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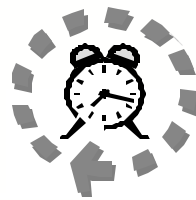


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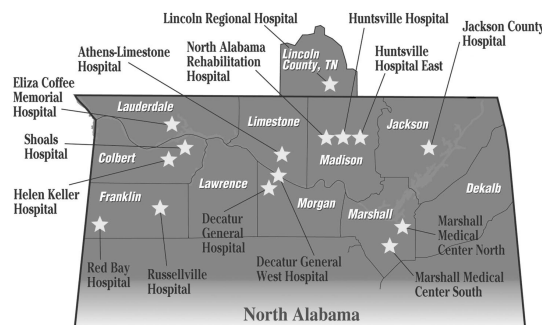
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Volume 1, Issue 2

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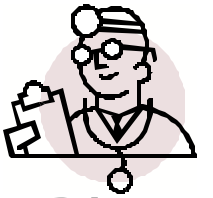
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Volume 1, Issue 2

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- FitWeigh
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NAMCI NEWS



NORTH ALABAMA MANAGED CARE, INCORPORATED - YOUR HEALTHCARE NETWORK SOLUTION IN NORTH ALABAMA

Consumer-Centered Plans: The Rx for an Ailing Industry

Steve DeRaleau, Executive Vice President and Chief Marketing Officer of Fortis Health

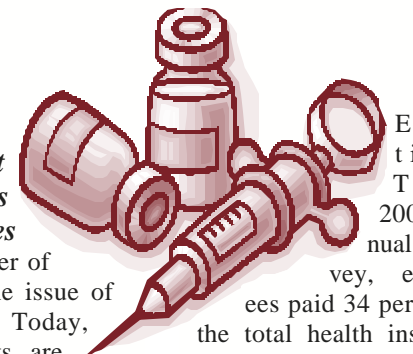
Healthcare is front-page news! I'm sure you've heard it all — costs are rising at record-breaking rates, the number of uninsured is at an all-time high, the U.S. is experiencing a "healthcare crisis," and on and on. It's difficult to dispute — the U.S. healthcare system is indeed in a state of crisis. Over the last few years we've seen double-digit healthcare cost increases. And in the foreseeable future, healthcare costs are expected to continue to rise. According to a recent report issued by the Centers for Medicare & Medicaid Services (CMS), healthcare spending in the U.S. is projected to reach \$3.1 trillion in 2012, up from \$1.4

trillion in 2001.

The Impact on Employers and Employees

At the center of this crisis is the issue of affordability. Today, healthcare costs are at \$5,400 per capita and projected to rise to \$9,000 by 2006. For many major U.S. businesses, those costs represent their largest non-discretionary expenses.

While the employee's dollar contribution for family coverage has increased (albeit slightly) over the last decade, the employee's share of the total health insurance premium has steadily declined. As a percentage of total healthcare spending, consumers' out-of-pocket spending is near a historic low. According to the Kaiser Family Foundation/Health Research and



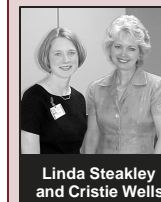
Educational Trust 2002 Annual Survey,

employees paid 34 percent of the total health insurance premium in 1993 but only 26 percent in 2002. Currently structured employer-sponsored healthcare coverage has created an entitlement mentality and reduced the consumer's responsibility and accountability in the healthcare equation — creating an "uninformed" consumer.

However, you can expect to see dramatic changes in the healthcare industry in 2004. That's because during 2003, the message is finally being heard — that in order for the system to become healthy, we must create an

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FitWeigh: The Healthy Way To Lose Weight



Linda Steakley and Cristie Wells

Excess weight affects virtually every organ system in the body. The effect on your health is overwhelming. The economic cost is greater than the cost of coronary heart disease or hypertension. Increased incidence of disease, higher health-care costs and poorer quality of life are all reasons weight issues should be

treated. Many physicians are not trained in weight management nor do they have adequate time to spend with their patients. Yet, obesity is the most prevalent chronic disorder they see. But as we all know it is a complicated issue with more than just "will-power" involved. Treatment is not just a one-size fits all

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FitWeigh: The Healthy Way To Lose Weight (continued)

approach. Many issues must be dealt with and this requires time.

