For Your BENEFIT
STATE OF LOUISIANA • OFFICE OF GROUP BENEFITS
PPO • EPO • MCO • HMO

Looking Ahead, Looking Better

By Tommy D. Teague
OGB Chief Executive Officer

Your colleagues at the Office of Group Benefits are busily at work rebidding all of our health, prescription drug and other plans, as is required by state law every three years. A couple of nasty hurricanes knocked down our plans to do this last year!

Our goal is to find you the richest plans of benefits at the most reasonable cost. I can assure you that all of the proposals we receive will undergo thorough scrutiny and evaluation by OGB, its actuaries and other experts. We also promise to continue to offer top-notch customer service and support.

As we get closer to Annual Enrollment in April, we will make sure you have all the information you need to make the best health care choice for you and your family. Please keep in mind that the selection you make in April 2007 will be in effect from July 1, 2007 through June 30, 2008.

Although those dates seem far in the future, we want to alert you to carefully review all the information we will be sending to you in the coming months. Our plan members who are retired from the military, as well as our plan members who are eligible for Medicare, need to be especially vigilant. In our last issue of *For Your Benefit*, we told you about our TRICARE Supplement Plan for plan members who are military retirees. Another new program is our Medicare Advantage Plan, which will offer significant savings for our plan members who are eligible for Medicare.

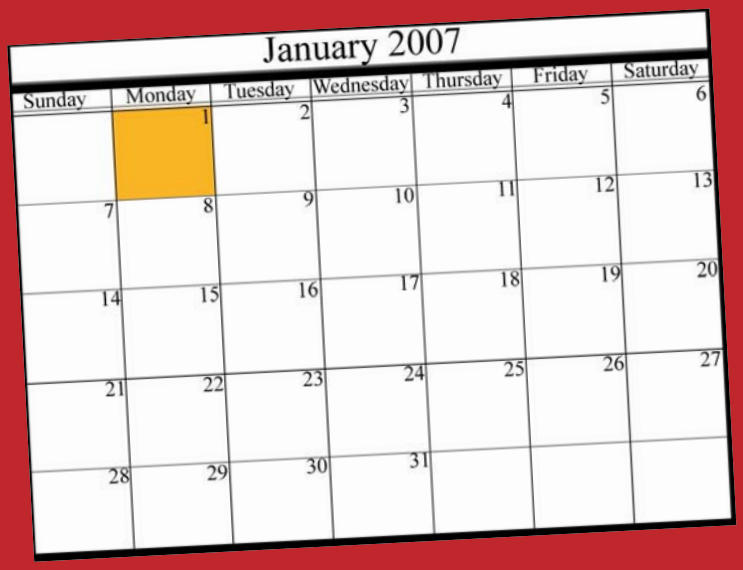
OGB is dedicated to offering you the best health care plans on the market.

We're Moving!

In November, OGB will relocate to nearby Bon Carré Business Center (the former Bon Marche Mall). **Our mailing address and phone numbers will not change**, but our new physical address will be 7389 Florida Boulevard, Suite 400, Baton Rouge, LA 70806. As always, plan members are welcome at our walk-in customer service center.

INSIDE

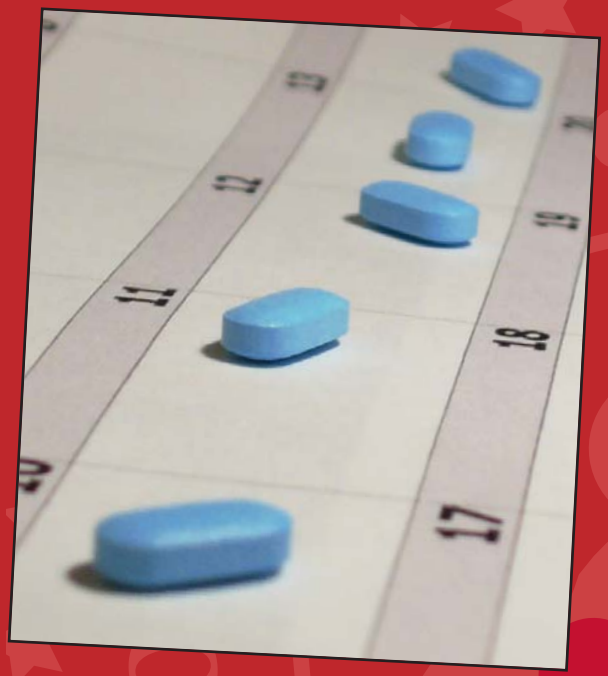
PPO Coverage Amendments Planned for January 2007



