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# CITY OF OWENSBORO KENTUCKY

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**To: City of Owensboro Group Health Plan Participants**  
**From: Danielle Woodward, Personnel Director**  
**Date: February 16, 2007**  
**Re: Fiscal Year 2007-2008 Employee Health Insurance Rates**

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Attached you will find the projected monthly health insurance premiums for July 1, 2007 to June 30, 2008.

Although some employees will see increases in their premium rates, we are pleased to announce that the premium increases are very reasonable, and that employees in certain tiers of the Basic plan will see yet another decrease in their premiums. This is the first time since Fiscal year 2003-2004 that employees have had a premium increase.

This is a very good track record -- one that other employers would like to have – **and it shows that our employees are helping us to maintain costs through participating in wellness programs and making wise choices regarding their health services.** As you know, the media is full of stories about the high cost of health care. Many employers are faced with the decision to continue or discontinue health insurance coverage for their employees. The City of Owensboro hopes to not ever be in that position.

We must work together to control our health care costs through the way we use our health plan. Our Health Insurance Committee, which consists of representatives from Administration, Operations, Police, and Fire, will continue to work hard in providing good benefits to our employees while maintaining costs. The City of Owensboro will continue to strive to keep the same level of benefits that have been offered in the past. We ask that you do your part in minimizing costs by using your health plan wisely.

We have prepared further information for your review if you have questions regarding why our rates have increased. Go to the Employee Intranet website at [www.owensboro.org/intranet](http://www.owensboro.org/intranet) (if you need assistance, contact Angela Bruner at x8607). You can log on at work or from a home computer. Click on the "Benefit Information" folder, and then the "So Why Are Our Health Insurance Rates Going Up?" file.

***Remember – there are things that you and your dependents can do to help maintain health insurance costs. Please do what you can to help by reviewing the attached two pages of information. Contact the Personnel Department at x8542 for more information.***

# Help maintain YOUR costs

- Participate in **City Wellness programs**
  - Smoking Cessation
  - Disease Management
  - **Weight Loss (NEW! Effective March 1, 2007) – more information to follow**
  - “Make the Wellness Commitment” (microfits; health club option)
  - Routine Wellness benefits in health plan (get your annual physicals, etc!)
  - Employee Assistance Plan, with offices in Owensboro, Evansville, etc. (Deaconess Concern, 686-8984)
- Support and **promote wellness** activities to your family and friends
- Use the **mail order prescription program** for maintenance medications – it’s easy, and it reduces costs! (Most prescription drugs may be ordered from mail order)
- **Ask for generic** rather than brand name prescriptions and if generic is not available, use formulary instead of non-formulary medications (ask your pharmacist for assistance)
- **Choose Basic Plan** over Standard/Enhanced Plans during enrollment
- **Have a Primary Care Physician**
- **Use the Emergency Room only for real emergencies** -- the ER’s costs are much higher, and impact the overall costs of our health plan. Instead, use your physician’s office or convenient/urgent care centers for your medical care.
- **Make educated decisions about which services and/or health care providers you use (don’t assume there are not any better or less expensive choices out there -- ask around)**
- **Look for educational campaign materials in upcoming months and spread the word to employees**

# Proposed budget 2007-08

## (Monthly Rates)

**\*You'll note that the City pays the same amount for each plan, each tier (see Column 2).  
With full wellness credit, subtract \$45/mo. from employee's cost.**

	<i>Employee</i>	<i>City</i>	<i>Total Cost</i>	<i>Increase in Total Cost from '06-07</i>	<i>Change from 2006-2007 for Employees</i>	
<b>BASIC PLAN</b> <small>(City pays about 90%)</small>						
Employee Only <small>(with full wellness credit, cost to employee \$0)</small>	\$39	\$306	\$345	12.01%	\$0	0.00%*
Employee/Child	\$70	\$548	\$618	6.00%	(\$2)	(2.78%)*
Employee/Spouse	\$92	\$709	\$801	11.40%	\$5	5.75%*
Employee/Dependents	\$109	\$844	\$953	4.27%	(\$3)	(2.68%)*
<b>STANDARD PLAN:</b>	<small>(City pays about 80%)</small>					
Employee Only	\$76	\$306	\$382	13.69%	\$9	13.43%*
Employee/Child	\$137	\$548	\$685	7.20%	\$9	7.03%*
Employee/Spouse	\$177	\$709	\$886	12.15%	\$19	12.03%*
Employee/Dependents	\$211	\$844	\$1,055	5.29%	\$11	5.50%*
<b>ENHANCED PLAN:</b>	<small>(City pays about 65%)</small>					
Employee Only	\$166	\$306	\$472	16.83%	\$31	22.96%*
Employee/Child	\$299	\$548	\$847	10.29%	\$42	16.34%*
Employee/Spouse	\$387	\$709	\$1,096	15.37%	\$69	21.70%*
Employee/Dependents	\$460	\$844	\$1,304	8.13%	\$56	13.86%*