



How health care reform affects you and your Medica benefits

Parts of the new federal health care reform law have been in effect for several months, and other provisions will be instituted over the next several years. These impacts will be felt by most people who have a Medica individual or family plan, including:*

- ◆ **Minnesota** — Medica DirectSM HSA, Medica EncoreSM and Medica SoloSM
- ◆ **North Dakota** — Medica Direct HSA, Medica Encore and Medica Solo
- ◆ **South Dakota** — Medica Direct HSA

Fact: In 2009, more than 50 percent of Minnesota's new individual and family policyholders chose Medica for their health plan.

Source: Medica

Coverage

Some portions of the law have already taken effect and affect most Medica members* (see story on page 2 for details on individual plans). The provisions that generally affect most plans include:

- ★ Dependent children may be covered up to age 26 on their parent's policy.
- ★ Claims exclusions for pre-existing conditions apply **only** to members who are age 19 or older.
- ★ Eligible preventive services, when performed by a provider who is in your plan's network, are covered at 100 percent with no copay, coinsurance or deductible.
- ★ All emergency room services are considered in-network, no matter whether or not the provider is in your plan's network.
- ★ Lifetime and annual maximum benefits on "essential benefits" have been removed or apply only to out-of-network benefits.
- ★ Hour, visit or day limits for mental health and substance abuse treatment services have been removed from North Dakota and South Dakota plans.

Costs

In its current form, the new health care reform law requires certain types of coverage that may increase costs over time. However, Medica is actively integrating changes to help ensure that our plans are as affordable as possible for you, our members.

For example, many newer individual and family plans now offer mental health and substance abuse services as an optional benefit. You can opt out by not rolling over to the newer version if you don't think you will need this coverage, and you can lower your premium costs by opting out of it.

Medica's commitment

Medica is committed to continuing service to those who want or need individual and family plans. We will continue to offer comprehensive plans with real benefits, competitive prices, high-quality customer service.

For 2011, Medica introduced new versions of Medica Encore, Medica Solo and Medica Direct HSA. There is also an all-new family product called Medica SymphonySM that provides you with even more options (see page 7 for more information).

*Note: Medica Direct Short-Term plans are not affected by the health care reform law.

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It's your newsletter!

How can we make My Medica Plan™ more interesting and useful to you? Let us know! We are always looking for ways to improve your member newsletter. So give us your feedback and suggestions. Maybe there is a topic you would like to read more about. Or you might enjoy certain features. Any comments you provide will help. Send an e-mail message to NewsletterFeedback@medica.com. Thank you.

HOW REFORM AFFECTED YOUR PLAN



Here are some key changes Medica made to its Minnesota individual and family plans as a result of health care reform:

Medica Solo and Medica Encore

- ➔ Pre-existing condition exclusions apply **only** to members age 19 and older.
- ➔ Eligible preventive services are covered at 100 percent.
- ➔ The emergency room (ER) copay applies to the first visit at either a network or out-of-network ER. Subsequent visits apply to the combined in-network and out-of-network deductible, with 100 percent coverage after you pay your deductible.
- ➔ The lifetime maximum benefit applies **only** to the cost of out-of-network medical services.

Medica Direct HSA

- ➔ Dependent children may be covered up to age 26 on a parent's policy.
- ➔ Pre-existing condition exclusions apply only to individuals age 19 and older.
- ➔ Eligible preventive services are covered at 100 percent.
- ➔ The lifetime maximum benefit applies **only** to the cost of out-of-network medical services.

Changes are similar for many North Dakota and South Dakota plans. For specific information, check your coverage document or call Medica Customer Service at the number on the back of your member ID card.

What's new for you in 2011?

Preventive care services, prescription drug coverage and other enhancements are in place for Medica Solo, Medica Encore and new Medica Symphony plans for 2011 (see page 7 for more information about Medica Symphony).

Here are highlights of the benefits that you may now be eligible to take advantage of, based on your specific plan design and the options you selected:

- ◆ A choice of prescription drug benefits — or if you prefer, coverage for generic drugs only
- ◆ The ability to lower your premiums by opting out of coverage for mental health and substance abuse treatment services
- ◆ Low copays when you receive care at an urgent care or convenience care center
- ◆ Incentives for getting your care within Medica's large provider network

Medica Encore members have a \$10 copay for services at a convenience care center, with no annual cap. You pay only a \$10 copay for preferred generic drugs, with other prescription drug benefits varying by the option chosen. You also have separate deductibles for out-of-network care.