Effective January 1, 2007, OGB will amend the PPO plan document to reflect two changes in coverage:

The dispensing limits for outpatient prescription drugs will change from 34, 68, and 102 day supplies to 30, 60, and 90 day supplies (which are the standards in the pharmacy benefits industry). The change will not impact the continued availability of prescription medications because OGB also follows the industry standard of allowing refills after 75 percent of the amount most recently dispensed should have been used. This means an OGB plan member who receives a 30-day supply, for example, can continue to get a refill after 23 days, eliminating potential worries about running out.

Prior authorization will be required for hyperbaric oxygen therapy. Once used primarily to treat decompression illness ("the bends"), HBOT can enhance healing of tissue injuries and certain types of problem wounds, skin grafts and other conditions or illnesses. The change will allow identification of unnecessary or inappropriate uses of HBOT before medical expenses are incurred. All adverse determinations on prior authorizations for HBOT will be subject to review and appeal pursuant to the processes established under state law pertaining to medical necessity review organizations.



The cost savings realized by implementing the changes on January 1 (instead of waiting until a new plan year begins on July 1) will help OGB keep our plan members' premiums as low as possible.

OGB Expands Medical Coverage for ADD/ADHD, Adds Colorectal Screening

OGB has implemented two changes to provide added medical benefits for PPO, EPO and MCO plan members. Treatment coverage for attention deficit disorder/ attention deficit hyperactive disorder (ADD/ADHD) has been expanded, and coverage for routine colorectal screenings has been added.

Effective July 1, 2006, **OGB processes medical claims filed by physicians for patients who have ADD or ADHD.** Such claims were previously processed for payment only to mental health providers by United Behavioral Health (UBH). To assist pediatricians and primary care physicians (PCPs) in making treatment decisions involving ADD or ADHD patients, UBH maintains a toll-free consultation line. Members can contact UBH by calling the OGB-dedicated toll-free number (866-492-7143).

OGB now also covers routine colorectal screening provided in accordance with the most recently published recommendations established by the American College of Gastroenterology, in consultation with the American Cancer Society. The recommendations address age, family history and screening frequency for procedures including:

- Fecal occult blood test;
- Flexible sigmoidoscopy; and
- Colonoscopy

as explained in the 2006 PPO Plan Document.

MCO Plan Members Can Now Access Ochsner Facilities, Providers

Effective August 1, OGB's MCO plan members can also access Ochsner facilities and providers. A complete listing is available online via the FARA website www.farabenefits.com.

Healthy Together…Take Charge!

OGB is committed to helping our plan members live a healthy lifestyle by providing programs to assist you in achieving this goal. Feeling your best can be hard if you're living with a chronic health condition. That's why OGB offers you a Care for your Health program called ***Healthy Together…Take Charge!***, provided in partnership with APS Healthcare.

The ***Healthy Together…Take Charge!*** program is completely confidential and available via the Internet at no cost to OGB plan members. ***Healthy Together…Take Charge!*** provides you with the education and self-management skills needed to better manage your chronic health condition(s).

The program targets these key areas:

1. Your understanding of your treatment plan;
2. Motivation and self-confidence associated with managing your condition(s);
3. Managing medical, emotional, and personal issues that may be associated with your condition(s);
4. Improved relationships and communications with your doctor and pharmacist;
5. Staying on your medications;
6. Managing such issues as sleep, pain, fatigue, depression and stress;
7. Assisting you in understanding how to get the social support you may need;
8. Goal setting and planning skills; and
9. Helping you make better lifestyle choices concerning weight management, stress management, eating properly, and smoking cessation.

Accessing the *Healthy Together…Take Charge!* program is easy!

