COUNTY DEPARTMENT AGENDA REQUEST

Department:	Human Resources	Presenter(s):	Connie Boehnke
Meeting Date:	Thursday, January 27, 2011	Type of Request:	New Business

Wording for the Agenda:

Discussion of staff's recommendation to approve Amendment No. 3 to the Fayette County Employee Health Insurance Plan to clarify the level of benefit regarding Participating Providers, Routine Well Care procedures, and Durable Medical Equipment.

Background/History/Details:

This amendment would clarify language in the County's employee medical insurance plan regarding how the plan was intended to pay for the services of routine wellness care. There are three areas that need clarification, which requires an amendment to the Plan:

1. Participating Providers. Some employees have been treated at facilities that are In-Network but may be treated by a doctor not In-Network, sent to a lab or x-ray lab that is not In-Network, etc. Language in the Plan needs to clarify that these referrals should also be considered as "In-Network".
2. Some routine wellness procedures such as mammograms and colonoscopies have been subject to the deductible and not processed as wellness. Language in the Plan needs to clarify that regardless of whether a diagnosis results or not, these procedures should be paid as routine well procedures.
3. Some durable medical equipment, such as CPAP machines have been processed subject to the $1,000. deductible and should be processed with a $500. deductible, regardless of whether or not the vendor is "participating" or "non-participating". Language in the Plan needs to clarify the amount of the deductible regardless of the status of the provider.

What action are you seeking from the Board of Commissioners?

Motion to approve Amendment No. 3 to the Fayette County Employee Health Insurance Plan to clarify the level of benefit regarding Participating Providers, Routine Well Care, and Durable Medical Equipment.

If this item requires funding, please describe:

Not Applicable.

Has this issue come before the Commissioners in the past?	No	If so, when?	
Do you need audio-visual for the presentation?	No	Back-up Material Submitted?	Yes

STAFF USE ONLY

Approved by Finance	Yes	Reviewed by Legal	Yes
Approved by Purchasing	Not Applicable	Approved by County Clerk	Yes
Administrator's Approval			

Staff Notes:

Fayette County GEORGIA

Where Quality Is A Lifestyle

To: Board of Commissioners, County Administrator
From: Connie Boehnke, Human Resources Director
Date: January 13, 2011
Subject: Amendment #3 to Fayette County Employee Benefit Plan

During the months following the County's transition from a fully-insured to a self-insured health care plan, a few issues have arisen with **Participating Providers, Routine Well Care** and **Durable Medical Equipment** that need to be addressed by way of an amendment to the Employee Benefit Plan. Situations have occurred where County employees have been charged at out of network rates for services that were previously paid at in network rates under the fully-insured plan. At the time of the transition between plans last year, it was staff's intent to have the new plan mirror the old plan.

There have been **Participating Provider** issues involving employees who went to a hospital that is In-Network but the doctor who treated them was Out-of-Network or they were treated by an In-Network doctor at a facility that was Out-of-Network. In these cases the employees wound up having to pay deductibles. The proposed amendment will treat these events as all occurring In-Network. If an employee is treated by an In-Network physician at an In-Network facility, but some of the services such as x-rays or lab work are referred to an Out-of-Network provider, anything handled by the Out-of-Network Provider will be paid as if it were In-Network. If an employee goes to an In-Network facility but receives services there from a provider who is Out-of –Network, those charges will be paid as if they were from an In-Network Provider.

One issue involves **Routine Well Care** procedures such as mammograms and colonoscopies. Under the fully insured plan these services were paid as routine and not subject to the deductible even though something may have been discovered during the procedure and the medical billings were then changed to a code other than routine. With the current self insured plan, if something is found during the procedure the billing codes are sometimes changed from routine to diagnostic and the employee becomes subject to the deductible. The intent of this amendment is for diagnostic services that are part of a routine visit to be paid as a routine service, even if a diagnosis has been made so our employees will not be charged a deductible.

