

**Extra! Extra!
Read all about it.**

Special PPO Edition

EQUITY-LEAGUE

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We're adding a PPO to the Indemnity Medical Plan on January 1, 2002.

Starting the New Year with a **New OPPORTUNITY to Save Money on Your Medical Expenses**

The Trustees are delighted to announce a significant enhancement to the Major Medical portion of the Indemnity Medical Plan: a Preferred Provider Organization, or **PPO** for short. The PPO, a network of doctors who have agreed to accept discounted fees for their services, goes into effect on January 1st. If you're in the Indemnity Medical Plan, here's why that's good news for you. (Even if you're in an HMO, you owe it to yourself to read about this exciting new benefit. Also be sure to see page 4 for how benefits compare under an HMO vs the Indemnity Medical Plan.)



SPECIAL OPEN ENROLLMENT!
See inside for details.

NOW PLAYING

Why We Think You'll ♥ the PPO

- You can save money on your medical expenses
- You've got complete freedom of choice
- It's totally flexible
- There are no deductibles or coinsurance to keep track of
- No claims to file!

This is meant strictly as an *introduction* to the new PPO. We'll be following up with the details, including any special rules and/or procedures that may apply, so stay tuned.

Union Labor Life Insurance Company (ULLICO) has contracted with Beech Street to provide PPO services to Indemnity Medical Plan participants. Beech Street has carefully selected these health care professionals for their commitment to provide quality care at an affordable price, and regularly monitor each provider's performance to ensure a consistently high level of quality care.

Why the PPO's the Way to Go

The first thing you should know is that using the PPO is *strictly optional*. But here are some good reasons for taking advantage of it.

Your Care Will Cost You Less

In most cases, expenses are covered at 100% of the PPO allowance, which means the only thing that comes out of your pocket is a nominal per visit copay. (There's absolutely *no* charge for some expenses—lab work and x-rays, well-child care, in-hospital medical expenses, surgery and anesthesia, for example. See page 3 for more information.)

Bye Bye Deductibles, Coinsurance and Paperwork

There are no deductibles to meet or coinsurance to pay. In fact, there's no paperwork to keep track of because you don't even have to file a claim when you use PPO providers. Just take care of your copay (if any); the PPO provider does the rest.

It's Totally Your Call

Not only is it totally up to you whether or not to use PPO providers, you get to make that choice each time you need medical attention. Better yet, you don't have to clear it with anyone (a Primary Care Physician, for example), because there's no "gatekeeper" under the PPO. Of course, in order to qualify for the higher PPO benefits, your provider would have to belong to the PPO network. But the point is, you're in control when it comes to who you see when you need medical attention.

The Doctor Is In

With over 350,000 providers in the Beech Street PPO, there's a good chance your physician is in the network. That means it's business as usual for you—except for the money you'll save. If your doctor *isn't* in the PPO, of course you can continue to see him or her, in which case your eligible expenses would still be reimbursed, but not as liberally as under the PPO.



For more information on the new PPO or to browse the provider directory, visit our website, www.equityleague.org and click on *Health*.

Please note:

If you live in Washington, DC or Maryland, you're in the *Alliance* PPO network. For more info, call (800) 342-3289 or log on to www.mamsi.com.



Opening Credits

The Trustees' role is to constantly manage your Equity-League Fund benefits prudently and in everyone's best interests. With the cost of health care going up, adding the PPO to the Indemnity Medical Plan is a definite plus. Better yet, this is an improvement that will actually save participants and the Fund money. Naturally, the more you use the PPO when you need medical care, the greater the savings and a win/win situation for all.

Why It's Important To Understand The Concept Of "Reasonable and Customary."

Special Open Enrollment!

With the PPO enhancement, we want to give everyone interested in switching to the Indemnity Medical Plan a chance to do so in time to be in the Plan as of January 1st. So we're holding a **special Open Enrollment through December 7, 2001**. Everyone who switches to the Indemnity Medical Plan before the December 7 cut-off date will be in the Medical Plan—and eligible for the PPO discounts—starting the first of the new year. For more information on this special Open Enrollment, contact the Fund Office online at www.equityleague.org or by phone at (212) 869-9380, If you're calling from outside New York City, call toll-free at (800) 344-5220.

