

State & Local Government Benefits Association



Volume 17, Issue 1

February 2005



California Tackles Health Care Costs

submitted by

Sandra Felderstein, Chief

Health Benefits Branch, CalPERS

Health care costs continue to be “Topic A” for anyone involved in state and local government benefits. In 2004, the California Public Employees’ Retirement System (CalPERS) negotiated a 2005 health care package that increases overall spending by just 7.1 percent, with an average Basic plan HMO premium rate increase of 11.4 percent and an average Basic plan PPO premium rate increase of 6.4 percent. These rates are below projected national averages. We achieved this by introducing three dramatic changes: a Blue Shield CalPERS Provider Network, regional pricing for contracting agencies and enhanced pharmacy management.

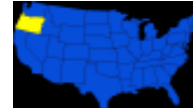
To improve the efficiency of our Blue Shield HMO hospital network, CalPERS worked with several experts to compare cost and quality data. The comparison identified 38 high-cost hospitals throughout the state. Blue Shield reached agreement with 10 of the 38 to meet our new cost and quality standards. The State Department of Managed Health Care directed Blue Shield to return another four excluded hospitals to the network to provide adequate member access to services. Twenty-four hospitals did not meet our criteria and are no longer part of the network. We estimate that the CalPERS Blue Shield HMO Hospital Network will save \$36 million in 2005 and as much as \$45 million a year thereafter.

Regional pricing will also be new for 2005. Historically, California has charged one basic health premium rate for all its members. Recently, however, we became concerned that health costs vary substantially throughout the state, making our program less appealing to some cities, counties and other groups that contract to be part of our program. To retain these contracting agencies, and attract others, CalPERS devised a system of different health premiums

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Oregon Offers Prescription Drug Price Relief

Carolyn Van Dyke

City County Insurance Services, Oregon

As prescription drug costs continue to skyrocket, many states are scrambling to help residents cope with the financial stress they create. Oregon has developed a unique program to help provide more affordable prescription drugs for seniors and a largely overlooked vulnerable population – those between the ages of 54 and 64. This program is also available to state and local government agencies.

Legislative Intervention

During the 2003 legislative session, a coalition of concerned parties was convened to explore possible solutions. The group included labor leaders, citizen advocate groups, the Oregon Pharmacy Association, representatives from Pharma, and Oregon legislators. The result of their collaboration was passage of Senate Bill 875.

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SALGBA 2005 National

Conference... April 24-27 in Scottsdale, Arizona is just around the corner. This pristine location could not be better for learning, networking, and relaxing. The theme this year is “Beyond the Horizon” focusing on the trends that will greatly affect the benefit profession in the near future. We are offering 23 educational sessions totaling 45 CGBA credit opportunities. In addition, we have outstanding speakers such as our Opening Keynote Speaker, Dr. Loren Scott, our Tuesday Keynote Speaker, Dr. Robert Epstein, and our Closing Keynote speaker, Leslie Norwalk.

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The President's Message...

I hope you are making plans to go "Beyond the Horizon" with SALGBA at the upcoming National Conference in Scottsdale April 24-27th. The conference will offer attendees numerous educational sessions from nationally recognized speakers, an Expo including 40 exhibits, and many networking opportunities for benefit professionals. I want to recognize our sponsors and exhibitors who assist us in providing this annual conference at a very reasonable cost. We appreciate each of them and thank them for their support and generosity.

This year's conference includes daily keynote sessions which kick off Monday, April 25th with Dr. Loren Scott, a leading Economist. Tuesday begins with Dr. Robert Epstein, Chief Medical Officer for Medco, and Wednesday concludes with Leslie Norwalk, Center for Medicare and Medicaid Services. Besides the keynote sessions, two general sessions are scheduled along with 21 breakout sessions with topics ranging from telemedicine to successful health awareness projects to retirement plan issues. We also have various networking opportunities including our golf tournament at the Gainey Ranch Golf Club, our Opening Reception in the conference exhibit hall and our traditional Tuesday Evening Gala which will be held at the Corona Ranch.

If you haven't registered yet, you can do so at SALGBA's newly designed website, www.salgba.com. Some pages are still "under construction", but I think you'll like the changes. Check out the related article in this newsletter and learn how to access the Members Only page. Please forward any comments or suggestions for the website to the SALGBA National Office.

Included with this newsletter is a Board Nomination form. SALGBA relies on dedicated leaders to help it grow and provide you the resources you need. If you are interested in contributing your time and talents, I encourage you to submit your name to the nominating committee by completing this form and returning it to the SALGBA National Office. The Board recently has approved a By-Law revision to the election process allowing voting to occur prior to the annual business meeting. Newly elected Board Members will be announced and introduced at our Annual Business Meeting on Wednesday, April 27th.

