

# STATE OF LOUISIANA

## OFFICE OF STATE INSPECTOR GENERAL



## OFFICE OF GROUP BENEFITS

Date Released:

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File No. 1-09-0014

# STATE OF LOUISIANA

## OFFICE OF STATE INSPECTOR GENERAL



## OFFICE OF GROUP BENEFITS

**Stephen B. Street, Jr.**  
**State Inspector General**

 **Approved by:**  
**Governor Bobby Jindal**

**May 22, 2009**

**File No. 1-09-0014**



BOBBY JINDAL  
GOVERNOR

STEPHEN B. STREET, JR.  
STATE INSPECTOR GENERAL

**State of Louisiana**  
Office of the Governor  
Office of State Inspector General

May 21, 2009

Honorable Bobby Jindal  
Governor of the State of Louisiana  
P.O. Box 94004  
Baton Rouge, LA 70804-9004

*Re: Case No. 1-09-0014*

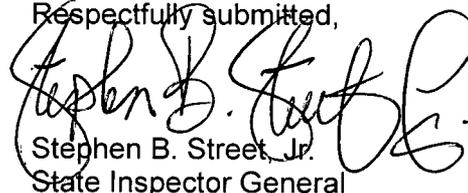
Dear Governor Jindal:

This report addresses concerns raised about the misclassification of some school board employees participating in health plans through the Office of Group Benefits. The report includes recommendations that the school boards promptly report changes in employee status to the Office of Group Benefits and that the Office of Group Benefits promptly act on such notifications.

The report also includes a recommendation that the Office of Group Benefits should take measures to recover more than \$630,000 in premiums that were not collected as a result of the misclassification of employees.

We provided drafts of the report to the Office of Group Benefits and each of the school districts identified in the report. Their written responses are included as Appendix A.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephen B. Street, Jr.", written over a printed name and title.

Stephen B. Street, Jr.  
State Inspector General

SBS/vb

Enclosure

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## **Executive Summary**

An investigation into participation in the Office of Group Benefits' (Group Benefits) health insurance plans by retirees who had returned to active service with school boards revealed that Group Benefits collected \$631,046 less in premium payments from the school boards than was due. Our investigation revealed that 19 school boards participating in the plans failed to notify Group Benefits of the correct status for employees that retired or for employees that were re-employed retirees. In some instances, we noted that school boards eventually notified Group Benefits of the retirement of employees or of the re-employment of retirees. However, Group Benefits did not take action to reclassify these employees and continued to submit bills to the school boards at the active employee rate rather than the higher rates for retired employees or re-employed retirees.

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## **Background**

Group Benefits administers a program of group health and life insurance for active and retired employees of the State of Louisiana, certain political subdivisions of the State, and a number of school boards in the State.

New, full-time employees of agencies that participate in Group Benefits are offered the option of participating in the plans. At the time of employment, the employee is provided an enrollment application form for coverage through Group Benefits. The employee must fill out a new application each time there is a change in their coverage. Changes in coverage can result for a number of reasons including:

- Change in employment status (retirement, termination)
- Change in other coverage
- Changes in dependent coverage based on marriage, divorce, birth or adoption of a child

An employee may also elect to change coverage during the open enrollment period each April.

In 2002, Group Benefits began to receive notices from Medicare demanding payment for claims that Medicare had processed as the primary payer, when the beneficiaries should have had primary coverage with Group Benefits. These claims involved members of Group Benefits who had previously retired from agencies participating in Group Benefits and then returned to active, full-time employment with agencies participating in Group Benefits. Medicare determined that in such cases, Group Benefits should have been the primary payer and Medicare the secondary payer. As a result, Group Benefits created the category of re-employed retiree and set the premiums at the same rate as a retiree without Medicare. All participating agencies were notified of this change and advised of the effective date of March 1, 2003.

In March 2003, Group Benefits also adopted the, "Once a retiree, always a retiree rule." This rule states, "Retirees who return to active employment will continue to be considered as retirees for purposes of participation in Group Benefits plan."

On March 17, 2003, Group Benefits notified participating school boards by fax of the creation of the re-employed retiree category and of the school boards' responsibilities with respect to re-employed retirees. Since 2003, these requirements were reiterated each year through the annual Group Benefits Preferred Provider Organization Plan Document (Plan Document). Group Benefits published an emergency rule establishing the re-employed retiree category in the State Register on March 20, 2003. The final rule was published in the State Register on September 20, 2003.

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## **Scope and Methodology**

We conducted our audit in accordance with *Principles and Standards for Offices of Inspector General* as promulgated by the Association of Inspectors General.

This investigation was initiated following a request by Group Benefits to investigate the possibility that some school board employees participating in Group Benefits' health insurance plans had been improperly classified. The concern was that Group Benefits was collecting lower premiums from school boards than it should for incorrectly classified employees.

The scope of this investigation was limited to review of premiums collected for employees of school boards who had retired and were classified in the Group Benefits system as active employees from March 1, 2003, through January 31, 2009. Our procedures included but were not limited to reviewing:

- Group Benefits' Plan Documents for the covered years
- Group Benefits' premium schedules for the covered years
- Lists of retirees provided by Louisiana State Employees' Retirement System, Louisiana School Employees' Retirement System, and Teachers' Retirement System of Louisiana
- Group Benefits' enrollment files for selected participating employees
- Billing summaries for selected employees provided by Group Benefits

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## **Improperly Classified Retirees**

Our investigation revealed that 19 school boards participating in the plans failed to notify Group Benefits of the correct status for employees that retired or for employees that were re-employed retirees. In some instances, the school boards eventually notified Group Benefits of the correct status of the employees, but Group Benefits did not take action to reclassify these employees. This resulted in Group Benefits collecting \$631,046 less in premium payments than was due because Group Benefits submitted bills to the school boards at the active employee rates rather than the higher rates for retired employees or re-employed retirees.

Article 1 Section B. 1. b. of the Plan Document for fiscal year 2008-2009 states:

“An Employee retired from a participant Employer may not be covered as an Employee.”

Article 4 Section IX. A of the Plan Document for fiscal year 2008-2009 states in part:

“It is the responsibility of the Participant Employer to submit enrollment and change forms and all other necessary documentation to the Program on behalf of its Employees.”

Article 4 Section IX. B of the Plan Document for 2008-2009 states:

“A Participant Employer shall immediately inform the Program when a Retiree with Group Benefits coverage returns to full-time employment. The Employee shall be placed in the Re-employed Retiree category for premium calculation. The Re-employed Retiree premium classification applies to Retirees with and without Medicare. The premium rates applicable to the Re-employed Retiree premium classification shall be identical to the premium rates applicable to the classification for Retirees without Medicare.”

Similar language appears in each Plan Document for all years subsequent to fiscal year 2002-03.

Total premiums for participants of Group Benefits vary depending on various factors including the employee’s status, the plan selected by the employee, and the classification of the employee. There are six status categories:

- Active Employee
- Retiree with No Medicare or Re-Employed Retiree
- Retiree with 1 Medicare
- Retiree with 2 Medicare
- COBRA
- Disability COBRA

The plans available vary from one year to another, but generally include at minimum a PPO option, an EPO option and an HMO option. There are four classifications of employee coverage:

- Single
- Employee with Spouse
- Employee with Children
- Family

The State or employing agency pays a portion of the total premium, and the employee pays the remaining amount through payroll deduction. The percentage paid by the employing agency differs based on a number of factors, and, thus, the percentage paid by the employee varies. The total premium for active employees is significantly less than the amount paid for retired employees who do not have Medicare coverage or re-employed retirees. The table below shows how the total premiums differ for the fiscal year 2008-09.

<b>COMPARISON OF TOTAL PREMIUM RATES FOR ACTIVE EMPLOYEES TO RE-EMPLOYED RETIREES</b>				
<b>Plan</b>	<b>Coverage</b>	<b>Total Monthly Active Rate</b>	<b>Total Monthly Retired No Medicare and Re-employed Retiree Rate</b>	<b>Difference</b>
Statewide PPO	Single	\$542.36	\$1,009.00	\$466.64
	With Spouse	\$1,152.00	\$1,781.72	\$629.72
	With Children	\$661.48	\$1,123.92	\$462.44
	Family	\$1,214.92	\$1,773.12	\$558.20
Statewide EPO	Single	\$564.12	\$1,049.32	\$485.20
	With Spouse	\$1,198.08	\$1,852.96	\$654.88
	With Children	\$687.96	\$1,168.84	\$480.88
	Family	\$1,263.52	\$1,844.04	\$580.52
Statewide HMO	Single	\$520.72	\$968.64	\$447.92
	With Spouse	\$1,105.92	\$1,710.40	\$604.48
	With Children	\$635.04	\$1,079.00	\$443.96
	Family	\$1,166.36	\$1,702.20	\$535.84

For all years since 2002-2003, there are similar differences in premiums when comparing active employees to retired employees with no Medicare coverage or re-employed retirees. Schedules showing the premiums for fiscal years 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09 are attached as Exhibit 1.

We obtained retiree lists from the Teachers' Retirement System of Louisiana, Louisiana School Employees' Retirement System and Louisiana State Employees' Retirement System. These lists were compared to current Group Benefits coverage information for employees of participating school boards. From this comparison, we identified retirees who were retired from a participating agency and listed with Group Benefits as active employees of participating school boards.

Group Benefits provided coverage detail for retirees classified as active employees of participating school boards. Based on the detail provided by Group Benefits, we determined that Group Benefits should have collected and is still owed \$631,046 from school boards.

The table on the following page shows the amounts owed to Group Benefits from each school board:

<b>School Board</b>	<b>Number of Employees</b>	<b>Amount</b>
Beauregard Parish School Board	2	\$29,705.52
Catahoula Parish School Board	1	\$27,052.08
East Feliciana Parish School Board	1	\$23,246.90
Franklin Parish School Board	1	\$29,435.16
Jefferson Parish Public School System	5	\$110,923.92
Livingston Parish Public Schools	1	\$35,713.56
Monroe City Schools	1	\$28,375.12
Morehouse Parish School Board	3	\$34,158.56
Ouachita Parish School System	5	\$64,054.08
Pointe Coupee Parish School Board	14	\$70,663.58
Rapides Parish Schools	2	\$19,130.64
Red River Parish School Board	1	\$447.92
Richland Parish School Board	1	\$1,940.80
Sabine Parish School Board	1	\$3,148.60
St. Bernard Parish School Board	4	\$10,229.32
St. Landry Parish School Board	2	\$40,930.60
Tangipahoa Parish School System	2	\$83,861.76
Union Parish School Board	1	\$7,742.00
Webster Parish School Board	1	\$10,286.04
<b>Total Amount Not Collected</b>		<b>\$631,046.16</b>

Note: It is OGB's position that employees who were retired and re-employed prior to March 1, 2003 would not be grandfathered under the previous rules. Effective March 1, 2003, participating agencies would be required to pay the higher premium for re-employed retirees even if the retirees were re-employed prior to March 1, 2003. It is also OGB's position that if a participating agency hires a retiree from another participating agency and fails to timely notify OGB that the retiree has been re-employed, the hiring agency is responsible for the premiums on the re-employed retiree until such time as OGB is notified that the retiree has been re-employed. The Plan Documents and rules published by OGB do not address these issues. Our calculations are based on the positions of OGB. Different interpretations of the plan documents and rules could have a significant impact on the above numbers. For additional information on these issues, please see the responses from the school boards in Appendix A of this report and the Inspector General's Comments in Appendix B of this report.

The numbers above are based on re-employed retirees who were classified as active employees at the time of this review. Additional premiums may be due to Group Benefits for employees who were incorrectly classified as something other than an active or re-employed retiree, or for employees who were correctly classified at the time of this review but misclassified at some other point between March 2003 and the review.

We also reviewed the enrollment files for participating employees, which included forms completed by employees to add or change coverage. We noted that the Group Benefits Enrollment/Change Form (GB-01) includes multiple check boxes to help staff identify the category and type of coverage. However, there is no question or check box on the form to identify an employee as a re-employed retiree.

In the review of the enrollment documents, we also found several occasions where Group Benefits failed to reclassify employees as retired or re-employed retirees after the school boards notified them of the change in the status of employees. We observed the following instances where Group Benefits failed to reclassify employees:

- Group Benefits was notified in September 2008 that an employee of the Catahoula Parish School Board had retired.
- Group Benefits was notified in May 2006 that an employee of Jefferson Parish Public School System had retired.
- Group Benefits was notified in October 2007 that an employee of Pointe Coupee Parish School Board had retired.
- Group Benefits was notified in November 2008 that an employee of St. Landry Parish School Board had retired.

Premiums owed to Group Benefits due to their failure to reclassify these employees are included in the \$631,046 total owed.

Group Benefits was also notified in 1987 of the retirement of a Morehouse Parish School Board employee and in 1999 of the retirement of a Monroe City School Board employee. Both of these employees were subsequently re-employed, but at the time these employees were re-employed the re-employed retiree classification did not exist. Group Benefits did not reclassify these employees. Premiums owed to Group Benefits due to the misclassification of these employees are included in the \$631,046 total owed.

Subsequent to the beginning of this review, Group Benefits received notices from a number of school boards regarding re-employed retirees. Group Benefits has taken action to reclassify these employees correctly and to recover the premiums due to Group Benefits for these employees.

## **Conclusions:**

1. Because of the failure by some school boards to adhere to Group Benefits plan rules, and the failure of Group Benefits to reclassify re-employed retirees upon notification, Group Benefits has not collected the full amount of premiums that should have been collected. This has reduced revenue available to Group Benefits to administer its plans.
2. The failure to properly reclassify re-employed retirees has also placed Group Benefits in a position which may cause Group Benefits to incur liabilities that it would not incur if participating employees were correctly classified.

## **Recommendations:**

1. All participating school boards should notify Group Benefits promptly of any changes in the employment status of employees participating in Group Benefits.
2. Group Benefits should take steps to recover uncollected premiums from participating School Boards.
3. Group Benefits should develop appropriate controls to ensure that incorrect classifications do not occur in the future.
4. Group Benefits should consider revising the enrollment application form to include an option for re-employed retiree.
5. Group Benefits should develop a plan to identify other premiums that were not collected for employees who were incorrectly classified as something other than an active or re-employed retiree, or for employees who were correctly classified at the time of this review but misclassified at some other point between March 2003 and the review.
6. Group Benefits should identify any potential liabilities that may have occurred due to the misclassification of re-employed retirees and develop a plan to address this issue.

## **Exhibit 1**

**OFFICE OF GROUP BENEFITS  
OFFICIAL SCHEDULE OF PROJECTED RATES  
75% RETIREE PARTICIPATION  
JULY 1, 2002**

**OFFICIAL RATES**



		PPO RATES JULY 1, 2002			STATEWIDE EPO RATES JULY 1, 2002			REGION 6 - EPO BLUE CROSS JULY 1, 2002			REGION 6 - EPO BEST CARE/FARA JULY 1, 2002			AMCARE LAFAYETTE/ALEXANDRIA/ LAKE CHARLES JULY 1, 2002			AMCARE HOUMA/THIBODAUX JULY 1, 2002			
		STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	
<b>ACTIVE</b>																				
	SINGLE	65%	228.64	123.12	351.76	228.64	142.00	370.64	214.44	115.46	329.90	226.84	122.14	348.98	228.64	133.68	362.32	228.64	144.24	372.88
	WITH SPOUSE		349.44	243.92	593.36	349.44	275.74	625.18	349.44	298.78	648.22	349.44	336.30	685.74	349.44	261.70	611.14	349.44	279.50	628.94
	WITH CHILDREN		331.60	226.08	557.68	331.60	256.00	587.60	298.88	199.90	498.78	316.18	211.46	527.64	331.60	242.80	574.40	331.60	259.54	591.14
	FAMILY		417.74	312.22	729.96	417.74	351.40	769.14	412.38	313.40	725.78	417.74	350.04	767.78	417.74	334.12	751.86	417.74	356.02	773.76
<b>RETIRED NO MEDICARE</b>																				
	SINGLE		601.46	123.12	724.58	595.18	142.00	737.18	506.34	115.46	621.80	535.64	122.14	657.78	601.46	144.86	746.32	601.46	166.60	768.06
	WITH SPOUSE		991.62	243.92	1,235.54	981.30	275.74	1,257.04	795.22	265.06	1,060.28	841.22	280.40	1,121.62	991.62	281.00	1,272.62	991.62	318.06	1,309.68
	WITH CHILDREN		703.54	226.08	929.62	703.54	242.26	945.80	598.32	199.44	797.76	632.94	210.98	843.92	703.54	253.96	957.50	703.54	281.86	985.40
	FAMILY		1,196.18	312.22	1,508.40	1,183.24	351.40	1,534.64	981.02	313.40	1,294.42	1,026.98	342.32	1,369.30	1,196.18	357.48	1,553.66	1,196.18	402.74	1,598.92
<b>RETIRED WITH 1 MEDICARE</b>																				
	SINGLE		154.02	51.34	205.36	154.02	54.90	208.92	132.16	44.06	176.22	139.82	46.60	186.42	154.02	57.50	211.52	154.02	63.66	217.68
	WITH SPOUSE		588.76	196.24	785.00	588.76	209.90	798.66	505.24	168.40	673.64	534.46	178.16	712.62	588.76	219.80	808.56	588.76	243.34	832.10
	WITH CHILDREN		307.78	102.58	410.36	307.78	109.72	417.50	264.10	88.04	352.14	279.40	93.12	372.52	307.78	114.88	422.66	307.78	127.20	434.98
	FAMILY		742.54	247.50	990.04	742.54	264.72	1,007.26	637.20	212.40	849.60	674.08	224.68	898.76	742.54	277.20	1,019.74	742.54	306.90	1,049.44
<b>RETIRED WITH 2 MEDICARE</b>																				
	WITH SPOUSE		289.24	96.42	385.66	289.24	103.12	392.36	248.22	82.74	330.96	262.58	87.52	350.10	289.24	107.98	397.22	289.24	119.56	408.80
	FAMILY		369.42	123.14	492.56	369.42	131.70	501.12	317.02	105.66	422.68	335.36	111.78	447.14	369.42	137.90	507.32	369.42	152.68	522.10
<b>COBRA</b>																				
	SINGLE		0.00	358.80	358.80	0.00	378.06	378.06	0.00	336.50	336.50	0.00	355.96	355.96	0.00	369.56	369.56	0.00	380.34	380.34
	WITH SPOUSE		0.00	605.20	605.20	0.00	637.68	637.68	0.00	661.18	661.18	0.00	699.44	699.44	0.00	623.36	623.36	0.00	641.52	641.52
	WITH CHILDREN		0.00	568.84	568.84	0.00	599.36	599.36	0.00	508.74	508.74	0.00	538.18	538.18	0.00	585.90	585.90	0.00	602.96	602.96
	FAMILY		0.00	744.56	744.56	0.00	784.52	784.52	0.00	740.30	740.30	0.00	783.12	783.12	0.00	766.90	766.90	0.00	789.22	789.22
<b>PART-TIME COBRA</b>																				
	SINGLE		228.64	130.16	358.80	228.64	149.42	378.06	214.44	122.06	336.50	226.84	129.12	355.96	228.64	140.92	369.56	228.64	151.70	380.34
	WITH SPOUSE		349.44	255.76	605.20	349.44	288.24	637.68	349.44	311.74	661.18	349.44	350.00	699.44	349.44	273.92	623.36	349.44	292.08	641.52
	WITH CHILDREN		331.60	237.24	568.84	331.60	267.76	599.36	298.88	209.86	508.74	316.18	222.00	538.18	331.60	254.30	585.90	331.60	271.36	602.96
	FAMILY		417.74	326.82	744.56	417.74	366.78	784.52	412.38	327.92	740.30	417.74	365.38	783.12	417.74	349.16	766.90	417.74	371.48	789.22
<b>DISABILITY COBRA</b>																				
	SINGLE		0.00	527.64	527.64	0.00	555.98	555.98	0.00	494.86	494.86	0.00	523.48	523.48	0.00	543.48	543.48	0.00	559.32	559.32
	WITH SPOUSE		0.00	890.02	890.02	0.00	937.78	937.78	0.00	972.34	972.34	0.00	1,028.60	1,028.60	0.00	916.70	916.70	0.00	943.40	943.40
	WITH CHILDREN		0.00	836.52	836.52	0.00	881.40	881.40	0.00	748.16	748.16	0.00	791.46	791.46	0.00	861.60	861.60	0.00	886.70	886.70
	FAMILY		0.00	1,094.94	1,094.94	0.00	1,153.70	1,153.70	0.00	1,088.66	1,088.66	0.00	1,151.66	1,151.66	0.00	1,127.78	1,127.78	0.00	1,160.62	1,160.62

**\*THESE ARE THE OFFICIAL RATES FOR JULY 1, 2002 THAT SHOULD BE USED BY MEMBERS AND PAYROLL SYSTEMS.**

- NOTE: 1) The breakdown between State Share and Employee Share may not be accurate for certain School Board employees due to local funding affecting contributions. Total premium columns are correct for all agencies.  
 2) All members that retire on or after July 1, 1997 must have Medicare-Parts A and B in order to qualify for the reduced premium rates.  
 3) HMO rates include \$15 Administration Fee.

