

# **Executive Summary**

## **Prepared for Board of Trustees Meeting**

### **August 10, 2010**

## **Employee Health Insurance Report**

### **Benefit/Premium Adjustments For 2011**

---

#### **Purpose of Report**

This report is to present to the Board of Trustees, for their review and discussion, the recommendations for our 2011 Employee Health Insurance Program as it relates to medical benefit enhancements and a premium/contribution adjustment.

#### **Objectives**

- Review of plan benefits on an annual basis to determine if changes should be made.
- Stay competitive with benefits being offered through other school districts self-funded plans.
- Become/maintain compliance with the federal healthcare mandates known as ‘Health Care Reform Act’ or the “Patient Protection and Affordable Care Act.”

#### **Operational Impact**

We are hoping to have the recommended changes approved at the August 24, 2010 Board of Trustees meeting. Several changes are being proposed.

Current plan changes:

- MetLife Dental is exercising their right to set a rate increase. The increase will be 5.4% over the current rates.

To comply with the new federal legislation, Patient Protection and Affordable Care Act, we are recommending the following plan changes:

- Chiropractic benefits to change to an annual 30 visit limit.
- Eligible dependents to be covered to age 26.
- No pre-existing condition penalty for dependents under the age of 19.
- Unlimited lifetime maximums.

Program changes under consideration due to budget constraints:

- Elimination of the In-Hospital Benefit (IHB) plan.
- Elimination of the Molloy Wellness Program.

As a result of the program changes recommendation:

- Increase the District Employee Contribution from \$260.00 to \$314.00.
- Provide a \$10,000 life insurance policy to all employees currently participating in either a medical plan or an optional benefit plan.

**Executive Summary**  
**Prepared for Board of Trustees Meeting**  
**August 10, 2010**

**Employee Health Insurance Report**  
**Benefit/Premium Adjustments For 2011**

---

**Other Options**

The recommendations being made to you are an effort to keep our health plan benefits current and comparable to other self-funded plans and provide the best available program to our employees with the resources available, while complying with all current federal regulations.