

ANNUAL MEMBERSHIP MEETING

Plan to attend the GSRA annual meeting on October 15, 2008. The program will include Representative Debbie Buckner from the House COLA Study Committee, Executive Director for the Employees Retirement System (ERS), Pamela Pharris, and the Division Director of the State Health Benefit Plan (SHBP) Nancy Goldstein. In

addition, officers for 2009 will be elected and by-law changes will be presented for adoption. The meeting will be held at the Central Georgia Technical College in Macon from 1:00 p.m. to 4:30 p.m. Notices with the directions and program outline will be distributed at a later date.

STATE HEALTH BENEFIT PLAN RETIREE OPTION CHANGE PERIOD

The Retiree Option Change Period is scheduled for October 10 through November 10, 2008. All 348,000 members will have an opportunity to select a different option. However, over 11,000 retirees and 72,670 active members must select a new health insurance option during this time. Each of the two new vendors, United Healthcare (UHC) and CIGNA, will offer a PPO option, HMO option, Health Reimbursement Account (HRA) option, High Deductible Health Plan (HDHP), and Senior Advantage Plan (for retirees with Medicare) to SHBP members—a total of at least 8 different options.

Members of a BlueCross BlueShield (BCBS) option, the Indemnity Option, or Kaiser should pay close attention to the consequence if no selection is made. Members of a BCBS option or the Indemnity Option who fail to elect another option, will automatically be transferred to the UHC HRA option. However, the **active (non-retiree)** BCBS members who fail to make a new election will also be required to pay the tobacco and the spousal surcharges (if the spouse covered). **Active (non-retiree)** members in the Kaiser option who fail to make an

election to continue the Kaiser option will also be subject to the tobacco and spousal surcharges. **Retirees** have not yet been assessed the tobacco or spousal surcharges.

SHBP staff has announced retiree meetings beginning August 19, 2008 throughout the State to assist retirees in understanding the changes that will take effect on January 1, 2009. Premiums have been approved to encourage election of one of the Consumer Driven Health Plans—UHC HRA, CIGNA HRA, or High Deductible Health Plan (HDHP). You are encouraged to attend a meeting that is convenient to you. As stated in the Department of Community Health (DCH) letter, the first presentation of the day will devote more time to coordination with Medicare and the last presentation of the day will include very little about Medicare related issues. Depending on your situation, you should choose the meeting that best meets your enrollment category.

Our next Newsletter will discuss the available options in more detail; however, read the testimonial statements to see how a few members have responded to the options that are being eliminated in 2009 or 2010.

Testimonials

Member with Medicare: “The Lumenos (BCBS) HRA is great for me because the Health Reimbursement Account pays my Medicare deductibles for both drugs and providers up front and the administration of payments has been correct to the penny. EOBs are sent promptly and are easy to understand.”

Member Under age 65 – No Medicare: “With the coverage I had prior to the Lumenos (BCBS) HRA, the EOBs were not as clear and I was sometimes frustrated because the benefit information received by phone was not always helpful. I found the Lumenos EOBs very clear and helpful.”

Member Under age 65 – Previously in BCBS HMO: The Lumenos HRA has cost me money because I have a medical condition and was unable to take advantage of the “wellness” benefits. In addition, I could purchase only a 30-day supply of one of my prescriptions rather than purchasing a 90-day supply for 2 copays.

Member: The recently announced changes in the SHBP HMO offerings are outrageous. My wife and I have been members of Kaiser Permanente for a number of years, and the service has always been outstanding. Before I retired in 2001, every customer satisfaction survey I saw had Kaiser on top.

DCH ANNOUNCES THE MEMBER PREMIUM RATES FOR JANUARY 1, 2009

The Board of Community Health (BCH) approved on August 14, 2008 the employee premiums effective for January 1, 2009 coverage. The BCH approved a change for **active members** from the two tiers (single/family) to four-tier (single/employee & children/ employee & spouse/family). Premiums for retirees remain at the two tiers (single/family). Rates were established based on the following guidelines:

- Premiums increases will generate an average 7.5% increase in revenue
- Health Reimbursement Accounts (HRA) and High Deductible Health Plan (HDHP) options will

increase from 0% to 6% (depending on the rate tier)

- PPO and HMO options will increase from 2% to 10% (depending on the rate tier)
- Increases were capped at 10%.

The primary retiree rates are listed below. If you are over age 65 and do not have all Medicare options (A, B, and D), or one of the persons on your membership is under age 65, your rate can be viewed on the DCH website and will be printed on your individualized option change notice.

Retiree Rates – January 2009 Coverage							
Coverage Tier	PPO <i>Both UHC & CIGNA</i>	HMO <i>Both UHC & CIGNA</i>	HRA <i>Both UHC & CIGNA</i>	HDHP <i>Both UHC & CIGNA</i>	Senior Ad- vantage <i>Both UHC & CIGNA</i>	HMO <i>Kaiser</i>	Senior Ad- vantage <i>Kaiser</i>
Single Under age 65	\$ 86.10	\$ 91.10	\$ 58.60	\$ 51.00	NA	\$ 93.90	NA
Single with All Medicare	32.90	37.80	13.90	1.70	17.50	41.30	18.20
Family (Both under age 65)	256.90	218.20	180.80	166.60	NA	224.00	NA
Family (Both with All Medicare)	142.40	103.50	78.70	55.20	35.00	112.10	36.30

GSRA OFFICERS MEET NEW ERS EXECUTIVE DIRECTOR

A change in Executive Director of the ERS increases the possibility of new directions in administering the pension plans. GSRA Officers took the opportunity to meet with the new Executive Director Pamela Pharris to talk about her plans.

