OSEA MEDICAL AND HOSPITAL INSURANCE ROLLS REOPENED

On this August 31 the Lincoln National Life Insurance will close its contract with the state of Oregon for group medical insurance.

After two years of operation the company asked to be relieved of its contract. Reports were that the company was losing money even though premiums had been increased within the two-year period. Almost 2000 employees were insured under this program.

OPS also was reported to have lost money under early departmental contracts and was forced to revise premiums upward this year.

Presently about 8000 state employees are insured under six insurance carriers, with a premium spread for family medical coverage ranging from $9.74 (OSEA) to $13.10 for another carrier.

Whether the ruling by the Attorney General that the Board of Control had no authority to enter into a contract with an insurance company has any bearing upon contracts now held by individual departments is a matter of serious moment for all state employees.

Withholding Costs

Another significant factor in the insurance problem is the cost of withholding premiums from salaries. One state official, in a position to know the costs of such procedures, was asked by a legislative committee in 1953 to figure this cost in connection with the OSEA request for dues deductions. The cost was estimated to be about 10 cents per name. Keeping records for six separate insurance carriers must aggravate this condition considerably. How much longer will departments continue to bear this cost?

If the 8000 employees now covered with medical, hospital and surgical insurance would unite under one such program benefits could be more liberal and premiums much smaller. Fear of increased premiums, of cancellation of insurance, of inadequate protection would also be reduced.

OSEA is in a position to build such a program. The California State Employees Association has through the years developed an excellent insurance program for employees of that state.

OSEA Program Is Sound

The OSEA group medical program is based upon the soundest of insurance principles. Benefits, coverage and cost are not left to guess work. The insured knows where he stands. The program is policed by OSEA. A committee of OSEA members appointed for that purpose is available to intervene if a claim is denied on questionable grounds.

The OSEA program is not to be confused with any other program now offered to members including that offered by the underwriting carrier, Oregon Physicians' Service. The program is administered by OSEA and premiums flow through OSEA headquarters office. Only claims are paid through the OPS office, because OSEA does not have the staff nor facilities for this job.

September is usually the fall enrollment month. However applications are acceptable now. Unless another insurance company cancels its contract the next enrollment month will be March.

Chapter chairmen have all the necessary material for enrolling. Employees may enroll under the OSEA program with full assurance that they are getting the best and the most insurance now available to them for their insurance dollars.

You Get All This

Features not to be overlooked are:

(1) Benefits renew themselves each year; (2) there is no time limitation on treatment; (3) benefits apply equally to employee and dependents; (4) surgery is fully paid; (5) no fee schedules apply to home or office calls; (6) additional accident benefits are provided; (7) premiums are geared to state salaries; (8) allowances for hospitalization and rates have been carefully checked and are ample to cover better than 98 per cent of the cases; (9) allowances for special nurse and private room are liberal, only in rare cases do doctors any longer require lengthy hospitalization, private room or private nursing care. Provision for long periods of hospitalization is superfluous and only adds to the cost of insurance; (10) OSEA is not in the insurance business. Its only concern is to provide the most and best protection to its membership for the least cost.

Build with OSEA and be sure.

WISCONSIN'S NEW POLICY

The Wisconsin Blue Cross and the Milwaukee Medical Society's Surgical Care (a Blue Shield plan) announced new "catastrophic policies" to take over where ordinary medical-insurance contracts end. Designed to finance treatment of drawn-out illnesses (including mental and nervous disorders), the new policies will pay 75 percent of the total expenses up to $10,000 after the patient has put out $200 from his own pocket. Catastrophic policies will be sold only to groups of 50 or more who are already enrolled in the basic insurance plans. Estimated cost of full coverate for one person: $60 a year.

SOCIAL SECURITY BENEFITS INCREASED

Increases in Old Age and Survivors' Insurance benefits will become affective beginning September 1, and will be reflected in the check usually received about October 3.

Increases will range from $5.00 to $13.50. Average for ex-state employees now drawing benefits will be about $11.00 per month. Maximum individual employee benefits will be $98.50. No action on the part of eligible persons is necessary, increases will be made automatically.

Secretary of State Earl Newbry apparently means it when he says, "If you won't drive safely, you can't drive in Oregon."

Sec. 34.65(e) P.L. & R.
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