The Board and Committees have worked diligently and it has been an exciting time for SALGBA. You have seen changes in our newsletter, logo, website, and membership communications. The key to SALGBA's success is its members, and I thank each of you for your contribution to our association. It has been an extreme honor to serve as your president.

Cindy Kirk

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The background of the flyer is a dark purple night sky. It features a yellow crescent moon in the upper left, several yellow five-pointed stars scattered across the sky, and a green saguaro cactus on the left side. At the bottom, there are green rolling hills. A white rectangular box in the center contains the text.

Go “Beyond the Horizon”
with SALGBA
at the
2005 Conference
in Scottsdale, Arizona

Conference Dates
April 24th-April 27th

Salgba Room Rates: \$ 91

Scottsdale Plaza Resort
www.scottsdaleplaza.com
7200 N. Scottsdale Road
Scottsdale, Arizona 85253
Phone: 480-948-5000

You must call for reservations at the group rate!

More information on the SALGBA 2005 Conference can be found at www.salgba.com or by contacting the National Office at salgba@salgba.com or at (859) 622-2535.



STATE & LOCAL GOVERNMENT BENEFITS ASSOCIATION

2005 ANNUAL CONFERENCE REGISTRATION
Scottsdale, Arizona, APRIL 24-27, 2005



CONFERENCE REGISTRATION

(Includes educational sessions, Exhibit Hall, Sunday Networking Reception, two continental breakfasts, one full breakfast, two luncheons and Tuesday Gala. Additional tickets for guests may be purchased for the Sunday Networking Reception and the Tuesday Gala.)

Please print or type:

Is this your first SALGBA Conference? Yes No

Name: _____

Entity: _____

Business Address: _____

City: _____ State: _____ Zip: _____

Daytime Phone: (____) _____ Fax: (____) _____ Email: _____

Special Accommodations Required: _____

ARE YOU A SALGBA MEMBER? Yes No My membership application is enclosed

	<u>On or before March 24, 2005</u>		<u>After March 24, 2005</u>	
	<u>Jurisdiction</u>	<u>Associate</u>	<u>Jurisdiction</u>	<u>Associate</u>
<u>SALGBA Member</u>	\$200 ____	\$325 ____	\$275 ____	\$425 ____
<u>Non-Member</u>	\$400 ____	\$525 ____	\$475 ____	\$625 ____
<u>Golf Registration</u>	\$50 ____	\$75 ____	<u>Non Conference Participant</u>	\$100 ____
<u>Golf Handicap(s):</u> _____				

No refunds for golf, event tickets, or registration cancellations made after March 24, 2005. Substitutions are accepted. *Cancellations before March 24, 2005* are assessed a 25% handling fee.

EVENT PLANS/EXTRA TICKETS:

Please help us arrange a successful event by indicating which events you plan to attend.

Sunday April 24th Networking Reception Yes No

Tuesday, April 26th SALGBA Gala Yes No

Guest Registration, includes Sunday Reception and Tuesday Gala.

Guest Name: _____ Guest(s) _____ x \$75 = _____

SUNDAY TOURS

Sedona Tour (including lunch and admission to Montezuma Castle) Guest(s) _____ x \$35 = _____

PAYMENT:

Total Fee(s) Due \$ _____ Check Enclosed Tax Exempt # is 57-0752871

Ways to Register:

Register on-line at www.salgba.com or complete this form and mail with fee payment to: SALGBA, 113 McCreary, Eastern Kentucky University, 521 Lancaster Avenue, Richmond, KY 40475-3102, or fax to 859-622-4378.

Sunday, April 24, 2005

7:30 am - 4:00 pm	Exhibits Open	<i>Sunday Events</i> {Golf and Optional Tour(s)}
Noon - 6:00 pm		Registration Opens
5:00 pm - 6:00 pm		First Time Attendee Reception
6:00 pm - 8:30 pm		Opening Night Reception, Exhibits, and Networking

