



Newsletter

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SHBP FY 2012 Deficit Grows to \$280 Million—Premium Increases and Benefit Changes for January 1, 2012

Commissioner David Cook and Department of Community Health staff presented financial information for the **State Health Benefit Plan** on August 11 and August 25, 2011. After explaining that the **FY 2012 deficit is now \$280 million**, the Commissioner and DCH staff presented a mixture of premium increases, new options, benefit changes, and other changes to meet the FY 2012 deficit. **Premium increases of 11%, 17%, or 28% depending upon your option to begin on January 1, 2012 were presented to and approved by the Board of Community Health.** The approved premiums include **NEW** Wellness HMO, HRA, and HDHP options, **STANDARD** HMO, HRA, and HDHP options that have decreased benefits, a **NEW** TRICARE Supplement Option for active members and under age 65 retirees, and **higher out-of-pocket costs** for the Standard and Premium Medicare Advantage Plans.

GSRA and You: Facing the Challenges

You are GSRA! Be there.
Send a powerful message to Georgia leadership by attending your annual meeting.

October 18, 2011
GPSTC Auditorium
Forsyth, GA
1:00 – 5:00 PM

Premiums – Calendar Year 2012

Monthly Premium Rates Comparison – Active Members & Retirees Under Age 65										
Coverage Type	CY 2011			CY 2012 - Wellness			CY 2012 Standard			Tricare Supplement
	HMO	HRA	HDHP	HMO	HRA	HDHP	HMO	HRA	HDHP	
Employee Only	110.22	68.75	59.84	122.56	76.46	66.54	129.18	80.58	70.14	60.00
Employee + Child	264.27	215.16	199.02	293.88	239.26	221.32	309.72	252.18	233.26	119.00
Employee + spouse	260.15	210.10	194.15	289.30	233.64	215.90	304.90	246.24	227.54	119.00
Family	284.94	228.28	210.86	316.86	253.86	234.48	333.96	267.54	247.14	160.00

Monthly Premium Percent Increase – 1/1/2012						
Coverage Type	CY 2012 - Wellness			CY 2012 Standard		
	HMO	HRA	HDHP	HMO	HRA	HDHP
Employee Only	11.2%	11.2%	11.2%	17.2%	17.2%	17.2%
Employee + Child	11.2%	11.2%	11.2%	17.2%	17.2%	17.2%
Employee + spouse	11.2%	11.2%	11.2%	17.2%	17.2%	17.2%
Family	11.2%	11.2%	11.2%	17.2%	17.2%	17.2%

Monthly Premium Rates Comparison –Retirees Over Age 65 (UNSUBSIDIZED)									
Coverage Type	CY 2011			CY 2012 - Wellness			CY 2012 Standard		
	HMO	HRA	HDHP	HMO	HRA	HDHP	HMO	HRA	HDHP
Per Retiree OVER AGE 65	1,118.02	1,128.38	1,112.62	1,243.24	1,254.76	1,237.23	1,310.32	1,322.46	1,303.99
Percent Increase				11.2%	11.2%	11.2%	17.2%	17.2%	17.2%

Monthly Premiums Rates Comparison - Medicare Advantage Options -						
Coverage Type	CY 2011 Rates		1/1/2012 Rates		Percent Increase	
	Standard	Premium	Standard	Premium	Standard	Premiums
Retiree Only	21.23	65.23	23.61	83.61	11.2%	28.2%
Retiree & Spouse (both over age 65)	42.46	130.46	47.22	167.22	11.2%	28.2%

Benefits—New Options, Option Changes, and Increased Out-of-pocket Costs

DCH staff discussed the new options and benefit changes to options that will be offered during the **Retiree Option Change Period of October 11, 2011 through November 10, 2011**. In addition to the 2011 options (HMO, HRA, HDHP, MAP Standard and MAP Premium), a new group of options known as the **Wellness HMO, Wellness HRA, and Wellness HDHP and a TRICARE Supplement** will be offered. Wellness options have member premiums at an 11.2% increase over 2011 options and the Standard options have member premiums at a 17% increase over 2011 options. Options and benefit changes are briefly discussed in the following paragraphs. **All amounts and percentages are for in-network services.**

1. **Wellness Options:** DCH has adopted a strategy to increase health awareness, wellness, and member engagement to improve overall health risk for **active employees and retirees under age 65**. The Wellness Program is comprised of: The Wellness Promise and The Wellness Plans.
 - a. Members (including spouses if covered) who are eligible to enroll in a Wellness Option promise to provide a (1) Health Assessment and (2) Biometric Data in 2012, e.g. BMI, blood pressure, cholesterol and glucose readings.
 - b. Members must fulfill their promise in 2012 in order to be eligible for the wellness plans the following year. In year 2 of the wellness plan, members must complete the health assessment and the screenings again. In addition, members whose screening results are not within the target range

must demonstrate they are attempting to reach the targets. Members who comply with year 2 requirements will be eligible to enroll in the wellness plans for year 3.