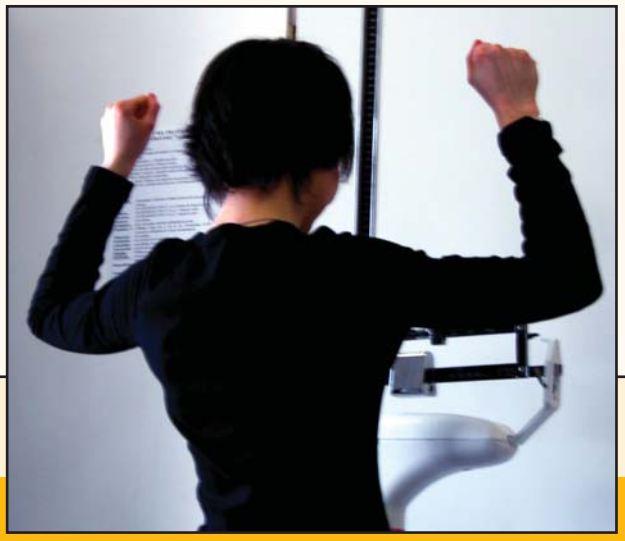
Just go to **www.healthytogether.net/ogb** and perform the following steps:

1. Click on **Sign Up** button
2. Enter your **Personal Information**
3. Click on **Sign Up**
4. Complete your **Profile**
5. Click on **Update**
6. **Read** the Statement
7. Click on **Agree**

Start your journey today and be on your way to increasing your confidence in managing your chronic condition(s). The ***Healthy Together…Take Charge!*** Program is the first step in making a lasting behavior change!

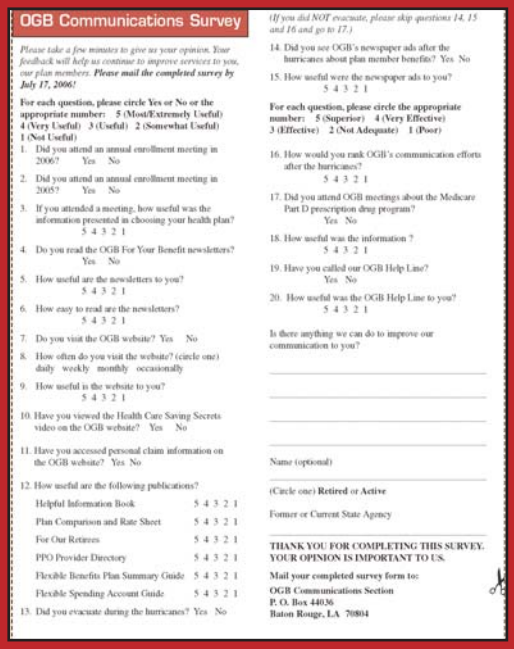
Questions? Call 1-877-343-3106.

HEALTHY TOGETHER℠
OGB Health Management Program



www.healthytogether.net

And the Survey Says……



OGB Communications Survey

Please take a few minutes to give us your opinion. Your feedback will help us continue to improve services to you, our plan members. Please mail the completed survey by July 17, 2006!

For each question, please circle Yes or No or the appropriate number: 5 (Most/Extremely Useful) 4 (Very Useful) 3 (Useful) 2 (Somewhat Useful) 1 (Not Useful)

1. Did you attend an annual enrollment meeting in 2006? Yes No
2. Did you attend an annual enrollment meeting in 2005? Yes No
3. If you attended a meeting, how useful was the information presented in choosing your health plan? 5 4 3 2 1
4. Do you read the OGB For Your Benefit newsletters? Yes No
5. How useful are the newsletters to you? 5 4 3 2 1
6. How easy to read are the newsletters? 5 4 3 2 1
7. Do you visit the OGB website? Yes No
8. How often do you visit the website? (circle one) daily weekly monthly occasionally
9. How useful is the website to you? 5 4 3 2 1
10. Have you viewed the Health Care Saving Secrets video on the OGB website? Yes No
11. Have you accessed personal claim information on the OGB website? Yes No
12. How useful are the following publications?
    - Helpful Information Book 5 4 3 2 1
    - Plan Comparison and Rate Sheet 5 4 3 2 1
    - For Our Retirees 5 4 3 2 1
    - PPO Provider Directory 5 4 3 2 1
    - Flexible Benefits Plan Summary Guide 5 4 3 2 1
    - Flexible Spending Account Guide 5 4 3 2 1
13. Did you evacuate during the hurricanes? Yes No

(If you did NOT evacuate, please skip questions 14, 15 and 16 and go to 17.)

