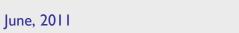


Fact Sheet: State Health Plan





Two "key" pieces of legislation passed during the 2011 legislative session that impact State Health Plan members and eligible dependents.

I. SENATE BILL 323 and HOUSE BILL 578

A. Key Benefit Plan Changes Effective 9/1/11-6/30/12

	Basic 70/30			Standard 80/20		
	Current	New	Increase	Current	New	Increase
Medical Benefits						
Plan member co-pays (per visit)						
Primary Care	\$30	\$35	\$5	\$25	\$30	\$5
Mid-Tier	\$55	\$64	\$9	\$45	\$52	\$7
Specialty Care	\$70	\$81	\$11	\$60	\$70	\$10
Urgent Care	\$75	\$87	\$12	\$75	\$87	\$12
Inpatient Hospital	\$250	\$291	\$41	\$200	\$233	\$33
Emergency Room	\$250	\$291	\$41	\$200	\$233	\$33
Annual Deductible (Individual)						
In-network	\$800	\$933	\$133	\$600	\$700	\$100
Out-of-network	\$1,600	\$1,866	\$266	\$1,200	\$1,400	\$200
Coinsurance Maximum (Individual)						
In-network	\$3,250	\$3,793	\$543	\$2,750	\$3,210	\$460
Out-of-network	\$6,500	\$7,586	\$1,086	\$5,500	\$6,420	\$920
Pharmacy Benefits						
Generic (copay)	\$10	\$12	\$2	\$10	\$12	\$2
Preferred Brand (copay)	\$35	\$40	\$5	\$35	\$40	\$5
Non-preferred Brand (copay)	\$55	\$64	\$9	\$55	\$64	\$9

For complete benefit plan comparisons for 9/1/11 to 6/30/11, click here: http://statehealthplan.state.nc.us/pdf/follow-up-enrollment/plan-comparison.pdf

Note: The Tobacco Cessation and the Body Mass Index (BMI) programs are eliminated as requirements in the "new" State Health Plan effective September I, 2011. Both programs are in effect for July and August. If you failed to complete the attestation forms during the previous open enrollment period, you were placed automatically in the 70/30 plan, effective July I, 2011, and will remain there until

you make selections again during the "new" open enrollment period from July 18 - July 29, 2011.

B. Monthly Premiums for State Health Plan Effective 9/1/11-6/30/12 (Employees now required to pay a small premium if enrolled in the 80/20 plan. Premiums still free if enrolled in the 70/30 plan.)

I. Employee-only rates

	Current	Proposed by SB 265				
Plan	All Active and	Active	Non-Medicare Retirees (1)	Medicare Eligible Retirees (2)		
Options Retired		2011-12	2011-12	2011-12		
80/20	0	\$21.72	\$21.72	\$10.00		
70/30	0	0	0	0		

- (1) Non-Medicare eligible retirees retirees younger than age 65.
- (2) Medicare-eligible retirees retirees 65 years or older.

