

**Information/Ideas from the
Superintendent's Insurance Advisory
Committee**

**2010 SELF-INSURED EMPLOYEE
BENEFITS PLAN**

August 6, 2009

The Self-Insured Model

Sources of Revenue

Board Contributions
Employee Contributions
Interest Income
Other sources

Sources of Spending

Medical Claims
Pharmacy Claims
Behavioral/EAP Costs
Administrative Fees

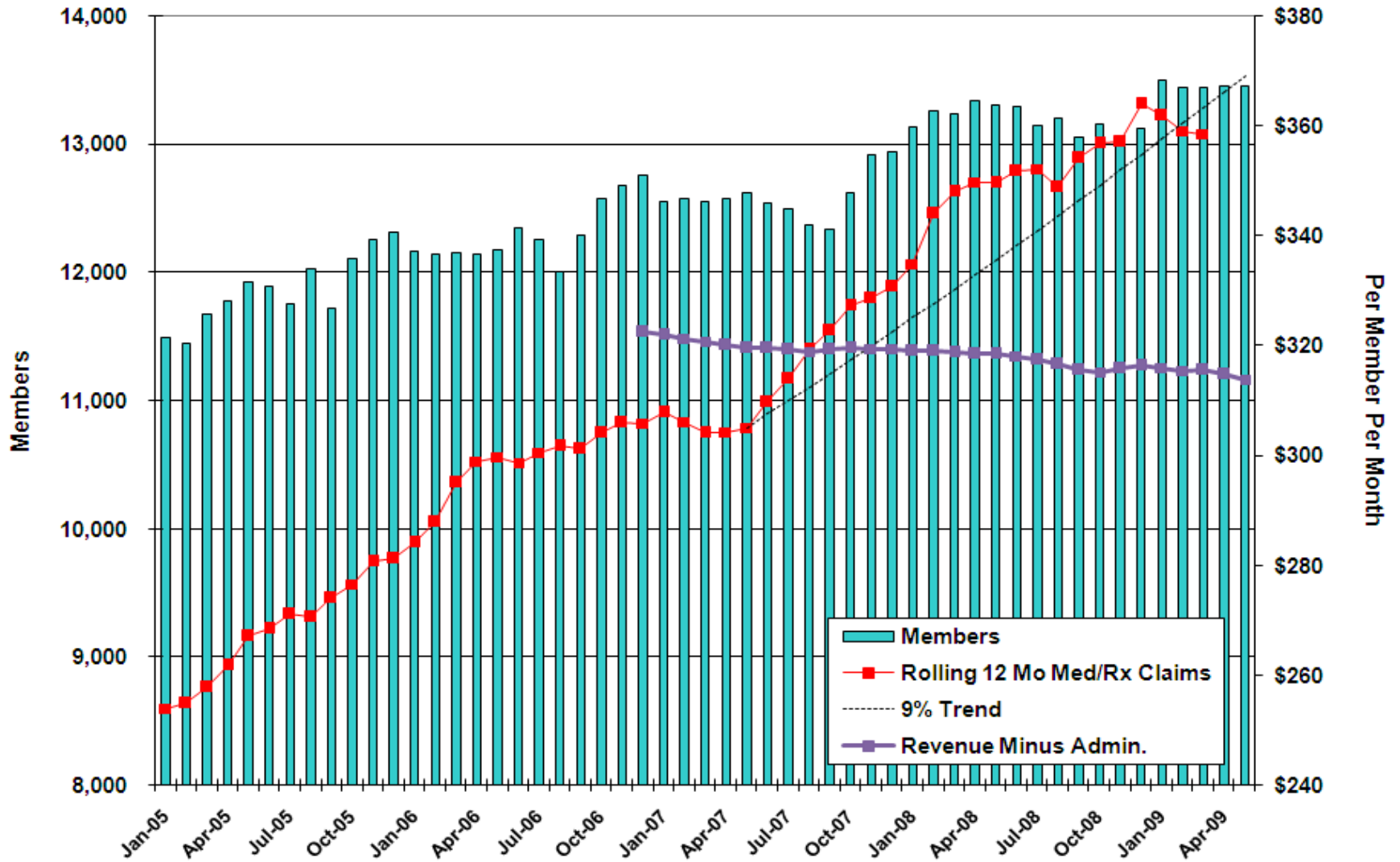


Health Care Trust Fund

Our Dilemma

- Projected year-end reserves of approximately \$5 million (must cover IBNR).
- 2010 revenue estimated at \$58 million.
- 2010 expenses projected at \$75 million.
- This leaves a gap of approximately \$12 million.
- At our current trajectory, trust reserves will be depleted during 2010.