April 2, 2002

**OFFICE OF GROUP BENEFITS  
OFFICIAL SCHEDULE OF PROJECT  
75% RETIREE PARTICIPATION  
JULY 1, 2002**

**OFFICIAL RATES**



			OCHSNER-BATON ROUGE JULY 1, 2002			OCHSNER-NEW ORLEANS JULY 1, 2002			OCHSNER-HAMMOND JULY 1, 2002			OCHSNER-SHREVEPORT JULY 1, 2002			VANTAGE-MONROE JULY 1, 2002		
			STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL
<b>ACTIVE</b>		65%															
	SINGLE		183.64	98.88	282.52	195.92	105.50	301.42	228.64	125.62	354.26	209.90	113.04	322.94	228.64	158.54	387.18
	WITH SPOUSE		325.46	240.72	566.18	343.76	253.32	597.08	349.44	356.08	705.52	349.44	281.36	630.80	349.44	413.60	763.04
	WITH CHILDREN		237.16	152.40	389.56	243.94	153.50	397.44	278.16	175.12	453.28	262.42	165.52	427.94	290.12	220.02	510.14
	FAMILY		340.66	255.88	596.54	350.56	260.12	610.68	404.84	301.82	706.66	374.34	277.42	651.76	417.74	351.40	769.14
<b>RETIRED NO MEDICARE</b>																	
	SINGLE		494.00	98.88	592.88	498.34	105.50	603.84	556.78	125.62	682.40	526.60	113.02	639.62	601.46	238.82	840.28
	WITH SPOUSE		964.38	240.70	1,205.08	988.18	253.32	1,241.50	991.64	415.88	1,407.52	991.64	314.92	1,306.56	991.64	608.10	1,599.74
	WITH CHILDREN		514.38	152.40	666.78	523.52	153.50	677.02	599.02	175.12	774.14	638.64	165.52	804.16	655.18	218.40	873.58
	FAMILY		973.76	255.88	1,229.64	983.48	260.12	1,243.60	1,097.54	301.82	1,399.36	1,045.72	277.42	1,323.14	1,176.42	351.40	1,527.82
<b>RETIRED WITH 1 MEDICARE</b>																	
	SINGLE		131.52	43.84	175.36	138.26	46.08	184.34	154.02	61.72	215.74	149.18	49.72	198.90	154.02	109.76	263.78
	WITH SPOUSE		512.44	170.82	683.26	519.28	173.10	692.38	588.32	196.10	784.42	562.92	187.64	750.56	588.76	384.38	973.14
	WITH CHILDREN		307.78	401.96	709.74	307.78	412.82	720.60	307.78	510.08	817.86	307.78	473.42	781.20	307.78	303.40	611.18
	FAMILY		672.58	224.20	896.78	667.46	222.48	889.94	742.54	343.18	1,085.72	723.82	241.28	965.10	644.96	214.98	859.94
<b>RETIRED WITH 2 MEDICARE</b>																	
	WITH SPOUSE		221.68	73.90	295.58	233.52	77.84	311.36	274.70	91.56	366.26	252.62	84.20	336.82	289.24	223.32	512.56
	FAMILY		301.84	100.62	402.46	307.60	102.54	410.14	337.60	112.52	450.12	333.06	111.02	444.08	369.42	490.52	859.94
<b>COBRA</b>																	
	SINGLE		0.00	288.16	288.16	0.00	307.46	307.46	0.00	361.36	361.36	0.00	329.40	329.40	0.00	394.92	394.92
	WITH SPOUSE		0.00	577.50	577.50	0.00	609.02	609.02	0.00	719.62	719.62	0.00	643.42	643.42	0.00	778.30	778.30
	WITH CHILDREN		0.00	397.34	397.34	0.00	405.40	405.40	0.00	462.36	462.36	0.00	436.50	436.50	0.00	520.34	520.34
	FAMILY		0.00	608.48	608.48	0.00	622.90	622.90	0.00	720.78	720.78	0.00	664.78	664.78	0.00	784.52	784.52
<b>PART-TIME COBRA</b>																	
	SINGLE		183.64	104.52	288.16	195.92	111.54	307.46	228.64	132.72	361.36	209.92	119.48	329.40	228.64	166.28	394.92
	WITH SPOUSE		325.48	252.02	577.50	343.76	265.26	609.02	349.44	370.18	719.62	349.44	293.98	643.42	349.44	428.86	778.30
	WITH CHILDREN		237.16	160.18	397.34	243.94	161.46	405.40	278.16	184.20	462.36	262.42	174.08	436.50	290.12	230.22	520.34
	FAMILY		340.64	267.84	608.48	350.56	272.34	622.90	404.84	315.94	720.78	374.34	290.44	664.78	417.74	366.78	784.52
<b>DISABILITY COBRA</b>																	
	SINGLE		0.00	423.78	423.78	0.00	452.14	452.14	0.00	531.40	531.40	0.00	484.40	484.40	0.00	580.78	580.78
	WITH SPOUSE		0.00	849.24	849.24	0.00	895.62	895.62	0.00	1,058.26	1,058.26	0.00	946.20	946.20	0.00	1,144.56	1,144.56
	WITH CHILDREN		0.00	584.34	584.34	0.00	596.16	596.16	0.00	679.92	679.92	0.00	641.90	641.90	0.00	765.20	765.20
	FAMILY		0.00	894.80	894.80	0.00	916.04	916.04	0.00	1,059.98	1,059.98	0.00	977.62	977.62	0.00	1,153.70	1,153.70

**\*THESE ARE THE OFFICIAL RATES FOR JULY 1, 2002 THAT SHOULD BE USED BY MEMBERS AND PAYROLL SYSTEMS.**

NOTE: 1) The breakdown between State Share and Employee Share may not be accurate for certain School Board employees due to local funding affecting contributions. Total premium columns are correct for all agencies.  
2) All members that retire on or after July 1, 1997 must have Medicare-Parts A and B in order to qualify for the reduced premium rates.  
3) HMO rates include \$15 Administration Fee.

April 2, 2002

**OFFICE OF GROUP BENEFITS**  
**OFFICIAL SCHEDULE OF RATES**  
**EFFECTIVE JULY 1, 2003**



	STATEWIDE PPO RATES JULY 1, 2003			STATEWIDE EPO RATES JULY 1, 2003			STATEWIDE MCO RATES-FARA JULY 1, 2003			REGION 1 - HMO OHP - NEW ORLEANS JULY 1, 2003			REGION 2 - HMO OHP - HOUMA/THIB JULY 1, 2003			REGION 3 - HMO OHP - HAMMOND JULY 1, 2003		
	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL
<b>ACTIVE</b>																		
SINGLE	291.06	97.02	388.08	291.06	164.94	456.00	212.50	70.82	283.32	241.56	80.52	322.08	241.56	80.52	322.08	280.60	93.52	374.12
WITH SPOUSE	461.54	267.50	729.04	461.54	395.06	856.60	336.94	195.26	532.20	376.44	215.40	591.84	376.44	215.40	591.84	429.40	242.32	671.72
WITH CHILDREN	337.74	143.70	481.44	337.74	227.98	565.72	246.58	104.90	351.48	278.50	117.46	395.96	278.50	117.46	395.96	323.82	136.74	460.56
FAMILY	492.86	298.82	791.68	492.86	437.34	930.20	359.80	218.12	577.92	401.22	240.18	641.40	401.22	240.18	641.40	467.36	280.28	747.64
<b>RETIRED NO MEDICARE &amp; RE-EMPLOYED RETIREE</b>																		
SINGLE	631.22	97.02	728.24	631.22	224.46	855.68	460.80	70.82	531.62	548.38	80.52	628.90	548.38	80.52	628.90	631.22	101.78	733.00
WITH SPOUSE	1,249.36	267.50	1,516.86	1,249.36	532.94	1,782.30	912.04	195.26	1,107.30	1,078.30	215.40	1,293.70	1,078.30	215.40	1,293.70	1,249.36	261.18	1,510.54
WITH CHILDREN	675.04	143.70	818.74	675.04	286.98	962.02	492.78	104.90	597.68	587.74	117.46	705.20	587.74	117.46	705.20	675.04	147.20	822.24
FAMILY	1,220.62	298.82	1,519.44	1,220.62	564.72	1,785.34	891.08	218.12	1,109.20	1,055.70	240.18	1,295.88	1,055.70	240.18	1,295.88	1,220.62	292.48	1,513.10
<b>RETIRED WITH 1 MEDICARE</b>																		
SINGLE	182.72	60.90	243.62	182.72	103.52	286.24	133.38	44.46	177.84	143.68	47.88	191.56	143.68	47.88	191.56	166.12	55.38	221.50
WITH SPOUSE	698.40	232.80	931.20	698.40	395.76	1,094.16	509.86	169.94	679.80	540.92	180.30	721.22	540.92	180.30	721.22	630.72	210.26	840.98
WITH CHILDREN	365.10	121.70	486.80	365.10	206.88	571.98	266.52	88.84	355.36	365.10	385.54	750.64	365.10	385.54	750.64	365.10	510.28	875.38
FAMILY	880.82	293.62	1,174.44	880.82	499.14	1,379.96	643.02	214.34	857.36	695.40	231.78	927.18	695.40	231.78	927.18	811.38	270.48	1,081.86
<b>RETIRED WITH 2 MEDICARE</b>																		
WITH SPOUSE	343.12	114.38	457.50	343.12	194.44	537.56	250.50	83.50	334.00	242.98	81.00	323.98	242.98	81.00	323.98	282.28	94.10	376.38
FAMILY	438.22	146.08	584.30	438.22	248.34	686.56	319.92	106.64	426.56	320.22	106.74	426.96	320.22	106.74	426.96	372.62	124.20	496.82
<b>COBRA</b>																		
SINGLE	0.00	395.84	395.84	0.00	465.12	465.12	0.00	289.00	289.00	0.00	328.52	328.52	0.00	328.52	328.52	0.00	381.60	381.60
WITH SPOUSE	0.00	743.62	743.62	0.00	873.72	873.72	0.00	542.84	542.84	0.00	603.68	603.68	0.00	603.68	603.68	0.00	685.14	685.14
WITH CHILDREN	0.00	491.06	491.06	0.00	577.02	577.02	0.00	358.50	358.50	0.00	403.88	403.88	0.00	403.88	403.88	0.00	469.76	469.76
FAMILY	0.00	807.50	807.50	0.00	948.80	948.80	0.00	589.48	589.48	0.00	654.22	654.22	0.00	654.22	654.22	0.00	762.58	762.58
<b>PART-TIME COBRA</b>																		
SINGLE	291.06	104.78	395.84	291.06	174.06	465.12	212.50	76.50	289.00	241.56	86.96	328.52	241.56	86.96	328.52	280.60	101.00	381.60
WITH SPOUSE	461.54	282.08	743.62	461.54	412.18	873.72	336.94	205.90	542.84	376.44	227.24	603.68	376.44	227.24	603.68	427.90	257.24	685.14
WITH CHILDREN	337.74	153.32	491.06	337.74	239.28	577.02	246.58	111.92	358.50	278.50	125.38	403.88	278.50	125.38	403.88	323.82	145.94	469.76
FAMILY	492.86	314.64	807.50	492.86	455.94	948.80	359.80	229.68	589.48	401.22	253.00	654.22	401.22	253.00	654.22	467.36	295.22	762.58
<b>DISABILITY COBRA</b>																		
SINGLE	0.00	582.12	582.12	0.00	684.00	684.00	0.00	424.98	424.98	0.00	483.12	483.12	0.00	483.12	483.12	0.00	561.18	561.18
WITH SPOUSE	0.00	1,093.56	1,093.56	0.00	1,284.90	1,284.90	0.00	798.30	798.30	0.00	887.76	887.76	0.00	887.76	887.76	0.00	1,007.58	1,007.58
WITH CHILDREN	0.00	722.16	722.16	0.00	848.58	848.58	0.00	527.22	527.22	0.00	593.94	593.94	0.00	593.94	593.94	0.00	690.84	690.84
FAMILY	0.00	1,187.52	1,187.52	0.00	1,395.30	1,395.30	0.00	866.88	866.88	0.00	962.10	962.10	0.00	962.10	962.10	0.00	1,121.46	1,121.46

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**OFFICE OF GROUP BENEFITS  
OFFICIAL SCHEDULE OF RATES  
EFFECTIVE JULY 1, 2003**



		REGION 4 - HMO OHP - LAFAYETTE JULY 1, 2003			REGION 5 - HMO OHP - LAKE CHARLES JULY 1, 2003			REGION 6 - HMO OHP - BATON ROUGE JULY 1, 2003			REGION 7 - HMO OHP - ALEXANDRIA JULY 1, 2003			REGION 8 - HMO OHP - SHREVEPORT JULY 1, 2003			REGION 9 - HMO VANTAGE-MONROE JULY 1, 2003		
		STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL
<b>ACTIVE</b>																			
	SINGLE	291.06	109.58	400.64	245.28	81.76	327.04	232.96	77.64	310.60	247.38	82.46	329.84	258.10	86.02	344.12	291.06	100.26	391.32
	WITH SPOUSE	460.46	278.98	739.44	382.34	218.82	601.16	362.80	207.48	570.28	385.68	220.76	606.44	399.40	227.32	626.72	424.64	233.84	658.48
	WITH CHILDREN	337.44	155.96	493.40	282.80	119.28	402.08	268.52	113.20	381.72	285.26	120.34	405.60	297.70	125.62	423.32	337.74	283.14	620.88
	FAMILY	491.58	310.10	801.68	407.52	244.00	651.52	386.66	231.34	618.00	411.10	246.18	657.28	429.24	257.16	686.40	492.86	319.90	812.76
<b>RETIRED NO MEDICARE &amp; RE-EMPLOYED RETIREE</b>																			
	SINGLE	631.22	154.76	785.98	557.06	81.76	638.82	528.34	77.64	605.98	562.02	82.46	644.48	586.98	86.02	673.00	631.22	299.46	930.68
	WITH SPOUSE	1249.36	371.52	1620.88	1095.54	218.82	1314.36	1038.46	207.48	1245.94	1105.36	220.76	1326.12	1158.24	227.32	1385.56	1249.36	523.94	1773.30
	WITH CHILDREN	675.04	206.76	881.80	597.06	119.28	716.34	566.22	113.20	679.42	602.36	120.34	722.70	629.16	125.62	754.78	675.04	292.58	967.62
	FAMILY	1220.62	403.00	1623.62	1072.58	244.00	1316.58	1016.72	231.34	1248.06	1082.20	246.18	1328.38	1130.74	257.16	1387.90	1220.62	472.88	1693.50
<b>RETIRED WITH 1 MEDICARE</b>																			
	SINGLE	177.54	59.18	236.72	145.80	48.60	194.40	138.72	46.24	184.96	147.02	49.00	196.02	153.18	51.06	204.24	182.72	108.32	291.04
	WITH SPOUSE	676.42	225.48	901.90	549.46	183.16	732.62	521.12	173.72	694.84	554.34	184.78	739.12	578.96	192.98	771.94	698.40	379.68	1078.08
	WITH CHILDREN	365.10	573.76	938.86	365.10	397.42	762.52	365.10	358.06	723.16	365.10	404.18	769.28	365.10	438.38	803.48	365.10	311.38	676.48
	FAMILY	870.44	290.14	1160.58	706.44	235.48	941.92	669.84	223.28	893.12	712.74	237.58	950.32	744.54	248.18	992.72	714.36	238.12	952.48
<b>RETIRED WITH 2 MEDICARE</b>																			
	WITH SPOUSE	302.28	100.76	403.04	246.72	82.24	328.96	234.34	78.10	312.44	248.86	82.96	331.82	259.64	86.54	346.18	343.12	223.94	567.06
	FAMILY	399.28	133.08	532.36	325.22	108.40	433.62	308.68	102.90	411.58	328.06	109.34	437.40	342.42	114.14	456.56	438.22	514.26	952.48
<b>COBRA</b>																			
	SINGLE	0.00	408.64	408.64	0.00	333.58	333.58	0.00	316.80	316.80	0.00	336.44	336.44	0.00	351.00	351.00	0.00	399.14	399.14
	WITH SPOUSE	0.00	754.22	754.22	0.00	613.18	613.18	0.00	581.68	581.68	0.00	618.56	618.56	0.00	639.24	639.24	0.00	671.64	671.64
	WITH CHILDREN	0.00	503.26	503.26	0.00	410.12	410.12	0.00	389.34	389.34	0.00	413.70	413.70	0.00	431.78	431.78	0.00	633.30	633.30
	FAMILY	0.00	817.68	817.68	0.00	664.56	664.56	0.00	630.36	630.36	0.00	670.42	670.42	0.00	700.12	700.12	0.00	829.02	829.02
<b>PART-TIME COBRA</b>																			
	SINGLE	291.06	117.58	408.64	245.28	88.30	333.58	232.96	83.84	316.80	247.38	89.06	336.44	258.10	92.90	351.00	291.06	108.08	399.14
	WITH SPOUSE	460.46	293.76	754.22	382.34	230.84	613.18	362.80	218.88	581.68	385.68	232.88	618.56	399.40	239.84	639.24	424.64	247.00	671.64
	WITH CHILDREN	337.44	165.82	503.26	282.80	127.32	410.12	268.52	128.44	396.96	285.26	128.44	413.70	297.70	134.08	431.78	337.74	295.56	633.30
	FAMILY	491.58	326.10	817.68	407.52	257.04	664.56	386.66	243.70	630.36	411.10	259.32	670.42	429.24	270.88	700.12	492.86	336.16	829.02
<b>DISABILITY COBRA</b>																			
	SINGLE	0.00	600.96	600.96	0.00	490.56	490.56	0.00	465.90	465.90	0.00	494.76	494.76	0.00	516.18	516.18	0.00	586.98	586.98
	WITH SPOUSE	0.00	1109.16	1109.16	0.00	901.74	901.74	0.00	855.42	855.42	0.00	909.66	909.66	0.00	940.08	940.08	0.00	987.72	987.72
	WITH CHILDREN	0.00	740.10	740.10	0.00	603.12	603.12	0.00	572.58	572.58	0.00	608.40	608.40	0.00	634.98	634.98	0.00	931.32	931.32
	FAMILY	0.00	1202.50	1202.50	0.00	977.28	977.28	0.00	927.00	927.00	0.00	985.92	985.92	0.00	1029.60	1029.60	0.00	1219.14	1219.14

NOTE: 1) The breakdown between State Share and Employee Share may not be accurate for certain School Board employees due to local funding affecting contributions. Total premium columns are correct for all agencies.  
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**OFFICE OF GROUP BENEFITS  
OFFICIAL SCHEDULE OF RATES  
EFFECTIVE JULY 1, 2004**



	STATEWIDE PPO RATES JULY 1, 2004			STATEWIDE EPO RATES JULY 1, 2004			STATEWIDE MCO RATES-FARA JULY 1, 2004			REGION 1 - HMO OHP - NEW ORLEANS JULY 1, 2004			REGION 2 - HMO OHP - HOUMA/THIB JULY 1, 2004			REGION 3 - HMO OHP - HAMMOND JULY 1, 2004		
	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL
<b>ACTIVE</b>																		
SINGLE	335.34	111.78	447.12	335.34	147.58	482.92	228.04	76.00	304.04	276.08	92.04	368.12	276.08	92.04	368.12	321.00	107.00	428.00
WITH SPOUSE	540.30	316.74	857.04	540.30	385.30	925.60	367.42	215.38	582.80	431.20	247.16	678.36	431.20	247.16	678.36	492.10	278.10	770.20
WITH CHILDREN	392.90	169.34	562.24	392.90	214.30	607.20	267.18	115.14	382.32	318.56	134.52	453.08	318.56	134.52	453.08	370.68	156.68	527.36
FAMILY	570.64	347.08	917.72	570.64	420.48	991.12	388.04	236.00	624.04	459.70	275.66	735.36	459.70	275.66	735.36	535.76	321.76	857.52
<b>RETIRED NO MEDICARE &amp; RE-EMPLOYED RETIREE</b>																		
SINGLE	684.00	111.80	795.80	684.00	175.44	859.44	465.12	76.00	541.12	628.96	92.04	721.00	628.96	92.04	721.00	684.00	156.72	840.72
WITH SPOUSE	1,182.26	316.74	1,499.00	1,182.26	436.66	1,618.92	803.94	215.38	1,019.32	1,182.26	303.26	1,485.52	1,182.26	303.26	1,485.52	1,182.26	552.62	1,734.88
WITH CHILDREN	730.14	169.34	899.48	730.14	241.30	971.44	496.50	115.14	611.64	674.22	134.50	808.72	674.22	134.50	808.72	730.14	213.18	943.32
FAMILY	1,133.04	347.08	1,480.12	1,133.04	465.48	1,598.52	770.48	236.00	1,006.48	1,133.04	355.00	1,488.04	1,133.04	355.00	1,488.04	1,133.04	604.80	1,737.84
<b>RETIRED WITH 1 MEDICARE</b>																		
SINGLE	195.08	65.04	260.12	195.08	85.84	280.92	132.66	44.22	176.88	163.52	54.52	218.04	163.52	54.52	218.04	189.36	63.12	252.48
WITH SPOUSE	723.92	241.32	965.24	723.92	318.52	1,042.44	492.26	164.10	656.36	620.36	206.80	827.16	620.36	206.80	827.16	723.66	241.22	964.88
WITH CHILDREN	363.22	121.06	484.28	363.22	159.82	523.04	246.98	82.34	329.32	363.22	497.78	861.00	363.22	497.78	861.00	363.22	641.22	1,004.44
FAMILY	930.56	310.20	1,240.76	930.56	409.44	1,340.00	632.78	210.94	843.72	798.00	266.00	1,064.00	798.00	266.00	1,064.00	930.56	311.36	1,241.92
<b>RETIRED WITH 2 MEDICARE</b>																		
WITH SPOUSE	365.78	121.94	487.72	365.78	160.94	526.72	248.74	82.90	331.64	277.74	92.58	370.32	277.74	92.58	370.32	322.94	107.66	430.60
FAMILY	450.00	150.00	600.00	450.00	198.00	648.00	306.00	102.00	408.00	366.56	122.20	488.76	366.56	122.20	488.76	426.82	142.30	569.12
<b>COBRA</b>																		
SINGLE	0.00	456.06	456.06	0.00	492.58	492.58	0.00	310.12	310.12	0.00	375.48	375.48	0.00	375.48	375.48	0.00	436.56	436.56
WITH SPOUSE	0.00	874.18	874.18	0.00	944.10	944.10	0.00	594.46	594.46	0.00	691.92	691.92	0.00	691.92	691.92	0.00	785.60	785.60
WITH CHILDREN	0.00	573.48	573.48	0.00	619.34	619.34	0.00	389.96	389.96	0.00	462.14	462.14	0.00	462.14	462.14	0.00	537.90	537.90
FAMILY	0.00	936.06	936.06	0.00	1,010.94	1,010.94	0.00	636.52	636.52	0.00	750.06	750.06	0.00	750.06	750.06	0.00	874.66	874.66
<b>DISABILITY COBRA</b>																		
SINGLE	0.00	670.68	670.68	0.00	724.38	724.38	0.00	456.06	456.06	0.00	552.18	552.18	0.00	552.18	552.18	0.00	642.00	642.00
WITH SPOUSE	0.00	1,285.56	1,285.56	0.00	1,388.40	1,388.40	0.00	874.20	874.20	0.00	1,017.54	1,017.54	0.00	1,017.54	1,017.54	0.00	1,155.30	1,155.30
WITH CHILDREN	0.00	843.36	843.36	0.00	910.80	910.80	0.00	573.48	573.48	0.00	679.62	679.62	0.00	679.62	679.62	0.00	791.04	791.04
FAMILY	0.00	1,376.58	1,376.58	0.00	1,486.68	1,486.68	0.00	936.06	936.06	0.00	1,103.04	1,103.04	0.00	1,103.04	1,103.04	0.00	1,286.28	1,286.28

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3) HMO rates include \$15 Administration Fee.

