

BENEFIT REVUE

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Health Insurance Survey Results

Employees Indicate Interest in Middle-Option Health Insurance Plan

The School District, in cooperation with the Insurance Task Force, conducted a Strategic Listening health insurance survey for all District employees February 13-24. The survey was conducted to determine employee satisfaction with the current BCBS health plans.

Based upon the results of the last health insurance survey (conducted in May, 2004), the Insurance Task Force recommended adding the lower-cost BCBS 118 PPO plan because dependent premiums for the benefit-rich 927 and 903 PPO plans were unaffordable for many employees. While 193 employees did enroll in the new BCBS 118 plan last year, that number was disappointing. Feeling that we still may not have adequately met the needs of employees with dependents, the Task Force released this new survey.

Nine hundred forty seven employees (approximately 10% of those eligible for health insurance) responded to the survey. Of those, 497 were instructional, 312 were support, and the remainder were technical and administrative employees.

The demographics of the respondents were representative of the overall employee population. Half the respondents were under 50 years of age and half were 50 years or older. There was also a good distribution among salary brackets and household incomes.

Among the survey respondents: approximately 70% of were married; 44% had dependent children; 15% cover their spouses; and 20% cover their dependent children under their District health plan.

Although 630 respondents (69%) were satisfied with the current choice of plans, 438 (47%) said they'd still like to see additional options. When asked if they would specifically be interested in a "middle-option" plan, with benefits and premiums midway between the District's richer plans (927 and 903 PPO) and the lowest benefit plan (118 PPO), 418 of those employees indicated they would. Some (380 employees) were interested in a middle-option plan to help pay for dependent health coverage, while others (550 employees) indicated interest in a middle-option plan if it helped pay for voluntary benefits such as dental, vision, or cancer insurance.

Although 630 respondents (69%) were satisfied with the current choice of plans, 438 (47%) said they'd still like to see additional options.

When asked why their spouses were not covered under their health insurance, 27% said it was because the District's plans were not affordable; however, the majority of spouses were not covered under a District plan because they had coverage under their own employer's plan. One hundred twenty seven employees with dependent children said they did not cover their children under their health insurance because the District's plans were too expensive.

Finally, 70% said they had a good or very good understanding of their health plan benefits, while 30% indicated they had a fair or poor understanding; 86% said they would not be willing to subsidize (help pay for) health insurance coverage for dependents of other employees; and response was fairly evenly divided among employees regarding prioritizing available funds

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Three Simple Ways to Recognize a Stroke

Stroke is the third leading cause of death in the United States after heart disease and cancer, yet many people are not able to recognize when someone is having a stroke, which may be responsible, in part, for its high mortality rate. According to the University Hospital of Newark, New Jersey, fewer than half of all individuals over 50 are aware of what a stroke is, its signs and symptoms, and the importance of seeking immediate medical attention.

By memorizing the following three simple commands known as the Cincinnati Pre-hospital Stroke Scale (CPSS), you will be able to recognize a stroke and take appropriate action.

1. Ask the individual to SMILE.
2. Ask him/her to RAISE BOTH ARMS.
3. Ask the person to SPEAK A SIMPLE SENTENCE. (Example: It's a lovely day today.)

Call 911 if the person has trouble with any of these tasks, describe the situation, and let the dispatcher know you think the person has suffered a stroke.

These three questions are important because they identify easy-to-diagnose signs of stroke: facial weakness, arm weakness, and speech problems.

Prompt diagnosis and medical treatment can help prevent the serious consequences of stroke, including brain damage and even death.

2006 Open Enrollment Recap *Enrollment Increases for Most Benefits*

As always, Open Enrollment was a hectic time of year, with Insurance & Benefits staff processing thousands of enrollment forms. Overall, however, things went very smoothly and we received very favorable feedback from employees about our Open Enrollment videos (both English and Spanish) and our daily email reminders.

This year, enrollment in the BCBS health plans showed only a small migration of employees away from the BCBS 927 PPO plan into the BCBS 903 and 118 PPO plans. This continues a trend that began a few years ago. Enrollment, overall, was quite stable, with only a net loss of seven (7) employees dropping dependent health coverage – a significant improvement over prior years. The stability in enrollment was most likely due to this year's smaller increase in health insurance premiums.

Although we were a little disappointed in last year's initial enrollment in the new BCBS 118 plan, it is encouraging to see participation increasing, especially among employees who purchase dependent coverage. The BCBS 118 PPO plan has also proved to be popular among retirees because of its lower premiums and pharmacy benefit.

