

PLAN YEAR	PLAN CHANGES	LEGISLATIVE CHANGES
2017	<p>Premium changes were:</p> <ol style="list-style-type: none"> 1. \$23 increase for early retirees, pursuant to statute; 2. Increase the PCO from \$150 to \$175; 3. Expand the manufacturers' coupon program, create a Tier V and waive the copays for members of the program; and 4. Re-enrollment for all members of Group 13000. 	
2016	<p>Premium changes were:</p> <ol style="list-style-type: none"> 5. Increase active employee single and family premiums by \$15 6. Increased non-Medicare retirees' monthly premiums by \$15. 7. Increased non-Medicare retirees' family coverage monthly premium by \$15. 8. Increased surviving spouse's single monthly coverage by \$35. 9. Increased surviving spouse's family monthly coverage by \$35. 10. Increased non-tobacco user monthly discount by \$10, paired with a \$10 increase in the family spousal rate. 11. Increased dental premiums by \$5 single and \$7 family 12. Added Cancer Coverage to the Optional policy choices with premiums of \$12 for single and \$24 family <p>Medical Benefit Changes:</p> <ol style="list-style-type: none"> 1. Added Tier IV, 50% coinsurance (\$150 max) per script. 	<p><i>The budget includes State funding at \$825 per employee, and also encourages the SEIB to "make substantial progress to place employee premiums at or near the southeastern states' average health care plans for employee premiums."</i></p>
2015	<p>Premium changes were:</p> <ol style="list-style-type: none"> 1. Increased non-Medicare retirees' monthly premiums by \$10. 2. Increased family non-Medicare retirees' family coverage monthly premium by \$20. 3. Increased surviving spouse's single monthly coverage by \$10. 4. Increased surviving spouse's family monthly coverage by \$20. 5. Implemented a spousal non-tobacco user monthly discount of \$50, paired with a \$50 increase in the family spousal rate. 6. Added single coverage vision option for \$12 premium. 7. Implemented a spousal wellness monthly discount of \$25, paired with a \$25 increase in the family spousal rate. 8. Implemented change that re-employed Medicare retirees working an average of less than 10 hours per week will be Medicare primary. 9. Eliminated the dental related-party exclusion. 	
2014	<p>Premium changes were:</p> <ol style="list-style-type: none"> 1. Increased employee monthly premium to \$90. 2. Increased non-tobacco user's monthly discount to \$50. 3. Increased non-Medicare retiree premium \$15 for single coverage and \$25 for family coverage. 4. Increased Medicare retiree premium \$5 for single and \$5 for family coverage. 5. Increased surviving spouse premium \$20 for single and \$25 for family coverage. 6. Dental coverage became a separate plan. Premiums were \$3 for single coverage and \$8 for family coverage for Blue Cross Blue Shield or Southland coverage. 7. Spousal Surcharge of \$50 per month implemented. 	<p>Legislative Changes:</p> <ul style="list-style-type: none"> - Authorized Board to offer a High Deductible Health Plan with a federally qualified Health Savings Account and Health Reimbursement Arrangement to eligible state employees, state retirees and their dependents.

