



Office of Group Benefits
ANNUAL ENROLLMENT
2009



RETIREES



This presentation is a summary of information and does not purport to present complete details of all plan options offered by the Office of Group Benefits. For complete information on each plan option, individuals should read plan documents carefully and consult other OGB and plan administrators' publications.

Welcome....



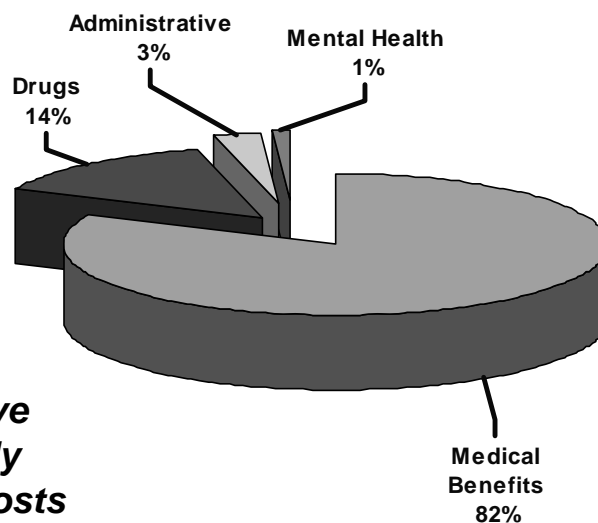
This presentation will cover:

- Ways to Save & Plan Changes
- Eligibility & Pre-Existing Conditions
- Overview of Health Plans
- Life Insurance

Office of Group Benefits...

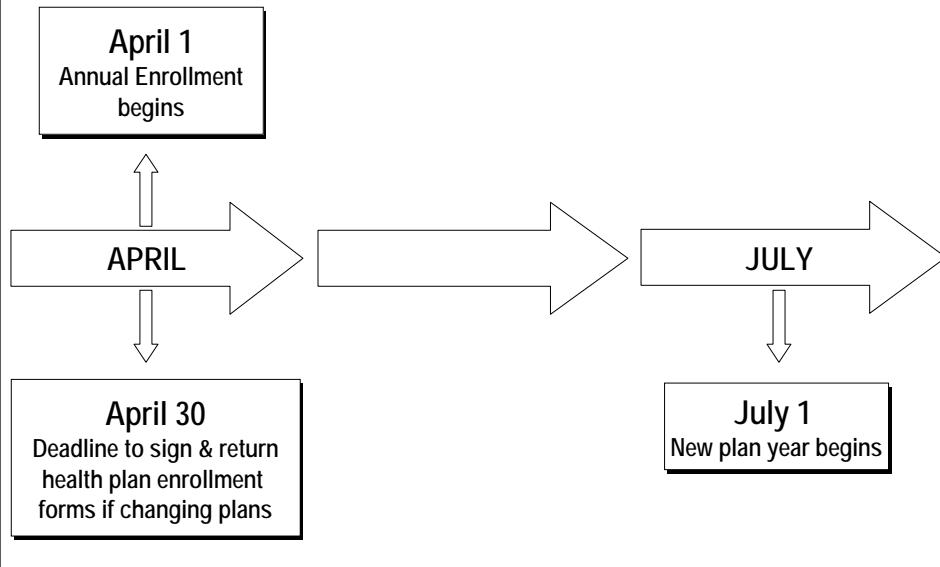


Serving State Agencies, Universities & School Boards



Administrative costs are only 3% of total costs

Annual Enrollment 2009 – Timeline



Ways to Save & Plan Changes

Live Well...Make Healthy Decisions 7 Ways to Save



1

Choose best plan for you & your family

➤ *Carefully review each plan*

Utilize pre-procedure checklist

➤ *Essential before-surgery tool*

2

3

Request generic drugs

➤ *Same chemical formulas & big savings*

➤ *Preferred drug list at www.CatalystRx.com*

Take prescribed medication as your doctor directs

➤ *Avoid unwanted hospitalization*

4

Live Well...Make Healthy Decisions 7 Ways to Save



5

Get wellness exams

➤ *Prevention*

➤ *Early diagnosis*

Sign up for Diabetic Sense Program

➤ *Get free test supplies*

➤ *1.888.341.8582*

➤ *Free glucometer*

➤ *Administered by CatalystRx*

6

7

Give providers accurate information about your health coverage

➤ *Ensure timely & correct payment*

Live Well...Make Healthy Decisions



Pre-Procedure Checklist...*Clip & Save*

Has doctor discussed all treatment options?	Medication vs. surgery Second opinions covered
Procedure covered by plan?	Refer to Plan Document
Hospital, doctors, lab in-network?	Radiology, anesthesiology providers, labs in participating hospitals may be out-of-network
Payment required for deductible, co-pay or % of eligible charges?	Refer to Plan Document
Pre-certification required?	Refer to Plan Document

