



Health Plan Update

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Once again, it's time for all University System of Georgia (USG) employees to 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. 12 to Nov. 12. Only employees who wish to change plans or the level of their health-care coverage for 2005 need to fill out the health-plan election form included in the benefits packets they'll receive in the next week or two.

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 them and make good use of benefits such as the pharmacy program and the disease state management program. Employees who have questions after studying these documents are urged to contact their Human Resources Office for further information.

Minimal PPO/Indemnity Premium Increases

As you are no doubt aware, the state's fiscal crisis continues, while the cost of health care continues to escalate. The Board of Regents is highly conscious of the impact that any increases in premiums or co-payments for health-care benefits will have on the administration, faculty and staff of the University System of Georgia and their families.

To that end, the Office of Support Services and the Office of the Associate Vice Chancellor for Human Resources worked out a plan that minimizes the impact of health-plan increases on those enrolled in the **Preferred Provider Organization (PPO)** and **indemnity plans**, which includes the vast majority of USG employees.

Premiums for these plans will not change for the first six months of 2005. On July 1, 2005, they will increase modestly by 5 percent.

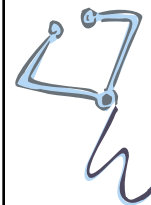
2005 Highlights for PPO/Indemnity Plan Members



Premiums won't increase until halfway through the year.



No increase in **pharmacy** co-payments.



Annual **wellness benefit** will increase from \$500 to \$750 per person per year.

New **Cardiovascular Disease with Stroke Overlay Program** will



assist plan members in managing chronic conditions via education and intervention strategies. (More about this in the next issue of **Health Plan Update**.)

The University System of Georgia has an Open-Enrollment website
www.usg.edu/admin/humres/benefits/health/enroll05.phtml
to help you in selecting the health plan that best fits you and your family.

HMO Options Still Include Kaiser, Blue Choice

Participants in the Kaiser Permanente Health Maintenance Organization (HMO) will continue to have a choice between the “Premium Plan” (no annual deductibles to meet) and the “Standard Plan” (lower premiums). Premium Plan rates will increase 9.9 percent for active employees, and Standard Plan rates will increase 10 percent in 2005. Employees enrolled in the USG’s Blue Choice HMO will see their premiums increase by 11.25 percent in 2005.

The premiums for active employees in the HMO plan options will remain lower than the premiums for active employees in the PPO/indemnity plan options.

The most significant change in the design of the HMO plans is an increase in the co-payment for outpatient surgery from \$15 to \$50.

The 2005 premium rates for each health plan are listed on the charts that accompany this first issue of *Health Plan Update*.

No Increases in Pharmacy Co-Payments

There will be no increases in pharmacy co-payments in 2005 for any of the health plans. Members of all plans will continue to pay \$10 for generic prescription drugs and \$25 for brand-name medications. PPO/indemnity plan members purchasing non-preferred brand-name drugs will continue to pay 20 percent of the drug’s cost — a minimum of \$40 and a maximum of \$75.

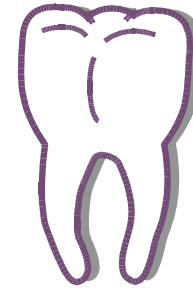
Out-of-pocket maximums for spending on generic and preferred brand-name medications also will remain the same:

Coverage Level	Maximum out-of-pocket spending per quarter
Employee	\$450
Employee + child	\$900
Employee + spouse	\$900
Family	\$1,350

Staying Well Getting a Little Easier

The Wellness Care/Preventive Health Care benefit for PPO/indemnity plan members will increase from \$500 to \$750 per person per year in 2005. Charges in excess of this amount will not be reimbursed under any other category of plan coverage.

Wellness care includes routine eye, hearing and physical exams, pap smears, mammograms, prostate exams/PSA, well-baby care, immunizations and adult immunizations. ☺



Indemnity Dental Plan Available

Once again this fall, current University System of Georgia employees who may have previously declined dental coverage or who would like to extend their dental coverage to eligible dependents may do so during Open Enrollment.

The dental plan is only available to current active employees.

USG benefits administrators do not anticipate that enrollment in the indemnity dental plan will be available during future annual Open Enrollment periods, so this may be the last chance for several years.

Premiums for the dental plan will increase 3 percent in 2005. As of Jan. 1, 2005, the rates will be as follows: employee only, \$27.24; employee + child, \$51.74; employee + spouse, \$54.46; and family, \$87.13.

A summary of the plan is available on the USG health benefits website at www.usg.edu/admin/humres/benefits/dental/. ☺