	<p>8. Implemented a Health Reimbursement Arrangement (HRA), referred to as State Employees Premium Only Plan (SEPOP), providing up-to \$150 monthly toward other employer group health coverage.</p> <p>Medical Benefit Changes:</p> <ol style="list-style-type: none"> 1. No copay for some preventive services and women's health services 2. Increased Outpatient Surgery copay from \$100 to \$150 3. Increased Emergency Room copay from \$50 to \$150 4. Increased Major Medical Deductible from \$100 to \$300 5. Lowered Lab Test copay from \$10 to \$7.50 6. Increased Urgent Care facility copay from \$35 to \$50 7. Reduced Wellness Center copay from \$20 to \$0 (effective October 1, 2013) 8. Increased maximum out of pocket member costs to match Affordable Care Act limits. <p>Pharmacy Benefit Changes:</p> <ol style="list-style-type: none"> 1. Implemented the Generic First program 2. Allowed 90 day generic supply (Tier I at 1.5 times copay) 3. Moved High Cost Generics to Tier II 4. Increased Medicare Rx EGWP copays \$5 per script 	
<p>2013</p>	<p>Premium changes were:</p> <ol style="list-style-type: none"> 1. Increased employee monthly premium to \$85. 2. Increased non-tobacco user's monthly discount to \$45. 3. Increased non-Medicare and surviving spouse premium \$15 for single coverage and \$25 for family coverage. 4. Increased Medicare retiree premium \$5 for single and \$5 for family coverage. 5. Increased Medicare surviving spouse premium \$15 for single and \$25 for family coverage. <p>There were no benefit changes made for 2013.</p>	
<p>2012</p>	<ol style="list-style-type: none"> 1. Increased employee monthly premium to \$80. 2. Increased non-tobacco user's monthly discount to \$40. 3. Increased non-Medicare and surviving spouse premium \$15 for single coverage and \$25 for family coverage. 4. Increased Medicare retiree premium \$5 for single and \$5 for family coverage. 5. Effective for the October 1, 2011 coverage, changed the timing of the member's premium payments to the State Employees' Insurance Board from the 16th of each month for coverage effective the first of the following month to the 16th of the coverage month. 	<p>Legislative Changes:</p> <ul style="list-style-type: none"> - Board can adjust premiums for spouse's eligibility for other coverage - Retirees must have at least 10 years of creditable coverage to be eligible for retiree health coverage. - Creditable coverage for health care eligibility further defined. - Cancellation of coverage for fraudulent claims - FPL discount increased to 300% - Retiree premiums increased 1% per year for every year prior to Medicare age - Sliding scale adjusted to charge a 4% per year penalty for less than 25 years of creditable coverage - Contribution for non-Medicare retirees cannot exceed contribution for active employees by 10/1/2016
<p>2011</p>	<ol style="list-style-type: none"> 1. Increased employee monthly premium to \$75. 2. Increased non-tobacco user's monthly discount to \$35. 3. Increased non-Medicare surviving spouse premium \$10 for single coverage and \$20 for family coverage. 4. Increased physician office visit copay to \$35. 	<p>Federal Legislative Changes:</p> <ul style="list-style-type: none"> - Annual and life-time benefits eliminated

	<ol style="list-style-type: none"> 5. Increased lab copays to \$10 per test. 6. Prescription Drug Program Changes: <ul style="list-style-type: none"> - Changed the Tier 2 (preferred brand name) prescription copay to 20% of the cost of the prescription with a \$25 minimum or the cost of the prescription, whichever is less, not to exceed a \$40 maximum; - Changed the Tier 3 (non-preferred brand name) prescription copays to 20% of the cost of the prescription with a \$55 minimum or the cost of the prescription, whichever is less, not to exceed a \$105 maximum. 7. Implemented annual wellness screenings for all active employees to receive the Wellness Participation Discount. 	<ul style="list-style-type: none"> - Dependent coverage extended to age 26 with no student verification required - Pre-existing conditions for children eliminated
2010	<ol style="list-style-type: none"> 1. Initiated premium for State employees. 2. Retirees reverted to traditional Medicare plan. 3. Added coverage for weight management and nutrition programs. 4. Effective for the October 1, 2010 coverage, changed the timing of the State's premium payments to the State Employees' Insurance Board from the 15th of each month for coverage effective the first of the following month to the 1st day of the coverage month. 5. Increased non-tobacco user's monthly discount to \$30. 6. Increased physician office visit copay to \$30. 7. Increased lab copays to \$5 per test. 8. Increased hospital deductible to \$200. 9. Increased hospital daily rate, days 2-5 to \$25. 10. Increased Emergency Room copay to \$100. 	
2009	<ol style="list-style-type: none"> 1. Southland Optional Vision Plan added. 2. Wellness Participation Discount Program adopted. All employees screened during 2009 will receive the Wellness Participation Discount of \$25 per month in 2010. 3. Increased non-tobacco user's monthly discount to \$25. 4. Added YMCA discount/payroll deduction. 5. Increased non-Medicare retiree single rates by 2.4%. 6. Increased non-Medicare retiree family rates by 2.0%. 	