Medica Solo members have a \$20 copay for the first three visits to a convenience care center. You pay only a \$10 copay for preferred generic drugs, with other prescription drug benefits varying by the option chosen. Also, after you reach your deductible, 80 percent of your in-network care is covered and your out-of-pocket maximum for in-network care equals your deductible plus \$1,000.

Tip: Contact Medica or your broker to roll into one of these enhanced plans without underwriting.

All Medica plans use the Medica Choice network, our largest open-access network.* Long-term plans also feature the Travel Program, which provides in-network-style coverage when you are traveling inside the U.S.

A word about changing your coverage

If you have a family plan, you can add newborn and newly adopted children to your plan at any time during the calendar year. You may also add other eligible dependents to your plan, if this is allowed within your plan design.

**Mayo Clinic is not in-network for individual and family plans.*



Dannette Coleman named VP for Individual Business

Medica is pleased to announce that Dannette Coleman has been named vice president and general manager for Individual Business, effective August 2010. In this new role, Coleman oversees the growth and development of health plans designed for individuals and families, ensuring that these plans meet members' changing needs.

Overall, Coleman has more than 20 years of health care experience. Since joining Medica in 1992, she has played a number of important roles, most recently serving as vice president of Public Policy and Government Relations focusing on health care reform and its effect on individuals without employer-provided health coverage.

Springtime allergies: Nothing to sneeze at

Spring brings blooming flowers, budding trees and — for people with allergies — sniffing, sneezing, congestion and itchy, watery eyes. If you have asthma, springtime allergies can also cause serious flare-ups.

If you suffer with allergies, these tips can help you avoid the allergens that “trigger” symptoms:

- Check pollen counts through your local weather forecast, and stay indoors as much as possible when counts are high.
- Keep doors and windows closed. Use the air conditioner in your home and car.
- Shower, wash your hair and change clothes after you’ve been outside.
- Don’t hang clothes outside to dry.
- Avoid outdoor activity in the early morning, when pollen counts are usually at their peak.



Avoiding “triggers” not enough?

Sometimes reducing exposure to allergy triggers won’t fully prevent the suffering that comes with springtime allergies. In that case, your doctor may prescribe medication to control your symptoms. Usually, allergy medicine is most effective if you take it before you are exposed to pollen or other triggers. However, always read the package warnings before use, and take your medication as directed by your doctor.

For serious reactions, your doctor may recommend testing to determine exactly which substances you are allergic to and treatment to help minimize the effect of those triggers on your body.

BE AWARE: PROVIDERS MAY REQUEST COPAYMENTS ON THE SPOT

Recent changes to Minnesota state law may affect what you can expect the next time you visit your doctor or other health care provider. Here’s what you need to know.

Effective January 1, 2011, doctors and health care providers **may** ask you to pay your estimated coinsurance or deductible amounts at the time you receive care. Medica’s contracts with providers can no longer prevent them from collecting this money on the spot.

It is important for you to know that providers may **not** deny you service if you fail to prepay these costs. Also, if a provider does collect a copayment or deductible from you at the time of service, any overpayment must be refunded to you within 30 days of when Medica finishes processing your claim.

STAY CONNECTED WHEN IT MATTERS MOST WITH CARINGBRIDGE



Family and friends are important support in the best of times — and even more needed during the tough times. Therefore, Medica has formed a partnership with CaringBridge, a non-profit organization that provides personal and private websites to connect people who are experiencing a significant health challenge with their loved ones.

Creating a CaringBridge website is free and easy. The site lets patients and caregivers share

health news with everyone who cares. Visitors can also leave messages of support for their loved one. CaringBridge is safe and helps people overcome physical and emotional distances when “being there” is essential.

To learn more and stay in touch when it matters most, create a site today at www.CaringBridge.org/Medica.

KNOW YOUR GENETIC TESTING BENEFITS AND NEEDS



Genetic testing is an important tool that can help you make decisions about health care and lifestyle choices. However, genetic testing has limitations, and is not always necessary or appropriate for everyone.

