



WHY HEALTH INSURANCE PREMIUMS INCREASE

Effective January 1, 2021, the monthly premiums for the Blue Cross Blue Shield of Louisiana plans offered by the Office of Group Benefits (OGB) – Pelican HRA1000, Pelican HSA775, Magnolia Local, Magnolia Local Plus and Magnolia Open Access – will increase by 5.5%. Additionally, the Vantage Medical Home HMO plan premiums will increase by 6%.

You may be asking yourself, “*why do my premiums keep going up every year?*” There are many factors that go into the reason for a premium increase: rising medical/pharmaceutical costs, a growing and aging population, and disease prevalence. Let’s take a closer look at these factors.



Rising Medical/Pharmaceutical Costs

New, sophisticated and costly technology aids in the diagnosis of health conditions, while specialized medications can prolong lives from diseases like cancer. These new technologies and medicines usually come with an expensive price tag, which raises the cost of health insurance for everyone.

Growing and Aging Population

People are living longer, even with diseases that used to be considered deadly, which means that people with medical illnesses consume more healthcare dollars.

With the passing of the Affordable Care Act, even the sickest people have access to health coverage, which means they have access to pricey treatments that they never had access to before.



Disease Prevalence

According to the Centers for Disease Control and Prevention (CDC), six out of every ten adults in the United States has a chronic disease or condition. The most common chronic conditions include: heart disease, stroke, cancer, diabetes, chronic kidney disease, and chronic obstructive pulmonary disease (COPD). Chronic conditions often require long-term medical attention. Much of healthcare spending goes toward services like routine office visits, prescriptions, outpatient treatments, or emergency care.

The COVID-19 pandemic has caused some chronic disease patients to delay or avoid care. When chronic disease patients delay care, they risk suffering from potentially life-threatening complications. The long-term management of those complications contributes to the rising national health care spending and consumer costs.



WHAT YOU CAN DO TO REDUCE YOUR COSTS

OGB offers several health plans to our members that allow them to choose a plan that works within their budget and meets their healthcare needs.



Pelican Plans

The Pelican plans are what are referred to as High Deductible Health Plans. These plans have a low premium in exchange for higher out-of-pocket costs. But these plans also provide employer contributions to a Health Reimbursement Arrangement (HRA) or Health Savings Account (HSA) which can help offset those costs. For example, depending on your level of coverage, the Pelican HRA1000 comes with employer contributions of either \$1,000 (employee/retiree only plans) or \$2,000 (family plans). The deductible on this plan is \$2,000 (employee/retiree only) or \$4,000 (family). So your employer is essentially paying the first half of your yearly deductible each year. If you don't use all of that money, it rolls over to the next year.

Magnolia Plans

The Magnolia plans have higher premiums, but offer lower out-of-pocket costs. The stability of a set copay when you visit the doctor and the low deductible make the Magnolia Local and Magnolia Local Plus plans attractive options for members who visit the doctor for more than their routine wellness exams. The Magnolia Open Access plan offers the lowest deductibles, but has the highest premium. This plan has a coinsurance of 10% once you meet your deductible. It also includes coverage in and out of the BCBSLA network.



Medical Home HMO

The Vantage Medical Home plan has the stability of a set copay when you visit the doctor as well as out-of-network coverage. Additionally, the Medical Home HMO plan offers extra benefits like dental and vision coverage.

Medicare Advantage Plans

For members with Medicare, OGB offers several Medicare Advantage plans. These plans have low monthly premiums or NO monthly premiums. Some plans may provide more benefits than are covered under Medicare, like dental, vision, gym memberships, food delivery and more. Medicare Advantage benefits and providers can vary from one plan to another so it is important to make sure the benefits and rules of the plan you select meet your needs and budget.



OGB offers Medicare Advantage plans through:

- Blue Advantage HMO
- Humana Medicare Employer HMO
- Peoples Health HMO-POS
- Vantage Health Plan: Premium, Standard and Basic HMO-POS
- Via Benefits



WHAT YOU CAN DO TO REDUCE YOUR COSTS



Live Better Louisiana

Participation in the Live Better Louisiana Wellness Program can save you \$120 annually on your health care premium. All you have to do is complete your annual wellness visit, either through a Catapult Health clinic or by visiting your doctor and having them complete the PCP form and returning it to Catapult.

Visit <https://info.groupbenefits.org/live-better-louisiana-2/> to learn more about the Live Better Louisiana program.

BCBSLA Disease Management

If you have a chronic health condition – asthma, diabetes, coronary artery disease (CAD), chronic heart failure (CHF) or chronic obstructive pulmonary disease (COPD) – you may be eligible to take part in the disease management program from Blue Cross at no cost. It might even save you money on certain prescriptions. Members may receive certain generic prescriptions at no cost and certain name-brand prescriptions at a reduced cost. Visit <https://info.groupbenefits.org/disease-management-program/> to learn more about the BCBSLA disease management program.

STRONGER THAN



RESOURCES

Visit the links below to learn more about the health plans offered by OGB:

- **Pelican HRA1000** - <https://info.groupbenefits.org/pelican-hra-1000/>
- **Pelican HSA775** (Active Employees only) - <https://info.groupbenefits.org/pelican-hsa-775/>
- **Magnolia Local** - <https://info.groupbenefits.org/magnolia-local/>
- **Magnolia Local Plus** - <https://info.groupbenefits.org/magnolia-local-plus/>
- **Magnolia Open Access** - <https://info.groupbenefits.org/magnolia-open-access/>
- **Vantage Medical Home HMO** - <https://info.groupbenefits.org/vantage-medical-home-hmo/>
- **Blue Advantage HMO (Medicare Advantage)** - <https://info.groupbenefits.org/blue-advantage-hmo/>
- **Humana Medicare Employer HMO (Medicare Advantage)** - <https://info.groupbenefits.org/humana-medicare-employer-hmo/>
- **Peoples Health HMO-POS** - <https://info.groupbenefits.org/peoples-health-medicare-advantage-hmo-pos/>
- **Vantage Premium, Standard & Basic HMO-POS (Medicare Advantage)** - <https://info.groupbenefits.org/vantage-health-plan-medicare-advantage-hmo-pos-zero-premium-hmo-pos/>
- **Via Benefits Medicare** - <https://info.groupbenefits.org/one-exchange-medicare-medicare-advantage-and-medigap/>
- **OGB Premium Rates** - <https://info.groupbenefits.org/premium-rates/>
- **OGB Benefit Comparisons** - <https://info.groupbenefits.org/benefit-comparison/>
- **OGB YouTube** - https://www.youtube.com/channel/UCbYwtQ0Oe4lbRQ7wz_KdVFw/featured