14. Did you see OGB's newspaper ads after the hurricanes about plan member benefits? Yes No
15. How useful were the newspaper ads to you? 5 4 3 2 1

For each question, please circle the appropriate number: 5 (Superior) 4 (Very Effective) 3 (Effective) 2 (Not Adequate) 1 (Poor)

16. How would you rank OGB's communication efforts after the hurricanes? 5 4 3 2 1
17. Did you attend OGB meetings about the Medicare Part D prescription drug program? Yes No
18. How useful was the information ? 5 4 3 2 1
19. Have you called our OGB Help Line? Yes No
20. How useful was the OGB Help Line to you? 5 4 3 2 1

Is there anything we can do to improve our communication to you?

Name (optional)

(Circle one) **Retired** or **Active**

Former or Current State Agency

THANK YOU FOR COMPLETING THIS SURVEY. YOUR OPINION IS IMPORTANT TO US.

Mail your completed survey form to:
OGB Communications Section
P. O. Box 44036
Baton Rouge, LA 70804

In the last issue of *For Your Benefit*, we asked plan members to respond to our survey of OGB's communication efforts. We are very grateful to the 800 of you who took the time to fill out and send in your survey forms. Communication is really a two-way street, and we appreciate knowing your thoughts and opinions.

SUMMER 2006

For Your BENEFIT

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TRICARE Supplemental Plan Helps Military Retirees

By Tommy D. Teague
OGB Chief Executive Officer

I am pleased to report that OGB's Annual Enrollment 2006 was very successful. We held almost 400 meetings and met with more than 17,000 plan members across the state. Thanks to the efforts of your OGB staff and your agency representatives, we are ready for the new plan year commencing July 1, 2006.

Tell OGB how we're doing . . . complete the survey on page 6

We are already planning for next year and beyond. We want to continue to offer you and your family a choice of health care plans. We are very excited about one particular program, designed for military retirees, called TRICARE. TRICARE is available at no cost to eligible military retirees. OGB will be offering a low cost TRICARE Supplemental Policy and paying most of the premium cost on behalf of our employees and retirees eligible for such coverage.

TRICARE is the health insurance program provided to the armed forces by the United States Department of Defense. OGB is fortunate to have many military retirees who have initiated a second career in state government or education.

With TRICARE, coupled with the supplemental policy offered by OGB, eligible military retirees can get benefits better than those offered by OGB with lower out-of-pocket expenses. The program also has no pre-existing condition provisions and is guaranteed issue.

To be eligible for TRICARE, members must be retired from any branch of the armed services with at least 20 years of service and entitled to retired, retainer or equivalent pay. Coverage also extends to spouses under age 65 and unmarried dependent children under age 21 (or under age 23 if a full-time student).

You will soon be hearing much more about the TRICARE programs. If you are eligible to participate, you can significantly decrease your health premiums by choosing TRICARE and the TRICARE Supplemental Policy.

INSIDE

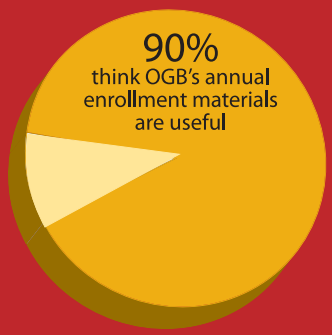
2 . . . LaCHIP Income Limits Increased
3 . . . Medicare Eligibility
4 . . . OGB Partners Go the Extra Mile
6 . . . OGB Communications Survey
7 . . . Colorectal Cancer Screenings

We are pleased that 93 percent of respondents find our newsletters helpful and 90 percent think OGB's annual enrollment materials are useful. We are also glad 96 percent said our materials are easy to read. That's always a particular challenge in the health care insurance arena.

The survey also showed us we have some work to do. Only 28 percent of our respondents have visited our website, and many of them did not find our website useful. You can see why we value your input. We now know we must focus on making **www.groupbenefits.org** easier to use and more helpful.

Communicating with our plan members is one of OGB's top priorities. The health care universe gets more and more complicated, and you deserve the most up-to-date and easily understandable information.

Thanks again for helping us do our jobs better.