2. **Wellness Options Plans:** The benefits under each of the wellness options (HMO, HRA, & HDHP) are the SAME as the benefits under the current HMO, HRA or HDHP options, **EXCEPT** for prescription drugs. The deductibles, maximum out-of-pocket (OOP) amount, and copays (except for prescription drugs) are the same as the **currently offered** HMO, HRA, and HDHP. The HRA Credits (based on coverage tier) will remain at the **current HRA credit level (\$500, \$1,000, or \$1,500)**. The prescription drug benefit changes are as follows:
 - a. **Wellness HMO**—Members have access to the 90-day voluntary mail pharmacy, which will ***reduce the 90-day fill copay to 2.5 copays rather than three copays for purchasing three 30-day fills.***
 - b. **Wellness HRA**—Prescription drugs: No longer will prescription drug cost be included in the HRA deductible or out-of-pocket maximum. Instead, pharmacy will include minimum and maximum copay per tier. ***For Tier 1, the cost will be \$20 or 15% up to a maximum of \$50; for Tier 2, the cost will be \$50 or 25% up to a maximum of \$80; for Tier 3, the cost will be \$80 or 25% up to a maximum of \$125.***
 - i. A member who uses the retail pharmacy for purchase of a **90-day supply will pay the three**

times the copay amounts as shown above for Tier 1, Tier 2, or Tier 3.

- ii. A member who uses the voluntary mail pharmacy for a 90-day supply will pay 2.5 times the copay for *30-day fill, i.e. save \$10 for Tier 1, \$25 for Tier 2, and \$40 for Tier for the 90-day fill.*
 - c. **Wellness HDHP**—Prescription drugs: The prescription drug benefit will be the same as the current HDHP benefits. However, members will have the option of using the 90-day voluntary mail pharmacy by paying a minimum copay of \$25 minimum or 20% up to a maximum of \$250.
- 3. Standard Options:** Generally, the standard options have **premiums that are 6% greater than the Wellness Options** (17% greater than current premiums) and will have increased copays, increased coinsurance, or decreased HRA credits.
- a. **Standard HMO:** Office copays are increased by \$10 – up to \$45 for primary care and \$55 for specialty care. The deductibles and out-of-pocket maximum remain at the current HMO benefit level. *The prescription drug benefit will remain at the current HMO benefit level, but will include the 90-day voluntary mail pharmacy as stated for the Wellness HMO in this article.*
 - b. **Standard HRA:** The Standard HRA credits are reduced (25%-33%) to \$375 for employee only coverage, to \$650 for employee + spouse and employee + children, and to \$1,000 for family coverage. Deductibles and OOP maximums are the same as the CY 2011 HRA deductibles and OOPs. *The prescription drug benefit is changed and is the same as described in the Wellness HRA.*
 - c. **Standard HDHP:** The *deductibles and out-of-pocket maximums* for the Standard HDHP are *increased*. Deductibles (in-network) will increase from \$1,500 to \$1,750 and OOP will increase from \$2,400 to \$2,650 for employee only coverage. Other coverage tiers have a similar increase in deductibles and OOP

maximums. *In addition, the coinsurance that members have to pay will increase by 10% (from 10% to 20%).*

