

Perspectives

FOR ACTIVE
MEMBERS
OF THE
NORTH DAKOTA
PUBLIC
EMPLOYEES
RETIREMENT
SYSTEM

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Box 1657, Bismarck, ND 58502
701-328-3900

Toll free: 1-800-803-7377
nd.gov/ndpers

Board Members:

Jon Strinden
Chairman

Thomas Trenbeath

Attorney General Appointee

Arvy Smith

State Health Officer Designee

Members Elected:

Mike Sandal, Joan Ehrhardt,
Howard Sage, Levi Erdmann

Sparb Collins

Executive Director

Kathy M. Allen

Editor

EPO Discontinued July 1, 2009

The EPO program is no longer an option of the PERS group health plan effective July 1, 2009. The only coverage option is the PPO/Basic plan (formerly the EPO/PPO/Basic option).

The EPO program has been a part of the PERS plan since the mid 1990s. The foundation of this program was a contract between PERS/BCBSND and the participating provider networks. This contract transferred a portion of the financial risk of providing health care services to the provider in exchange for our members

selecting a specific network as their Exclusive Provider. If the provider network was able to meet the health care needs of its members for less than the plan payments, they could keep all or a portion of the difference. If the cost to the provider was higher than the plan's payments, then the provider paid all or a portion of the excess cost. Payments were based upon the methodology in the contract rather than the traditional method of payment for actual services performed.

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Elected to the Board

Joan Ehrhardt was re-elected by the active membership to a five-year term on the NDPERS Retirement Board. Her term is effective July 1, 2009 and ends June 30, 2014. Joan is employed with the Department of Human Services. The following is a recap of the election results:

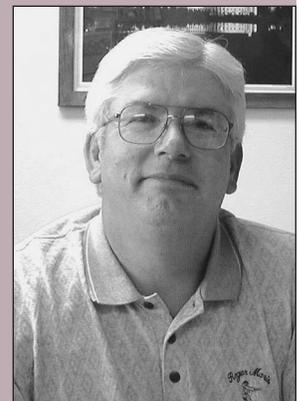
	VOTES
Joan Ehrhardt	1,179
Invalid Ballots	7
Write-In Ballots	6
Total	1,192



The NDPERS Board and staff congratulate Joan on her re-election to the Board.

Howard Sage was elected by the retired membership to a five-year term on the NDPERS Retirement Board. His term is effective July 1, 2009 and ends June 30, 2014. The following is a recap of the election results:

	VOTES
Howard Sage	977
David Gunkel	692
Invalid	20
Total	1,689



The NDPERS Board and staff congratulate and welcome Howard as the new retiree representative on the Board.

Preventive Screening Services

A healthy advantage for you.

Keeping the emphasis on preventive health care

Preventive care is essential in maintaining good health. It helps health care providers discover such conditions as heart disease, diabetes, cancer and high blood pressure in early, more treatable stages.

\$200 annual benefit for preventive screening services

To provide a healthy advantage, well child care, immunizations, and routine cancer screening services are covered. In addition, the plan provides a preventive screening program for members 6 and older, payable at 100 percent of the allowed charge, up to a maximum benefit allowance of \$200 per member, per benefit period. Copayments will apply to the routine office visit.

This preventive screening program includes services such as:

- Routine physical exam
- Cancer screening
- Hemoglobin testing
- Urinalysis testing
- Cholesterol screening
- Blood sugar screening

After the \$200 preventive maximum has been met, covered preventive services are paid according to your plan's cost sharing amounts. Your health care provider will counsel you as to how often preventive services are needed based on your age, gender and medical status.

Well child care helps keep your child healthy

This benefit plan provides coverage for the following well child care services, as recommended by the American Academy of Pediatrics.

- Birth through 12 months: 7 visits
- 13 months through 24 months: 3 visits
- 25 months through 72 months: 1 visit per benefit period

Immunizations are important for adults and children

Covered immunizations are those that have been published as policy by the Centers for Disease Control and Prevention. This plan pays 100 percent of the allowed charge for covered immunizations. These immunizations are covered in addition to the preventive screening services. Certain age restrictions may apply.

- Hepatitis
- MMR (Measles/Mumps/Rubella)
- Chicken Pox (Varicella)
- DPT (Diphtheria/Pertussis/Tetanus)
- HPV (Human Papillomavirus)
- Pneumococcal Disease
- Hemophilus Influenza B
- Influenza Virus Vaccine
- Meningococcal Disease
- Polio

Routine cancer screening services

Cancer screening services including mammograms, pap smears, prostate cancer screenings and fecal occult blood testing are covered at the allowed charge and are in addition to the \$200 annual benefit for preventive screening services.



This benefit grid presents a brief overview of covered preventive benefits. It should not be used solely to determine whether your health care expenses will be paid. The written benefit plan governs the benefits available.

