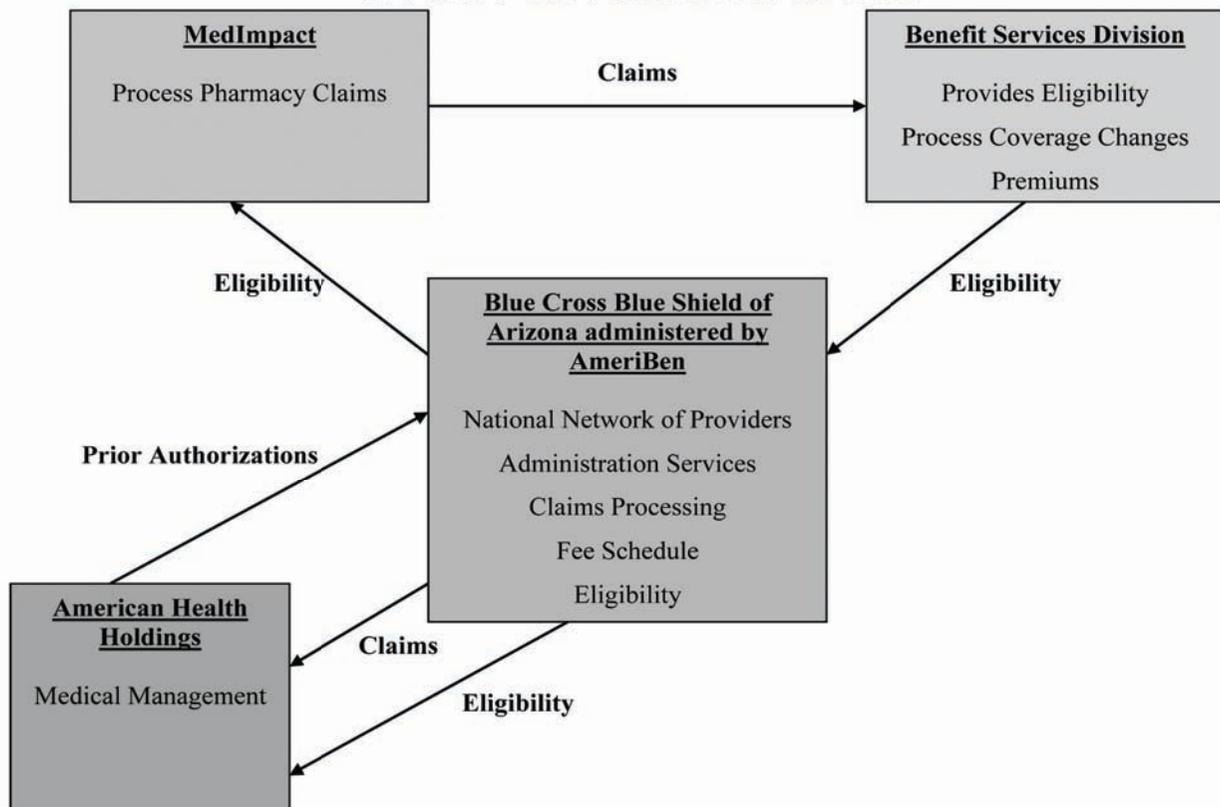


INTEGRATED & NON - INTEGRATED

INTEGRATED



NON-INTEGRATED



MEDICAL PLANS COMPARISON CHART (EPO/PPO)

		EPO	PPO	PPO	
Available Plans		<input checked="" type="checkbox"/> Aetna <input checked="" type="checkbox"/> BCBS of AZ* <input checked="" type="checkbox"/> CIGNA <input checked="" type="checkbox"/> UnitedHealthcare	<input checked="" type="checkbox"/> Aetna <input checked="" type="checkbox"/> BCBS of AZ* <input checked="" type="checkbox"/> CIGNA <input checked="" type="checkbox"/> UnitedHealthcare	<input checked="" type="checkbox"/> Aetna <input checked="" type="checkbox"/> BCBS of AZ*	
		IN-NETWORK	IN-NETWORK	OUT-OF-NETWORK	
Plan year deductible	Individual	none	\$500***	\$1,000***	
	Family	none	\$1,000***	\$2,000***	
Out-of-pocket max	Individual	none	\$1,000*** ⁺	\$4,000***	
	Family	none	\$2,000*** ⁺	\$8,000***	
Lifetime max		none	none	\$2 million	
EMPLOYEE COST FOR CARE					
Behavioral health	Inpatient	\$150	\$150	50% after deductible	
	Outpatient	\$15	\$15	50% after deductible	
Chiropractic		\$15	\$15	50% after deductible	
Durable medical equipment		\$0	\$0	50% after deductible	
Emergency	Ambulance	\$0	\$0	Amount above in-network rate	
	ER copay waived if admitted	ER	\$125	\$125	
	Urgent care	\$40	\$40	50% after deductible	
Home health services	Maximum hours per year	168	168	168	
Hospital admission (Room and Board)		\$150	\$150	50% after deductible	
Mammography		\$0	\$0	50% after deductible	
Maternity admission		\$250**	\$250**	50% after deductible	
Office visits	PCP	\$15	\$15	50% after deductible	
	Max of 1 copay/day/provider	Specialist	\$30	\$30	50% after deductible
		Preventative	\$15	\$15	50% after deductible
		OB/GYN	\$10	\$10	50% after deductible
Outpatient services	Freestanding ambulatory facility or hospital outpatient surgical center	\$50	\$50	50% after deductible	
Radiology		\$0	\$0	50% after deductible	

*Blue Cross Blue Shield of Arizona administered by AmeriBen.

**Reimbursed if patient completes the "Healthy Pregnancy" program (must be enrolled by the 12th week of pregnancy). Implementation date of April 1, 2010.

***Copayments apply to out-of-pocket maximum after deductible is met for PPO plans. The plan pays 100% after out-of-pocket maximum.

⁺ PPO in-network deductible must be met before co-payment applies.

Changes from last plan year are shown in *italics*

MEDICAL PLANS COMPARISON CHART (HSA)

		IN-NETWORK	OUT-OF-NETWORK
Deductible	Individual	\$1,200*	\$2,400*
	Family	\$2,400*	\$4,800*
Out-of-pocket maximum (including deductible)	Individual	\$2,000*	\$5,000*
	Family	\$4,000*	\$10,000*

Only *usual and customary charges* apply to the annual limits.

*Copayments apply to out-of-pocket maximum after deductible is met.

		EMPLOYEE COST FOR CARE			
Individual/family total out-of-pocket cost at time of expense →		Less than deductible	More than deductible, out-of-pocket maximum	Out-of-pocket maximum	
IN-NETWORK	Preventative	Services	\$0	\$0	\$0
		Prescriptions	\$10/\$20/\$40 copays	\$10/\$20/\$40 copays	
	Non-Preventative	Services	100% of contracted rate	10% of contracted rate	
		Prescriptions	100% of contracted rate	\$10/\$20/\$40 copays	
	Emergency	Services	100% of contracted rate	10% of contracted rate	
	OUT-OF-NETWORK	Preventative	Services	50% of total cost	
Non-Preventative		Services	100% of total cost	50% of total cost	
Emergency		Services	100% of total cost	10% of total cost	

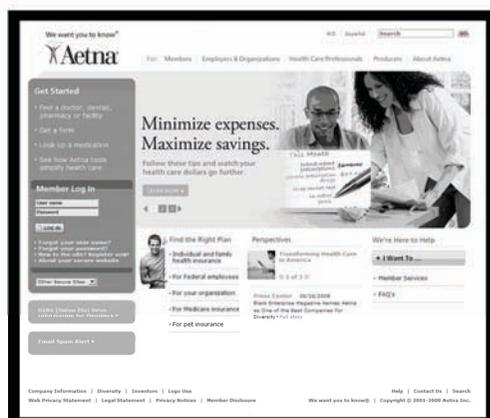
MEDICAL ONLINE FEATURES

You can review your personal profiles, view the status of medical claims, obtain general medical information, and learn how to manage your own healthcare through the available health plan websites.