2008	<ol style="list-style-type: none"> 1. Increased Dental maximum from \$1000 to \$1500 per covered member. 2. Increased non-tobacco user's monthly discount to \$24. 3. Increased non-Medicare retiree rates by 10%. 4. Prescription Drug Program Changes: <ul style="list-style-type: none"> - Changed the Tier 2 (preferred brand name) prescription copay from \$20 to 20% of the cost of the prescription with a \$20 minimum or the cost of the prescription, whichever is less, not to exceed a \$35 maximum; - Changed the Tier 3 (non-preferred brand name) prescription copays from \$50 to 20% of the cost of the prescription with a \$50 minimum or the cost of the prescription, whichever is less, not to exceed a \$100 maximum; - Eliminated non-preferred prescriptions from the maintenance list (60-day supply); and - Implemented a maximum amount of annual prescription drug copays to \$2500 per individual. 5. Medicare Retirees enrolled in Medicare Advantage Plan (effective 3/1/08). 	Legislative Changes <ul style="list-style-type: none"> - State authorized Board to exclude from years of service any years and months of creditable service not specifically defined as State service
2007	<ol style="list-style-type: none"> 1. Increased the pharmacy network discount. 2. Established the Alabama Retiree State Employees' Health Care Trust Fund. 	

	<p>3. SHPS awarded Utilization and Disease Management contracts (effective 10/01/06).</p> <p>4. Bid Claims Administrative Services:</p> <ul style="list-style-type: none"> - BCBS awarded 5-year Administrative Service Contract for medical, dental and prescription drug services, effective (1/01/07) - Admin. Fee: Lesser of \$13.10 to \$15.85 per contract or 4.2% of claims, plus \$.13 to \$.17 per prescription. <p><u>Effective October, 2007:</u></p> <p>5. Implemented the generic drug copay waiver program.</p> <p>6. Implemented pharmacy flu shot network.</p> <p>7. Added Tamiflu® to the preferred drug list.</p> <p>8. Increased non-tobacco user's monthly discount to \$22.</p>	
2006	Limited the \$75 copay on outpatient diagnostic procedures to a maximum of two copayments per visit.	
2005	<p>1. Added TRICARE Supplemental Coverage.</p> <p>2. Added Blue Cross Blue Shield Supplemental.</p> <p>3. Added Southland Optional Insurance.</p> <p>4. Implemented Retiree Premium Sliding Fee Scale.</p> <p>5. Retirees required to use other-employer insurance if available.</p> <p>6. SECHIP coverage added for children of low income State employees.</p> <p>7. Discounted coverage offered to active and retired State employees and their dependents (Federal Poverty Level discount).</p> <p>8. Non-tobacco user discounts implemented.</p>	<p>Legislative Changes:</p> <ul style="list-style-type: none"> - State authorizes Board to offer supplemental coverage in lieu of the basic medical plan - State requires retirees to take other-employee coverage if offered - State extends supplemental and optional coverages and provides a sliding premium fee scale to retirees, based on years of service - State requires Board to provide discounted coverage for low income active and retired State employees and their dependents - State implements non-tobacco user discounts
2004	<p>1. Increased the PMD office copayment from \$20 to \$25</p> <ul style="list-style-type: none"> - Includes minor surgery - \$20 Nurse Practitioner network - Establish worksite nurse pilot project <p>2. Increased outpatient surgical facility copay from \$75 to \$100.</p> <p>3. Prescription Drug Program Changes:</p> <ul style="list-style-type: none"> - Eliminated \$50 deductible per member per year; - Moved non-life-sustaining drugs to non-preferred list and increased non-preferred copay to offset cost of eliminating deductible; - Increased generic copay from \$5 to \$10; - Increased preferred copay from \$15 to \$20; - Increased non-preferred copay from \$35 to \$50; - Maximum 30-days supply on non-maintenance drugs. <p>4. Reduced gastric bypass surgery from full coverage to 50%.</p> <p>5. Contracted with Intracorp to implement disease management program.</p>	