Approved By

3/25/2004

**OFFICE OF GROUP BENEFITS  
OFFICIAL SCHEDULE OF RATES  
EFFECTIVE JULY 1, 2004**



	REGION 4 - HMO OHP - LAFAYETTE JULY 1, 2004			REGION 5 - HMO OHP - LAKE CHARLES JULY 1, 2004			REGION 6 - HMO OHP - BATON ROUGE JULY 1, 2004			REGION 7 - HMO OHP - ALEXANDRIA JULY 1, 2004			REGION 8 - HMO OHP - SHREVEPORT JULY 1, 2004			REGION 9 - HMO VANTAGE-MONROE JULY 1, 2004		
	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL
<b>ACTIVE</b>																		
SINGLE	335.34	123.14	458.48	280.36	93.48	373.84	266.20	88.72	354.92	282.80	94.28	377.08	295.12	98.36	393.48	335.34	123.34	458.68
WITH SPOUSE	530.14	317.94	848.08	437.98	251.10	689.08	415.52	238.08	653.60	441.86	253.30	695.16	457.60	260.84	718.44	530.20	318.20	848.40
WITH CHILDREN	388.68	176.48	565.16	323.52	136.64	460.16	307.10	129.62	436.72	326.36	137.84	464.20	340.64	143.92	484.56	388.70	176.70	565.40
FAMILY	565.94	353.74	919.68	466.94	280.06	747.00	442.96	265.52	708.48	471.08	282.56	753.64	491.92	295.20	787.12	566.00	354.00	920.00
<b>RETIRED NO MEDICARE &amp; RE-EMPLOYED RETIREE</b>																		
SINGLE	684.00	217.64	901.64	638.94	93.46	732.40	605.90	88.74	694.64	644.62	94.30	738.92	673.36	98.36	771.72	684.00	367.56	1,051.56
WITH SPOUSE	1,182.26	679.50	1,861.76	1,182.26	327.02	1,509.28	1,182.26	248.34	1,430.60	1,182.26	340.54	1,522.80	1,182.26	408.90	1,591.16	1,182.26	823.14	2,005.40
WITH CHILDREN	730.14	281.70	1,011.84	684.92	136.64	821.56	649.46	129.62	779.08	691.04	137.84	828.88	721.84	143.92	865.76	730.14	363.26	1,093.40
FAMILY	1,133.04	731.88	1,864.92	1,133.04	378.80	1,511.84	1,133.04	300.00	1,433.04	1,133.04	392.36	1,525.40	1,133.04	460.80	1,593.84	1,133.04	782.04	1,915.08
<b>RETIRED WITH 1 MEDICARE</b>																		
SINGLE	195.08	74.92	270.00	165.98	55.34	221.32	157.84	52.64	210.48	167.40	55.80	223.20	174.46	58.18	232.64	195.08	132.40	327.48
WITH SPOUSE	723.92	311.04	1,034.96	630.20	210.08	840.28	597.62	199.22	796.84	635.80	211.96	847.76	664.12	221.36	885.48	723.92	494.52	1,218.44
WITH CHILDREN	363.22	714.22	1,077.44	363.22	511.42	874.64	363.22	466.18	829.40	363.22	519.22	882.44	363.22	558.54	921.76	363.22	400.58	763.80
FAMILY	930.56	401.88	1,332.44	810.72	270.24	1,080.96	768.62	256.22	1,024.84	817.96	272.64	1,090.60	854.52	284.84	1,139.36	807.18	269.06	1,076.24
<b>RETIRED WITH 2 MEDICARE</b>																		
WITH SPOUSE	345.92	115.32	461.24	282.06	94.02	376.08	267.80	89.28	357.08	284.50	94.86	379.36	296.88	98.96	395.84	365.78	274.18	639.96
FAMILY	450.00	160.00	610.00	372.30	124.10	496.40	353.30	117.78	471.08	375.58	125.18	500.76	392.10	130.70	522.80	450.00	626.24	1,076.24
<b>COBRA</b>																		
SINGLE	0.00	467.64	467.64	0.00	381.32	381.32	0.00	362.02	362.02	0.00	384.62	384.62	0.00	401.34	401.34	0.00	467.82	467.82
WITH SPOUSE	0.00	865.04	865.04	0.00	702.86	702.86	0.00	666.66	666.66	0.00	709.06	709.06	0.00	732.80	732.80	0.00	865.36	865.36
WITH CHILDREN	0.00	576.46	576.46	0.00	469.36	469.36	0.00	445.44	445.44	0.00	473.48	473.48	0.00	494.24	494.24	0.00	576.70	576.70
FAMILY	0.00	938.06	938.06	0.00	761.94	761.94	0.00	722.64	722.64	0.00	768.70	768.70	0.00	802.86	802.86	0.00	938.40	938.40
<b>DISABILITY COBRA</b>																		
SINGLE	0.00	687.72	687.72	0.00	560.76	560.76	0.00	532.38	532.38	0.00	565.62	565.62	0.00	590.22	590.22	0.00	687.98	687.98
WITH SPOUSE	0.00	1,272.12	1,272.12	0.00	1,033.62	1,033.62	0.00	940.40	940.40	0.00	1,042.74	1,042.74	0.00	1,077.66	1,077.66	0.00	1,272.60	1,272.60
WITH CHILDREN	0.00	847.74	847.74	0.00	690.24	690.24	0.00	655.08	655.08	0.00	696.30	696.30	0.00	726.84	726.84	0.00	848.10	848.10
FAMILY	0.00	1,379.52	1,379.52	0.00	1,120.50	1,120.50	0.00	1,062.72	1,062.72	0.00	1,130.46	1,130.46	0.00	1,180.68	1,180.68	0.00	1,380.00	1,380.00

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Approved by

3/25/2004

**OFFICE OF GROUP BENEFITS  
OFFICIAL SCHEDULE OF RATES  
EFFECTIVE JULY 1, 2005**



	STATEWIDE PPO RATES JULY 1, 2005			STATEWIDE EPO RATES JULY 1, 2005			STATEWIDE MCO RATES-FARA JULY 1, 2005			REGION 1 - HMO HUMANA - NEW ORLEANS JULY 1, 2005			REGION 2 - HMO HUMANA - HOUMA/THIB JULY 1, 2005			REGION 3 - HMO HUMANA - HAMMOND JULY 1, 2005		
	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL
<b>ACTIVE</b>																		
SINGLE	373.10	124.38	497.48	373.10	144.30	517.40	373.10	134.34	507.44	310.08	103.36	413.44	310.08	103.36	413.44	359.48	119.84	479.32
WITH SPOUSE	616.12	367.40	983.52	616.12	406.76	1,022.88	616.12	387.08	1,003.20	480.70	273.98	754.68	480.70	273.98	754.68	547.68	308.04	855.72
WITH CHILDREN	433.18	184.46	617.64	433.18	209.18	642.36	433.18	196.82	630.00	356.80	150.08	506.88	356.80	150.08	506.88	414.12	174.48	588.60
FAMILY	645.90	397.18	1,043.08	645.90	438.90	1,084.80	645.90	418.06	1,063.96	512.06	305.34	817.40	512.06	305.34	817.40	595.70	356.06	951.76
<b>RETIRED NO MEDICARE &amp; RE-EMPLOYED RETIREE</b>																		
SINGLE	777.86	124.38	902.24	777.86	160.46	938.32	777.86	142.42	920.28	698.24	103.36	801.60	698.24	103.36	801.60	777.86	155.42	933.28
WITH SPOUSE	1,322.28	367.40	1,689.68	1,322.28	435.00	1,757.28	1,322.28	401.20	1,723.48	1,322.28	320.28	1,642.56	1,322.28	320.28	1,642.56	1,322.28	594.60	1,916.88
WITH CHILDREN	810.26	184.46	994.72	810.26	224.26	1,034.52	810.26	204.34	1,014.60	748.04	150.08	898.12	748.04	150.08	898.12	810.26	235.90	1,046.16
FAMILY	1,280.70	397.18	1,677.88	1,280.70	464.26	1,744.96	1,280.70	430.74	1,711.44	1,280.70	364.62	1,645.32	1,280.70	364.62	1,645.32	1,280.70	639.42	1,920.12
<b>RETIRED WITH 1 MEDICARE</b>																		
SINGLE	228.10	76.02	304.12	228.10	88.18	316.28	228.10	82.10	310.20	186.26	62.10	248.36	186.26	62.10	248.36	214.68	71.56	286.24
WITH SPOUSE	854.68	284.88	1,139.56	854.68	330.44	1,185.12	854.68	307.64	1,162.32	688.76	229.60	918.36	688.76	229.60	918.36	802.40	267.48	1,069.88
WITH CHILDREN	422.58	140.86	563.44	422.58	163.38	585.96	422.58	152.14	574.72	422.58	533.02	955.60	422.58	533.02	955.60	422.58	690.82	1,113.40
FAMILY	1,135.66	378.54	1,514.20	1,135.66	439.10	1,574.76	1,135.66	408.82	1,544.48	884.18	294.74	1,178.92	884.18	294.74	1,178.92	1,030.94	343.66	1,374.60
<b>RETIRED WITH 2 MEDICARE</b>																		
WITH SPOUSE	416.88	138.96	555.84	416.88	161.20	578.08	416.88	150.08	566.96	311.90	103.98	415.88	311.90	103.98	415.88	361.62	120.54	482.16
FAMILY	516.30	172.10	688.40	516.30	199.66	715.96	516.30	185.90	702.20	409.62	136.54	546.16	409.62	136.54	546.16	475.88	158.64	634.52
<b>COBRA</b>																		
SINGLE	0.00	507.42	507.42	0.00	527.74	527.74	0.00	517.58	517.58	0.00	421.70	421.70	0.00	421.70	421.70	0.00	488.90	488.90
WITH SPOUSE	0.00	1,003.18	1,003.18	0.00	1,043.34	1,043.34	0.00	1,023.26	1,023.26	0.00	769.76	769.76	0.00	769.76	769.76	0.00	872.82	872.82
WITH CHILDREN	0.00	629.98	629.98	0.00	655.20	655.20	0.00	642.60	642.60	0.00	517.02	517.02	0.00	517.02	517.02	0.00	600.36	600.36
FAMILY	0.00	1,063.94	1,063.94	0.00	1,106.50	1,106.50	0.00	1,085.24	1,085.24	0.00	833.74	833.74	0.00	833.74	833.74	0.00	970.80	970.80
<b>DISABILITY COBRA</b>																		
SINGLE	0.00	746.22	746.22	0.00	776.10	776.10	0.00	761.16	761.16	0.00	620.16	620.16	0.00	620.16	620.16	0.00	718.98	718.98
WITH SPOUSE	0.00	1,475.28	1,475.28	0.00	1,534.32	1,534.32	0.00	1,504.80	1,504.80	0.00	1,132.02	1,132.02	0.00	1,132.02	1,132.02	0.00	1,283.58	1,283.58
WITH CHILDREN	0.00	926.46	926.46	0.00	963.54	963.54	0.00	945.00	945.00	0.00	760.32	760.32	0.00	760.32	760.32	0.00	882.90	882.90
FAMILY	0.00	1,564.62	1,564.62	0.00	1,627.20	1,627.20	0.00	1,595.94	1,595.94	0.00	1,226.10	1,226.10	0.00	1,226.10	1,226.10	0.00	1,427.64	1,427.64

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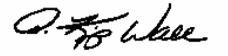
3/23/2005

**OFFICE OF GROUP BENEFITS  
OFFICIAL SCHEDULE OF RATES  
EFFECTIVE JULY 1, 2005**



	REGION 4 - HMO HUMANA - LAFAYETTE JULY 1, 2005			REGION 5 - HMO HUMANA - LAKE CHARLES JULY 1, 2005			REGION 6 - HMO HUMANA - BATON ROUGE JULY 1, 2005			REGION 7 - HMO HUMANA - ALEXANDRIA JULY 1, 2005			REGION 8 - HMO HUMANA - SHREVEPORT JULY 1, 2005			REGION 9 - HMO VANTAGE-MONROE JULY 1, 2005		
	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL
<b>ACTIVE</b>																		
SINGLE	373.10	139.74	512.84	314.78	104.94	419.72	299.18	99.74	398.92	317.46	105.82	423.28	331.02	110.34	441.36	373.10	134.62	507.72
WITH SPOUSE	587.38	354.02	941.40	488.16	278.32	766.48	463.44	264.00	727.44	492.42	280.78	773.20	509.74	289.06	798.80	585.12	346.64	931.76
WITH CHILDREN	431.78	198.42	630.20	362.26	152.42	514.68	344.16	144.72	488.88	365.38	153.74	519.12	381.10	160.42	541.52	431.16	192.68	623.84
FAMILY	626.76	393.40	1,020.16	520.02	310.18	830.20	493.62	294.18	787.80	524.56	312.92	837.48	547.50	326.82	874.32	624.06	385.58	1,009.64
<b>RETIRED NO MEDICARE &amp; RE-EMPLOYED RETIREE</b>																		
SINGLE	777.86	222.42	1,000.28	709.18	104.94	814.12	672.86	99.74	772.60	715.46	105.82	821.28	747.06	110.34	857.40	777.86	283.70	1,061.56
WITH SPOUSE	1,322.28	734.16	2,056.44	1,322.28	346.40	1,668.68	1,318.16	264.00	1,582.16	1,322.28	361.32	1,683.60	1,322.28	436.48	1,758.76	1,322.28	693.12	2,015.40
WITH CHILDREN	810.26	311.26	1,121.52	759.78	152.42	912.20	720.80	144.72	865.52	766.50	153.74	920.24	800.42	160.42	960.84	810.26	293.14	1,103.40
FAMILY	1,280.70	779.22	2,059.92	1,280.70	390.82	1,671.52	1,280.70	304.14	1,584.84	1,280.70	406.38	1,687.08	1,280.70	481.02	1,761.72	1,280.70	644.38	1,925.08
<b>RETIRED WITH 1 MEDICARE</b>																		
SINGLE	228.10	77.38	305.48	188.96	63.00	251.96	180.00	60.00	240.00	190.50	63.50	254.00	198.30	66.10	264.40	228.10	109.38	337.48
WITH SPOUSE	854.68	292.28	1,146.96	699.60	233.20	932.80	663.74	221.26	885.00	705.74	235.26	941.00	736.92	245.64	982.56	854.68	373.76	1,228.44
WITH CHILDREN	422.58	771.10	1,193.68	422.58	548.02	970.60	422.58	498.26	920.84	422.58	556.62	979.20	422.58	599.86	1,022.44	422.58	351.22	773.80
FAMILY	1,105.62	368.54	1,474.16	898.16	299.40	1,197.56	851.88	283.96	1,135.84	906.12	302.04	1,208.16	946.34	315.46	1,261.80	884.72	201.52	1,086.24
<b>RETIRED WITH 2 MEDICARE</b>																		
WITH SPOUSE	386.90	128.98	515.88	316.64	105.56	422.20	300.96	100.32	401.28	319.32	106.44	425.76	332.94	110.98	443.92	416.88	233.08	649.96
FAMILY	509.60	169.88	679.48	415.92	138.64	554.56	395.00	131.68	526.68	419.52	139.84	559.36	437.66	145.90	583.56	516.30	569.94	1,086.24
<b>COBRA</b>																		
SINGLE	0.00	523.10	523.10	0.00	428.10	428.10	0.00	406.90	406.90	0.00	431.74	431.74	0.00	450.18	450.18	0.00	517.86	517.86
WITH SPOUSE	0.00	960.22	960.22	0.00	781.80	781.80	0.00	741.98	741.98	0.00	788.66	788.66	0.00	814.78	814.78	0.00	950.40	950.40
WITH CHILDREN	0.00	642.80	642.80	0.00	524.96	524.96	0.00	498.66	498.66	0.00	529.50	529.50	0.00	552.34	552.34	0.00	636.32	636.32
FAMILY	0.00	1040.56	1040.56	0.00	846.80	846.80	0.00	803.56	803.56	0.00	854.22	854.22	0.00	891.80	891.80	0.00	1029.82	1029.82
<b>DISABILITY COBRA</b>																		
SINGLE	0.00	769.26	769.26	0.00	629.58	629.58	0.00	598.38	598.38	0.00	634.92	634.92	0.00	662.04	662.04	0.00	761.58	761.58
WITH SPOUSE	0.00	1,412.10	1,412.10	0.00	1,149.72	1,149.72	0.00	1,091.16	1,091.16	0.00	1,159.80	1,159.80	0.00	1,198.20	1,198.20	0.00	1,397.64	1,397.64
WITH CHILDREN	0.00	945.30	945.30	0.00	772.02	772.02	0.00	733.32	733.32	0.00	778.68	778.68	0.00	812.28	812.28	0.00	935.76	935.76
FAMILY	0.00	1,530.24	1,530.24	0.00	1,245.30	1,245.30	0.00	1,181.70	1,181.70	0.00	1,256.22	1,256.22	0.00	1,311.48	1,311.48	0.00	1,514.46	1,514.46

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Approved By  
  
 3/23/2005

**OFFICE OF GROUP BENEFITS  
OFFICIAL SCHEDULE OF RATES  
EFFECTIVE JULY 1, 2006**



	STATEWIDE PPO RATES JULY 1, 2006			STATEWIDE EPO RATES JULY 1, 2006			STATEWIDE MCO RATES-FARA JULY 1, 2006			HMO-REGIONS 1 TO 8 HUMANA JULY 1, 2006			HMO-REGION 9 VANTAGE HEALTH CARE JULY 1, 2006		
	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL	STATE SHARE	EMP SHARE	TOTAL
<b><u>ACTIVE</u></b>															
SINGLE	370.06	123.34	493.40	370.06	143.10	513.16	370.06	143.10	513.16	355.26	118.42	473.68	370.06	171.46	541.52
WITH SPOUSE	647.36	400.64	1,048.00	647.36	442.56	1,089.92	647.36	442.56	1,089.92	621.46	384.62	1,006.08	647.36	474.68	1,122.04
WITH CHILDREN	424.24	177.52	601.76	424.24	201.60	625.84	424.24	201.60	625.84	407.26	170.42	577.68	424.24	230.88	655.12
FAMILY	675.98	429.26	1,105.24	675.98	473.46	1,149.44	675.98	473.46	1,149.44	648.94	412.10	1,061.04	675.98	505.98	1,181.96
<b><u>RETIRED NO MEDICARE &amp; RE-EMPLOYED RETIREE</u></b>															
SINGLE	794.58	123.34	917.92	794.58	160.02	954.60	794.58	160.02	954.60	762.78	118.42	881.20	794.58	191.10	985.68
WITH SPOUSE	1,220.20	400.64	1,620.84	1,220.20	465.48	1,685.68	1,220.20	465.48	1,685.68	1,171.38	384.62	1,556.00	1,220.20	501.48	1,721.68
WITH CHILDREN	844.92	177.52	1,022.44	844.92	218.40	1,063.32	844.92	218.40	1,063.32	811.14	170.42	981.56	844.92	250.28	1,095.20
FAMILY	1,209.78	403.26	1,613.04	1,209.78	467.78	1,677.56	1,209.78	467.78	1,677.56	1,161.40	387.12	1,548.52	1,209.78	503.66	1,713.44
<b><u>RETIRED WITH 1 MEDICARE</u></b>															
SINGLE	223.86	74.62	298.48	223.86	86.54	310.40	223.86	86.54	310.40	214.90	71.62	286.52	223.86	113.62	337.48
WITH SPOUSE	827.14	275.70	1,102.84	827.14	319.82	1,146.96	827.14	319.82	1,146.96	794.04	264.68	1,058.72	827.14	352.22	1,179.36
WITH CHILDREN	387.48	129.16	516.64	387.48	149.84	537.32	387.48	149.84	537.32	372.00	124.00	496.00	387.48	178.32	565.80
FAMILY	1,102.12	367.36	1,469.48	1,102.12	426.12	1,528.24	1,102.12	426.12	1,528.24	1,058.02	352.66	1,410.68	1,102.12	461.00	1,563.12
<b><u>RETIRED WITH 2 MEDICARE</u></b>															
WITH SPOUSE	402.40	134.12	536.52	402.40	155.56	557.96	402.40	155.56	557.96	386.28	128.76	515.04	402.40	184.04	586.44
FAMILY	498.22	166.06	664.28	498.22	192.62	690.84	498.22	192.62	690.84	478.30	159.42	637.72	498.22	221.98	720.20
<b><u>COBRA</u></b>															
SINGLE	0.00	503.26	503.26	0.00	523.42	523.42	0.00	523.42	523.42	0.00	483.14	483.14	0.00	552.34	552.34
WITH SPOUSE	0.00	1,068.96	1,068.96	0.00	1,111.72	1,111.72	0.00	1,111.72	1,111.72	0.00	1,026.20	1,026.20	0.00	1,144.48	1,144.48
WITH CHILDREN	0.00	613.80	613.80	0.00	638.36	638.36	0.00	638.36	638.36	0.00	589.22	589.22	0.00	668.22	668.22
FAMILY	0.00	1,127.34	1,127.34	0.00	1,172.42	1,172.42	0.00	1,172.42	1,172.42	0.00	1,082.26	1,082.26	0.00	1,205.60	1,205.60
<b><u>DISABILITY COBRA</u></b>															
SINGLE	0.00	740.10	740.10	0.00	769.74	769.74	0.00	769.74	769.74	0.00	710.52	710.52	0.00	812.28	812.28
WITH SPOUSE	0.00	1,572.00	1,572.00	0.00	1,634.88	1,634.88	0.00	1,634.88	1,634.88	0.00	1,509.12	1,509.12	0.00	1,683.06	1,683.06
WITH CHILDREN	0.00	902.64	902.64	0.00	938.76	938.76	0.00	938.76	938.76	0.00	866.52	866.52	0.00	982.68	982.68
FAMILY	0.00	1,657.86	1,657.86	0.00	1,724.16	1,724.16	0.00	1,724.16	1,724.16	0.00	1,591.56	1,591.56	0.00	1,772.94	1,772.94

- NOTE: 1) The breakdown between State Share and Employee Share may not be accurate for certain School Board employees due to local funding affecting contributions. Total premium columns are correct for all agencies.  
 2) All members that retire on or after July 1, 1997 must have Medicare-Parts A and B in order to qualify for the reduced premium rates.  
 3) Vantage Health Care rates include a \$25 Administration Fee.