Aetna (aetna.com)

DocFind

To find out if your physician or hospital is contracted with Aetna use this online directory.



Aetna members can create a user name and password and have access to:

Review Your Plan and Benefits Information

You can verify your benefits and eligibility. You will also have access to a detailed claims status and Claim Explanation of Benefits (EOB) statements.

ID Card

Print a temporary or order a replacement ID card at anytime.

Contact and E-mail

You can also obtain Aetna Member Services contact information and send secure e-mail messages to Aetna Member Services. You can request e-mail alerts when new information is available such as an EOB.

Aetna IntelliHealth

This website will give access to wellness information.

Healthwise Knowledgebase

You can look up a variety of health topics.

SmartSource

A search tool to connect you with useful health information, programs and resources based on your personal profile.

Estimate the Cost of Care

You can estimate the average cost of healthcare services in your area including medical procedures and medical tests.

For more features visit aetna.com.

Blue Cross Blue Shield of Arizona Administered by AmeriBen
(<https://services.ameriben.com>)

Lookup Provider

To find out if your doctor, hospital, or urgent care provider is contracted with Blue Cross Blue Shield of Arizona administered by AmeriBen use this tool.

Blue Cross Blue Shield of Arizona administered by AmeriBen members can create a user ID and password to have access to:



TAKE NOTE

When selecting an Aetna Plan For EPO: Choose "Open Access Aetna Select"
For PPO: Choose "Aetna Choice POS II"

Benefit Options
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MEDICAL ONLINE FEATURES

Continued



IMPORTANT

NAU only:
BCBS PPO plan details, go to <http://hr.edu/m/> and choose Benefits, Health, BCBS Plan Book

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Claims Inquiry

View and read the detailed status of all medical claims submitted for payment. You can also obtain your Explanation of Benefits (EOB).

Optional Electronic Paperless EOB

Reduce mail, eliminate filing and help the planet by going green.

Coverage Inquiry

Verify you and your dependents eligibility.

Wellness Tools

You can have access to wellness information.

Online Forms

You can submit and complete important health forms online, including filing an appeal.

Help

You can instant message AmeriBen with questions about your benefits, claims or general information about your health plan.

To learn more about this website visit <https://services.ameriben.com>.

CIGNA (CIGNA.com/stateofaz)

Find Your Doctor

To find out if your doctor, hospital, or other medical provider is contracted with CIGNA you can utilize this online directory.



CIGNA members can create a user ID and Password, and have access to:

Personal Profile

You can verify your coverage, copays, deductibles, and view the status of claims.

ID Card

Order a new ID card or print a temporary one.

Evaluate Costs

You can find estimated costs for common medical conditions and services.

Rank Hospitals

Learn how hospitals rank by cost, number of procedures performed, average length of stay, and more.

Assess Treatments

You can get facts to make informed decisions about condition-specific procedures and treatments.

Conduct Research

With an interactive library, you can gather information on health conditions, first aid, medical exams, wellness, and more.

Health Coaching

Take a quick health assessment, get personalized recommendations and connect to immediate online coaching resources.

Monitor Health Records

Keep track of medical conditions, allergies, surgeries, immunizations, and emergency contacts.

For more information visit CIGNA.com/stateofaz

MEDICAL ONLINE FEATURES

Continued

UnitedHealthcare (myuhc.com)

Provider Search

Find the physicians and hospitals that are convenient and right for you.

UnitedHealthcare members can create a user ID and Password, and have access to:

Personal Profile

Verify benefits and eligibility. Print a temporary or order a replacement ID card anytime.

Provider Information

You may view the status of your member eligibility and all claims submitted. You can also send and receive information through the secure mail feature.

Claims Inquiry

View and read the status of all medical claims submitted for payment, including; billed charges, any deductibles or co-pays made, the amount paid to the provider, and details on provider payments.

Deductible Status

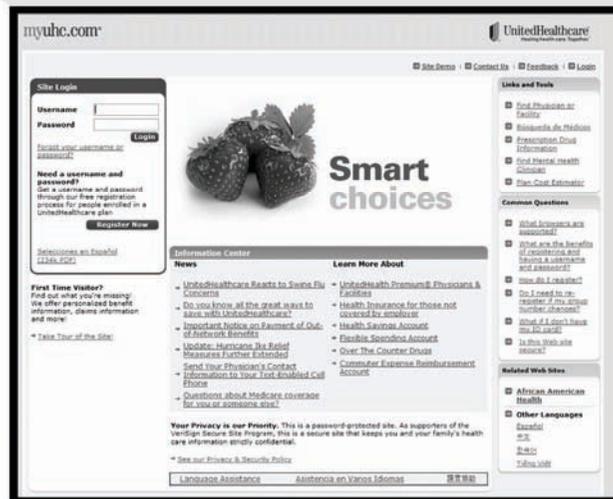
View all of the copays and deductibles paid to date for tax purposes or the amounts accrued towards any plan maximums.

Hospital Comparison

Compare hospitals based on quality of care, procedures, and patient safety measures with the "Hospital Comparison" tool.

Treatment Cost

Find out and compare what different treatments will cost using the Treatment Cost Estimator, before you need to make a decision.



Nurseline

Chat online with registered nurses 7 days a week for trusted information and peace of mind when you have a question or during times when you cannot reach your doctor.

Health Information

Look up a variety of health conditions, procedures, and topics. You can research a condition for yourself or on behalf of a loved one with the website's evidence-based medical information from the prestigious Healthwise and Best Treatments organizations.

Expert Information

Participate in monthly online events with leading experts in health care.

For more information visit myuhc.com.



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PHARMACY PLAN INFORMATION



DID YOU KNOW?

Walgreens will continue to be the provider for Mail Order and Specialty Pharmacy

YOUR COST

retail pharmacies
30 day supply

Tier	Copay
Generic	\$10
Preferred	\$20
Non-preferred	\$40

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MedImpact

If you elect any Benefit Options medical plan, MedImpact will be the network you use for pharmacy benefits. Enrollment is automatic when you enroll in the medical plan.

MedImpact currently services 32 million members nationwide, providing leading prescription drug clinical services, benefit design, and claims processing since 1989 through a comprehensive network of pharmacies.

How it Works

All prescriptions must be filled at a network pharmacy by presenting your medical card. You can also fill your prescription through the mail order service. The cost of prescriptions filled out-of-network will not be reimbursed.

No international pharmacy services are covered. Be sure to order your prescriptions prior to your trip and take your prescriptions with you.