The Registered Dietitian is trained to be a lifestyle counselor with emphasis on nutrition and exercise to help the overweight patient succeed. Turn on the TV and you'll hear any number of commercials for weight loss programs, pills, and solutions guaranteed to make you lose weight. The problem is the diet industry is not regulated and therefore answers to no one. You'll find numerous diet books and "no diet" books at your favorite book store or grocery store check out counter. Weight loss is big business. It can cost you millions - from a health standpoint and chasing after quick weight loss cures. Turning to a Registered Dietitian with 4 years or more college plus a dietetic internship offers people answers for their weight loss and nutrition issues. Most people don't arrive overweight



Cristie and Linda with Nutritional Pyramid

overnight or after a vacation. It creeps up on most of us. It happens over time and takes time to remedy the problem. However, in our 30-second fast food world we want a 30 day (or less) cure. It won't happen. It takes lifestyle changes - often changes people are not ready to make. It takes time and a commitment and a lot of effort.

Huntsville Hospital Sports and Wellness Center have teamed up with Registered Dietitians Linda Steakley and Cristie Wells to provide FitWeigh to our employees and the community. FitWeigh is an 11 week class based on real food and healthy eating. It is not quick weight loss. Most people lose an average of 1-2 pounds per week. It combines healthy eating with exercise and lifestyle changes. The results: a

healthier body with improved cholesterol, glucose, blood pressure, energy level, etc.

Losing 5 to 10% of your body weight will make a big difference in your health (5% of a 200 lb. man is 10 lbs.). Join FitWeigh today and make a difference in your health. Registered Dietitians are also available for other nutrition counseling.

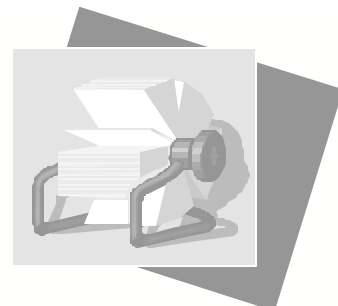
Linda Steakley, Registered Dietician
Huntsville Hospital Wellness Center
256-265-WELL

Wellness and Sports Center

Maintaining your health is easier now with two new locations of the region's premier health and wellness program. With a single membership, you now have access to three locations of the Wellness and Sports Center - the Medical Mall on Governor's Drive, Jones Valley Center and Madison Medical Park on Highway 72.
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Meet NAMCI's Newest Physicians:

Cynthia J. Anastas, M.D.	Barry N. Lumpkins, M.D.
Brian A. Cost, M.D.	Susan Markel, M.D.
Wesley J. Desselle, M.D.	Delphia E. Marshall, M.D.
Philip B. Elledge, D.M.D.	Charles M. McGahey, M.D.
Charlie B. Ferguson, M.D.	William S. Myers, M.D.
Wayne A. Goodson, M.D.	Lonnie L. Newlin, D.O.
Andrew J. Harper, M.D.	Bobby G. Norwood, M.D.
Lon A. Haskell, M.D.	Marcus C. Reeves, M.D.
Kelley V. Jefferson, M.D.	Jennifer A. Roy, M.D.
John Mark Kirk, D.O.	Jacqueline Y. Sylvester, M.D.
Jennifer W. Lassiter, M.D.	Anupama D. Yedla, M.D.
Ronnie L. Lewis, M.D.	



Upcoming Events

MGMA, Huntsville Hilton, 2nd Tuesday of each Month

Holiday Closings

Thanksgiving November 27 & 28
Christmas December 24-26
New Years January 1



Cathy Ontiveros

Please join us in welcoming Cathy Ontiveros as NAMCI's Provider Relations Representative. Cathy has over twelve years of medical office administration and patient accounting experience, and will be handling Provider related issues.

WELCOME CATHY!

