

TRUSTLINE



CALIFORNIA'S
VALUED TRUST
Healthcare Benefits for the Education Community

CALIFORNIA'S VALUED TRUST

WINTER 2011



CVT INTRODUCES NEW COMMUNICATION PLATFORMS

Taking advantage of communication outlets, especially ones that are instant, are essential in keeping our members informed on any topic related to health-care and wellness. That's why we've recently launched our CVT blog on our website, and our Twitter page. Our blog will focus on current healthcare trends and Trust news, while Twitter will highlight any updates, notifications or resources where members can find more information about any given topic. We're excited about these new tools and believe our members will find both to be very useful, immediate and another way to communicate with our team. We encourage you to follow us at www.twitter.com/cvtrustorg.

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CVT + IMPLEMENTATION OF HEALTH CARE REFORM

CVT has been working diligently to implement the Federal Health Care Reform in accordance with the schedule outlined in the law. Some provisions will take place over a period of several years. We will continue to keep our members informed of the changes that are coming and provide updates as we develop plans to meet the new law's provisions year after year.

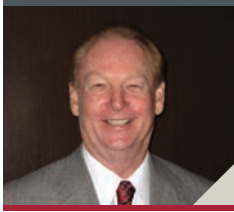
The following are the new health care reform provisions made to CVT's health plans this year:

- **Adult Dependent Children** – Adult children up to age 26 are eligible to receive coverage from their parent's plan, regardless of student status or marital status. These children do not have to be supported by or living with their parents.
- **Pre-existing conditions** – The law says plans cannot limit coverage for children under age 19, regardless of whether the child has a gap in coverage. CVT has never had exclusions for pre-existing conditions at any age.
- **Preventive Services** – One of the changes made was adding age appropriate preventive care without cost share for certain

services to all PPO plans. For example, preventive services such as immunizations for children and cancer screening for women are now covered at 100% and eliminates cost sharing. For more information, visit www.healthcare.gov/center/regulations/prevention/recommendations.html

- **Lifetime Limits** – Plans no longer have lifetime limits on essential health benefits.

For more information on these provisions or commonly asked questions, visit the CVT website to view our new health care reform resource center at www.cvtrust.org/resources/healthcarereform.php. You'll also find useful links, updates and notices that will help keep you informed on the health care reform.



Dr. Vaughn's CORNER

DAVID B. VAUGHN, Ed.D - EXECUTIVE DIRECTOR

CVT's Dr. Vaughn Announces Retirement

After more than 22 years of service to California's Valued Trust, Dr. David Vaughn, Executive Director, retired on December 31, 2010. Dr. Vaughn served on the CVT Board of Directors for a number of years and became the Executive Director in 2004. We are sure that all who know Dr. Vaughn will join us in wishing him well in his retirement.

At the same time, we are pleased to announce that CVT's Board of Directors has appointed Valerie Cornuelle as the Executive Director, effective January 1, 2011. Valerie has served as CVT's Director of Operations for the past 10 years and has more than 25 years of industry experience. Her insights into the organization and industry will provide the Trust with continued leadership and vision.

Please feel free to contact us with any questions you might have. Thank you for your confidence and trust in CVT and we look forward to continuing to be your healthcare partner.

How does a jointly managed trust work?

This question occasionally gets asked. That's why we've developed a resource for our members to download on our site which specifically answers the commonly asked questions. We encourage you to visit www.cvtrust.org/Downloads/CVTJointlyManagedTrustBroch.pdf to view this resource and find the answers to questions such as:

- Why a jointly managed trust?
- How is business conducted in a jointly managed trust?
- Why is a jointly managed trust effective at managing costs?
- How does it differ from a joint powers authority?



TRUST CONCEPT AND BENEFITS

No topic is more critical in the US today than healthcare benefits and skyrocketing healthcare costs. Everyone becomes more dependent on their healthcare provider to ensure they're receiving the best benefits, at the lowest possible costs, with premier customer service. This is especially true in the education community in California.

That's why CVT takes great pride in providing services to more than 200 districts statewide and serving as the state's largest self-funded public schools trust. For more than 25 years we've focused on our members, starting with the initiative of appointing Board of Trustees equally representing management and labor. Undoubtedly, the nonprofit Trust concept thrives and was built upon the principle of adoption and agreement between the likes of district superintendents and classified and certificated school labor unions – a concept commonly unseen in other healthcare providers.