Brevard Public Schools Trend



Information For Presentation Purposes Only

Medical Plan Design Ideas

EPO and PPO Only

	Benefit	Current	Committee Ideas
EPO Copay Changes	PCP Office Visit	\$15	\$20
	Specialist Office Visit	\$25	\$30
	Hospital Admit	\$300	\$300/day to 3
	ER Visit	\$75	\$200
	Outpatient Surgery	\$25	\$150
	Major Diagnostics	\$50	\$100
PPO	In-network Deductible	\$300/600	\$500/1000
	In-network Coinsurance	85%	80%
	In-network OOP Max	\$2000/4000	\$2500/5000
	Out of Network Deductible	\$400/800	\$750/1500
	Out of Network Coinsurance	70%	60%

Medical Plan Design Ideas

Hybrid Plan

Hybrid Plan Design Summary

Benefit	In-network	Out of Network
CY Deductible	n/a	\$600/1200
Coinsurance	10%	30%
Out of Pocket Max	\$2,500/5000	\$4,000/8000
PCP OV Copay	\$20	Deductible/coins.
Specialist OV Copay	\$30	Deductible/coins.
Hospital Admit	\$500/admit+coins.	Deductible/coins.
ER Visit	\$200+coins.	Deductible/coins.
Outpatient Surgery	\$150+coins.	Deductible/coins.
Major Diagnostics	\$100+coins.	Deductible/coins.

Medical Plan Design Ideas

HRA Plan Offered with Hybrid Plan

HRA Plan Design Summary

Benefit	In-network	Out of Network
CY Deductible	\$1500/3000	\$3000/6000
Coinsurance	20%	40%
Out of Pocket Max	\$3000/6000	\$6000/12000
Office Visits	Deductible/coins.	Deductible/coins.
Hospital Admit	Deductible/coins.	Deductible/coins.
ER Visit	Deductible/coins.	Deductible/coins.
Outpatient Surgery	Deductible/coins.	Deductible/coins.
Major Diagnostics	Deductible/coins.	Deductible/coins.
Health Reimbursement Account	\$750 Employee; \$1500 Family	

Prescription Drug Plan Ideas

Current: Retail: \$10/\$20/\$35 Retail 90 & Mail: \$20/\$40/\$70

Type	Generic	Preferred Brand	Non-Preferred
Retail 30	\$8	\$30	\$45
Retail 90	\$20	\$75	\$112.50
Mail 90	\$16	\$60	\$90
Estimated Impact	-\$907,967		

Prescription Drug Plan Ideas

Current: Retail: \$10/\$20/\$35 Retail 90 & Mail: \$20/\$40/\$70

Type	Generic	Preferred Brand	Non-Preferred
Retail 30	\$8	\$20+10% (max \$60)	\$35+10% (max \$100)
Retail 90	\$20	\$50+10% (max \$150)	\$87.50+10% (max \$250)
Mail 90	\$16	\$40+10% (max \$120)	\$70+10% (max \$200)
Estimated Impact	-\$1,450,661		

Max does not apply when generic is available and member requests brand medication.

Employee Premium Rates

EPO/PPO Redesign and Hybrid/HRA

% Increase Across All Tiers				
5%	10%	15%	20%	25%
\$2,426,572	\$3,250,096	\$4,073,619	\$4,897,143	\$5,720,667
\$30 Increase Across All Tiers				
\$4,480,889				

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Employee Premium Rates

Hybrid Only

% Increase Across All Tiers				
5%	10%	15%	20%	25%
\$1,471,308	\$2,249,342	\$3,027,377	\$3,805,412	\$4,583,447
\$30 Increase Across All Tiers				
\$3,571,113				

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Additional Premium Ideas:

Amount/month	Annual Revenue Generated (\$M)
\$25	4.0
\$20	3.5
\$15	3.0
\$10	2.5
\$ 5	2.0

At our current enrollment, with every \$5/mo. employee contribution increase, annual revenue is increased by approximately \$500,000.

Additional 2010 Cost-Reduction Ideas

Issue	\$ Impact
Eliminate Opt-out Plan	-\$1,182,600
Eliminate Joint Tier	-\$390,930
Eliminate Flex Credit	-\$635,600
Eliminate Board Paid Vision	-\$344,739
Single Third Party Administrator	-\$257,834
TOTAL OF ALL OPTIONS LISTED	-\$2,811,703