Approved by:

3/9/2006

**OFFICE OF GROUP BENEFITS  
OFFICIAL SCHEDULE OF RATES  
EFFECTIVE JULY 1, 2007**



													<b>MEDICARE ADVANTAGE PLANS RETIREES WITH MEDICARE A &amp; B ONLY</b>											
													<b>STATEWIDE PRIVATE FEE FOR SERVICE JULY 1, 2007</b>			<b>RESTRICTED AREAS* HMO PLAN RATES JULY 1, 2007</b>								
													<b>STATE SHARE</b>	<b>EMP SHARE</b>	<b>TOTAL</b>	<b>STATE SHARE</b>	<b>EMP SHARE</b>	<b>TOTAL</b>	<b>STATE SHARE</b>	<b>EMP SHARE</b>	<b>TOTAL</b>	<b>STATE SHARE</b>	<b>EMP SHARE</b>	<b>TOTAL</b>
<b>ACTIVE</b>			<b>STATEWIDE PPO RATES JULY 1, 2007</b>			<b>STATEWIDE EPO RATES JULY 1, 2007</b>			<b>STATEWIDE HMO RATES JULY 1, 2007</b>															
	SINGLE		392.26	130.74	523.00	392.26	151.70	543.96	376.60	125.52	502.12	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
	WITH SPOUSE		686.20	424.68	1110.88	686.20	469.12	1155.32	658.76	407.68	1066.44	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
	WITH CHILDREN		449.70	188.18	637.88	449.70	213.70	663.40	431.72	180.64	612.36	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
	FAMILY		716.54	455.02	1171.56	716.54	501.90	1218.44	687.90	436.82	1124.72	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
<b>RETIRED NO MEDICARE &amp; RE-EMPLOYED RETIREE</b>																								
	SINGLE		842.26	130.74	973.00	842.26	169.62	1011.88	808.56	125.52	934.08	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
	WITH SPOUSE		1293.44	424.68	1718.12	1293.44	493.40	1786.84	1241.68	407.68	1649.36	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
	WITH CHILDREN		895.62	188.18	1083.80	895.62	231.50	1127.12	859.84	180.64	1040.48	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
	FAMILY		1282.38	427.46	1709.84	1282.38	495.86	1778.24	1231.08	410.36	1641.44	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
<b>RETIRED WITH 1 MEDICARE</b>																								
	SINGLE		237.30	79.10	316.40	237.30	91.74	329.04	227.80	75.92	303.72	<b>132.00</b>	<b>44.00</b>	<b>176.00</b>	<b>103.50</b>	<b>34.50</b>	<b>138.00</b>	N/A	N/A	N/A	N/A			
	WITH SPOUSE		876.78	292.26	1169.04	876.78	339.02	1215.80	841.68	280.56	1122.24	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
	WITH CHILDREN		410.74	136.90	547.64	410.74	158.82	569.56	394.32	131.44	525.76	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
	FAMILY		1168.26	389.42	1557.68	1168.26	451.70	1619.96	1121.50	373.82	1495.32	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
<b>RETIRED WITH 2 MEDICARE</b>																								
	WITH SPOUSE		426.54	142.18	568.72	426.54	164.90	591.44	409.48	136.48	545.96	<b>264.00</b>	<b>88.00</b>	<b>352.00</b>	<b>207.00</b>	<b>69.00</b>	<b>276.00</b>	N/A	N/A	N/A	N/A			
	FAMILY		528.12	176.04	704.16	528.12	204.20	732.32	507.00	169.00	676.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
<b>COBRA</b>																								
	SINGLE		0.00	533.46	533.46	0.00	554.84	554.84	0.00	512.14	512.14	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
	WITH SPOUSE		0.00	1133.10	1133.10	0.00	1178.42	1178.42	0.00	1087.78	1087.78	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
	WITH CHILDREN		0.00	650.64	650.64	0.00	676.66	676.66	0.00	624.58	624.58	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
	FAMILY		0.00	1194.98	1194.98	0.00	1242.78	1242.78	0.00	1147.20	1147.20	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
<b>DISABILITY COBRA</b>																								
	SINGLE		0.00	784.50	784.50	0.00	815.94	815.94	0.00	753.18	753.18	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
	WITH SPOUSE		0.00	1666.32	1666.32	0.00	1732.98	1732.98	0.00	1599.66	1599.66	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
	WITH CHILDREN		0.00	956.82	956.82	0.00	995.10	995.10	0.00	918.54	918.54	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
	FAMILY		0.00	1757.34	1757.34	0.00	1827.66	1827.66	0.00	1687.08	1687.08	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			

\* This Medicare Advantage plan is available in the following parishes: Ascension, Bossier, Caddo, East Baton Rouge, Iberville, Jefferson, Lafourche, Livingston, Orleans, Plaquemines, St. Bernard, St. Charles, St. John the Baptist, St. Tammany, Tangipahoa, Washington, Webster and West Baton Rouge.

NOTE: 1) The breakdown between State Share and Employee Share may not be accurate for certain School Board employees due to local funding affecting contributions. Total premium columns are correct for all agencies.  
2) All members who retire on or after July 1, 1997, must have Medicare Parts A and B in order to qualify for the reduced premium rates.

Approved by:

3/23/2007



**OFFICE OF GROUP BENEFITS**  
**OFFICIAL SCHEDULE OF PREMIUM RATES**  
 Effective July 1, 2008

	PPO Plan (Statewide)			EPO Plan (Statewide)			HMO Plan (Statewide)		
	STATE SHARE	EMPLOYEE SHARE	TOTAL PREMIUM	STATE SHARE	EMPLOYEE SHARE	TOTAL PREMIUM	STATE SHARE	EMPLOYEE SHARE	TOTAL PREMIUM
<b>ACTIVE EMPLOYEE</b>									
SINGLE	406.78	135.58	542.36	406.78	157.34	564.12	390.54	130.18	520.72
WITH SPOUSE	711.60	440.40	1152.00	711.60	486.48	1198.08	683.14	422.78	1105.92
WITH CHILDREN	466.34	195.14	661.48	466.34	221.62	687.96	447.70	187.34	635.04
FAMILY	743.06	471.86	1214.92	743.06	520.46	1263.52	713.36	453.00	1166.36
<b>RETIREE WITH NO MEDICARE or RE-EMPLOYED RETIREE</b>									
SINGLE	873.42	135.58	1009.00	873.42	175.90	1049.32	838.46	130.18	968.64
WITH SPOUSE	1341.32	440.40	1781.72	1341.32	511.64	1852.96	1287.62	422.78	1710.40
WITH CHILDREN	928.78	195.14	1123.92	928.78	240.06	1168.84	891.66	187.34	1079.00
FAMILY	1329.84	443.28	1773.12	1329.84	514.20	1844.04	1276.66	425.54	1702.20
<b>RETIREE WITH 1 MEDICARE</b>									
SINGLE	246.10	82.02	328.12	246.10	95.14	341.24	236.22	78.74	314.96
WITH SPOUSE	909.24	303.08	1212.32	909.24	351.56	1260.80	872.82	290.94	1163.76
WITH CHILDREN	425.94	141.98	567.92	425.94	164.70	590.64	408.94	136.30	545.24
FAMILY	1211.50	403.82	1615.32	1211.50	468.42	1679.92	1163.02	387.66	1550.68
<b>RETIREE WITH 2 MEDICARE</b>									
WITH SPOUSE	442.32	147.44	589.76	442.32	171.00	613.32	424.62	141.54	566.16
FAMILY	547.68	182.56	730.24	547.68	211.76	759.44	525.78	175.26	701.04
<b>COBRA</b>									
SINGLE	0.00	553.20	553.20	0.00	575.40	575.40	0.00	531.12	531.12
WITH SPOUSE	0.00	1175.04	1175.04	0.00	1222.04	1222.04	0.00	1128.04	1128.04
WITH CHILDREN	0.00	674.72	674.72	0.00	701.72	701.72	0.00	647.72	647.72
FAMILY	0.00	1239.20	1239.20	0.00	1288.76	1288.76	0.00	1189.68	1189.68
<b>DISABILITY COBRA</b>									
SINGLE	0.00	813.54	813.54	0.00	846.16	846.16	0.00	781.08	781.08
WITH SPOUSE	0.00	1727.98	1727.98	0.00	1797.12	1797.12	0.00	1658.88	1658.88
WITH CHILDREN	0.00	992.22	992.22	0.00	1031.92	1031.92	0.00	952.56	952.56
FAMILY	0.00	1822.36	1822.36	0.00	1895.28	1895.28	0.00	1749.52	1749.52

NOTE: 1) The breakdown between the state share and the employee share may not be accurate for certain school board employees due to local funding that affects contributions. Total premium columns are correct for all agencies.  
 2) All members who retire on or after July 1, 1997, must have both Medicare Part A and Part B to qualify for reduced premium rates.

Approved by:

2/22/2008

**APPENDIX A**  
**Management Responses**

**Office of Group Benefits  
Response**



State of Louisiana  
Office of Group Benefits  
P.O. Box 44036  
Baton Rouge, Louisiana 70804



May 18, 2009

Honorable Stephen B. Street, Jr.  
Inspector General, State of Louisiana  
P.O. Box 94095  
Baton Rouge, La. 70804-9095

Area offices

Alexandria

318.487.5731

800.813.1578

Baton Rouge

225.925.6625

800.272.8451

Lafayette

337.262.1357

800.414.6409

Lake Charles

337.475.8052

800.525.3256

Metairie

504.838.5136

800.335.6208

Monroe

318.362.3435

800.335.6206

Shreveport

318.676.7026

800.813.1574

TDD

225.925.6770

800.259.6771

*Re: Case No. 10900014*

Dear Mr. Street:

The Office of Group Benefits (OGB) brought to the attention of your office a problem concerning the proper classification of employees who return to active employment following retirement, assuming both the former and subsequent employer provide medical coverage through OGB. These persons should properly be classified as rehired retirees. Your office has conducted an investigation into this problem as it relates to school systems covered by OGB.

I have received your draft report entitled Case No. 10900014 and am pleased to respond to this draft. Your investigation concluded that a total of forty-seven (47) individuals covered by nineteen (19) different school systems were improperly classified, resulting in an under collection of premium dollars by OGB totaling \$631,046.16. You further concluded that in four (4) of these cases, information concerning the change in classification was sent to OGB but OGB did not timely make the change in coverage.

OGB has extensively researched the details of these cases provided by your office. We concur in your findings. All of the records of these 47 individuals have now been reviewed and corrected. The billing has already been adjusted or will be adjusted on next month's invoice.

Of the four cases incorrectly handled by OGB, in only two of these cases was OGB timely notified of the change in coverage. The three employees involved in these cases have been counseled and the procedures already in place to reduce the likelihood of these errors have been reemphasized.

An  
Equal  
Opportunity  
Employer

As a result of this investigation, you have made the following recommendations:

1. *All participating school boards should notify Group Benefit promptly of any changes in the employment status of employees participating in Group Benefits.*

OGB certainly concurs with this recommendation. Since the creation of this "Rehired Retiree" classification category in 2003, we have advised and reminded covered entities of the necessity for advising us of any change in coverage classification for its employees. This subject is covered in all training programs which we provide to agencies and school systems. However, in 43 of these 47 cases, OGB was never notified of this change in coverage until your investigation began. In two other cases, OGB was not timely notified of the changes.

2. *Group Benefits should take steps to recover uncollected premiums from participating school boards.*

This action has already been taken or will be taken on next month's premium invoice.

3. *Group Benefits should develop appropriate controls to ensure that incorrect classifications do not occur in the future.*

OGB receives data from Louisiana retirement systems allowing us to identify retirees in most cases. However, if the agency continues to handle the retiree's insurance deductions (i.e. it was not being deducted from the retirement check), OGB was not importing the retiree information into our files. This procedure has now been changed.

4. *Group Benefits should consider revising the enrollment application form to include an option for reemployed retiree.*

This change has already been implemented.

5. *Group Benefits should develop a plan to identify other premiums that were not collected for employees who were incorrectly classified as something other than an active or reemployed retiree, or for employees who were correctly classified at the time of this review but misclassified at some other point between March 2003, and the review.*

Honorable Stephen B. Street, Jr.  
May 18, 2009  
Page 3

OGB receives periodic "update" information from the retirement systems. However, we have determined that we also need an annual "full file" from the retirement systems to match against our files. Our eligibility department will be making this request within the next sixty days.

6. *Group Benefits should identify any potential liabilities that may have occurred due to the misclassification of reemployed retirees and develop a plan to address this issue.*

The potential liability occurs when OGB is carrying a person in the classification of a "Retiree with Medicare" when that person should have been classified as a "Reemployed Retiree" because there is a difference in the primary and secondary medical payor. When OGB rectifies the error in classification, we are responsible for notifying Medicare that they have been paying claims as the primary carrier when they should have been making payments as the secondary carrier. Medicare will then send us a file of the claims they have paid and we must repay them the differential between the amount they paid as the primary payor and the amount they should have paid as the secondary plan. This is a routine part of our business process.

OGB appreciates your assistance and cooperation during the course of this investigation. If we can provide further information, please let me know.

Sincerely,

  
Tommy D. Teague  
Chief Executive Officer

**Beauregard Parish School Board  
Response**



# Beauregard Parish School Board

202 W. Third Street • P.O. Drawer 938  
DeRidder, Louisiana 70634  
Ph. (337) 463-5551 • Fax (337) 463-6735

Jimmy Barrett, President

Marvin Simmons, Vice President

Rita Mann, M. Ed. Superintendent

May 8, 2009

Stephen B. Street, Jr.  
State Inspector General  
P. O. Box 94095  
Baton Rouge, LA 70804-9095

Re: Case No. 10900014

Dear Mr. Street:

Beauregard Parish School Board does not concur with the findings issued in Case No. 10900014.

██████████ held a dual employment in our parish as a teacher and a bus driver. She retired as a teacher, but it still an active bus driver. Since she is an active employee and there was no break in this service, we do not think we should be charged the retiree rate.

██████████ was covered as a dependent when she retired and when she was rehired. In July 2007, she and her spouse split coverage and OGB documentation was sent at that time. We have paid the rates that were supplied by the OGB since that time. If our contribution was incorrect, we were not notified and do not feel that rétroactive charges should be applied.

We feel these charges are incorrect because (1) ██████████ is still an active employee and (2) OCB did not send any notification of a rate change for ██████████. Thus, no corrective action plan is submitted.

In accordance with your recommendation, Beauregard Parish School Board Benefits Accountant, Carolyn Crain, will continue to notify Group Benefits promptly of any changes in the employment status of employees participating in Group Benefits.

Please feel free to contact me if you need additional details.

Sincerely,

A handwritten signature in cursive script that reads 'Rita Mann'.

Rita Mann, M.Ed.  
Superintendent

# **Catahoula Parish School Board Response**

# Catahoula Parish School Board

Post Office Box 290  
Harrisonburg, Louisiana 71340  
Telephone: (318) 744-5727  
Fax: (318) 744-9221

Superintendent  
Dr. Gwile Freeman

**BOARD MEMBERS**  
Wayne Sanders, President  
Dewey W. Stockman, Vice-President  
Lillian Aplin  
Tim Tomlinson  
Charles House  
Jane Martin  
Josephine Jones  
Letishia Hatcher  
Dorothy Watson

May 5, 2009

Stephen B. Street, Jr  
State Inspector General  
PO Box 94095  
Baton Rouge, LA 70804-9095

Re: Case # 10900014

Dear Mr. Street:

Our agency has investigated the above case number. We do concur with the findings and recommendations of your office, and we will be remitting the total amount due.

If you have any further questions, please contact Lora White at (318)744-5727.

Sincerely,



Dr. Gwile Freeman  
Superintendent  
Catahoula Parish School Board

**East Feliciana Parish School Board  
Response**



HAMMONDS & SILLS  
ATTORNEYS AT LAW

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Karen D. Murphy  
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Charles F. Hardie, VI

Quad One, Suite C  
1111 South Foster Drive  
Baton Rouge, LA 70806  
PH 225-923-3462  
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800-960-5297

*mail correspondence to* → P.O. Box 65236  
Baton Rouge, LA 70896

E-mail: law@hamsil.com

May 19, 2009

*Of Counsel*  
Franklin V. Endom, Jr.

Stephen B. Street, Jr.  
State Inspector General  
State of Louisiana  
P.O. Box 94095  
Baton Rouge, LA 70804-3095

*Via United States Mail & Facsimile*  
225.342.6761

RE: Your Case No. 10900014  
East Feliciana Parish School Board  
Our File No. OPB-2119

Dear Mr. Street:

As indicated in previous correspondence, this firm serves as special counsel to the East Feliciana Parish School Board. In that capacity, we have been asked to review and respond to the findings and recommendations outlined in the draft report provided by you with regard to the payment of insurance premiums by the East Feliciana School Board to the Office of Group Benefits ("OGB") for [REDACTED]. Please be advised as follows.

After careful examination of your conclusions in this matter, we would concur in part. [REDACTED] is no longer a School Board employee; her employment terminated on June 1, 2001. The School Board was unaware of [REDACTED]'s retirement; however, we have determined that she did, in fact (as your records state), change to retiree status as of January 1, 2004. Upon review of relevant documentation, School Board personnel have also determined that the \$23,246.90 reflected in your report constitutes the accurate total amount owed due by the School Board for the difference in contributions for [REDACTED]. The School Board is prepared to submit that amount upon instruction of the proper procedure by OGB.

The School Board's corrective action plan will consist of the following: (1) continued implementation of procedures requiring classification of employees at the time of employment with

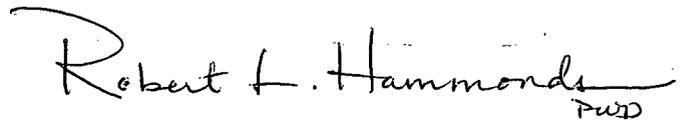
Stephen B. Street, Jr.  
State Inspector General  
May 19, 2009  
page 2 of 2

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specific requests for retirement status; (2) prompt notice to OGB of the reemployment of any retirees; (3) attentive review and reconciliation of OGB reports with prompt notice of discrepancies to OGB. The person responsible for these duties will be Patricia Wilkinson.

Please do not hesitate to contact us if you have any questions regarding this response.

Respectfully,

A handwritten signature in black ink that reads "Robert L. Hammonds". The signature is written in a cursive style with a large initial "R". There is a small mark at the end of the signature that looks like "FWD".

**ROBERT L. HAMMONDS**

cc: Superintendent Douglas Beauchamp  
Paul Daverede, Eligibility Manager  
Office of Group Benefits (*via mail only*)

**Franklin Parish School Board  
Response**

# FRANKLIN PARISH SCHOOL BOARD

---

**Dr. Lanny Johnson**

*Superintendent*

**Eddie Ray Bryan**

*President*

*District 1*

**Dorothy Brown**

*Vice-President*

*District 7*

**Richard Kelly**

*Chaplain*

*District 4*

**Ronnie Hatton**

*District 2*

**Jesse Young**

*District 3*

**Louise Johnson**

*District 5*

**Tim Eubanks**

*District 6*

May 11, 2009

Stephen B. Street, Jr.  
State Inspector General  
Office of State Inspector General  
P. O. Box 94095  
Baton Rouge, La 70804-9095

Re: Case No. 10900014

Dear Mr. Street:

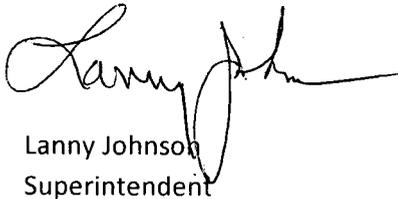
This letter is written in response to your letter dated April 27, 2009 to me regarding the above mentioned case number.

I concur that an error has been made on the calculations of the benefits due to the Office of Group Benefits on behalf of the employee. We have however calculated a different total. Since this benefit was not deducted until August 2005 for the 2005/2006 year, the amount due is slightly less. The payroll department will be in contact with the Office of Group Benefits in this matter to rectify this matter promptly.

Lillian Whitten, Business Manager as well as Diana Scriber, Payroll will develop a procedure to insure that this does not occur in the future.

Should you have any questions, please do not hesitate to contact me or one of my staff.

Respectfully,



Lanny Johnson  
Superintendent

LJ/lw

Enclosure

2005/2006	Employee	Employer	
correct premium	\$1,322.28	\$693.12	
charged premium	\$624.06	\$385.58	
due per month to state group	\$698.22	\$307.54	
	x 10 months	x 10 months	
	\$6,982.20	\$3,075.40	\$10,057.60
2006/2007	Employee	Employer	
correct premium	\$1,220.20	\$501.48	
charged premium	\$647.36	\$474.68	
due per month to state group	\$572.84	\$26.80	
	x 12 months	x 12 months	
	\$6,874.08	\$321.60	\$7,195.68
2007/2008	Employee	Employer	
correct premium	\$1,241.68	\$407.68	
charged premium	\$658.76	\$407.68	
due per month to state group	\$582.92	\$0.00	
	x 12 months	x 12 months	
	\$6,995.04	\$0.00	\$6,995.04
2008/2009 Thru April 2009)	Employee	Employer	
correct premium	\$1,341.32	\$440.40	
charged premium	\$711.60	\$440.40	
due per month to state group	\$629.72	\$0.00	
	x 10 months	x 10 months	
	\$6,297.20	\$0.00	\$6,297.20
Total	\$27,148.52	\$3,397.00	\$30,545.52

# FRANKLIN PARISH SCHOOL BOARD

Dr. Lanny Johnson  
Superintendent

Eddie Ray Bryan  
President  
District 1

Dorothy Brown  
Vice-President  
District 7

Richard Kelly  
Chaplain  
District 4

May 12, 2009

Stephen B. Street, Jr.  
State Inspector General  
Office of State Inspector General  
P. O. Box 94095  
Baton Rouge, La 70804-9095

Ronnie Hatton  
District 2

Jesse Young  
District 3

Louise Johnson  
District 5

Tim Eubanks  
District 6

Re: Case No. 10900014

Dear Mr. Street:

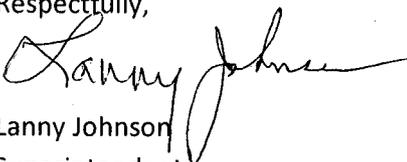
This letter is written in as a follow up to our letter dated yesterday, May 11, 2009, in response to your letter dated April 27, 2009 to me regarding the above mentioned case number.

Since my response yesterday, other information has come to light regarding this matter.

██████████ retired without State Group Benefits coverage in her name in 2001. She picked up State Group coverage deduction upon the resignation of her husband who had family coverage deduction as an active employee. Upon his resignation, the family coverage was transferred to her name. According to the State Group Benefits office at the time that she picked up the coverage through her payroll deduction, she was not eligible for retirement coverage with State Group, since she did not have the payroll deduction in her name when she retired. Thus, she was treated as a new employee. Once she terminates service, she will not be able to take these benefits with her.

Should you have any questions, please do not hesitate to contact me or one of my staff.

Respectfully,

  
Lanny Johnson  
Superintendent

LJ/lw

**Jefferson Parish Public School System  
Response**



**DIANE M. ROUSSEL, Ph.D.**  
SUPERINTENDENT

**BUSINESS SERVICES**  
**JEFFERSON PARISH PUBLIC**  
**SCHOOL SYSTEM**

4600 RIVER ROAD  
MARRERO, LOUISIANA 70072-1943  
(504) 349-7600  
FAX (504) 349- 8583  
www.jpss.k12.la.us

**RAYLYN STEVENS, CPA**  
CHIEF FINANCIAL OFFICER

May 6, 2009

Mr. Stephen B. Street, Jr.  
State Inspector General  
Office of the Governor  
P.O. Box 94095  
Baton Rouge, Louisiana 70804

Re: Case No. 109010014

Dear Mr. Street:

Based on our research, it is noted that most of these individuals are retirees who have returned to work and enrolled in insurance after their retirement. Office of Group Benefits (OGB), Eligibility Department, instructed us to keep them in the Active Category (00) and pay the Active Rates, because they are not allowed to continue their insurance coverage after permanent separation from our school system. Several phone calls were made to eligibility in regards to this.

We do concur in part with the findings and will follow recommendations as directed.

