

General News

eBDS Transition

By now you may have heard about the changes taking place with eBDS, the third party administrator that provides a number of support services for Highmark clients and other organizations.

We'd like to update you on the status of eBDS activities and the rationale for the changes being made.

Our goals: More efficient operations, continued commitment to consumerism

During challenging times like these, our customers expect and demand that Highmark, like all businesses, looks for ways to operate more efficiently. As part of our ongoing efforts to identify and implement "best practices," we looked at how to more efficiently coordinate eBDS functions while still being responsive to customer needs.

Our goal is to continue to deliver high-quality customer service and administer the services eBDS provides in a more streamlined and cost-effective manner. At the same time, Highmark continues to strengthen our capabilities in the area of consumerism.

Transitioning services to Highmark and HM Insurance Group

Highmark and HM Insurance Group, which includes HM Benefits Administrators, are following a systematic process to decide how and where to transition the services eBDS currently provides. Our primary concern is to continue to meet the needs of our customers. In fact, our evaluation process includes getting input from current eBDS customers, external industry experts and employees of eBDS, Highmark and HM Insurance Group.

At this point, based on the progress of our evaluation, we've made the following decisions:

- Highmark will assume responsibility for the administration of reimbursement accounts, including HSAs (health savings accounts), HRAs (health reimbursement accounts), medical and dependent care FSAs (flexible spending accounts) and qualified transportation accounts and for individual product ("direct pay") billing. This will help Highmark streamline our product offerings and better serve our customers, while reducing operating expenses. Reimbursement account administration will also be available to companies that do not offer Highmark medical products.
- HM Benefits Administrators will handle outsourcing services, including enrollment processing, eligibility management, retiree administration and union benefits management as well as specialty and group billing services. These are services that align well with HM Benefits Administrators' core competencies and existing product offerings.
- We have already begun the process of moving COBRA administration to HM Benefits Administrators. This includes COBRA administrative services that are packaged with other eBDS products such as eligibility management and group billing services.

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To make the transition process as easy as possible for eBDS customers, Highmark and HM Benefit Administrators will continue to use the current eBDS information systems to support these services. In terms of timing, our goal is to transition all eBDS services by the end of 2009.

We hope this information helps you address questions your clients may have about any services that are currently provided by eBDS. If you need additional information, please contact your Highmark Client Manager.

BlueAccount HRA

The summary plan description (SPD) for BlueAccount HRA has been updated to more accurately reflect how the HRA is administered.

To ensure that Highmark members with a BlueAccount HRA have accurate, up-to-date information about their HRA, we are in the process of notifying groups that have integrated a BlueAccount HRA with their medical coverage about the updated SPD.

The notification explains to accounts that they can download the updated SPD via the employer portion of our Web site. They simply log on as an employer, choose the "Assist Employees" tab and then click on "Spending Account" and the "Information Menu" link that allows them to save the document and customize it to their plan specifications.

Please encourage your clients who have a BlueAccount HRA to download, customize and distribute the updated SPD to their employees as soon as possible. If you have any questions about the updated SPD or BlueAccount HRA, please contact your Highmark Client Manager.

Sincerely,

A handwritten signature in black ink, appearing to read "Reginald E. Brown". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Reginald E. Brown

Director, Producer Affairs, West