Many Medica plans cover genetic testing for members who may benefit from these services and who meet Medica's coverage requirements. However, some genetic tests require prior authorization by Medica. If you do not meet coverage requirements or if your plan does not include benefits for genetic testing, you may have to pay for the entire cost of genetic testing services.

If you think you need genetic testing, talk with your doctor. If appropriate, your doctor can refer you to a qualified professional who will help you make an informed choice about testing.

For more information, call Medica Customer Service.

Be sun smart: Protect your family from harmful UV rays



The weather is warming up, the days are getting longer and everyone is eager to be outside. As you and your family start to spend more time in the yard, at the park or on the lake, remember to use common sense.

Sunlight on your skin may feel good after winter's cold, but prolonged sun exposure is the number one cause of skin cancer.

Enjoy the sun while staying safe with these tips:

- **Apply sunscreen** with an SPF of 15 or higher on all exposed skin. Read and follow the product instructions about when to apply and reapply sunscreen.
- **Cover up** with appropriate clothing, as needed. T-shirts and beach cover-ups may not provide enough protection, so use sunscreen along with these.
- **Avoid prime sun time.** The sun's rays are strongest from mid-morning to mid-afternoon, so take extra care during these times.
- **Wear a wide-brimmed hat** to help protect your face, neck and ears.
- **Protect your eyes** with wraparound sunglasses that block close to 100 percent of the sun's ultraviolet rays.
- **Keep babies out of direct sunlight.** When needed, use a small amount of sunscreen on areas not covered by clothing, such as the baby's face and hands.



Practicing sun safety will help you and your family get the most fun out of the season, whether at home or "up at the lake."

Fact: Protecting your child is especially important. Just a few sunburns during childhood increases the risk of skin cancer later in life.

Source: Centers for Disease Control and Prevention

NEWS TO MAKE YOUR BODY HAPPY



Salad with olive oil

A leafy green salad with olive oil dressing could be a delicious way to keep your heart healthy. New research indicates that eating one serving of leafy vegetables daily may reduce the risk of heart disease more than 40 percent. Three tablespoons of olive oil a day also reduced risk by 40 percent.

Source: American Journal of Clinical Nutrition, December 2010



Smoking during pregnancy

Most women know that kicking the tobacco habit during pregnancy is crucial to the health of their baby. Now there's even more compelling evidence: New research shows that women who smoked heavily while expecting were more than twice as likely to suffer a miscarriage in the first trimester of pregnancy.

Source: Human Reproduction, December 2010



Washing your hands

Fears about H1N1 and seasonal flu may have had one good impact. A recent study found that 85 percent of people washed their hands in public restrooms in 2008, the highest levels ever recorded. Some experts believe this increased attention to hygiene helped to wash flu down the drain.

Source: American Society for Microbiology and the American Cleaning Institute, December 2010

Medica member is thankful for CallLink 'It saved me a lot of pain and suffering'



For years, Lana Oswaldson has reminded her coworkers of their plan's Medica CallLink® nurse line benefit. "I have always preached it to our associates," the vice president of Human Resources for Grand Casino Mille Lacs, says with a laugh. "I tell them: We have it, so use it!"

Now, for the first time, Oswaldson can speak about the value of CallLink from firsthand experience. Late one evening last July, the day after she came home from the hospital after surgery, she realized that something wasn't right.

"I wasn't feeling well. And then it got to the point where I *really* wasn't feeling well," Oswaldson says. "I didn't know what I should do and I wondered, 'Should I drive myself to the hospital? Should I just wait until tomorrow?'"

As a single mother, she didn't want to have to drag her son to the hospital, and she was just about to go to bed when her own advice came back to her: "I thought, I'll just call the nurse line and run my symptoms by them."

The nurse she spoke to asked Oswaldson a lot of questions about her symptoms, which included fever, lack of energy, and redness around the site of the surgical incision.

"You really need to go to the emergency room," the nurse told Oswaldson.

"Everything you're telling me describes an infection."

Oswaldson followed the nurse's advice. "She convinced me that my situation was urgent and that by waiting, I could potentially put myself in a dangerous situation," she says.

