You have no doubt seen our ads announcing that we welcomed more than 900 businesses and 95,000 new members who have joined Univera Healthcare.

Area employers have been clearly responding to our growing array of innovative products and our competitive pricing structure.

We have products to fill a wide range of needs including HMO, PPO and POS plans, flexible spending programs, long term care insurance, traditional indemnity plans, Medicare plans, drug programs and dental plans.

Our array of programs designed to meet the needs of families and children has been a major drawing card. We are proud of the number of no co-pay services that we offer for kids age 18 and under including outpatient physical, occupational and speech therapy, primary and specialty office visits, allergy testing and treatment, diabetic supplies, equipment and insulin and even home health care.

Univera Healthcare is supporting Ready, Set, Parent!, a program designed to help parents understand newborns and reduce abuse and negligence.

Univera Healthcare’s Center for Better Health is working to keep people in our community well by targeting young people and their families. The nationally recognized, award-winning 2Smart 2Start program has reached out to more than 114,000 kids who have signed the pledge to avoid tobacco products.

Our newest program, Fun 2B Fit, is reaching out to elementary school children by showing them the importance of making healthy food choices and increasing their levels of physical activity.

We look forward to another successful year of serving our members, employer groups, medical personnel and the community at large.
Web site offers assistance for employers and employees

Univera Healthcare's web site at www.univerahealthcare.com offers help choosing the right plans for your workforce. You will also find plan rates and benefits by product line. All the information you need for enrollment is here.

Just make your selection and send the information to your account consultant.

Say goodbye to paperwork. Now you can manage enrollment electronically. Update your group address, phone number, contact person and other features, paper-free. Submit enrollment additions, cancellations and changes.

When your employees are changing plans, you can have them complete their applications online on our secure Web site. Then simply review and approve the online applications before we process them.

Get answers quickly and easily by sending an e-mail to our Account Consultant.

See the membership enrolled in your group and sort it by name, status, member ID, date of birth and your group and sort it by name, status, member ID, date of birth and other features. Paper-free. Submit enrollment additions, cancellations and changes.

• Get a Health Risk Assessment.
• Receive a Personal Wellness Report.
• Participate in Healthy Living Programs.
• Submit questions and get answers fast.
• Change doctors or request a new ID card.
• Read up on thousands of health-related topics at the Healthwise Knowledgebase.
• Find a doctor with our online provider directory.
• Find the right hospital with Click and Compare Care.
• Get details about Member Rewards.
• Connect to local and national healthcare organizations with our Wellness links.
• Update personal information.

Program to rein in rising drug costs

For every $100 spent on the treatment of high cholesterol, minor depression and high blood pressure, more than half goes to medication.

The cost of prescription drugs is one of the most expensive aspects of health coverage today.

FLRx, our pharmacy management division, serves millions of people through a 56,000 strong nationwide network of pharmacies.

That includes every major chain and most independent drug stores. Cost saving programs include a voluntary half-tablet program; generic advantage program; specialty Rx care program and integrated care management programs.

Visit www.univerahealthcare.com to locate FLRx participating pharmacies. Members can also search or print medication listings and order prescriptions for home delivery.

Members Rewards offers members variety of free and discounted programs

Member Rewards offers Univera Healthcare members everything from free healthy heart and weight control classes to exercise classes to discounts on children's swim programs, massage therapy, vision care and dental services. Member Rewards include:

• Health education
• Nutrition and weight management
• Fitness clubs and classes
• Toddler/preschool gym and swim
• Pregnancy and family
• First aid and safety
• Stress management

• Alternative medicine
• Vitamins and supplements
• Vision care discounts
• Lasik discounts
• Dental discounts
• General discounts

Many programs are free. To find out about reimbursement policies call us at 716/857-4448 or 800/337-3338 or visit our Website.

Some Members Rewards are only available to members within Western New York and to members enrolled in certain products.

Zogby survey reveals wide gap between consumer perception and reality on health coverage

New Yorkers covered under private health insurance plans lack a basic understanding of how their insurance premiums are spent, a new poll by Zogby International shows.

Univera Healthcare commissioned the poll. It is the first statewide survey of its kind.

Survey results show a significant gap exists between perception and reality when it comes to understanding how much of each insurance premium dollar is dedicated to patient care, expenses, and profit.

Statewide, the average poll respondent believes 51% of premiums are spent on medical care, 24% is spent on the insurer’s business expenses, and the remaining 25% is profit to the insurer. Reality paints a much different picture.

Based on the 2004 financial filings of more than 20 New York State insurers with more than $30 billion in aggregate premium revenue, 85% of premiums are spent on medical care, 11% is used for business expenses, and about 4% is profit or net income.

Consumer misperceptions were consistent across upstate and downstate regions, and there was little relationship between perception and accuracy based on the respondents' age, gender or education levels, the survey shows.

