

Planning for 2006

The Board typically begins planning for the subsequent year's plan designs in January. But Board Chair David Hartwig has asked the Plan Design Subcommittee to start planning now for 2006 plans. Subcommittee Chair Diane Lovell says the group will continue to focus on concepts that can move PEBB closer to the Board's Vision for 2007.

- An evidence-based drug plan. Such a plan could provide financial incentives for use of generic drugs or the lowest priced brand-name version shown to be equally as effective as other drugs in its class.
- Plan designs that promote healthcare based on scientific evidence rather than simply paying for services.
- Provider networks or tiers with the potential to improve health outcomes and/or reduce claims costs.
- Decision-support tools members and providers can use to select the best treatment options based on the member's circumstances and potential treatment outcomes.
- Expansion of the chronic disease management program to include depression.
- Incentives for providers to offer e-visits and other e-technologies that improve quality and/or outcomes.

Plans and Rates for 2005

On June 15, the Public Employees' Benefit Board approved recommendations submitted by its Plan Design Subcommittee to renew current benefit plans with current carriers for 2005. These plans include existing medical, dental, life and disability plans. As a result, the design of benefits will not change for the coming year. Following are the recommendations approved by the Board.

Medical Plans

Continue current Kaiser Permanente HMO plan design for 2005 with no changes.

Estimated premium rate increase: 9.8 percent.

Continue current Regence BlueCross BlueShield of Oregon (BCBSO) PPO plan design for 2005 with no changes.

Estimated premium rate increase: 18.9 percent.

Dental Plans

Continue current Kaiser Permanente dental plan design for 2005 with no changes.

Estimated premium rate increase: 2 percent.

Continue current ODS Traditional, Preferred and Low Option dental plan designs for 2005 with no changes.

Estimated premium rate increase: 3.5 percent overall

Continue current Willamette dental plan design for 2005 with no changes.

Estimated premium rate increase: 13.7 percent.

Routine Vision Services

VSP provides routine vision service coverage for members of the BCBSO PPO plan. For 2005, VSP will be in the second year of a two-year contract, so there will be no plan design or rate changes.

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Purchasing Pool Begins to Take Shape

Last year, the Governor signed Senate Bill 875 into law. The bill creates a prescription drug purchasing pool. As administrator of the Office of Oregon Health Plan Policy and Research, Benefit Board member Dr. Bruce Goldberg is spearheading the project. He provided answers to inquiries about the program.

Q *What does SB 875 do?*

A SB 875 mandates the state, through the Department of Administrative Services, to set up a purchasing pool to make prescription drugs more affordable. The pool would be open to PEBB and local governments. Participation will also be available to Oregon citizens 55 and older whose incomes are below 185 percent of the federal poverty level. The goal is to create a pool large enough to leverage purchasing power and to establish more value and transparency in buying prescription drugs.

Q *How does PEBB fit into the picture right now?*

A PEBB has contracts that preclude its participation at this point. But the Benefit Board can look at this as an option in the future.

Q *What is the time frame for start up?*

A Many states are looking at pools of this type, but few have them in place. There is a lot of work to be done. We anticipate the program will be operational late this fall.

Q *What steps have you taken to date?*

A Our first step was hiring a skilled program administrator. We are now developing the administrative rules and the necessary requests for proposals. The draft rules should be completed in the next month

and then opened for public comment.

Q *Who is participating in development of the program?*

A The organizations that helped create the legislation are now advising us on the development of the program. They include AARP, the Oregon State Pharmacy Association, PHARma [the pharmaceutical manufacturers' association], SEIU, the AFL-CIO, Oregonians for Health Security, and legislative representatives - particularly Sen. Bill Morrisette and Rep. Mitch Greenlick.

Plans and Rates for 2005 *(Continued from page 1)*

Additional part-time employee and retiree options

The Board also approved recommendations for additional medical and dental plan options for eligible part-time employees and retirees. These are to:

- Continue the Kaiser Permanente Part-time and Retiree HMO plan design (estimated 11.3 percent premium rate increase).
- Continue the 2002 Regence BCBSO Part-time and Retiree PPO plan design (estimated 18.9 percent premium rate increase).

- Mutualize the premium increase across both the Regence BCBSO plans. This has the effect of lowering the premium increase on the Part-time and Retiree PPO plan by averaging the increase across the total PPO population.
- Continue the ODS Low Option dental plan for part-time employees and retirees.
- Continue to make all medical and dental plan options available to part-time employees and retirees.

July 2004 Public Meetings

All meeting dates, times and locations are subject to change. Please check the PEBB Web site at <http://www.oregon.gov/DAS/PEBB/meetings.shtml> or call the PEBB office for the most current information.