As it turned out, the nurse was correct. Oswaldson went to the hospital and was given a course of intravenous antibiotics that lasted several hours. She did not have to be readmitted — but the attending doctor said she would have faced a much longer and more difficult recovery if she had waited until morning to seek help.

"The CallLink nurse truly deserves a big thank-you," Oswaldson says. "I really appreciated how kind and caring she was; it was like talking to a good friend. And she spared me a week or two of pain and suffering. I definitely recommend CallLink."

Medica CallLink nurse line is available 24 hours a day. CallLink nurses can help assess symptoms of illness or injury, recommend where to go for the right level of care, refer you to doctors, and answer general questions about your health, wellness and safety. Call toll-free 1-800-962-9497. Hearing-impaired members, call the National Relay Center at 1-800-855-2880.



"The CallLink nurse ... spared me a week or two of pain and suffering. I definitely recommend CallLink."

– Lana Oswaldson, Medica member

STAYING IN-NETWORK SAVES YOU MONEY



Using Medica's network* of providers for all of your care will save you money — perhaps a lot of money.

Providers who are not in Medica's network generally charge higher rates for your care. Also, you will generally have to pay a much higher portion of the cost when you receive care from most out-of-network providers.

Medica negotiates with its network providers for discount prices for members. Plus, staying in the network helps ensure that you are covered at your highest benefit level.

Tip: To find a doctor in your network, go to [mymedica.com](https://www.mymedica.com) > Find Physicians and Facilities.

Keep in mind that different Medica plans have different network providers; if you change plans, make sure you use only providers that are in your new plan's network. Also, check the network status of any specialist to whom your doctor refers you for care.

**Mayo Clinic is not in-network for individual and family plans.*

DIABETES DIAGNOSIS OR AT RISK? HELP IS HERE

Diabetes is a life-threatening disease, but there is something you can do about it. The Diabetes Prevention and Control Alliance (DPCA) works with Medica to identify members who may benefit from two special diabetes programs.

◆ If you have a high risk of developing diabetes, you may be offered the Diabetes Prevention Program. This group-based lifestyle program addresses the strong link between obesity and diabetes. It is a 16-session program offered through the YMCA that has proven to reduce the chance of developing diabetes by 50 percent.

◆ If you have been diagnosed with diabetes, you may be offered the Diabetes Control Program. This program provides access to local pharmacists specially trained to help you manage the disease and stick to your physician-directed treatment plan.

Fact: Nearly 24 million U.S. children and adults have diabetes. In addition, an estimated 57 million people have pre-diabetes.

Source: American Diabetes Association

The DPCA is currently available at participating YMCAs and pharmacies in the Twin Cities metro area. More locations are being added to Medica's service area.

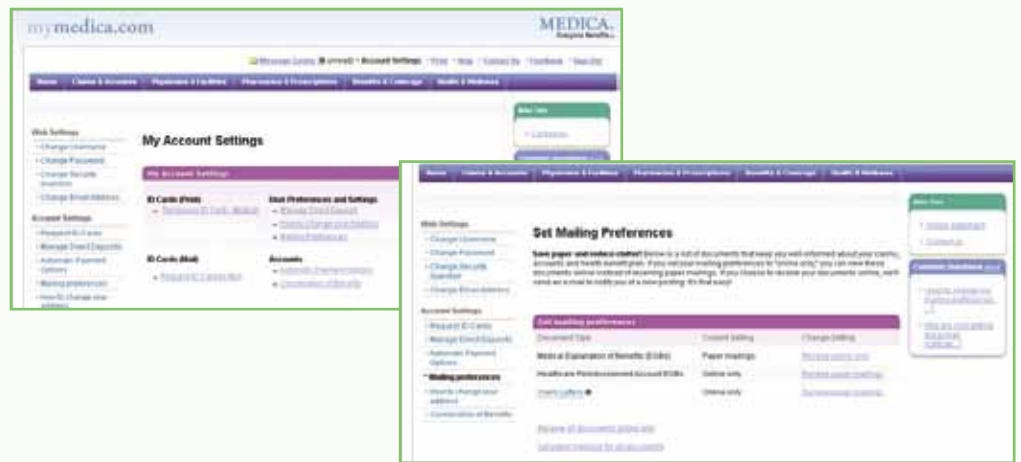
For more information, call the DPCA at **1-888-688-4019**.

