UNITED NATIONS **ST**

Secretariat

ST/IC/1997/29
19 May 1997

INFORMATION CIRCULAR

To: Members of the staff at Headquarters

From: The Controller

Subject: IMPROVEMENTS IN THE AETNA HEALTH INSURANCE PLAN*

1. The Secretary-General has approved the introduction of a significant expansion of the Aetna health insurance plan with effect from 1 July 1997, following detailed examination by the Health and Life Insurance Committee and discussion by the Joint Advisory Committee. Administration of the new plan by Aetna will be subject to close monitoring and review in all its aspects during the course of the year. The purpose of the present information circular is to provide staff members with information about the **enhanced** Aetna plan in good time before the annual health insurance enrolment campaign, which will take place from 2 to 6 June 1997. A separate information circular will be issued shortly setting out further details regarding the annual enrolment campaign, the related rules and procedures, as well as outlines and summaries of the benefit structures of the Aetna, Blue Cross, HIP, Kaiser and GHI Dental plans which will be renewed effective 1 July 1997.

2. The forthcoming improvements in the Aetna plan are significant in terms of the range of choices open to subscribers as well as the cost advantages afforded by the new plan structure. In a nutshell, the traditional Aetna indemnity plan, which has been the health insurance plan of choice for the majority of active staff members and retirees for many years, **will be expanded** to include a preferred provider organization network of physicians and other medical providers. This means that participants can choose, if they wish, to go to a doctor who is in the network and pay only $10 per visit or treatment (from office visit to surgery) without any further need to file a claim with Aetna. Alternatively, participants may opt to receive treatment from any physician not in the network and be reimbursed by Aetna **in the usual way**, subject to the annual deductible and the normal co-payment.

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* Personnel Manual index No. 6171.

3. The network of providers available to subscribers under this Aetna plan, known as "Open Choice", is nationwide throughout the United States. Aetna has carried out an analysis of all the physicians from whom United Nations subscribers, active and retired, have received services in the past year. The analysis reveals that **40 per cent of the doctors visited by the United Nations community are already in the preferred provider network**. This means that many participants who have perhaps received treatment from a particular doctor over a long period of time will be in the position beginning 1 July 1997 of paying no more than $10 per visit to that physician instead of receiving an 80 per cent reimbursement of the "reasonable and customary" fee after filing a claim with Aetna. For those participants whose doctors are not in the network, **present arrangements will remain unchanged**. Indeed, the new plan also offers a modest improvement for participants who do not use the network in that the "reasonable and customary" fee threshold will be raised as of 1 July.

4. As has been indicated above, the Aetna network of preferred providers (providers who have accepted negotiated reduced fee levels under contract with Aetna and to whom the patient pays only a $10 co-payment) is very extensive. Provider directories, which list preferred providers on a statewide basis by county and specialty, will be available for all Aetna subscribers after 1 July. In the meantime, interested staff members may consult reference copies of these directories in the offices of the Insurance, Claims and Compensation Section and the Medical Service in the Secretariat building.

5. During the past few weeks, as many staff members came to hear that proposals to make changes in the existing Aetna plan were under discussion, several concerns and misapprehensions came to light. While the kinds of questions which staff members have asked about the new plan have been answered in Staff Committee Bulletin No. 1338 dated 28 April 1997, several points, beyond the information provided in the paragraphs above, are worth highlighting here:

(a) Under the new Aetna plan, which offers all the benefits of the traditional Aetna plan plus the added option of the preferred network of providers, access to a general practitioner or specialist of the participant's choosing is in no way limited or restricted;

(b) The new United Nations Aetna policy will contain **no mandatory hospital pre-certification requirement** on the part of subscribers;

(c) The premium levels for the enhanced plan, which will come into effect on 1 July, will be the same as current rates. Had the current Aetna plan been renewed without the preferred provider network, it would have been necessary to increase premium levels by 14 per cent owing to the level of claims incurred in the expiring policy period and the medical cost and utilization trend projected for the coming year. The addition of the preferred provider option will result in lower costs for the plan as a whole, thereby making it possible to offer the enhanced Aetna programme **with no increase in premium levels**;

(d) Apart from the advantages of the preferred provider network facility, the new plan offers several added benefits not heretofore available under the Aetna plan, including routine physical examinations, acupuncture treatment

rendered by licensed practitioners for the treatment of chronic pain and an expanded vision care programme.

6. A comprehensive outline of the new Aetna programme, together with a benefit-by-benefit comparison with the current Aetna plan, is set out in the annex to the present circular. While this benefit outline will be reproduced again in the forthcoming comprehensive circular relating to the annual enrolment campaign, staff members are encouraged to review the new plan structure carefully in advance of the enrolment campaign. All subscribers currently enrolled in the United Nations Aetna plan will automatically be enrolled in the new Aetna Open Choice programme unless they decide to switch to one of the other Headquarters insurance plans during the enrolment campaign week, 2 to 6 June 1997.