██████████ – Retired 3/22/99; RTW 9/12/2002; Enrolled in health insurance 11/1/2002. We were first informed of her retirement status 5/1/2006 and forwarded a GB-01 to Office of Group Benefits indicating that she was a RRTW. Again, we were advised she would be entered in Category 00 (Active Employee). ██████████ ██████████ is now deceased.

Because we were given verbal instructions from OGB to keep anyone who enrolled in insurance after retirement in their Active Category, we continued to do so for the others listed on your report.

██████████ – GB-01 forwarded to OGB.

██████████ – GB- 01 forwarded to OGB.

Since employees are no longer able to enroll in health insurance for the first time after retirement, the following occurred:

██████████ – GB-01 forwarded to OGB. ██████████'s insurance was cancelled effective 1/31/2009 due to the fact that she was not eligible for coverage as a RRTW because she had no health coverage when she retired.

██████████ – GB-01 forwarded to OGB. We were just informed of ██████████'s RRTW status 2/11/2009, effective July 2005. Employees don't always let us know they are RRTW. Corrections have already been adjusted on our March 2009 OGB invoice in the amount of \$17,867.12.)

As directed by OGB, we have already completed a GB-01 on employees listed. We will inform employees of the increase in their premium rate and the amount due to the school system. We feel the burden of responsibility should fall on OGB since we were following their instructions. We have been instructed to make corrections back to 2003. We can only bill our employees back 3 years. Corrections will be made on our April invoice for the amounts indicated.

Also, we have several retired employees from other agencies who were not OGB participating agencies. We were told by OGB that they should be considered an active employee also and that they would not be able to maintain the insurance once permanently separated from our school system. Does this not follow the once retired always-retired rule? Please indicate where we can find these instructions in writing.

If you have any questions, the person to contact for corrective action is Barbara Domangue – 504/349-8634.

Sincerely,



Raylyn Stevens  
Chief Financial Officer

Cc: Dr. Diane Roussel  
Steve Hudak

# **Livingston Parish Public Schools Response**



# Livingston Parish Public Schools

*Excellence in Education!*

13909 Florida Boulevard

P.O. Box 1130

Livingston, Louisiana 70754-1130

Phone: (225) 686-7044 Fax: (225) 686-3052 Website: www.lpsb.org

**Bill Spear**  
Superintendent

**John Watson**  
Assistant Superintendent

**Thomas Cothorn**  
Assistant Superintendent

May 15, 2009

Stephen B. Street, Jr.  
State Inspector General  
P.O. Box 94095  
Baton Rouge, LA 70804-9095

Re: Case No. 10900014

Dear Mr. Street:

I would like to address the finding stated in your letter dated April 27, 2009. There is one Livingston Parish School Board employee listed in the finding with outstanding premium balances and I wish to explain why I do not concur with the finding.

████████████████████ retired from Tangipahoa Parish School Board in 1989. In August 1994, she was hired by the Livingston Parish School Board. At the time of her employment with us, she elected not to participate in State Employees Group Benefits, currently OGB. On March 1, 1996, ██████████ enrolled in the health insurance program. At the time of her reemployment with us, the reemployed retiree classification did not exist.

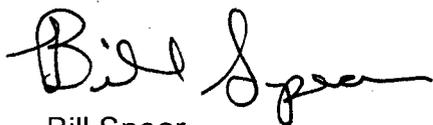
In 2003 when OGB informed local agencies of the creation of the reemployed retiree category, OGB did not change their Enrollment/Change form (GB-01) to include a check box to identify an employee as reemployed retiree and has yet to change it for the past six years. Surely this would have been a simple fix to help identify these retirees. Also in 2003, there was no mention that the agency had to retroactively find and report retirees reemployed prior to 2003. At that time, ██████████ had been retired for fourteen years. She was reemployed by LPSB for nine years and had health coverage for seven of those nine years.

I have a serious concern that our agency is being asked to pay \$35,713.56 for extra premiums dating back to 2003. Why has it taken six years to notify us? Your office compared retiree lists from state retirement systems to OGB's current coverage information for school board employees and you were able to identify retirees who were retired from a participating agency and listed with OGB as active employees. Shouldn't OGB have done this back in 2003 and in each subsequent year? If they had done this,

local agencies would not be faced with having to pay tremendous amounts for outstanding premiums.

Each fiscal year, the Livingston Parish School Board hires an average of 25 retirees who return to work. These retirees are being reported accurately and premiums are being withheld according. This demonstrates that we are aware of and are abiding by OGB rules and regulations. It is my opinion that OGB failed to communicate adequately with local agencies and that it was their responsibility to identify the retirees that were already employed when they created the reemployed retiree classification. Therefore, I wish to reiterate that Livingston Parish School Board does not concur with the findings of the State Inspector General's Case No. 10900014.

Sincerely,

A handwritten signature in black ink that reads "Bill Spear". The signature is written in a cursive style with a long, sweeping tail on the "Spear" part.

Bill Spear  
Superintendent

**Monroe City Schools  
Response**



**Monroe City Schools**  
**Human Resources Department**  
P. O. Box 4180  
Monroe, LA 71211-4180

*James A. Dupree, Ed.D., Superintendent*

*Betty Carroll, Executive Director Human Resources*  
*Andrew Hill, Personnel Supervisor*  
*Fred Atkins, Insurance Coordinator*

May 12, 2009

State of Louisiana  
Office of the Governor  
State Inspector General Stephen B. Street, Jr.  
P. O. Box 94095  
Baton Rouge, LA 70804-9095  
Fax (225) 342-6761

Re: Case # 10900014

Dear Mr. Street:

I am writing a response in reference to Case # 10900014 regarding [REDACTED] and the amount totaling \$28,375.12 owed to the Office of Group Benefits.

Our response to this case is that we disagree with the \$28,375.12. When [REDACTED] retired in 1999 correspondence was sent to Carolyn Wilford of OGB by Mimi Love, the Insurance Specialist back in 1999. She wanted to know how to handle [REDACTED]'s insurance as an active employee or a retiree? After researching, I found that [REDACTED] did in fact retire in 1999 in one position, but was immediately rehired into another position as a bus driver. Please see both letters attached. Mrs. Wilford informed Mimi Love to keep him as an active employee until he returned to a retiree status. (See attached letter.)

[REDACTED] unlike many other retirees, return to work without communicating to the insurance department of their retiring agency that they have returned to work in another agency. The lack of communication on the part of the retirees, as well as the Office of Group Benefits is the reason many retirees, whose return to work change of status is not communicated to the Office of Group Benefits. When the Office of Group Benefits discovers that a retiree has returned to work, why not just move that person to the 92 section and communicate that information to the agency. Many retirees return to work and do not communicate with the agency from which they retired that they have returned to work. A huge lack of communication is the reason for having these return to work discrepancies.



**Monroe City Schools**  
**Human Resources Department**

P. O. Box 4180  
Monroe, LA 71211-4180

*James A. Dupree, Ed.D., Superintendent*

*Betty Carroll, Executive Director Human Resources*  
*Andrew Hill, Personnel Supervisor*  
*Fred Atkins, Insurance Coordinator*

In some cases, retirees return to work and refuse to use the form to have the premium deducted from their checking account. The retired employee appears on the 92 section as a retiree returned to work, but then the agency representative has to track down the employee to collect the premium. Again, the Office of Group Benefits has stopped deducting the premium and the agency, which rehired the retiree, cannot collect the premium, thus leaving the burden on the agency rep to try and collect the premium from the rehired retiree.

Why can't the Office of Group Benefits simply change the amount being deducted from their retirement check to reflect the new change in status-retiree returned to work?

Why couldn't the Office of Group Benefits generate a more frequent report from the retirement systems to catch these discrepancies in a timelier manner?

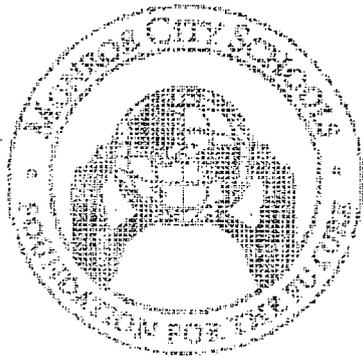
Again, we disagree with the above outstanding amount owed to the Office of Group Benefits.

Should you have any questions, we may contact me at 318-325-0601, Ext. 3017.

Sincerely,

Fred Atkins

Cc: Betty Carroll, Human Resources  
James A. Dupree, Superintendent



**MONROE CITY SCHOOLS**  
2101 Roselawn Avenue - P. O. Box 4180  
Monroe, LA 71211-4180

**Telephone:** [318] 325-0601, Ext. 3017  
**FAX:** [318] 323-2864

### FAX COVER SHEET

DATE: 5-21-99 TIME: \_\_\_\_\_

PLEASE DELIVER THE FOLLOWING PAGES:

TO: Carolyn Wilford FAX # 225-925-6333  
DEPT. Eligibility Dept.

**FROM:** Mimi Love  
Insurance Specialist

We are transmitting 2 pages, including cover sheet.

If you do not receive all pages, please call back as soon as possible. **Thank you!**

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



# MONROE CITY SCHOOLS

• Building Today for the Twenty-first Century •

May 21, 1999

TO: Carolyn Wilford, Manager  
Eligibility Section

FROM: Mimi Love, Agency 206600

I need to know how I should handle this situation. I have never come across this particular one.

[REDACTED], is retiring as a teacher from Monroe City Schools the end of May. He is going to be hired as a bus driver. He wants to keep his insurance premiums payroll deducted to take advantage of the cafeteria plan. As a bus driver, he will be in Employee's Retirement instead of Teacher's Retirement. He has health only. Would it be best if I transfer him to the 99 section and request that his premiums not be deducted from his retirement check for the time he will be employed as a bus driver?

Please advise me in writing as to what I should do so that I may have something from State Group to show [REDACTED].

As always, I appreciate your help.



State of Louisiana  
 BOARD OF TRUSTEES  
 STATE EMPLOYEES GROUP BENEFITS PROGRAM  
 P.O. BOX 44030, CAPITOL STATION  
 BATON ROUGE, LOUISIANA 70804

June 3, 1999

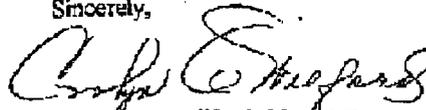
Ms Mimi Love  
 Monroe City Schools  
 P O Box 4180  
 Monroe, LA 71211-4180

RE: [REDACTED]

Dear Ms Love:

Reference is made to your memorandum regarding the above referenced individual's continuation of coverage after retirement. Please be advised that if [REDACTED] actually retired the end of May 1999, he will be shown as a retiree effective June 1, 1999. His coverage will be that of a retiree until he is hired as a bus driver. At that time his coverage is switched to that of an active employee. When his employment as a bus driver is over, his coverage is transferred back to retirement status. Hopefully, I've answered your questions. If I can be of further assistance, please advise.

Sincerely,

  
 Carolyn A. Wilford, Manager  
 Group Benefits - Eligibility

An Equal Opportunity Employer  
 Baton Rouge offices: Customer Service 225-925-6625 Toll Free 1-800-272-8451 • Executive 225-922-0677  
 Area Offices: Alexandria 318-487-5731 Toll Free 1-800-813-1378 • Lafayette 318-282-1357 Toll Free 1-800-414-6409  
 Lake Charles 318-475-8022 Toll Free 1-800-525-3256 • Monroe 318-382-3435 Toll Free 1-800-335-6706  
 New Orleans 504-836-5136 Toll Free 1-800-335-6208 • Shreveport 318-670-0026 Toll Free 1-800-813-1374  
 TDD (Baton Rouge) 225-925-6770 Toll Free 1-800-259-6771

TOTAL P.02

**Morehouse Parish School Board  
Response**



# MOREHOUSE PARISH SCHOOL BOARD

"Obtaining Excellence in Education Through Quality Teaching"

4099 Naff Avenue  
Post Office Box 872  
Bastrop, LA 71220  
(318) 281-5784  
Fax (318) 283-3456

**TOM THROWER**  
Superintendent

Phillip McCready, President  
District 3

Mrs. Loe Donna  
District 7

Mrs. Lisa Chain  
District 1

Mrs. Sylvia Reese  
District 2

Jeff Churchwell  
District 4

Rodney Dow  
District 5

Hamp Lenoir  
District 6

May 11, 2009

Mr. Stephen B. Street, Jr.  
State Inspector General  
State of Louisiana  
P O Box 94095  
Baton Rouge, LA 70804-9095

RE: Case No. 10900014

Dear Mr. Street:

After reviewing your draft report relating to the above case number, we do not concur with all of the findings and recommendations. Our position and reasons for this position is as follows:

- 1) [REDACTED] – He returned to work for us on 7/1/1994 as a 12-month administrator. Because he had retired on 7/1/1987, he had to suspend his retirement benefits in order to return to work full-time. Therefore, he was placed back on the Group Benefits invoice as an active employee. Act 1173 was not in effect at that time for retirees returning to work. This law was effective on 7/1/2001 and [REDACTED] did sign the proper form for the retirement system stating that he was returning to work; however, the form states that after a waiting period of one-year he is returning to work. [REDACTED] never sat out for a one-year waiting period. He has been continuously employed since 7/1/1994. We feel that he should be grandfathered in as an active employee because his re-employment supercedes the enactment of the law.
- 2) [REDACTED] – She retired on 5/27/2008 and has not returned to work. Her Group Benefits form to move her to retiree status was sent in on 6/1/08 (see attached copy of form). The OGB has never changed her status on their billing invoice; therefore, our Insurance Clerk has moved her to the May 2009 invoice for retirees and will pay all her back premiums at this time.
- 3) [REDACTED] – She retired on 5/21/2008 and has not returned to work. Her retiree status was corrected on our February 2009 invoice (see copy attached) and paid at that time for August, 2008, through January, 2009. Therefore, we do not owe any premiums for her according to our records.

Sincerely,

Renee Hinton  
Business Manager

Attachments



**Query Record**

SSN  
435746340

Select Clear

**Member Links**

Account History

Monthly Salary/Contributions  
Annual Salary History

Benefit Payroll

COLA History

Retiree Check History

Sick Leave Data

DROP Summary/History

DROP Check History

ORP Member

**Employer Links**

Accounts Receivable

Employer Contribution Charges

Employer Payments

Employer Contacts

ORP Contribution Charges

Monthly Correction Journal

Employer Listing by

*The Over-earned in 00b's benefit was suspended Page 1 of 2  
& hasn't fully received until Dec. 02. He then had changed  
By then the laws had changed  
(Return to work laws). He then  
planned his retirement check  
plus his  
pay check.*

Membership System Help

Logout

Printer Friendly

Main Menu

**Member Summary**

Due to the public records law, the following information is not available for viewing for members participating, or who have participated, in DROP and retirees of TRSL: their home or check address, their date of birth, their sex, their bank (EFT) information and their designation of beneficiaries.

SSN	[REDACTED]	Address	Date
Name	[REDACTED]		
Sex			
Birth Date		Age	
Folder Imaged Date	08/09/1999		

*Assigned To Chmmben on 09/13/2005*

**Status Information**

Sys Seq	Status	Code	Date	DROP Record	Bene EFT	DROP EFT
4	0	RETIRED	(R)	07/01/1987		
4		RTW	1173	(SA)	07/01/2001	

**TRSL Regular Plan Information**

Date of Service Accrual	08/29/1966	Final Avg Comp	2,374.14
Switch-Over Date	00/0000		
Soc Sec Elig Date			
<b>Service Credit</b>		<b>Member Contributions</b>	
Regular	20.00	RTS Refundable	36,442.85
Sick	0.75	Reg Sal Rpts as of 04/2009	5,184.70
Total as of			

Teachers' Retirement System of Louisiana (TRSL)

Employer Number  
Alphabetical Employer  
Listing

07/01/1987	20.75	Total	41,627.55
<b>Employment History</b>			
0034	Morehouse Sc Bd		08/29/1966 To 06/30/1987
0034 R	Morehouse Sc Bd	Rtw-Suspend	07/01/1994 To 05/26/1995
0034 R	Morehouse Sc Bd	Rtw-Act 1173	07/01/2001 To 99/99/9999

Send questions and comments to: [TRSL HelpDesk](#)

All rights reserved © Teachers' Retirement System of Louisiana

GB-01  
c7/08

STATE OF LOUISIANA  
OFFICE OF GROUP BENEFITS and  
HEALTH MAINTENANCE ORGANIZATION/HMO  
ENROLLMENT/CHANGE FORM

FILE COPY

Agency Number \_\_\_\_\_ Agency Name \_\_\_\_\_ Date of Hire \_\_\_\_\_ Annual Salary \_\_\_\_\_ Employee Name changed to: \_\_\_\_\_

**A. PURPOSE**

Waiver of Coverage  Agency Transfer (Receiving Agency)  New Enrollment  Reinstatement Coverage  Re-enrollment - Previous Employment  Rehired Retiree  
 Annual Enrollment  Add/Delete Dependent: (s) \_\_\_\_\_ Date \_\_\_\_\_ Reason for Addition/Deletion \_\_\_\_\_  
 Surviving Spouse/Dependent  Spec at Enrollment  Late Applicant - Portability Law Applies?  No  Yes  Retiree \_\_\_\_\_ Date \_\_\_\_\_  
 Employment Term dates \_\_\_\_\_ Date \_\_\_\_\_  Deceased \_\_\_\_\_ Date \_\_\_\_\_  
 **Cancel all coverage** (Health & Life) \_\_\_\_\_ Reason for Cancellation \_\_\_\_\_

**B. PERSONAL INFORMATION - EMPLOYEE** (Please print or type)

Name \_\_\_\_\_ Social Security Number \_\_\_\_\_ Date of Birth \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_  
Home Phone \_\_\_\_\_ Work Phone \_\_\_\_\_ Extension \_\_\_\_\_ Sex  1. Male  2. Female  1. Single  2. Married \_\_\_\_\_ Date of Marriage \_\_\_\_\_ Date of Divorce \_\_\_\_\_

**C. HEALTH PLAN SELECTED:**

**D. LEVEL OF MEDICAL COVERAGE SELECTED**  No Coverage  Employee Only  Employee + Child/Children  Employee + Spouse  Family

Name (Last name, first, MI)	Relationship	Sex	Birth Date (mm/dd/yyyy)	Add/Delete	Social Security Number	Health	Dep. Life
Employee	<del>Employee</del>	<input type="checkbox"/> M <input type="checkbox"/> F		<input type="checkbox"/> Add <input type="checkbox"/> Delete		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Spouse	<del>Spouse</del>	<input type="checkbox"/> M <input type="checkbox"/> F		<input type="checkbox"/> Add <input type="checkbox"/> Delete		<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
Dependent		<input type="checkbox"/> M <input type="checkbox"/> F		<input type="checkbox"/> Add <input type="checkbox"/> Delete		<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
Dependent		<input type="checkbox"/> M <input type="checkbox"/> F		<input type="checkbox"/> Add <input type="checkbox"/> Delete		<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
Dependent		<input type="checkbox"/> M <input type="checkbox"/> F		<input type="checkbox"/> Add <input type="checkbox"/> Delete		<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
Dependent		<input type="checkbox"/> M <input type="checkbox"/> F		<input type="checkbox"/> Add <input type="checkbox"/> Delete		<input type="checkbox"/> Yes	<input type="checkbox"/> Yes

Are you or family members listed above covered by any other group health insurance/HMO from another employer/organization/Medicaid?  No  Yes. If Yes provide the following:

Policy Holder's Name \_\_\_\_\_ Social Security No. \_\_\_\_\_ Birth Date \_\_\_\_\_ Policy Number \_\_\_\_\_ Group Number \_\_\_\_\_ Coverage Type \_\_\_\_\_ Effect. Date \_\_\_\_\_  
Employer/Company \_\_\_\_\_ Insurance Company/HMO (Name/Address/Phone) \_\_\_\_\_ Persons covered under other policy \_\_\_\_\_

**E. COBRA**

Prior F/T Terminated  Divorced Spouse  Dependent

Name of original member \_\_\_\_\_ Social Security Number \_\_\_\_\_

**F. MEDICARE**  
Employee  1. No Coverage  2. Hospital (Part A)  3. Medica (Part B)  4. Drugs (Part D)  
Spouse  1. No Coverage  2. Hospital (Part A)  3. Medical (Part B)  4. Drugs (Part D)  
A COPY OF MEDICARE CARD MUST BE ATTACHED

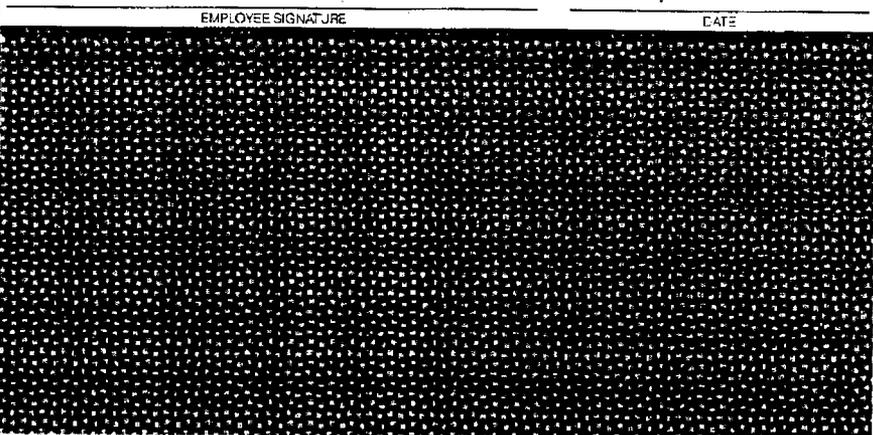
**G. RETIREE 100**  
 Yes  No  
 Employee Only  
 Dependent Only  
 Employee & 1 Dependent  
**H. MENTAL HEALTH RIDER**  
 Yes  No

**I. WAIVER OF COVERAGE**  
I waive all coverage under the Office of Group Benefits Program/HMO and I understand if I enroll at a future date that the coverage will be subject to evidence of insurability for life insurance and a Pre-Existing Condition (PEC) for health insurance, and may be conditional.  
NOTE TO AGENCY REPRESENTATIVE: If employee waives right to all coverage, he/she must sign an enrollment document. A copy of this document is to be retained by the Agency as evidence the Employee was offered coverage within 30 days of eligibility and the employee declined. The original of this document is to be transmitted to Group Benefits.

**NOTICE: YOU MUST PERSONALLY BEAR ALL COSTS IF YOU UTILIZE HEALTH CARE NOT AUTHORIZED BY THIS PLAN OR PURCHASE DRUGS WHICH ARE NOT AUTHORIZED BY THIS PLAN.**

I reviewed the descriptive literature about the Plans available to me. I apply for participation/change in the named health plan and agree to be bound by its terms and conditions. I authorize deductions from my earnings or retirement check to pay for insurance for myself and dependents, if applicable. CONSENT TO THE MEDICAL RELEASE AND OTHER ENROLLMENT INFORMATION ON THE BACK OF THIS FORM. I certify that the information provided on this form is true and correct. I understand that if I provide material false information on this form, it may result in denial or rescission of coverage retroactive to the initial day of coverage. A copy of my signature is as valid as the original.

