

# NAPEBT News

## Your Benefits Connection

JULY  
2006  
ISSUE I

### WELCOME

We are pleased to bring you the first issue of **NAPEBT News – Your Benefits Connection**. NAPEBT recognizes the importance of your (and your family's) health and wellness. We created this newsletter to provide you with:

- Information about NAPEBT;
- The latest news on health and wellness;
- Updates to your NAPEBT benefits; and
- Ways you can make the most of your health benefits.

This newsletter will be distributed quarterly. We hope you'll find it to be a valuable resource. We continually investigate ways we can help keep you and your family healthy and informed healthcare consumers. For example, we will be adding a Health Savings Account effective January 1, 2007, which may provide additional flexibility in making healthcare choices. See **New Medical Plan Concept – Health Savings Accounts (HSAs)** on page 4 for more information.

Thank you for your continued commitment to providing high-quality service to Northern Arizona residents. We value your contributions.

*The Trustees*

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### ABOUT THE NORTHERN ARIZONA PUBLIC EMPLOYEES BENEFIT TRUST

The Northern Arizona Public Employees Benefit Trust (NAPEBT) was formed in 1993 to provide a comprehensive and cost-effective benefits package for employees. By joining together, we increased the total number of insured employees, which has helped us to save money. So far, NAPEBT has been successful in meeting our original goal – **to serve those who serve the public**. The Northern Arizona employers offering benefits through NAPEBT are:

- Coconino County;
- The City of Flagstaff;
- Flagstaff Housing Authority;
- Coconino Community College;
- Flagstaff Unified School District; and
- Northern Arizona Intergovernmental Public Transportation Authority.



Purchasing benefits jointly through NAPEBT has increased our ability to provide a better benefits package collectively than any one employer could do independently. For example, we are able to offer an enhanced medical plan that keeps your benefit costs down and life insurance coverage at reduced rates.

### NAPEBT TRUSTEES

Benefit decisions are made by representatives from each employer organization who serve as Trustees. Jim Wine served as the Chair of NAPEBT until last year when Jami Van Ess took over. Here's a little bit more about these two...

**Jim Wine** is the Deputy City Manager of the City of Flagstaff. He has been with the City for 25 years in a variety of management positions. In his current position, he manages several city departments including Human Resources, which is responsible for the city's employee benefit program. Jim was one of the original founders of NAPEBT and served as Chair for several years. Jim firmly believes that NAPEBT has been a huge success in providing public employees and the community with cost-effective, quality healthcare and benefits.

*"NAPEBT works for all of us. Together we are making smarter decisions that have a positive effect on our families and our community."*

**Jami Van Ess** joined Coconino Community College as its Vice President of Business and Administrative Services in 1998. She went to school in Flagstaff and graduated from Coconino High School and then Northern Arizona University with a Bachelor of Science degree in Accountancy and wants to contribute back to the community through higher education. Jami has served on the NAPEBT Board for eight years and is currently serving as Chair.

*"NAPEBT has been a positive model for governmental agencies, combining their purchasing power for the benefit of the employees and taxpayers of Northern Arizona. Joining the Trust has enabled the employees of the College to enjoy the advantage of an overall better benefits package than we could afford on our own."*

The NAPEBT Trustees continually evaluate the benefits offered to ensure the most comprehensive benefit plan is provided in the most cost-effective manner. This is a challenge as healthcare costs have risen at double-digit rates over the last few years. As a result of a recent review, several Plan changes are being made for 2006 – 2007. These changes include:

## Medical Plan Changes for 2007

- Two new medical plans will be offered effective January 1, 2007, with three options available for NAPEBT employees:
  - A **“Buy Up” PPO Plan** with a \$250 individual/\$500 family deductible, and \$15 office visit copay (in network)
  - A **“Base” PPO Plan** with \$500 individual/\$1,000 family deductible, and \$20 primary care/\$40 specialist office visit copays
  - A **High Deductible Health Plan** with \$1,250 individual/\$2,500 family deductible, and a Health Savings Account

## The Changes Below Are Effective July 1, 2006

- New behavioral/mental health benefits and copayments;
- New guidelines for chiropractic visits (see the article on page 3 for details);
- New durable medical equipment provisions;
- New physical, occupational, and speech therapy deductible and coinsurance amounts;
- New prescription drug benefits. New quantity limits for Amerge, Axert, Frova, and Imitrex prescription medications; new specialty self-injectable medication copayment amount; and removal of Norplant contraceptive coverage.

