



Health Plan Update

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Making an Educated Choice

Last week, the Board of Regents approved premiums for the various health plans offered by the University System of Georgia (USG) to its employees and their families (rate charts are included with this newsletter). This heralds the time of year when all USG employees must consider whether or not they need to make any changes regarding their health-care coverage for the coming year.

This year's open-enrollment period – the only time of the year USG employees are invited to change their health benefits – will run from Oct. 3 to Nov. 4. Employees who wish to change plans or the level of their health-care coverage for 2006 must complete the health-plan election form included in the benefits packets they will receive later this month.

This *Health Plan Update* and the plan booklets in the employee benefits packets are designed to help employees choose the health-care plan that best suits their needs and make good use of benefits such as the pharmacy program and the disease state management program.

We encourage you to use these tools and to invest the personal time it takes to be an informed and responsible consumer. **Your wise choices are what enable the Board of Regents to keep increases in health-care premiums well below current national trends without reducing health-care benefits to employees.**

Employees who have questions after studying these documents and browsing the open-enrollment website are urged to contact their Human Resources Office for further information.

Premium Increases are Minimal

While premium increases are expected to average 13 percent nationwide for **Preferred Provider Organization (PPO)** health-care plans and 14.6 percent for **indemnity plans**, the Board of Regents has kept increases to 8 percent for those enrolled in the PPO plan and just 2 percent for those enrolled in the indemnity plan. The vast majority of USG employees are enrolled in these two plans.

Premium increases for **Health Maintenance Organizations (HMOs)** are expected to rise 13.2 percent nationally. However, the increase for the Kaiser Permanente HMO plan offered by the University System of Georgia will be only 9.83 percent. The increase for the BlueChoice HMO plan will be 9.75 percent. The premiums for active employees in both of these HMO plan options will remain lower than the premiums for active employees in the PPO/indemnity plan options.

There will be **no** increase in premiums for the USG indemnity dental plan for 2006. However, there also will be no open enrollment for this plan for 2006.

USG to Discontinue Kaiser Standard Plan Option

Due to low participation in the HMO “Standard Plan” option offered by Kaiser Permanente over the past two years, the Board of Regents has made the decision to discontinue offering this option. Only 25 percent (approximately 11,000) of the health-care plan contracts held by the University System are HMO plans. Of these HMO contracts, about 3,000 were with Kaiser in 2005, but only 34 utilized the “Standard Plan” option.

Help in Managing Chronic Diseases/Conditions

We strongly encourage members to continue using the disease state management programs available through your plan. Research indicates that program participants generally have fewer emergency-room visits. Through these programs, PPO and indemnity plan members have access to the leading medical strategies used in treating diabetes, congestive heart failure, asthma, oncology and cardiovascular disease with stroke overlay.

For 2006, we have added a new program in obesity management for PPO and indemnity plan members. An estimated 97 million adults in the United States are severely overweight or obese, and these people have a higher risk of hypertension, type II diabetes, coronary heart disease, stroke, certain types of cancer, sleep apnea and respiratory problems. In 1995, a national research initiative determined that the annual health-care costs attributable to obesity-related diseases were approaching \$100 billion. For more information on the PPO and indemnity plan programs, call Unicare at 1-800-790-2507.

The BlueChoice HMO plan offers programs in diabetes, asthma, congestive heart failure, cholesterol management for members with cardiac disease, and high-risk maternity. For more information, call 1-800-638-4754. The Kaiser Permanente HMO offers programs in diabetes, asthma, congestive heart failure, coronary artery disease and depression. For more information, call 404-261-2590.

Smoking Health Risk Targeted in 2006

Smoking also has been identified as contributing to an increased risk of cardipulmonary disease. For 2006, we encourage members who are smokers to take advantage of the new smoking-cessation program we have added to all our plans. “TLC, The Last Cigarette” is available on the Blue Cross Blue Shield of Georgia website at www.bcbsga.com. PPO, indemnity and BlueChoice plan members also can call 1-800-814-1508 to request a free TLC kit. For information on Kaiser Permanente’s free, six-week Quit Smart Program, call 404-365-0966 or 1-800-611-1811. 🏠

Attention, Medicare-Eligible Members

The Medicare Prescription Drug Improvement and Modernization Act of 2003 takes effect Jan. 1, 2006. This is the most significant recent development affecting prescription-drug coverage in the United States.

Among the act’s major provisions is a program commonly referred to as Medicare Part D, which offers Medicare enrollees an optional outpatient prescription-drug benefit. Members who are Medicare-eligible will be required to make an important decision: whether to continue with current prescription drug coverage provided by the USG health-care plans or enroll in a Medicare prescription drug plan offered by an outside vendor approved by Medicare. If a member elects the former option, the University System will be eligible to receive a retiree drug subsidy from the federal Centers for Medicare and Medicaid Services to reinvest in health-care plan reserves.

More details on the Medicare Part D subsidy in the next issue of *Health Plan Update*. 🏠