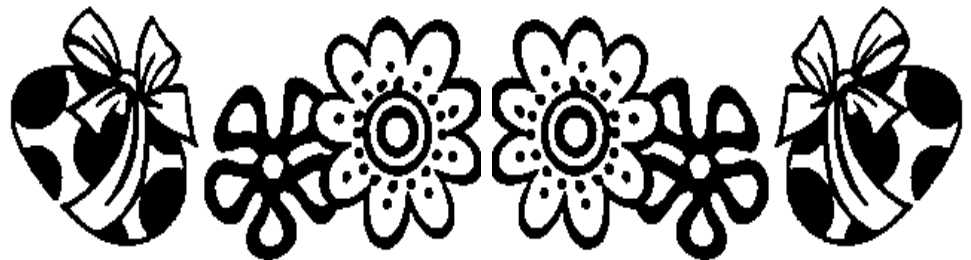
After three years of dropping enrollment in disability insurance

(average of 50 employees/year), it was encouraging to see that trend reversed this year with a modest net increase in enrollment (two employees).

Enrollment in Delta Dental's indemnity plan rose again this year for a net increase of 431 employees. At the same time, 99 employees dropped coverage under Delta's DHMO plan. Employees were not permitted to sign up for the DHMO plan during this year's Open Enrollment due to the limited network of DHMO providers, and enrollment will continue to be closed until Delta is able to add sufficient new providers to its network.

Enrollment continued to increase in the AIG cancer plan (145 employees) and VisionCare vision plan (309 employees), but dropped for both the Flex Plan Medical (30 employees) and Dependent Care (7) Spending Accounts.

We owe special thanks to the District's Benefit Contacts for their help during Open Enrollment. These are the folks in your school/department that provide benefit support and assistance to both Insurance & Benefits and to you. We would also like to thank the employees in the Payroll Department who entered every new benefit deduction in the District's payroll system. Thanks team – good work!



Health Insurance Survey Results *(continued from page 1)*

for compensation between salary increases or maintenance of current health insurance benefits.

The health insurance survey results have been provided to the Insurance Task Force and to both the TALC and SPALC bargaining teams

to provide data for the current round of negotiations and to help with future health plan decisions.

Thank you if you took the time to provide your valuable input by participating in the Strategic Listening Health Insurance Survey!

Benefit **Reminder**

Don't Forget to Use Your New Blue Cross Blue Shield ID Card

Blue Cross Blue Shield (BCBS) sent new ID cards to all School District employees and retirees last month.

The new cards have LCY as a prefix to your ID number. (Your old card had an XJB prefix.) The prefix is followed by a randomly generated contract number which begins with the letter "H" followed by eight (8) numbers. Example: LCYH12345678.

Begin using your new ID card immediately. While your medical providers will be able to cross-check your coverage with your old ID during a transition period, pharmacies will not be able to do this.

IMPORTANT: You must present your new ID at the pharmacy to get prescriptions filled. When you use the mail order pharmacy, enter your new "H" contract number in the "Employee ID Number" field on the order form. Example: H12345678.

If you have misplaced your new BCBS ID card or did not receive a new card in March, please contact Debbie Strong, our on-site BCBS customer service representative, at 335-1403 or call BCBS's toll free Customer Service at 1-800-945-3676.



April's "Benefit Review": Group Term Life Insurance

Below are questions frequently asked by employees about group term life insurance. The answers to these questions should help you better understand and utilize this valuable benefit.