Monday, April 25, 2005

7:30 am - 8:15 am	Exhibits & Registration Open	Continental Breakfast in Exhibit Hall		
8:15 am - 10:00 am		Welcome, Cindy Kirk, SALGBA President Opening Keynote Speaker: Dr. Loren Scott, President, Loren C. Scott & Associates, Inc.		
10:00 am - 10:30 am		Break in Exhibit Hall		
10:30 am - 11:45 am		General Session "Healthcare Research, Now and Beyond the Horizon" Dr. Kenneth Shine, Executive Vice Chancellor for Health Affairs, University of Texas System		
12:00 pm - 1:00 pm		Luncheon (Provided)		
1:00 pm - 2:00 pm		"Pushing the Borders on Prescription Drug Purchasing" Paul Strebe, Health Policy Analyst, State of Minnesota	"Consumer Driven Health Plans: An Employer's Perspective" Steven Miller, City of Las Vegas, NV	"Legislative Update" Kathryn Bakich, The Segal Company
2:15 pm - 3:15 pm		"Trends in State Government Employee Benefits" Stanley Wisniewski, President Workplace Economics, Inc.	"Tailored Health Behavior Change: Reaching Large Populations Cost Effectively" Victor J. Strecher, PhD, University of Michigan & Health Media, Inc.	"GASB" Tom Vicente, Aon Consulting
3:15 pm - 3:45 pm		Break in Exhibit Hall		
3:45 pm - 5:00 pm		Roundtable "Alternative Leave Plans" Barbara Holthaus, Staff Attorney, Office of General Counsel, The University of Texas System	"Health Awareness; In-House Clinics & Wellness Programs" Robby Neill, City of Garland, TX Shannon Morgan, Jefferson County, TX	REPEAT SESSION: "Pushing the Borders on Prescription Drug Purchasing" Paul Strebe, Health Policy Analyst, State of Minnesota

Tuesday, April 26, 2005

7:30 am - 8:00 am	Exhibits & Registration Open	Continental Breakfast in Exhibit Hall , Registration Opens		
8:00 am - 9:15 am		Tuesday Keynote Session, Rob Epstein, M.D., Medco Health Solutions		
9:15 am - 9:45 am		Break in Exhibit Hall		
9:45 am - 10:45 am		"Pharmacy Plan Design" Sean Brandle, Segal Co.	"Wellness...A Case Study for the City of Indianapolis" Colin Kebo, City of Indianapolis & Sally Stephens, President, Spectrum Health Systems	"Reining in Healthcare Costs Through the Strategic Management of IT and Operations" Dr. Jacob Kuriyan, President, Physmark, Inc.
11:00 am - 12:00 pm		"Why Can't Government be Cutting Edge?" Richard Johnson, Segal Co.	"Consumerism" Linn Baker, Utah Public Employees' Health Program	"Fiduciary Responsibility for Retirement Plan Sponsors" Marilyn R. Collister, National Director, Regulatory Policy, Great-West Retirement Services
12:00 pm - 1:15 pm		Awards Luncheon		
1:30 pm - 2:30 pm		"Radiology: The Fastest Growing Cost in Healthcare" Dr. Gregg Allen, Medsolutions	"Cannonball Run" Steve Schramm & Michelle Jaross with Mercer Health & Benefits, LLC; Susan Strickler, State of Arizona; Robin Orchard, Orchard Medical Consulting	"Overview of Defined Benefit and Defined Contribution Plans" Charlie Chittenden, Mellon Human Resources & Investor Solutions
2:30 pm - 3:15 pm		Break & Door Prize Drawing in Exhibit Hall , (Must be Present to Win)		
3:30 pm - 4:30 pm		"GASB 45 Preparing for the Valuation & Financial Reporting" Kevin Russell Mercer Health & Benefits LLC	Jurisdictional Open Forum Topic: "RFP Process"	Associate Open Forum Topic: "ROI"
6:00 pm - 11:00 pm	Evening Gala Event at the Corona Ranch, Roundtrip Transportation Provided			

Wednesday, April 27, 2005

8:15 am - 9:00 am	Jurisdictional Member's Breakfast & Business Meeting , (Grand Prize Drawing—Must be Present to Win)		
9:15 am - 10:15 am	General Session "Telemedicine, an Innovative and Practical Approach to Healthcare Delivery" Glenn G. Hammack, OD, MSHI, FAAO, Assistant Vice President & Executive Director UTMB Electronic Health Network		
10:30 am - 11:30 am	Wednesday Closing Keynote Session, Leslie Norwalk, CMS		
11:30 am	ADJOURNMENT & FAREWELL, WE WILL SEE YOU NEXT YEAR IN LOUISVILLE, KY—APRIL 28-MAY 2		

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“California Tackles Health Care Costs”

for four separate regions of the state, and one for out-of-state enrollees. These premiums will apply to the Basic coverage for all contracting agencies. We estimate that regional pricing for contracting agencies kept 2005 premiums from increasing by \$40 million.

CalPERS’ last major change concerns pharmacy management. We worked with health and drug representatives to implement several savings concepts: active promotion of over-the-counter drugs, specialty and biotech management, education and compliance programs for certain conditions, and mail service incentives for maintenance medications. These concepts will save \$42 million in 2005.

In addition to the above cost savings activities, CalPERS wanted to make it easier for members to make the right health plan choices. For our 2004 Open Enrollment, we introduced the “Health Plan Chooser,” a web-based tool that assists members in finding a “best fit” health plan. Feedback has been very positive for this “member empowerment” service.