4. **TRICARE Supplement:** Active and **retired members under age 65** may select the TRICARE Supplement option, which is an insured product offered to members who are enrolled in the military medical program called TRICARE. If you enroll in the Supplement, TRICARE becomes the primary payer and the Supplement option pays most of the TRICARE deductibles and copayments/coinsurance. The premiums are not subsidized by the SHBP.
5. **Medicare Advantage Options:** Retired members with Medicare coverage (usually over age 65) will again have the option of enrolling in either of two levels of benefits. However, for January 1, 2012, the premiums have increased 11% or 28% and the benefit levels have been substantially reduced.
 - a. **Standard MAP:** The out-of-pocket maximum is **increased by \$1,500 up to \$3,500 annually**; office visit copays are **increased by \$5 up to \$25/\$30**; the copay for other services is **increased by \$5**; coinsurance for durable medical equipment and prosthetic devices is *increased from 15% to 20%*; copay for inpatient hospital is *changed from a dollar amount to 20%*; copays for prescription drugs are **increased by \$5 for each tier**; the copay for the 90-day mail order pharmacy will be **2.5 times the 30-day fill copay rather than the current 2 times the 30-day fill.**
 - b. **Premium MAP:** The out-of-pocket maximum is **increased by \$1,500 up to \$2,500 annually**; office visit copays are **increased by \$5 up to \$15/\$25**; the copay for other services is **increased by \$5**; coinsurance for durable medical equipment and prosthetic devices is **increased from 10% to 15%**; copay for inpatient hospital is **changed from a dollar amount to 15%**; copays for prescription drugs are **increased by \$5 for each tier**; copay for the 90-day mail order pharmacy is increased by one-half of the 30-day copay.

Other Changes

1. **Federal law changed for PeachCare for Kids®:** Historically, children of members of the SHBP were ineligible to participate in the federally provided health coverage for children regardless of income levels. Federal legislation has modified this provision, and children of SHBP members may now qualify for enrollment in the PeachCare for Kids program. DCH estimates that 40,000 SHBP members may qualify to have their children in

PeachCare and that 42,000 children of SHBP members will be enrolled. Savings to the SHBP for FY 2012 is estimated at \$32 million and \$64 million for FY 2013. Although the transfer will result in extra costs to the State in the PeachCare program, the matching provisions with the federal government will net a savings to the State of \$23.75 million in FY 2012 and \$47.5 million in FY 2013.

2. **Increase for local school systems:** A resolution was presented to the Board and approved to increase the local school systems per employee rate effective September 2011 by \$50 (to \$296.20) per month. An additional \$32 million will be generated to the SHBP in FY 2012.
3. **Request additional funds:** DCH will request the Governor and General Assembly to increase SHBP funds by \$60 million in the Amended FY 2012 budget.

Summary

Given that the information in this article can be overwhelming and confusing, the following table reflects the major cost and benefit comparisons for the options that are being offered during the Retiree Option Change Period—October 11 through November 10, 2011. The **TRICARE Option is not shown** because it is intended to pay most of the medical cost that TRICARE does not pay.

Selected Comparative Information – CY 2012 Options – Employee Only Coverage								
Only a Partial list of Services – SHBP will provide Complete Information ¹ . <i>See Footnote for Acronym Description²</i>								
Type of Service	Wellness HMO	Standard HMO	Wellness HRA	Standard HRA	Wellness HDHP	Standard HDHP	Standard MAP	Premium MAP
Monthly Premium	\$122.56	\$129.18	\$76.46	\$80.58	\$66.54	\$70.14	\$23.61	\$83.61
Deductible	\$1,000	\$1,000	\$1,300	\$1,300	\$1,500	\$1,750	-0-	-0-
HRA Credit			\$500	\$375				
OOP	\$3,000	\$3,000	\$3,000	\$3,000	\$2,400	\$2,650	\$3,500	\$2,500
OVP Copay/coinsurance	\$35	\$45	15%	15%	10%	20%	\$25	\$15
OVS Copay/coinsurance	\$45	\$55	15%	15%	10%	20%	\$30	\$25
Hospital OP Services	20%	20%	15%	15%	10%	20%	20%	15%
IP Services	20%	20%	15%	15%	10%	20%	20%	15%
Emergency Care	\$150	\$150	15%	15%	10%	20%	\$50	\$50
Ambulance	-0-	-0-	15%	15%	10%	20%	\$50	\$50
DME	-0-	-0-	15%	15%	10%	20%	20%	15%
Pharmacy Tier 1	\$20	\$20	\$20 Min (15% up to \$50)	\$20 Min (15% up to \$50)	\$10 Min (20% to \$100)	\$10 Min (20% to \$100)	\$15	\$15
Pharmacy Tier 2	\$50	\$50	\$50 Min (25% up to \$80)	\$50 Min (25% up to \$80)	\$10 Min (20% to \$100)	\$10 Min (20% to \$100)	\$45	\$45
Pharmacy Tier 3	\$90	\$90	\$80 Min (25% up to \$125)	\$80 Min (25% up to \$125)	\$10 Min (20% to \$100)	\$10 Min (20% to \$100)	\$85	\$85

¹ If any information conflicts with the SHBP supplied information, the SHBP information prevails.