Summary of Benefit Plan Changes for NDPERS Dakota Plan

The following information is intended to provide a brief summary of your Benefit Plan changes effective July 1, 2009. It should not be used to determine whether your health care expenses will be paid. The written Benefit Plan governs the benefits available. Covered Services are subject to your Benefit Plan Cost Sharing Amounts, unless otherwise indicated. If you have any questions, please call the number listed on the back of your Identification Card.

Preventive Screening Services

The PPO preventive screening services, well-child care and immunization schedules have been changed. Please refer to the related article in this edition.

Chiropractic Services

Only one Copayment Amount will apply when an Office Visit and Therapy/ Manipulation are received from the same Health Care Provider on the same date of service. When both services are billed, only the Office Visit Copayment Amount will apply.

Outpatient Prescription Medications and Drugs Copayment Amount Application Copayment Amount application will be as follows:

- One Copayment Amount per Prescription Order or refill for a 1-34 day supply
- Two Copayment Amounts per Prescription Order or refill for a 35-100 day supply

Routine Circumcision

The exclusion for routine circumcision has been removed – benefits are available subject to cost share.

Outpatient Nutrition Care Services

Benefits have been added to allow 1 visit per Member per Benefit Period for the treatment of obesity provided by a Licensed Registered Dietitian.

Outpatient Therapy Services

Physical Therapy, Occupational Therapy and Speech Therapy will now apply a copayment (\$30 Basic plan/\$25 PPO plan) and then coinsurance (75% Basic plan/80% PPO plan. Deductible amount is waived.

Health Dialog

This program ends June 30, 2009

Wellness Programs

Effective July 1, 2009, you will now be eligible to participate in the new Wellness Program being offered as part of your group health coverage in the NDPERS Dakota plan. Information about this program was mailed to participants in late June. If you did not receive this information, please contact the NDPERS service unit at 800-223-1704 or 701-282-1400.

CIGNA Dental Plan Renewed

At its May meeting, the NDPERS Board approved renewal of the group dental contract with CIGNA. The proposal is for a 9% across the board increase over the current premium rates. The rate increase will be effective January 1, 2010.

Information about the new rates will be included in the annual enrollment season announcement materials that will be sent out in late September.

Ameritas Vision Plan Renewed

At its June meeting, the NDPERS Board approved renewal of the group vision contract with Ameritas. The proposal is for one year with no increase in the rates. Due to favorable plan experience, they have proposed an increase to the annual eye exam benefit from \$40 to \$45. The new exam benefit will be effective January 1, 2010.

EPO Discontinued *Continued from page 1*

The objective of the program was to create a risk/reward relationship for the health care network that encouraged them to effectively manage the health care needs of its members and, in so doing, reduce the rate of increase in overall plan costs.

Two years ago, BCBSND was unable to renew EPO network provider contracts without removing the risk-sharing

provision. Since this occurred after the 2007-2009 biennium, premium rates had already been accepted by the PERS Board; included in the Governor’s budget; and in final consideration by the Legislature, BCBSND agreed to continue the option without an adjustment in the premium rates for this biennium.

In the renewal for PERS 2009-2011 biennium, BCBSND indicated it would

cost approximately 2% of overall premiums for us to maintain the EPO program for our members. This would require about \$7.2 million in premium payments for all our plan participants, with the state paying about 75% of that amount. Therefore, because of the additional cost to maintain the program, it will not be a part of the PERS plan for the 2009-2011 biennium.

Thank you Ron!

Ron Leingang's term as the elected retiree representative on the NDPERS Board concluded on June 30, 2009. Ron served on the Board in this capacity for five years. The PERS Board and staff extend their appreciation to Ron for his contribution and dedication during his term on the Board.



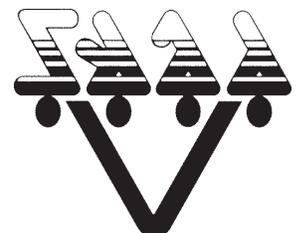
Health Insurance Credit to Increase

Senate Bill 2154 was passed by the legislature. This bill allows for an increase in the Retiree Health Insurance Credit from \$4.50 to \$5.00 per year of service credit effective July 1, 2009. In order to fund this benefit, the bill provided for an increase in the employer contribution of .14% which means it will increase from 5.12% to 5.26% of covered payroll.

For retirees participating in the Dakota or Dakota Retiree health plans, the increase will be effective with their July premium.

The articles and opinions in this publication are for general information only and are not intended to provide specific advice or recommendations for any individual. We suggest that you consult your attorney, accountant, financial or tax advisor with regard to your individual situation. This newsletter is available in alternate formats upon request. Printed on recycled paper.

North Dakota Public Employees Retirement System
Box 1657
Bismarck, ND 58502-1657



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