CalPERS hopes to continue to build on our successes. In the upcoming year, we will expand our efforts in several areas: disease management, “high intensity” case management, centers of expertise, health consumer engagement, healthy lifestyle incentives and telemedicine. The effort to control “Topic A” goes on.



Rural Health Care Equity Program

by
Belinda Collins, Manager
California Department of Personnel
Admin.

The State of California, like most of you, has employees scattered from one end of the state to the other. And like you, we have an obligation to provide cost effective health benefit programs for our employees. Here in California we have a statutory provision that requires those health plans that provide State employee health coverage to also provide the same premium(s) statewide, regardless of regional cost variations. They do this by blending the various regional costs into single, consolidated rates by party code.

In most urban areas in California, State employees have two or three Health Maintenance Organizations (HMO’s), as well as the State’s two self-funded Preferred Provider Organization (PPO) options to select from. Access to an HMO provides the employee with health care coverage requiring only modest copays for office visits and prescription drug coverage, as the only out-of-pocket costs to the employee beyond their share of the premiums. However, the PPO’s require the additional out-of-pocket exposure of co-insurance and deductible expenses, as well as higher employee premium costs. In some cases, these additional costs can exceed several thousand dollars in a given year.

In most rural areas of California, the State has many employment opportunities – correctional facilities, forestry services, highway maintenance services – you get the picture. Unfortunately, there are not sufficient populations or

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“Oregon Offers Prescription Drug Price Relief “

Senate Bill 875 created the Oregon Prescription Drug Program (OPDP) to give certain individuals and groups the opportunity to participate in a prescription drug purchasing pool. Eligible individuals can now receive discounts on prescription drugs not generally available to individuals without insurance. In addition, these individuals will receive information and direction about cost effective prescription purchasing similar to what their insured neighbors receive. Groups benefit from participation by pooling their purchasing power and by having a completely transparent Rx benefit program. They may purchase the administrative services they want at competitive prices and be assured that any rebates associated with their group’s utilization will be returned to them.

Who can participate?

Group participation is extended to most government agencies, including public employees, cities, and counties. The exception to government agencies is that no Medicaid sponsored program is able to participate. Groups entering the OPDP will design their prescription coverage and self-insure benefits through the OPDP. Smaller groups, defined as 500 employees or less may enter the OPDP as members of a larger pool like Oregon’s City County Insurance Services.

Individuals wishing to participate must meet the following eligibility criteria:

- They must be residents of Oregon;
- Be at least 54 years old;
- Have income at no more than 185% of the Federal Poverty Guidelines; and
- Have had no private insurance in the previous six months.

Challenges and their solutions

The budget for the program covered little more than an Administrator for the program. Citizen advocate groups like AARP, Oregonians for Health Security, and Metropolitan Alliance for the Common Good donated time, energy and money to support the outreach efforts. A mailing by AARP collected the names and addresses of 11,000 eligible individuals waiting to enroll. AARP recently mailed applications to those people. All outreach is funded by these organizations.

It became evident early on that groups were not likely to sign on until the concept had been implemented. Yet individuals demonstrated an immediate need and desire to participate. The decision was made to “go live” with individuals and bring groups on after the program became operational. Although this approach brings 11,000 participants to the program at inception, they are self-paying. The intent of the program was to bring these participants prescription drug discounts in two ways: discounted point of sale rates from pharmacies and manufacturers’ rebates to at least cover the cost of administering the program. Unfortunately, the program cost to the pharmacy benefit manager has to be paid up front and rebates are not available for up to twelve months post-implementation.

In the fall of 2004, OPDP received an additional \$100,000 from the Attorney General’s Office as part of a legal settlement from a PBM. This money allowed the OPDP to launch the individual portion of the program in early 2005.

As implementation has started, the administrator for this program is not accessible to answer questions for additional information until after March 1. After that time, you may contact Missy Dolan at missy.dolan@state.or.us

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SALGBA 2005 National Conference...

When not participating in educational sessions we have arranged several networking opportunities for you to get to know your fellow colleagues and fellow SALGBA members. We begin with some pre-conference activities including our annual golf tournament at Gainey Ranch Golf Club and our Sunday Tour which is a guided day trip to Sedona, Arizona including lunch and admission into Montezuma Castle.

We kick off the 2005 National Conference with our Opening Night Networking Reception located in the Exhibition Hall at the Scottsdale Plaza Resort. Our final networking event is the Tuesday Night Gala which will be held at the Corona Ranch in Phoenix. This is a spectacular venue that is a family owned and operated ranch. (PULL INFORMATION FOR CORONA TO UTILIZE IN EXPLAINING VENUE)

We hope you will join us in Scottsdale, April 24-27th for what is going to be yet another valuable SALGBA Conference!