Primary Contacts:

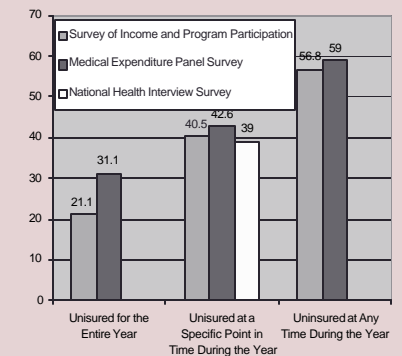
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Sherree Clark, Executive Director (256) 532-2755, sherreeh@compone.org
Beth Couch, Provider Updates / Newsletter (256) 532-2766, bethc@compone.org
Customer Service (800) 636-2624

How Many People Lack Health Insurance and for How Long?

It is frequently stated that about 40 million Americans lack health insurance. That estimate overstates the number of people who are uninsured all year. The Congressional Budget Office (CBO) estimates that between 21 million and 31 million people were uninsured for all of 1998, the most recent year for which reliable comparative data are available. Since then, the number who are uninsured all year probably has not changed substantially, given historical trends. Furthermore, the uninsured population is fluid, with many people gaining and losing coverage. Between half and two-thirds of the people who experienced a period of time without insurance in 1998, for example, had coverage for other portions of the year.

Source: Congressional Budget Office

Estimated Number of Nonelderly People Without Health Insurance in 1998 (in millions)



Note: The Center for Disease Control and Prevention, which sponsors the NHIS, reports only the point-in-time estimate.

Consumer-Centered Plans (continued)

environment where consumers take responsibility for proactively managing their own healthcare costs.

Contemporary Solutions

Informed choice is key. When consumers have to bear more of the cost of their health insurance, they will — out of necessity — educate themselves and become wiser about their decisions. This phenomenon has been the driving force behind the increasing popularity of consumer-centered plans, such as high-deductible plans. High-deductible major medical insurance can save employers and individuals approximately 30 to 40 percent in premiums versus a low-deductible plan. These savings can help fund an HRA or MSA. Once funded, the MSA or an HRA can be used to pay for a variety of medical expenses, even those that are not typically covered under traditional health insurance plans, such as eyeglasses, orthodontics, acupuncture, etc.

Further, recently proposed legislation has introduced yet another option — Health Savings Accounts (HSAs). Be sure to stay informed of the latest developments because enactment of this legislation would correct some of the restrictions that have limited the use and effectiveness of Medical Savings Accounts — the most important of which is making tax savings accounts available to all Americans. Currently, MSAs are only available to employees of small businesses and the self-employed.

Empowering the Consumer

The critical component to many of the changes that are already taking place in the healthcare industry is awareness. It's true that consumer-centered health plans require a paradigm shift that may be met with considerable objection by some. But, that can ultimately be overcome by consumer awareness and education that includes a

well-rounded understanding of costs, wellness and plan design.

First and foremost, consumers need to have a greater awareness of the cost of medical care. Because most consumers are insulated from the true cost of medical care, providers have been able to raise prices consistently. Americans are using more expensive healthcare services than ever before, yet most have no idea how much these services cost.

Tied to knowledge of costs is the awareness of how lifestyle choices affect health insurance costs. The value of wellness, preventive medicine and a healthy lifestyle cannot be underestimated. There is ample evidence that individuals who try to keep themselves healthy through diet, exercise and other wellness activities and who follow physician-recommended treatment and prevention regimens enjoy better health and, therefore, have fewer medical costs.

Opportunity on the Horizon

Throughout this whole process of change, we can educate consumers while offering them quality healthcare financing options. All of us in the insurance industry have a chance to be part of a powerful movement, one that will offer substantial financial rewards and opportunities.

Steve DeRaleau, Executive VP
and Chief Marketing Officer
Fortis Health
www.fortishealth.com

Excerpted from an article previously published in Insurance Marketing Magazine 8/2000

Policy Changes to Watch for in the Near Future

- The gradual disappearance of co-pays.
- The dramatic expansion of Health Reimbursement Arrangements (HRAs) and Medical Savings Accounts (MSAs) that will provide employees with more dollars when making healthcare decisions.
- First-dollar coverage for preventive care to reward those who proactively maintain their health and positively affect healthcare costs.
- More tiered benefits such as what we've begun to see with prescription providers.
- More decision support to help employees feel more comfortable and confident about the increasing number of choices they are making.
- The continued escalation of provider costs through consolidation and recontracting.