



Health Plan Update

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The Choice is Yours this Fall!

The Board of Regents will offer the University System of Georgia's active and retired employees an entirely reshaped slate of health benefit plans during this fall's open-enrollment period, including a **Preferred Provider Organization (PPO)** that will provide access to more than 9,300 physicians and 90 percent of the hospitals in Georgia, beginning Jan. 1, 2001.

Open Enrollment

Every System employee must choose a health-care plan (or decline coverage) during the period of Oct. 16–Nov. 16.

These new options will provide System employees and retirees with a wide variety of choices for high-quality, cost-effective and comprehensive medical care statewide.

At its monthly meeting last week in Atlanta, the Board of Regents approved seven items formalizing relationships with the companies that will offer these plans and establishing the premiums that will be charged. The approved premiums are shown in a chart on p. 4. The primary concern of System officials in reshaping the selection of plans was to implement measures aimed at stabilizing employee premiums at a

time when health-care costs nationwide are rapidly spiraling out of control.

In addition to the new PPO, the University System also will continue to offer access to two health-maintenance organizations (HMOs), where available, and the traditional self-insured indemnity plan.

During next month's open-enrollment period — which runs from Oct. 16 to Nov. 16 — the human resource/payroll staff on each campus will provide System employees with detailed material on each of these options to help them in making an informed choice. Employees also will have opportunities to view a video describing the PPO option. These materials are currently in production and will be distributed to the campuses as soon as possible.

In a departure from previous years, every USG employee and any retiree who currently has coverage will be required to make a written, formal election of a health-care plan (or choose "no coverage") during open enrollment, even employees who wish to maintain their current coverage. Those who don't make a choice will be assigned to the PPO, as the PPO will cost almost the same amount of money that the indemnity plan does currently. ☰

The PPO Option

Many employees currently enrolled in the Regents' Blue Cross/Blue Shield of Georgia indemnity plan are expected to switch to the PPO, thanks to the access it guarantees them to more than 9,300 physicians, 169 hospitals and ancillary facilities and a comprehensive chiropractic network. Also available to PPO participants through Magellan Behavioral Health is a network of providers of mental-health and substance-abuse services.

The Board of Regents PPO is actually made up of two networks — Medical Resource Network (MRN) and Georgia First — that have pooled resources to offer comprehensive health-care access statewide and in selected areas near the Georgia border in Alabama, Florida, South Carolina and Tennessee. MRN is affiliated with Promina Health Systems. Georgia First is a not-for-profit corporation composed of Emory

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The PPO Option

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Healthcare, the Medical College of Georgia and affiliates across the state.

Ninety percent of the doctors that currently provide services under the University System's indemnity plan are among the PPO's providers, as are 90 percent of the hospitals in Georgia. The PPO network area includes the state of Georgia and network providers located within 25 miles of the Georgia border. And the Board of Regents is pursuing access to a national PPO network for USG employees, retirees and dependents.

The PPO combines the freedom of the indemnity plan with many of the advantages typical of health-maintenance organizations (HMOs). When you need care, you make the decision whether to see a PPO network provider or any licensed health-care provider outside the PPO network. It is up to you. The trade-off? If you choose to visit a non-network provider, your level of benefit coverage will not be as high (i.e., you will be responsible for more of the costs), and you may have to pay the full bill and file a claim to get reimbursed for covered expenses. If you use in-network

providers, claims will be filed for you.

Just as with the indemnity plan, you are free to choose any provider within the PPO network. You don't need a referral from a primary-care physician to see a specialist, as required by some HMOs.

But, as with HMOs, you pay a fixed rate, or copayment, of \$20 for office visits. Other than for preventive care and illness/injury office visits, you must meet a yearly general deductible of \$300 per person (\$900 family maximum) before benefits are payable. Lab work and tests associated with preventive-care office visits — including mammograms, pap smears and PSA tests — are covered at 100 percent up to \$500 per person per year.

