

Third Quarter 2002

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Need Better Cash Flow in 2003?

July begins the second half of 2002 - what better time to evaluate your family's financial condition and resolve to improve your cash flow in 2003. Total those out-of-pocket medical, dental and prescription drug expenses you've already incurred this year. You'll probably be surprised at the half-year totals and welcome suggestions for alternative budgeting. Our solution? Flexible Employee Benefits Plan!

When you join the Flex Program during the open enrollment period in November, your membership becomes effective January 1.

The advantage of having the Flex Program working for you is the amount of money you can save each year. For example, if you are eligible and enroll in the Health Care Reimbursement Account Plan (HCRA), you can set up your own reimbursement account with money deducted automatically from your paycheck. Because your contribution is deducted before state, federal, and Social Security taxes, you save money by paying lower taxes on your income.

You will be reimbursed by HCRA for certain health care expenses incurred by you or your eligible dependents (your spouse or any other person you claim for Federal Income Tax purposes). When you incur out-of-pocket expenses (office visit or drug copays for example), the claim for services is submitted. Since the HCRA is administered by Blue Cross and Blue Shield, your reimbursement is usually generated at the same time the health care provider is paid.

Other available Flex programs are the Premium Conversion Plan and the Dependent Care Reimbursement Account.

Premium Conversion Plan (PCP) - Eligible State employees can pay premiums for State Employees' Health Insurance Plan (SEHIP) and certain qualified voluntary

Continued on next page

Far and away the best prize that life offers is the chance to work hard at work worth doing.

— Theodore Roosevelt

Flex Program from page 1

insurance programs (such as cancer coverage) using pre-tax dollars, thus reducing your tax liability and increasing your take-home pay.

Dependent Care Reimbursement Account (DCRA) - Allows State employees to pay for certain eligible dependent care expenses with pre-tax dollars. The employee must be either a single head of household, a married person whose spouse also works, a married person whose spouse is a full-time

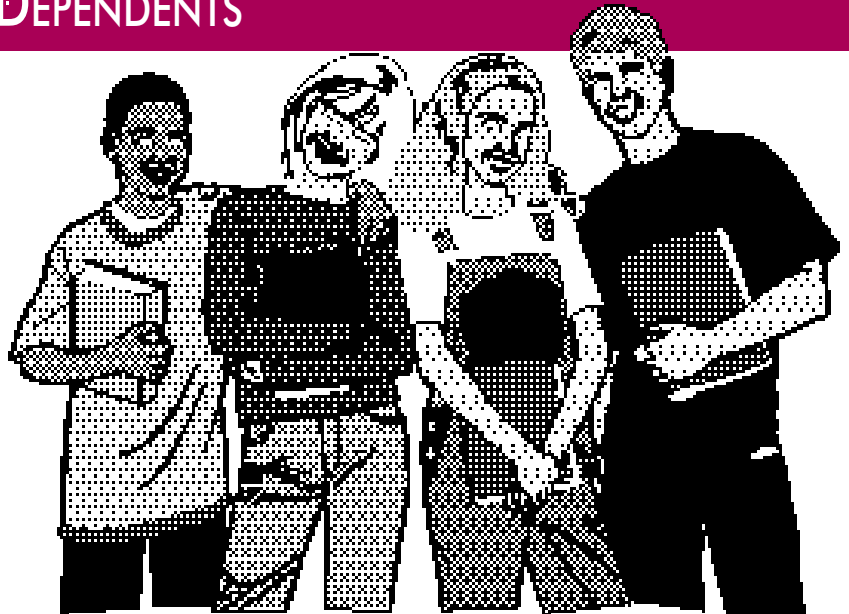
student at least five months out of a year or a married person whose spouse is disabled and unable to provide his/her own care. The employee must provide daily care for a dependent or disabled member of the family in order to work.

Call us today for more information -
1-888-966-FLEX (3539).

STUDENT VERIFICATION FOR DEPENDENTS

If you have a dependent unmarried child, age 19 through 25, who is a full-time student at an accredited institution, remember that annual verification from the school is required by the SEIB in order for health insurance coverage to continue.

Reminders of student verification are mailed to employees six to eight weeks prior to the dependent's birthday each year. When you obtain school verification, please ask the school to include the employee's name and department on the form before mailing or faxing to us.



