

Choosing a plan that is right for your business

Choosing a health plan can be a difficult balancing act. You want to give your employees and their families the security that comes with terrific benefits and a network that allows them to see the doctors they want to see. At the same time, you have limited resources. Health care costs impact your bottom line like no other single expense. So, whose needs win? When you choose a Medica health plan, everyone benefits.



Medica offers a suite of health plan products that includes innovative cost-saving plans with benefits you can feel proud to offer, including Medica FocusSM, Patient Choice InsightsSM by Medica, Medica Elect[®] and Medica EssentialSM plus consumer-directed plans and popular open access plans with national and regional networks. In fact, our product portfolio is the broadest in the region.

The first step in deciding which health plan product is right for you is to determine what's important to you. Is it:

- Cost savings?
- Access to providers?
- Choice?
- Cost sharing?
- Ease of use?

Your broker or consultant is in the best position to walk you through these priorities and identify which Medica health plan helps you achieve your goals. In the meantime, this issue of Indicators offers you some background information on our plan offerings to help you prepare for that conversation and ultimately choose a plan that's right for you—and your employees. All of this information is also available on our Web site. Simply go to Medica.com>Employers & Payers>Medica Products, for a quick but comprehensive summary of your options.

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Two ways to win a \$100 gift card

1. Give us feedback about Medica online resources
2. Send us your e-mail address if you're not already receiving our Employer Update e-newsletter!

If cost savings are most important to you, consider the following plans:

If your employees are located in the Twin Cities—

Patient Choice InsightsSM by Medica is an open access, tiered network plan. Employees can see any health care provider they like, but receive stronger benefits when they select providers who demonstrate that they offer value. Value doesn't mean using the cheapest provider. It does mean using providers who practice in a high quality, cost-efficient way. This plan must be offered with another Medica product.

Medica FocusSM is an open access value plan that provides terrific benefits at a significantly lower cost. The plus side is that employees get the care they need at an affordable price. The trade off is that they must choose from a narrower network of providers, specialists and hospitals for their care. And because Medica Focus must be offered with another Medica product, employees who want greater access have options. Medica Focus is available as a traditional medical plan, or as a high-deductible health plan with a health reimbursement account (HRA) or health savings account (HSA).

If your employees are located in Minnesota or North Dakota:

Medica Elect[®] and Medica EssentialSM are excellent choices for employers willing to accept a care system delivery model in favor of lower costs. This model requires that members choose a care system of clinics and hospitals from which to receive their care. In most cases, members need a referral to see a specialist. The result – employees get the right care at the right time and medical costs are reduced. Both plans are available as a traditional medical plan, or as a high-deductible health plan with a health reimbursement account (HRA) or health savings account (HSA). (Note: Medica Elect is available in Minnesota only.)

If offering your employees flexibility, choice and ease of use is most important to you, consider these open access plans:

Medica Choice[®] and Passport from MedicaSM are easy for your employees to use and gives them maximum flexibility. Open access means your employees are free to see any provider without a referral. They will also have access to broad provider networks and benefit from discounts when they choose a network provider. If your employees live in Minnesota, North Dakota, South Dakota or western Wisconsin, Medica Choice is your plan. If you have employees outside these states, Passport from Medica is an ideal solution.



If you want to place more responsibility on your employees to manage their own care and health care costs, consider these consumer-directed plans:

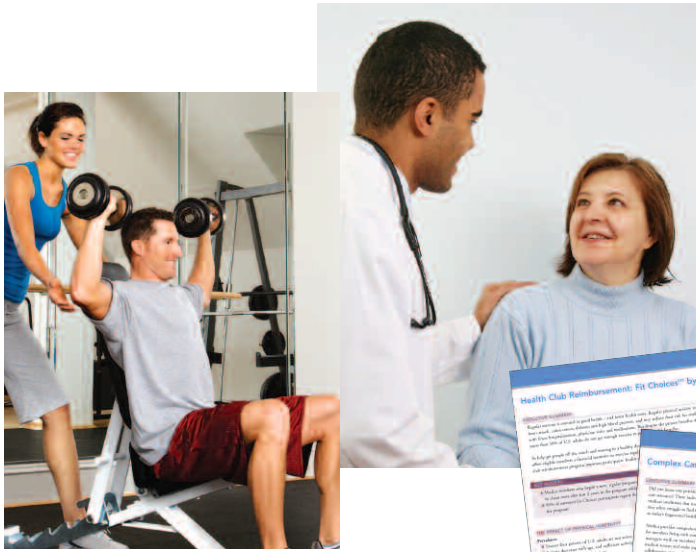
Medica Direct[®], DefinitySM by Medica or a **standalone high-deductible health plan** are plans designed to transform your employees from passive health care participants to active, knowledgeable health care consumers. They combine a high-deductible health plan with a personal tax-advantaged account which lets your employees pay out-of-pocket expenses with tax-advantaged dollars. Health reimbursement account (HRA), health savings account (HSA) and flexible spending account (FSA) options are available. Note that these plans may be offered with an open access or care system network. Some employers motivate their employees to adopt healthy behaviors by adding additional funds to their accounts as a reward for completing a health assessment or participating in wellness activities, for example. Medica can coordinate such initiatives.