SALGBA has launched a new incentive plan

for membership recruitment. The association has been growing steadily for several years and is now ready to experience a massive growth. In an effort to recognize our current members support in this area as well as recruit new members, SALGBA has developed a Recruitment Incentive Plan. Referrals must actually join in order for the following to apply.

The plan recognizes membership referrals from Jurisdictional Members in the newsletter, at the annual conferences and on the website. For each referral that joins SALGBA your name will be placed in a drawing for a \$1000 SALGBA Scholarship to the next SALGBA National Conference. This scholarship can be utilized towards airfare, hotel room, conference registration, and other travel expenses.

Associate members who make membership referrals that join will receive recognition on the website, in the newsletters and \$50 in SALGBA money to be used towards any SALGBA purchase such as membership and/or conference items such as registration, exhibit space or sponsorship.

It is easy to participate! Just refer potential members to SALGBA and then drop a quick email to the Administrative Office at salgba@salgba.com noting the name and address of the referral and if they join you will receive credit for the new membership.

OPTIONAL EVENTS REGISTRATION INFORMATION

Name _____
Entity Represented _____
Phone _____ Fax _____ Email _____

YES, register my Guest for the Tuesday Night Gala..... Sponsored By: ActiveHealth Management.
_____ \$ 75.00 Per Spouse or Guest
(includes Sunday night reception)



YES, register me to play in Golf Tournament..... Sponsored By: Medco Health
_____ \$ 50.00 Jurisdictional Member Handicap _____
_____ \$ 75.00 Associate Member Handicap _____
_____ \$100.00 Guest Handicap _____



YES, register me for the Sunday Tour..... Sponsored By: Fringe Benefits Management Co.
_____ \$ 35.00 Sunday Tour to Sedona
(includes Lunch & admission to Montezuma Castle)
(LIMITED TO 30 PARTICIPANTS)



Please note that the golf tournament is rain or shine and that payment must be received in full no later than March 25, 2005 in order to guarantee your tournament participation. Make checks payable to: SALGBA and mail to SALGBA, 113 McCreary Hall, EKU, 521 Lancaster Ave., Richmond, KY 40475-3102 or register on-line to pay via credit card.

“Rural Health Care Equity Program”

infrastructures to support an HMO delivery model. As a result, the higher-cost PPOs are the only option available to many of our rural State employees. So, in order to attract and retain a well-qualified workforce in the more remote locations of California, we developed and negotiated with all of our 21 employee bargaining units, a rural health subsidy program that bridges the gap for these employees’ health care costs.

The Rural Health Care Equity Program (RHCEP) began on January 1, 2000, to provide reimbursement of health care expenses to active employees and retirees (living in California) who reside in an area with no HMO option available through the California Public Employees’ Retirement System (CalPERS) Health Program. The Department of Personnel Administration (DPA), Benefits Division, is responsible for administering the RHCEP and there are currently about 12,000 active employees and 7,700 retirees participating in the program.

Under the RHCEP, eligible employees and their enrolled dependents are reimbursed up to \$1500 per fiscal year for deductibles, co-insurance costs, and portions of premiums. In essence, the program seeks to provide parity with the lower cost HMOs. The RHCEP also provides a “secondary reimbursement” for those employees who incur expenses exceeding their \$1500 allocation. Funding for these secondary payments is generated from the remaining balances that other program participants don’t use during the fiscal year. The program also has provisions to provide somewhat lesser reimbursements to rural State retirees in California, for both Medicare and non-Medicare enrollees.

Recent legislation extended the program to January 1, 2008. This program has been a valuable benefit for our participants and has gone a long way towards keeping healthcare affordable for our rural workforce.

If you’d like further information on the RHCEP, you can contact the program manager, Belinda Collins of the DPA Benefits Division at (916) 324-0468.