Generic Drug Bill Enacted

The Alabama Legislature passed into law a bill (HB171) requiring pharmacists to dispense only generic equivalent medications to

members of the State Employees' Health Insurance Plan and the Public Education Employees Health Insurance Plan. Unless the prescribing physician specifically writes on the prescription to dispense a brand name medication, effective June 1, 2002, your

pharmacist must dispense an equivalent generic medication.

Although this bill was designed to save money for the health plans, due to our tiered drug copay provisions already in place (\$5 generic copay, \$15 preferred brand name and \$35 non-preferred brand name), no funds will in actuality be saved as a result of this law.

The SEIB regrets any inconvenience this new law will cause our subscribers.

STATE EMPLOYEES AS DEPENDENTS

We are often asked, “Can I cover my spouse or child, who is also a State employee, as a dependent on my health insurance policy?” No!

In a recent review, we identified more than 50 cases where a State employee, who had their own State health insurance policy, was also covered as a dependent on their spouse’s or parent’s State health insurance policy. We promptly canceled dependent coverage.

Most of the time, this “double coverage” was merely an oversight by the employee who forgot to cancel the dependent coverage for his/her husband, wife or dependent child after the dependent became employed by the State. Claims in these cases were usually processed correctly because they were filed under the new State employee’s policy and not under the previous dependent contract.

In other cases, however, the motive for the double coverage was deliberate. Claims were filed under both contracts so that the employee’s contract would pay primary and the dependent coverage would pick up any unpaid portions of the claims and pay them as secondary. This occurred most often with dental claims where the primary coverage would pay 50% and the dependent coverage was expected to pay the remaining 50%. In these cases, claims filed under the dependent coverage were either rejected or are being recalled.

Per the policies established by the State Employees’ Insurance Board, State employees are only eligible for primary coverage provided by the State health insurance plan. If you were covered as a dependent under the State health insurance plan prior to coming to work for the State, please ensure that your coverage as a dependent has been canceled and that you only use your employee’s health insurance card for claims.

Alabama Transplant Waiting List

Here is the latest available data from the Alabama Organ Center in Birmingham for those awaiting transplants.

Organ	People Waiting For Transplants
Kidney	1,773
Liver	259
Pancreas only	19
Kidney/Pancreas	54
Intestine	0
Heart	68
Heart/Lung	6
Lung	58
Total Waiting	<u>2237</u>

You can help reduce these numbers by indicating your wish to be an organ donor when you renew your Alabama driver’s license. Saying “yes” to organ donation means that you have decided to give organs or tissues after your death to people who urgently need a transplant. This choice to become an organ donor can make a life-saving difference for a critically ill person. There are no costs to your family. Donation is a gift. Additional information is available from the Alabama Organ Center by calling 1-800-252-3677. Don’t take your organs with you – you won’t be needing them!

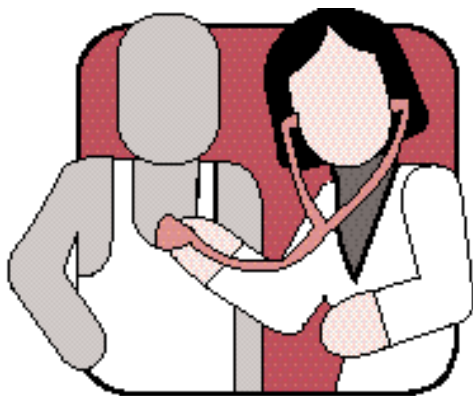
Intracorp’s HealthWatch24 Nurses: Directing the Way to Better Health

A HealthWatch 24 Nurse can help you learn more about healthy behaviors, give information on local health resources and identify callers or family members who are at risk for serious health conditions. The nurses also provide “healthy” callers with direction to preventive health resources and information, keeping healthy people healthy.

Consider that, in general, people in a learning situation retain:

- 10% of what they read;
- 20% of what they hear;
- 30% of what they see;
- 50% of what they see and hear;
- 70% of what they talk over with others; and
- 80% of what they use and do in real life.

