

Heath Consortium Meeting

Feb. 5th 2010

Health consortium meeting of Feb.5th 2010 had several issues that were discussed and I would like to take the time to cover them for the Board and Superintendent.

- The health insurance plan we have had for the past several years was called Regionwide II coverage, the name has been changed to Classic Blue coverage and will transfer from one system of claims processing to another system. This change will occur on April 1st and will have "no effect" on the subscribers to the plan in fact there are some enhancements to the new plan. With that being said some schools have already experienced some problems associated with the upcoming change.
- The new rates have been posted and our cost per participant is 565.95/month for an individual or 6,791.40/year, for a family plan it is 1,415.00/month or 16,980.00/year.
- The BTD Heath Consortium raised the rates to the member schools by 4% this increase for Chenango Valley is multiplied with an experience modification of 1.75 this experience modification is added on to our 4% increase because the District has "experienced" a total number of claims that exceeds our total contributions for the three year period beginning July 1st 2006 and ending June 30th 2009. The District is in a deficit position as of July 1st 2009 of 603,213.00. I would like to ask the board to consider taking a portion of our unrestricted fund balance and pay the outstanding deficit to the Consortium in order to pay back the consortium and reduce our insurance rates.
- Lastly, I would like to point out to the Board that this year the District will pay 5,734,341.00 or roughly 17.8% of the total school budget of which the District is reimbursed roughly 570,000.00 in employee contributions. I believe all employee groups of the District must be willing to look at ways to cut our costs in this area. I would ask the Board and Superintendent to

re-establish a Health Insurance committee to investigate ways of saving money on our health insurance premiums by our participants. Some examples of cost savings plans could include how our participants buy their prescription drugs, how they obtain medical treatment, and wellness programs for District employees. These measures could be facilitated by Excellus Blue Cross Blue Shield with educational meetings and informational pamphlets.