

Good morning RESPA Site Reps,

Attached is the PowerPoint from Tuesday evening's benefits information meeting for your information. It is also available on the website for interested members. Also please encourage members to return the Benefits Survey to the RESPA office by February 18th. We will use the information to help guide us through the benefits discussions.

Thank you,

Jolene E. Tripp  
RESPA President

# INSURANCE BASICS

Redlands Teachers Association  
Redlands Education Support  
Professionals Association  
February 9, 2011

# DEFINITION OF TERMS

- ◉ Single - Eligible Employee
- ◉ Two-Party - Eligible Employee + one (spouse, domestic partner, or child)
- ◉ Family - Eligible Employee + partner, spouse, and / or children
- ◉ Super Composite - Premium rate based on an average of the three “tiers” listed above
- ◉ Adult Children - children over the age of 22 eligible for insurance coverage under their parent(s) plan through age 26. (Health Care Reform Act)

# 2010-11 KAISER HMO ONLY PLAN

Rate Description	Annual Premium	Maximum District Contribution	Excess Cost to Employee
Super Composite	\$ 8,647.20	\$ 8,909.16	\$ 0
If we were on	A tiered plan...		
Single Plan	\$ 4,044.12	\$ 8,909.16	\$ 0
Two-Party Plan	\$ 8,088.24	\$ 8,909.16	\$ 0
Family Plan	\$ 11,444.88	\$ 8,909.16	\$ 2,535.72

Any excess cost to the employee is paid over 10 months. Divide the excess cost by 10 to determine the monthly contribution.

$2,535.72 / 10 = \$253.57$  per month.

# 2010 - 11 ANTHEM BLUE CROSS HMO ONLY PLAN

Rate Description	Annual Premium**	Maximum District Contribution	Excess Cost to Employee**
Super Composite	\$ 9,729.36	\$ 8,909.16	\$ 820.20
If we were on	A tiered plan...		
Single Tier	\$ 4,314.00	\$ 8,909.16	\$ 0
Two Party Tier	\$ 8,682.96	\$ 8,909.16	\$ 0
Family Tier	\$ 12,960.60	\$ 8,909.16	\$ 4,051.44

Any excess cost to the employee is paid over 10 months. Divide the Excess amount by 10 to find the monthly contribution.

$4,051.44 / 10 = \$ 405.14$  per month.

\*\* Premium does not include dental, vision and life insurance costs.

# MEMBER DEMOGRAPHICS

- 50.5% of our members selected Kaiser. 49.5% of our members selected Anthem Blue Cross.
- Kaiser members are 57.8% family plans, 32% two party plans and 10.2% single plans.
- Anthem Blue Cross members are 46.5% family, 34% two party and 19.4% single plans
- Less than 2% of our members select the Anthem Blue Cross Point of Service plan.
- Less than 10% of our members select LLUMC plan providers available in the ABC plans.
- Possible increase in number of family plans since our members may elect to cover adult children up to age 26 when open enrollment occurs in May - June 2011.

# OPTIONS BEING REVIEWED BY DISTRICT INSURANCE COMMITTEE

- Direct Fully Insured plans - Currently seeking bids from:
  - Health Net
  - Cigna
  - Aetna
  - United Health Care
  - Blue Shield
  - Anthem Blue Cross (renewal) - expected at Feb. 17, 2011 meeting
  - Kaiser (renewal) - expected at Feb. 17, 2011 meeting

# OTHER INSURANCE DELIVERY MODELS

- ◉ JPA - (Joint Powers Authority) similar to a trust with management representation on the JPA Board for decision making purposes. Some JPA s have a labor advisory board for consultation purposes only.
- ◉ REEP JPA is managed by Keenan and Associates. Plans include Anthem Blue Cross, United Health Care, and Kaiser Permanente. However, we have a “Blue on Blue” issue. Blue Cross will not permit members to leave a Blue Cross plan and enroll in another Blue Cross plan for 1 year.

# REEP JPA

- ◉ Due to Blue on Blue issue, our members would only be eligible to select United Health Care (PacifiCare) HMO, Kaiser HMO or United Health Care Health Savings Account.
  - HMO with Chiropractic
  - PPO (Participating Provider Organization)

# 2010-2011 REEP JPA RATES

- HMO Plan w/Chiro DOV 30, Rx 10/30/60, HOSP \$250 /100%
- Single rate \$ 4,691.76
- Two Party rate \$ 9,383.64\*
- Family Rate \$13,840.92\*
  
- Composite Rate \$10,744.56\*
  
- \* Exceeds District contribution of\$ 8,909.16 additional cost would be employee responsibility.

# REEP JPA PPO PLANS

- ◉ PPO plans pay out at 90/70 (in network/out of network) with \$250 hospitalization  
\$7,361.40, \$14,723.16, \$21,716.52
- ◉ OR 80/60 with \$500 hospitalization  
\$6,633.24, \$13,266.72, \$19,568.28
- ◉ Or 80/60 with \$750 hospitalization  
\$6,082.80, \$12,165.60, \$17,944.08
- ◉ All two-party and family rates exceed District maximum contribution.

# PERS MODEL

- Public Employees Retirement System has a health benefit package through PEMCO which serves 1.3 millions members in southern California. Three tier plans only. No participation by labor or management on governing board. Rates are determined annually and announced on June 30 each year. Members choose from cafeteria style options.

# CALPERS 2010-2011 FOR SAN BERNARDINO COUNTY

- ◉ No Blue on Blue Issue
- ◉ No participation in rate determination
- ◉ Plan includes choice of Kaiser, Blue Shield of California, or Anthem Blue Cross thru PERS plans
- ◉ No Composite rate available.

# CALPERS RATES 2010-2011

Plan	Single	Two Party	Family
BlueShield Access +	\$ 6,115.32	\$ 12,230.64*	\$ 15,898.88*
Blue Shield Net Value	\$ 5,242.08	\$10,484.16*	\$13,629.36*
Kaiser	\$ 5,327.88	\$10,655.76*	\$13,852.44*
PERS Choice	\$ 6,271.68	\$12,543.36*	\$16,306.32*
PERS Select	\$ 5,261.04	\$10,522.08*	\$13,678.68*
PERS Care	\$10,511.64*	\$21,023.28*	\$27,330.24*

PERS Choice, Select and Care plans are through Anthem Blue Cross. Note that all 2 party and family plans exceed District Maximum Contribution of \$8909.16. Excess cost responsibility of employee.

# JPA MODEL

- ◉ SCSEBA has “Blue on Blue” issue, therefore not available to RUSD employees and reps are appointed to board for life. Limits access to board participation.
- ◉ SISC (Kern County) has Health Net or Blue Shield options available for our members.
- ◉ ASCIP (Orange County) has no labor representatives. Plan provider is Health Net.
- ◉ Request for proposals are being sought, but the JPA may choose not to quote us after review of our usage data.

# JOINTLY MANAGED TRUST MODEL

- ◉ JMT are private, not for profit entities 501(c) (a). Equal representation between management and employee associations.
- ◉ CICCS is our JMT for dental, vision, and life insurance currently. There is no medical plan We have labor representation on this board.
- ◉ VEBA (San Diego County) offers PacifiCare and a Request For Proposal (RFP) is being sought.
- ◉ SCEET (San Diego ) offers Health Net. An RFP is being sought.
- ◉ MEBA (Orange County) and CVT (Central Valley) have Blue on Blue issue.

# FUTURE MEETINGS

- ◉ District Insurance Committee meeting  
February 17, 2011
- ◉ RTA / RESPA Insurance Committee Meeting  
February 22, 2011