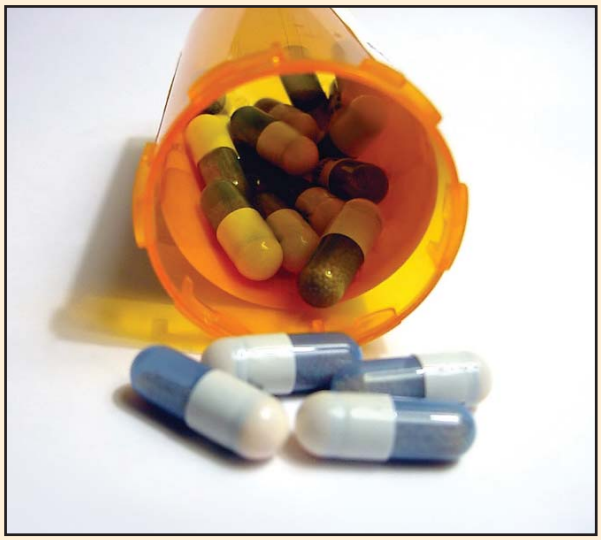


What You Should Know About Generic Prescription Drugs

When a brand-name prescription drug's patent protection expires, generic versions of the drug can be approved for sale. Generic drugs are identical to their brand-name counterparts in dosage, safety, strength, route of administration, quality, performance characteristics and intended use. All generic drugs must be reviewed and approved by the U.S. Food and Drug Administration (FDA).

Although generic and brand-name drugs are chemically identical, generic drugs are usually sold at substantial discounts—as much as 60 to 90 percent less than brand name drugs. According to the FDA, while the average price of a brand-name prescription drug is $72, the average price of a generic version is approximately $17.

If you're currently being prescribed a brand-name prescription drug, there is a good chance that a less expensive, generic alternative might be available. Always ask your doctor for generic drugs whenever possible.



Did You Know?

Generic drugs...

- ✔ Save you money every time you get a prescription filled
- ✔ Are your least-expensive prescription drug option
- ✔ Are currently used for almost 50 percent of all prescriptions
- ✔ Are subject to strict FDA quality standards
- ✔ Are chemically identical to brand-name prescription drugs

What Happens When You Go To An Out-of-Network Provider?

OGB is concerned about instances where our plan members recently incurred thousands of dollars in out-of-pocket expenses by utilizing non-network providers—a situation that could have been avoided.

The following are examples of actual cases in which this occurred.

A **provider** is defined as any person or organization licensed to provide medical services, such as a hospital, doctor, rehabilitation center, X-ray or laboratory facility, surgery center or chiropractor.

An **out-of-network** provider is a provider who does not have a contract with OGB.

Soft Tissue Procedure/Surgery **Total Bill: $21,764**

The plan member went to an out-of-network hospital for an elective inpatient procedure. After OGB paid the hospital the reasonable and customary amount for the procedure and hospital stay, the plan member was still responsible for $9,381 plus the deductible and co-pay ($750). **Because out-of-network providers do not have contracts with OGB, they can bill plan members for charges not covered by OGB.**

Out-of-Network Provider: Total Patient Responsibility $10,131

If this had been done at a contracted (in-network) hospital, the plan member would be responsible only for the co-pay and deductible (if these had not already been met).

In-Network Provider: Total Patient Responsibility $750

Major Cardiovascular Surgery **Total Bill: $14,485**

The plan member went to an out-of-network hospital for an elective outpatient procedure. After OGB paid the reasonable and customary amount for the procedure, the plan member was responsible for $10,717 plus the deductible and co-pay ($600). **Again, because out-of-network providers do not have a contract with OGB, they can bill the plan member for the remaining balance not covered by OGB.**

Total Patient Responsibility (Out-of-Network Provider): $11,317

If this had been done at an in-network hospital, the plan member would be responsible only for the co-pay and deductible.

Total Patient Responsibility (In-Network Provider): $600

OGB plan members can avoid incurring excessive out-of-pocket medical expenses by using contracted (in-network) providers. Just because providers say "Yes, we take your insurance" does not mean they have a contract with OGB! Always check with OGB to be sure.