Survey Results...	“State and Local Government Premium Discount Comparison” by Kathy Callaghan, State of Vermont		
	Offers Wellness Behavior Discount	Working on implementing Wellness Behavior Discount	Experience/Comments
Alabama	No	Yes	New package includes Behavior Discount
Oregon City County Insur.	No	No	Employees represented by Union opposed to this
Arizona	No	No	Emphasizing wellness as disease management data becomes available
Pennsylvania	No	Yes-considering	Considering incentives. Cites difficulty due to cost impact. Limited research to validate cost effectiveness
New Jersey	No	No	Moving towards implementing higher cost sharing for unhealthy lifestyle choices
California	No	Yes-considering	Limited by the Union and contracting design. Wants to provide higher employer contribution for healthy lifestyle choices
Missouri	No	Yes	Currently, one of the HMO plans in St. Louis provides lower premiums in exchange for health improvement efforts. Not a uniform program amongst plans, yet.
City of Anderson	No	Interested	No comments
Massachusetts	No	No	Has a plan with this design but doesn’t use it because most of the people who use that plan are the least in need of incentives
Mississippi	No	Considering	Barrier cited is the cost impact
Maine	No	Considering	New pilot program: co-pays waived for diabetic medications and supplies for employees who enroll.
Lake Havasu, Arizona	Yes-limited	Yes	Employees can receive \$50 towards their yearly deductible per year for participation of specific event.
Broward County, FL	No	Yes	Believes that premium reduction plans may be construed as discriminatory but incentives are being considered for participation in wellness activities. Also working on diabetes pilot programs.
Baltimore County	No	No	Cites limitations of accessing employee data due to HIPAA concerns.
Montana	No	No	State law requires offering the same level of benefits at the same cost to the State and Employees.
Louisiana	No	Considering	Would like to do a healthy rewards system but cites the discriminatory factors with doing such a program.
San Marcos Texas	No	No	No comments
Prince George’s County	No	No	No comments
Texas	No	Considering	Would like to increase wellness activities.



Oregon Board Requests Medical Proposal
submitted by
Ingrid Norberg, PEBB Communications Coordinator

On Jan. 10, 2005, Oregon's Public Employees' Benefit Board released a request for proposals (RFP) for medical benefits to start in January 2006. This RFP differs from those PEBB has issued in the past.

Previous RFPs simply laid out a plan design for insurance companies to bid on, and the Board purchased services based on best dollar proposals and negotiations. This year, the Board is asking for innovative proposals from a broader array of potential providers. They include physician groups, prescription management firms and medical practices.

How proposals are scored will differ, as well. Criteria include quality measures as well as costs. For example, criteria for primary care services ask if the plan:

- Has electronic medical records
- Provides patients access to their records
- Offers secure e-mail with patients
- Practices electronic prescribing
- Reports on such measures as health screenings and risk assessments and diabetes self-care support.

For hospitals, criteria ask if a hospital publicly reports results of patient satisfaction surveys. Other criteria ask for reporting on volume and success rates for specific procedures.

The Board's Vision for PEBB in 2007 guided design of the RFP. By 2007, the Board envisions a new state of health for members statewide. Elements of the Vision include the following:

- An innovative delivery system in communities statewide that provides evidence-based medicine to maximize health and utilize dollars wisely.
- A focus on improving quality and outcomes not just providing healthcare.
- The promotion of consumer education and informed choices.
- Appropriate market and consumer incentives that encourage the right care at the right time.
- System-wide transparency through explicit, available and understandable reports about costs, outcomes and other useful data.
- Benefits that are affordable to the state and employees.

Proposals are due in March. The Board is scheduled to make decisions about 2006 medical plans in June. Find more information on the RFP criteria on the PEBB Web site at <http://oregon.gov/DAS/PEBB/facct.shtml>.

May 2005 issue will feature the

The State of Things

Southeast Region

ALABAMA



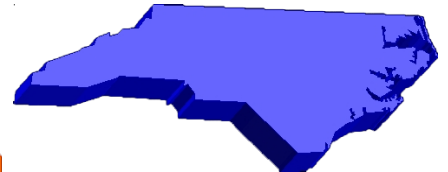
KENTUCKY



FLORIDA



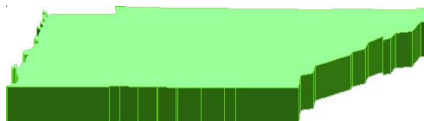
NORTH CAROLINA



SOUTH CAROLINA



TENNESSEE



MISSISSIPPI



New Members

Gabriel, Roeder, Smith and Company

Kim Mitchell, Consultant
E-mail: kim.mitchell@gabrielroeder.com
Ph: 469-524-1812
Bill Hickman, SW Reg. Health Care Prac.
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Catalyst Rx

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City of Scottsdale

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Ph: 803-324-8626; Fax: 803-980-8717

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Kansas City, MO 64105
Ph: 816-474-4240; Fax: 816-474-3099

ActiveHealth Management

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Paul Barnes, EVP, Chief Marketing Officer
E-mail: pbarnes@ahm-usa.com
Peter Dunphy, SVP, Marketing and Product
Development
102 Morning Side Circle, 2nd Floor
Downing Town, PA 19335
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Member Updates