X \_\_\_\_\_  
Employee Signature \_\_\_\_\_ Date \_\_\_\_\_  
Agency Rep. \_\_\_\_\_ Date \_\_\_\_\_



**OFFICE USE ONLY**

Life \_\_\_\_\_ Health \_\_\_\_\_ Specialist Int. \_\_\_\_\_ Date \_\_\_\_\_

01/29/2009  
14:25:14

OFFICE OF GROUP BENEFITS  
MOREHOUSE PARISH SCHOOL BOARD  
AGENCY: 2034-99  
INVOICE DATE: 02/01/2009

PAGE 48  
Invoice ID: 00287216

ADJUSTMENT DETAILS

EMPLOYEE NAME SOC SEC NO	COV FROM COV THRU	HEALTH PREMIUM	HEALTH RIDERS	ADM REV	LIFE PREMIUM	LIFE VOLUME	DP/LIFE PREMIUM	LIFE RIDERS	MEMBER CONTRIB	STATE CONTRIB	TOTAL CONTRIB
	01/01/09 01/31/09	OGB-PPO EE 1009.00		.00	BASI 5.00	5000	.00		138.08	875.92	1014.00
	09/01/02 09/30/02	OGB-PPO ES -450.54		.00	.00		.00		-47.68	-402.86	-450.54
	12/01/08 12/31/08	OGB-PPO EE 1009.00		.00	SUPP 24.00	24000	.00		637.58	395.42	1033.00
	01/01/09 01/31/09	OGB-PPO EE 1009.00		.00	SUPP 24.00	24000	.00		637.58	395.42	1033.00
	06/01/08 06/30/08	OGB-PPO ES 1169.04		.00	SUPP 20.00	20000	DLSH 3.52		305.78	886.78	1192.56
	07/01/08 07/31/08	OGB-PPO ES 1212.32		.00	SUPP 23.00	23000	DLSH 3.52		318.10	920.74	1238.84
	08/01/08 08/31/08	OGB-PPO ES 1212.32		.00	SUPP 23.00	23000	DLSH 3.52		318.10	920.74	1238.84
	09/01/08 09/30/08	OGB-PPO ES 1212.32		.00	SUPP 23.00	23000	DLSH 3.52		318.10	920.74	1238.84
	10/01/08 10/31/08	OGB-PPO ES 1212.32		.00	SUPP 23.00	23000	DLSH 3.52		318.10	920.74	1238.84
	11/01/08 11/30/08	OGB-PPO ES 1212.32		.00	SUPP 23.00	23000	DLSH 3.52		318.10	920.74	1238.84
	12/01/08 12/31/08	OGB-PPO ES 1212.32		.00	SUPP 23.00	23000	DLSH 3.52		318.10	920.74	1238.84
	01/01/09 01/31/09	OGB-PPO ES 1212.32		.00	SUPP 23.00	23000	DLSH 3.52		318.10	920.74	1238.84
AGENCY TOTALS											
		12231.74	.00	.00	234.00		28.16	.00	3898.04	8595.86	12493.90

*Referral*

**Ouachita Parish School System  
Response**



# OUACHITA PARISH SCHOOL SYSTEM

100 Bry Street - P.O. Box 1642 - Monroe, Louisiana 71210-1642 - Phone: (318) 338-2234 - Fax: (318) 338-2283

May 6, 2009

Stephen B. Street, Jr.  
State Inspector General  
P.O. Box 94095  
Baton Rouge, LA 70804-9095

RE: Case No. 10900014

Dear Mr. Street:

My name is Mimi Love and I handle the employee health insurance for the Ouachita Parish School Board. I have been working with Office of Group Benefits since 1993. I would like to address the findings stated in the letter dated April 27, 2009, that was sent to Dr. Robert Webber, our superintendent.

There are five employees listed in the findings with outstanding premium balances and I wish to explain why I concur or not.

1. [REDACTED] - [REDACTED] retired from OPSB in July 1989. She cancelled her health coverage June 30, 1989. She was re-hired August 12, 2002 and took out the coverage as an active employee with the understanding that she could not keep it when she resigned. I never considered her a retiree returned to work to be reported to OGB because she did not have coverage when she was rehired. If I was supposed to do this, it was never communicated to me. My understanding was based on the 2003 OGB directive that I was to report only full-time returning retirees who had insurance with OGB.

I do not feel this is an underpayment because the rule at the time when she returned to work did not require a returned to work employee that did not have health insurance to pay retiree premiums.

2. [REDACTED] - She is the widow of [REDACTED] [REDACTED] died July 23, 2008. She picked up the coverage under her social since she was a state retiree. I sent a document to OGB on July 30, 2008 with the notation that she was a retiree returned to work at ULM. I learned that her position was part-time with ULM and I talked to Betty Stout at OGB on October 9, 2008 to let her know. I am enclosing a copy of the GB-01 for your reference. I do not know why this is an underpayment.

**BOARD  
MEMBERS:**

Jack White  
District A

Scott Robinson  
District B

A.R. Sims  
District C

Jerry Hicks  
District D

Rev. J. Russell  
District E

Carey Walker  
District F

Susan Spence  
District G

I was never contacted by OGB that there was anything wrong and she was placed on the retiree invoice for deduction from the retirement check. I do not agree that this is an underpayment.

3. [REDACTED] – This is another case when the retiree came in to sign up as a late applicant on January 31, 2008. She was hired August 10, 2007 and at that time our agenda did not indicate if a new hire was a retiree returning to work. [REDACTED] did not inform me that she was a retiree, therefore I signed her up for coverage. I now know that she will not be able to keep it once she resigns. Here again, this retiree did not have coverage when she retired, so even if I knew she was a retiree, I would not have reported her because she did not have insurance when she was hired. Therefore, I do not agree that this is an underpayment.
4. [REDACTED] – She split coverage with her spouse [REDACTED] because it is less expensive to do that. She did not say that she was retired. She is one of our cafeteria managers. This one I do understand and agree she should have been listed as a retiree since she had coverage under her spouse when she retired.
5. [REDACTED] – She came in February 20, 2007 to sign up as a new hire. She was hired January 25, 2007. She did not inform me that she was a retiree. She never had the coverage until she signed up for coverage when she was hired in January 2007. She will be told that as a retiree, she will not be able to keep the insurance when she resigns.

I do not agree that this is an underpayment for the same reason as numbers 1, 2, and 3 above. I had no directives from OGB to do otherwise.

Most of the problems I am having right now stem from the lack of communication with the Office of Group Benefits. It is almost impossible to get answers to questions. You get passed from person to person until you give up. I had a long conversation with Dianne Turcotte at our March 2009 annual enrollment meeting and she promised to get back to me with some written information on how I should be handling the retirees returning to work. To date, I have not been contacted by her providing me any guidance on how to handle the retirees returning to work I asked her about.

I discussed another situation with her in which our School Board was being penalized for a retiree returning to work's premium that I did not agree with. An employee was hired by Ouachita Parish School Board in 1992 and is still currently working for the Ouachita Parish School Board. I did not know that he was a retiree from another agency until an enormous underpayment appeared on my monitoring report. Ms. Turcotte said that she would try to get the amount reduced since most of the premium had already been paid by the agency that he retired from. OGB is asking us to pay the entire state part even though OGB has already received most of the state's portion from his retiring agency.

I think that I should be provided documentation that they are refunding the other agency before I pay again. That looks a lot like “double dipping”. I feel that I should just pay the underpayment from the time he went on Medicare since nothing was ever sent to us to report retirees returned to work prior to 2003. As of this date, Ms.Turcotte has not contacted me. I have sent many e-mails to Paul Daverede who said he would try to help me on this case. I never got an answer to that. I equate this matter to having a parking space for three years and being told that now it is illegal to park there. Then I am sent tickets for the three years that I parked there.

Again I would like to emphasize that communication with OGB appears to be a very serious problem. I have tried to communicate with OGB, but I very seldom ever get timely communication as to how to handle retirees returning to work that I am not clear as to how to handle. This communication problem is not just a Ouachita Parish School Board problem. I have talked with other school systems and they are having the same problems.

I am sending you copies of e-mails and I hope you will take the time to look at them and see how hard I have tried to understand this. I can assure you that the only information that I received from OGB until this hit the fan was an e-mail in 2003 requiring us to report retirees returning to work with insurance. There has been nothing asking us to retroactively find and report retirees prior to 2003.

The retirees were sent notification that they must report returning to work if they have insurance. This is stated in the “Helpful Information Book”. I am enclosing a copy of page 3 from the booklet. It was never made clear to me if the retiree returning to work should let the agency from which they retired know also. It would make sense that this should be the case. Many times I would not even know they had retired if they came from another agency. I have never received any guidance that retirees returning to work that did not have insurance while they were retired but decided to pick it up when they were re-hired should be reported as a retiree return to work and the School Board pay the retirees’ premium. In the “Helpful Information Book” it only discusses employees returning to work that had insurance while they were retired. As stated previously, I have had no guidelines to go by and I need something in writing. This seems reasonable to me. I can not do what I do not know.

It appears to me you are requesting reimbursement from the various school systems because of a problem related to OGB. I do not feel it is my fault these problems have occurred and I do not feel it is my obligation to pay for an OGB problem due to a lack of communication.

I appreciate you taking the time to read my lengthy letter and I hope that you will be able to help us come to some understanding with Office of Group Benefits.

I do have a suggestion that I believe would alleviate many of these problems, which I suggested to OGB sometime back. OGB could get monthly reports from the retirement systems with the names of retirees returning to work. They could then put them on our invoice and it would not take two years to discover the error.

Sincerely,

A handwritten signature in cursive script that reads "Mimi Love". The signature is written in black ink and is positioned below the word "Sincerely,".

Mimi Love, Insurance Specialist  
Ouachita Parish School Board

Retired 9-25-02

STATE OF LOUISIANA  
OFFICE OF GROUP BENEFITS and  
HEALTH MAINTENANCE ORGANIZATION/HMO  
ENROLLMENT/CHANGE FORM

Spouse deceased 7-23-08  
Retiree returned to  
work - Working at ULM  
past-time  
Called Betty S.  
10-9-08

Agency Number 203796 Agency Name OPSB Date of Hire 8-26-74 Annual Salary Employee Name changed to

A. PURPOSE

Waiver of Coverage Agency Transfer (Receiving Agency) New Enrollment Reinstatement Coverage Re-enrollment - Previous Employment Annual Enrollment  
Add/Delete Dependent (s) Reason for Addition/Deletion  
Surviving Spouse/Dependent Special Enrollment Late Applicant - Portability Law Applies? No Yes Retired  
Employment Terminated For gross misconduct Deceased  
Cancel all coverage Reason for Cancellation  
Primary Care Physician Change Name/Address Change Other Picking up cov. from deceased spouse

B. PERSONAL INFORMATION - EMPLOYEE (Please print or type)

Name Social Security Number Date of Birth  
Address City State LA Zip Code 71225  
Home Phone Work Phone Extension Sex 1. Male 2. Female Marital Status 1. Single 2. Married Date of Marriage Date of Divorce

C. HEALTH PLAN SELECTED: PPO

D. LEVEL OF MEDICAL COVERAGE SELECTED No Coverage Employee Only Employee + Child/Children Employee + Spouse Family

Table with columns: Name (Last name, first, MI), Relationship, Sex, Birth Date (mm/dd/ccyy), Add/Delete, Social Security Number, Health, Dep. Life, HMO Requirement (Primary Care Physician Name, Previous Patient), HMO Use Only (Physician #). Rows include Employee, Spouse, and three Dependents.

Are you or family members listed above covered by any other group health insurance/HMO from another employer/organization/Medicaid? No Yes. If Yes provide the following:

Policy Holder's Name Social Security No. Birth Date Policy Number Group Number Coverage Type Effect. Date  
Employer/Company Insurance Company/HMO (Name/Address/Phone) Persons covered under other policy

E. COBRA

Prior P/T Terminated Prior F/T Terminated Prior F/T - Part Time Divorced Spouse Continued Dependent

Name of original member Social Security Number

F. MEDICARE G. RETIREE 100

Employee Spouse  
1. No Coverage 2. Hospital (Part A) 3. Medical (Part B) 4. Hospital & Medical  
1. No Coverage 2. Hospital (Part A) 3. Medical (Part B) 4. Hospital & Medical  
Employee Only Dependent Only Employee & 1 Dependent

H. MENTAL HEALTH RIDER Yes No

A COPY OF MEDICARE CARD MUST BE ATTACHED

NOTICE: YOU MUST PERSONALLY BEAR ALL COSTS IF YOU UTILIZE HEALTH CARE NOT AUTHORIZED BY THIS PLAN OR PURCHASE DRUGS WHICH ARE NOT AUTHORIZED BY THIS PLAN.

I reviewed the descriptive literature about the Plans available to me. I apply for participation/change in the named health plan and agree to be bound by it's terms and conditions. I authorize deductions from my earnings or retirement check to pay for insurance for myself and dependents, if applicable. I CONSENT TO THE MEDICAL RELEASE AND OTHER ENROLLMENT INFORMATION ON THE BACK OF THIS FORM. I certify that the information provided on this form is true and correct. I understand that if I provide material false information on this form, it may result in denial or rescission of coverage retroactive to the initial day of coverage. A copy of my signature is as valid as the original.

Employee Signature Date 7-30-08  
Agency Rep. Date 7-30-08

I. WAIVER OF COVERAGE

I waive all coverage under the Office of Group Benefits Program/HMO and I understand if I enroll at a future date that the coverage will be subject to evidence of insurability for life insurance and a Pre-Existing Condition (PEC) for health insurance, and may be conditional.

NOTE TO AGENCY REPRESENTATIVE: If employee waives right to all coverage, he/she must sign an enrollment document. A copy of this document is to be retained by the Agency as evidence the Employee was offered coverage within 30 days of eligibility and the employee declined. The original of this document is to be transmitted to Group Benefits.

EMPLOYEE SIGNATURE DATE

J. LIFE INSURANCE (Check only one)

No Coverage Employee/Dependent  
BASIC Employee/No Dependent Coverage Employee/Dependent Coverage Eligible Spouse \$1,000 Eligible Child \$500  
BASIC PLUS SUPPLEMENTAL Employee/No Dependent Coverage Employee/Dependent Coverage Eligible Spouse \$2,000 Eligible Child \$1,000  
Employee/Dependent Coverage Eligible Spouse \$2,000 Eligible Child \$1,000  
Employee/Dependent Coverage Eligible Spouse \$4,000 Eligible Child \$2,000

Date of Last Salary Increase Annual Salary Face Life

OFFICE USE ONLY

SENDING REPORT

Jan. 21 2009 09:35AM

YOUR LOGO : OPSB CENT OFFICE  
YOUR FAX NO. : 318 338 2221

NO.	OTHER FACSIMILE	START TIME	USAGE TIME	MODE	PAGES	RESULT
01	912259256333PP990220	Jan. 21 09:34AM	01'05	SND	02	OK

TO TURN OFF REPORT, PRESS 'MENU' #04.  
THEN SELECT OFF BY USING '+' OR '-'.

FOR FAX ADVANTAGE ASSISTANCE, PLEASE CALL 1-800-HELP-FAX (435-7329).

# Ouachita Parish School Board

100 Bry Street, P O Box 1642  
Monroe, LA 71210-1642  
Phone: 318-388-2711 Fax: 338-2221

To: Paul Daverede Date: 1-21-09

From: Mimi Lone Fax # 925-6333

Number of pages: 2  
(including cover sheet)

Urgent  As per your request  Reply  For your review

Re: URGENT

Paul,

Please see attached a copy of the page on retiree's returning to work from the 2008-2009 "Helpful Information" booklet. This says that the retiree must let the hiring agency know that they are a retiree returned to work. I have spoken with several other agencies and they have the same understanding as me. We do not know unless the retiree lets us know that they have insurance.

## Over-Age Dependents (Continued Coverage)

If a dependent child is incapable of self-sustaining employment by reason of mental retardation or physical incapacity and became incapable prior to the reaching of age 21 and is dependent upon the covered employee for support, the coverage for the dependent child may be continued for the duration of incapacity. Also:

- ③ The child has never been married.
- ③ The child must have been a covered dependent prior to age 21.
- ③ An application for continued coverage, together with supporting medical documentation, must be submitted to OGB (Eligibility Department) prior to age 21.

*See Plan Document for documentation required to establish eligibility.*

## Coverage for Retirees

To be eligible for retiree coverage, your coverage must be in effect prior to your retirement date. For those beginning participation or rejoining on or after January 1, 2002, the state subsidy of your premium is based on the number of years you have participated in a Group Benefits Health Plan. This also applies to dependents who begin coverage after July 1, 2002.

### RETIREE PARTICIPATION SCHEDULE

Years of Participation	Percentage of State Subsidy
10 years or fewer	19%
More than 10 years, but fewer than 15	38%
15 years or more, but fewer than 20	56%
20 years or more	75%

*The Participation Schedule is the timeline showing the number of years you must participate in a Group Benefits health plan to receive a specific premium subsidy from the State.*

#### **Remember: Once retired, always retired.**

→ *You must let your hiring agency know that you are a retiree returning to work. The agency will notify OGB so that your premiums will continue to be paid correctly.*

SENDING REPORT

May. 05 2009 10:04AM

YOUR LOGO : OPSB CENT OFFICE  
YOUR FAX NO. : 318 338 2221

NO.	OTHER FACSIMILE	START TIME	USAGE TIME	MODE	PAGES	RESULT
01	912259256333PP990220	May. 05 09:55AM	08'34	SND	25	OK

TO TURN OFF REPORT, PRESS 'MENU' #04.  
THEN SELECT OFF BY USING '+' OR '-'.

FOR FAX ADVANTAGE ASSISTANCE, PLEASE CALL 1-800-HELP-FAX (435-7329).

Ouachita Parish School Board  
100 Bry Street  
Monroe, LA 71201  
Phone: 318-388-2711 Fax: 318-338-2221

To: Fredina Date: 5-5-09

From: Mimi Rose Fax #: 925-6333

Number of pages: 24

Re:

My Confusion !!

I really don't understand how all this went so wrong. I have ~~always~~ always tried to do the right thing.

I thank you for any help you can give me. We (other agencies too) need to know what is expected.

Thank you, Mimi

Many of these rules came about after the fact.

**Mimi Love**

---

**From:** Paul D. Daverede <pdaverede@ogb.state.la.us>  
**To:** Mimi Love <mlove@opsb.net>  
**Cc:** Dianne H. Turcotte <dturcotte@ogb.state.la.us>  
**Date:** 03/18/09 9:52 AM  
**Subject:** RE: [REDACTED], retiree returned to work

I will forward an e-mail to you that I got last week on this issue.

Paul Daverede  
Manager of Eligibility  
Phone 225-922-1535  
Fax 225-925-1723  
E-mail [pdaverede@ogb.state.la.us](mailto:pdaverede@ogb.state.la.us)  
Webpage <https://www.groupbenefits.org>

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-----Original Message-----

**From:** Mimi Love [mailto:mlove@opsb.net]  
**Sent:** Friday, January 16, 2009 3:58 PM  
**To:** Paul D. Daverede  
**Subject:** RE: [REDACTED], retiree returned to work

Thank you for checking on this. I still want to know how OGB can transfer a retiree to our agency. I thought once a retiree, always a retiree. He is retired from Louisiana Tech and they should have to adjust their premiums. That would have been the case if I had know he was a retiree in 2003. Were the retirees notified to let their agencies know if they returned to work full time? There would be no way we could know this if they were already working if the retiree did not inform their agency or the agency that they went to work for that they had insurance. This is so unbelievably unfair that I cannot even fathom the logic behind it. I have checked with several agencies and no one knew that that we would be punished for not knowing. I still need a copy of the law. Please fax it to me. I have not found anyone with a copy.

Thank you,  
Mimi

----- Original Message -----

**From:** Paul D. Daverede <pdaverede@ogb.state.la.us>  
**To:** Mimi Love <mlove@opsb.net>  
**Cc:** Dianne H. Turcotte <dturcotte@ogb.state.la.us>  
**Date:** Friday, January 16 2009 03:05 PM  
**Subject:** RE: [REDACTED], retiree returned to work

I have forwarded this to our legal staff with a recommendation that ya'll only be

responsible for the premiums from 03/07 - 10/08. (approx. \$26,000). Since that is when the misclassification would have caused a change in premium amount. As soon as I get a response I will let you know.

Paul Daverede

Manager of Eligibility

Phone 225-922-1535

Fax 225-925-1723

E-mail [pdaverede@ogb.state.la.us](mailto:pdaverede@ogb.state.la.us)

Webpage <https://www.groupbenefits.org>

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-----Original Message-----

**From:** Mimi Love [mailto:[mlove@opsb.net](mailto:mlove@opsb.net)]

**Sent:** Thursday, January 15, 2009 12:01 PM

**To:** Paul D. Daverede

**Subject:** [REDACTED], retiree returned to work

Paul,

I have just been informed by Betty Angel that our agency is going to have to pay 86,000.00 in back state premium for a retiree from Louisiana Tech. [REDACTED] was employed by us in 1992 and has never had health insurance with us.

Since 2003, I have reported retirees returned to work to OGB with the state insurance when we were required to.

I just came to my attention that [REDACTED]'s premiums have been withheld from a retirement check from Louisiana Tech. I do not understand why this would be our responsibility to repay back premiums since he became medicare eligible. This would have been the amount that Louisiana Tech would have had to pay if [REDACTED] had let his agency know when the law required that it be reported. I had no way of knowing. I feel that the plan member is responsible in making sure that his agency knows that he is returning to work if he does not let the agency that he is working in know that he has insurance. OGB is punishing an agency for something it did not know about and letting the plan member's agency off with having to repay the back premiums that they would have to have paid anyway. Louisiana Tech owes this not Ouachita Parish School Board.

Office of Group Benefits has been putting more and more responsibility on the agency. Some of these are almost impossible to keep up with considering that we have other duties required by our employer. This is causing a tremendous amount of stress and I feel that we have no backup with OGB. We are hung out to dry. Ouachita Parish School Board pays my salary and I cannot neglect all the other things that I have to do to accommodate the added time consuming jobs that OGB comes up with.

I have always tried to be very diligent about making sure that everything is done properly and this was something that I knew nothing about. I thought I was doing

what was required.

Please send a copy of the rule stating that the employing agency is responsible for back premiums for retirees not in their agency. I never recieved it. My boss will want our legal department to look at it.

Sincerely,  
Mimi

**Mimi Love**

---

**From:** Mimi Love <mlove@opsb.net>  
**To:** Paul D. Daverede <pdaverede@ogb.state.la.us>  
**Cc:**  
**Date:** 03/18/09 10:47 AM  
**Subject:** Re: FW: Rehired Retiree Issue

Paul,

This just reinforces my position. I believe that we have a very good case in fighting this. There have been no written rules provided to the agencies as to how to go about this. The OGB "Helpful Information Book" 2008-2009 states that it is the retiree's responsibility to let the hiring agency know that they are a retiree returned to work. I thought I was doing the retiree a favor by sending in a document if they retired from another agency instead of telling them to let that agency know. There was never a clear cut explanation as to what we were to do.