Working together, CVT has been proactive in its attempt to address increases in utilization and cost of providing benefits. Understanding some decisions are based on costs, the Trust is keen on listening to the membership concerns and addressing enhancements and positive changes. Below are a few recent examples:

- **New Wellness PPO Plan.** Introduction of a new Wellness PPO Plan designed

to promote good health with resources and benefits while it builds credits and cash reimbursement for member's participation

- **Administrative fees.** CVT is among the most efficient in the state with an average of 1.03% administrative cost over the last four years
- **Re-evaluated pharmacy costs.** An evaluation of CVS/Caremark, our pharmacy benefit provider, resulted in an estimated savings of \$7.9 million in total plan cost over the next two years
- **Replaced EAP.** We replaced our MHN employee assistance program with ValueOptions for further cost savings
- **Changed life insurance provider.** CVT brought in Met Life as the new life insurance and experienced additional savings

Our member districts and participants are the reason we exist. During this new year, we set our goals to truly provide the enhanced benefits you deserve coupled with the most affordable costs and exceptional service. With the Trust concept intimately focused on its members, we're excited to work with you and ultimately being your healthcare partner.



WELLNESS PPO PLAN PARTICIPANTS

Healthy Lifestyles is one of the Wellness PPO Plan's value-added programs available that will provide you with all the help needed to live the healthier life you want, including online exercise and nutrition trackers, one-on-one telephonic coaching, gym membership discounts, support to stop smoking and much more. Look for your enrollment kit coming soon or go directly to www.anthem.com/cvt to sign up today!

TAKE ADVANTAGE OF CVS CAREMARK PROGRAMS

Whether it's cost savings, faster service or even technology that drives your decisions, CVS Caremark may have them all. Its FastStart®, ExtraCare® and iPhone App programs are making it convenient for our members to order prescriptions and receive discounts. Check out the key benefits of each program and how to get started today!

FastStart:

Did you know that you may be able to enjoy the convenience and potential cost savings* of getting your long-term** prescriptions for a 3-month supply by mail?

With Mail Service You Can:

- Save money on long-term prescriptions
- Save a trip to your doctor's office
- Enjoy home delivery of your long-term medications at no additional cost
- Order refills easily online or by phone

Getting started is easy, visit www.Caremark.com/Faststart. CVS Caremark will contact

your doctor for you to get a prescription for a 3-month supply. Discover the convenience and savings of having your medications filled by mail service.

Information On The Go:

A faster, easier-to-use experience now awaits mobile users of Caremark.com with quick, convenient access to:

- Secure Login & Registration
- Refill a Prescription
- Request a New Prescription (FastStart)
- View Prescription History
- Check Order Status
- Check Drug Cost
- Find a Pharmacy
- And more!

Caremark.com is now iPhone friendly. The best part is it's free! Simply visit the App Store and download CVS Caremark for iPad, iPhone and iPod touch today.

ExtraCare Card:

The ExtraCare card offers a 20 percent discount on more than 1,500 CVS pharmacy brand health related items. Whether it's allergy remedies, pain relievers, cough and cold medicine or even eye care, if it's a CVS brand...you can save substantially with your FREE card. Even better, the card can be used online at CVS.com for members who may not be close to a store! Your ExtraCare card is being mailed to CVT members with a PPO Plan in early spring, so keep an eye out for it. As always, please feel free to contact Member Services at **800.288.9870** for more information or questions.

CVS
CAREMARK

* To obtain a price estimate for your prescriptions through the CVS Caremark Mail Service Pharmacy, visit the Savings Center on Caremark.com.

** A long-term medication is taken regularly for chronic conditions or long-term therapy. A few examples include medications for managing high blood pressure, asthma, diabetes or high cholesterol.

EARLY RETIREE REINSURANCE PROGRAM

The Patient Protection and Affordable Care Act required that the U.S. Department of Health and Human Services (HHS) establish the Early Retiree Reinsurance Program (ERRP), which is designed to provide federal reimbursement to participating plan sponsors for a portion of the costs of providing health coverage to qualifying early retirees.

CVT is pleased to inform our subscribers that CVT applied and was approved to participate in the Early Retiree Reinsurance Program (ERRP). The program provides much-needed financial relief that will help us continue to provide our subscribers with quality, affordable health coverage.

Please read the following required notice issued by the Department of Health & Human Services which we are furnishing to all our participants in an ERRP-approved plan.

For additional information on the program visit www.healthcare.gov, a federal government website managed by the U.S. Department of Health & Human Services. The CVT Member Services Department at **800.288.9870** is available Monday-Friday, 8am to 5pm to assist you.



