Avoid a Penalty: Remember to Precertify

Avoid Delays: Use Your New Medical Plan ID Card

As the new year draws near, Staff Benefits brings you two important tips to save time and money in 2004.

Tip 1: Remember to precertify your health care services.

For Incentive PPO and Purdue 500 participants: Any time you or one of your covered dependents is to receive any of the services outlined below, you are responsible for contacting ICM for pre-approval of the services. ICM is the case management provider for these two medical plans and may be reached at 448-1864 or 1 (800) 728-0327. These phone numbers are printed on the back of your medical plan ID card.

If you do not precertify these services, you will incur a $250 penalty. Additionally, if ICM determines that the services are not medically necessary or appropriate, you will be responsible for the entire bill. So if you have any doubt about whether you need to precertify, don't risk it—call ICM.

Services requiring precertification include:

- Inpatient stays in an extended care facility, a birthing center, or a hospital: Inpatient stays must be pre-certified with ICM. You must certify in advance when you know about an upcoming inpatient stay or within 48 hours after you are admitted for an unscheduled or emergency stay. Precertification is not required for the mother or the baby for maternity stays of less than 48 hours for a standard delivery or less than 96 hours for a Caesarian section delivery.

- Home health care: All home health care services must be pre-certified through ICM.

- Durable medical equipment: Equipment purchases of more than $500 and all equipment rentals must be pre-approved through ICM.

- Other services requiring precertification:
  - Home infusion services
  - Arthroscopic surgery
  - Breast surgery, including biopsies
  - Cardiac catheterization
  - Laproscopic surgery
  - Pacemaker insertion
  - Prostate surgery
  - Sinus surgery
  - Outpatient chemotherapy
  - Nutritional counseling
  - Physical/occupational/speech therapy
  - Colonoscopy
  - Genetic testing
  - Full body scans and heart scans

Tip 2: Use your new ID card.

- Wausau Benefits will issue new ID cards to all Purdue 500 and Incentive PPO participants this year; however, only new enrollees in these two plans will receive a new AdvancePCS prescription card. Arnett HealthPlans will issue new ID cards to new Purdue Managed Care participants.

If you don’t receive appropriate ID cards by the end of January, call Staff Benefits at 49-49810 or 49-41684.

- Once you receive your new ID card, it is very important that you use it when visiting your health care providers. The card includes claims filing instructions that your provider will need to review and follow to receive timely payment from your medical plan.
2004 Brings Changes to Disability Plans

Effective January 1, 2004, Purdue’s short term disability (STD) and long term disability (LTD) benefit programs will be administered by CIGNA, a recognized leader in the insurance industry. In addition to a new administrator, the disability benefits will have the following changes beginning January 1:

- STD participants will have a shorter waiting period before benefits begin. In the past, people electing this coverage have selected either a four-week or an eight-week waiting period. Beginning with 2004, all STD coverage will have just a 21-calendar day waiting period. This enhancement will help staff preserve more of their sick leave and vacation time when an extended medical condition arises.

- LTD benefits for the following conditions will be limited to a lifetime maximum of 24 months, beginning January 1, 2004:
  - Anxiety disorders
  - Delusional (paranoid) disorders
  - Depressive disorders
  - Eating disorders
  - Mental illness
  - Somatoform disorders (psychosomatic illness)
  - Alcoholism
  - Drug addiction or abuse

Periods of confinement of 14 days or more for appropriate care in a hospital or institution will not apply to the 24-month limit. The limit will not apply when the primary diagnosis is bipolar affective, psychotic disorder, or schizophrenia; benefits for these conditions will be paid under the same provisions as any other illness.

- A work incentive benefit will help disabled employees transition back to working status. Through this benefit of the LTD program, CIGNA will work with the disabled employee and Purdue to explore modified work arrangements that could help speed the employee’s return to work. Employees who participate in a modified work arrangement will not lose their 65-percent-of-pay disability benefit. Instead, they’ll be able to earn up to 100 percent of their usual pay through a combination of the money they receive for working and their disability benefit. Please see the article at right for more information on this benefit provision.

Work Incentive Benefit Helps You Get Back on the Job After a Disability

Beginning January 1, CIGNA’s work incentive benefit will be available to all employees receiving LTD benefits through Purdue. The goal of this benefit is to help you get back on your feet without risking a set back to your health or the loss of your disability benefits.

During your disability, CIGNA will call you from time to time to discuss your progress. As part of the work incentive benefit, CIGNA will work with you, your physician, and Purdue to evaluate modified work arrangements that could help you get back on the job sooner. Arrangements might include a different job or modifying your current job duties or work schedule.

If you return to work under one of these arrangements, you can receive up to 100 percent of your pre-disability earnings from a combination of the pay you receive for work and your disability benefit. The work incentive benefit continues until you are able to work enough to earn at least 80 percent of your pre-disability earnings.

