

Benefit Matters

February 2011

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Stay Informed about Healthcare Reform

Our goal is to keep you as informed as possible and to be a trusted resource for you and your employees. That's why we've devoted a section on our Web site, the Healthcare Reform Resource Center, to keeping you up to date on healthcare reform issues.

The section is accessible from a prominent link on our home page, and contains FAQs, timelines, additional resources, and more. We update this page and our FAQs on an ongoing basis.

We also offer a Healthcare Reform E-update, with important healthcare reform news. To sign up to receive these updates, please visit PacificSource.com/healthcare-reform.aspx.

PacificSource Receives High Marks for Quality

Providing great service is an important part of how we do business. To ensure our members are receiving the care and service they expect, we track customer satisfaction in many different ways. In 2010, we added a new standardized reporting measure, HEDIS, developed by the National Committee for Quality Assurance (NCQA).

HEDIS, which stands for Healthcare Effectiveness Data and Information Set, is a tool used by more than 90 percent of America's health plans to measure things such as care and service. HEDIS makes it easier to compare plans on an apples-to-apples basis. In our HEDIS reporting, we used CAHPS survey results. CAHPS (Consumer Assessment of Healthcare Providers and Systems) is an initiative of the United States Department of Health and Human Services Agency for Research and Quality. It measures members' satisfaction with PacificSource and physician and healthcare services.

In our first year participating, we couldn't be more pleased with the outcome. According to NCQA Quality

Compass results, **PacificSource's customer service was the highest rated among Oregon commercial health plans.** We also received high marks from members in preventive/ambulatory health services, childhood immunization status, comprehensive diabetes care, and many other categories.

Our positive results are attributed not only to the effort of our employees, but to the many high quality healthcare professionals who make up our provider network.

View the full 2010 HEDIS/CAHPS Effectiveness of Care Report for 2009 at <http://www.pacificsource.com/hedis-report.pdf>.

State Taxes May Apply to Benefits for Adult Dependent Children

The federal Affordable Care Act of 2010 allows coverage for adult children up to age 26. This act excludes the value of this coverage from federal income tax. However, some states may still consider this value subject to state income tax.

Many employers have asked us to verify the dollar value of the healthcare benefits for those newly eligible dependents. While we are unable to provide a recommended value, we offer several convenient ways for you to access information, which you can then take to your CPA or benefits attorney for advice.

Through InTouch for Employers, our secure online portal at PacificSource.com, you can run a census report showing current enrollees and



enrollment composition. You'll find your current rates on your PacificSource contract and on your billing statements.

Please consult your CPA or benefits attorney regarding state taxation questions, or contact your state department of revenue for more information.

Upcoming Community Events

PacificSource is proud to sponsor community events that support healthy communities and health-focused organizations. Please join us in supporting these local events:

Casino Night—CASA of Lane County

February 4, Eugene, Oregon

Idaho Bowl For Kids Sake— Big Brothers Big Sisters of Southeast Idaho

Friday night, March 4,

Pocatello and Idaho Falls, Idaho

Saturday afternoon, March 5, Idaho Falls, Idaho

Portland International Auto Show

January 27-30 Portland, Oregon

After you check out your new dream vehicle at the auto show, be sure to stop by the PacificSource Wellness Garage for a wellness tune-up! Get a free health screening, sample healthy foods, and try out family-friendly physical activities like Xbox Kinect, jump rope, hula hoops, and kick boxing.

New OTC Medicine Eligibility Guidelines in Effect

As part of federal healthcare reform, most over-the-counter (OTC) medications now require a prescription from a medical provider to be eligible for reimbursement from a flexible spending account (FSA) or health reimbursement arrangement (HRA). Items such as cough medicines, pain relievers, allergy medicines, acid controllers, and diaper rash ointment will no longer be reimbursed unless there is a doctor's prescription submitted along with the reimbursement request. Manley Services, our subsidiary, has developed an OTC FAQ and member flier to provide more information about this change. Visit ManleyPlan.com.

Please note: After January 15, 2011, FSA and HRA debit cards may continue to be used to purchase OTC medicines at drug stores, pharmacies, mail order, and Web-based vendors if:

1. the participant has a prescription,
2. it is dispensed by a pharmacist, and
3. an Rx number is assigned.

These transactions will be considered fully substantiated at the time and point-of-sale. Other guidelines apply;

please see the following IRS notices for more details:

- <http://www.irs.gov/pub/irs-drop/n-10-59.pdf>
- <http://www.irs.gov/pub/irs-drop/n-11-05.pdf>

Winter Focus on Wellness

Help Your Employees Beat the Winter Blues

With the holidays behind us and the darkness of January settling in, it's easy to give in to the winter blues. Post our list of top ten tips in your workplace to help your employees beat the blues. Please contact your Client Service Representative or visit our Wellness Communication Toolkit page, Depression section, at PacificSource.com/wellness-toolkit.aspx.

More Top Ten Tips Coming Soon

February: Our top ten relationship tips are reminders of some of the ways to build positive relationships.

March: Our list of top ten heart tips can remind your employees about their heart health.

For no-cost wellness posters, payroll stuffers, and newsletter articles, please contact your Client Service Representative or visit our Wellness Communication Toolkit page at PacificSource.com/wellness-toolkit.aspx. Find quick links to our featured topic of the month in the right column of the Web page.

Prenatal Program Contact Information

As we announced in the previous issue of *Benefit Matters*, our new PacificSource Prenatal Program replaced the Expectations program effective January 1. Interested members may contact us for more information or register at:

- Toll-free (888) 691-8209, ext. 5268
- conditionmanagement@pacificsource.com
- PacificSource.com/for-members/prenatal-program.aspx

This month, updated fliers will also be available in the Prenatal Care section of our Wellness Communication Toolkit page, PacificSource.com/wellness-toolkit.aspx.



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