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OGB awards contract to Blue Cross for HMO health plan

HMO, EPO plans to be consolidated, featuring nationwide network of medical providers

The Office of Group Benefits has awarded a contract to Blue Cross/Blue Shield of Louisiana to administer OGB's self-insured Health Maintenance Organization (HMO) health plan, effective July 1, 2010. The company's proposal received the highest score during a competitive bid process mandated by state law.

The contract will enable HMO plan members to access an extensive nationwide network of doctors, hospitals and other medical care providers. As a result, OGB will merge the HMO plan with the self-insured Exclusive Provider Organization (EPO) health plan, which has a nationwide provider network.

"Having access to medical care across the U.S. is key for retirees who live in other states and also for employees and retirees with children attending out-of-state colleges and universities," explained OGB chief executive officer Tommy D. Teague. "Having an HMO plan with a national network eliminates the need for a separate EPO plan, so OGB has withdrawn the notice of intent to contract (NIC) for an EPO plan administrator issued previously."

Current EPO plan members who do not select another OGB health plan during Annual Enrollment in April will be automatically enrolled in the HMO plan.

OGB also awarded a contract for pharmacy benefit management to Catalyst Rx, effective July 1, 2010. The proposal submitted by the company received the highest score. Catalyst Rx has managed prescription drug benefits for OGB's PPO, EPO and HMO health plans since 2004.

OGB and Catalyst Rx received a prestigious national award in 2008 from the Pharmacy Benefit Management Institute recognizing an innovative prescriber education and intervention program that reduced OGB prescription drug costs by \$28 million in the first three years. The ongoing program focuses on continued collaboration between Catalyst Rx pharmacists and top-prescribing physicians to increase utilization of generic drugs, lower-cost therapeutically equivalent brand-name drugs or over-the-counter products where clinically appropriate. It also saves money for OGB plan members through lower prescription drug co-pays.

OGB offers health coverage for workers at state agencies, local school boards and state colleges and universities, as well as their dependents. The agency's mission is "to provide the best possible health coverage for the lowest possible premium, while helping plan members get the most value for every health care dollar they spend," Teague said. "As health care costs continue to rise, it's a difficult and constant challenge to maintain benefits at or near current levels."