This special work incentive benefit can have a positive effect on both your recovery and your personal income.
Contact CIGNA to Report a Disability Claim

If an extended illness or injury will keep you off work long enough to qualify for short term disability (STD) or long term disability (LTD), you’ll need to report your situation to CIGNA, the company that will begin administering Purdue’s disability programs on January 1, 2004.

You may call CIGNA toll-free at 1 (800) 36-CIGNA or 1 (800) 362-4462. One of CIGNA’s customer representatives will walk you through the reporting process and will take all the needed information over the phone. Call CIGNA if your first day out is after January 1, 2004.

When to Report Your Claim

For STD Claims: Contact CIGNA as soon as you get an inkling that you may be off work for more than three weeks. For example, if you are having surgery and anticipate being out four weeks, contact CIGNA right away. Delaying your contact with CIGNA could delay your disability payment, so it’s always a case of the sooner, the better.

For LTD Claims: If you have been receiving STD payments from CIGNA and your disability continues to the point that you are eligible for LTD, you do not need to make another contact to get your LTD benefits started. CIGNA will automatically move you into the LTD program if you qualify.

If you have not been receiving STD payments, you will need to contact CIGNA to get your LTD benefits started. Clerical and service employees who believe they will be unable to work for more than 90 days should contact CIGNA when they have been off the job for about 45 days. Faculty and administrative/professional (A/P) staff who anticipate being unable to work for more than six months should contact CIGNA about 90 days into their disability.

For both STD and LTD, if you are unable to contact CIGNA yourself, a family member or friend may contact CIGNA on your behalf to report your disability and begin the claims process.

Information CIGNA Will Need

When you contact CIGNA, you should be prepared to provide the following information:

- Your name, address, phone number, date of birth, Social Security number, and e-mail address (if you have one).
- The illness or injury that is causing your disability.
- A description of your illness, symptoms, and/or diagnosis, including the date your symptoms first appeared.
- Information about any visits you’ve had with a doctor, hospital, or clinic for the related medical condition. Be ready to give CIGNA the names, addresses, zip codes, and phone and fax numbers of your medical providers.
- Once you have provided all the needed information, CIGNA will send you an acknowledgment package containing important information and forms related to your claim.

This form gives your doctor permission to release your medical information to CIGNA.

A CIGNA case manager may contact you to obtain additional information. The case manager will oversee your case and be your main contact for any questions you may have. The case manager will contact Purdue for a description of your job responsibilities and will contact your doctor for medical reports.

If your claim is approved, you’ll receive a letter showing the dates you are approved for benefits and a phone number to call if you have questions. CIGNA will coordinate payment of your benefits as soon as possible. STD benefits are paid once a week and LTD benefits are paid once a month. CIGNA will also inform Purdue of your claim approval and your anticipated return-to-work date.

If your claim is denied, you’ll receive a letter providing the specific reasons your claim was denied and an explanation of how to appeal the denial.

Questions

If you have general questions about Purdue’s STD and LTD benefits, you may call Shasta in Staff Benefits at 49-41691.

What Happens Next?

After you report your claim, you’ll need to complete the Disclosure Authorization Form that CIGNA will mail to you.
Will You Turn 65 Between November 1, 2003 and September 2, 2004? If So, You Can Collect Social Security While You Work

"If your 65th birthday falls between November 1, 2003, and September 2, 2004, you can collect Social Security pension benefits in 2004 even though you're still working," according to Bill Pratt, Purdue benefits counselor.

You're eligible for Social Security benefits starting with the month you reach your full retirement age. For people born in 1939, full retirement age is 65 years and 4 months.

If your earnings are less than $31,080 by the time you reach your full retirement age, you can receive Social Security for the full year. If your earnings are more than $31,080, you give up $1 of Social Security benefits for each $3 you earn over $31,080.

Starting with the month you reach your full retirement age, you're no longer subject to the earnings limit. You will be eligible for Social Security benefits in 2005, regardless of how much you earn. "Social Security does not pay benefits retroactively, so if you'll be 65 before September 2, 2004, call the Social Security office before the end of January or you may lose benefits," says Pratt.

The Social Security laws can be confusing. The best thing to remember is to plan ahead. If you'll turn 65 soon, contact your local Social Security office or call Bill Pratt in Staff Benefits at 49-41692.

Higher Limits on Tax Deferred Annuity Contributions for 2004

The maximum amount you may contribute to your Purdue tax deferred annuity (TDA) increases for next calendar year.

In 2004, employees under age 50 may contribute a maximum of $13,000. People age 50 and over may contribute up to $16,000.

These limits, set by the Internal Revenue Service, apply to both the 403(b) and 457(b) plans. If you wish, you may participate in both of these plans and contribute the maximum amount to each for a total combined contribution of $26,000 for employees under 50 or $32,000 for people 50 or more.

In addition to the limits stated above, faculty and staff with 15 years or more of service may contribute an extra $3,000 to a 403(b) TDA plan.

If you have questions about TDAs, contact Staff Benefits at 49-42797.