Aon Consulting

Delete: Kenneth Vieira
Add: Mike Falcone, VP, Retirement Practice
Two Tower Bridge, 1 Fayette Street
Conshohocken, PA 19428
Ph: 610-834-2187; Fax: 610-834-2176
E-mail: mike_falcone@aoncons.com
Add: Ray Reed, VP, Health & Welfare Practice
7650 W. Courtney Campbell Causeway, Suite 1000
Tampa, FL 33607
Ph: 813-636-3611; Fax: 813-636-3102
E-mail: raymond_m_reed@aoncons.com

Illinois, State of

Delete: Paul Sollitto
Add: Patrick Connor, Chief Operations Officer,
Bureau of Benefits
E-mail: patrick_connor@cms.state.il.us
Lake Havasu City, Arizona
Jamie Schulenberg
Ph: 928-854-4327; Fax: 928-453-5367
Caremark Inc.
Delete: Rich Riva
Add: Linda DeChant
E-mail: linda.dechant@caremark.com
9501 E. Shea Blvd
Scottsdale, AZ 85260
Ph: 480-391-4949; Fax: 480-661-2420

Fairfax County Public Schools

Delete: Cynthia E. Simpson
Add: De Hawley Brown, Director
E-mail: de.hawleybrown@fcps.edu
City of Denton
Carol Rucker is now Carol Plant
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The Best-Health Plan

Cindy Downey

Ph: 303-302-2710
FBMC

Scott Mixon

Ph: 1-800-872-0345 ext. 2115 or 850-425-6205

City of Plano, TX

Darlene McAndrew
1520 Avenue K, Suite 130
Baltimore City Department of Human Resources
Gladys Gaskins
201 East Baltimore Street, Ste. # 500
Waukesha County Technical College

John Guardalabene, Co-Director

The University of Texas System

Dan Stewart, Assistant Vice Chancellor, Emp. Serv.

Fresno County, CA

Delete: Cheryl Carlson
Add: John Pinheiro, Personnel Services Manager
E-mail: jpinheiro@co.fresno.ca.us
Clackamas County, OR

Carolyn Williams

Ph: 503-742-5470; Fax: 503-742-5468
Oklahoma Group Insurance Board

Lori Poteet

Fax: 405-717-8938

ARAG Group

Delete: Mike Dugan
Add: Dell Kubler, Regional Sales Director
E-mail: dell.kubler@araggroup.com
Ph: 770-346-0150
Delete: Mike Halloran
Add: Todd Ruopp, Regional Sales Director
E-mail: todd.ruopp@araggroup.com

Ph: 1-800-770-0536

Standard Insurance

Delete: Brad Nantz
Add: Dan McMillian, Regional VP, Nat. Accounts
Ph: 503-321-7085;
E-mail: dmcmilla@standard.com

Texas Teacher Retirement System

Marianne Woods Wiley
Ph: 512-542-6497; Fax: 512-542-6585

Magellan Behavioral Health

Delete: Rebecca Lester
Add: Erin Kvedar, Public Relations Coordinator
E-mail: ekkvedar@magellanhealth.com
Ph: 410-953-2416

AELRx

Joe Golden
7301 N. State Highway 161, Suite 160 N
Irving, TX 75039

Ph: 972-444-4362; Fax: 214-722-0789
Ohio, State of

Delete: Scott Solsman

Add: Nan Neff, Administrator
100 E. Broad Street, 15th Floor
Ph: 614-466-9073; Fax: 614-466-5127

E-mail: nan.p.neff@das.state.oh.us

NJ State Health Benefits Pro.

Delete: Janice Nelson
Add: Christine Servis, Chief, Health Benefits Bureau
E-mail: christine.servis@treas.state.nj.us
Ph: 609-633-7546; Fax: 609-633-9298

Add: Frederick Beaver, Dir. Div. of Pension & Ben.

E-mail: frederick.beaver@treas.state.nj.us

Ph: 609-292-2597; Fax: 609-292-1525

Fox, Trahin and Fox, Inc.

Raymond Fox, CEO
E-mail: rfox@ftfins.com
Virginia Department of HR

Delete: TJ Clayton

Add: Mary Habel, Director, Office of Health
Benefits

E-mail: mary.habel@dhrm.virginia.gov

Ph: 804-371-7931; Fax: 804-371-0231

Boise City Independent School District

Brent Nye
E-mail: brent.nye@boiseschools.org

Maria Rella

E-mail: maria.rella@boiseschools.org
Vermont League of Cities

Delete: Suzanne Schittina

Add: Kim Gauthier, Member Relations Rep.

E-mail: kgauthier@vlct.org



State and Local Government Benefits Association

...the premier organization for public sector benefits professionals

Membership Application

Membership Descriptions

Jurisdictional Member

A public sector entity actively engaged in administering an employee benefits program. Jurisdictional members may vote at the annual business meetings and are eligible to serve on the Board of Directors. The Secondary Member is a reduced fee for additional members from the same entity however there must be a Primary Member from the entity on file or applying.

