

SPRING 2006

OMIP Outlook

Oregon Medical Insurance Pool

1-800-848-7280



*If you are on a tight budget,
you know how difficult it is
to afford prescription drugs.
Here are some money saving tips.*

Ways to Reduce your Prescription Costs

If you are on a tight budget, you know how difficult it is to afford prescription drugs. Here are some money saving tips:

Buy Generic When Possible

Many people believe that if a drug costs more, it must be better. This is not true. The Food and Drug Administration (FDA) imposes strict standards for approval of generic drugs to make sure these drugs are safe and effective. Like brand-name drugs, all generic drugs undergo a rigorous, multi step approval process. **Generic drugs are therapeutically equivalent to brand name drugs in dosage, safety, strength, quality and purity.**

A big reason brand-name drugs cost more is that their manufacturers have the sole right to sell the drug for a period of time so they can recoup money invested in developing the drug. In this way new drugs are patent protected. Once the patent expires, other manufacturers can sell their

similar products at substantial discounts. Because of the patents, not all drugs have a generic counterpart when they are first introduced. The majority of patents last for 17 years.

To learn more about generic drugs, visit the FDA Web site at www.fda.gov/cder/ogd/.

A generic drug co-payment under the OMIP plan will never cost you over \$20. If you are enrolled in Plan 1500, however, you must meet the \$1,000 deductible before receiving help paying for a prescription drug.

Using a preferred brand name drug will cost you up to \$40. Using a non-preferred brand drug will cost you up to \$60. These are substantial savings and it is up to you to ask your doctor or pharmacist if a generic drug is available. Many people assume the doctor will prescribe a generic if it is available. This is not always the case. You have to speak up and advocate for yourself.

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Ask For Over-The-Counter Medicines

Ask your doctor if an over-the-counter medicine will work. If the answer is “yes,” the chances are this version will be less expensive.

Ask For Samples

Ask your doctor for free samples of your prescription medicine. Doctors receive many prescription drug samples from the manufacturers in hopes that those doctors will then prescribe these medicines. This is also a good way to “try” a medicine the first time to see how well it works for you and how well you tolerate any side effects. This is also helpful when you only need a one-time prescription.

Ask For a “Trial Prescription”

If you’re starting a new prescription medicine ask your doctor for a “trial prescription,” allowing you to buy fewer tablets. This is a good way of finding out whether the medicine works for you and you tolerate any side effects.

Ask Your Doctor to Review Your Prescriptions Periodically

Once a year, bring a list of all your medicines to your doctor or your pharmacist to find out if less expensive versions have become available since the last time you checked. Take your OMIP formulary (list of covered medicines) with you, so the doctor or pharmacist can see what is available to be sure that as many of your prescriptions as possible are covered. The formulary is available at www.regencerox.com or you can contact our customer service department at 1-800-848-7280 and ask them to send you a copy.

A valued OMIP Board Member retires

On January 6, 2006 OMIP said goodbye to a Board Member who advocated formation of the high-risk pool and has served on its board since it began in 1987. **Dave Houck**, the Board’s “Consumer Representative,” urged legislators to start a program for Oregonians who were turned down for health insurance because of serious medical conditions.

Dave took up the cause when a close relative became ill and had difficulty finding insurance. Dave continues to be concerned about the rising cost of insurance throughout the industry.

OMIP has now served over 44,500 people. The existence of the pool makes it possible for everyone in Oregon to purchase health insurance. There are 34 states with similar programs.

Although Dave is retired, the Board chose to retain him as a Board Member Emeritus, meaning he will continue to have input as a non-voting board member. We thank Dave for his years of service and dedication to the OMIP program.

Switching Plans

Did you know that once each year during “open enrollment,” you may select a different OMIP Plan? Open Enrollment occurs each year in December. This is the only time during the year that members can change plans. To request a plan change, contact a customer service representative at 1-800-848-7280 and ask for a Plan Change Request Form. You would mail the Plan Change Request Form to our Customer Service Department, which will make your change effective January 1 of the next year. The Plan Change Request form must be received prior to December 31 each year. You can also download the *Plan Change Request Form* on our Web site at www.omip.state.or.us.

How Your Medical Deductible Works

An insurance deductible is the part of a covered expense that you must pay before the insurance policy pays its share. For example, if the deductible is \$500, then you must pay the first \$500 of the covered medical costs before the insurance will pay anything at all.

The OMIP plans all have an annual medical deductible that you must satisfy before OMIP will begin paying for covered medical services. The deductibles for the OMIP plans are as follows:

- Plan 500 — \$500 deductible
- Plan 750 — \$750 deductible
- Plan 1000 — \$1,000 deductible
- Plan 1500 — \$1,500 deductible

It is important that you always show your OMIP medical card when receiving medical services so that we can begin to calculate how much of your deductible has been satisfied by the payments you make.

The medical deductible is tracked by calendar year, starting every January 1.

There are some services that you may receive without having to first pay the deductible. These services include annual women’s exams, outpatient diabetic care, men’s preventive services, immunizations, well baby and well child care, and PKU testing.

If you are enrolled in Plan 1500, there is also a prescription deductible of \$1,000. This means you must pay \$1,000 worth of prescription drug costs before OMIP will begin paying for covered prescriptions. This is a separate deductible from the medical deductible. Plan 1500 is the only plan that has a separate prescription deductible. The prescription deductible also accrues on a calendar year, starting every January 1.

Deductibles are a way for you to share in the cost of your coverage and they help to keep premium costs down. Almost all health insurance policies in the commercial market have deductibles.

OMIP Web site – are you aware that OMIP has a Web site? There you can find benefit plan summaries, plan change forms, adding a dependent form, enrollment statistics, and much more. Take a visit at www.omip.state.or.us.

Did you know you also can go to our administering insurer, Regence BlueCross BlueShield of Oregon’s Web site at www.myregence.com. There you will find interesting articles on smoking cessation, exercise, weight loss, and healthy recipes to name just a few.

REMINDER:***If You Receive Medicare You Can't Continue Your OMIP Coverage***

Because Medicare now offers prescription drug coverage, your OMIP coverage will end when you become eligible for Medicare. Some OMIP members with high prescription drug costs formerly continued their policies with us after becoming eligible for Medicare.

The new Medicare prescription drug insurance plans are a better option. Everyone who is eligible for Medicare may enroll in a drug coverage plan. If you choose not to enroll in a plan when you are first eligible and later



change your mind, you may have to pay a penalty. There is a monthly premium for the Medicare drug plans.

We highly recommend that if you are getting close to age 65, you should visit the Medicare Web site at www.medicare.gov or call 1-800-MEDICARE for more information. You may also want to contact the Senior Health Insurance Benefits Assistance Program (SHIBA) at www.oregonshiba.org or 1-800-722-4134. SHIBA has volunteers available to educate and assist people with their Medicare options.