

**Redlands Unified School  
District  
Insurance Committee  
Program Renewals  
2011-2012**



**CLAUDIA S. ROSS  
SR. VICE PRESIDENT  
GROUP SCHOOLS**

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# Insurance Committee Members

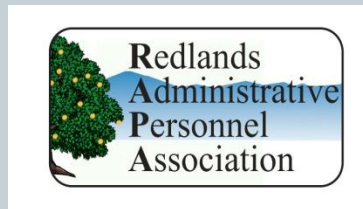
Facilitator: Sherryl Avitabile



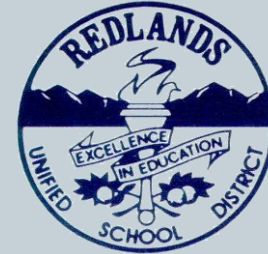
Maria Clark  
Chuck Mendoza  
Ray Andrzejewski  
Mike Kress



Jolene Tripp  
Miguel Ruiz  
Ed Sibby



Kate Pearne  
Curtis Marcell



Sabine Robertson-Phillips  
Brian Guggisberg  
Felicia Robinson  
Sylvia Morrison

# Where are we now?

- 2010-11 Benefit Package Includes Three Options for Major Medical:
  - Anthem Blue Cross HMO
    - ✦ Employee Contribution: \$977.52 Annually/\$97.75 Tenthly
  - Anthem Blue Cross POS
    - ✦ Employee Contribution: \$4,101.00 Annually/\$410.10 Tenthly
  - Kaiser Permanente
    - ✦ Employee Contribution: \$0.00

# Where are we now?

- Insurance Committee's Goals for 2011-12:
  - Provide the lowest price for the greatest number of employees
  - Continue to provide a no-cost option
  - Minimize the disruption of services to members and their families

# Where are we now?

- Insurance Committee's Accomplishments
  - 75% of ABC subscribers belong to Beaver Medical Group
    - ✦ Zero increase in premium for HMO Plan 1
    - ✦ BMG forfeited a 9% annual increase in their contracted rate with ABC. We estimate saving of approximately \$191,000 for RUSD employees who sign-up exclusively with BMG.
  - Negotiations with Kaiser Permanente
    - ✦ 1.067% increase in premium with minimal change in plan design
    - ✦ Continued no-cost option for employees
  - No change in Medical carriers for 2011-12

# Insurance Committee Evaluates Medical Plan Options

## Full Market RFP

- Aetna 12.6% Higher
- REEP 27% Higher
- Cigna 30% Higher
- PERS 31% Higher
- Blue Shield – Decline to quote
- Health Net – Decline to quote
- UnitedHealthcare – Decline to quote
- SCEET – Decline to quote
- VEBA – Decline to quote

# 2011-2012 Anthem Blue Cross Plan Design Changes

- **HMO Plan 1 – Beaver Medical Group**
  - 0% Increase in Premium
  - 75% of ABC subscribers are in Beaver Medical Group
  - Special Plan Offering for members who exclusively enroll with Beaver as Primary Medical Group
    - ✦ \$20 DOV – \$10 waived by special arrangement
  - Beaver referrals to outside specialists
    - ✦ \$30 co-pay applies

# 2011-2012 Anthem Blue Cross Plan Design Changes

- **HMO Plan 1 – Beaver Medical Group**
  - **Cannot change from Beaver Medical Group to another medical group mid-year**
    - ✦ Plan selection is for the entire fiscal year and cannot be changed until the next Open Enrollment window
  - **Cannot split families on HMO Plan 1**
    - ✦ If the family has some members with Beaver Medical Group and some without, the family must enroll in HMO Plan 2



# 2011-2012 Anthem Blue Cross Plan Design Changes

- **HMO Plan 2 Full Network**
  - 23% Increase in Premium
  - Members & families not enrolling with Beaver Medical Group or a combination of Beaver MG and another network provider
  - No plan design changes
    - ✦ \$30 DOV applies
    - ✦ Full Network, including Loma Linda University Medical Group

## 2011-2012 Anthem Blue Cross Plan Design Changes

- **POS plan is being replaced with a PPO plan**
  - 12.5% Increase in Premium over the POS plan
    - ✦ Staying with the POS plan would have meant a minimum increase of 20%
  - 20% Member Co-pay In-Network PPO Providers/40% Non-PPO Providers
  - \$500 per Member Calendar year deductible for all providers
  - Annual Out of Pocket in Network - \$3,000/member/year; \$6,000/family/year
  - Lifetime Maximum is Unlimited

# 2011-2012 Anthem Blue Cross Plan Design Changes

- **The Holman Group**

- No Increase in Premium
- Will continue to provide Mental Health benefits for ABC Programs
- No Plan Changes

- **Express Scripts**

- 7.81% Increase in Premium
- Will continue to provide Prescription benefits for ABC Programs
- No Plan Changes
- Still a fully Self-Insured Program