Make Healthy Decisions...Utilize Generic Drugs



Brand Product	Average Cost per Prescription*	Generic Alternative	Average Cost per Prescription*
Xanax	\$34.77	Alprazolam	\$7.39
Ambien	\$42.99	Zolpidem	\$3.33
Zithromax	\$23.59	Azithromycin	\$9.33
Protonix	\$43.72	Pantoprazole	\$33.26
Neurontin	\$64.49	Gabapentin	\$13.95
Zocor	\$47.00	Simvastatin	\$5.18
Mevacor	\$49.76	Lovastatin	\$10.04
Pravachol	\$48.53	Pravastatin	\$6.60
Norvasc	\$34.50	Amlodipine	\$7.71
Zoloft	\$45.14	Sertraline	\$3.74
Fosamax	\$40.00	Alendronate	\$15.57
Flonase	\$33.75	Fluticasone	\$20.98
Allegra	\$29.43	Fexofenadine	\$17.46
Paxil	\$49.44	Paroxetine	\$7.94
Prozac	\$47.79	Fluoxetine	\$5.28

* Average cost as of 2-9-09; subject to change

Source: CatalystRx

Live Well...Make Healthy Decisions



**Utilize Generic Drugs...
Save on Out-of-Pocket Expenses**

	Prozac	Generic
30-day fill	\$47.79	\$5.28
90-day fill	\$143.37	\$15.84

Live Well...Make Healthy Decisions



Changes for 2009-10

- ✓ **No plan changes**
- ✓ **Only a minimal 3% premium increase**
- ✓ **United Behavioral Health is now OptumHealth**



OGB Cost Containment Measures

In the face of state budget cuts and rising health care costs, OGB continues to work diligently to keep premiums as low as possible:

- Reducing & combining Annual Enrollment meetings
- Printing one Annual Enrollment newsletter for both active & retired employees
- No printed provider directories for 2009-10... instead, OGB website links to current provider listings for each plan—accessible any time



www.groupbenefits.org

- ❖ **Step-by-step instructions to access current provider listings for each health plan (PPO, EPO, HMO) via OGB website**
- ❖ **Searchable by...**
 - ✓ Provider or facility name
 - ✓ Specialty
 - ✓ Region
 - ✓ City
 - ✓ State



Eligibility & Pre-Existing Conditions

What Happens If You Drop Coverage?



If You Drop Coverage You Lose It !!!

FOREVER!

What Happens If You Drop Coverage?



...EXCEPT

- ✓ **If you joined a non-OGB Medicare Advantage plan & it is no longer available or you withdraw, then...**
 - You must re-enroll the earlier of...
 - November for coverage effective January 1...or
 - Next Annual Enrollment for coverage effective July 1
- ✓ **You joined TriCare for Life & it is discontinued or had significant reduction in benefits**
- ✓ **You lost other creditable continuous coverage & meet all requirements of PPO Plan Document**

OGB Medicare Advantage Plans



- ✓ **Retirees who joined an OGB Medicare Advantage plan during OGB Medicare Advantage Fall Enrollment in 2008 cannot change plans until OGB Medicare Advantage Fall Enrollment in 2009!**
- ✓ **Call OGB Customer Service for details**

Eligibility...Same for All Health Plans



Full-Time Employees & Eligible Dependents

- ✓ **Legal spouse**
 - Louisiana does not recognize common-law marriages or same-sex marriages regardless of laws in other states
- ✓ **Never-married child under age 21 whom you support**
- ✓ **Never-married child up to age 24 who is full-time student**
 - Must provide proof within 30 days of beginning of each semester

Dependent verification required

Eligibility...Children



- ✓ **Natural child of you or your legal spouse**
- ✓ **Legally adopted child**
- ✓ **Child placed in home for adoption & claimed on federal taxes**
- ✓ **Child in home under legal guardianship or custody & claimed on federal taxes (*under age 18 only*)**
- ✓ **Grandchild dependent on you whose parent is your covered dependent**