Notice About The Early Retiree Reinsurance Plan

You are a plan participant, or are being offered the opportunity to enroll as a plan participant, in an employment-based health plan that is certified for participation in the Early Retiree Reinsurance Program. The Early Retiree Reinsurance Program is a Federal program that was established under the Affordable Care Act. Under the Early Retiree Reinsurance Program, the Federal government reimburses a plan sponsor of an employment-based health plan for some of the costs of health care benefits paid on behalf of, or by, early retirees and certain family members of early retirees participating in the employment-based plan. By law, the program expires on January 1, 2014.

Under the Early Retiree Reinsurance Program, your plan sponsor may choose to use any reimbursements it receives from this program to reduce or offset increases in plan participants' premium contributions, co-payments,

deductibles, co-insurance, or other out-of-pocket costs. If the plan sponsor chooses to use the Early Retiree Reinsurance Program reimbursements in this way, you, as a plan participant, may experience changes that may be advantageous to you, in your health plan coverage terms and conditions, for so long as the reimbursements under this program are available and this plan sponsor chooses to use the reimbursements for this purpose. A plan sponsor may also use the Early Retiree Reinsurance Program reimbursements to reduce or offset increases in its own costs for maintaining your health benefits coverage, which may increase the likelihood that it will continue to offer health benefits coverage to its retirees and employees and their families.

If you have received this notice by email, you are responsible for providing a copy of this notice to your family members who are participants in this plan.



CHANGE IN SOURCE OF DIABETIC PLAN

Beginning January 1, 2011 CVT PPO Plan subscribers can begin transitioning their coverage of some diabetic supplies from the medical plan to their pharmacy plan. Their coverage remains the same but now members will have the convenience of getting supplies with their insulin or diabetic medication at their pharmacy.

There will be a transition period where members can still receive test strips and lancets under their PPO medical insurance as a medical supply. We will be sending letters to those currently taking diabetic medication in the near future regarding this new convenience. Please contact a CVT Member Services Representative at **800-288-9870** for additional information.

TIPS FOR A SUCCESSFUL HOSPITAL DISCHARGE

Whether you have had a scheduled or emergency admission to the hospital, either event creates a great deal of stress for you and your caregivers. Preparation for a successful discharge from the hospital is critical and key to your self-management plan of care. You will receive instructions from your doctor prior to your discharge and may receive new prescriptions to take or additional instructions for red flag warning signs and symptoms that require a call to your doctor. It's always helpful to have questions prepared in advance and to know your next steps. The following are just a few key questions patients have found helpful to have on hand prior to hospital discharge:

- Do I have my follow up appointment scheduled with my doctor and transportation to get to the doctor's office?
- Do I understand my new medication, and/or do I understand what previously prescribed medications to continue once I am home?
- Do I understand what the red flag warning signs and symptoms are that I need to watch for and when to call my doctor?

- Do I understand what I need to do for my self-management plan of care for ongoing follow up care?

It is very important to be sure all your questions have been answered prior to going home. Anthem Blue Cross Case Managers are available to assist you with your hospital discharge planning process. You may receive a phone call from an Anthem Case Manager after your discharge or you can request to speak to a case manager by dialing **1-888-613-1130** to assist with your questions.

Anthem Blue Cross is the trade name of Blue Cross of California. Anthem Blue Cross and Anthem Blue Cross Life and Health Insurance Company are independent licensees of the Blue Cross Association. ANTHEM® is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross name and symbol are registered marks of the Blue Cross Association.



UNDERSTANDING YOUR PPO PLAN

For many, healthcare benefits can be confusing and understanding acronyms and terms requires a whole new dictionary. That's why we've created the "Understanding Your PPO Plan" presentation, currently featured on our website. It highlights real examples such as: how your deductible and coinsurance work, what is a PPO Plan and what does it look like, as well as out-of-pocket maximums and major medical definitions. We encourage you to visit the Resource Section on our website at www.cvtrust.org/resources/webinars to hear the audio from the webinar and to view the presentation.



LIVE LIKE A CHAMPION

Celebrating its fifth anniversary, the Live Like A Champion Tour traveled throughout California for 14 weeks this past fall and early winter. Anthem Blue Cross, along with the California Governor's Council on Physical Fitness and Sports, have partnered with CVT to present this mobile community outreach program to our member districts. The Live Like A Champion Tour features interactive games and challenging sports-themed activities that inspire children to "live like a champion," and educates them on the importance of staying active and eating healthy. Live Like a Champion is one of several offerings through CVT's Fit for Life Wellness Program. For more information on the Fit for Life Wellness Program e-mail at fitforlife@cvtrust.org.



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Healthcare Benefits for the Education Community

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IMPORTANT FEDERAL PROGRAM NOTICE INSIDE

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