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State of Idaho Retiree Medical Plan Update

May 2006

Retiree Benefit Focus

State of Idaho, Department of Administration Office of Group Insurance Boise, ID

FY 07 Plan Highlights

- **No monthly** premium increases.
- **Premium Holiday** for state retirees.
- **No changes** to Basic Medical Plans' Benefits and Prescription Drug coverage.
- **Medical Plan Enhancements:**

  Asthma Management,

  Outpatient Cardiac Rehabilitation.

For State of Idaho Retirees and Dependents:

No Premium Increases for FY 2007, Traditional & PPO Plans Enhanced

State of Idaho retirees and their dependents will see two new enhancements in their Medical Plans for FY 2007.

Monthly premiums will not increase and your basic benefit coverage will remain the same.

(See Premium Rate Chart on page 2)

Medical Plan Enhancements

Asthma Management has been added to the *Disease Management Program* and will be made available to those Plan Members identified for services by their physicians.

Once identified, retirees and/or dependents will be contacted by Blue Cross of Idaho regarding their volunteer participation.

(*See Wellness story, page 4)*

Outpatient Cardiac Rehabilitation benefits have also been added to both the Traditional and PPO plans.

(See story page 3)

Annual Prescription Cap Continues

As we informed you last November, in order to assure the state retiree plan was considered "creditable coverage" under new Medicare Part D regulations, the **annual prescription cap** was raised from $2,000 to $4,000 in January 2006. This new annual cap will continue in the new plan year that starts on July 1, 2006.

Premium Holiday

This fall, you will receive a one-month premium holiday on your medical plan.

The premiums will be covered from reserves that had been contractually obligated to the state's former Insurer. Those reserves were released following the final settlement of contracts.

No Decisions, Actions Required if Satisfied With Current Rx Option and Medical Plan

If your current prescription drug option and medical plan are meeting your needs and you **do not** want to make any changes to them, **no decisions or actions are required on your part.**

However, if you want to make changes to your prescription option or medical plan, please contact our office by June 9, 2006.

You can reach us by email at ogi@adm.idaho.gov or by phone at:

208 332-1860 or 1-800 531-0597

Fiscal Year 2007 Monthly Premium Rates

Fiscal Year 2007 monthly premium rates are listed below for Retiree-paid Medical coverage under the **Traditional** or **Preferred Provider Organization Plan (PPO). Premium rates will not change July 1, 2006. Note:** The annual prescription cap was raised from $2,000 to $4,000 in January 2006 to assure the state's prescription benefit was "creditable coverage" under Medicare Part D, and will continue in the new plan year.

PPO Plan $4,000 Prescription Drug Cap	Retiree	Retiree + Spouse	Retiree + Child (ren)	Family
No Medicare	$393	$697	$505	$809
One on Medicare	$190	$584	$303	$697
Two on Medicare	N/A	$368	N/A	$479
Traditional $4,000 Prescription Drug Cap	**Retiree**	**Retiree + Spouse**	**Retiree + Child (ren)**	**Family**
No Medicare	$401	$713	$522	$834
One on Medicare	$190	$593	$311	$713
Two on Medicare	N/A	$368	N/A	$488
PPO Plan No Cap Prescription Drug Benefit	**Retiree**	**Retiree + Spouse**	**Retiree + Child (ren)**	**Family**
No Medicare	$472	$853	$664	$1,044
One on Medicare	$269	$740	$461	$932
Two on Medicare	N/A	$525	N/A	$714
Traditional No Cap Prescription Drug Benefit	**Retiree**	**Retiree + Spouse**	**Retiree + Child (ren)**	**Family**
No Medicare	$480	$869	$680	$1,069
One on Medicare	$269	$749	$469	$948
Two on Medicare	N/A	$525	N/A	$723

Prescription Benefits FY 07: Both Medical Plans (Capped and No Cap Benefits)

Network and Non-Network Dispensing	Network Pharmacy Co-payments	Non-Network Pharmacy Co-payments
30-day supply per co-payment Maintenance drugs — 2 co-payments per 90-day supply	Generic — $12 Brand Name with no generic equivalent — $18; Brand with generic equivalent — $40 plus difference in cost between brand and generic.	$25 co-payment plus 20% of balance.

Benefit Provision	State Retiree Health Insurance Plans		
	Traditional	*PPO In-Network*	*PPO Out-of-Network*
Deductible	$350 Individual $1,050 Family	$250 Individual $750 Family	$500 Individual $1,500 Family
Office Visit	Subject to Deductible and Co-insurance	$20 Co-pay (additional services subject to Deductible and Co-insurance)	Subject to Deductible and Co-Insurance
Co-insurance	Plan pays 80% of allowable charges	Plan pays 85% of allowable charges	Plan pays 70% of allowable charges
Out of Pocket Maximum	$4,300 / Individual $8,600 / Family Includes Deductible	$3,250 / Individual $6,750 / Family Includes Deductible	$6,500 / Individual $13,500 / Family Includes Deductible
In-Patient Hospital	Subject to Deductible and Co-insurance	Subject to Deductible and Co-insurance	Subject to Deductible and Co-insurance
Wellness	$250 per person, per plan year benefit for listed procedures, not subject to deductible. After $250, expenses subject to deductible and Co-insurance.	$20 Office Co-pay; then Plan pays 100% for listed procedures. No limits per plan year. Unlisted procedures are subject to deductible and Co-insurance.	Not Covered, except for screening mammography services at 70% of allowable charges subject to deductible.

Cardiac Rehabilitation Benefits Introduced in Both Plans

Outpatient Cardiac Rehabilitation benefits have been added to both the Traditional and PPO medical plans, effective July 1, 2006.

Cardiac rehabilitation services are comprehensive long-term programs involving medical evaluation, prescribed exercise, cardiac risk factor medications, education and counseling.

These programs are designed to:

- limit the physiological and psychological effects of cardiac illness,
- reduce the risk for sudden death or reinfarction, control cardiac symptoms, stabilize or reverse the atherosclerotic process, and
- enhance the psychosocial and vocational status of elected patients.

Asthma Management Added

State Wellness Program

A new, three-part Wellness Program for state of Idaho employees, retirees, and their dependents was announced as part of the *Governor's Wellness Initiative* this past January.

These wellness programs are administered by Blue Cross of Idaho (BCI).

The first phase, a **Tobacco Cessation** program began in February, followed by a **Weight Loss Management** program in March.

Effective July 1, 2006, the **Disease Management Program** will be enhanced by providing voluntary intervention services for those Members and dependents with **Asthma.**

Asthma Management

Even though clinical guidelines for treating asthma are readily available to members and their doctors, members do not always receive the best possible treatment.

Members who enter the asthma program are carefully tracked for outcome measurements to see how well they are controlling and responding to their treatment.

Congestive Heart Failure (CHF) and **Diabetes** disease management programs were introduced last year in both the Traditional and PPO Plans.

BCI Identification 'Opt-In' or 'Opt-Out'

If you receive treatment for any of these three conditions, effective July 1, you will receive information from BCI requesting your participation in the Disease Management Program.

At that point, you may continue to participate, or can opt-out of the program.

The Disease Management Program serves to coordinate medical resources and information for both the plan member and the provider. This coordination can shift the care of chronic conditions from one of treatment to that of prevention and early detection.

Information About Your
FY 2007 State Retiree Medical Plan

IDAHO Department of Administration
adm.idaho.gov

Office of Group Insurance
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This publication presents general benefit information. In the event of any conflict between the information in this publication and the Plan provisions, the Plan documents and insurance contracts will govern.

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