2003	No significant benefit changes.	<p>Legislative Changes:</p> <ul style="list-style-type: none"> - Federal "HIPAA Privacy Compliance"
2002	<p>1. Bid Claims Administrative Services:</p> <ul style="list-style-type: none"> - BCBS awarded 5-year contract, effective January 1, 2002; - Adm. Fee: Lesser of \$10.30 to \$12.50 per contract or 3.05% of claims; <p>2. Intracorp awarded Utilization Review contract (effective: 10/1/2001);</p>	

	<ol style="list-style-type: none"> 3. Allow half-month prescription drug purchases; 4. Contraceptive coverage; 5. Add \$100 annual Hearing Aid coverage; 6. Cover students through age 25; 7. Add corrective eye surgery to Routine Vision Network; 8. Added BlueCard Program; 	
2001	<ol style="list-style-type: none"> 1. Changed definition of dependent to include grandchild, nephew, and niece. Subject to additional premium. 2. Hearing Aid Discount Network established. 	Legislative Changes: - State "JPO Coverage"
2000	Prescription Drug Program Changes: <ul style="list-style-type: none"> - Added \$50 deductible per member per year; - Changed the non-preferred retail copay from \$20 to \$35; - BCBS increased pharmacy network discount; - Increased infertility drug copayment to 50%; - Non-par pharmacy not covered; - Maximum 34-days supply on non-maintenance drugs; 	
1999	No significant benefit changes.	
1998	<ol style="list-style-type: none"> 1. Dental program changes: <ul style="list-style-type: none"> - Added Orthodontic coverage. - Increased Dental maximum from \$750 to \$1000. 2. Dropped Viagra coverage. 3. Enhanced Routine Vision Discount network to cover contact lenses. 4. Changed Non-PMD physician reimbursement from UCR to PMD Fee Schedule. 5. Included Brand Name maintenance drugs at \$20 copayment for 60 days supply and cut pharmacy network reimbursement. 	Legislative Changes: <ul style="list-style-type: none"> - Federal "Mental Health Parity Act" - Federal "Newborn and Mothers Health Protection Act" - Federal "Women's Health & Cancer Rights Act" - Federal "Health Insurance Portability & Accountability Act" - State "Early Retiree Incentive Package"
1997	<ol style="list-style-type: none"> 1. Bid Claims Administrative Services: <ul style="list-style-type: none"> - BCBS awarded 5-year contract, effective January 1, 1997; - Adm. Fee: Lesser of \$7.25 to \$9.70 per contract or 2.9% of claims; 2. Disease State Management programs implemented. 3. Smoking Cessation program implemented. 4. Personal Health Advisor 24-hour nurse line implemented. 5. Birth Control Pill Discount network established. 6. Added contact lens mail-order through Lens Express. 	
1996	<ol style="list-style-type: none"> 1. Changed Dental COB policy from "non-duplication" to 100% maximum coverage. 2. Added routine preventive coverage. 3. Prescription Drug program changes: <ul style="list-style-type: none"> - Increased the pharmacy network discount; - Implemented drug formulary management; 4. Routine Vision Discount network established. 5. Extended full-time student age through 23 (was 22). 6. Bid UM Services: <ul style="list-style-type: none"> - Cost Care awarded 5-year contract, effective October 1, 1996; 	
1995	<ol style="list-style-type: none"> 1. Preferred Chiropractic Network established. 2. Work Related Injuries (WRI) carved out of plan. 	Legislative Changes: <ul style="list-style-type: none"> - State "Alabama Sports Hall of Fame Board Officers & Employees covered"
1994	<ol style="list-style-type: none"> 1. Bid Claims Administrative Services: <ul style="list-style-type: none"> - BCBS awarded 3-year contract, effective January 1, 1994; - Adm. Fee: Lesser of \$7.25 per contract or 2.9% of claims; 2. Increased the PMD office copayment from \$15 to \$20; 3. Added \$75 diagnostic procedure copayment; 4. Prescription Drug program changes: 	Legislative Changes: <ul style="list-style-type: none"> - State "Retired Judges of Probate & Legislators covered"

