

Many teachers have contacted the Superintendent with questions and concerns about their health coverage and what the School District's proposal in negotiations means to them. Here are some answers to the questions being raised.

1. If I were in the District's plan would I pay more for the new insurance than what I am paying now?

No, in fact, you will pay less for the comparable plan plus you will have previous benefits restored. These include Long Term Disability, survivor benefits, and a nation-wide Preferred Provider Organization (PPO) network, which allows you to see a physician in any part of the United States, not just for emergency or urgent care. In addition, today, the THT retiree medical plan is so expensive that most cannot afford it. CCSD retirees enjoy access to the same plans as our active employees for the same premium payment to the insurers.

2. Is the District negotiating to replace the Teachers Health Trust?

The District makes annual payments to the THT as required by Article 28 of the negotiated agreement between CCSD and CCEA. It is therefore a subject of bargaining. The District is bargaining to stop paying money to the THT and instead use the insurance carriers who provide benefits to all the rest of the District's employees.

3. Why does the District want to replace the THT?

The District believes that if teachers become part of the insurance program for all employees, the District can provide better benefits at a lower cost. Because the District uses fully insured plans there is a much broader choice of plans to choose from that more effectively meet the needs of our employees such as, Preferred Provider Organization (PPO), Health Maintenance Organization (HMO), Point of Service (POS) plans, that have lower paycheck contributions, if any, than the THT must charge. The current THT plan cannot offer this kind of choice without potentially putting some of its plans in financial jeopardy.

4. Will switching to a private carrier compromise health care for teachers?

No. All of our other employees have for many years received Health Care from large insurance companies with thousands of physicians, dentists, and eye care professionals.

5. Will the District save money by switching coverage?

Yes. Savings to the taxpayers are in the millions of dollars, monies which will be used to offset lost positions and potential salary cuts and to fund District programs and operations that enhance student achievement.

6. The new plan may be less expensive this year. What will prevent the private insurance company from raising its rates next year or the year after?

Rising health care costs is a national concern. Currently, however, the District has negotiated a 28-month contract (minimum), guaranteeing stability of costs and benefits over the biennium. On the other hand, the CEO of the THT has publicly said "...it (THT) will not be adequately funded... despite the continually increasing health care costs."* The THT CEO further stated the THT may need to change benefits after negotiations are completed. "Once the contract negotiations have been completed, and if the Health Trust is still your source of benefits, the Board of Trustees (for THT) will have to take a hard and realistic look at what your benefits will look like."* The District believes coverage is more stable for teachers if they are included in the 28-month contract.

7. The District wants the same private insurance carrier that covers other employees to cover teachers. Does that insurance carrier force employees to be in an HMO?

No. While an HMO option is available, the choice is entirely up to the employee to select an HMO, a POS option, or a PPO...many more choices are available to CCSD plan participants than are offered by the THT.

8. Can employees still continue to use their own physicians?

Employees are able to log on to one of several web sites and review printed materials before selecting a plan to determine if a particular doctor is included. If employees choose a plan where their physician is contracted they may continue to see the physician at very favorable co-pays. If employees choose one of the plans that their physician has decided not to join, employees may still be able to see the physician for a higher out of pocket cost. If employees select a POS plan, employees may use any physician, in or out of network. The costs may be higher for an out-of-network provider, but that option is still available. It should be noted that all physicians are free to leave plans or be a part of many plans. There is no guarantee that a physician will remain on any plan including the THT. However, as stated above under the district POS plan, employees may see any physician they choose. If an employee tells us their physician's name and phone number our insurer will discuss a contract with the physician.

9. Why does the District's private insurance carrier not include Sunrise Hospital in its network?

Most of the very best hospitals in town are in the network. Currently Sunrise is not in the network because of high billing issues. Insurance carriers try to obtain contracts with hospitals at a price that will enable the plan to continue to provide an adequate level of benefits to employees. Sometimes a hospital insists on charging too much forcing an insurance carrier to sever business with that hospital. That is a hard decision to make but it ensures that adequate benefit levels will continue to be provided to employees at a reasonable cost. This may be a key factor in the current THT plan and why its CEO says it is underfunded. (See #6, comments from CEO of the THT.*)

10. Are private insurance carriers "for-profit"?

Yes, as are all the providers with whom the THT contracts, including for-profit hospitals, pharmacy companies, and other providers. For-profit insurers are subject to significant scrutiny by several federal and state agencies. The regulatory environment creates safety for participants. The THT is not subject to as much scrutiny because it is a private plan. Even the very teachers the THT covers are entitled to very little information about how it spends money. The THT can literally pay its employees and its CEO whatever it wants—even if those large salaries result in the THT being inadequately funded. In the end, the important thing to the District is that our employees receive the best services available at reasonable rates.

11. Is personalized service available to District employees who have questions on the insurance plan?

Yes, the insurance carrier has a dedicated unit for CCSD employees and with knowledgeable customer service representatives specifically trained and assigned to district insurance contracts.

12. What about prescriptions?

Prescriptions are available from a network of almost all local pharmacies, as well as a mail order network, which allows purchases of a three month supply of prescriptions at a lower cost.

13. Are employees able to use their own dentist?

The Standard Insurance Company network of nation-wide dentists includes more than 2500 local dentists. However, employees may see any dentist they want, and Standard has pledged to actively recruit any dentist who is not currently a contracted provider about joining the network. If an employee uses a non-contracted dentist, the out-of-pocket costs may be higher, but the choice is the employee's.

14. If my physician is not on the District's plan and I am in the middle of an extended medical procedure, will I be able to complete my treatment with the same physician?

A transition clause in all CCSD employee benefits plans allows for the completion of many procedures which are underway whether that physician and/or hospital are contracted or not.

Our plans recognize that transition of care for many important courses of treatment is vital to the well being of the patient. A good example is pregnancy in the 3rd trimester. This will always be subject to the transition process that will allow the mother to remain with her provider until the successful completion of the pregnancy. There are many other examples of instances when this transition process will be effective. You will have access to personal assistance once you have made a plan choice.

15. What about insurance at retirement?

District plans allow every employee to continue to receive the same insurance as a retiree. (The employee is responsible for the contribution at retirement.) Currently, teachers on the THT plan pay \$30 per month to support a future retiree plan even though it does not guarantee insurance will be available for retired teachers. With the adoption of the proposed district-wide health plan, every teacher would see a \$30 a month or \$360 a year increase in income.

The District wants all teachers to be fully informed about the status of negotiations and have correct information about the District's proposals.

*Letter to teachers from the CEO of the THT
Health Traxx, May, 2011