Dependent verification required

Eligibility...Over-Age Dependents



- ✓ Incapable of self-sustaining employment prior to age 21 due to mental retardation or physical incapacity
- ✓ Covered dependent prior to age 21
- ✓ Notify OGB prior to dependent's 21st birthday

Annual Enrollment 2009-10



- ✓ If you are not making any changes in coverage, you do NOT have to fill out any paperwork
- ✓ If you are changing plans, send letter to OGB Eligibility Department with...
 - Your name
 - Your plan choice
 - Your Social Security Number
 - Your daytime telephone number
- ✓ Sign letter & mail to: OGB Eligibility Department
P.O. Box 66678
Baton Rouge, LA 70896
...or bring to area OGB Customer Service office

Reporting Changes



Go to HR Department of former employer or

Write a letter to OGB or

Visit area OGB Customer Service office



Overview of Health Plans

Healthy Plans for 2009-2010



Health Plan

Administrator

PPO

Office of Group Benefits

EPO

UnitedHealthcare

HMO

Humana

***OGB Medicare Advantage Plans
will be available during
Medicare Advantage Fall Enrollment 2009***

Providers? Restrictions?



- ✓ For PPO & EPO plan members with Medicare A and B, in-network & out-of-network coverage is the same...
*except in-patient hospital stay**
- ✓ To access HMO in-network benefits, plan members must use network providers
 - Searchable provider directory available via OGB website...

www.groupbenefits.org

** In-network coverage waives inpatient deductible*

Plan Overview... Member Out-of-Pocket Expenses



	PPO	EPO	HMO**
	All Regions	All Regions & Nationwide Network	All Regions
Administrator	OGB	UnitedHealthcare	Humana
Lifetime Maximum per Person	\$5 million for ALL eligible health care expenses		
Deductible	\$300 retired 3 person maximum	\$300 retired 3 person maximum	None
Out-of-Pocket Maximum	\$2,000 per person	\$2,000 per person	\$1,000 per person \$3,000 per family
Hospital In-Network	20% of Medicare co-ins/deductible*	20% of Medicare co-ins/deductible*	0% of Medicare co-ins***
MD Visits	20% of Medicare co-ins/deductible*	20% of Medicare co-ins/deductible*	0% of Medicare co-ins***
Network Providers	No restrictions	No restrictions	Restrictions apply
<p>* Subject to plan year deductible and/or applicable co-insurance ** For 100% coverage after Medicare, restricted to Humana network *** Subject to HMO co-pays/co-ins if member does not have accumulated reserves</p>			

Plan Overview... Member Out-of-Pocket Expenses



Services	PPO	EPO	HMO**
MRI/CAT Scans	20% of Medicare co-ins/deductible*	20% of Medicare co-ins/deductible*	0% of Medicare co-ins***
Sonograms	20% of Medicare co-ins/deductible*	20% of Medicare co-ins/deductible*	0% of Medicare co-ins***
Chemical or Radiation Therapy	20% of Medicare co-ins/deductible*	20% of Medicare co-ins/deductible*	0% of Medicare co-ins***
Routine PSAs	20% of Medicare co-ins	20% of Medicare co-ins/deductible*	0% of Medicare co-ins***
Cardiac Rehabilitation	20% of Medicare co-ins/deductible* Complete within 6 months	20% of Medicare co-ins/deductible* Complete within 6 months	0% Medicare co-ins*** 48 visits per plan year
Home Health Care	Non-covered benefit when Medicare is primary	Non-covered benefit when Medicare is primary	Non-covered benefit when Medicare is primary
<p>* Subject to plan year deductible and/or co-insurance ** Must use In-Network Providers *** Subject to HMO co-pays/co-insurance, if member does not have accumulated reserves</p>			

Plan Overview...Prescription Drug Benefit
Administered by Catalyst Rx (All Plans)



Prescription Drug Benefit (In-Network)	
Payments	Member pays 50% \$50 maximum per 30-day fill After \$1,200 per person per plan year, co-pay \$15 brand drug, \$0 generic
Formulary	None
Mail Order Program	Same as above 1-866-358-9530

Plan Overview...Coverage for Mental Health & Substance Abuse Treatment (All Plans)
Administered by OptumHealth Behavioral Solutions



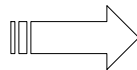
Member Out-of-Pocket Expenses

Inpatient	Outpatient
Maximum 45 days per person per year Pre-certification required	Maximum 52 visits per year Pre-certification required
20% of contracted rate In-Network 30% of contracted rate Out-of-Network* \$50 per day; 5 days maximum	20% of contracted rate In-Network 30% of contracted rate Out-of-Network*
\$200 Mental Health & Substance Abuse deductible applies	
\$1,000 + deductibles = out-of-pocket maximum	
*Member will owe deductible, co-pay, co-insurance & balance of billed charges	

