

**EGYPTIAN AREA SCHOOLS EMPLOYEE BENEFIT TRUST
BENEFITS COMMITTEE**

2012/2013 RECOMMENDATIONS

A. PREMIUMS – Effective September 1, 2012

An 8.5% increase is recommended:

	Platinum Plan		Gold Plan		Silver Plan		Bronze Plan	
	Current	2012-13	Current	2012-13	Current	2012-13	Current	2012-13
Employee	\$632	\$686	\$571	\$620	\$493	\$535	\$420	\$456
EE + Spouse	\$1,305	\$1,416	\$1,178	\$1,278	\$1,022	\$1,109	\$864	\$938
EE + Children	\$1,260	\$1,368	\$1,136	\$1,232	\$985	\$1,069	\$848	\$920
Family	\$1,405	\$1,524	\$1,266	\$1,374	\$1,100	\$1,194	\$933	\$1,012

B. Recommended Medical / Prescription Drug Benefit Changes – Effective September 1, 2012

- Decrease Silver and Bronze Plan Co-pays for Brand Drugs.** The Benefits Committee recommends decreasing the Preferred and Non-Preferred brand prescription drug co-pays in the Silver and Bronze Plans to match those of the Platinum and Gold Plans. The 30 day retail co-pays would decrease from \$30 to \$25 for Preferred brand drugs and from \$45 to \$40 for Non-Preferred brand drugs.

Home Delivery 90 day co-pays would decrease from \$70 to \$55 for Preferred brand drugs and from \$110 to \$100 for Non-Preferred brand drugs.

MDN Retail 90 day maintenance drug co-pays for Generic, Preferred and Non-Preferred drugs for the Silver and Bronze Plans would remain the same since they are currently the same as those for the Platinum and Gold Plans.

- Possible Change in PBM Network from Express Scripts to CVS Caremark.** The Trust's contract to provide prescription card benefits is with Scrip World. Scrip World has utilized Express Scripts to provide the network of retail pharmacies, mail order pharmacy and clinical pharmacy benefit management services. Scrip World has obtained a proposal from CVS Caremark to provide these services for the Trust effective September 1. Aggressive pricing in the CVS Caremark proposal is expected to save the Trust over \$1.8 million annually or the equivalent of about 1.8% in premiums. Switching to CVS Caremark will involve some minor member disruption in the form of formulary and network changes. These issues will be explained more fully at the meeting. Express Scripts has been given an opportunity to offer a competitive pricing proposal. A final recommendation on changing PBM networks will be provided at or before the May 9 meeting.
- Consult A Doctor™.** The Benefits Committee recommends continuing with the Consult A Doctor program.
- Health Care Reform Recommendations.** Beginning September 1 the Trust will cover additional preventive services for women at 100% to the extent required by federal law. This includes coverage of contraceptives. Additional information will be provided before September 1, after further guidance on the requirements is issued by federal agencies.

- **Plan Reviews.**

The Benefits Committee intends to thoroughly and comprehensively review all four plans of benefits, including the deductibles, co-pays, out of pocket maximums, non-network tiers and pricing during the late summer and early fall of 2012. Any recommendations for changes will be presented at a later meeting.

C. Delta Dental Rates For 2012-13 – Effective September 1, 2012

Listed below are the new rates for the voluntary Delta Dental program for 2012-13. Please note that the new Low Plan rates are still less than the premiums were in 2007 except for the employee only rate, and that rate is only slightly higher than the rate in 2007. The new High Plan rates range from 7% to 12% higher than the rates in 2007. Please note that one benefit change is being included on the High Plan. The \$50 deductible will now apply to Preventive and Diagnostic Services, the same as the Low Plan.

DELTA DENTAL RATES FOR 2012-2013

LOW PLAN

	<u>2007</u>	<u>2010</u>	PROPOSED <u>2012</u>
Employee	\$13.26	\$11.80	\$13.68
Employee + One	\$26.58	\$21.44	\$25.12
Employee + Two or More	\$48.76	\$40.38	\$47.60

HIGH PLAN

	<u>2007</u>	<u>2010</u>	PROPOSED <u>2012*</u>
Employee	\$27.44	\$27.94	\$30.74
Employee + One	\$51.12	\$51.16	\$56.44
Employee + Two Or More	\$76.12	\$74.26	\$82.00

*Change in benefit for the \$50 deductible to apply to Preventive and Diagnostic Services

D. Uniview Vision Plan Rates for 2012-2014 – Effective September 1, 2012

Listed below are the rates for the voluntary Uniview Vision Plan for 2012-2014. The rates have been the same for the past four years.

VISION PLAN RATES FOR 2012-2014

	<u>2008</u>	PROPOSED <u>2012</u>
Employee	\$ 6.64	\$ 7.24
Employee + One	\$ 9.50	\$10.36
Employee + Two or More	\$17.20	\$18.76