Finally, with **Custom Options by Medica[®]**, you have the option of offering more than one Medica plan if your group has five or more participating employees. This is a great way to introduce a product while giving employees the option of buying up to a richer plan or one that gives them greater flexibility.

Type of Plan/ Network	Product Name	Group Size	Cost	Employee Involvement	Ideal for employers who ...
		(Small= 2-50 Large = 51+)	(Relative to Medica's other products)	(Employee's ability to impact out-of-pocket costs and the effort required to manage the health plan.)	
Open access <i>national</i> network plan	Passport from MedicaSM	5 or more subscribers	★★★	★	<ul style="list-style-type: none"> Want maximum flexibility Have employees located in multiple states or across the country Value simplicity
Open access <i>local</i> network plan	Medica Choice[®]	Large and Small Groups	★★★	★	<ul style="list-style-type: none"> Want maximum flexibility Want a broad but local provider network Value simplicity
Open access value plan for Twin Cities metro employers <i>(Consumer-directed, high-deductible health plan options available.)</i>	Medica FocusSM	5 or more subscribers	★★	★★	<ul style="list-style-type: none"> Place top priority on controlling costs Are willing to accept a narrower provider network Have employees who are located in 8-county Twin Cities metro area
Tiered network plan for Twin Cities metro employers	Patient Choice InsightsSM by Medica	5 or more subscribers	★★	★★	<ul style="list-style-type: none"> Want to promote cost savings while preserving freedom of choice for employees Want a bridge between traditional open access plan and consumer-directed plan Have employees located in 11-county Twin Cities metro
Care system plans for Minnesota and North Dakota employers <i>(Networks vary by product. Consumer-directed high-deductible health plan options available.)</i>	Medica Elect[®] (MN) Medica EssentialSM (MN, ND)	Large and Small Groups	★★	★★	<ul style="list-style-type: none"> Desire cost savings and are willing to accept a narrower provider network and require referrals to help manage utilization Have employees located in the network service area
Consumer-directed, high-deductible HRA and FSA health plans for fully and self-insured employers <i>(Care system, regional or national open access network)</i>	Medica Direct[®]	Large and Small Groups	★	★★★	<ul style="list-style-type: none"> Seek to contain costs by empowering employees to become active health care consumers Are willing to place increased responsibility on employees for managing their health care and benefits
Consumer-directed, high-deductible HSA, HRA and FSA health plans for self-insured employers <i>(Care system, regional or national open access network)</i>	DefinitySM By Medica	100 or more subscribers	★	★★★	<ul style="list-style-type: none"> Are self-insured with at least 100 employees Seek to contain costs by empowering employees to become active health care consumers Are willing to place increased responsibility on employees for managing their health care and benefits
Standalone high-deductible health plan that is HRA and HSA qualified	High-deductible health plan	Large and Small Groups	★	★★★	<ul style="list-style-type: none"> Are willing to select and work with third party account administrator Seek to contain costs by empowering employees to become active health care consumers Are willing to place increased responsibility on employees for managing their health care and benefits

★★★ = high ★ = low

Discover the impact of health and wellness programs



Health club reimbursement program – Fit Choices by MedicaSM 1

This popular program expanded to over 8,000 locations last fall with the addition of four nationwide clubs: Life Time Fitness®, Anytime Fitness®, Snap Fitness™ and Curves®. By enrolling in a participating facility and working out at least eight days per month, eligible Medica members receive a \$20 credit toward their monthly dues. Similar programs by other health plans require 12 visits per month. In 2006, a Medica - Life Time Fitness study found that eight visits per month is enough to reward participants with improved health and lower health care costs.

- Medica members who began a new, regular program of exercise saw a 9% decrease in claim costs after just two years in the program while a matched control group experienced an increase of 65%²
- 94% of surveyed participants report their overall health has improved since enrolling in the program²

Healthy pregnancy

Research shows that early prenatal care provides the best chance for healthy babies. The Healthy Pregnancy Program empowers expectant mothers, giving them the encouragement, support and education they need to have the healthiest possible pregnancy. Results show that expectant mothers participating in the program experience better outcomes than non-participants²:

- Newborns are 26% less likely to be born preterm
- Average hospitalization costs are \$3,840 lower
- 90% of participants expressed satisfaction with the program

Complex case management

Medica's complex case management team provides highly personalized support to members with significant medical care needs with the right care at the right time and right cost, helping them to live as healthy a lifestyle as possible.

