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**STATE OF OKLAHOMA
EMPLOYEES BENEFITS COUNCIL**

FOR IMMEDIATE RELEASE

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**"State's Benefits Office Retains Choice, Expands Provider
Networks and Adopts Rates for Plan Year 2007"**

Oklahoma City, Oklahoma – August 18, 2006

In today's diversified workplace, no two employees' circumstances are alike. Each has different needs as it relates to employee benefits. As one of the state's largest employer groups, the State of Oklahoma provides a wide variety of benefits through a cafeteria plan, also known as a flexible benefit plan, for more than 68,000 total covered lives, which includes over 37,000 active state employees. During their regularly scheduled public meeting held in Oklahoma City on Friday, August 18th, the Employees Benefits Council (EBC), serving as the benefits office for all active state employees, took measures to ensure employees will continue receiving an assortment of benefits designed to meet the varied needs of employees and their families during Plan Year 2007 (January 1, 2007 through December 31, 2007).

For Plan Year 2007, most state employees and their families will once again have five health plans from which to choose. Mitch Parsons, EBC Executive Director, said, "Employees will have a choice of four HMOs. They are Aetna, CommunityCare Managed Healthcare Plans of Oklahoma, GlobalHealth, Inc. and PacifiCare. In addition, HealthChoice (the state's self-insured indemnity plan) is the fifth plan offered. Employer groups nationwide, both public and private, continue facing a difficult challenge maintaining a balance between meaningful benefit choices and costs. The state's challenge to moderate insurance premiums is particularly daunting because of the aging workforce, general health causing increased utilization of health care services, and ongoing rising health care costs trends. As the state's benefits office, we are committed to providing as many medical plan choices as possible to state employees at the most affordable rates possible. I am pleased that GlobalHealth has expanded its provider network to more counties beyond the Oklahoma City and Tulsa metropolitan areas."

The average increase in the employee premiums for the HMO Alternative Health Plans is 10 percent. The average increase in the employee premium for the HMO Standard Health Plan is 23 percent. Based on current plan elections (the majority of HMO participants are enrolled in the Alternative Plans), the weighted average for the employee only premiums for the two options is 14 percent. The state's self-insured indemnity plan, HealthChoice High Option, employee premium will increase 17 percent. Bryce Fair, Council Chairman, said, "Premium increases continue to be a very serious concern. However, we are pleased to be able to provide affordable health care for Plan Year 2007 for state employees, while maintaining their current level of benefits and retaining the same carriers from Plan Year 2006."

Dental plan options for Plan Year 2007 are Assurant Heritage Prepaid, Assurant Freedom, CIGNA Dental Prepaid, Delta Dental PPO-POS, Delta Choice PPO, and the state's HealthChoice dental plan. Five vision plans will also be offered during the new plan year. The vision plans are CompBenefits, Primary Vision Care Services, Spectera, Superior Vision Services, and VSP.

EBC is responsible for purchasing insurance benefits for active state employees. EBC also serves as the Internal Revenue Code, Section 125 administrator, which allows employees to choose their benefits on a "pretax" basis. In addition, EBC also provides employees with a customized online enrollment, a debit card payment system for eligible flexible spending account (medical and dependent care) expenses, and a unique wellness-mentoring program with a variety of incentives designed to improve the health of state employees and help to contain utilization. State employees are required to purchase health, dental, basic life, and disability benefits known as core benefits.