Open Enrollment Time
Here’s What’s New for 2004

Benefits open enrollment begins October 27 and ends November 14. Faculty and staff will receive their enrollment packets through campus mail. Changes for 2004 are outlined below.

Incentive PPO and Purdue 500 Changes

- **Do both you and your spouse work for Purdue in a benefits-eligible position?** If so, you may be interested in a new arrangement available for your medical coverage. Beginning with your 2004 benefits enrollment, one of you may opt out of medical coverage and be covered as a dependent on the other’s medical plan.

Since you will still be covered by a Purdue medical plan, you will not receive the medical credit that normally comes when an employee opts out of coverage, but this arrangement will allow your entire family to be covered under just one family deductible and one out-of-pocket maximum.

In some situations, the combined amount of money deducted from your paychecks for medical coverage may be less, too. Your enrollment kit will provide more information about this option.

- **A number of changes to the case management provisions of the Incentive PPO and Purdue 500 go into effect January 1.** These include limiting chiropractic visits to 26 per year, excluding gastric bypass and other weight loss surgeries, and requiring precertification on additional procedures, such as colonoscopies, physical therapy, and heart scans.

It is very important for Incentive PPO and Purdue 500 participants to understand and comply with these important provisions of their medical plan. Please see the case management article on page 3 of this Benefits Bulletin for complete details.

- **Effective January 1, the services of radiologists, pathologists, and anesthesiologists working at a PHCS hospital will be treated as in-network under the Incentive PPO, even if the doctor is not personally a PHCS participating provider.**

This means you will pay 15 percent of the cost instead of 40 percent, and the expenses will count toward your in-network deductible. However, if the doctor is not a PHCS provider, he or she has not agreed to charge negotiated rates, so you may be charged more than the Incentive PPO’s usual and customary (U&C) fee.

As always, charges above U&C are not eligible under the medical plan and would be your responsibility to pay or to negotiate with the radiologist, pathologist, or anesthesiologist.

- **Incentive PPO participants will have enhanced protection in emergency medical situations.** If you participate in this plan and need to go to an out-of-network emergency room or be admitted to an out-of-network hospital due to a sudden or severe medical condition, the in-network deductible and coinsurance will apply. However, you will still be responsible for any amount above usual and customary.

- **The Incentive PPO and Purdue 500 medical plans will no longer use NETPro as a provider network at the West Lafayette campus.** PHCS will be the campus’s exclusive provider network for Incentive PPO. The West Lafayette campus Purdue 500 network for 2004 will include PHCS, plus providers at Arnett Clinic locations.

(Continued on next page)
Most NETPro providers will have joined PHCS by 2004, which will mean money-savings for Purdue employees. Under NETPro, participants paid 20-25 percent of the cost of care. Under PHCS, employees pay only 10-15 percent of the cost.

- Gastric bypass and other weight loss surgeries will be excluded from coverage.

**Short Term Disability Changes**

- 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.

Through this voluntary program, you will receive one-on-one counseling with a registered nurse. You’ll also receive educational materials to help you better understand and manage your chronic condition. Your participation will be kept strictly confidential.

**Purdue Managed Care Changes**

- Mental health and substance abuse benefits will be reduced to 20 inpatient days per year and 20 outpatient visits per year.

Although the waiting period has been reduced, the premium for this coverage is the same as last year’s four-week coverage option. This enhancement will help staff preserve more of their sick leave and vacation when an extended medical condition arises.

If you are enrolled in the STD program for 2003 and do not turn in an enrollment form, you will be automatically enrolled in STD for 2004, regardless of whether you were enrolled in the four-week or the eight-week plan.

- CIGNA, a recognized leader in the insurance industry, will administer both the short term and long term disability programs beginning January 1.

**Flexible Spending Accounts (FSA) Changes**

- The Internal Revenue Service (IRS) has ruled that some over-the-counter (OTC) medications are eligible for reimbursement from a health care FSA. The health care FSA section of the Benefits Enrollment Guide, included in your enrollment kit, gives more information about which OTC medications are eligible.

Effective January 1, 2004, Incentive PPO and Purdue 500 participants will have new medical plan ID numbers with Wausau. In the past, the employee’s Social Security number (SSN) has been the medical plan ID number.

The new number is being adopted to help protect the privacy of your SSN and the information that can sometimes be acquired with it.

The new eight-digit numbers will be assigned by Wausau and printed on the ID cards that plan participants will receive in January. Participants should be sure to use their new ID cards and destroy their old ones.

Wausau will be able to match your new medical plan ID number with your Social Security number, should a medical provider submit a claim using your SSN.
Be Aware of Important Case Management Changes for 2004

Case management is an important part of managing Purdue’s health plans. The goal of case management is two-fold:

1) To help educate the patient and ensure that he or she receives appropriate care
2) To protect the medical plans from paying for services that are not medically necessary

Beginning January 1, 2004, Individualized Care Management (ICM) will handle case management responsibilities for Incentive PPO and Purdue 500 participants at all campuses. This will include precertifying health care services.

Limit and Coverage Changes

Based on a thorough review, changes to coverage will be made for next year. Effective January 1, the Incentive PPO and Purdue 500 plans will:

• Remove the $10,000 home health care limit.
• Reduce mental health care and substance abuse limits from 30 inpatient days and 30 outpatient visits to 20 inpatient days and 20 outpatient visits per year.
• Limit coverage for temporomandibular joint dysfunction (TMJ) to a $5,000 lifetime benefit.
• Limit chiropractic visits to 26 per year.
• Increase nutritional counseling visits to 12 when a doctor orders the counseling and a registered dietician provides it.

• Exclude gastric bypass and other weight loss surgeries.
• Cover genetic counseling, studies, and testing for medically necessary treatments when a specific drug treatment plan can be recommended based on the results of specific genetic testing.

Precertification Requirements

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. 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.

• Inpatient stays in an extended care facility, a birthing center, or a hospital: All 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
  • Laparoscopic surgery
  • Pacemaker insertion
  • Prostate surgery
  • Sinus surgery
  • Outpatient chemotherapy
  • Nutritional counseling
  • Physical/occupational/speech therapy
  • Colonoscopy
  • Genetic testing
  • Full body scans and heart scans

Benefits Open Enrollment Ends November 14.

See the back page of this Benefits Bulletin for resources to help you through enrollment.
Lots of Ways to Get Benefits and Enrollment Info

Looking for answers to your benefits enrollment questions? Staff Benefits offers a variety of ways to get the information and assistance you need.

- **Call the BeneFlex Help Line at 49-42222** for quick answers to your enrollment or benefit questions. The Help Line is staffed throughout the entire open enrollment period. If you have a hearing impairment, you may use the TDD relay center at 49-61343.

- **Attend a Staff Benefits information presentation.** During presentations, Staff Benefits representatives will give a brief overview of the three medical plans offered this year at the West Lafayette campus and will provide tips on what to consider when choosing the option that’s best for you. (Please see the box at right.)

- **Check out the Purdue Medical Options Estimator.** This easy-to-use computer program compares your estimated out-of-pocket medical expenses for Incentive PPO, Purdue 500, and Purdue Managed Care. Estimator is on our Web site at www.purdue.edu/benefits. Click the “2004 Enrollment” link on the left side of the page for a link to the Estimator.

### Presentations and Walk-In Help Sessions

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<td>STEW 218A</td>
<td>Presentation, 8:30 - 9:30 a.m.</td>
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<td>Walk-in Help, 12:30 - 2 p.m.</td>
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