Chiropractic care is limited to 40 visits per year. You pay only 10 percent of the network rate for services rendered by network providers after meeting the \$300 general deductible. If you visit an out-of-network chiropractor, you will have to pay 40 percent of the allowed amount.

Premiums for the PPO are listed on page 4. ♣

Want to Know if Your Doctor Participates?

You'll find a PPO Provider Directory online at

www.healthygeorgia.com

How Will Your Out-of-Pocket Costs Compare?

If you are ill and have to visit a physician's office:

PPO in-network care:

You pay only a \$20 copayment. No deductibles apply and you are protected from balance billing.

PPO out-of-network care: You pay 40 percent of the allowed amount after meeting the \$400 deductible.

Indemnity plan: You pay 20 percent of the allowed amount after meeting the \$300 general deductible. ♣

The HMO Options

Two of the four HMO options currently available to USG employees and retirees in certain areas of the state — Kaiser and Blue Choice — will be offered during calendar year 2001.

The Board of Regents did not renew its contracts with Prudential HealthCare and United Healthcare. Prudential

is not currently accredited by the National Committee on Quality Assurance and the Regents have learned that the Emory University System of Healthcare and its group of physicians will no longer participate in Prudential HealthCare's provider network. United Healthcare requested a *See "HMO Option" on page 3 ...*

The Indemnity Plan

Contract negotiations for the Board of Regents' indemnity medical and dental plans were still under way as this issue of Health Plan Update went to press. The next issue of the newsletter will include details of the plan designs, as well as premiums for the dental plan. ♣

The HMO Option

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30 percent increase in employee premiums. United also has announced that it will discontinue its local Medicare program next year.

Kaiser requested a rate increase of just over 2 percent for calendar year 2001, and, as a result, physician-visit copayments will increase from \$3 to \$5.

Copayments for prescriptions filled at Kaiser Permanente Medical Centers also will increase from \$3 to \$5, while those filled at Eckerd Pharmacies will go from \$9 to \$11.

Blue Choice agreed to accept a 6 percent rate increase. The only

feature of this plan that will change is the discontinuation of the mail-order portion of the prescription drug plan.

Kaiser and Blue Choice premiums for the coming year are listed on page 4.

Please note that until all contractual issues with Blue Cross/Blue Shield of Georgia have been satisfactorily resolved, Blue Choice will be available only to employees and retired employees on campuses that already offer this HMO as an option. ☺

The Bottom Line

Did you know that 43 million Americans have no health-care insurance? That's pretty frightening, considering the high cost of routine wellness care and treating even minor illnesses and emergencies.

As an employee or retired employee of the University System of

Georgia, it's important to remember that your benefits extend well beyond your salary or pension...and that paying for your health-care coverage costs your

employer a lot more than it costs you each month. Unless you choose a Consumer Choice

option, you'll pay only 25 percent of the overall premium, no matter which health plan you choose, while the Board of Regents pays the remaining 75 percent.

The Office of the Associate Vice Chancellor for Human Resources at the Board of Regents has made a concerted effort to ensure that the plan design features and coverage provided by the indemnity plan and the PPO are comparable. You will notice that the Plan Year 2001 PPO premiums are approximately the same as the current premiums for the indemnity plan, as the Board of Regents pledged earlier in the year.

On page 4, you will find the health-plan premiums for calendar year 2001, as approved by the Board of Regents on Sept. 13, along with information on the employer's costs. ☺

Want to Know if Your Doctor Participates in an HMO?

You'll find a Kaiser provider directory online at www.kp.org/ga or call (404) 261-2590.