As for it not being fair to the other agency, it is what they would have paid anyway if it had been reported in 2003.

We have [REDACTED] State Representative, on our adjustment details as not having been reported. Why didn't his hiring agency report him as a retiree returned to work? They are probably as confused as me on this issue.

I think it unfair that this "new rule" be made retroactive. I believe that each agency should be given guidelines to go by.

Why can't the retirement systems send a printout of the retirees returned to work to OGB each month and then OGB bill accordingly? That way there will be no mistakes since they have to be reported to the retirement system.

This seems like such a simple solution. It was suggested by our retirement person here.

Thank you,

Mimi

----- Original Message -----

**From:** Paul D. Daverede <pdaverede@ogb.state.la.us>  
**To:** Mimi Love <mlove@opsb.net>  
**Cc:** Dianne H. Turcotte <dturcotte@ogb.state.la.us>  
**Date:** Wednesday, March 18 2009 09:54 AM  
**Subject:** FW: Rehired Retiree Issue

This is part of an email that I got from our legal dept. regarding who should pay the premiums when a status error has been discovered.

"... This Rule requires participant employer to notify OGB whenever a retiree with OGB coverage returns to full-time employment and provides that such employee be placed in the re-employed retiree premium category. I should have included a copy of the attached Rule regarding retiree coverage, which states that: ?An employee retired from a participant employer may not be covered as an employee of another participant employer.? This provision has since been amended to read, ?An employee retired from a participant employer may not be covered as an employee.? The change is not relevant to the case at issue.

For many years, an individual who retired from an OGB participant employer, maintained

coverage as a retiree, and later returned to active employment could choose to retain retiree coverage or to be covered as an active employee. The attached Rule removes that option and makes such individual eligible for retiree coverage only.

The re-employed retiree premium category was then established to address the Medicare Secondary Payer issue. For a retiree covered by Medicare and an employer sponsored health plan, Medicare is generally primary and the employer sponsored health plan secondary. However, if that individual returns to active employment, the employer sponsored health plan becomes primary and Medicare secondary.

In the case at issue, the individual ceased to be eligible for coverage as an active employee under the attached Rule and the coverage should have been changed to retiree coverage. Since the individual was actively employed, the premium category should have been that for re-employed retiree. Had this been done timely, the employer from which the individual retired would have been billed and would have paid the employer share of the re-employed retiree premium since 2003. This situation was discovered by OGB in a subsequent audit, and now there are significant back premiums due. While there is no Rule specifically providing that the current employer who failed to timely notify OGB of a re-employed retiree's status is responsible for past due employer share of the re-employed retiree premium, OGB implemented that administrative policy in the interest of fairness to the former agency that is most likely unaware of the current employment status of its retired employees.

Tommy Benoit "

Paul Daverede

Manager of Eligibility

Phone 225-922-1535

Fax 225-925-1723

E-mail [pdaverede@ogb.state.la.us](mailto:pdaverede@ogb.state.la.us)

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**Mimi Love**

---

**From:** Paul D. Daverede <pdaverede@ogb.state.la.us>  
**To:** Mimi Love <mlove@opsb.net>  
**Cc:** Dianne H. Turcotte <dturcotte@ogb.state.la.us>  
**Date:** 03/18/09 9:54 AM  
**Subject:** FW: Rehired Retiree Issue  
**Attachments:** 20030320 RULE - Retiree Coverage.doc

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**Mimi Love**

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**From:** Mimi Love <mlove@opsb.net>  
**To:** <pdaverede@ogb.state.la.us>  
**Cc:**  
**Date:** 01/15/09 12:00 PM  
**Subject:** [REDACTED] retiree returned to work

Paul,

I have just been informed by Betty Angel that our agency is going to have to pay 86,000.00 in back state premium for a retiree from Louisiana Tech. [REDACTED] was employed by us in 1992 and has never had health insurance with us.

Since 2003, I have reported retirees returned to work to OGB with the state insurance when we were required to.

It just came to my attention that [REDACTED]'s premiums have been withheld from a retirement check from Louisiana Tech. I do not understand why this would be our responsibility to repay back premiums since he became medicare eligible. This would have been the amount that Louisiana Tech would have had to pay if [REDACTED] had let his agency know when the law required that it be reported. I had no way of knowing. I feel that the plan member is responsible in making sure that his agency knows that he is returning to work if he does not let the agency that he is working in know that he has insurance. OGB is punishing an agency for something it did not know about and letting the plan member's agency off with having to repay the back premiums that they would have to have paid anyway. Louisiana Tech owes this not Ouachita Parish School Board.

Office of Group Benefits has been putting more and more responsibility on the agency. Some of these are almost impossible to keep up with considering that we have other duties required by our employer. This is causing a tremendous amount of stress and I feel that we have no backup with OGB. We are hung out to dry. Ouachita Parish School Board pays my salary and I cannot neglect all the other things that I have to do to accommodate the added time consuming jobs that OGB comes up with.

I have always tried to be very diligent about making sure that everything is done properly and this was something that I knew nothing about. I thought I was doing what was required.

Please send a copy of the rule stating that the employing agency is responsible for back premiums for retirees not in their agency. I never recieved it. My boss will want our legal department to look at it.

Sincerely,  
Mimi

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**From:** Paul D. Daverede <pdaverede@ogb.state.la.us>  
**To:** Mimi Love <mlove@opsb.net>  
**Cc:** Dianne H. Turcotte <dturcotte@ogb.state.la.us>  
**Date:** 01/16/09 3:05 PM  
**Subject:** RE: [REDACTED], retiree returned to work

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-----Original Message-----

**From:** Mimi Love [mailto:mlove@opsb.net]  
**Sent:** Thursday, January 15, 2009 12:01 PM  
**To:** Paul D. Daverede  
**Subject:** [REDACTED], retiree returned to work

Paul,

I have just been informed by Betty Angel that our agency is going to have to pay 86,000.00 in back state premium for a retiree from Louisiana Tech. [REDACTED] was employed by us in 1992 and has never had health insurance with us.

Since 2003, I have reported retirees returned to work to OGB with the state insurance when we were required to.

I just came to my attention that [REDACTED]'s premiums have been withheld from a retirement check from Louisiana Tech. I do not understand why this would be our responsibility to repay back premiums since he became medicare eligible. This would have been the amount that Louisiana Tech would have had to pay if [REDACTED] had let his agency know when the law required that it be reported. I had no way of knowing. I feel that the plan member is responsible in making sure that his agency knows that he is returning to work if he does not let the agency that he is working in know that he has insurance. OGB is punishing an agency for something it did not know about and letting the plan member's agency off with having to repay the back premiums that they would have to have paid anyway. Louisiana Tech owes this not Ouachita Parish School Board.

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Sincerely,

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**Mimi Love**

**From:** Mimi Love <mlove@opsb.net>  
**To:** Paul D. Daverede <pdaverede@ogb.state.la.us>  
**Cc:**  
**Date:** 03/18/09 11:08 AM  
**Subject:** RE: FW: Rehired Retiree Issue

I did look at that. I just got the plan document about a month ago. It states that we are to report a retiree that returns to work. I have been doing this since 2003 when they inform me that they have OGB insurance. I had no way of knowing that someone who was hired by us in 1992 was a retiree from LA Tech. Our personnel screen just shows a hire date. He should have let LA Tech know that he was working back in 2003. I'm sure that they, the retirees, were informed of the change in the rules. We started from 2003 reporting them as they came in. I still think that it is highly unfair to change the rules after the fact and not inform us. I still want written guidelines as to how to handle this. We know if a retiree from our agency who returns to work has insurance but we have no way of knowing if they are from another agency, especially if they have been working for 17 years.

Will you please address the solution of getting a report from the retirement system.

Thanks,  
Mimi

----- Original Message -----

**From:** Paul D. Daverede <pdaverede@ogb.state.la.us>  
**To:** Mimi Love <mlove@opsb.net>  
**Cc:**

**Date:** Wednesday, March 18 2009 10:53 AM  
**Subject:** RE: FW: Rehired Retiree Issue

You also need to look at page 46 in the plan document under Employer Responsibility.

Paul Daverede  
Manager of Eligibility  
Phone 225-922-1535  
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**From:** Mimi Love [mailto:mlove@opsb.net]  
**Sent:** Wednesday, March 18, 2009 10:48 AM  
**To:** Paul D. Daverede  
**Subject:** Re: FW: Rehired Retiree Issue

Paul,

This just reinforces my position. I believe that we have a very good case in fighting this. There have been no written rules provided to the agencies as to how to go about this.

The OGB " Helpful Information Book" 2008-2009 states that it is the retiree's responsibility to let the hiring agency know that they are a retiree returned to work. I thought I was doing the retiree a favor by sending in a document if they retired from another agency instead of telling them to let that agency know. There was never a clear cut explanation as to what we were to do.

As for it not being fair to the other agency, it is what they would have paid anyway if it had been reported in 2003.

We have [REDACTED] State Representative, on our adjustment details as not having been reported. Why didn't his hiring agency report him as a retiree returned to work? They are probably as confused as me on this issue.

I think it unfair that this "new rule" be made retroactive. I believe that each agency should be given guidelines to go by.

Why can't the retirement systems send a printout of the retirees returned to work to OGB each month and then OGB bill accordingly? That way there will be no mistakes since they have to be reported to the retirement system.

This seems like such a simple solution. It was suggested by our retirement person here. Thank you,

Mimi

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From: Paul D. Daverede <pdaverede@ogb.state.la.us>

To: Mimi Love <mlove@opsb.net>

Cc: Dianne H. Turcotte <dturcotte@ogb.state.la.us>

Date: Wednesday, March 18 2009 09:54 AM

Subject: FW: Rehired Retiree Issue

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**Mimi Love**

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**From:** Mimi Love <mlove@opsb.net>  
**To:** Paul D. Daverede <pdaverede@ogb.state.la.us>  
**Cc:**  
**Date:** 01/16/09 3:58 PM  
**Subject:** RE: [REDACTED], retiree returned to work

Thank you for checking on this. I still want to know how OGB can transfer a retiree to our agency. I thought once a retiree, always a retiree. He is retired from Louisiana Tech and they should have to adjust their premiums. That would have been the case if I had know he was a retiree in 2003. Were the retirees notified to let their agencies know if they returned to work full time? There would be no way we could know this if they were already working if the retiree did not inform their agency or the agency that they went to work for that they had insurance. This is so unbelievably unfair that I cannot even fathom the logic behind it. I have checked with several agencies and no one knew that that we would be punished for not knowing. I still need a copy of the law. Please fax it to me. I have not found anyone with a copy.

Thank you,  
Mimi

----- Original Message -----

**From:** Paul D. Daverede <pdaverede@ogb.state.la.us>  
**To:** Mimi Love <mlove@opsb.net>  
**Cc:** Dianne H. Turcotte <dturcotte@ogb.state.la.us>  
**Date:** Friday, January 16 2009 03:05 PM  
**Subject:** RE: [REDACTED], retiree returned to work

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**To:** Mimi Love <mlove@opsb.net>  
**Cc:** Dianne H. Turcotte <dturcotte@ogb.state.la.us>  
**Date:** 03/18/09 11:33 AM  
**Subject:** RE: FW: Rehired Retiree Issue

The problem with the retirement system is that there is more than one retirement plan (Lasers, Teachers, School employees and State police) to name a few. We also have retirees that don't belong to regular retirement plan but they belong to a "ORP" Optional Retirement Plan.

That is why in December "ISIS" started sending a flag indicating someone's employment status (full-time or part-time). Based on that information we are changing retiree's status. But again the problem is that there are lots of different payroll systems.

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**Sent:** Wednesday, March 18, 2009 11:09 AM  
**To:** Paul D. Daverede  
**Subject:** RE: FW: Rehired Retiree Issue

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Will you please address the solution of getting a report from the retirement system.  
Thanks,

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**From:** Paul D. Daverede <pdaverede@ogb.state.la.us>**To:** Mimi Love <mlove@opsb.net>**Cc:** Dianne H. Turcotte <dturcotte@ogb.state.la.us>**Date:** Wednesday, March 18 2009 09:54 AM**Subject:** FW: Rehired Retiree Issue

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- C. These subrogation and reimbursement rights also apply when a Covered Person recovers under, but not limited to, an uninsured or underinsured motorist plan, homeowner's plan, renter's plan, medical malpractice plan, worker's compensation plan or any general liability plan.

## **IX. EMPLOYER RESPONSIBILITY**

- A. It is the responsibility of the Participant Employer to submit enrollment and change forms and all other necessary documentation to the Program on behalf of its Employees. Employees of a Participant Employer will not, by virtue of furnishing any documentation to the Program, be considered agents of the Program, and no representation made by any such person at any time will change the provisions of this Plan.
- B. A Participant Employer shall immediately inform the Program when a Retiree with OGB coverage returns to full-time employment. The Employee shall be placed in the Re-employed Retiree category for premium calculation. The Re-employed Retiree premium classification applies to Retirees with and without Medicare. The premium rates applicable to the Re-employed Retiree premium classification shall be identical to the premium rates applicable to the classification for Retirees without Medicare.
- C. A Participant Employer who receives a Medicare Secondary Payer (MSP) collection notice or demand letter shall deliver the MSP notice to the OGB MSP Adjuster within 15 days of receipt. If timely forwarded, OGB will assume responsibility for medical benefits, interest, fines and penalties due to Medicare for a covered Employee. If not timely forwarded, OGB will assume responsibility only for Covered Plan benefits due to Medicare for a covered Employee. The Participant Employer will be responsible for interest, fines, and penalties due.

## **X. PROGRAM RESPONSIBILITY**

The OGB will administer the Plan in accordance with its terms, state and federal law, the OGB's established policies, interpretations, practices, and procedures. The OGB will have maximum legal discretionary authority to construe and interpret the terms and provisions of the Plan, to make determinations regarding eligibility for benefits and to decide disputes which may arise relative to a Covered Person's rights.

## **XI. REINSTATEMENT TO POSITION FOLLOWING CIVIL SERVICE APPEAL**

### **A. Indemnity Plan Participants**

When coverage of a terminated Employee, who was a participant in the health indemnity plan, is reinstated by reason of a civil service appeal, coverage will be reinstated to the same level in the health indemnity plan retroactive to the date coverage terminated. The Employee and Participant Employer are responsible for the payment of all premiums for the period of time from the date of termination to the date of the final order reinstating the Employee to his position. The Program is responsible for the payment of all eligible benefits for charges incurred during this period. All claims for expenses incurred during this period must be filed with the Program within 60 days following the date of the final order of reinstatement.

### **B. Health Maintenance Organization (HMO) Participants**

When coverage of a terminated Employee, who was a participant in an HMO, is reinstated by reason of a civil service appeal, coverage will be reinstated in the HMO in which the Employee was participating effective on the date of the final order of reinstatement. There will be no retroactive reinstatement of coverage and no premiums will be owed for the period during which coverage with the HMO was not effective.

**Mimi Love**

---

**From:** Mimi Love <mlove@opsb.net>  
**To:** <dturcotte@ogb.state.la.us>  
**Cc:**  
**Date:** 05/04/09 9:25 AM  
**Subject:** FW: [REDACTED] underpayment

----- Original Message -----

**From:** Mimi Love <mlove@opsb.net>  
**To:** <dturcotte@.state.la.us>  
**Cc:**  
**Date:** Monday, May 4 2009 08:53 AM  
**Subject:** [REDACTED] underpayment

Dianne,

This is in reference to the conversation that we had at the annual enrollment meeting in March. I am hoping that you have had time to consider my situation with this retiree returned to work. You said that you would try to get the amount reduced because of the situation. I am still very upset about how all of this has transpired. My point was that I can understand that we would have to make up the underpayment but should not have to pay premiums that have already been paid again.

Please help me so that we can get this resolved. My business manager said that we would fight the double payments. He understands the paying of the underpayment.

I appreciate anything that you can do for me. I have had to see a doctor to help with my anxiety and I need some closure to this very big problem.

Mimi

**Pointe Coupee Parish School Board  
Response**



# Pointe Coupee Parish School Board



Post Office Drawer 579 • New Roads, Louisiana 70760-0579  
(225) 638-8674 • Fax (225) 638-3904

May 11, 2009

Mr. Stephen B. Street, Jr.  
State Inspector General  
Post Office Box 94095  
Baton Rouge, LA 70804-9095

Dear Mr. Street:

I concur, in part, with the findings and recommendations outlined in the draft report regarding the payment of insurance premiums by the Pointe Coupee Parish School Board to the Office of Group Benefits for retirees. Six of the fourteen audited by your office have been retired for some time, and the correct amount was remitted to OGB. Their change of status was reported to OGB, and obviously they did not correct their employment/retirement status in their data base. Our insurance clerk deleted them from the monthly monitoring report and corrected the information, but this did not resolve the problem.

The other eight persons retired in May after completing the school year or during the summer months. Teachers who are nine month employees have their annual salaries paid in twelve installments, thus, they receive checks through August. We carried them as active employees for this time, and therefore, failed to remit the higher retirement rate to be paid by the School Board.

The business staff has thoroughly studied and investigated the report from your office and we are confident that the amount we owe to OGB is \$10,576.12. Please refer to the accompanying documentation. Also, please advise us as to the appropriate manner to advise OGB as to the corrections we are making and as to submitting the amount due.

Our correction plan is to classify employees on the date of their official retirement as retirees and remit the appropriate rate to OGB in the first month of such retirement. This will begin May 31, 2009, and continue in future years. Secondly, we will closely review monitoring reports from OGB and call immediately when there are discrepancies such as failing to record changes in employment status. The person responsible for these duties is Donna Mars. Additionally, in the absence of a CFO, our accounting firm of Faulk & Winkler will have oversight.

Thank you for calling these items to my attention and granting additional time to respond.

Sincerely,

Michael Lucia, Interim Superintendent

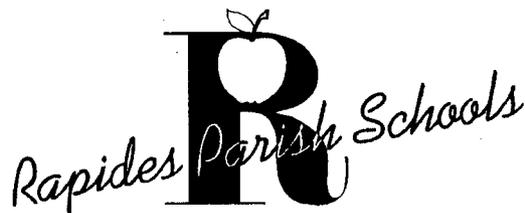
ML: tao

Enclosure

LAST NAME	FIRST NAME	SSN	DOB	Retirement Date	OGB Eff. Date	Month Of	Monthly Active Prem	Monthly Ret Prem	Total Monthly Unpaid	Total Unpaid
[REDACTED]	[REDACTED]	[REDACTED]	6/13/1953	2007 May	2007 June	2007 June	473.68	881.20	407.52	
[REDACTED]	[REDACTED]	[REDACTED]	6/13/1953	2007 May	2007 June	2007 July	1066.44	1649.36	582.92	
[REDACTED]	[REDACTED]	[REDACTED]	6/13/1953	2007 May	2007 June	2007 Aug	1066.44	1649.36	582.92	1573.36
[REDACTED]	[REDACTED]	[REDACTED]	12/24/1955	2008 June	2008 July	2008 July	1198.08	1852.96	654.88	
[REDACTED]	[REDACTED]	[REDACTED]	12/24/1955	2008 June	2008 July	2008 Aug	1198.08	1852.96	654.88	1309.76
[REDACTED]	[REDACTED]	[REDACTED]	2/8/1950	2008 May	2008 June	2008 June	1124.72	1641.44	516.72	
[REDACTED]	[REDACTED]	[REDACTED]	2/8/1950	2008 May	2008 June	2008 July	1166.36	1702.20	535.84	
[REDACTED]	[REDACTED]	[REDACTED]	2/8/1950	2008 May	2008 June	2008 Aug	1166.36	1702.20	535.84	1588.40
[REDACTED]	[REDACTED]	[REDACTED]	3/11/1947	2007 Dec	2007 Jan					Paid Correctly
[REDACTED]	[REDACTED]	[REDACTED]	8/18/1942	2007 Dec	2007 Jan					Paid Correctly
[REDACTED]	[REDACTED]	[REDACTED]	4/30/1944	2008 July	2008 Aug					Paid Correctly
[REDACTED]	[REDACTED]	[REDACTED]	1/23/1949	2008 May	2008 June	2008 June	543.96	1011.88	467.92	
[REDACTED]	[REDACTED]	[REDACTED]	1/23/1949	2008 May	2008 June	2008 July	564.12	1049.32	485.20	
[REDACTED]	[REDACTED]	[REDACTED]	1/23/1949	2008 May	2008 June	2008 Aug	564.12	1049.32	485.20	1438.32
[REDACTED]	[REDACTED]	[REDACTED]	5/2/1953	2008 Mar	2008 Apr					Paid Correctly
[REDACTED]	[REDACTED]	[REDACTED]	10/21/1942	2008 May	2008 June	2008 June	1066.44	1649.36	582.92	
[REDACTED]	[REDACTED]	[REDACTED]	10/21/1942	2008 May	2008 June	2008 July	1105.92	1710.40	604.48	
[REDACTED]	[REDACTED]	[REDACTED]	10/21/1942	2008 May	2008 June	2008 Aug	1105.92	1710.40	604.48	1791.88
[REDACTED]	[REDACTED]	[REDACTED]	4/17/1947	2007 Oct	2007 Nov					Paid Correctly
[REDACTED]	[REDACTED]	[REDACTED]	1/14/1943	2008 Aug	2008 Sept					Paid Correctly

LAST NAME	FIRST NAME	SSN	DOB	Retirement Date	OGB Eff. Date	Month Of	Monthly Active Prem	Monthly Ret Prem	Total Monthly Unpaid	Total Unpaid
[REDACTED]	[REDACTED]	[REDACTED]	4/11/1940	2008 July	2008 Aug	2008 Aug	564.12	1049.32	485.20	485.20
[REDACTED]	[REDACTED]	[REDACTED]	2/18/1950	2008 May	2008 June	2008 June	1155.32	1786.84	631.52	
[REDACTED]	[REDACTED]	[REDACTED]	2/18/1950	2008 May	2008 June	2008 July	1198.08	1852.96	654.88	
[REDACTED]	[REDACTED]	[REDACTED]	2/18/1950	2008 May	2008 June	2008 Aug	1198.08	1852.96	654.88	1941.28
[REDACTED]	[REDACTED]	[REDACTED]	9/16/1945	2008 Aug	2008 Sept	2008 Sept	520.72	968.64	447.92	447.92
Grand Total										10576.12

**Rapides Parish School Board  
Response**



Al Davis, District H  
President

P.O. Box 1230  
Alexandria, Louisiana 71309-1230  
318-487-0888 • FAX 318-449-3167

Dr. Gary L. Jones  
Superintendent

May 12, 2009

Stephen B. Street, Jr.  
State Inspector General  
State of Louisiana – Office of the Governor  
P. O. Box 94095  
Baton Rouge, LA 70804-9095

RE: Case No. 10900014

Dear Mr. Street:

I am in receipt of your letter concerning the above referenced case regarding two retirees returning to work and their incorrect classification as an active status employee in Group Benefits Hospitalization. My staff has been working with the Office of Group Benefits to research these two employees and to correct the findings. I have outlined below the specifics of each individual, our position on each individual, and the corrective action plan for each individual:

The first employee listed on the spreadsheet was [REDACTED] retired from Grant Parish School Board. At the time of his retirement, he was covered under OGB through his wife's employment. Beginning July 1, 2008, the [REDACTED] split insurance coverage and at that time he should have been identified as a retiree return to work and tagged to Grant Parish School Board and not to Rapides Parish. The Office of Group Benefits has concurred with this opinion and necessary paperwork was submitted to OGB to change [REDACTED] to Grant Parish and to change his status to a retiree return to work. The outstanding balance will be transferred from Rapides Parish to Grant Parish.