“The most productive public policy debates are those based on a common set of facts versus a common set of perceptions that are far from reality,” said John Zogby. “It’s apparent from this poll that much work remains to bring even the most well-educated consumers up to speed on how health insurance premium dollars are spent.”

The new Zogby poll surveyed a sample of 1,049 privately insured adults across all regions of the state, and results were analyzed by region (upstate versus downstate), age, gender and education level. The survey was conducted from Sept. 27 to October 4, 2005. The margin of error is +/-3.1%.
Medicare Part D and your employees and retirees

Medicare Part D, the new outpatient prescription drug benefit, is proving to be a complicated undertaking with short timeframes and constantly changing guidance. The result has made implementation an incredible undertaking for us, for the Medicare agency (CMS), and for you.

If you have elected to offer Part-D eligible benefits through one of our products, there is additional guidance you could share which will make the transition for the people covered under your plan easier. Much, if not all of this information will be included in the member contract (Evidence of Coverage) your members will receive by February 2006. Receiving some guidance from you before that date will help reduce any confusion if members seek care in January.

If you elected to receive the direct 28% subsidy

If you applied for and are approved for the direct subsidy from CMS, you want to be sure your retirees do not also apply for coverage through a Regional Prescription Drug Plan or Medicare Advantage Plan with pharmacy benefits. You cannot tell them they cannot join – you can educate them, persuade them, ask them, or remove their medical benefits if they do elect another Part-D plan.

Anything you can do to advise them on this matter will help ensure you receive the 28% subsidy. If the retiree joins another Part-D plan, you will not receive the subsidy for that retiree.

Coordination with EPIC

EPIC will continue to offer its effective program and will not require beneficiaries to enroll in Part D in order to qualify. EPIC has announced that both benefit options will be creditable. You might advise your retirees to seek guidance on whether it is more advantageous under their own circumstances to have both Part D and EPIC or not.

Changes effective January 1

What drugs are covered under Part D?
The Centers for Medicare and Medicaid Services (CMS) set requirements regarding the drugs to be covered under Part D.

Part D of Medicare does not cover Canadian drugs or drugs administered in a physician’s office (these are covered under Part B). There are also a few other categories of drugs not covered by Medicare including benzodiazepines (such as Valium). Part D will cover some diabetic items including insulin, syringes and alcohol swaps.

We have developed a formulary exclusively for our Medicare members based on these requirements. A formulary is a list of drugs approved by the Food and Drug Administration as safe and effective and selected by a committee of clinicians and community pharmacists based on their quality and value.

Our Medicare formulary covers generic and select brand name drugs in many of the most common drug categories. However, only specific drugs in each category are included in the formulary. Our formulary provides our members with safe, effective options in each drug category.

If the plan design you selected has an Open Formulary, the benefits may cover medications not included in our formulary. For benefit designs with a Closed Formulary, the member must select medications from our Part D formulary in order for them to be covered under the benefit. For members currently taking medications, we encourage them to check our new 2006 Part D formulary.

We continue to review and update our formularies in order to be sure we are covering the most appropriate drugs in every drug category. A comprehensive formulary is available on our website at www.univerahealthcare.com. Members may also call us at 1-800-558-4320 to receive a copy or to ask about specific drugs on the formulary. If a member’s current medication is not included in the formulary, the member may speak with our clinical staff to discuss safe and effective alternatives that are covered.

Keeping members safe

In order to help provide access to safe, effective drug treatment, certain medications require approval for coverage before the prescription can be filled. If approval is not received, the drug may not be covered.

We may require that certain drugs be tried first, before we will cover another drug.

For some drugs, we limit the amount of the drug that we will cover based on FDA approved dosing and usage guidelines. This information is described on our website.

Where can members have prescriptions filled?

In order to comply with all requirements under the new Medicare Part D program, we have created a new network to fill prescriptions for our members. Members must purchase their prescriptions at a pharmacy participating in this new Part D network in order to receive coverage. There are more than 25,000 pharmacies that participate in this nationwide network, including virtually all of the major pharmacy chains in New York State as well as many independent pharmacies.

We continually add pharmacies to our network. To find out if the pharmacy currently used by your retirees participates in our Medicare Part D pharmacy network, call our FLRx Customer Service unit or visit our website.

All participating pharmacies will fill prescriptions for a maximum 30-day supply of medication. Preferred retail pharmacies and participating mail order pharmacies will fill up to a 90-day supply of medication. Specialty drugs are available at select participating network pharmacies. A number of Long Term Care, Home Infusion, and Indian/Tribal/Urban pharmacies also participate in the network.

It’s important that your retirees currently using medications check the new Part D network before filling a prescription in 2006. Most current FLRx pharmacies in Upstate New York are participating in the new network; if the one used by one of your retirees does not, many other convenient locations will be available.

SafeRx

Our SafeRx medication therapy management program is designed for our members with Medicare prescription drug coverage who have specific health and pharmacy needs.

Members with two chronic medical conditions who are taking five or more prescription medications and spend $4000 or more per year on their medications will be invited to participate in the program.