For information about Blue Choice providers, visit www.bcbsga.com or call (800) 424-8950. ☺

Another New Choice

As a result of a new state law, both the PPO and the HMOs will offer Consumer Choice options. By paying a slightly higher premium, you have the option of nominating non-network providers to render care for yourself or your eligible dependents on an in-network basis. If the nomination is approved, the provider will be available to you at the same cost as an in-network provider for the remainder of the plan year. Keep in mind that the doctor or facility you have nominated could decline to participate and that the HMO or PPO can choose not to approve your nomination. Regardless, you will have to pay the higher Consumer Choice premium for the remainder of the plan year. ☺

University System employees pay only 25 percent of the overall premium -- the Board of Regents pays the remaining 75 percent.

University System of Georgia -- 2001 Health Care Plan Premiums

Plan Option	Current premium					Premium as of 1/01/01				
	Employee	Employee+1	Family	Retiree w/ Medicare	Retiree +1 w/Medicare	Employee	Employee+1	Family	Retiree w/ Medicare	Retiree+1 w/Medicare
Indemnity										
Employee	\$56.00	\$116.72	\$136.40	\$28.18	\$56.36	\$87.00	\$165.00	\$243.00	\$34.00	\$67.00
Employer	\$187.72	\$391.42	\$457.50	\$94.40	\$188.78	\$260.00	\$494.00	\$729.00	\$100.00	\$201.00
Total	\$243.72	\$508.14	\$593.90	\$122.58	\$245.14	\$347.00	\$659.00	\$972.00	\$134.00	\$268.00
PPO										
Employee						\$62.00	\$117.00	\$173.00	\$34.00	\$67.00
Employer						\$185.00	\$352.00	\$519.00	\$100.00	\$201.00
Total						\$247.00	\$469.00	\$692.00	\$134.00	\$268.00
PPO Consumer Choice Option										
Employee						\$74.34	\$140.46	\$207.60	\$40.70	\$80.40
Employer						\$197.36	\$375.44	\$553.60	\$106.70	\$214.40
Total						\$271.70	\$515.90	\$761.20	\$147.40	\$294.80
Kaiser HMO										
Employee	\$43.34	\$86.68	\$168.40	\$10.50*	\$21.00*	\$47.48	\$94.96	\$142.46	\$22.30*	\$44.58*
Employer	\$142.70	\$285.38	\$389.70	\$34.62*	\$69.24*	\$142.46	\$284.90	\$427.34	\$66.86*	\$133.74*
Total	\$186.04	\$372.06	\$558.10	\$45.12*	\$90.24*	\$189.94	\$379.86	\$569.80	\$89.16*	\$178.32*
Kaiser Consumer Choice Option										
Employee						\$80.72	\$161.44	\$242.16		
Employer						\$142.46	\$284.90	\$427.34		
Total						\$223.18	\$446.34	\$669.50		
Blue Choice HMO										
Employee	\$40.48	\$86.02	\$108.80	\$8.22*	\$16.44*	\$46.02	\$97.80	\$123.68	\$22.50*	\$45.00*
Employer	\$133.28	\$283.22	\$358.18	\$27.08*	\$54.16*	\$138.06	\$293.38	\$371.04	\$67.50*	\$135.00*
Total	\$173.76	\$369.24	\$466.98	\$35.30*	\$70.60*	\$184.08	\$391.18	\$494.72	\$90.00*	\$180.00*
Blue Choice HMO Consumer Choice Option										
Employee						\$78.24	\$166.26	\$210.26		
Employer						\$138.06	\$293.38	\$371.04		
Total						\$216.30	\$459.64	\$581.30		

* Blue Choice and Kaiser retiree rates are for Medicare Choice Plans. To qualify for "retiree w/Medicare" or "retiree + 1 w/Medicare" coverage, all eligible individuals must have and assign to the HMO Medicare parts A and B.

Periodic health benefits updates will be published this fall by the Board of Regents' Office of Media and Publications, the Office of the Associate Vice Chancellor for Human Resources, and the Office of the Senior Vice Chancellor for Capital Resources. Future issues will contain further details about the new PPO and program benefits to help USG employees make an informed decision about their health care.