



BLUE CROSS NATIONWIDE



The Northern New Jersey Teamsters Benefit Plan covers the health insurance needs of thousands of Teamster workers.

This newsletter is to announce a major improvement in the benefits provided by the Northern New Jersey Teamsters Benefit Plan. Effective **September 1, 2006** the Northern Plan will leave the MagnaCare, Preferred Care, Inter-group, and Devon Networks and will move to a new and larger network of providers: **Horizon Blue Cross Blue Shield**.

With Horizon Blue Cross Blue Shield, you will now be able to use the Blue Cross network of **both** hospitals and physicians of every Blue Cross program in the entire **nation**. This Blue Cross network, called **Blue Card-PPO**, allows you to use the Blue Cross program wherever your medical services are rendered.

This newsletter will tell you:

- Why is Northern making this change?
- Why it is important to show your new card?
- Where medical bills should be sent
- New Plan procedure to move claims faster
- How to find a network doctor anywhere in the country
- New coverage for Anesthesia and Pathologist



By switching to one network (**the one card**) we hope these changes simplify your healthcare experience. We at Northern New Jersey Teamsters Benefit Plan believe this change also provides you with the largest and most flexible network possible.

Why is Northern making this change?

The reason for this change rests with two numbers:

The first number is the number 1; one card, one place to send the bills, simpler. No longer will bills be bounced back and forth between MagnaCare and Blue Cross.

The second number is 600,000. That is the number of all Blue Cross Blue Shield network medical providers across the country. It is by far the largest national network. You

will have more doctors in New York, New Jersey, and Pennsylvania plus network providers everywhere else.

The reason is that this product, the National Blue Cross Card, has only recently been offered to self-insured Plans such as the Northern Plan. If the National Blue Cross Card allowing access to all providers had been available to the Northern Plan when we first moved to Horizon for its hospital network, we would have taken it then.

Why it is important to show your new card

To get the new network running smoothly, you must show your doctor your new identification card.

The new card will contain a great deal of information. Most importantly, it will show the doctor's office where to send the bill and what plan number to bill under. All of this becomes very important when laboratory services are involved. The form the doctor uses to request tests on your blood for example, must contain your correct insurance information. This is the way the network lab charges get billed correctly. So, don't wait until the end of your office visit to say you have a new Plan. Show this card right up front. You still have 100% coverage for network lab services, but for it to work correctly the lab has to know whom to bill.

Where medical bills should be sent

All bills will be sent directly to Horizon Blue Cross. Almost every member has had doctor bills go to Blue Cross incorrectly under our current two card program. The doctors see the Blue Cross card and don't look to see that it is Blue Cross for hospital, MagnaCare for doctors. Many times the first time a member knows anything about the bill, is when they receive a rejection by Blue Cross with a note in tiny letters saying "submit to your major medical carrier". This happens when your doctor has sent the bill to Blue Cross instead of Magnacare. That bouncing of the bills between two providers now ends!

Why do doctors want to submit bills to Blue Cross instead of MagnaCare? Simply, they get paid much faster. As soon as they see the Blue Cross logo, that's where they send the bill, and in many cases electronically. Unlike the MagnaCare procedure where claims could take weeks before repricing, Blue Cross will move claims very quickly.

New Plan procedure will move claims faster

Accident details – If a participant goes to the emergency room with a broken arm, the Plan needs to know what happened. Primarily, what we want to know is "was this an auto accident, or an injury on the job". This information is still needed under the new program, before the claim will be paid. However, the procedure for handling these claims will change.

In the old Plan, we would send three letters, each 30 days apart requesting the information.

During this time the claim would be "pending" or held waiting for the accident details. The third letter says "if you don't respond in 30 days your claim will be rejected". The procedure where claims are held for long periods of time will not be allowed under the new Plan. Blue Cross will not allow the holding of claims for extended periods.



Blue Cross requires a change in our procedure when additional information is needed to pay a claim. When accident details are needed the claim will be immediately rejected. The reject will state what information is needed. When the information or documents are provided (assuming that the service would otherwise be covered) the claim will be processed. Under Blue Cross claims must move, nothing can be left hanging around.

As a practical matter, the first time you are even aware of the bill and what the actual charges are will be when you receive the Northern Plan's rejection. This will occur when network providers bill electronically to Horizon. The speed of this will often be very rapid.