The issue regarding **Durable Medical Equipment** involves devices such as CPAP machines used for the treatment of sleep apnea. These items require a $500 deductible when obtained through participating providers. If for whatever reason the equipment is supplied by a non-participating provider, employees have been charged a $1,000 deductible under the self insured plan. With the proposed amendment, these items would all be subject to only the $500 deductible, regardless of the network status of the provider.

The proposed amendment will allow the self insured plan to process these claims in the same manner as they were treated under the fully insured plan. Please refer to the attached amendment for further details. Human Resources appreciates your time and consideration of this amendment regarding these important employee benefits.

SUMMARY OF MATERIAL MODIFICATION
and
AMENDMENT #3
to the
FAYETTE COUNTY, GEORGIA
EMPLOYEE BENEFIT PLAN
Group No. 12469

This Summary of Material Modification and Amendment describes changes to the Fayette County, Georgia Employee Benefit Plan effective June 1, 2010. **These changes are effective as of December 1, 2010** and will remain in effect until amended in writing by the Plan Administrator.

This document should be read carefully and attached to the Plan Document and Summary Plan Description. Please contact the Plan Administrator identified in the Summary Plan Description if you have any questions regarding the changes described in this Summary of Material Modification.

Fayette County, Georgia (the "Plan Administrator") is amending the Fayette County, Georgia Employee Benefit Plan (the "Plan") as follows:

*The following provisions are hereby added to the **Schedule of Medical Benefits**:*

SCHEDULE OF MEDICAL BENEFITS

Participating Provider vs. Non-Participating Provider Benefit Level

The Participating Provider benefit level will be paid for Non-Participating Provider services when a:

- If an In-Network Physician or In-Network facility refers x-ray and laboratory services to an Out-of-Network Provider, those services will be paid at the In-Network level of benefits.
- Professional services that are provided by a non-Network Provider but rendered at a Network facility will be paid at the In-Network Provider level of benefits.

*The "Routine Well Care" benefit in the **Schedule of Medical Benefits** is hereby deleted and replaced with the following; and the following "Routine and Non-Routine Mammograms and Colonoscopies" benefit is hereby added to the **Schedule of Medical Benefits**:*

BENEFIT DESCRIPTION	PARTICIPATING PROVIDERS	NON-PARTICIPATING PROVIDERS	ADDITIONAL LIMITATIONS AND EXPLANATIONS
Preventive Care			
Routine Well Care (age 5 and over)	100% after copay	60% U&C after deductible	Includes: office visits; pap smear; prostate screening; gynecological exam; routine physical examination; x-rays; laboratory blood tests; immunizations/flu shots; Gardasil; well child age 5 and over; chlamydia screening; and ovarian survellance.
X-ray & Laboratory Services			
Routine and Non-Routine (diagnostic) Mammograms and Colonoscopies	100% no deductible	100% U&C no deductible	Colonoscopy age 50 and over, or less than 50 if at high risk for colorectal cancer.

The "Ambulance Service", "Urgent Care Facility", and "Durable Medical Equipment" benefits in the ***Schedule of Medical Benefits*** *are hereby deleted and replaced with the following:*

BENEFIT DESCRIPTION	PARTICIPATING PROVIDERS	NON-PARTICIPATING PROVIDERS	ADDITIONAL LIMITATIONS AND EXPLANATIONS
Emergency Services			
Ambulance Service	100% after deductible	Paid at In-Network level of benefits	
Urgent Care Facility	100% after copay	100% after copay	
Durable Medical Equipment, Supplies, Prosthetics and Orthotics			
Durable Medical Equipment	100% after deductible	Paid at In-Network level of benefits	

All other provisions of this Plan shall remain unchanged.

In Witness Whereof, Fayette County, Georgia has caused this Amendment to take effect, be attached to, and form a part of their Employee Benefit Plan.

Authorized Signature _____ Date _____ Title _____

Witness _____ Date _____ Title _____