	<ul style="list-style-type: none"> - Increased Brand Name copayments from \$10 to \$15 - Increased Dispensed as Written (DAW) copayment from \$10 to \$20 - Implemented drug starter program - Brand Name drugs dropped off maintenance list <p>5. Added Worksite Wellness program 6. Preferred Dental Network established</p>	
1993	<p>Cost Care awarded Utilization Review contract (effective: 10/1/93)</p> <ol style="list-style-type: none"> 1. Utilization Review program changes: <ul style="list-style-type: none"> - Mandatory precertification (\$500 noncompliance penalty) - Maternity program - SSO waiver 2. HMO copayments & deductibles increased 3. Dropped BC/BS miscellaneous riders: <ul style="list-style-type: none"> - 1964 California Relative Value Surgical Schedule - \$5 per day non-participating hospital payment - \$8 per radiation treatment - \$150 per year for X-Ray services 4. Changed COB policy to "Pursue then Pay" 	
1992	<ol style="list-style-type: none"> 1. Mandatory generic Rx Policy 2. ER copayment increased from \$25 to \$50 3. PPO copayment structure changed 4. Case Management added 5. Mammogram screenings covered 6. Radial Keratotomy coverage dropped 8/31/92 	
1991	<ol style="list-style-type: none"> 1. William Ashmore appointed Executive Director 2. Medicare retiree enhancements: <ul style="list-style-type: none"> - \$3 lab copayment eliminated - \$75 Part-B deductible covered - \$100 hospital deductible and daily copayments covered 	<p>Legislative Change: - State "Soil & Water Conservation Officers & Employees covered"</p>
1990	<ol style="list-style-type: none"> 1. Bid Claims Administrative Services: <ul style="list-style-type: none"> - BCBS awarded 3-year contract effective October 1, 1990 - Adm. Fee: Lesser of \$6.60 per contract or 2.9% of claims - BCBS customer service representative stationed in the SEIB office. 2. Military leave policy adopted 	<p>Legislative Change: - State added coverage for Captive County Employees</p>
1989	<ol style="list-style-type: none"> 1. Renegotiated BCBS Administrative Fee effective Oct. 1, 1989: <ul style="list-style-type: none"> - Cost plus 3.5% hospital and 3% other medical services 2. Started independent UR program, April, 1989 3. TMJ benefits limited to \$3,000 4. William Ashmore appointed as Acting Director 	
1988	<ol style="list-style-type: none"> 1. SEIB becomes an independent agency, effective Oct. 1, 1988. 2. No significant benefit changes 	
1987	<ol style="list-style-type: none"> 1. Renegotiated BCBS Administrative Fee: <ul style="list-style-type: none"> - Hospital claims minus 19% retention plus 3% other medical services. 2. PMD office visit increased from \$5 to \$15. 3. Added \$3 lab copay. 4. Increased hospital deductible from \$50 to \$100. 5. Added \$15 daily hospital copay for days 2 - 5. 6. Added \$25 outpatient hospital copayment. 7. Increased Rx copayments to \$5 generic and \$10 brand name. 8. Chiropractic services limited to 12 visits or \$400 per year. 9. Increased major medical maximum from \$500,000 to \$1,000,000. 10. Required precertification of all hospital admissions. 11. Added \$75 surgical copay. 	

	<p>12. Added \$25 Urgi-Care clinic copay.</p> <p>13. Increased Rx copays to:</p> <ul style="list-style-type: none"> - \$5 Generic Copay; - \$10 Brand Name Copay; <p>14. TMJ services limited to:</p> <ul style="list-style-type: none"> - Non-surgical maximum of \$450; - Surgical maximum of \$1,000; 	
1986	<p>1. Added sealants to dental coverage.</p> <p>2. Added mental health PPO Network.</p> <p>3. Medicare retiree premium paid 100% by State.</p> <p>4. Added Rx Card Program:</p> <ul style="list-style-type: none"> - \$3 Generic Copay; - \$5 Brand Name Copay; 	
1985	<p>1. Added family Dental coverage;</p> <p>2. Added HMO coverage;</p> <p>3. Added PMD Network;</p> <ul style="list-style-type: none"> - \$5 Office Visit Copay; <p>4. Negotiated a claims exposure cap of \$56,322,573. Actual claims were \$63,430,858.</p>	<p>Legislative Changes:</p> <ul style="list-style-type: none"> - State retirees receive premium subsidy