The rejection does not mean we won't pay the claim, however you will have to read it and respond. It will not be processed until the additional information is provided.

How to find a network doctor anywhere in the country

1. Call the 800 number on your card

Blue Cross provides a phone number (800) 810-BLUE to be used to find either network physicians or a network hospital throughout the country. This number is the national number and is different from the Horizon 800 number for finding local providers.

2. Use the Web Site

Both Horizon Blue Cross (www.horizonbcbsnj.com) and the Blue Cross Association (www.bcbs.com) maintain excellent websites for finding providers anywhere in the country.

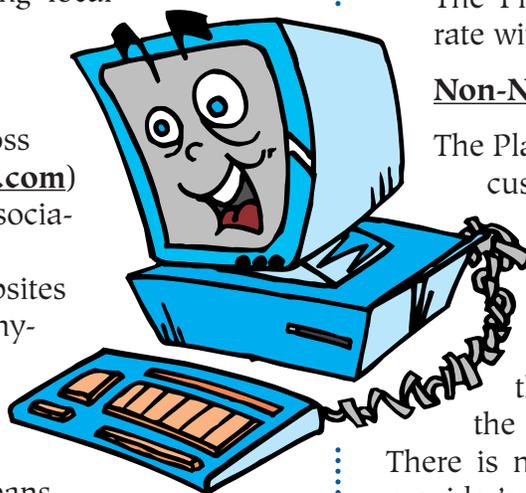
On both the sites is a spot that says Blue Card member. That means you. You are a Blue Card member. You will be asked to enter the first three letters on your Blue Cross Card. These letters will always be **NTW**.

On the national website, look for the link that says:

“Blue Card Doctor and Hospital Finder”

That’s you! You are a member of the Blue Card program. The site will require your prefix. This is the three letters **NTW** that appear on your card.

If you wish, you can use these sites to see if your current doctors are in the Blue Cross network. For those that find it easier to use Spanish, the site has an option of using Spanish. Just click on the word “Espanol” on the right hand side, and everything will be translated.



New coverage

Anesthesia

With the new program all anesthesia services will be paid under the same benefit design. The benefit will be as follows:

Blue Cross Network Provider

The Plan will pay 100% of the contracted rate with the appropriate co-payment

Non-Network Provider

The Plan will pay 80% of the reasonable and customary charges with no deductible applied

Because the non-network deductible is waived, the most you will have to pay is 20%. The exception to this will occur if the provider bills over the Reasonable and Customary amount.

There is no law that limits what non-network provider’s charge, so the way to protect yourself is to work with your surgeon to arrange for a network provider.

The rule shown above will apply to all Plans including “network only” Plans, such as the “D” Plan.

Pathologist

The same rule used for anesthesiologists, which is no deductible in all circumstances, will also apply to pathologist services. The pathologist is the provider you have least control over. Many times you will have services from a pathologist and the first time you find out about it is when you get the bill. It is an essential service, but generally pathologists who perform the services are outside of your control. Therefore, the new Plan will have no deductible and non-network pathologists will be covered by all Plans.

Pre-certification

Currently, your in-patient hospital services require pre-certification by Blue Cross. This came into effect in May of 2003 with the current Blue Cross hospital program. It is simply a Blue Cross requirement.

Now, the pre-certification requirement will extend to certain out-patient services:

- Physical Therapy
- Durable Medical Equipment
- Home Health Care

The number to call to pre-cert for these services is (800) 664-2583 and will appear on your card.

Network providers are already aware of the pre-certification requirement. However, it is your responsibility to obtain pre-certification for these services when performed by non-network providers.

Pennsylvania residents

For Pennsylvania residents, you will be using the same "Blue Card" that all our New York and New Jersey members will have. Pennsylvania is actually divided into five separate Blue Cross programs. For example, the Philadelphia area is covered by Independence Blue Cross and the Pittsburgh area is covered by Highmark Blue Cross Blue Shield. Each Pennsylvania resident will have access to all of the Blue Cross programs throughout their state and the country.



No Change in the Dental, Optical, Prescription



The Blue Cross program effects only your major medical benefit. Your hospital benefit was already with Blue Cross, so there is no change there. There is no change in your dental, optical or your prescription benefit. The only change is the major medical portion of your benefits. That was the area covered by MagnaCare.



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