

## **Health Insurance Alert**

On May 11, 2010, the board of directors for the Public Employee Life and Health Board met and determined the rates for active members and retirees of the Public School Employee Group. There is an increase in premium of the Health Advantage Plan, which is the plan that the majority of school employees are enrolled in. The increase in the employee-only contribution is \$17.75 per month.

The board made several cost-saving adjustments to funding to keep the increase as low as possible. They applied almost all of the reserves that are available to the active members (\$11.84 million) and only a small portion to the Medicare-eligible retirees (\$.76 million). They combined the non-Medicare eligible retiree claims with the active claims to generate a cost savings to that group of participants, and because the group is so small it only had a minimal impact on the actives. In addition, the non-Medicare eligible retirees received no reserve allocation. Those who are eligible for Medicare will have no cost added to their premium. Non-Medicare eligible retirees will see a 13% reduction in their rate. If members are in the High Deductible PPO, their rates will drop as well. Please review the chart below to find your plan and the cost for the 2010-2011 plan year.

**Local districts can and should help to provide health insurance for their employees with a local contribution for health insurance.** The state-mandated \$131 per month is paid for by the state, and it is included in the calculation of a district's foundation aid. How much above the minimum does your district provide? It is imperative that all local bargaining teams and PPCs, both teacher and classified, bring proposals to your district before the end of school or during the summer to request a change to increase the district's responsibility for the health of their local employees. Lobby school board members. Become informed and active in this effort.

## **Health Insurance**

The following table illustrates the total premium cost, funding mandated by the state through the formula to districts, funding provided by the state and employee cost.

### Health Insurance Table 1

The following table illustrates the total premium cost, funding mandated by the state through the formula to districts, funding provided by the state and employee cost.

	<b>Total Monthly Premium</b>	<b>State Foundation Funding</b>	<b>Add'l State Funding</b>	<b>2010-11 Total Monthly Employee Cost *</b>	<b>Increase From 2009-10 Rate</b>
<b><u>Employee Only</u></b>					
Health Advantage	\$402.78	(\$131.00)	(\$101.34)	\$170.44	\$17.75
NovaSys POS	\$426.45	(\$131.00)	(\$101.34)	\$194.11	\$20.78
NovaSys HD PPO	\$247.55	(\$131.00)	(\$101.34)	\$15.21	-\$32.98
<b><u>Employee &amp; Spouse</u></b>					
Health Advantage	\$1090.48	(\$131.00)	(\$187.74)	\$771.74	\$50.29
NovaSys POS	\$1157.70	(\$131.00)	(\$187.74)	\$838.96	\$59.91
NovaSys HD PPO	\$651.84	(\$131.00)	(\$187.74)	\$333.10	-\$96.83
<b><u>Employee &amp; Child(ren)</u></b>					
Health Advantage	\$710.19	(\$131.00)	(\$142.32)	\$436.88	\$30.83
NovaSys POS	\$753.70	(\$131.00)	(\$142.32)	\$480.38	\$37.17
NovaSys HD PPO	\$428.69	(\$131.00)	(\$142.32)	\$155.37	-\$62.61
<b><u>Employee &amp; Family</u></b>					
Health Advantage	\$1098.18	(\$131.00)	(\$193.36)	\$773.83	\$50.43
NovaSys POS	\$1165.72	(\$131.00)	(\$193.36)	\$841.37	\$60.17
NovaSys HD PPO	\$658.05	(\$131.00)	(\$193.36)	\$333.70	-\$97.14