Our case managers work on members' behalf as they navigate the medical system and make important health care decisions. As a result of this collaborative approach²:

- Members experienced 16% fewer inpatient admits than expected after receiving Medica's complex case management
- Medica's case management saves an estimated \$148,000 per transplant patient
- 98% of participants are satisfied with Medica's program

To learn more or to download complete Total Health Management Value Reports on these and other Medica programs, visit Medica.com>Employers & Payers>Total Health Management.



Sign up for the Medica Shape Up Challenge

Looking for an easy, fun way to help your employees improve their health? Sign up today for the 7th annual Medica Shape Up Challenge.

This friendly six-week competition, which runs from April 6 to May 17, 2009, gives your employees a chance to earn rewards for making healthy lifestyle choices both at work and at home. Last year, more than 12,000 employees participated in this popular six-week campaign, and 99% of their employers plan to take the challenge again!

It's easy to participate – simply identify a site coordinator, and Medica provides everything you need to plan and promote the event, including incentives for every employee. Register online by February 6, at Medica.com>Employers and Payers and click on the Medica Shape Up Challenge link.

Ideal for companies with 20 participants. Individuals may participate in the Shape Up Challenge on My Health Manager from MedicaSM.

¹ Fit Choices by MedicaSM is included with fully insured plans; available for purchase by self-insured groups.

² Total Health Management Value Reports available at www.medica.com>Total Health Management

My Health Manager from Medica is included with fully insured plans and as a purchase option for self-insured groups.

Transitioning to a new plan: *Tips and tools*

At the beginning of a new plan year, help your employees maximize their Medica benefits and their health—encourage them to visit [Medica.com>Members>Member Through Work>Getting Started](#).

They'll find these four action steps that can help them make sure their plan is ready to use when they need it. The Getting Started section is also intended to reduce the number of questions you get from your employees.

1. Review ID card and member materials

Remind employees to watch the mail for their ID card and member materials. When they arrive, it's a good idea for them to review the member materials and learn how their plan works. Employees should save the materials in a safe place and carry their ID card at all times so that it's available when they need care. ID cards are either blue or white.



2. Register for online tools

Encourage your employees to sign up for the Medica programs and services that help them take charge of their health and make informed decisions. They'll need only a few minutes and the information on their ID card to create usernames and passwords for [myMedica.com](#)® and My Health Manager from MedicaSM.

3. Understand plan information and financial responsibilities

Encourage your employees to review their plan information when it arrives. They should check to see what their copays, coinsurance and out-of-pocket costs are. They should also understand how their out-of-pocket costs might change if they get care from a provider who is not in their network, or how they're covered if they need care while traveling.

4. Know where to go for information and assistance

Questions are sure to come up when employees start using their plan. Help them out by promoting these helpful Medica resources:

- **Customer Service** – Monday/Tuesday/Thursday/Friday: 7 a.m. to 6 p.m. Wednesday: 7 a.m to 6 p.m. (closed 8 a.m. to 9 a.m.); employees can find the phone number on the back their ID card.
- **Medica CallLink® nurse line** – professionals offer advice and answer questions 24/7 at 1-800-962-9497.
- **myMedica.com**® – members can log on to find personal health plan documents and links to prescription and behavioral health coverage information.
- **Medica.com**® – the member area features easy-to-understand information that helps your employees navigate their coverage and health actions. [Medica.com>Members>Member Through Work](#).



Group administrator training – Save the Date!

Save the date for our upcoming group administrator training seminars. We'll walk you through the basics of ongoing administration, from how to get started to adding new employees, where to get your questions answered and more. We'll also share information about value-added resources for you and your employees.

Wednesday, February 11, 8:30 – 11:30 a.m.
Small Group Administrator Training
(2-50 employees)

Thursday, February 26, 8:30 – 11:30 a.m.
Large Group Administrator Training
(Fully Insured with 50+ employees)

For more information and to register, go to [www.medicatraining.com](#).

SIMPLE TOOLS TO HELP EMPLOYEES



Take Action... Get Rewarded

Get ready to help your employees embrace a healthier lifestyle! Now it's easier than ever with the 2009 *Take Action...Get Rewarded* program which harnesses the power of My Health Manager from MedicaSM to help get your employees moving in a healthy direction. And they can earn up to \$125 a year in gift cards for participating!