A PPO combines the most popular features of an HMO—nominal copays, no deductibles or coinsurance to keep track of and no paperwork—without the restrictions that typically come with being in an HMO.

You'll see a lot of references to "reasonable and customary" (or "r&c") charges here. Since it could have an impact on your out-of-pocket costs, it's important that you understand the concept. Simply put, the reasonable and customary charge is the prevailing rate for a medical service or supply within a given geographic region. Let's say your doctor charges \$50 for an office visit, but the prevailing charge in that particular area is \$40. Assuming you'd met your annual deductible, you'd be reimbursed on the \$40, not the \$50. Remember: the reasonable and customary charge applies only to eligible non-PPO expenses; reimbursements of PPO provider charges are based on a discounted PPO allowance. Better yet, there's no deductible under the PPO portion of the plan.

To PPO or Not to PPO?

Fortunately, that's a choice you get to make each time you need medical attention. However, this at-a-glance overview makes a pretty good case for seeing PPO providers.

	PPO Providers	Non-PPO Providers
Annual deductible	None	\$250/person
Office visits	\$15 copay per visit	Reimbursed at 80% of the r&c charge after the deductible
Second surgical opinions	\$15 copay per visit	Reimbursed at 80% of the r&c charge after the deductible
Surgery and anesthesia	Covered in full	Reimbursed at 80% of the r&c charge after the deductible
In-hospital medical care	Covered in full	Reimbursed at 80% of the r&c charge after the deductible
Lab tests and x-rays	Covered in full	Reimbursed at 80% of the r&c charge after the deductible
Well child care	Covered in full	Reimbursed at 100% of the r&c charge
Outpatient psychiatric care	\$50 copay per visit	Reimbursed at 80% of the r&c charge to a maximum of \$50 per visit after the deductible
Limit on what you pay as your share of out-of-pocket expenses in a given calendar year	The applicable copay must be made at the time of each office visit	Once you've paid \$2,000 in coinsurance and the \$250 deductible, remaining expenses are reimbursed at 100% of the r&c charge for the remainder of that year
Lifetime maximum benefit payable	\$1,000,000 per person	

REMEMBER, WE'RE HERE TO HELP IF YOU EVER HAVE A PROBLEM WITH UNION LABOR LIFE INSURANCE COMPANY, BLUE CROSS, YOUR HMO OR ANY OTHER HEALTH CARE PROVIDER. JUST CALL THE FUND OFFICE AT (212) 869-9380 OR FROM OUTSIDE NEW YORK CITY, CALL TOLL-FREE AT (800) 344-5220.



IMPORTANT REMINDERS!

In order to be eligible for reimbursement, your care must qualify as an eligible expense, regardless of whether it's rendered by a PPO or non-PPO provider. Also note that there are limitations on certain expenses and that some expenses are considered ineligible altogether. For a fuller explanation of what's covered under the Indemnity Medical Plan and what's not, refer to your Summary Plan Description (which is available through our website) or contact the Fund Office online at www.equityleague.org or by phone at (212) 869-9380. If you're calling from outside New York City, call toll-free at (800) 344-5220.

Need To Know Your HMO?

If you're in an HMO, contact its Member Services Department with any questions.

You'll Get What You Need

Of course you'll want to know who the PPO providers are in your community, so ULLICO will be mailing out a provider directory to all Indemnity Medical Plan participants in December. Your package will also include your new ID card, which will identify you as eligible for PPO benefits. If you'd like a preview of who's in the PPO network, just log onto our website—www.equityleague.org—and click on the link to Beech Street.

HMO vs the Indemnity Medical Plan? With the New PPO Feature, the Indemnity Medical Plan Offers the Best of Both Worlds

While an HMO and the Indemnity Medical Plan cover essentially the same services, there are big differences in how they approach your care and how your eligible expenses are reimbursed. Now that we've added the PPO to the Major Medical portion of the Indemnity Medical Plan, you can get the advantage of the simplicity and lower cost-sharing thresholds of an HMO without sacrificing freedom of choice or quality of care. Here's a brief look at how they compare.