The MedImpact plan has a three-tier formulary described in the chart to the left. The copays listed in the chart are for a 30-day supply of medication bought at a pharmacy store.

Formulary

The formulary is the list of medications chosen by a committee of doctors and pharmacists to help you maximize the value of your prescription benefit. These generic and brand name medications are available at a lower cost. The use of non-preferred medications will result in a higher copay. Changes to the formulary can occur during the plan year. Medications that no longer offer the best therapeutic value for the plan are deleted from

the formulary. Ask your pharmacist to verify the current copay amount at the time your prescription is filled. To see what medications are on the formulary, go to benefitoptions.az.gov or contact the MedImpact Customer Care Center and ask to have a copy sent to you. Sharing this information with your doctor helps ensure you are getting the best value, which saves money for you and your plan.

Please refer to page 3 for limited prescription and name brand drug coverage changes that may affect you.

Finding a Pharmacy

To find a pharmacy refer to benefitoptions.az.gov. The Customer Care Center is available 24 hours a day, 7 days a week. The toll-free telephone number is 1.888.648.6769.

Pharmacy Mail Order Service

A convenient and less expensive mail order service is available for employees who require medications for on-going health conditions or who will be in an area with no participating retail pharmacies for an extended period of time.

Here are a few guidelines for using the mail order service:

- Submit a 90-day written prescription from your physician.
- Request up to a 90-day supply of medication for **two copays** (offer available to HSA Option members only when copays apply).
- Payments can be made by check or credit card: Visa, MasterCard, American Express, or Discover.
- Register your e-mail address to receive information on your orders.

PHARMACY PLAN INFORMATION Continued

• Order refills online at *WalgreensMail.com/easy* or via phone at 1.866.304.2846. Have your insurance card ready when you call!

Choice90

With this program, employees who require medications for an on-going health condition can obtain a 90-day supply of medication at a local retail pharmacy for **two and a half copays**. For more information visit *benefitoptions.az.gov* or contact MedImpact Customer Care Center at 1.888.648.6769.

Medication Prior Authorization

Prescriptions for certain medications may require clinical approval before they can be filled, even with a valid prescription. These prescriptions may be limited to quantity, frequency, dosage or may have age restrictions. The authorization process may be initiated by you, your local pharmacy, or your physician by calling MedImpact at 1.888.648.6769.

Step Therapy Program

Step therapy is a program which promotes the use of safe, cost-effective and clinically appropriate medications. This program requires that members try a generic alternative medication that is safe and equally effective before a brand name medication is covered. For a complete list of drugs under this program please refer to the formulary at *benefitoptions.az.gov*.

Specialty Pharmacy Program

Certain medications used for treating chronic or complex health conditions are handled through the Walgreens Specialty Pharmacy Program. This program assists you with monitoring your medication needs and also provides patient education.

The Walgreens Specialty Pharmacy Program includes monitoring of specific injection drugs and other therapies requiring complex administration methods or special storage, handling, and delivery. Specialty medications are limited to a 30-day supply and may be obtained only at a Walgreens retail pharmacy or by calling 1.888.782.8443.

A Specialty Care Representative may contact you to facilitate your enrollment in the Specialty Pharmacy Program. You may also enroll directly into the program by calling 1.888.782.8443.

Limited Prescription Drug Coverage

Prescription drug coverage will generally be limited to medications that do not have an equally effective over-the-counter substitute.

Non-Covered Drugs

Certain medications are not covered as part of the Benefit Options plan. If you find such a drug has been prescribed for you, discuss an alternative treatment with your doctor.

Contacts Chart

Topic	Phone
<i>MedImpact</i>	
Customer Care Center and Prior Authorization	1.888.648.6769
<i>Walgreens</i>	
Mail Order	1.866.304.2846
Specialty Pharmacy	1.888.782.8443



DID YOU KNOW?

Prescription drugs have two names: The brand and the chemical name

Generic drugs are known by their chemical name rather than a registered brand-name chosen by the manufacturer

CONTACT

MedImpact customer service representatives are available 24 hours a day, 7 days a week at 1.888.648.6769

Benefit Options
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PHARMACY PLAN INFORMATION Continued

NAU Only

This plan is part of your medical coverage, there is no need to elect or enroll in this plan. Prescription drug benefits are available at for cost sharing levels. The amount you pay depends on the specific drug dispensed by the pharmacy. The pharmacy will charge you a generic (\$7), preferred brand (\$20), non-preferred brand A (\$40) or non-preferred brand B (\$80) co-payment. Drugs may change cost-sharing levels without notice. The BCBSAZ Prescription Medication Guide can be used to determined your copayment and can be found on the BCBS website at bcbs.az.com/pharmacy or call 1.800.345.1985.

A mail order benefit is available through Walgreen's mail order service. You may receive up to a 90-day supply of maintenance prescription for one copayment. The copayment for a 90 day mail order supply is the same as the copayment for a 30 day supply through a pharmacy.

For more complete information on your prescription drug benefit can be found in the BCBS benefit plan booklet at hr.nau.edu. Go to Benefits, Health, BCBS Plan Book.



Benefit Options
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PHARMACY BENEFIT SUMMARY CHART

	ADOA Benefit Options (Aetna, Blue Cross Blue Shield of Arizona administered by AmeriBen, CIGNA, UnitedHealthcare)	BC/BS NAU Only www.bcbsaz.com
Pharmacy Benefits Administered By	MedImpact	Blue Cross / Blue Shield
Retail Requirements	In-Network pharmacies only: one copay per prescription	In-network only: one copay per prescription
Mail Order	Two copays for 90-day supply	One copay for 90-day supply
Choice90	Two & 1/2 copays for 90-day supply	None
Generic	\$10 copay	\$7 copay
Preferred Brand	\$20 copay	\$20 "brand"
Non-Preferred Brand	\$40 copay	\$40 for non-preferred brand "A" \$80 for non-preferred brand "B"
Annual Maximum	None	None

NAU only: For complete information on your drug plan *benefits* visit hr.nau.edu. Go to Benefits, Health, BCBS Plan Book.

PHARMACY ONLINE FEATURES

Members may view pharmacy information by visiting benefitoptions.az.gov. Click pharmacy.

Benefit Highlights

View your current copayment amounts and other pharmacy benefit considerations.

Formulary Lookup

You can research medications to learn whether they are generic, preferred or non-preferred drugs. This classification will determine what copay is required. You can search by drug name or general therapeutic category.

Prescription History

You can view your prescription history, including all of the medications received by each member, under PersonalHealth Rx.

Drug Search

You can research information on prescribed drugs like how to use the drug, side effects, precautions, drug interactions, and what to do if there is an overdose.

Health & Wellness

You can learn valuable tips and information on diseases and health conditions.

Mail Order

A link will direct you to the Walgreens website where you may register for mail order service by downloading the registration form and following the step-by-step instructions.

Locate a Nearby Pharmacy

You can locate a pharmacy near your home address, out-of-town vacation address, or your dependent's address.

The screenshot shows the 'Pharmacy Locator' page on the 'Benefit Options' website. The page has a header with 'MedImpact' and 'Benefit Options' logos. Below the header, there is a navigation bar with 'Members' and 'Home > Pharmacy Locator'. The main content area is titled 'pharmacy locator | Search' and includes a search form. The form has fields for 'Address', 'City', 'State' (a dropdown menu), and 'Zip'. Below these fields is a 'Show Locations Within' dropdown menu set to '5 miles' and a 'Pharmacy Name' field. There are also checkboxes for 'Show Only: Open 24 Hours' and 'Choice90'. A 'SEARCH' button is at the bottom of the form. The page is powered by MAPQUEST.