The Public Employees' Benefit Board will meet Tuesday, July 20, from 2 to 5 p.m. in Hearing Room 50 in the Capitol building at 900 Court Street NE, Salem.

The Operations Subcommittee will meet Tuesday, July 13, from 9:30 to 11:30 a.m. in the PEBB Health Center conference room located at 775 Court Street NE, Salem.

The Plan Design Subcommittee will meet Tuesday, July 6, from 8:30 to

11:30 a.m. in hearing room 357 in the Capitol building at 900 Court Street NE, Salem. The Subcommittee will also meet Tuesday, July 20, from 8:30 to 11:30 a.m. in Conference Room 350 in the Capitol building.

The Wellness Subcommittee will meet Tuesday, July 20, from 11:30 a.m. to 1 p.m. in Conference Room 350 in the Capitol building at 900 Court Street NE, Salem.

Meetings held at these addresses are wheelchair accessible. If other accommodations are necessary, please contact Becky Johnson at (503) 378-6296 within 48 hours or as soon as possible before the meeting.

PEBB Resources

Access PEBB, insurance companies and other benefit resources using the contact information below. The insurance company Web sites include provider directories. You can also link to insurance company Web sites from the PEBB Web site.

Public Employees' Benefit Board (PEBB)
(503) 373-1102, (800) 788-0520
<http://pebb.das.state.or.us>
inquiries.pebb@state.or.us

PEBB Health Center
(800) 701-1333, (503) 362-1111
www.pebbhealth.org
pebbhealth@oregonwellness.com

Associated Administrators, Inc. (Dependent Care FSA)
(800) 334-4340
(503) 220-3805
www.aai-pca.com

BestChoice Administrators
(800) 556-3137
(503) 765-3581
www.bestchoiceadmin.com

Kaiser Permanente (medical & dental)
(800) 813-2000
www.kp.org/ehealth/nw/pebb

Nationwide Insurance (auto)
(888) 628-4663 media code 8425
(888) 662-8446 (TDD)

The ODS Companies (dental)
(800) 452-1058
www.theodscompanies.com/pebb

Regence BlueCross BlueShield of Oregon (medical)
(800) 826-9813
(503) 220-3849
www.or.regence.com/pebb

The Standard Insurance Company (life & disability)
(800) 242-1888
www.standard.com

Unum (long-term care)
(800) 227-4165
www.unumprovident.com/enroll/pebb

VSP (vision for Regence members)
(800) 877-7195
www.vsp.com

Willamette Dental Insurance (dental)
(800) 460-7644
www.willamettedental.com

PEBB Health Center Update

775 Court St. NE • Salem, OR 97301

(800) 701-1333 • www.pebbhealth.org • (503) 362-1111 • pebbhealth@oregonwellness.com

Noon-hour Programs at the PEBB Health Center

All classes are from noon to 1 p.m. Registration is required; (503) 362-1111; (800) 701-1333; pebbhealth@oregonwellness.com. Feel free to bring your lunch. Handouts may be available if you are unable to attend. Check the Health Center Web site at www.pebbhealth.org for updates. *(Please follow agency policy on use of the Internet at work.)*

Asthma and Obesity

Date: Tues., July 13

Covers the combined impacts of obesity and asthma along with lifestyle changes for improvement.

Get Real About Fitness

Date: Wed., July 14

Shows how mentors and social groups can up your motivation to continue a physical activity program.

Healthy Eating for Diabetics

Date: Wed., July 21

Covers proper diabetic diet principles and ways to create a healthy, flexible diet.

Syndrome X

Date: Tues., July 27

Presents ways to reduce the risk of chronic diseases related to insulin and glucose levels.

Depression and Chronic Disease

Date: Tues., August 10

Addresses low mood, sadness, depression; anger and guilt; depression treatment.

Body Acceptance

Date: Wed., August 11

Identifies cultural influences and "healthy at every size."

Tobacco Cessation

Date: Tues., August 17

Addresses readiness to quit, over-the-counter and prescription options, and support for quitting.

Resistance Bands

Date: Wed., August 25

Demonstrates use of resistance bands to strengthen the upper body and prevent back pain.

Prevent and Treat Hypertension

Date: Thurs., August 26

Presents dietary and lifestyle strategies to improve blood pressure.

The PEBB Health Center's lending library has materials on these topics and more. Call or e-mail for a library card so you can take advantage of the resources available to all PEBB members.



PEBB Mission

To provide a high quality plan of health and other benefits that are affordable to both the employee and the state.