

Benefits by Bolton

Volume 3, Issue 1

Industry News

HMOs STRIVE TO ADDRESS PATIENTS' COMPLAINTS

The Wall Street Journal recently highlighted some of the moves California HMOs are making to present themselves as more consumer-friendly:

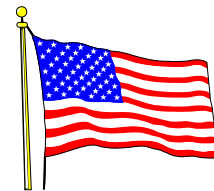
- Health Net has instituted three-way conference calls involving the patient, a representative from the doctors group and a representative from the HMO.
- The California Association of Health Plans hired consumer advocate Walter Zelman as its new president and CEO, as a signal of their intention to address consumer concerns.
- PacifiCare Health Systems Inc. issued its new provider directory, which for the first time identified top-rated doctor groups.
- Blue Shield of California launched a Web site, mylifepath.com, that offers free discounts to licensed acupuncturists, massage therapists and other alternative health professionals.
- Doctors and HMOs are working together to create an electronic pipeline, Emphisource, to exchange basic patient information.

HMOs are realizing that "it's a lot easier, and a lot cheaper, to fix mundane service problems than to change the basic rules of managed care." In addition to the HMOs listed in the Wall Street Journal, the following have also made some changes to meet the needs of their members:

- Aetna U.S. Healthcare hopes to launch a program by July 1, 1999, which will allow members to appeal to a panel of outside doctors if they are denied treatment based on medical necessity.
- Blue Cross of California created a Web site that provides answers to many health plan questions with the same up-to-date information that was previously available only by calling the customer service department.

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Legislative Update



The California state legislature has enacted new laws that may affect you. The following laws are effective January 1, 1999:

◆ AB 12

This law provides for direct access to routine gynecological and obstetrical services, without prior authorization from your Primary Care Physician. These services may be received directly from an OB/GYN or a family practice physician who is a member of your medical group or who has an arrangement with your medical group to provide care for its patients.

◆ AB 1181

This law provides that members who need specialty care over an extended period of time may receive a referral to a specialist for more than one visit. It also provides that a member whose condition requires specialized care over a prolonged period of time and is life-threatening, degenerative, or disabling may be referred to a specialist who will coordinate the member's health care.

◆ SB 1129

This law provides that members with certain conditions may continue to be treated by a physician whose contract with their medical group or the insurance company terminates. This law applies only to members with acute or serious chronic conditions, who are undergoing a course of treatment at the time the physician's contract ends, or to women with a high-risk pregnancy, or a pregnancy in the second or third trimester. This law does not apply if the physician terminates the contract, is terminated for quality of care reasons, or does not accept the terms and conditions of it.

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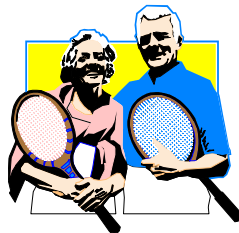
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Are You Getting Ready For Retirement?

The state of the Social Security system is a very hot topic among Americans of all ages. Everyone is aware that the Social Security Trust Fund is expected to run a deficit within several decades, maybe as early as 2029. The reasons and solutions to this problem continue to be debated.



However, one thing is very clear. The outcome of your financial security during your retirement depend mostly on your own efforts, not the government's.

Social Security Administration estimates that the average American can expect Social Security and pensions to provide only about 40% of post-retirement income. Your personal savings and investments will have to account for the rest. The sooner you start saving, the longer any investment earnings have to build on themselves. Take control of your future now and start planning for the retirement of your dreams.

Women's Health and Cancer Rights Act of 1998

The Women's Health and Cancer Rights Act of 1998 which became effective October 21, 1998, is applicable to plan years starting on or after October 21, 1998. It requires coverage for reconstructive surgery following mastectomies. Group health plans must provide coverage for:

- Reconstruction of the breast on which the mastectomy has been performed
- Surgery and reconstruction of the other breast to produce a symmetrical appearance
- Prosthesis and physical complications related to all stages of mastectomy, including lymphedemas

The coverage is to be determined by the attending physician, in consultation with the patient. The benefits will be payable on the same basis as any other physical illness.

If you have not already done so, this Act requires that the initial notice must be in writing and posted.

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For Your Information.....

In a study conducted by Baltimore-based HCIA, Inc., a national health care information company, UCLA Medical Center, Cedars-Sinai Medical Center and Long Beach Memorial Medical Center were recognized as Los Angeles' top hospitals. They were rated in overall performance, oncology, cardiology and orthopedics. Cedars-Sinai ranked highest in cardiology and orthopedics, while UCLA Medical Center scored highest in oncology.

New Definition of "Eligible Employee"

Effective January 1, 1999, employees working 20-29 hours may at the owner's discretion be considered as "eligible employees." The rules for groups with 2-50 full-time employees working at least 30 hours per week will continue without change. For specific details on how to utilize the provisions of SB 1790, please call us.

Products and Services:

- Group Medical, Vision, Dental and Life
- 401 (K) Plans
- Long Term Care
- Employee Handbook Guidance
- Employee Assistance Programs
- And Much More....

Helpful Web Sites

- | | | |
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| <input checked="" type="checkbox"/> | Blue Cross of CA | www.bluecrossca.com |
| <input checked="" type="checkbox"/> | Blue Shield | www.blueshieldca.com |
| <input checked="" type="checkbox"/> | Aetna | www.aetnaushc.com |
| <input checked="" type="checkbox"/> | Kaiser | www.ca.kaiserpermanente.org |
| <input checked="" type="checkbox"/> | HealthNet | www.healthnet.com |
| <input checked="" type="checkbox"/> | PacificCare | www.pacificare.com |
| <input checked="" type="checkbox"/> | Prudential | www.prudential.com/healthcare |



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