Coming soon: Optional electronic EOB statements



Medica members, you have spoken loud and clear. Many of you asked for the convenience of receiving your documents electronically, instead of on paper through the mail. Soon you will be able to choose to have your Explanation of Benefits (EOB) documents delivered electronically by selecting this option on **mymedica.com**. The EOB is not a bill; it is a record of the services you or another covered family member received on a certain date. Electronic EOBs are secure, convenient and will help save paper and the cost of printing and postage. The choice is yours.

As soon as the paperless option goes live, you will be offered the choice of “Online only” EOBs via an e-mail prompt when you log onto **mymedica.com**. When selecting the “Online only” option, you will be asked to provide an e-mail address where you can be notified when new documents are ready to be viewed. You may change your mailing preferences between online and paper any time by going to **mymedica.com** and selecting Account Settings.



ASK THE PHARMACIST



Q: Is there an easy way for me to find out how much my prescription drugs will cost me?

A: Yes. Medica has a new online “Price a Medication” tool to help you make informed cost and quality decisions about your prescription drugs and other pharmacy items. Use the tool to:

- ◆ Look up information about your prescription drug benefits, including personalized cost estimates that reflect your current deductible and the other costs you are responsible for paying.
- ◆ View estimated prescription drug prices for retail 30-day, retail 90-day and mail order options, with the best-priced option highlighted
- ◆ Compare prices at different pharmacies within your ZIP code
- ◆ Get automatic “Save More with Generic” notifications when a lower-cost generic equivalent is available for a brand-name drug
- ◆ See special requirements, such as step therapy, prior authorization and quantity limits for certain types of drugs

To access the tool, log onto **mymedica.com** and click on the Pharmacies and Prescriptions tab.

Introducing Medica Symphony



If you need a health plan for yourself or your family, Medica Symphony hits all the right notes. It offers affordable health coverage for one person, a couple or a family.

Medica Symphony offers coverage for office visits, urgent care, emergency room services and prescription drugs. The plan also provides 100 percent coverage for preventive care with no copay, coinsurance or deductible applied.

“With a choice of copays for office visits, three levels of in-network deductibles, two prescription drug plans and other optional benefits, Medica Symphony lets you design the plan to meet your specific needs,” said Dannette Coleman, vice president and general manager for Individual Business at Medica.



Medica Symphony allows you to see any medical provider you choose. However, you receive the highest level of benefits when you stay within the plan’s provider network, which includes approximately 96 percent of all providers in Minnesota. The plan also offers in-network-style coverage nationwide from our Travel Program.

More information about Medica Symphony is available at medica.com. If you know of others seeking family coverage, they can learn more here or apply online. Or, call 952-992-2080 or 1-800-670-5935 between 8 a.m. and 5 p.m. Monday through Friday. TTY users, please call the National Relay Center at 1-800-855-2880 and ask for one of the numbers listed here.

Tip: Medica is planning to introduce Medica Symphony in South Dakota later in 2011.

HELPFUL NUMBERS



CUSTOMER SERVICE

Metro: **952-992-1805**
Regional: **1-866-894-8051**
Hearing-impaired National Relay Center toll-free 24 hours
1-800-855-2880.

MEDICA CALLINK®

Physician referral or speak with a nurse, 24 hours a day
General: **1-800-962-9497**
Hearing-impaired National Relay Center toll-free 24 hours
1-800-855-2880.

MEDICA BEHAVIORAL HEALTH

General: **1-800-848-8327**
Hearing-impaired National Relay Center toll-free 24 hours
1-800-855-2880.

MEDICA'S FRAUD HOTLINE

24-hour English/Spanish language fraud hotline: **952-992-2237**
or **1-866-821-1331**
Russian language fraud hotline:
952-992-3893
Somali language fraud hotline:
952-992-3214



Visit us at mymedica.com.

Ogow. Haddii aad dooneyso in lagaa kaalmeeyo tarjamadda macluumaadkani oo lacag la'aan ah, wac Medica: 1-800-952-3455.