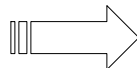
Medicare & OGB Coverage...All Plans



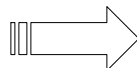
If you are retired and you reached age 65 on or after July 1, 2005, AND are eligible for free Medicare Part A, *then...*



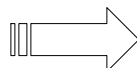
You MUST enroll in Medicare Part B to receive OGB health benefits



Applies to active employees over age 65 when they retire



Applies to spouse also



You must submit Social Security verification to OGB:

- Eligible – submit copy of Medicare card
- Not eligible – submit letter from Social Security

Facts to Remember...PPO, EPO & HMO



Medicare Part A & Part B

- ✓ OGB health plans are secondary to Medicare
- ✓ Premium rates is reduced accordingly
- ✓ OGB drug benefits are primary unless enrolled in Medicare D
- ✓ Provider accepts Medicare assignment?
 - Yes: OGB not responsible for charges above Medicare allowable
 - No: OGB will consider remaining eligible charges

Retiree 100...



PPO & EPO Plans

- ✓ **Optional coverage available to retired plan members who have Medicare A and B as primary health coverage**
- ✓ **Program may provide higher reimbursements for eligible medical expenses after deductibles are met**
- ✓ **Considers total charges billed by eligible provider, not just balance due after Medicare has paid**
- ✓ **Additional premium of \$39 per person/month**

Medicare Part D... Prescription Drug Coverage



- ✓ **Effective January 1, 2006**
- ✓ **Individuals with Medicare A and/or eligible for B**
- ✓ **OGB suggests not joining for most retirees**
- ✓ **Retirees near federal poverty level may qualify for extra help with Medicare D**

Sources of Information



OGB Website – www.groupbenefits.org

Plan Comparison & Premium Rates

Annual Enrollment Materials

Agency Human Resources Office

OGB Customer Service Offices

Sources of Information...*Clip & Save*



- ✓ OGB Website with Links to All Plans
www.groupbenefits.org
- ✓ OGB – 1.800.272.8451
- ✓ CatalystRx – 1.866.358.9530
- ✓ Diabetic Sense Program – 1.888.341.8582
- ✓ Humana – 1.888.393.6765
- ✓ OptumHealth Behavioral Solutions – 1.866.492.7143
- ✓ UnitedHealthcare – 1.866.336.9374



**More Choices for Retirees During
OGB Medicare Advantage Fall Enrollment 2009**

**More Choices for Retirees...
Medicare Advantage Plans**



- ✓ **Significant savings on premiums**
- ✓ **Retiree and spouse must have Medicare A & B**
- ✓ **Information available during *OGB Medicare Advantage Fall Enrollment 2009* for retirees who are currently in PPO, EPO & HMO plans**



Life Insurance

Life Insurance



Prudential Insurance Company of America

- ✓ **Group term life insurance plan**
- ✓ **State pays half of premium for employees & retirees**
- ✓ **Employee pays premium for dependents' life insurance**
- ✓ **Reduction of 25% in coverage and appropriate reduction in premiums on July 1 after plan member reaches age 65 & age 70**

Life Insurance



Basic Plan		
	Option I	Option II
Employee	\$ 5,000	\$ 5,000
Spouse	\$ 1,000	\$ 2,000
Each Child	\$ 500	\$ 1,000
Employee Premium	See schedule in <i>Helpful Information Book</i>	
Premiums for Dependent Life		
Employee Pays	\$ 0.88 per month	\$ 1.76 per month

Life Insurance



Basic Plus Supplemental Plan		
	Option I	Option II
Employee: Schedule to \$50,000 maximum based on employee's annual salary	Same	Same
Spouse	\$ 2,000	\$ 4,000
Each Child	\$ 1,000	\$ 2,000
Employee Premium	Schedule in <i>Helpful Information Book</i>	
Premiums for Dependent Life		
Employee Pays	\$ 1.76 per month	\$ 3.52 per month

Life Insurance



- ✓ **Accidental Death and Dismemberment (AD&D) benefits available to all active and retired employees covered under Basic or Basic Plus plan**
- ✓ **Retirees over age 70 not eligible for AD&D**
- ✓ **ALL inquiries & changes in life insurance must be made through your agency's HR Department**



QUESTIONS