We encourage you to find the answers to your health care questions. So call your HealthWatch24 Nurse and talk it over! Calls are toll-free, confidential and available 24 hours a day, seven days a week at 1-800-551-2294, PRESS 1, then option 6.



WORKSITE WELLNESS SCREENINGS

sites/dates

July	County	Site
10 – 11	Montgomery	Ag & Industries
11	Jefferson	ESO/Roebeck
12	Montgomery	State Lab
12	St. Clair	DOC/Springville
12	Geneva	Health Dept
15	Jefferson	Rehab
15	Conecuh	County Commission
16	Montgomery	ADEM/Main
16	Mobile	DIR
16	Jefferson	Bham Courthouse
16	Madison	DHR
17	Barbour	DOC/Ventress
17	Jefferson	AIDB
17	DeKalb	Fort Payne Water
17	DeKalb	Fort Payne Parks Rec
17	Madison	DIR
17	Madison	Forensics/Public Safety
18	Montgomery	RSA Bldg
18	Jefferson	DHR/University
18	Jefferson	Medicaid/University
18	Jefferson	DYS/University
18	DeKalb	Ft. Payne Housing Authority
18	DeKalb	Ft. Payne Streets, Vehicles, Maint.
19	Montgomery	Archives & History
22	Mobile	ADEM, Oil & Gas Board
22	Jefferson	Bessemer DHR
23	Mobile	Public Safety
23	Jefferson	Courthouse/Bessemer
23	Jefferson	Pardons & Parole/Bessemer
24	Montgomery	RSA Union
24	Shelby	Columbiana Housing Authority
24	Shelby	City of Columbiana
24	Etowah	NE Etowah Water
24	Etowah	Medicaid
24	Houston	Mental Health/The Haven
25	Mobile	DDS
25	Barbour	DOC/Easterling
25	Shelby	Alabaster Water Dept
25	DeKalb	Fort Payne City Hall
25	Shelby	Alabaster City Hall
29	Etowah	Children's Rehab
29	St. Clair	DHR
29	Madison	Super Computer
29	Madison	Health Dept/Clinic, Environmental
30	Baldwin	Mental Health/Brewer
30	Cullman	DHR
30	Etowah	Revenue
30	Houston	Mental Health
30	Houston	SpectraCare
30	St. Clair	City of Pell City
30	Tuscaloosa	Industrial Relations
30	Morgan	North AL Regional Hospital
31	Montgomery	Rehab Services
31	Jefferson	State Lab

August	County	Site
1	Marengo	Employment Office
1	Madison	DOT
1	Madison	Space and Rocket
1	Perry	Wildlife and Conservation
5	Mobile	Children's Rehab Services
5	Houston	Employment Office
6	Houston	DOT
6	Baldwin	DHR/Bay Minette
7	Mobile	Revenue & Tax
8	Dale	Judicial/Probate
8	Madison	Courthouse
12	Baldwin	DHR/Robertsdale
12	Baldwin	Health Dept
13	Elmore	City Wetumpka/DA/HD/Water Board
13	Mobile	DOT
14	Marshall	State Parks
14	Montgomery	Mental Health Dept
14	Mobile	DHR/Prichard
19 – 20	Montgomery	DOT/Main
21	Monroe	Health Dept
21	Shelby	Oak Mountain State Park
22	Pickens	DOT
27	Elmore	County Commission
28	Clarke	DHR
29	Clarke	Health Dept
29	Montgomery	Military/Dannelly
30	Montgomery	Courthouse

September	County	Site
3	Mobile	Fresh Water Fisheries. Wildlife
4	Mobile	Battleship Alabama
12	Autauga	County Commission
16	Monroe	DHR
17	Baldwin	Gulf State Park
17	Montgomery	RSA Plaza
17	Clarke	Courthouse
18	Baldwin	Conservation, Marine Resources
18	Clarke	Thomasville Mental Health
19	Bullock	DHR/DOT
20	Elmore	Staton Correctional Facility
24	Mobile	State Docks, International Trade Ctr.
25	Elmore	Mental Health, Tarwater
26	Elmore	City of Millbrook
26	Mobile	State Docks, McDuffie Coal Facility

If you have questions regarding this schedule,
call Janice Smiley,
Worksite Wellness Branch,
334-206-5597.