ملاحظة: إذا أردت مساعدة مجانية في ترجمة هذه المعلومات، فاتصل على الرقم 1-800-952-3455:Medica

Внимание: если вам нужна бесплатная помощь в переводе этой информации, позвоните Medica: 1-800-952-3455.

ໂປຼຕຊາບ. ຖ້າຫາກທ່ານຕ້ອງການການຊ່ວຍເຫຼືອໃນການແປຂໍ້ຄວາມດັ່ງກ່າວນີ້ຟຣີ, ຈົ່ງໂທຮັຫາ Medica:1-800-952-3455.

Pažnja. Ako vam je potrebna besplatna pomoć za prevod ove informacije, nazovite Medica:1-800-952-3455.

Atención. Si desea recibir asistencia gratuita para traducir esta información, llame a Medica:1-800-952-3455.

កំណត់សំគាល់ បើអ្នកចង់បានជំនួយបកប្រែឥតមាន ឆេះដោយមិនគិតថ្លៃ សូមទូរស័ព្ទទៅ Medica: 1-800-952-3455 ។

Chú Ý. Nếu quý vị cần dịch thông tin này miễn phí, xin gọi Medica: 1-800-952-3455.

Ceeb toom. Yog koj xav tau kev pab txhais cov xov no rau koj dawb, hu Medica:1-800-952-3455.

Hubaddhu. Yoo akka odeeffannoon kun sii hiikamu gargaarsa tolaa feeta ta'e, lakkoofsi bilbiltu Medica: 1-800-952-3455.

Attention. If you want free help translating this information, call 1-800-952-3455. This information is available to people with disabilities by calling 952-992-2322 (voice), or 1-800-952-3455, or 952-992-2357, or 1-800-234-8819 (TTY), or 711, or through the Minnesota Relay at 1-877-627-3848 (speech to speech relay service).

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How Medica works to keep costs low and how you can help

You and Medica have something in common: We both want to keep health care costs as low as possible. Medica understands the challenge of finding an affordable health plan, because we know the challenge of offering affordable health plans.

Here are some ways Medica keeps your premiums and other costs as low as possible:

1. We negotiate with doctors and hospitals in our provider network to offer services to you at a reduced cost.
2. We have free tools to make you a wiser, better-informed health care consumer. For example, **MainStreetMedica.com** can help you choose network providers based on cost and quality measures.
3. Medica Premium Designation evaluates providers in 20 common medical specialties. You will find zero, one or two stars after the names of doctors with Medica Premium Designation on the *Find A Doctor* tool at **medica.com**. One star means a physician has met nationally recognized standards for delivering high quality care. Two stars means a physician has been recognized not only for providing quality care, but also for meeting local benchmarks for providing cost-efficient care to their patients.
4. Medica CallLink nurse line lets you talk one-on-one with a registered nurse. CallLink nurses can guide you to faster and more affordable care for problems that should be treated by your doctor or at an urgent care center, rather than in the emergency room.
5. All Medica plans offer tobacco cessation, preventive care coverage and other programs to help you improve your health. Use these services to avoid problems that can add to your share of health care costs in the future.

Key point: Using health care services wisely and making better lifestyle choices has multiple benefits. Not only will you feel better and look better, you can also help keep your health care costs as low as possible.

South Dakota Clarifies State's Open Enrollment Notice

The South Dakota Division of Insurance has issued rules relating to guaranteed issue of coverage for persons under age 19. If you or someone you know is seeking a Medica Individual or Family plan in South Dakota, you may apply for enrollment at any time during the year. However, Medica does not currently issue minor-only policies.

If you or someone you know is seeking Medica Individual or Family coverage in South Dakota, please call **952-992-2080** or **1-800-670-5935** between 8 a.m. and 5 p.m. Monday through Friday. TTY users, please call the National Relay Center at **1-800-855-2880** and ask for one of the numbers listed here.

DID YOU KNOW?



> **27,000**

Approximate number of providers in the Medica Choice network (see page 2).

Source: Medica

> **26**

The maximum age for dependent children to remain on their parents' health care policy (see page 2).

Source: U.S. Department of Labor

> **100%**

Percentage of eligible preventive care costs covered by the Medica Symphony plan, with no copay, coinsurance or deductible applied (see page 7).

Source: Medica