Generic Resource Center

Learn more about generic drugs and savings opportunities.

Choice90

Learn more about the Choice90 option. With this program, you can obtain a 90-day supply of medication for a reduced copay.

NAU Only

Complete information on your prescription drug benefits can be found in the BCBS benefitplan booklet at hr.nau.edu. Go to Benefits, Health, BCBS Plan Book.



DID YOU KNOW?

Visit benefitoptions.az.gov to have access to your pharmacy online features

Benefit Options
Choice. Value. Health.

DENTAL PLAN INFORMATION



HOW TO

Before you make an appointment make sure your preferred dentist's services will be covered under your plan

IMPORTANT

Employee-paid portion of premium is now the same for the Prepaid/DHMO and the Indemnity/PPO dental plans

Benefit Options
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Dental Plan Options

Employees may choose between two plan types. They are the Prepaid/DHMO and the Indemnity/Preferred Provider Organization (PPO) plans. Each plan's notable features are bulleted below.

Prepaid/DHMO Plan – Total Dental Administrators Health Plan, Inc. (TDAHP)

- You MUST use a Participating Dental Provider (PDP) to provide and coordinate all of your dental care
- No annual deductible or maximums
- No claim forms
- No waiting periods
- Pre-existing conditions are covered
- Set copayments for services
- Set lab fees for prosthodontic materials

Each family member may choose a different general dentist. You can select or change your dentist by contacting TDAHP by telephone or using the "change my dentist" function on the website totaldentaladmin.com. Members may self-refer to dental specialists within the network. Specialty care copayments are listed in the plan booklet. Specialty services not listed are provided at a discounted rate. This discount also includes pediatric dentistry and TMJ care.

Indemnity/PPO Plan – Delta Dental

- You may see licensed dentist anywhere in the world
- Deductible and/or out-of-pocket payments apply
- You have a maximum benefit of \$2,000 per person per plan year for dental services
- There is a maximum lifetime benefit of \$1,500 per person for orthodontia
- You may need to submit a claim form for eligible expenses to be paid

- Benefits may be based on reasonable and customary charges

Over 80 percent of Arizona's licensed dentists participate in the Delta Dental Plan and agree to accept Delta's allowable fee as payment in full after any deductibles and/or copayments are met. Amounts billed by network providers in excess of the allowable fee will not be billed to the patient. If you choose to see a non-participating dentist, Delta will still provide benefits, although typically at reduced levels. To find participating providers visit deltadentalaz.com.

How to Choose the Best Dental Plan for You

When choosing between a prepaid/DHMO plan and an indemnity/PPO plan, you should consider the following: dental history, level of dental care required, costs/budget and provider in the network.

If you have a preferred dentist, make sure he/she accepts the plan you are considering.

For a complete listing of covered services for each plan, please refer to the plan description located on the website: benefitoptions.az.gov.

New enrollees should receive a card within 10-14 business days after the benefits become effective.

DENTAL PLANS COMPARISON CHART

	TDAHP	
	Total Dental Administrators	Delta Dental
PLAN TYPE	Prepaid/DHMO	Indemnity/PPO
PLAN NAME	A500S	Premier
DEDUCTIBLES	None	\$50/\$150
PREVENTATIVE CARE	CoPay	CoInsurance
Office Visit	\$0	\$0 - Deductible Waived*
Oral Exam	\$0	\$0 - Deductible Waived*
Prophylaxis/Cleaning	\$0	\$0 - Deductible Waived*
Fluoride Treatment (to age 19)	\$0	\$0 - Deductible Waived*
X-Rays	\$0	\$0 - Deductible Waived*
BASIC RESTORATIVE		
Office Visit	\$0	\$0
Sealants	\$10 per tooth	20%
Fillings	Amalgam: \$10-\$37 Resin: \$26-\$76	20%
Extractions	Simple: \$30 Surgical \$60	20%
Periodontal Gingivectomy	\$225	20%
Oral Surgery	\$30 - \$145	20%
MAJOR RESTORATIVE		
Office Visit	\$0	\$0
Crowns	\$270 + \$185 Lab Fee (\$455)	50%
Dentures	\$300 + \$275 Lab Fee (\$575)	50%
Fixed Bridgework	\$270 + \$185 Lab Fee (\$455) per unit	50%
Crown/Bridge Repair	\$75	50%
Inlays	\$250 - \$327	50%
ORTHODONTIA		
Child	\$2800 - \$3400	See lifetime
Adult	\$3200 - \$3700	
TMJ SERVICES		
Exam, services, etc.	20% Discount	
MAXIMUM BENEFITS		
Annual Combined Preventive, Basic and Major Services	No Dollar Limit	\$2000 per person
Orthodontia Lifetime	No Dollar Limit	\$1500 per person

*Routine visits and exams are covered only two times per year at 100%. This is a summary only; please see plan descriptions for detailed provisions.

DENTAL ONLINE FEATURES

Total Dental Administrators Health Plan (TDAHP), Inc

If you are enrolling with TDAHP go to totaldentaladmin.com to access the online features describe below.

Participating Providers

You can search for a specific dentist contracted under this plan.

Select or Change Participating Provider

You can select or change your specific participating provider.

Nominate a Dentist

If you have a preferred dentist that is not a participating provider you can nominate your dentist to be included in the plan.

Plan A500S

Learn about the plan by clicking on this option.

Delta Dental

If you choose to enroll in **Delta Dental** visit deltadentalaz.com and set up an ID and password to have access to the Delta online features:

Claims Information

With this secure online system you can check

your claims information by dates for you or your dependents.

Benefits and Eligibility

You can review and print your benefits and eligibility.

Download Claim Forms

Download claim forms by selecting the State of Arizona.

Dentist Search

You can search for a specific provider contracted under the Delta Dental plan or locate a contracted dentist in your area. Choose **Delta Dental Premier**.

Oral Health and Wellness

Information on dental and oral health.

Contact Information

Get the most updated contact information.

CONTACT

For a complete listing of covered services please refer to the plan description located on the website: benefitoptions.az.gov.

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VISION PLAN INFORMATION

Avesis Advantage Program

Coverage for vision is available through Avesis with the Avesis Advantage Program.

For a complete listing of covered services please refer to the plan descriptions at benefitoptions.az.gov.



DID YOU KNOW?

Healthy vision is an important part of your overall wellness!

Program Highlights

- Yearly coverage for a vision exam, glasses or contact lenses
- Extensive provider access throughout the state
- \$300 allowance for LASIK surgery
- Unlimited discounts on additional optical purchases
- Increased in-network contact lens allowance.

How to Use the Advantage Program

1. Find a provider – You can find a provider using the Avesis website avesis.com or by calling customer service at 1.888.759.9772. Although you can receive out-of-network care as well, visiting an in-network provider will allow you to maximize your vision care benefit.
2. Schedule an appointment – Identify yourself as an Avesis member employed by the State of Arizona when scheduling your appointment.