ANNEX

Summary of benefits under the Aetna Open Choice plan and the current traditional Aetna plan

Plan features	Preferred benefits (In-network)	Non-preferred benefits (Out-of-network)	Current Basic Hospital/ Major Medical Plan
Plan deductible	$0 Individual $0 Family	$125 Individual $375 Family	$125 Individual $375 Family
Co-insurance limit	$1,000 Individual $3,000 Family		$1,000 Individual $3,000 Family
Lifetime maximum	Unlimited	Unlimited	Unlimited
Physician services (except Mental health/Alc/Drug)			
Office visits (non-surgical)	100% after $10 co-payment	80% after deductible	80% after deductible
Specialist (office visits)	100% after $10 co-payment	80% after deductible	80% after deductible
Routine physicals/ immunizations Well-baby care to age 7; 1 exam every 24 months for ages 7 to 19; including immunizations	100%	100%	100%
Routine physicals/ immunizations Children age 19+ and adults: 1 routine exam every 24 months. (One routine exam annually for members age 65 and older); including immunizations.	100% after $10 co-payment	80% after deductible	Not covered

Plan features	Preferred benefits (In-network)	Non-preferred benefits (Out-of-network)	Current Basic Hospital/ Major Medical Plan
Routine mammography (no age limit)	100%	80% after deductible; 100% if performed on an in-patient or in the outpatient department of a hospital	80% after deductible; 100% if performed on an in-patient or in the outpatient department of a hospital
Routine ob/gyn exam (1 routine exam per calendar year; including 1 pap smear and related fees)	100% after $10 co-payment	80% after deductible	80% after deductible
Surgery	100%	80% after deductible	80% after deductible
Physician in-hospital services	100%	80% after deductible	80% after deductible
Allergy testing and treatment (given by physician)	100% after $10 co-payment	80% after deductible	80% after deductible
Allergy injections (not given by physician)	100%	80% after deductible	80% after deductible
Other physician services	100%	80% after deductible	80% after deductible
Diagnostic X-ray and laboratory (other than physician's office)	100%	80% after deductible	80% after deductible
Hospital services In-patient coverage	100%	100%	100%
Outpatient coverage	100%	100%	100%
Emergency room (based on symptoms)	100% Covers sickness within 12 hours' onset; surgery, accident within 72 hours	100% Covers sickness within 12 hours' onset; surgery, accident within 72 hours	100% Covers sickness within 12 hours' onset; surgery, accident within 72 hours

Plan features	Preferred benefits (In-network)	Non-preferred benefits (Out-of-network)	Current Basic Hospital/ Major Medical Plan
Non-emergency use of the emergency room (examples of conditions: skin rash, earache, bronchitis, etc.)	80%	80% after deductible	80% after deductible
Acupuncture* (for chronic pain treatments only, services must be rendered by a medical doctor or licensed acupuncturist)	100% after $10 co-payment up to a maximum benefit of $1,000	80% after deductible up to a maximum benefit of $1,000	Not covered
Spinal manipulation*	100% after $10 co-payment up to a maximum benefit of $1,000	80% after deductible up to a maximum benefit of $1,000	80% after deductible up to a maximum benefit of $1,000

* Preferred and non-preferred benefits are combined for a maximum of $1,000 per calendar year.

Plan features	Preferred benefits (In-network)	Non-preferred benefits (Out-of-network)	Current Basic Hospital/ Major Medical Plan
Mental health services			
In-patient coverage	100%	100% after deductible	100% for first 30 days; additional 30 days at 80% after deductible
	Maximum 90 days per calendar year*	Maximum 90 days per calendar year*	Maximum 60 days per calendar year
Outpatient coverage	100% up to maximum benefit of $3,216 per calendar year*	80% after deductible up to maximum benefit of $3,216 per calendar year* $134 per visit	80% after deductible up to maximum benefit of $3,216 per calendar year* $134 per visit
Crisis intervention	100% up to 3 visits per calendar year*	80% after deductible up to 3 visits per calendar year*	80% after deductible up to 3 visits per calendar year
Alcohol/drug abuse			
In-patient coverage	100%	100% after deductible	100% for first 30 days; additional 30 days at 80% after deductible
Maximum	60 days per calendar year*	60 days per calendar year*	60 days per calendar year
Lifetime maximum	2 confinements*	2 confinements*	2 confinements
Outpatient coverage	100% Up to 60 visits per calendar year* (includes 20 visits* for counselling)	80% after deductible Up to 60 visits per calendar year* (includes 20 visits* for counselling)	80% after deductible Up to 60 visits per calendar year (includes 20 visits for counselling)

* Maxima are for the calendar year whether preferred or non-preferred, or a combination of the two.

