

July 7, 2009

Good Morning RPEA Members,

This is the next in the series of updates on the status of the administration of the State of Alaska Health Care (AlaskaCare) Third Party Administrator contract. RPEA's work with Wells Fargo & Retirement and Benefits has elicited good information. We are purchasing additional software so we can get e-mail attachments transported into Adobe Acrobat format. Some of you have told us you don't have Microsoft Word and therefore couldn't access the previous attachments.

So where are things?? Last week, there was a further clarification received from the State on the Member ID Cards which I thought was more instructive than the previous attachment. Because of its clarity, I have attached it to this e-mail (see below.) In response to this issue of Member ID Cards, please let us (as well as Wells Fargo and R & B, of course) know what your experiences are with providers as the result of the cards issued recently by Wells Fargo.

Also, in response to some of our questions, RPEA received additional information from Wells Fargo late last week on issues regarding the administration of the health care contract. An additional attachment is made to this e-mail on these updates (see below.) This information provides answers to some of your questions and discusses some of the issues the State and the TPA are dealing with because of the compressed time frame of the contract.

So, the first attachment lays out more detail on why R & B and Wells Fargo made a conscious decision to use the system for member names on cards that they did. As I responded to their e-mails late last week, the "proof in the pudding" will be how well the system works with the providers, as we know different approaches have been used in the past with different Third Party Administrators. Let us know your EXPERIENCES, please, and always, provide the information to Wells Fargo and to Retirement and Benefits as well.

The second attachment quotes part of an e-mail I receive late last week in response to my outlining some of the major concerns RPEA has heard on the health care contract administration. Parts of the e-mail were just "poor us" comments, but some of the information were temporary **SOLUTIONS** to some of the issues/problems we have raised over plan implementation in recent weeks/months. Most importantly, read the first paragraph where Wells Fargo says they are considering all Blue Cross (Premera) providers IN NETWORK for 90 days, even if the providers are not in the Beech Street network. Hopefully, this will deal with the issues raised by members in recent weeks and assure them the charges will be taken care of under the retiree plan.

We will continue to provide updates as important information becomes available. Thanks again to all of you that have provided comments to us in recent weeks.

Sam Trivette
RPEA Medical Information Director

Attachment 1: Further clarification from Retirement & Benefits on using only the member's name on the ID cards.

The cards were not issued by mistake. While cards with dependent names did appear during the Premera contract, our transition team decided on the member's name only, based on the following:

1. The member is how the benefit is tracked. When calling the claims number or dealing with the Division, member identification is the most useful and direct path to the information needed to answer questions. Neither system has ever used the dependent name as the primary search-and-find item. Searching under a dependent name takes several extra steps. By having the member name prominently displayed, service during the difficult time of transition may be improved.
2. Many dependents are no longer covered during this time of student status change (graduation) and/or achieving an age after which coverage for children no longer applies. In order to make sure we did not send out a dependent card that was effectively no longer accurate, the member name was selected. And with the rather young retiree group – student status of dependents is not rare for the group.
3. The vast majority of security conscious providers do not use the ID card as the final word on coverage. After all, there is no photo, and no magnetic strip that can be used to transfer payment like a credit or debit card. The card identifies the information the provider needs to submit phone, fax, mail and electronic billing – indexed according to the member, discussed above in #1, and is the very best indexing system for prompt payment to the provider.”

Pat Shier, Director, Retirement and Benefits

Wells Fargo ID Cards 2

Attachment 2: Status update from Wells Fargo on the transition process.

For transition of care situations we are considering Blue Cross providers in network for 90 days even if the providers are not in the Beech Street network. Any member that is concerned about out of pocket costs for non-network providers should call us. We can tell them if the charges are within UCR and work with their providers. In every case I've researched to date they charges have been within the limits we use. Nobody needs to cancel any appointments.

The website has been up for a very short time and is being modified daily. We had to balance the need to get it up with the need to have useful information on it. We decided to go ahead and put it up before it was finished, recognizing we would get some complaints about how it works. Rest assured we are aware of the deficiencies of the site and that they are being addressed.

Regarding the phones, we've received a very high volume of calls this week. Our largest day yet was yesterday with over 1700 calls received with an average hold time of 110 seconds. This is longer wait time than our goal, but still very good in our opinion given the volumes. Our staff manning the phones are the best people we have, many with over 20 years of experience working for us. It is a dedicated unit exclusively for the AlaskaCare plans. There may be instances this week (due to the volumes) where extra staff are pitching in that are not part of the core dedicated unit.

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