

Executive Summary
Prepared for Board of Trustees Meeting
August 11, 2009

Employee Health Insurance Report
(Benefit Adjustments)

Purpose of Report

This report is to present to the Board of Trustees, for their review and discussion, the recommendations for our 2010 employee health insurance program as it relates to medical benefit changes.

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.

Operational Impact

Changes being proposed:

- Lower the urgent care co-pay to \$25.00 from the current \$50.00 co-pay
- Drop prescription drug coverage for Nexium based on the recommendation by United HealthCare's national medical director. This change will save the District \$47,798 yearly based on current usage. 31 employees could be affected.
- Remove the cap on the wellness benefit for employees and dependents alike
- The Mental Health Parity and Addiction Equity Act of 2008, a provision of the American Recovery and Re-investment Act of 2008, expanded the HIPAA Mental Health Parity Act of 1996, which addresses coverage for mental health and substance abuse claims. The Mental Health Parity and Addiction Equity Act of 2008 states that mental health and substance abuse claims be processed as any other medical claim, if coverage for those services is included in a health plan. The Mental Health Parity and Addiction Equity Act of 2008 did not remove the right of a non-federal governmental plan to opt out of the Health Insurance Portability and Accountability Act of 1996. Therefore, it is our recommendation that Denton ISD continue to opt-out of the applicable HIPAA provisions regarding mental health and substance abuse and keep our mental health benefits at the current level.

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.

We are hoping to receive Board approval at the Trustee meeting on August 25, 2009.