Out-of-Network Benefits

If services are received from a non-participating provider, you will pay the provider in full at the time of service and submit a claim to Avesis for reimbursement.

The claim form and itemized receipt should be sent to Avesis within three months of the date of service to be eligible for reimbursement. The Avesis claim form can be obtained at the website avesis.com. Reimbursement will be made directly to the member.

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VISION PLAN COMPARISON CHART

IN-NETWORK BENEFITS	
	Advantage Vision Care Program
Examination Frequency	Once every 12 months
Lenses Frequency	Once every 12 months
Frame Frequency	Once every 12 months
Examination Copay	\$10 copay
Optical Materials Copay (Lenses & Frame Combined)	\$0 copay
Standard Spectacle Lenses	
Single Vision Lenses	Covered-in-full
Bifocal Lenses	Covered-in-full
Trifocal Lenses	Covered-in-full
Lenticular Lenses	Covered-in-full
Standard Progressive Lenses	Uniform discounted fee schedule less the allowance for Standard Lenses
Selected Lens Tints & Coatings	Uniform discounted fee schedule
Frame	
Frame	Covered up to \$100-\$150 retail value (\$50 wholesale cost allowance)
Contact Lenses (in lieu of frame/spectacle lenses)	
Elective	10-20% discount & \$150 allowance
Medically Necessary	Covered-in-full
LASIK/PRK	
LASIK/PRK	Up to 20% savings & \$300 allowance in lieu of all other services for the plan year

NAU only: For Blue Cross Blue Shield information call 1.928.526.0232 or 1.800.423.6484 or visit bcbsaz.com.

VISION PLANS COMPARISON CHART Continued

OUT-OF-NETWORK BENEFITS	
Advantage Vision Care Program	
Examination Frequency	Once every 12 months
Lenses Frequency	Once every 12 months
Frame Frequency	Once every 12 months
Examination	Up to \$50 reimbursement
Standard Spectacle Lenses	
Single Vision Lenses	Up to \$33 reimbursement
Bifocal Lenses	Up to \$50 reimbursement
Trifocal Lenses	Up to \$60 reimbursement
Lenticular Lenses	Up to \$110 reimbursement
Progressive Lenses	Up to \$60 reimbursement
Lens Tints & Coatings	No benefit
Frame	
Frame	Up to \$50 reimbursement
Contact Lenses (in lieu of frame/spectacle lenses)	
Elective	Up to \$150 reimbursement
Medically Necessary	Up to \$300 reimbursement
LASIK/PRK	
LASIK/PRK	Up to \$300 reimbursement in lieu of all other services for the plan year

NAU only: For Blue Cross Blue Shield information call 1.928.526.0232 or 1.800.423.6484 or visit bcbsaz.com.

VISION ONLINE FEATURES

Members can view **Avesis** information by visiting avesis.com/members.html.

Login with your EIN Number and your last name to have access to:

Search for Providers

Search for contracted network providers near your location.

Benefit Summary

Learn about what is covered under your vision plan and how to use your vision care benefits.

Print an ID Card

If you lose or misplace your ID card, you can print a new one.

Verifying Eligibility

You can check your eligibility status before you schedule an exam or order new materials.

Glossary

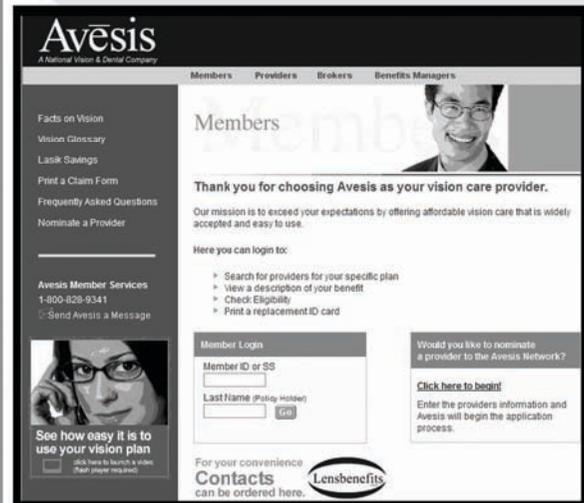
You can learn about vision terminology.

Facts on Vision

Learn about different vision facts.

Claim Form

You can obtain an out-of-network claim form.



CONTACT

For a complete listing of covered services please refer to the plan description located on the website: benefitoptions.az.gov.

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INTERNATIONAL COVERAGE

International Coverage	
MEDICAL CARE	
<i>EPO Plans</i>	
Aetna	Emergency & Urgent Only
BCBS of AZ*	Emergency & Urgent Only
CIGNA	Emergency & Urgent Only
UnitedHealthcare	Emergency & Urgent Only
<i>PPO Plans</i>	
Aetna	Emergency & Urgent Only at In-Network Benefit Level**
BCBS of AZ*	Emergency & Urgent Only at In-Network Benefit Level**
UnitedHealthcare	Emergency & Urgent Only at In-Network Benefit Level**
<i>HSA Option</i>	
Aetna	Emergency & Urgent Only
<i>NAU Only</i>	
Blue Cross Blue Shield PPO	For assistance with locating a provider and submitting claims call 1.800.810.2583 or 1.804.673.1686. For an international claim form, go to www.bcbs.com/bluecardworldwide/index
PHARMACY	
MedImpact	Not covered
DENTAL CARE	
<i>Prepaid/DHMO Plan</i>	
Total Dental Administrators Health Plan, Inc.	Emergency Only
<i>PPO Plan</i>	
Delta Dental	Coverage is available under non-participating provider benefits
VISION CARE	
Avesis	Covered as out-of-network and will be reimbursed based on the Avesis reimbursement schedule

*Blue Cross Blue Shield of Arizona administered by AmeriBen.

**All other services covered at out-of-network benefit level.

COBRA COVERAGE NOTICE



DID YOU KNOW?

Under a new federal law, a person involuntarily terminated between September 1, 2008 and December 31, 2009 may be eligible for COBRA premium assistance. Under this program, the individual pays 35% of the COBRA premium and the federal government subsidizes the remaining 65%

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COBRA coverage is available when a “qualifying event” occurs that would result in a loss of coverage under the health plan, such as end of employment, reduction of the employee’s hours, employee becoming entitled to Medicare, marriage, divorce, legal separation, annulment, and death.

Federal law requires that most group health plans give qualified beneficiaries the opportunity to continue their group health coverage when there is a qualifying event. Depending on the type of qualifying event, “qualified beneficiaries” can include an employee covered under the group health plan and his/her enrolled dependents. Certain newborns, newly adopted children, and children of parents under Qualified Medical Child Support Orders (QMCSOs) may also be qualified beneficiaries. This is discussed in more detail in separate paragraphs below. COBRA coverage is the same coverage that the State of Arizona offers to participants.

Each qualified beneficiary who elects COBRA coverage will have the same rights under the Plan as other participants, including open enrollment and HIPAA special enrollment rights. The description of COBRA coverage contained in this notice applies only to group health coverage offered by the State of Arizona (medical, dental, vision and healthcare Flexible Spending Account [FSA]). The Plan provides no greater COBRA rights than what COBRA requires – nothing in this notice is intended to expand your rights beyond COBRA’s requirements.