	HMO	INDEMNITY MEDICAL PLAN*	
		PPO	NON-PPO
Designate a Primary Care Physician?	Yes. You must name a Primary Care Physician (PCP) who must coordinate all of your care.	No	No
See any doctor?	No. You must use the HMO physicians exclusively.	Yes. Any In-Network physician.	Yes
Self-refer to any specialist?	No. Visits to specialists must be authorized or arranged in advance by your PCP.	Yes	Yes
Deductibles?	No	No	Yes, \$250 per calendar year per participant.
What's my share of the cost of eligible expenses?	Nominal copays are required for most covered services. Certain expenses are covered in full with no copay required.	Nominal copays are required for most covered services. Certain expenses are covered in full with no copay required.	Once the deductible has been met, the Plan reimburses 80% of the reasonable and customary charge of most eligible expenses.
Are my annual out-of-pocket costs capped?	The applicable copay must be made at the time of each office visit.	The applicable copay must be made at the time of each office visit.	Once you've paid \$2,250 in covered medical expenses (including the deductible) in a given calendar year, remaining eligible expenses are reimbursed at 100% of the reasonable and customary charge.
Limit on what the plan will pay?	No	\$1,000,000	
Claims to file?	No	No	Yes

*Applies only to the ULLICO Major Medical portion of the Indemnity Medical Plan

Am I locked into using PPO providers exclusively?

No way. One of the best features of the PPO is that it's a choice you get to make each time you need medical care.

Are PPO benefits available under the Empire Blue Cross portion of the Indemnity Medical Plan?

No. The PPO advantage applies only to eligible expenses under the ULLICO Major Medical portion of the plan.

Are there surgeons in the PPO network?

Yes. In fact, there are over 250,000 specialists in the PPO network.

If I want to see a PPO specialist, do I have to clear it with anyone first?

Nope. You can self-refer to any PPO physician, including specialists.

Exactly how much is the PPO discount?

The PPO network is a national network, so the PPO allowance varies by region. But that should be a non-issue, since PPO benefits are paid at 100% of the allowance for that area, which means you'll never be on the hook for anything over the copay.

I'm in an HMO, but now that the PPO is available, the Indemnity Medical Plan is looking better and better. If I can't decide before the special Open Enrollment ends, can I switch to it later on?

If you miss the December 7, 2001 special Open Enrollment deadline, you can switch from your HMO to the Indemnity Medical Plan (or vice versa, for that matter) during any Yearly Open Enrollment, in which case your new coverage would take effect on July 1st.

Will Major Medical cover more expenses under the PPO?

No. The same expenses are covered with or without the PPO.

When I take my daughter to her pediatrician for check-ups, it's covered at 100% under Major Medical, so what's my incentive to switch to a PPO doctor?

First of all, it could turn out that the pediatrician is in the PPO network, in which case the only difference you'd see is the savings. Here's why. The PPO reimburses at

100% of the PPO *allowance*, which is a discounted fee, whereas the non-PPO reimbursement is based on a percentage of the reasonable and customary charge. If the non-PPO doctor's charge is over the reasonable and customary amount, you'd be responsible for the difference.

My partner's enrolled under my medical coverage. Does he get the PPO benefit, too?

Absolutely. All Indemnity Medical Plan participants will have the PPO advantage starting January 1, 2002.

Do I have to use a PPO provider to get benefits?

No. Benefits are still payable for covered expenses even when you use a non-PPO doctor. But remember, you'll have to meet the \$250 deductible before getting anything back on your non-PPO covered charges *and* you'll have to file a claim in order to be reimbursed.

I have an appointment with my doctor in December. If it turns out he's in the PPO, can I get the PPO benefit?

No. The PPO doesn't go into effect until January 1, 2002.

Does the PPO apply to prescription drugs?