- Q. Who is the School District's current group term life insurance carrier?
A. The District's group term life insurance carrier is Minnesota Life and our group term policy number is 33327.
- Q. How much life insurance is available to employees?
A. Active employees may carry up to a total of \$200,000 of group term life insurance. The first \$20,000 is provided by the School District. Employees may then purchase an additional \$20,000; \$40,000; \$60,000; \$80,000; \$130,000; or \$180,000 in supplemental term insurance.
- Q. How much coverage is guaranteed?
A. During initial eligibility (the first 31 days of employment or moving from under 30 hrs/wk to 30 hrs/wk or more), an employee is guaranteed up to \$100,000 of life insurance. All amounts over \$100,000 are subject to medical underwriting. Existing employees who did not take the maximum amount available at the time of their initial eligibility, are subject to medical underwriting for all additional amounts of supplemental life insurance.
- Q. How much life insurance is available for my spouse and children?
A. Spouse coverage is available in amounts of \$20,000 and \$40,000. Children coverage is available in amounts of \$5,000 and \$10,000. Spouse coverage of \$20,000 is guaranteed during initial eligibility. All children coverage is guaranteed.
- Q. When may I increase or decrease life insurance coverage?
A. You can only increase life insurance coverage during the Annual Open Enrollment (subject to medical underwriting) or if you have a qualified Family Status Change (marriage, birth, etc.). You may decrease your coverage at any time.
- Q. How and when can I change my beneficiary?
A. You can change your beneficiary at any time by completing a Beneficiary Designation and Change Request form.
- Q. If my spouse works for the School District, too, may I purchase spouse coverage on him and can he purchase spouse coverage on me?
A. No, the policy only permits an individual to be an employee or a dependent, not both. Since the School District provides the basic \$20,000 for all employees, they may not be covered as dependents.
- Q. How do I remove my dependent who is no longer eligible?
A. It is your responsibility to notify the Minnesota Life representative in Insurance & Benefits and to complete a Life Insurance Change Form. Premium refunds will be granted for a period of up to one year.
- Q. If my employment with the District ends, may I continue my life insurance?
A. You will no longer be eligible to remain in the group plan, but you may convert your term coverage to an individual whole life policy by contacting Minnesota Life at 1-866-293-6047.
- Q. How much life insurance is available to retirees?
A. Retirees under 70 years of age may carry the same amount during retirement that they carried at the time of their retirement up to a maximum of \$100,000. At age 70, that amount drops to half and at age 75, it drops to half again. Retirees may not increase coverage, but are permitted to reduce their coverage.
- Q. How do retirees pay for their coverage?
A. Retirees may choose to be billed annually, semi-annually, or have monthly automatic premium withdrawals from their checking accounts.
- Q. Who do I contact if I have a life insurance question?
A. Minnesota Life has a full-time representative in the Insurance & Benefits Department. Her name is Rafaelina "Raffy" Fermin and her number is 335-1402.

"It is the mark of an educated mind to be able to entertain a thought without accepting it."—Aristotle

2006 Open Enrollment Statistics

Benefit Directory

Cancer Insurance:

Hartford Life/AIG
1-800-880-2776

Dental Insurance:

DeltaCare DHMO
1-800-422-4234
Delta Indemnity
1-800-521-2651

Disability Insurance:

UNUM
General Information
1-800-633-7479
Claims (local) 337-8155

Employee Assistance Program:

EAP Consultants
(local) 433-1211

Health Insurance:

BlueCross BlueShield
(claim information and
new ID cards)
1-800-945-3676
*On-site CSR (Insurance &
Benefits Management)*
(local) 335-1403

Insurance & Benefits

Management:

General Information
(local) 337-8321

Life Insurance:

Minnesota Life
(local) 335-1402

Mail-Order Prescription Drugs:

Walgreens Healthcare Plus
Customer Service
1-888-257-6641
Hearing Impaired
1-800-925-0178
Spanish
1-800-758-0002

Vision Insurance:

VisionCare Plan
1-800-865-3676

Workers' Comp. (Johns Eastern):

1-800-749-3044

<u>Benefit</u>	<u>Before</u>	<u>After</u>	<u>Change</u>
BCBS 927 PPO health plan			
Employee only	2085	2014	(71)
Employee + Spouse	135	126	(9)
Employee + Child	112	109	(3)
Employee + Children	32	30	(2)
Employee + Family	48	39	(9)
Total	2412	2318	(94)
BCBS 903 PPO health plan			
Employee only	4986	5054	68
Employee + Spouse	460	484	24
Employee + Child	647	641	(6)
Employee + Children	215	203	(12)
Employee + Family	327	299	(28)
Total	6635	6681	46
BCBS 118 PPO health plan			
Employee	19	24	5
Employee + Spouse	43	46	3
Employee + Child	34	44	10
Employee + Children	33	39	6
Employee + Family	67	86	19
Total	196	239	43
Delta Dental indemnity plan			
Employee only	3494	3696	202
Employee + Spouse	790	859	69
Employee + Children	704	825	121
Employee + Family	711	750	39
Total	6313	6645	332
DeltaCare DHMO plan			
Employee only	309	269	(40)
Employee + Spouse	98	78	(20)
Employee + Children	83	67	(16)
Employee + Family	124	101	(23)
Total	614	515	(99)
VisionCare plan			
Employee only	2761	2921	160
Employee + Spouse	657	727	70
Employee + Children	369	433	64
Employee + Family	542	557	15
Total	4329	4638	309
AIG cancer plan*			
Employee only	946	1055	109
Employee + Family	356	392	36
Total	1303	1447	145
UNUM disability insurance*			
Short term only	361	361	(1)
Short & long term	2210	2216	6
Long term only	672	669	(3)
Total	3243	3245	2
Medical spending accounts	1070	1040	(30)
Dependent spending accounts	70	63	(7)

*Pending applications will increase final enrollment