² OOP=Out-of-pocket maximum; OVP=Office Visit-Primary; OVS=Office Visit-Specialist; OP=Out-patient; IP=Inpatient; DME=Durable Medical Equipment

Questions for or about GSRA?

For help with GSRA general information and questions email help@mygsra.com or call 770-312-2799.

Southern Crescent Becomes GSRA's Newest Emerging Local Chapter

GSRA is pleased to announce the newest emerging local GSRA chapter. The continuing push by the Board and Policy & Operations Committee to develop local chapters across the state is having success. Retirees in 6 counties south/southwest of the metropolitan Atlanta area met on August 23rd to begin the process of forming a local chapter. A group of 65 retirees from Coweta, Fayette, Spalding, Pike, Meriwether and Heard counties decided to organize the *Southern Crescent* local chapter. During the initial meeting, the retirees elected officers, including President, Mary Ann Schaapman, and then adopted by-laws for the chapter. Formal approval of the chapter and by-laws is expected at the September GSRA board meeting. Anyone wishing to obtain more information about this new chapter can contact Mary Ann Schaapman at maescha@aol.com.



Claude Vickers Addresses Southern Crescent Organizing Meeting

Local Chapter News

Altamaha

The Jesup chapter recently changed its name to the Altamaha chapter. Sixty members in attendance decided that beginning in 2012, chapter meetings will be held quarterly on the second Monday of January, April, July, and October. The Chapter's meetings will be held at the Jesup Captain Joe's restaurant at 6:00 PM. The 2011 officers will continue through 2012.

The Chapter's next meeting in 2011 will be in November, at which time, Senate President Pro Tempore Tommie Williams will speak to the membership. All GSRA members living in Wayne and surrounding counties are invited to attend.

Northeast Metro

The Northeast Metro chapter will hold its next meeting in Gainesville, in the Swetenburg Hall at the First Presbyterian Church. The Church is located at 800 South Enota Drive NE, Gainesville, 30501. The meeting will

begin at 1:00 PM and conclude about 3:00 PM on September 15, 2011.

Previously, Northeast Metro Chapter meetings have been held in Gwinnett County because it is central to where our members live: Barrow, Gwinnett, Hall, Jackson, and Walton counties. Although the Gainesville location will result in a longer drive for some of our members it will be closer for others. **But, we are retirees! We have time!** Come visit beautiful Hall County!

For those who live in Hall County, this will be a great opportunity to attend a local chapter meeting, and equally important, an opportunity to tell your friends who are retired and live in the area about GSRA. Please spread the word about the meeting and try to bring someone with you.

We will be hearing from Bill Tomlinson, former Director of the Governor's Office of Planning & Budget (OPB). Bill has agreed to speak about **what proposed legislation may impact our members' health insurance and retirement.**

We are inviting the local legislators to be with us, so we need a strong turn out to impress upon them the need to listen to retiree issues and concerns. **Please let us know by e-mail at gspanega@mindspring.com, by a note to P.O. Box 392214, Snellville, GA 30039 or by phone (770) 498-3579 if you plan to attend.** We need to get an estimate of the number of members who will attend.

Northwest Metro

Northwest Metro held a chapter meeting August 17, 2011, at the Central Cobb County Library in Marietta. We welcomed two new members, Brenda Young and Carmen Peters. A main emphasis of this meeting was on encouraging attendance at the annual meeting in October. Members are encouraged to carpool to get as many people there as possible.



W Metro Chapter President Alan Morris Addresses Members

We also discussed the coming changes in the SHBP and their impact on retirees. The chapter's major focus in year three of its existence will continue to be legislative advocacy, as we anticipate that the issues of alternative investments and death derivatives will continue to be raised during the legislative session. We want to be informed and proactive in reaching out to our respective legislative delegations. Our next meeting is tentatively set for

Wednesday, November 9, at the Cobb Central Library, 266 Roswell Street, Marietta at 10:30 A.M.

Northwest Georgia

The Northwest Georgia chapter met August 25, 2011 and elected new officers, who will take office effective October 1, 2011. The new officers are President, Ted Welch, Vice-President, Lynd Dewsnap, Secretary, Joyce Willis, Treasurer, Terry Goodwin, Membership Director, Deborah Clark, with the current News Media Liaison, Lavana Gordon, continuing in her position.