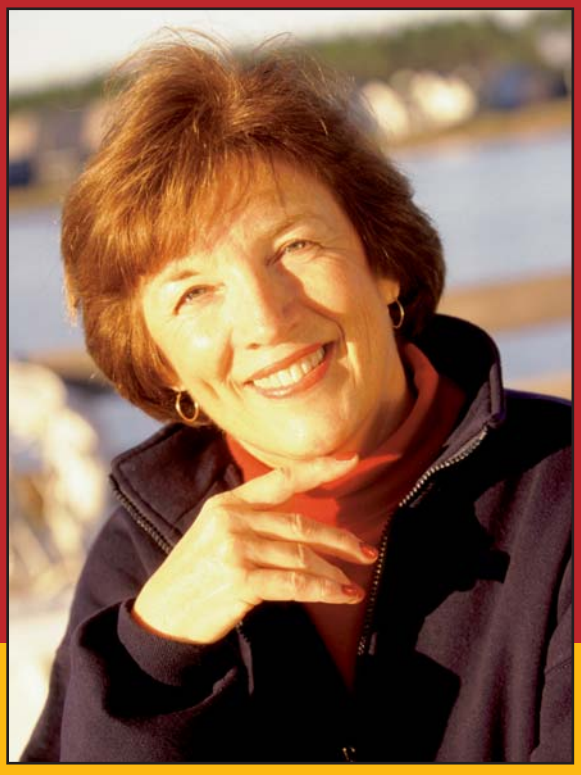
A list of contracted providers is available on the OGB website (www.groupbenefits.org) and in the PPO Plan Member Handbook. You can also check by calling OGB Customer Service toll-free at 1-800-272-8451.

Note: The information above applies only to plan members who have OGB primary coverage--not members whose primary insurance is another group insurance plan or Medicare A and B.

Medicare Eligibility

To determine if you are eligible for Medicare, you can contact the Social Security Administration in several ways:

- Go to the Social Security website (www.ssa.gov).
- Call Social Security toll-free at 1-800-772-1213 Monday through Friday between 7 a.m. and 7 p.m. Have your Social Security number handy. The phone lines are busiest early in the week and early in the month.
- Call or visit your local Social Security office.



Plan members who are eligible for Medicare Part A can reduce out-of-pocket health care expenses by enrolling in both Medicare Part A and Part B.

Example: Plan member has Medicare Part A only. He goes to the doctor, who orders a CAT scan and prescribes physical therapy three times a week for five weeks.

Doctor visit	$ 75
CAT scan	$1,000
Physical therapy (15 sessions @ $125 each)	$1,875
TOTAL CHARGES	**$2,950**

Here's how these charges are processed by the member's OGB health care plan:

Medicare pays *(not covered by Medicare Part A; no Part B coverage)*	**$ 0**
OGB plans pay	**$ 0**
OGB plan member pays	**$2,950**

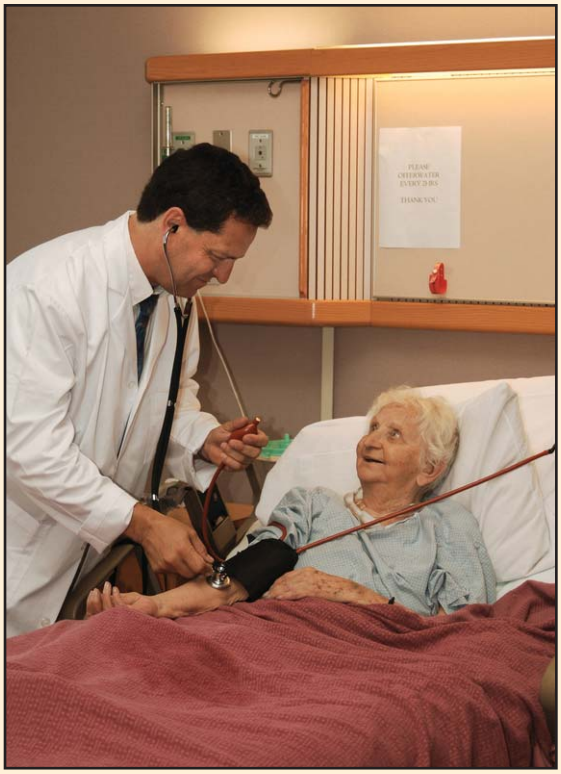
Medicare Coverage Can Mean Big Savings for OGB Retirees

As you or your spouse approach age 65, it is very important that you contact your local Social Security office to determine whether or not you are eligible for Medicare Part A health care coverage. If you are enrolled in BOTH Medicare Part A (which is free) AND Part B (which has a monthly fee), you will pay lower OGB health care premiums—and save money on your our-of-pocket health care expenses.

