



*TRS-Active Care Discussion
Meeting*

December 12, 2006

How to join TRS-Active Care

- Must submit request in writing six (6) months prior to proposed effective date.
 - Effective Date may be 1/1 or 9/1
- The request to join must be approved by Executive Director of TRS.
- Board must pass a resolution authorizing transition to TRS-Active Care.

District Considerations

- Lifetime Maximum
 - Denton ISD - \$2,000,000
 - TRS Plan 1 – Unlimited
 - TRS Plan 2 – Unlimited
 - TRS Plan 3
 - Network – Unlimited
 - Non-Network - \$1,000,000
- Currently TRS Active Care employee rates are lower than the Denton ISD plans
- TRS-Active Care allows employees to transfer between member districts and carry over deductibles and out of pocket expenses.

District Considerations Cont'

- TRS-Active Care:
 - Once in – always in; cannot get out.
 - Hospital Pre-certification is required on all plans



District Considerations Cont'

- District is out of the Health Insurance Business:
 - Loss of flexibility in Plan Design and Rates.
 - Insurance Department will not be able to assist employees with claim issues (HIPAA).
 - Insurance Committee input is limited to voluntary products only.
 - Ability to do electronic enrollment is up to Blue Cross Blue Shield.
 - If BCBS does not approve electronic enrollment, District must go back to manual paper enrollment process for medical benefits.

District Considerations Cont'

- TRS Prescription Drug Benefits
 - Plan 1 – Discount card and no co-pays
 - Plan 2 & 3 have a \$50 annual deductible in addition to the appropriate co-pay.
 - Plan 2 & 3 have increased co-pay levels after the first prescription filled at the retail level
 - Plan 2 & 3 have a three tier prescription drug benefit
 - Generic
 - Preferred Brand
 - Non-preferred Brand

District Considerations Cont'

- TRS Prescription Drug Benefits
 - Under state law, TRS must require prior authorization before certain drugs are dispensed under the TRS Active Care plans.
 - Traditional prior authorization
 - Certain drugs require review and authorization with physician before dispensing
 - Smart Prior Authorization
 - Medications exceeding internally defined limits require authorization as do medications in cases where step therapy has not been attempted.

District Considerations Cont'

- TRS Prescription Drug Benefits
 - Quantity per dispensing event
 - Sets dispensing quantity limits on certain drug categories per co-payment



District Considerations Cont'

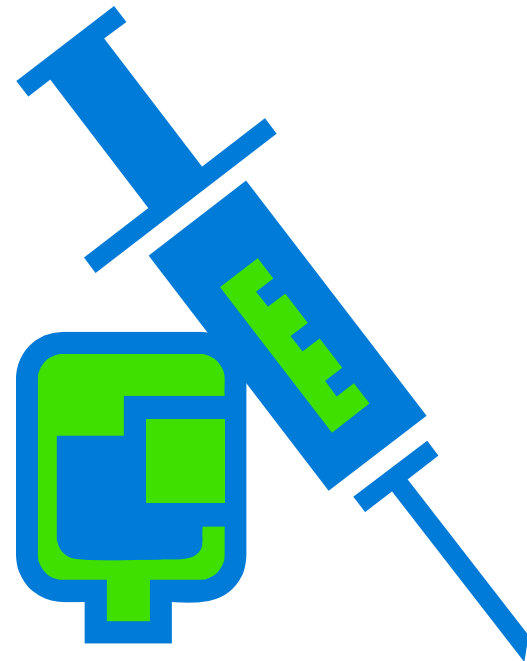
- District must run a short plan year to join:
 - TRS plan year is from September 1 through August 31.
 - Either offer the current plan January through August and TRS-Active Care effective September 1 or join TRS-Active Care mid year from January through August .
 - This will result in employees accruing Annual Deductibles and Out of Pocket Maximums in 8 months instead of 12 months and then they must start over with new benefits.

District Considerations Cont'

- IHB Plan would go away as there would be no funding for it through District contributions (including the \$50,000 Basic Life Insurance)
- District would have to decide what to do with the Basic Life Insurance.
 - Fund separately
 - Consider funding out of District Contributions

District Considerations Cont'

- Flu shots for the employees could not be paid through HCT
 - Fund separately
 - Employee paid



District Considerations Cont'

- Wellness program funding for Principal Wellness would not be available through the HCT.

Questions