Entity: Local Government School/University State Entity Other: _____

Membership Type: Primary Entity Member \$195 Secondary Entity Member \$50

Associate Member

A consultant organization, insurance company or other professional group that is a seller of employee benefits services, not a purchaser. Associate Members do not vote or serve on the Board, except in the nonvoting capacity of Associate Member Advisor. They are encouraged to serve on committees. The Secondary Member is a reduced fee for additional members from the same entity however there must be a Primary Member from the entity on file or applying.

Company Type: Consultant Dental/Vision Health Insurance Pharmaceutical Company
 Software Management Other (Please explain) _____

Membership Type: Primary Associate Member \$300 Secondary Associate Member \$150

Organization _____

Name _____ Email _____

Position/Title _____

Address _____

City, State, Zip _____ Telephone _____

Fax _____ Website _____

Referral Source: Website SALGBA member Other _____

Signature _____ Date _____

Payment Information

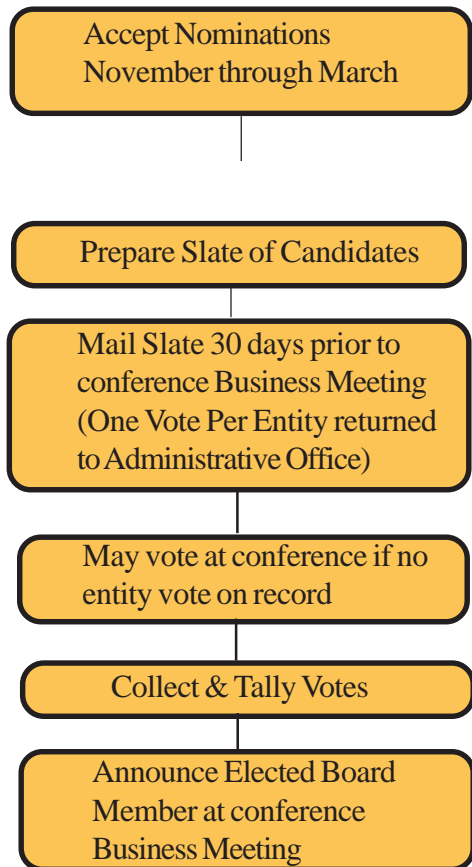
The annual membership fee is due with this application. Payment may be made by check and payable to SALGBA, or by credit card. In order to pay by credit card please contact the SALGBA Administrative Office.

Please submit completed application with payment to:

SALGBA
Institute of Government
113 McCreary Hall, ECU
521 Lancaster Avenue
Richmond, KY 40475-3102
Phone: 859-622-2535; Fax: 859-622-4378
salgba@salgba.com

NON-PROFIT EDUCATIONAL ORGANIZATION
TAX IDENTIFICATION NO.
57-0752871

SALGBA Board Member At-Large Election Process



WWW.SALGBA.COM

SALGBA is proud to announce that Phase I on our new website is complete. Phase I includes the complete redesign of the website along with additional navigational menu items. In addition, a potential member may now join via the website with online membership application, making processing quick and convenient.

Phase II of the website will include the addition of association management software allowing SALGBA information to be distributed electronically. This feature will also allow members to access their membership information for updates and payments.

Please take a moment to visit the new site at www.salgba.com. Active members can log in using the first name initial along with last name (all together and all lowercase) with the password salgba05. You may customize your login name and password after your first login.

Please contact Tina Scott, SALGBA Director at tina.scott@eku.edu with any questions or comments.

MEMBERSHIP FEE INVOICES HAVE BEEN MAILED. IF YOU DID NOT RECEIVE AN INVOICE PLEASE CONTACT THE NATIONAL OFFICE. MEMBERSHIP FEES WERE DUE JANUARY 1, 2005. YOU MAY NOW PAY BY CREDIT CARD BY CONTACTING THE NATIONAL OFFICE. PAST DUE NOTICES WILL BE SENT SHORTLY.

SALGBA Partners with ICMA for 2005 National Conference...

International City/County Management Association (ICMA) is an organization for chief appointed managers, administrators, and assistants in cities, towns, counties, and regional entities throughout the world. ICMA has partnered with SALGBA to advertise our 2005 National Conference to ICMA Members.

ICMA has two recent resources designed to help human resource managers and may be of assistance to SALGBA Members.

1. *Human Resource Management in Local Government: An Essential Guide*, available at <http://bookstore.icma.org>.

2. Salary Survey Navigator Service, a free demo available at www.surveynavigator.com/icma.

Editor

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