1984	Employees on educational leave may continue coverage.	
1983	<p>1. Recovered liquidated damages for slow claims processing</p> <p>2. Added single Dental coverage</p>	
1982	Negotiated a claims exposure cap of \$33,176,000. Actual claims were \$36,411,633.	
1981	<p>1. Employee may continue insurance coverage while on leave without pay (LWOP).</p> <p>2. Spouse of a deceased employee may continue insurance coverage.</p> <p>3. Employee survey on insurance and services.</p> <p>4. Negotiated a claims exposure cap of \$29,723,000. Actual claims were \$31,068,023.</p>	
1980	<p>Bid health plan administration:</p> <ul style="list-style-type: none"> - Negative management fee of 6.29%; - Outpatient surgery 100%, no deductible; - X-Ray and lab up to \$150, no deductible; - Negotiated return of deposit. 	
1979	<p>1. Personnel Department accepts management responsibility for SEIB effective April 5.</p> <p>2. RSA accepted management responsibility for SEIB effective September 13.</p> <p>3. Board self-insures Plan.</p> <ul style="list-style-type: none"> - \$25 Hospital Deductible - \$100 Major Medical Deductible - 80%, first \$2,000 - \$250,000 maximum benefit <p>4. Blue Cross and Blue Shield awarded ASO Agreement.</p> <p>5. Blue Cross and Blue Shield returns \$3 (m) in reserves to SEIB.</p> <p>6. Adopted a "Cost Plus" financial arrangement with BCBS.</p> <p>7. Required timely payment of premiums.</p> <p>8. Began bumping claims.</p>	
1978	<p>1. Blue Cross Blue Shield contract renewed.</p> <p>2. Attorney General's Opinion allows the plan to self-insure (no action taken).</p>	
1977	Blue Cross Blue Shield contract renewed.	
1976	Blue Cross Blue Shield contract renewed.	
1975	Blue Cross Blue Shield contract renewed.	
1974	Blue Cross Blue Shield awarded contract (effective Oct. 1).	

1973	<ol style="list-style-type: none"> Travelers Insurance Company granted 2-months' extension (till October 28). Travelers Insurance Company awarded contract (effective October 28 - September 30). High Option dropped. Changed maximum coverage to: <ul style="list-style-type: none"> - \$20,000 per calendar year - \$100,000 lifetime 	
1972	<ol style="list-style-type: none"> Travelers Insurance Company granted 3-months extension (till July 28). Travelers Insurance Company granted 1-month extension (till August 28). Travelers Insurance Company awarded contract (effective Aug. 28). Offer High/Low Benefits. 	
1971	<ol style="list-style-type: none"> Travelers Insurance Company awarded contract (effective April 28). Increased maximum coverage per member to: <ul style="list-style-type: none"> - Active Employee \$50,000 - Retired Employee \$15,000 Provisional employees treated the same as a regular new employee. 	Legislative Change: - State two active employee representatives added to the Board
1970	Protective Life granted a 6-month extension.	
1969	Protective Life awarded contract (effective October 1).	
1968	Travelers Insurance Company awarded contract.	
1967	No significant benefit changes.	
1966	<ol style="list-style-type: none"> Dorothy Hitchcock appointed Executive Director. Travelers Insurance Company awarded contract: <ul style="list-style-type: none"> - \$25 Hospital Deductible; - \$100 Major Medical Deductible; - 80%/20% (50%/50% Outpatient Mental Health, \$250 maximum); - \$15,000 maximum coverage per member. 	
1965	<ol style="list-style-type: none"> Alabama Legislature approves Act #833 that creates the State Employees' Insurance Board (Code of AL, Section 36-29-1) September 8, first organizational meeting of the Board held. Study Committee establishes bid specifications. 	