## Vision Plan Changes

- New \$15 copayment for an eye examination

## Life Insurance

- New voluntary life insurance for Flagstaff Unified School District

Remember, there will be an opportunity to enroll in the three medical plan options from October 9 to November 3 that will be effective January 1, 2007.

HAVE YOU VISITED  
WWW.AZBLUE.COM?

For more information on wellness, visit [www.azblue.com](http://www.azblue.com).

On the site, you'll find:

- Wellness program information;
- My BluePrint health assessment information;
- Disease management information for chronic conditions such as asthma and diabetes;
- Preventive health recommendations;
- Health education; and
- Much more!

## ANNUAL OPEN ENROLLMENT...OCTOBER 9 – NOVEMBER 3, 2006!

NAPEBT is offering three health plans for you to choose from that will go into effect in January. We are using the next several months to help you become familiar with the three plans, so you can elect the plan that meets the needs of you and your family. The enrollment period will be October 9 to November 3, 2006, with coverage effective January 1, 2007. There will be several enrollment meetings for all employees, and we encourage everyone with dependent coverage to **invite their spouse** to attend in order to learn more about the health plans. Keep an eye out for future communication on the dates and times for the upcoming meetings. Remember, since there are now three plans to choose from, **all employees must complete enrollment forms** during this open enrollment period.



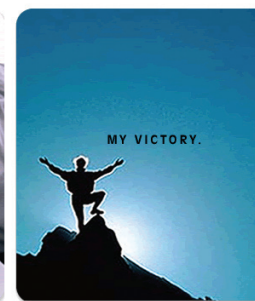
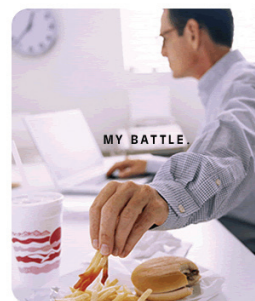
## MY BLUEPRINT—WHAT IS IT?

As a NAPEBT employee covered by BCBSAZ, you have access to **My BluePrint**, an interactive health and well-being assessment tool that provides you with a snapshot of your total body health. You simply answer an online survey related to fitness, nutrition, stress, and sleep – all of which are factors that affect your health and productivity in the workplace. Then, the tool helps you set healthy goals and tells you how to reach those goals through lifestyle changes.

Based on the results of your health assessment, you'll receive personalized information, programs, and services dealing with nutrition, sleep, stress, fitness, and overall lifestyle management.

- Go online to [www.azblue.com/myblueprint](http://www.azblue.com/myblueprint) and register for **My BluePrint**. You can also access health-tracking tools, such as logs for blood pressure, cholesterol, weight, and resting heart rate.
- Diaries for smoking, sleep, and food habits also are available as part of the behavioral change programs.
- In addition, bi-weekly e-mails direct users to featured topics and articles on the **My BluePrint** home page.

CHECK OUT THIS GREAT TOOL AND GET STARTED ON THE ROAD TO BETTER HEALTH AND FITNESS!



**My BluePrint™**

Take control of your health by visiting My BluePrint, one of the many online services offered to BCBSAZ members. My BluePrint is an interactive health and wellness program that gives you information on your total body health and how you can improve it. Some of the features My BluePrint offers include:

- Health and well-being assessments
  - View a Sample Health Assessment
- Articles from leading health experts
  - View a Sample Article

BlueCross BlueShield of Arizona  
An Independent Licensee of the Blue Cross and Blue Shield Association

**Health and Wellness**

My BluePrint is a part of HealthyBlue, BCBSAZ's program of integrated tools, resources and services whose online components also include health information and interactive fitness programs. HealthyBlue brings these resources together to educate, engage and empower our members on their path to healthier living. [Learn More.](#)

**Health & Well-Being Assessments**  
Your participation in My BluePrint begins after you take the health assessment.

- Takes just 15 minutes to complete
- Results are immediate
- Gain access to all My BluePrint content

[View a Sample Health Assessment Report](#)

**Information & Resources**  
MyBluePrint offers more than a series of health assessments.

- Up-to-the minute health news
- Personalized health topics and articles
- Fitness and nutrition logs

[View Frequently Asked Questions](#)  
[View a Sample Article](#)

**BlueNet Users:**

Login:   
Password:

**Not Yet Registered?**

Register for BlueNet, our online destination for BCBSAZ members, and begin experiencing My BluePrint today! Also, don't forget that BlueNet is your online gateway to view your benefits, track deductibles, order replacement ID cards, and much more.