No. PPO benefits apply only to expenses covered under the Major Medical portion of the ULLICO Indemnity Medical Plan. Prescription drugs, vision care and dental expenses are not eligible for PPO discounts, nor are hospital expenses covered under Empire Blue Cross hospital benefits.

Can I go to my own non-PPO doctor for my routine medical care and to a PPO doctor for, say, specialty care?

Absolutely.

I'm on the road a lot. Let's say I get the flu and want to see a doctor. How do I find out who the local PPO doctors are?

Easy. Either call Beech Street toll-free at (800) 877-1666 or log onto their website, www.beechstreet.com.

Do PPO copays count toward meeting the \$2,000 annual out-of-pocket coinsurance maximum?

No, nor do they count toward the \$250 annual deductible.

Can any provider belong to the PPO?

No. The providers in the Beech Street PPO have been very carefully screened. Each provider must meet strict standards of quality not just initially, but on an ongoing basis, as well.

My wife and four kids are in my medical plan. Does that mean each of us has to meet the \$250 annual deductible?

Yes. But remember, when you use PPO providers, there is no deductible, so you could save a considerable amount of money.

Can retirees use the PPO?

Yes, as long as our Indemnity Medical Plan, not Medicare, is the primary medical coverage.

Are there PPO providers everywhere?

Easy access to PPO providers was a key criteria in choosing the Beech Street PPO. In fact, when the Trustees looked at where participants live, it turned out that over 99.7% of you live just a few minutes away from a PPO physician (within 3 miles if you live in an urban area, 12 miles if you live in the suburbs). But remember, even if you're one of the few participants with no PPO network in your community, your eligible medical expenses still will be reimbursed exactly the way they are now. So while you may not have the same advantage as those who live in a "PPO community," you're not losing anything.

If it turns out my doctor isn't in the PPO, can she get in?

If Beech Street is expanding its network in a particular area, they will accept physician nominations. For more details, have your doctor contact Beech Street at (800) 877-1666.

How will a PPO doctor know I'm entitled to PPO benefits?

It will be on your ID card, so be sure to have your ID card with you when you go to the doctor's office. In fact, since your PPO doctor *must have* a photocopy of your ID card on file, be sure to have the office assistant make a copy of it during your first visit. This way, there's a permanent record of your eligibility for PPO benefits on file.

What if I don't get my new ID card by January 1st?

Call the Fund Office, (212) 869-9380 from the NYC area. If you're calling from outside the NYC area, call toll-free at (800) 344-5220.

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Important Reminder About the Women's Health and Cancer Rights Act

The Women's Health and Cancer Rights Act is a federal law that provides protection for breast cancer patients who elect breast reconstruction in connection with a mastectomy. All group health plans, including HMOs, that provide medical and surgical benefits in connection with a mastectomy must also provide coverage for reconstructive surgery, in a manner determined in consultation with the patient and attending physician. If you or an enrolled dependent are a breast cancer patient, your coverage includes the following:

- Reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- Prostheses and treatment of physical complications at all stages of the mastectomy, including lymphedemas.

This coverage is subject to applicable copays, referral requirements, annual deductibles and coinsurance provisions. If you have any questions about this coverage, contact the Fund Office.

This newsletter is a publication of the Board of Trustees of the Equity-League Trust Funds. Additional copies are available upon request, or online at our website (www.equityleague.org). For any questions about the newsletter or your benefits, contact The Fund Office, Equity-League Health Fund, 165 West 46th Street, Suite 402, New York, NY 10036-2582. To call the Fund Office from the NYC area, phone (212) 869-9380; if you're calling from outside the NYC area, call the Fund Office toll-free at (800) 344-5220.

This newsletter summarizes material modifications to the Equity-League Health Fund Indemnity Medical Plan effective January 1, 2002. To the extent that any of the information contained in this newsletter is inconsistent with the official Plan documents (which, of course, includes the Trustees' rights to amend or modify the Plans at any time), the Plan documents will govern in all cases. No official (other than the Trustees) has any authority to interpret the Plans, or other official Plan documents, or to make any promises to you about them.