NW Ga's Lynd Dewsnap, Ted Welch, Horton Herrin, Joyce Willis, Terry Goodwin and Deborah Clark

Southwest Georgia (Albany)

The Southwest Georgia chapter met on July 14th 10:30am at the Golden Corral in Albany with 20 members in attendance. Discussion topics included health insurance issues, budget issues, including future COLAs, and the annual meeting. The next quarterly meeting is scheduled for October 20th, 2011.



Member Spotlight

August's Member Spotlight is on Sam Shepherd, first President of the new Central Metro local chapter. Sam began his state career in December, 1973 at the Dept. of

Natural Resources, Environmental Protection Division. He received his Bachelor of Civil Engineering from GA Tech in 1979 and began work as an Environmental Engineer in the Construction Grants Program. Sam has broad experience in the environmental area in solid waste

management, biosolids reuse and water quality. For the last 13 years of his career, Sam supervised a group of engineers who reviewed and approved sewage plant designs for municipal and private systems. Sam completed his state career by retiring on June 1, 2011 and has begun to enjoy traveling, the beach and square dancing. Sam was asked to answer the following questions.

Q: What was your first job in state government? Why did you choose public service?

A: My first job was as an Environmental Technician for the Environmental Protection Division of DNR. I sampled water quality and evaluated sewage treatment plant performance all over the State. The job sounded interesting and I wanted to do something to improve the environment. The job was part of a co-operative student work/school program. My uncle started his environmental engineering career with the State of Florida, so it seemed like a good way to get some experience.

Q: Who was your role model/mentor during your career?

A: I had a number of great role models at the State. However, my father was a wonderful role model for honesty, hard work and customer service.

Q: What was the biggest lesson you learned during your career?

A: Treating people the way you would like to be treated. I always did my best to find out the right answer for people who called, even if it wasn't my area of expertise.

Q: If you could turn the clock back on one aspect of technology what would you discontinue?

A: I hate automated phone systems where it is difficult to speak to a human being. It makes it easy to provide "customer no-service" as Clark Howard calls it.

Q: What was the best thing about your career?

A: I worked with a lot of great people who were interesting and fun. I met a lot of nice people in local governments, private businesses and everyday citizens.

Q: What was the worst thing you encountered in your career?

A: For most of my career, we never had the resources to do as good of a job as I would like to do. In recent years, lack of raises and furloughs made things more challenging.

Q: What is the biggest change you envision in state government in the next 10 years?

A: Retirement of experienced people and the "brain drain" will hurt state government. I regret that I was unable to hire and train more people due to the budget. The taxpayer will see a decrease in services.

Q: What did you do during the first year of your retirement?

A: I retired June 1, 2011, so it has not been that long. I went to an organizational meeting for a local GSRA chapter on June 9th and got involved in the Association. I have taken several short trips including spending time on the beach, which is one of my favorite things to do. I have also started on my list of house and yard projects.

Q: What are your favorite hobbies/activities?

A: I like being outside, working out at the gym, traveling to new places and square dancing.

Q: What are some of the things you like to read?

A: I like books by Charlaine Harris. The "True Blood" series on HBO is based on her books. I read the Atlanta Journal-Constitution daily and read several magazines each month. I am starting to read "The Help."

GSRA New Members in July

Name	County	Name	County	Name	County
Dan Basso	Ben Hill	Vale' A. Henson	Fulton	Evelyn Meeks	Jackson
Emily Beckham	Muscogee	Elizabeth C. Hicks	Clayton	Albert R. Murray	Rockdale
James C. Bonner, Jr	Dekalb	Marilyn J. Hill	Fulton	Deborah W. Oldham	Oconee
Paul H. Bowers	Brantley	Lucille L. Hill	Muscogee	Walter A. Perry, II	Dekalb
Mary C. Crawford	Dekalb	Carol Jacobs-Downs	Chatham	Donna H. Reeves	Muscogee
Hezekiah Dale	Chatham	John T. Jordan	Franklin	Dianne S. Register	Worth
Jefferson W. Davis	Wayne	Margaret Kidd	Gwinnett	Sharon G. Varn	Chatham
Lynn S, Dressi	Paulding	Hershel Knight	Wayne	Alice Welborn	Coweta
Douglas Greenwell	Fulton	Barbara Leak	Dekalb	Evelyn V. Wells	Jackson
Vicki N. Hancock	Coffee	Joyce C. Ledbetter	Wayne		
Pat S. Harrison	Dekalb	Judy Meadows	Meriwether		