All *Take Action...Get Rewarded* activities are featured on My Health Manager from Medica for members, and promotional materials for employers are available on Medica.com>Employers & Payers>Wellness Resource Center. This online health management resource center for members provides information, encouragement and incentives that help members decide where to start, stay on track and achieve meaningful improvements in their health. Featured activities include:

- **Health assessment** – The first step toward creating a healthier workforce
- **Healthy Living Programs** – Personalized six-week programs that help your employees learn how to make small changes that lead to big results
- **Medica health challenge events** – Give your employees a chance to earn rewards for making healthy lifestyle choices both at work and at home

We've made promoting these activities easy. Take advantage of our ready-made, downloadable newsletters, flyers and payroll stuffers. You'll find everything you need at Medica.com>Employers and Payers>Wellness Resource Center.

To help improve your results and boost participation, Medica also provides:

- **Employee incentives** – Participating employees earn rewards for making healthy choices – including a \$25 gift card simply for completing a health assessment.
- **Ongoing support** – Our wellness consultants are available to assist you throughout the year, with helpful tips, encouragement and support.
- **Summary reports** – We'll help you measure your success by providing participation results for your employee group.

To get started, visit Medica.com>Employers and Payers>Wellness Resource Center and click on the Take Action...Get Rewarded link. If you'd like help outlining a plan for your organization, call your Medica representative.



My Health Manager from Medica is included with fully insured plans and as a purchase option for self-insured groups.

Rewards for healthy lifestyle choices are now better than ever!

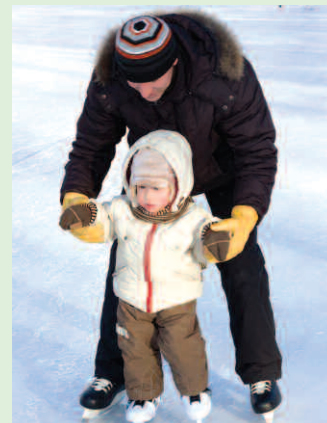
Medica members can now earn up to \$125 in gift cards each year for participating in healthy activities on My Health Manager from MedicaSM. This improved rewards structure will make the program more appealing and engaging for your employees, and increase their motivation to engage in healthier lifestyles.

Effective January 1, 2009:

- **Higher maximum rewards:** Members can earn up to \$125 in gift cards each year by completing wellness activities, including a \$25 gift card just for taking the health assessment. The previous maximum was \$100.
- **Wellness credits accumulate annually:** Wellness credits add up throughout the year instead of quarterly, so points won't be lost if a member doesn't complete enough wellness activities in a given quarter.

- **Expanded reward choices:** Members will be able to choose their gift card reward from a list of over 350 merchants (up from 150), including major retailers that weren't previously available.
- **Faster receipt of rewards:** Wellness credits can be redeemed immediately and gift card rewards will be shipped within one business day of when the order is placed.

For more information, call your Medica representative or go to Medica.com>Employers and Payers>Total Health Management.



Members provide feedback about the new health and wellness coaching program

October 1st marked the launch of Medica's health and wellness coaching program, designed to improve the health of at-risk members. Every month, we evaluate data about our member population to identify those who would most benefit from the program. Our coaches will give members the support, motivation and tools they need to make healthy behavior changes.

Here's some of the feedback our coaches have received from program participants so far:

“I called a member and she was very excited about the call. She said, ‘I read about this in the paper, then I got my invitation, and now you are calling; this is wonderful.’ The member was happy that someone was finally doing a program like this and was eager to get started.”

“I initially contacted a member in the summer. Since that time, she began walking daily. She has improved her blood sugar levels and her doctor is talking about taking her off of one of her medications for diabetes. She has been wearing a heart rate monitor and has noticed that when sitting in a chair her heart rate is around 60 bpm compared to 80-90 bpm – a sign of improved fitness. She experiences less pain when she walks and since losing 15 pounds, she has gotten rid of some clothes that are too big for her.”

“I had a member who called to have his number removed from our program, but he decided to enroll after hearing more. He received the workbook, briefly reviewed it, and stated he was impressed by it. He plans to review it more in depth and we plan to talk about it during our first coaching call.”

For more information on the health and wellness coaching program, go to Medica.com>Employers & Payers>Total Health Management>Health and Wellness Coaching Fact Sheet for Employers, or talk to your Medica representative. In addition, your employees can find program information on Medica.com>Members>Member Through Work>Manage My Health.

The health and wellness coaching program is included with fully insured plans and as a purchase option for self-insured groups.

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Minneapolis, MN
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MEDICA®

Two ways to win a \$100 gift card

We want your feedback about Medica online resources!

Tell us what you think about Medica's Web sites and we'll use your feedback to make them even better. We'll also enter your name in a drawing for a \$100 gift card. Go to www.medica.com>Employers>Online Resources Survey.

Keep up on important news!

Send us your email address to ensure that you are receiving important information on Medica developments, insurance industry news, employer seminars and more. Sign up by February 15th at www.medicaemployer.com and be entered in a drawing for a \$100 gift card.