Plan features	Preferred benefits (In-network)	Non-preferred benefits (Out-of-network)	Current Basic Hospital/ Major Medical Plan
Maternity (coverage includes voluntary sterilization and voluntary abortion)	100% after $10 co-payment; 100% voluntary sterilization if performed in-patient or in the outpatient department of a hospital	80% after deductible; 100% voluntary sterilization if performed in-patient or in the outpatient department of a hospital	80% after deductible; 100% voluntary sterilization if performed in-patient or in the outpatient department of a hospital
Prescription drug	100% after 15% co-payment; up to 30-day supply at participating pharmacies; co-payment maximum $15	80% after deductible	In-network: 100% after 15% co-payment; up to 30-day supply at participating pharmacies; co-payment maximum $15
	100% after $10 co-payment; up to 90-day supply from participating Mail Order vendor; when brand name is requested, member must pay co-payment plus difference between brand and generic price unless "DAW" is written on prescription		100% after $10 co-payment; up to 90-day supply from participating Mail Order vendor; when brand name is requested, member must pay co-payment plus difference between brand and generic price unless "DAW" is written on prescription
			Out-of-network: 80% after deductible

Plan features	Preferred benefits (In-network)	Non-preferred benefits (Out-of-network)	Current Basic Hospital/ Major Medical Plan
OTHER BENEFITS **Skilled nursing facility**	100% up to 365 days per calendar year		100% up to 365 days per calendar year
Home health care	100% 320 visits per calendar year (no prior confinement required)	100% for first 200 visits; 80% after deductible for additional 120 visits per calendar year (no prior confinement required)	If within 7 days of discharge 100% for first 200 visits; 80% after deductible for additional 120 visits per calendar year. If no prior confinement, 80% after deductible for 80 visits per calendar year
Ambulance*	100%		100%
Private-duty nursing (restricted benefit on an in-patient basis)	100% up to 70 eight-hour shifts per calendar year	80% after deductible up to 70 eight-hour shifts per calendar year	80% after deductible up to 70 eight-hour shifts per calendar year
Hospice care In-patient and outpatient coverage	100% up to 210 days for both in-patient and outpatient services		100% up to 210 days for both in-patient and outpatient services
Bereavement counselling	100% up to 5 visits		100% up to 5 visits

* There are no preferred (or in-network) providers of these services at the present time.

Plan features	Preferred benefits (In-network)	Non-preferred benefits (Out-of-network)	Current Basic Hospital/ Major Medical Plan
Short-term rehabilitation			
Physical, occupational therapy	100%	80% after deductible	80% after deductible
Speech therapy	80% deductible does not apply*		
Hearing aid			
Hearing device**	80% deductible does not apply Maximum $750, 1 hearing aid per ear every 3 years		80% after deductible Maximum $750, 1 hearing aid per ear every 3 years
Evaluation and audiometric exam	100% after $10 co-payment	Maximum $100, 1 exam every 3 years, must be examined by otolaryngologist or state-certified audiologist	Maximum $100, 1 exam every 3 years, must be examined by otolaryngologist or state-certified audiologist
Outpatient diabetic self-management education programmes	80% deductible does not apply***		Payable as any other covered expense
Durable medical equipment	80% deductible does not apply****		80% after deductible

* When services are rendered by a participating provider, 100 per cent reimbursement applies.

** There are no preferred (or in-network) providers of these services at the present time.

*** If services are rendered in a hospital, 100 per cent reimbursement applies with no co-payment. If rendered in an in-network doctor's office, 100 per cent reimbursement with $10 co-payment applies.

**** If services are rendered by a participating provider or within a hospital setting, 100 per cent reimbursement applies with no co-payment.

Plan features	Preferred benefits (In-network)	Non-preferred benefits (Out-of-network)	Current Basic Hospital/ Major Medical Plan
Vision care Optical lenses (including contact lenses)	80% deductible does not apply; maximum $60 for any 2 lenses in a 24-month period		80% after deductible. Maximum $60 for any 2 lenses in a 24-month period
Vision one programme	Savings up to 65% on frames; up to 50% on lenses; about 20% on contacts at participating Cole Vision centres. Refer to separate handout for details.		None
In-patient pre-certification	Provider-initiated	Not required	None
Focused psychiatric review Penalty for failure to pre-certify in-patient psychiatric treatment	None	$100 penalty; applies per occurrence	$400 penalty; applies per occurrence
Second surgical opinion	Not required, however covered at 100% after $10 co-payment	Not required, however covered at 100% after deductible	100% after deductible
Claim submission	Provider-initiated	Member-initiated	Member-initiated

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