Effective July 1, 2005, Medicare is considered primary health care coverage for all retired OGB plan members and dependents, regardless of the plan in which they are enrolled. OGB plan members and dependents who are eligible for Medicare Part A coverage (as determined by the Social Security Administration) should also enroll in Part B.

If you are eligible for Medicare Part A and do not also enroll in Part B, your Part B health care claims will not be paid by OGB plans. Instead, OGB plans will process your claims as if you are enrolled in Part B--even if you never enrolled in Part B or have dropped Part B coverage. This can mean large costs to you for out-of-pocket medical expenses, which could easily have been avoided by having both Medicare Part A and Part B coverage.

If you are not eligible for Medicare coverage, you must send a copy of your Statement of Disallowance from the Social Security Administration to the Office of Group Benefits, Eligibility Department, P. O. Box 66678, Baton Rouge, LA 70896.



OGB Announces New Flexible Benefits Contractor

The Office of Group Benefits recently discontinued our contract with 1Point Solutions for flexible spending account (FSA) claim reimbursement services and entered into a replacement contract with DataPath Administrative Services. (DPAS). OGB sincerely regrets any inconvenience caused by this situation.

DPAS is issuing a mySourceCard debit card to each FSA participant. The card will be mailed to the participant's home address. Once the card is received, it can be activated online at www.myrsc.com or by calling the phone number on the card.

One free debit card is being issued to each FSA participant. Participants can purchase additional cards at $5 each. To receive additional cards, participants must submit a mySourceCard enrollment agreement form to DPAS. The form is available on the member page of the OGB website (www.groupbenefits.org), along with a reimbursement substantiation form, a claim form and instructions for submitting the forms via fax, email or mail.

The DPAS customer service unit can be reached toll-free by telephone (1-877-685-0655), or fax (1-888-472-6777) or email (info@idpas.com).

A Special Note

OGB has learned that checks from 1Point Solutions were recently returned to several flexible benefits program participants marked Not Sufficient Funds (NSF).

FSA participants who received an NSF check from 1Point Solutions are requested to submit the following documentation to the OGB Flexible Benefits Administration:

- A copy of the check
- A copy of any NSF charges or fees
- A copy of documentation for out-of-pocket expenses for which the check was issued
- Plan participant's mailing address
- Plan participant's email address
- Plan participant's home and work phone numbers

Documentation should be faxed to OGB at 225-925-4680. It can also be mailed to Office of Group Benefits, Attn: Flexible Benefits Administration, P.O. Box 44036, Baton Rouge, LA 70804.

Louisiana Office of Group Benefits
P. O. Box 44036
Baton Rouge, LA 70808-4036

November 1, 2006

To: All OGB Health Plan Members

Subject: Availability of Notice of Privacy Practices

The Office of Group Benefits (OGB) wants you to know that we understand and appreciate the sensitive nature of information entrusted to us in connection with the administration of your health plan. This includes identifying information that we have created or received about you or about your past, present, or future health and/or medical condition(s), medical care provided to you or information related to payment for medical services you have received.

OGB is committed to safeguarding the privacy of the health information of our members and their dependents that is protected under federal and state laws. This is not only a legal requirement, but an important ethical obligation imposed upon every member of the OGB workforce as well as contractors who provide services for or on behalf of OGB. Everyone who creates, collects, stores, processes, or works with your health information for the OGB is committed to ensuring its confidentiality and security.

OGB maintains a Notice of Privacy Practices that tells you about the ways we may collect, use and disclose your protected health information and about your rights concerning your protected health information.
A copy of the notice is posted on OGB's website (www.groupbenefits.org). You may also obtain a copy of the notice by contacting one of our customer service representatives at (225) 925-6625 or (225) 922-0218 in the Baton Rouge local calling area, and toll free at (800) 272-8451 or (800) 245-3280 outside the Baton Rouge local calling area. Or you may contact our HIPAA Compliance Unit:

HIPAA Compliance Unit
Louisiana Office of Group Benefits
P. O. Box 44036
Baton Rouge, LA 70804-4036
Phone (225) 925-4040
Fax (225) 925-7629
Email: hipaa@ogb.state.la.us

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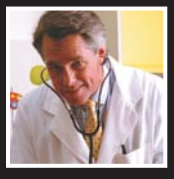
Vision

OGB envisions itself as a leader in improving and preserving quality of life.

Mission

OGB will offer an employee benefits system that meets or exceeds industry standards and/or benchmarks.



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