# 2011-2012 Kaiser Permanente Plan Design Changes

- No Employee Out-of-Pocket Contribution
- 1.067% Increase in Premium
- DOV Co-Pay increases from \$20 to \$30
- Prescription Drug Coverage aligns with Express Scripts offered with the Blue Cross Plans
  - Generic: \$10 for up to 30 day supply, \$20 for 31-60 day supply, \$30 for 61-100 day supply
  - Generic Mail Order: \$10 for up to 30 day supply, \$20 for 31-100 day supply
  - Brand Name: \$20 for up to 30 day supply, \$40 for 31-60 day supply, \$60 for 61-100 day supply
  - Brand Name Mail Order: \$20 for up to 30 day supply, \$40 for 31-100 day supply

# Health Care Reform – Enhanced Benefits

- HCR now mandates Preventive Care covered at 100% (No co-pay)
  - Complete physical exams
  - Well baby & well child care
  - Screenings (mammography, well woman, prostate, etc)
  - Co-pay applies only when a diagnosis is made
- Adult children can be covered on their parent's health benefit plan until age 26
  - Coverage does not apply to spouses or dependent children of the adult child
  - **Requires State issued Certificate of Birth or Court Approved Adoption Papers and must be presented to the Benefits Office**
    - ✦ **Request birth certificates NOW**

# Dental, Vision and Life Insurance Plans

- **Delta Dental**
  - No Plan Changes
  - <2.062%> Decrease in Premium
- **Medical Eye Services**
  - No Plan Changes
  - <3.552%> Decrease in Premium
- **Prudential Life Insurance**
  - No Plan Changes
  - No Premium Changes

# 2011-2012 Open Enrollment Begins: May 2 through June 3

## What you need to do:

- All Anthem Blue Cross members must re-enroll during Open Enrollment
- Kaiser Permanente members
  - Current members with no dependent changes, no action is necessary
- Changes from ABC to Kaiser or Kaiser to ABC must re-enroll during Open Enrollment via BenefitBridge

# 2011-2012 Open Enrollment Begins: May 2 through June 3

## What you need to do:

- Any member wishing to add or delete dependents must re-enroll during Open Enrollment
- Proof of dependency must be presented to the Benefits Office
  - State Issued Certificate of Birth
  - Court Approved Adoption/Foster Care Papers
  - State Issued Certificate of Marriage
  - State Issued Domestic Partner Certificate
- **New cards will be issued to all members**

**Full-time employees are not allowed to  
waive out of benefit coverage!**



# Benefit Packages for 2011-2012

|   | Anthem Blue Cross -<br>HMO 1 Beaver MG | Anthem Blue Cross -<br>HMO 2 Full Network | Anthem Blue Cross -<br>PPO (Replaces POS) | Kaiser Permanente  |
|---|--|---|---|--------------------|
| <b>Health &amp; Welfare Package at 100%</b>     | \$20 Copay                             | \$30 Copay                                | 20% Copay                                 | \$30 Copay         |
| Major Medical Plan                              | \$7,681.80                             | \$9,448.56                                | \$12,153.84                               | \$8,739.48         |
| KPPC Pharmacy                                   | \$1,883.16                             | \$1,883.16                                | \$1,883.16                                |                    |
| The Holman Group (Behavioral Health)            | \$300.84                               | \$300.84                                  | \$300.84                                  |                    |
| Delta Dental                                    | \$1,544.88                             | \$1,544.88                                | \$1,544.88                                | \$1,544.88         |
| Medical Eye Services                            | \$149.88                               | \$149.88                                  | \$149.88                                  | \$149.88           |
| Prudential Life                                 | \$156.00                               | \$156.00                                  | \$156.00                                  | \$156.00           |
| <b>TOTAL HEALTH &amp; WELFARE PREMIUM COSTS</b> | <b>\$11,716.56</b>                     | <b>\$13,483.32</b>                        | <b>\$16,188.60</b>                        | <b>\$10,590.24</b> |
| Maximum District Contribution                   | \$10,640.64                            | \$10,640.64                               | \$10,640.64                               | \$10,640.64        |
| Employee Pay                                    | \$1,075.92                             | \$2,842.68                                | \$5,547.96                                | \$0.00             |
| Employee Pay - 10thly                           | \$107.59                               | \$284.27                                  | \$554.80                                  | \$0.00             |

**NOTES:**

*Married couples choosing ABC - HMO 1 will have no employee contribution and a reimbursement pool of \$4,472.04*

*Married couples choosing ABC - HMO 2 will have no employee contribution and a reimbursement pool of \$2,705.28*

*Married couples choosing ABC - PPO will have no employee contribution and no reimbursement pool*

*Married couples choosing Kaiser will have no employee contribution and a reimbursement pool of \$5,547.96*

*Rates for part-time employees, COBRA, and retirees are presented separately.*

# Open Enrollment Timeline

- April 18-22, 2011 RTA/RESPA/RAPA Information Meetings and Voting
- **May 2, 2011** **Open Enrollment Begins**
- May 3, 2011 @ 2:00 Retiree Information Meeting – Board Room
- May 3, 2011 @ 4:00 General Information Meeting – Board Room
- May 17, 2011 RTA/RESPA Information Meeting
- **June 3, 2011** **Open Enrollment Closes**
- June 6-10, 2011 Document Approval
- July 1, 2011 New Benefit Cards received by staff

**Computer Lab Monday – Thursday 2:00 – 5:00  
& Mondays 9:00 – Noon**

**Kiosk in the Benefits Office is open daily 9:00 – 4:00**

*Questions??*