Participants will receive information on safe, effective drug treatment, how to treat and prevent complications from their medical conditions and will have the opportunity to participate in a personalized consultation with a clinical pharmacist.

The SafeRx program provides members with the information and tools to help them make educated health care decisions. If any of your retirees is selected to participate in this program, we recommend they take full advantage of this program.
MedAmerica introduces Group Simplicity
New product provides employers a simple solution to Long Term Care

MedAmerica has expanded its long term care insurance product line by adding a group product to its CareDirections Simplicity® brand. The Simplicity product is unique in the group benefits market in that it provides a cash benefit, giving policyholders the ability to use benefit payments any way they want, without restrictions.

“Traditional long term care insurance products have not been well received by businesses that perceive long term care insurance to be too complex and confusing for their employees to understand,” said Christopher D. Perna, president and chief operating officer of MedAmerica. “With Group Simplicity, we’re now able to provide employers of all sizes a simple long term care insurance product anybody can understand.”

According to Perna, much of the dense verbiage of conventional long term care insurance products stems from carriers’ attempts to specify conditions under which benefits would be paid. The idea generally across the long term care insurance industry is to utilize complicated policy language aimed at ensuring that payments are made for “appropriate services.”

“We don’t believe it is our place to define for our policyholders and their families what are ‘appropriate services.’ We want to leave those decisions up to them and give them maximum flexibility to get the services they want and need.”

Group Simplicity puts no restrictions on how policyholders use their payments. Simplicity provides a monthly cash benefit to “use as you choose,” Perna said. Once group members are benefit-eligible, they can submit one simple request for payment each month and receive a monthly cash benefit.

“So policyholders can receive care or other services in their own home or anywhere in the world – from a nurse or from their niece,” Perna said. “We like to say we offer cash, not confusion – to our policyholders.”

Group Simplicity offers organizations a wide range of advantages over competitive products.

• The product’s simple design and straightforward contract language make it easier for employers and employees to understand how the plan will meet their financial and insurance needs.

• Relaxed underwriting and competitive group rates make the product more accessible and more affordable for employees.

• It also provides an improved cash flow since the monthly benefit is available on a pre-paid basis, without claim forms and receipts.

MedAmerica Insurance Company (Home Office: Pittsburg, PA) and MedAmerica Insurance Company of New York (Home Office: Rochester, NY) are the long term care insurance subsidiaries of The Lifetime Healthcare Companies, a $4.5 billion company located in Rochester, New York, that operates one of New York State’s largest health insurers, of which Univera Healthcare is one.

Dental coverage brings smiles to employees

Dental coverage is an important part of an attractive benefits package. Here are several options offered by Univera Healthcare:

• Univera Bright Smiles emphasizes prevention. Prevention care is covered 100% with no deductibles. Bright smiles lets you choose from a range of co-insurance, deductibles and annual maximums. Members can see any dentist they want. Dentists must indicate a course of treatment and estimate the final cost before treatment begins.

• Univera Dental PPO covers employees from Buffalo to Boise through a partnership with DenteMax, a national dental network of more than 30,000 participating dentists. There is no paper work. Our participating dentists file claims directly with Univera Healthcare.

• Univera Preventive Dental is a rider that makes it possible for even small employers to offer dental coverage. Benefits are provided through the national DenteMax network.

Health Risk Assessment and Healthy Living Programs now offered to members

Univera Healthcare is excited to introduce some new programs - a Health Risk Assessment and Healthy Living Programs. Your employees enrolled in our commercial HMO/POS plans have access to this complimentary, value-added service. These new programs are part of a whole suite of health and medical services available to our members.

A Health Risk Assessment is a straightforward questionnaire that asks questions about lifestyle habits, medical history and readiness to make healthier lifestyle choices. Members can complete this questionnaire on the Internet. It takes less than 15 minutes. A Personal Wellness Report is provided to the participant immediately after their HRA is completed.

The Personal Wellness Report educates individuals about their lifestyle choices and how those choices directly affect health, well-being and longevity. The report stresses things participants can do to protect and improve their health. It highlights areas where the participant may already be doing well, provides ideas for healthy living and for minimizing risks of being sick or injured in the future. A printable version of the report is also available, so participants can share their Health Risk Assessment results with their physician.

Participants can then select a program that will help them improve areas identified in the Personal Wellness Report. Participants have access to ten fully personalized online programs called Healthy Living Programs.

The Healthy Living Programs are comprehensive on-line experiences that can help participants achieve their health objectives in a fun, interactive manner. Participants will also benefit from a wealth of interactive tools and services such as:

• Reminder emails to keep participants motivated
• Healthy and delicious seven-day meal plans tailored to the participant’s preferences
• Calorie, Fat and Heart Calculators
• Virtual trainers to create exercise routines and demonstrate proper technique
• Build-a-plate to illustrate the nutritional value of a meal based on food selections

The Health Risk Assessment and Healthy Living Programs are available by accessing www.univerahealthcare.com.