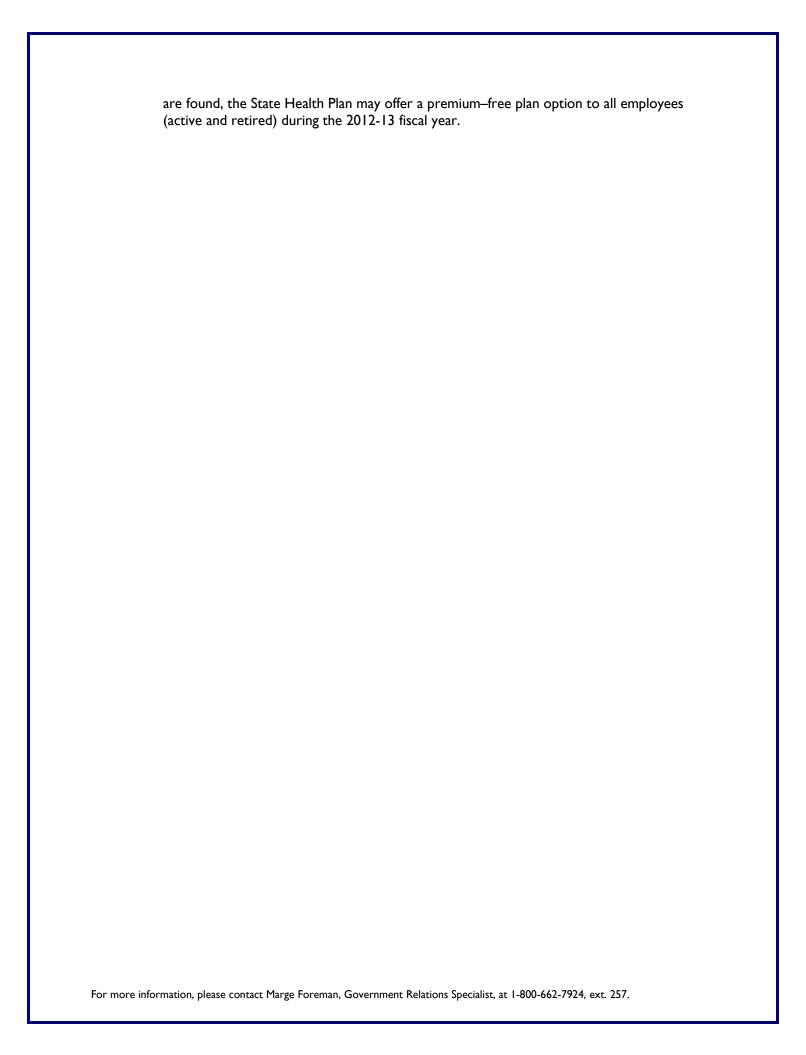
Note: Ten-month employees will pay twelve total premiums over their ten months of employment. Please check with your LEA Health Benefits Representative (HBR) for amounts.

2. For all premium rate changes from 9/1/11 to 6/30/11, click here: http://statehealthplan.state.nc.us/pdf/follow-up-enrollment/active-retiree-rates.pdf

Note: Again, remember you must enroll during the "new" open enrollment period from July 18 - July 29 for "new" plan benefits and premium changes effective September 1, 2011. There are no premiums payable for either plan option for July or August.

C. Transfer of State Health Plan to Treasurer's Office

- I. The State Health Plan is transferred from under the authority of the North Carolina General Assembly to the Department of the State Treasurer. This move gives the State Treasurer the authority to appoint or remove the Executive Administrator of the Plan, as well as broad authority over the Plan.
- 2. A new ten-member Board of Trustees is established with power and duties to approve benefits, premium rates, co-pays, deductibles, and coinsurance maximums for the State Health Plan. The Board shall also oversee administrative reviews and appeals, approve large contracts, consult with and advise the State Treasurer, and develop and maintain a strategic plan for the State Health Plan. The new Board is also directed to savings through wellness programs, Medicare Advantage plans, alternative plan designs, or other resources. If savings



D. Amends the General Statute to Make the Same Protection of Trade Secrets in the State Health Plan Contracts Consistent with the General Trade Secret Protection for all Public Agency Contracts.

All State Health Plan contracts will be open to the public based on the Open Records law. Only company trade secrets are protected and will not be released to the public.

E. Amends the General Statute to Allow the Plan to Authorize Benefit Coverage or Payment of Claims on Behalf of a Plan Member That Has Been Denied as a Result of Administrative Errors or System Issues.

Provides full-benefit coverage or processing of payment for medical claims processed and errors that occurred, whether administratively or through the system, for members in the State Health Plan.

F. Amends the General Statute to Require Health Benefits Representatives to Enroll Employees and Dependents in Accordance with the Plan's Eligibility Requirements.

Health Benefit Representative (HBR), are now required to ensure that employees and dependents meet the eligibility requirements, resulting from the dependent eligibility audit, when enrolling in the State Health Plan. Example: HBR may require proof of eligibility, such as asking employees for birth certificates of eligible dependents, etc.

G. All Amended Changes Effective July 1, 2011.

II. HB 200, Section 29.23(a) - NO ABORTION - STATE HEALTH PLAN

A. Limitation on Use of State Funds for Abortions

Abortion coverage limited in the State Health Plan. No State funds may be used for the performance of abortions or to support the administration of any governmental health plan or government-offered insurance policy offering abortion, except that this prohibition shall not apply where the State Health Plan can no longer cover abortions unless (I) the life of the mother would be endangered if the unborn child is carried to term, or (2) the pregnancy is the result of a rape or incest. Medical coverage is also provided after a spontaneous miscarriage