Electing COBRA Coverage

To elect COBRA coverage, you must complete the election form according to the directions on the election form and mail or deliver by the date specified on the election form to the ADOA

Benefits Office. Each qualified beneficiary has a separate right to elect COBRA coverage. For example, the employee’s spouse may elect COBRA coverage even if the employee does not and can elect coverage on behalf of all the qualified beneficiaries. COBRA coverage may be elected for only one, several, or for all dependent children who are qualified beneficiaries.

You may elect COBRA under the group health coverage (medical, dental, vision and health care FSA) in which you were covered under the Plan on the day before the qualifying event. Qualified beneficiaries who are entitled to elect COBRA may do so even if they have other group health plan coverage or are entitled to Medicare benefits on or before the date on which COBRA is elected.

However, a qualified beneficiary’s COBRA coverage will terminate automatically if, after electing COBRA, he or she becomes entitled to Medicare benefits or becomes covered under another group health plan (but only after any applicable pre-existing condition exclusions of that other plan have been exhausted or satisfied).

Electing COBRA Under the Healthcare FSA

COBRA coverage under the health care FSA will be offered only to qualified beneficiaries losing coverage who have underspent accounts. A qualified beneficiary has an underspent account if the annual limit elected under the health care FSA by the covered employee reduced by reimbursements of expenses incurred up to the time of the qualifying event, is equal to or more than the amount of premiums for healthcare FSA COBRA coverage that will be charged for the remainder of the plan year.

COBRA COVERAGE NOTICE

Continued

COBRA coverage will consist of the health care FSA coverage in force at the time of the qualifying event (i.e., the elected annual limit reduced by expenses reimbursed up to the time of the qualifying event).

The use-it-or-lose-it rule will continue to apply, so any unused amounts will be forfeited at the end of the plan year. FSA COBRA coverage will terminate at the end of the plan year. All qualified beneficiaries who were covered under the health care FSA will be covered together for health care FSA COBRA. However, each qualified beneficiary has separate election rights, and each could alternatively elect separate COBRA coverage to cover that qualified beneficiary only, with a separate health care FSA annual coverage limit and a separate COBRA premium. Contact the ADOA Benefits Office for more information.

Special Considerations in Deciding Whether to Elect COBRA

In considering whether to elect COBRA coverage, you should take into account that a failure to elect COBRA will affect your future rights under federal law. First, you can lose the right to avoid having pre-existing condition exclusions applied to you by other group health plans if you have more than a 63-day gap in health coverage. Election of COBRA coverage may eliminate this gap. Second, you may lose the guaranteed right to purchase individual health insurance policies that do not impose such pre-existing condition exclusions if you do not get COBRA coverage for the maximum time available to you. Finally, you should take into account that you may have special enrollment rights under federal law. You may have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a plan sponsored by your spouse's employer) within 30 days

after your group coverage ends because of the qualifying event. You will also have the same special enrollment right at the end of COBRA coverage if you get COBRA coverage for the maximum time available to you.

How Long Will COBRA Coverage Last

COBRA coverage will generally be continued only for up to a total of 18 months. When the qualifying event is the end of employment or reduction of the employee's hours of employment, and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA coverage for qualified beneficiaries (other than the employee) who lose coverage under the Plan as a result of the qualifying event can last up to 36 months from the date of Medicare entitlement.

This COBRA coverage period is available only if the covered employee becomes entitled to Medicare within 18 months before the termination of employment or reduction of hours: In the case of an loss of coverage due to a employee's death, divorce or legal separation, or a dependent child ceasing to be a dependent under the terms of the Plan, COBRA coverage may be continued for up to a total of 36 months. Regardless of the qualifying event, health care FSA COBRA coverage may only be continued to the end of the plan year in which the qualifying event occurred and cannot be extended for any reason. This notice shows the maximum period of COBRA coverage available to qualified beneficiaries. COBRA coverage will automatically terminate before the end of the maximum period if:

- any required premium is not paid in full on time,
- a qualified beneficiary becomes covered, after electing COBRA coverage, under another group health plan (but only after any



TAKE NOTE

COBRA will generally last 18 months for a qualified beneficiary

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COBRA COVERAGE NOTICE

Continued



TURN to...
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To learn more
about COBRA
coverage cost

applicable pre-existing condition exclusions of that other plan have been exhausted or satisfied),

- the State ceases to provide any group health plan for its employees; or
- during a disability extension period (the disability extension is explained below), the disabled qualified beneficiary is determined by the Social Security Administration to no longer be disabled.

COBRA coverage may also be terminated for any reason that traditional enrollment would be terminated (for example, the Plan would terminate coverage of a participant or beneficiary not receiving COBRA coverage in a case of fraud). You must notify the COBRA administrator(s) in writing within 30 days if, after electing COBRA, a qualified beneficiary becomes entitled to Medicare (Part A, Part B or both) or becomes covered under another group health plan (but only after any preexisting condition exclusions of that other plan have been exhausted). COBRA coverage will terminate (retroactively if applicable) as of the date of Medicare entitlement or as of the beginning date of the other group health coverage (after satisfaction of any applicable preexisting condition exclusions). The plan will require repayment of all benefits paid after the termination date, regardless of whether or when you provide notice of Medicare entitlement or other group health plan coverage.

Extending the Length of COBRA Coverage

If you elect COBRA coverage, an extension of the period of coverage may be available if a qualified beneficiary is or becomes disabled or a second qualifying event occurs. You must notify the COBRA administrators in writing of a disability or a second qualifying event in order to extend the period of COBRA

coverage. Failure to provide notice of a disability or second qualifying event will affect the right to extend the period of COBRA coverage (the period of COBRA health care FSA cannot be extended beyond the end of the current plan year under any circumstances).

Disability

If any of the qualified beneficiaries is determined by the Social Security Administration to be disabled, the maximum COBRA coverage period that results from the covered employee's termination of employment or reduction of hours (generally 18 months as described above) may be extended up to a total of 29 months. The disability must have started at some time before the 61st day of COBRA coverage obtained due to the covered employee's termination of employment or reduction of hours with the State and must last until the end of the 18-month period of COBRA coverage. Each qualified beneficiary who has elected COBRA coverage will be entitled to the disability extension if one of them qualifies. The disability extension is available only if you notify the COBRA administrator(s) in writing of the Social Security Administration's determination of disability within 60 days after the latest of:

- the date of the Social Security Administration's disability determination;
 - the date on which the qualified beneficiary loses (or would lose) coverage under the terms of the Plan as a result of the covered employee's termination of employment or reduction of hours; and
 - the date on which the qualified beneficiary loses (or would lose) coverage under the terms of the Plan as a result of the covered employee's termination or reduction of hours.
- You must also provide this notice within the

COBRA COVERAGE NOTICE

Continued

original 18 months of COBRA coverage obtained due to the covered employee's loss of coverage in order to be entitled to a disability extension.

The notice must be provided in writing and must include the following information:

- the name(s) and address(es) of all qualified beneficiaries who are receiving COBRA due to the initial qualifying event;
- the name and address of the disabled qualified beneficiary;
- the date that the qualified beneficiary became disabled;
- the date that the Social Security Administration made its determination of disability;
- a statement as to whether or not the Social Security Administration has subsequently determined that the qualified beneficiary is no longer disabled; and
- the signature, name and contact information of the individual sending the notice.

Your notice must include a copy of the Social Security Administration's determination of disability. You must mail this notice within the required time periods to the ADOA Benefits Office.