[Register Now](#)

# CHIROPRACTIC SERVICES CHANGE – AN ADJUSTMENT

Effective July 1, 2006, the chiropractic services benefit will provide employees and family members with 12 visits (adjustment or office) until December 31, 2006. Then in 2007, the total annual benefit will be 12 chiropractic visits (January – December). This change was made by NAPEBT in order to help control the increasing cost of our healthcare plan.

NAPEBT employees also have access to discounted chiropractic and other health-related services and products through BCBSAZ's Complementary Medicine Program. Through BCBSAZ's contract with American Specialty Health Networks Inc. (ASH Networks) and HealthyRoads™, Inc.

Our benefit plan provides coverage for most chiropractic services. The in-network benefit level applies when you use a chiropractor who is in the BCBSAZ Preferred (PPO) network, which is separate from the ASH Networks chiropractic network. Chiropractors may or may not be in both networks. Check our online directory at [www.azblue.com](http://www.azblue.com) or call 602-864-4400 or 800-232-2345 for a listing of providers. You may want to take advantage of discounted fees from ASH Networks providers for chiropractic services not covered by the Plan.

To find out more, go online to [www.azblue.com](http://www.azblue.com) and click on the Health & Wellness link, then the Complementary Medicine link. This will lead you to the HealthyRoads™ Web site, where you'll find information on chiropractic, acupuncture, massage therapy, and much, much more!

## HEALTHCARE CONSUMER TIP – WHEN TO VISIT THE EMERGENCY ROOM

Going to the emergency room when other treatment alternatives are available not only costs you money, but also could cost you a lot of time. Emergency personnel are trained to recognize and treat emergencies first, leaving those patients with non-life-threatening illnesses and injuries with a much longer waiting time. You should limit your trips to the emergency room for true emergencies. Keep in mind that visits to the emergency room are costly. Big expenses for you and the Plan can lead to higher costs for everyone down the road.

Also, remember that it is important to keep your primary care physician involved to ensure consistent and comprehensive care. Your primary care physician may be better equipped to handle your care than an emergency room doctor who is not aware of your medical history.

Be a wise consumer. Knowing when (and when not) to go to the emergency room can save a life – and won't delay care for others when they really need it.

## THE COST OF USING THE ER



Emergency room treatment for non-emergency medical conditions is a major contributor to the rising cost of healthcare. **On average, an ER visit costs \$383, while a doctor's office visit costs about \$60.** In actuality, you can usually get care that is more appropriate for non-emergency conditions in a doctor's office – and it costs less.

When you visit a personal physician, you:

- Are seen by someone trained to care for most of your health needs;
- Can build a relationship and develop medical treatments specific to your needs;
- Can discuss your family health history and plan appropriate preventive measures; and
- Have access to the doctor for follow-up care to make sure that your treatment is effective.

In an emergency, you shouldn't hesitate to go to the ER, but if your condition isn't an emergency, check with your doctor first. Here are some examples of when the emergency room may and may not be appropriate.

WHEN THE EMERGENCY ROOM IS MORE APPROPRIATE...	WHEN A VISIT TO YOUR PHYSICIAN'S OFFICE IS MORE APPROPRIATE...
Loss of consciousness.	An earache.
Severe shortness of breath.	Minor cuts where bleeding is controlled.
Signs of a heart attack.	A sunburn or minor burn from cooking.
A severe or worsening reaction to an insect bite or sting, or to an insect sting or delayed swelling from a sting (especially if breathing is difficult).	An insect bite.
A major injury, such as a broken bone, head trauma, or sudden severe pain.	A sprain.



## BE PREPARED BEFORE AN EMERGENCY

When you're not feeling well, the last thing you want to do is sit for hours in a crowded emergency room waiting to be seen for treatment. Here are some tips to help you prepare for sudden medical problems and avoid the unnecessary time and expense associated with using emergency services:

- **Keep in touch with your primary care physician.** Having a doctor who keeps your medical history on file and who is available to see you in a pinch is one of your best recourses in an emergency.
- **Be prepared.** Find out what other healthcare facilities are available in your community. Urgent care centers and 24-hour walk-in clinics can treat many conditions—usually faster and cheaper than a hospital emergency room.
- **Keep important medical information with you.** Always carry your medical and prescription drug cards with you, as well as a list of any chronic conditions you have and the medication you're taking.
- **Know your health coverage.** Make sure that you're familiar with the coverage that's available through the Plan.
- **Consider keeping a consent form on file for your children.** You may wish to file a consent form with your local emergency facility in case your child has a medical emergency while you are out of town or otherwise unreachable.