Ms. Pharris stated that she was pleased to have been appointed as Executive Director and expressed her desire to maintain a stable pension plan for state retirees. She further expressed a desire to help protect the plan to assure that it can fulfill its obligations and promises to state employees.

President Vickers encouraged Ms. Pharris to express her opinion about the appropriateness of a defined benefit plan (DBP) for state employees. She responded that she believed that DBPs are appropriate for state systems, but that the best plan is a well-balanced DBP and defined contribution plan (DCP). She further stated that the balanced approach between the DBP and DCP is very

important to be able to employ a competent workforce. Today’s workforce wants to be in control of some of the retirement savings’ investments.

Ms. Pharris explained the need for expansion and flexibility in investment categories in order to improve investment performance. Since the retirement plan, called the Georgia State Employee’s Pension and Savings Plan (GSEPS)—implemented for new employees beginning January 1, 2009, will have a reduced employer contribution, investment performance is of utmost importance in the ability to award traditional COLAs to retirees of the current pension plans. When asked if the savings from the GSEPS could be used to increase the employer contribution to the current plans, the response was negative—that state departments would not agree.

GSRA Officers expressed their desire to assist the Executive Director and appreciated her willingness to meet periodically to discuss issues.

HOUSE COLA STUDY COMMITTEE ANNOUNCE MEETINGS

Representative Pat Gardner, Chair of the House COLA Study Committee is planning three Committee meetings—one in each month of September, October, and

November. GSRA will present comments to the Committee—probably in October, but will attend all meetings. The six legislative Committee Members are:

Committee Member	Residence	Occupation	2008 Committees
Gardner, Pat	Atlanta	Association Executive	Appropriations, Higher Education, Natural Resources
Buckner, Debbie	Columbus Area	Health Educator	Natural Resources, Retirement, State Institutions & Property
Coan, Mike	Lawrenceville	Businessman	Appropriations, Banking, Industrial Relations (Chairman), Intragovernmental Coordination, Rules
Coleman, Brooks	Duluth	Motivational Speaker	Education (Chair), Intragovernmental Coordination, Natural Resources, Retirement
Meadows, John	Calhoun	Insurance Agent	Governmental Affairs, Insurance, Natural Resources, Retirement
Williams, Roger	Dalton	President, Credit Service	Appropriations, Industrial Relations, Regulated Industries (Chair), Ways & Means

In addition to the Legislative Members, House Speaker Richardson appointed Charlie Walker as the retiree representative on the Committee. Walker was the House Budget Officer prior to his retirement in 2008 and is knowledgeable about the various facets of the retirement systems.

The Committee Members have a diverse professional experience, but only one-half are members of the House Retirement Committee. Therefore, one-half of the Committee Members may not be familiar with some of the issues, and it is important that GSRA members help to inform all members of the issues.

BLUECROSS BLUESHIELD PRIVACY BREACH

BlueCross BlueShield has notified many of its members of a recent privacy breach and steps that have been taken to correct the situation. Briefly stated, BCBS sent Explanation of Benefits (EOBs) to incorrect addresses and the EOBs may have included protected personal information. If you were a BCBS member and the privacy breach affected you, you should have received

notification from BCBS. Those members who have been affected will be offered free credit monitoring for a period of time—usually one year. Consider the offer carefully, and if you are concerned about your personal data, be sure to contact BCBS and decide your action.

EXERCISING DURING RETIREMENT

Now that you are retired or thinking about retirement it is important not to forget about your body. Retirees can cut the risk of coronary heart disease, stroke, diabetes, osteoporosis and other illnesses by participating actively in three types of exercise:

- Low Impact Aerobics

- Strength Training
- Stretching

If you already have a medical condition you should check with your doctor before performing these exercises.

Low Impact Aerobics

Retirees should aim for at least 30 minutes a day, 3-days a week, of a moderate activity. Low impact aerobics include such activities as brisk walking, biking, swimming, dancing, and gardening.

Aerobic exercises can reduce stress, ease arthritic pain, build cardiovascular fitness, and control weight.

Strength Training

When you become middle aged you lose muscle and bone mass faster than younger people. Strength training fights osteoporosis better than aerobics training. It helps build muscle and balance. Strength training can also help in weight control since muscle burns more calories than

fat. Strength training includes using weight machines, free weights and elastic bands.

Aim for three weekly exercise sessions. Older retirees should use dumbbells, not barbells, which are harder to control.

Stretching

Stretching prevents stiffness which can lead to falls. Stretching will also help you maintain the ability to perform daily tasks essential for you to keep an independent lifestyle. Health care professionals recommend doing some stretching before and after aerobic exercise workouts and after strength training. As little as 10 minutes of stretching can prevent stiffness with age.

Remember to keep your body fit in retirement since it is the only one you have.

E-MAIL ADDRESS

Is your e-mail address with GSRA correct? Help us to maintain your information by updating your e-mail address when it changes. You must log-in under your old e-mail and select "Our Members" and "My Profile." You can then change your information through the "edit" feature.

ISSUES/SERVE

Do you have a specific question or issue that you would like GSRA to discuss? If so, please let us know by contacting the Communication Committee via the GSRA website.

If you would like to serve on a GSRA Committee, notify the President via the GSRA website.