If the above procedures are not followed or if the notice is not provided within the 60-day notice period, there will be no COBRA coverage disability extension. If the qualified beneficiary is determined by the Social Security Administration to no longer be disabled, you must notify the COBRA administrator(s) of that fact within 30 days after the Social Security Administration's determination. The notice must be provided in the same manner as, and include the same information required for, a notice of disability as described above.

Second Qualifying Event

An extension of coverage will be available to spouses and dependent children who are receiving COBRA coverage if a second qualifying event occurs during the first 18 months (or, in the case of a disability extension, the first 29 months) of COBRA coverage following the covered employee's loss of coverage.

The maximum amount of COBRA coverage available when a second qualifying event occurs is 36 months from the date COBRA coverage began. Such second qualifying events include the death of a covered employee, divorce or legal separation from the covered employee, or a dependent child's ceasing to be eligible for coverage as a dependent under the Plan.

This extension due to a second qualifying event is available only if you notify the COBRA administrator(s) in writing of the second qualifying event within 60 days after the date of the second qualifying event. The notice must include the following information:

- the name(s) and address(es) of all qualified beneficiaries who are receiving COBRA due to the initial qualifying event;
- a description of the second qualifying event;
- the date of the second qualifying event;
- the signature, name and contact information of the individual sending the notice.

In addition, you must provide documentation supporting the occurrence of the second qualifying event, if the ADOA Benefits Office requests it. Acceptable documentation includes a copy of the divorce decree, death certificate, or dependent child's birth certificate, driver's license, marriage license or letter from a university or institution indicating a change in student status. You must mail this notice within the required time periods to the ADOA Benefits Office. If the



DID YOU KNOW?

If a qualified beneficiary becomes disabled, the COBRA period is extended to 29 months

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COBRA COVERAGE NOTICE

Continued

above procedures are not followed or if the notice is not provided within the 60-day notice period, there will be no extension of COBRA coverage due to a second qualifying event.

COBRA Coverage Cost

Generally each qualified beneficiary is required to pay the entire cost of COBRA coverage. The amount a qualified beneficiary is required to pay may not exceed 102 percent (or, in the case of an extension of COBRA coverage due to a disability, 150 percent) of the cost to the group health plan (including both employer and employee contributions) for coverage of a similarly situated plan participant who is not receiving COBRA coverage. The required monthly payment for each group health benefit provided under the Plan under which you are entitled to elect COBRA is noted on the Enrollment/Change form.

Making Your COBRA Coverage Payment

If you elect COBRA coverage, you do not have to send any payment with the election form. However, you must make your first payment for COBRA coverage no later than 45 days after the date of your election (this is the date the election form is postmarked, if mailed, or the date your election form is received by the individual at the address specified for delivery on the election form, if hand delivered). If you do not make your first payment for COBRA coverage in full within 45 days after the date of your election, you will lose all COBRA rights under the Plan. Your first payment must cover the cost of COBRA coverage from the time your coverage under the Plan would have otherwise terminated up through the end of the month before the month in which you make your first payment. You are responsible for making sure that the amount of your first

payment is correct. Please contact the ADOA Benefits Office for information about your COBRA payment including how much you owe.

Monthly Payments for COBRA Coverage

After you make your first payment for COBRA coverage, you will be required to make monthly payments for each subsequent month of COBRA coverage.

The amount due for each coverage period for each qualified beneficiary will be shown in the notice you receive. Under the Plan, each of these monthly payments for COBRA coverage is due on the first day of the month for that month's COBRA coverage.

If you make a monthly payment on or before the first day of the month to which it applies, your COBRA coverage under the Plan will continue for that month without any break. You will be billed for your COBRA coverage. It is your responsibility to pay your COBRA premiums on time.

Grace Periods for Monthly Payments

Although monthly payments are due on the first day of each month of COBRA coverage, you will be given a grace period of 30 days after the first day of the month to make each payment for that month. Your COBRA coverage will be provided for each month as long as payment for that month is made before the end of the grace period for that payment. However, if you pay a monthly payment later than the first day of the month to which it applies, but before the end of the grace period for the month, your coverage under the Plan will be suspended as of the first day of the month and then retroactively reinstated (going back to the first day of the month) when the



TAKE NOTE

The first payment for COBRA coverage should be made no later than 45 days after the date of election

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COBRA COVERAGE NOTICE

Continued

monthly payment is received. This means that your coverage will be suspended.

If you fail to make a monthly payment before the end of the grace period for that month, you will lose all rights to COBRA coverage under the Plan. If mailed, your payment is considered to have been made on the date that it is postmarked. If hand delivered, your payment is considered to have been made when it is received. Payments received or postmarked after the due date will not be accepted. You will not be considered to have made any payment if your check is returned due to insufficient funds or otherwise.

More Information About Individuals Who May be Qualified Beneficiaries

A child born to, adopted by, or placed for adoption with a covered member during a period of COBRA coverage is considered to be a qualified beneficiary provided that, if the covered member is a qualified beneficiary, the covered member has elected COBRA coverage for himself or herself and enrolls the child within 30 days of the birth, adoption or placement for adoption. To be enrolled in the Plan, the child must satisfy the otherwise applicable eligibility requirements (for example, age).

Alternative Recipients Under QMCSOs

A child of the covered employee who is receiving benefits under the Plan pursuant to a Qualified Medical Child Support Order (QMCSO) received by the State during the covered employee dates of coverage with the State is entitled to the same rights to elect COBRA as any other eligible dependent child of the covered employee.

This notice does not fully describe COBRA coverage or other rights under the Plan. More information about COBRA coverage and your rights under the Plan is available from the ADOA Benefits Office.

If you have any questions concerning the information in this notice or your rights, please contact us:

ADOA Benefits Office
100 N. 15th Ave., Suite 103
Phoenix, AZ 85007
602.542.5008 or 800.304.3687
beneissues@azdoa.gov

Information about COBRA provisions for a governmental healthplan is available from the:
Centers for Medicare & Medicaid Services (CMS)

Private Health Insurance Group
7500 Security Boulevard
Mail Stop S3-16-16
Baltimore, Maryland 21244-1850

Or you may call 1.410.786.1565 for assistance. This is not a toll-free number. The CMS website is cms.hhs.gov.



CONTACT

For more information about COBRA coverage and your rights under the Plan, visit benefitoptions.az.gov

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HIPAA NOTICE



IMPORTANT

This notice tells you about our obligations and how Benefit Options may use and disclose your health information, and your rights

This notice describes how medical information about you may be used and disclosed, how you may gain access to this information, and the measures taken to safeguard your information. Benefit Options knows that the privacy of your personal information is important to you.

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) requires health plans to notify plan participants and beneficiaries about its policies and practices to protect the confidentiality of their health information. For purposes of this Notice, health information refers to any information that is considered Protected Health Information (PHI) as defined in the Privacy Rule of the Administrative Simplification provision of HIPAA.

Throughout this Notice, all references to Benefit Options refer to the administrators of the Program. Please review it carefully.

Use and Disclosure of Health Information

Benefit Options may use your health information for purposes of making or obtaining payment for your care, and for conducting health care operations. We have established a policy to guard against unnecessary disclosure of your health information.