There's a lot of media attention focused on consumer driven healthcare plans. The goal behind these plans is to enable you to take control of your healthcare costs. NAPEBT Trustees have investigated different consumer-driven healthcare options and will be adding a High Deductible Health Plan (HDHP) with a Health Savings Account (HSA) to your health plan options. An HSA allows you to pay for eligible health-related expenses on a tax-favored basis.

## Here are some basics about HSAs:

### High Deductible Health Plan (HDHP) coverage.

Health Savings Accounts must be offered with a High Deductible Health Plan. To be eligible, the HDHP must have an annual deductible of at least \$1,050 for individual coverage and \$2,100 for family coverage in 2006 (these amounts are subject to change each year). In addition, the HDHP must have an annual out-of-pocket maximum that does not exceed \$5,250 for individual coverage or \$10,500 for family coverage in 2006.

### Tax Savings

Since HDHP's mean higher initial out-of-pocket costs for you, establishing an HSA allows you to minimize or avoid the impact of federal income taxes by contributing to your Account with pre-tax dollars. That means your contributions are "excluded" from your income, and not subject to any income or FICA tax. Most states, but not all, also allow you to take a state income tax deduction for HSA contributions. You can contribute 100% of the deductible, up to \$2,700 for individuals or \$5,450 for families, into an HSA. Money contributed to your HSA will receive interest like a savings account, but on a tax-free basis. And, unlike other accounts, your money will not be lost if not spent by the end of the year.

### Qualified Expenses

The money in the HSA is available to spend tax-free for qualified medical expenses for you, your spouse, or a dependent, which include:

- Healthcare expenses that you incur before you meet your deductible;
- Healthcare expenses that are not covered by your Plan, but considered eligible medical expenses by the Internal Revenue Code, such as over-the-counter drugs or expenses in excess of specific plan benefit maximums, mental health expenses, physical therapy, prescribed cosmetic procedures, and alternative medical treatments (e.g., acupuncture, aromatherapy, nutritional counseling);
- Coinsurance amounts;
- Payments for COBRA Continuation Coverage;
- Premiums for Medicare Parts A, B, and D (not medigap plans or medicare supplemental plans);
- Qualified long-term care insurance and expenses; and
- Fees incurred by physically-impaired individuals (e.g., wheelchairs, telephone or TV equipment to assist the hard-of-hearing, guide dogs).

### Withdrawing money

You can withdraw money from your HSA at any time. However, there may be tax consequences depending on how you use the money. In general, if you use the money to pay for eligible healthcare expenses, there will be no tax consequences.

You may use a Health Savings Account to pay for non-qualified expenses such as for cosmetic procedures. However, any money you use for non-qualified expenses will be considered taxable income to you and you will be required to pay an additional 10% penalty on that amount. However, the 10% penalty does not apply if you are entitled to Medicare (i.e., you are age 65 or older and enrolled for Medicare) or you are disabled when you pay for these expenses.

HSAs let you decide how to spend your healthcare dollars, while providing tax savings. NAPEBT Trustees have worked hard to offer a High Deductible Health Plan and HSA, offering added benefits and flexibility to Plan members in a cost-effective manner that will be effective January 1, 2007. More information about HSAs is available from the IRS at [www.irs.gov](http://www.irs.gov).

## LET US KNOW WHAT YOU THINK

We want this newsletter to be a valuable resource for you and your family. If you have suggestions about topics to include in future issues, please share your ideas by contacting:

**Coconino County:** Judy Jones 779-6810

**The City of Flagstaff:** Shannon Anderson 779-7698

**Flagstaff Housing Authority:** Deborah Beals 526-0002

**Coconino Community College:** Elizabeth Jennings 226-4268

**Flagstaff Unified School District:** Barbara West 527-6072

**Northern Arizona Intergovernmental Public Transit Authority:** Heather Dalmolin 679-8908

*This newsletter highlights certain benefits of the Northern Arizona Public Employees Benefit Trust. The official Plan Documents contain the rules of the Plan. If there is a discrepancy between the information in this newsletter and the Plan Documents, the Plan Documents will govern.*