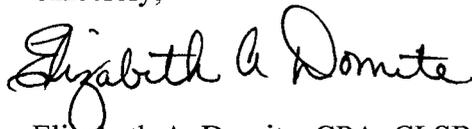
The second employee listed on the spreadsheet was [REDACTED] retired from a state agency, Delgado College. At the time of her retirement, [REDACTED] was not a member of OGB. As a result of Hurricane Katrina, [REDACTED] evacuated from New Orleans and was hired by the Rapides Parish School Board in September 2005. She enrolled in OGB in December 2005 as a late applicant. Due to the fact that she did not carry hospitalization into her retirement, she was listed as an active employee. After discussion with OGB, their position is that [REDACTED] should not have been eligible for hospitalization and will not be able to retain coverage once her employment is terminated with Rapides Parish. However, due to the fact that we allowed her to enroll in OGB, she should be coded as a retiree return to work. We have completed the necessary paperwork to transfer [REDACTED] to retiree return to work.

status and we will be paying the liability incurred as a result of this status change even though we disagree with OGB's ruling.

All necessary paperwork to transfer these employees to their correct status with Office of Group Benefits was completed by May 4, 2009. The contact person responsible for this corrective action is Tammy James, Assistant Director of Finance. The payroll staff has been instructed to evaluate thoroughly any retiree returning to work which is currently enrolled or enrolling in hospitalization in order to prevent any improper status classifications in the future.

If you should have any questions regarding this information, please contact me at (318) 449-3123 or [domitee@rapides.k12.la.us](mailto:domitee@rapides.k12.la.us).

Sincerely,

A handwritten signature in cursive script that reads "Elizabeth A. Domite".

Elizabeth A. Domite, CPA, CLSBO  
Director of Finance

**Red River Parish School Board  
Response**



*Red River Parish School Board*

*P. O. Box 1369  
Coushatta, Louisiana 71019*

*Kay J. Easley*  
*Superintendent*

*Gene Longino*  
*Board President*

May 7, 2009

Gene Longino - President  
Rt. 3, Box 316  
Coushatta, LA 71019  
District 1

Richard Cannon - Vice President  
P.O. Box 1269  
Coushatta, LA 71019  
District 2

Karen Womack  
Rt. 3, Box 529  
Ringgold, LA 71068  
District 3

Cleve Miller  
P.O. Box 1097  
Coushatta, LA 71019  
District 4

Kasandria W. White  
P.O. Box 1224  
Coushatta, LA 71019  
District 5

Valerie Cox  
P.O. Box 1292  
Coushatta, LA 71019  
District 6

J. B. McElwee  
905 Maple Street  
Coushatta, LA 71019  
District 7

Stephen B. Street, Jr.  
Office of State Inspector General  
P. O. Box 94095  
Baton Rouge, LA 70804-9095

Re: Case No. 10900014

Dear Mr. Street:

This is our written response to your letter dated April 27, 2009 concerning health insurance premiums paid by the Red River Parish School Board to the Office of Group Benefits. [REDACTED], who is the employee with the exception actually retired on 12-19-08. The health insurance premium that we paid with her December check was for her January premium, which was an underpayment of \$447.92.

In the past we have always had the retiree fill out a GB-01 from Group Benefits which reclassified them as a retiree. Periodically Group Benefits sends us a monitoring report that will have any over or under payments. In a case like this the following month we will send in the difference with our next premium payment. This normally clears up the employee but in some instances it may take a few months during the transition from an active employee to a retiree.

Our corrective action plan will be to keep up with any changes made during the month and make manual adjustments each month. We will no longer wait for Group Benefits to send us a monitoring report. The contact employee will be Carol Miller.

Sincerely,

*Kay J. Easley*

Kay J. Easley  
Superintendent

**Richland Parish School Board  
Response**

OFFICE OF  
**RICHLAND PARISH SCHOOL BOARD**  
CATHY STOCKTON, SUPERINTENDENT  
P. O. BOX 599  
RAYVILLE, LOUISIANA 71269

Kevin Eppinette  
District 8  
President

Marie Lewis  
District 6  
Vice President

Billy Calvert  
District 1

Leonard Guine, Jr.  
District 2

Sharon Jones  
District 3

Danny Whitstine  
District 4

Robert Adams  
District 5

Patricia Jordan  
District 7

Todd Weed  
District 9

May 11, 2009

Mr. Stephen B. Street, Jr.  
State Inspector General  
P.O. Box 94095  
Baton Rouge, LA 70804-9095

Re: Case No. 10900014

Dear Mr. Street:

In response to your request regarding Case No. 10900014 in which it was found that Richland Parish School Board had rehired a retiree, [REDACTED], without correctly adjusting the rate of premium being withheld for four months I do concur.

However, it should be noted that Richland Parish School Board found and reported the error and requested guidance in correcting the error. State Group subsequently cancelled the rehired retiree's coverage retroactive back to the date of rehire. The retiree was not given the opportunity to repay premiums nor was she refunded premiums for periods in which premiums were paid then coverage cancelled.

It is my view that after years of service an employee should not have to be concerned about their coverage being dropped due to a clerical oversight which was reported to the agency in a timely manner. Richland Parish School Board is still seeking to have this retiree's coverage reinstated as all parties involved are willing to pay the applicable premium.

If you have any questions please do not hesitate to contact me at (318)728-5964 ext. 229.

Sincerely,



Regina R. Mekus, CPA  
Business Manager

Cc: Cathy Stockton, Superintendent

# **Sabine Parish School Board Response**

# Sabine Parish School Board

J. Randall Veuleman  
PRESIDENT

Imon Jones  
VICE-PRESIDENT

DORMAN JACKSON  
SUPERINTENDENT

695 PETERSON STREET \* P. O. BOX 1079  
MANY, LOUISIANA --71449  
PHONE (318) 256-9228 \* FAX (318) 256-0105

Roderick Davis  
James W. House  
Jack Sanders  
Donnie F. Sistrunk, Sr.  
Harold Stewart  
J.A. "Buddy" Veuleman  
Denyse A. Williams

May 8, 2009

Mr. Stephen B. Street, Jr.  
State Inspector General  
PO Box 94095  
Baton Rouge, LA. 70804-9095

Re: Case No. 10900014

Dear Mr. Street:

I have reviewed the draft report on the above Case Number and concur in part with the findings. It is our finding that the amount underpaid of \$3,148.60 is a correct amount at this time. However, the premium was calculated without the discount of a family member on Medicare. I have contacted [REDACTED] and she will provide me with a copy of [REDACTED]'s card when they receive it. At that point we will request an adjustment to the underpaid amount.

The corrective action plan to be made is as follows; the underpaid amount (at this time) of \$3,148.60 will be paid to Office of Group Benefits on the May Invoice. Upon the receipt of the Medicare Card a credit will be requested.

At the time of [REDACTED]'s retirement there was no one in the Insurance Clerk position. We have employed Mrs. Kimberly McCollough to that position and she will be the contact person in this matter.

Should you have any questions, please feel free to call me at 318.256.9228 ext. 222 or e-mail me at [bobby@sabine.k12.la.us](mailto:bobby@sabine.k12.la.us).

Very truly yours,



Robert Lewis  
Business Manager

**St. Bernard Parish School Board  
Response**



## ST. BERNARD PARISH SCHOOL BOARD

May 12, 2009

Mr. Stephen B. Street, Jr.  
State Inspector General  
P.O. Box 94095  
Baton Rouge, LA 70804-9095

RE: Case No. 10900014

Dear Mr. Street:

We are in receipt of the draft report relating to the above referenced case. We concur with the findings contained in the report and have implemented the following corrective action plan:

- 1) We have contacted the State of Louisiana Office of Group Benefits and have made to necessary correction to the employment status of the selected individuals. We have also forwarded payment to the Office of Group Benefits in the amount indicated in the reports findings as well as any amounts that have subsequently accrued to date. A copy of this payment is attached.
- 2) We have revisited our procedures for reporting employees who have retired, especially those taken advantage of retire-return to work provisions, to insure that the status of all new retirees is reported to the Office of Group Benefits accurately and in a timely manner.

Should you have any questions, please do not hesitate to contact me at (504) 301-2000 or via e-mail at [david.fernandez@sbpsb.org](mailto:david.fernandez@sbpsb.org).

Sincerely,

A handwritten signature in black ink, appearing to read "David Fernandez", written over a horizontal line.

David Fernandez  
Financial Manager  
St. Bernard Parish School Board

 <b>St Bernard Parish School Board</b> 200 East St. Bernard Highway Chalmette, Louisiana 70043			<b>Date:</b> 05/04/2009 <b>Check No:</b> 185152		
<b>20126 - BOARD OF TRUSTEES</b>					
Date	Description	Invoice	PO Num	Account Number	Amount
05/04/2009	REGULAR EDUCATION			X01-270-1100-0000	12,208.92
05/04/2009	SCHOOL ADMIN.			X01-270-2400-0000	5,440.32
				<b>Check Amount</b>	<b>\$17,649.24</b>

Docu-Printer/ps

 <b>St Bernard Parish School Board</b> 200 East St. Bernard Highway Chalmette, Louisiana 70043	<b>General Fund</b> <small>Hibernia National Bank          St Bernard, Louisiana</small>	<b>Check No. 185152</b> <b>Date: 05/04/2009</b>	
			<table border="1"> <tr><th>Amount</th></tr> <tr><td>\$17,649.24</td></tr> </table>
Amount			
\$17,649.24			
<b>PAY</b> Seventeen Thousand Six Hundred Forty-Nine and 24/100 Dollars			
<b>TO THE ORDER OF</b>	<b>BOARD OF TRUSTEES</b> <b>EMPLOYEE GROUP BENEFIT PG</b> P. O. BOX 44036 BATON ROUGE, LA.	<b>VOID AFTER 90 DAYS</b>  <i>Boris Zetter</i> <u>Hugh C. Craft</u>	
70804			

⑈ 85152 ⑈ 10650000901892 00 013 ⑈ ⑈



St Bernard Parish School Board  
200 East St. Bernard Highway  
Chalmette, Louisiana 70043

BOARD OF TRUSTEES  
EMPLOYEE GROUP BENEFIT PG  
P. O. BOX 44036  
BATON ROUGE, LA.

70804

**St. Landry Parish School Board  
Response**



## ST. LANDRY PARISH SCHOOL BOARD

Michael D. Nassif  
Superintendent

1013 East Creswell Lane  
P.O. Box 310  
Opelousas, LA 70571-0310  
web: www.slp.k12.la.us

Phone: (337) 948-3657  
Fax: (337) 948-9959  
E-mail: [supt@slp.k12.la.us](mailto:supt@slp.k12.la.us)

*John Miller*  
President  
Opelousas, LA  
District 3

*Kyle Boss*  
Vice-President  
Sunset, LA  
District 8

*Huey Wyble*  
Executive Committee  
Arnaudville, LA  
District 7

*Roger Young*  
Executive Committee  
Eunice, LA  
District 11

*Anthony Standberry*  
Opelousas, LA  
District 1

*Elinor N. Eaglin*  
Opelousas, LA  
District 2

*Dillard Deville*  
Washington, LA  
District 4

*Marx "Sonny" Budden*  
Palmetto, LA  
District 5

*Ronald W. Carriere*  
Port Barre, LA  
District 6

*Scott M. Richard*  
Opelousas, LA  
District 9

*Quincy Richard*  
Opelousas, LA  
District 10

*Josie Frank*  
Eunice, LA  
District 12

*Harry Frugé*  
Eunice, LA  
District 13

May 11, 2009

Mr. Stephen B. Street, Jr.  
State Inspector General  
P.O. Box 94095  
Baton Rouge, LA 70804-9095

Certified: 7007-0710 0005 6409 0419

Dear Mr. Street,

Please find listed below the written response requested by your office from St. Landry Parish School Board relative to Case No: 10900014.

Two employees were listed on the report in question regarding "Date of hire", "Group Benefits Coverages", and "Monthly Premium Rate Charges". Our insurance department has researched the two individuals listed on the spreadsheet provided to us by your office.

Our findings concur in part with the accuracy of this report but additional information is required for clarity.

In regards to [REDACTED], she was hired by the St. Landry Parish School Board on August 17, 2001. Her insurance coverage became effective September 1, 2001 to present. At the time of hire, we had **no** notice or information relative to her insurance provider prior to her employment with St. Landry Parish School Board. Our insurance department **was not** informed that she was a retiree (with OGB coverage in another system) that was returning to work. Upon research of her employment history, we were able to determine that she had retired from another parish.

In order to correct this from occurring again, upon hiring an individual we will require the potential employee to complete a questionnaire (form) upon hire

requiring the employee to report whether or not they are a retiree that has previously been enrolled with the Office of Group Benefits.

The second employee listed, [REDACTED], retired as a bus driver from St. Landry Parish School Board. She has officially retired, and occasionally she has returned as a substitute bus driver. Her gross wages were \$563.33. The employee is listed on your spreadsheet as a full time employee, when in reality the employee is a retiree returning to work as a substitute. She is **not** a full-time employee, but rather a substitute returning to work periodically. She has not received a payroll check from St. Landry Parish School Board since November 21, 2008. Therefore, it is our belief that this retiree may be employed by another agency which participates in the Office of Group Benefits.

In closing, I hope that we have provided the information as requested by your office to assist with your investigation and provide accurate information that will be useful in helping to provide guidance with how to address retirees returning to work with the Office of Group Benefits.

If I can be of any further assistance, please feel free to contact my office at (337)948-367, ext. 251.

Yours truly,

A handwritten signature in black ink that reads "Michael D. Nassif". The signature is written in a cursive style with a large initial "M".

Michael D. Nassif, Superintendent  
ST. LANDRY PARISH SCHOOL BOARD

MDN/crd

# **Tangipahoa Parish School System Response**



# TANGIPAHOA PARISH SCHOOL SYSTEM

59656 PULESTON ROAD ▪ AMITE, LOUISIANA 70422  
TELEPHONE: (985) 748-7153 ▪ FAX # (985) 748-8587

MARK KOLWE  
*Superintendent*

May 15, 2009

DANNY RIDGEL  
*President of the Board*

Mr. Stephen B. Street, Jr.  
State Inspector General  
Post Office Box 94095  
Baton Rouge, Louisiana 70804-9095

Dear Mr. Street:

This is in response to your letter dated April 27, 2009 regarding Case No. 10900014. [REDACTED] and [REDACTED] both retired and during that time, both dropped their health insurance coverage. Subsequently, we rehired them and at that time, they decided to re-enroll in the health insurance program. Therefore, we treated them as active employees.

We followed the directive we received notifying us to put retirees who return to work on retiree health insurance rates; however, due to the fact that these two employees did not have State Group Insurance during their retirement period, they were not moved.

If further information is needed, please contact Ron Caruso, Chief Financial Officer, at 985-748-2433. Thanks.

Sincerely,

Mark Kolwe  
Superintendent

MK/sc

c: Ron Caruso, Chief Financial Officer

**Union Parish School Board  
Response**

# Union Parish School Board

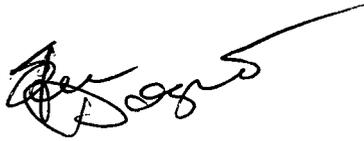
Post Office Box 308  
Farmerville, Louisiana 71241

Steven W. Dozier  
Superintendent

[www.unionparishschools.org](http://www.unionparishschools.org)

Phone (318) 368-9715  
FAX (318) 368-3311

DATE: May 12, 2009  
TO: Stephen B. Street, Jr.  
State Inspector General  
FROM: Steve Dozier  
Superintendent, UPSB  
RE: Case No. 10900014



Please accept this letter as our response to the above listed case involving the underpayment of premiums for [REDACTED]. [REDACTED] did in fact retire from the UPSB on 8/2007 on a disability. At that time our insurance department was in transition from a veteran twenty year employee to a new hire. It appears that no change document was filled out and submitted on [REDACTED] so we do concur that the UPSB owes the \$7,742.00 in underpaid premiums for [REDACTED]. We have made contact with Office of Group Benefits to make payment arrangements.

Our insurance clerk has been directed to review the Board's monthly agendas to assure that any retirement that is approved would be recognized and a change document submitted to State Group at the correct time.

If you have any questions, please contact this office.

**Webster Parish School Board  
Response**



WEBSTER PARISH SCHOOL BOARD

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Wayne Williams, Jr.  
Superintendent

Jackie H. Sharp  
Asst. Superintendent

5/12/2009

Mr. Stephen B. Street, Jr.  
State of Louisiana  
Office of the Governor  
Office of State Inspector General  
P.O. Box 94095  
Baton Rouge, LA 70804-9095

RE: Case No. 1090014

Dear Mr. Stephens:

In regards to your letter dated April 27, 2009, concerning the above referenced case, we do not concur. When an employee comes to work for Webster Parish School Board, if they do not inform us they are retired from another parish, we do not have any way of knowing. We were not informed of this by [REDACTED] when she came to sign up for the health insurance. If we had been informed, we would have advised her that she would remain on the retiring parish's insurance. [REDACTED]'s premium is the same for a Retiree Returned to Work as it would be a regular active employee.

If you have any further questions, please let us know.

Yours truly,

Wayne Williams, Jr.  
Superintendent  
Webster Parish School Board

**APPENDIX B**  
**Inspector General's Comment**

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## **IG Comment to Responses From School Boards**

It appears that a number of the school boards identified in this report do not have a clear understanding of the Group Benefits' rules pertaining to coverage for retirees, even though those rules were published in the State Register and are reiterated each year in the Plan Documents. Several of the school boards suggested in their letters that Group Benefits did not notify them of the change in the premium rates for specific employees who were re-employed retirees. However, for Group Benefits to determine whether a specific employee's premium amount is correct, Group Benefits must receive notices from the employer of any changes that may affect the employee's classification. It is clear from the rules published in the State Register and the Plan Documents that it is the responsibility of the participating employer to submit enrollment and change forms on behalf of its employees and to immediately notify Group Benefits when a retiree with Group Benefits coverage returns to full time employment. Many of the school boards also indicated in their letters that they were unaware that the employees were retirees. In order for the participating employer to comply with the employer responsibilities under the Group Benefits Plan Documents, they must determine if the employee is a retiree. The most obvious solution to the problem of not knowing if an employee is a retiree is to ask the employee at the time of hire if they are a retiree. One would also expect that if the employee retired from the same school board that rehired them, the school board would know that they were re-employed retirees.

All of the employees identified in this review are retired from agencies that participate in Group Benefits and were classified in the Group Benefits system as active employees. It is clear from the Group Benefits rules published in the State Register and the annual Group Benefits plan documents that retirees cannot be covered as active employees. These rules also make it clear that retirees who retire from participating agencies may not enroll as late applicants. Several of the school boards suggested that retirees who were rehired prior to March 1, 2003, should be grandfathered in. The published rules do not address the issue of employees who were re-employed retirees at the time the re-employed retiree category was created. Group Benefits takes the position that such employees are not grandfathered in under the rules in effect prior to March 1, 2003. We based our determinations on rules that are published and regularly sent to the participating school boards and administrative policies of Group Benefits. We remain firm in our determination that more than \$630,000 is owed to Group Benefits by participating school boards.

Some of the school boards also suggested that the premiums for re-employed retirees are due from the agency from which the employee retired. While this is also Group Benefits' position, Group Benefits cannot properly bill these premiums if the documentation submitted by the employing agency does not indicate that the employee is retired. Further, if the employing agency believes that they are not responsible for the premiums, they should have notified Group Benefits that the responsibility for the premiums fell on the agency from which the employee retired immediately after receiving the first bill from Group Benefits for that employee. Group Benefits has advised that their policy in those cases where the employing agency failed to notify

Group Benefits that the employee was retired, is that the premiums are the responsibility of the employing agency until such time as the employing agency notifies Group Benefits that the employee is a re-employed retiree.

The comments from the school boards also suggest that communication between Group Benefits and the school boards needs improvement. It is the responsibility of all participating school boards to be familiar with these rules. But it is also the responsibility of Group Benefits to provide clear guidance regarding their programs to participating employers and to provide timely and accurate responses to questions presented by participating employers.

We wish to specifically address the responses received from Pointe Coupee Parish School Board, Ouachita Parish School System and Jefferson Parish Public School System.

Pointe Coupee Parish School Board contends that their liability is only \$10,576.12, rather than the \$70,663.58 identified in this report. We have thoroughly reviewed the calculations provided by Pointe Coupee Parish School Board. Their argument that the correct amount was remitted for the six employees who are retired is invalid. Pointe Coupee Parish School Board was billed for these six employees as active employees from the time of their retirement until the time of this review. The correct amount was not remitted to Group Benefits. Their suggestion that the remaining difference is because they inadvertently carried some of their employees as active over the summer is also without merit. This argument does not explain why employees who retired in May 2007, May 2008, June 2008, and August 2008 were still being carried as active in January 2009. We have reviewed our calculations and are firm that the amount owed by Pointe Coupee Parish School Board remains at \$70,663.58.

Ouachita Parish School System contends that they were unaware that three of their five employees identified in this review were retired. It is difficult to conceive how Ouachita Parish School System could not be aware that these employees were retired, since all three of these employees had retired from Ouachita Parish School System.

Jefferson Parish Public School System also contends that they were unaware that two of their five employees identified in this review were retirees. Again it is difficult to conceive how Jefferson Parish Public School System could not be aware that these employees were retired, since both of these employees had retired from Jefferson Parish Public School System.

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A copy of this report has been made available for public inspection at the Office of State Inspector General and is posted on the Office of State Inspector General's website at [www.doa.louisiana.gov/oig/inspector.htm](http://www.doa.louisiana.gov/oig/inspector.htm). Reference should be made to Case No. 1-09-0014. If you need any assistance relative to this report, please contact Bruce J. Janet, CPA, State Audit Director at (225) 342-4262.

## **REPORT FRAUD, WASTE, AND ABUSE**

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- Write to Office of State Inspector General, P. O. Box 94095, Baton Rouge, LA 70804-9095
- Call the Office of State Inspector General at (225) 342-4262