How the Plan May Use and Disclose Health Information

To Make or Obtain Payment

Benefit Options may use or disclose your health information to make payment to or collect payment from third parties, such as other health plans or providers, for the care you receive. For example, Benefit Options may provide

information regarding your coverage or health care treatment to other health plans to coordinate payment of benefits.

To Conduct Health Care Operations

Benefit Options may use or disclose health information for its own operations to facilitate and, as necessary, to provide coverage and services to all Benefit Options' participants. Health care operations include activities such as:

- Quality assessment and improvement activities;
- Activities designed to improve health or reduce health care costs;
- Clinical guideline and protocol development, case management and care coordination;
- Contacting health care providers and participants with information about treatment alternatives and other related functions;
- Health care professional competence or qualifications review and performance evaluation;
- Accreditation, certification, licensing or credentialing activities;
- Underwriting, premium rating or related functions to create, renew or replace health insurance or health benefits;
- Reviews and auditing, including compliance reviews, medical reviews, legal services and compliance programs;
- Business planning and development including cost management and planning analyses and formulary development. In addition, summary health information may be provided to third parties in connection with the solicitation of health plans or the modification or amendment of the existing plan;
- Business management and general administrative activities of Arizona Benefit Options, including customer service and resolution of internal grievances.

HIPAA NOTICE

Continued

As an example, Benefit Options may use your health information to conduct case management, quality improvement and utilization review, and provider credentialing activities or to engage in customer service and grievance resolution activities.

For Treatment Alternatives

Benefit Options may use and disclose your health information to tell you about or recommend possible treatment options or alternatives that may be of interest to you.

For Distribution of Health-Related Benefits and Services

Benefit Options may use or disclose your health information to provide you with information on health-related benefits and services that may be of interest to you.

When Legally Required

Benefit Options will disclose your health information when it is required to do so by any federal, state or local law.

To Conduct Health Oversight Activities

Benefit Options may disclose your health information to a health oversight agency for authorized activities including audits, civil administrative or criminal investigations, inspections, licensure or disciplinary action. However, we may not disclose your health information if you are the subject of an investigation and the investigation does not arise out of or is not directly related to your receipt of health care or public benefits.

In Connection With Judicial and Administrative Proceedings

As permitted or required by state law, Benefit Options may disclose your health information in the course of any judicial or administrative proceeding in response to an order of a court or

administrative tribunal as expressly authorized by such order or in response to a subpoena, discovery request or other lawful process, but only when Benefit Options makes reasonable efforts to either notify you about the request or to obtain an order protecting your health information.

For Law Enforcement Purposes

As permitted or required by state law, Benefit Options may disclose your health information to a law enforcement official for certain law enforcement purposes, including but not limited to if Benefit Options has a suspicion that your death was the result of criminal conduct or in an emergency to report a crime.

In the Event of a Serious Threat to Health or Safety

Benefit Options may, consistent with applicable law and ethical standards of conduct, disclose your health information if Benefit Options, in good faith, believes that such disclosure is necessary to prevent or lessen a serious and imminent threat to your health or safety or to the health and safety of the public.

For Specified Government Functions

In certain circumstances, federal regulations require Benefit Options to use or disclose your health information to facilitate specific government functions related to the military and veterans, to national security and intelligence activities, to protective services for the president and others, and to correctional institutions and inmates.

For Workers Compensation

Benefit Options may release your health information to the extent necessary to comply with laws related to workers compensation or similar programs.



DID YOU KNOW?

Benefit Options needs to create, receive, and maintain records that contain health information about you to administer the Plan and provide you with health benefits

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HIPAA NOTICE

Continued



PLEASE NOTE

You can request information on disclosures of your health information going back for 6 years from the date of your request, but not earlier than April 14, 2003

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Authorization to Use or Disclose Health Information

Other than as previously stated, Benefit Options will not disclose your health information without your written authorization. If you authorize Benefit Options to use or disclose your health information, you may revoke that authorization in writing at any time.

Your Rights with Respect to Your Health Information

You have the following rights regarding your health information that Benefit Options maintains:

Right to Request Restrictions

You may request restrictions on certain uses and disclosures of your health information. You have the right to request a limit on Benefit Options' disclosure of your health information to someone involved in the payment of your care. However, Benefit Options is not required to agree to your request.

Right to Receive Confidential Communications

To safeguard the confidentiality of your health information, you may request that Benefit Options communicate in a specified manner or at a specified location. Alternatively, for example, you may request that all health information be mailed to your work location rather than your home. If you wish to receive confidential communications, please make your request in writing. Benefit Options will accommodate reasonable requests, when possible.

Right to Inspect and Copy Your Health Information

You have the right to inspect and copy your health information. If you request a copy of

your health information, Benefit Options may charge a reasonable fee for copying, assembling costs and, if applicable, postage associated with your request.

Right to Amend Your Health Information

If you believe that your health information records are inaccurate or incomplete, you may request that Benefit Options amend the records. That request may be made as long as the information is maintained by Benefit Options. Benefit Options may deny the request if it does not include a reason to support the amendment. The request also may be denied if your health information records were not created by Benefit Options, if the health information you are requesting to amend is not part of Benefit Options' records, if the health information you wish to amend falls within an exception to the health information you are permitted to inspect and copy, or if Arizona Benefit Options determines the records containing your health information are accurate and complete.

Right to an Accounting

You have the right to request a list of disclosures of your health information made by Benefit Options for any reason other than for treatment, payment or health operations. The request should specify the time period for which you are requesting the information, but may not start earlier than April 14, 2003. Accounting requests may not be made for periods of time going back more than six (6) years. Benefit Options will provide the first accounting you request during any 12-month period without charge. Subsequent accounting requests may be subject to a reasonable cost-based fee. Benefit Options will inform you in advance of the fee, if applicable.

HIPAA NOTICE

Continued

Right to a Paper Copy of This Notice

You have a right to request and receive a paper copy of this Notice at any time, even if you have received this Notice previously or agreed to receive the Notice electronically.

Benefit Options Duties

Benefit Options is required by law to maintain the privacy of your health information as set forth in this Notice and to provide to you this Notice of its duties and privacy practices.

Changes to This Notice

Benefit Options reserves the right to change the terms of this Notice and to make the new Notice provisions effective for all health information that it maintains. If Benefit Options changes its policies and procedures, Benefit Options will revise the Notice and will provide a copy of the revised Notice to you within 60 days of the change.

Complaints

You have the right to express complaints to Benefit Options and to the Secretary of the Department of Health and Human Services if you believe that your privacy rights have been violated. Benefit Options encourages you to express any concerns you may have regarding the privacy of your information.

Note: You will not be penalized or retaliated against in any way for filing a complaint.

Contact Information

For more information or for further explanation of this notice, you may contact us:

ADOA Benefits Office

100 N. 15th Ave., Suite 103

Phoenix, AZ 85007

602.542.5008 or 800.304.3687

Email: beneissues@azdoa.gov

You may also obtain a copy of this Notice at our web site at benefitoptions.az.gov.

The ADOA Privacy Officer may be contacted at:

100 N. 15th Avenue, Suite 401

Phoenix, AZ, 85007

602.542.1500

Fax at 602.542.2199

Notice Effective Date

April 14, 2003.



DID YOU KNOW?

Benefit Options is required by law to abide by the terms of this Notice.

Benefit Options
Choice. Value. Health.