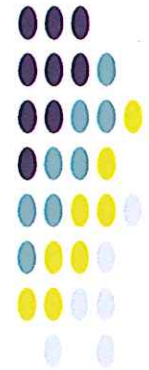


Health Benefits Fringe Committee Meeting

December 3, 2012
Board Room

Agenda



1. Housekeeping/Introductions/Sign in
2. JPA Exploration-A continued discussion, Questions and Answers ASCIP (10:00-10:45)

1. Follow-up issues from October 2012 Meeting (10:45-11:00)
 1. Why are we looking at a Joint Powers Authority arrangement?
 2. Is the "Benelect Plan" through the American Association of Community Colleges is open to non- faculty?
 3. Can we publish the entire rate matrix since it the rates for active employees has been provided?
 4. Does the self funded plan pay out of network on anesthesia when you have no choice in the the selection of the professional

2. Announcements & Communications: (10:50 – 11:00)
 1. Notes are on the website now-visit the Peralta benefits homepage
 2. Save the dates:
 - 2.5.13
 - Medicare Open Enrollment – Annual Medicare Enrollment Drive for retirees and eligible dependents – Representatives from Kaiser Senior Advantage and Benefit Dynamics and Social Security/Medicare participate
 - 1.22.13-2.22.13
 - Part time and hourly faculty benefits Open Enrollment January 22-February 22
 - 4.30.13
 - Annual Benefits Fair for all other Benefit-eligible employees
 - 5.1.13-5.31.13
 - Open enrollment for all others for medical and dental coverage enrollment and plan changes
 3. Meeting Dates for 2013?-
 - January 10
 - February 7
 - March 7
 4. More dates pending for Professional Development Day activities-Career Development /Tax deferred planning

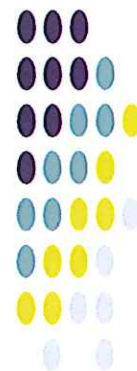
3. Issues in Self-Funding (PSW Benefits Resources & PCCD Benefits Office) 11:00 – 12:00
 1. Out-of-Network Claims Experience (PSW)
 2. Update of Non-California network options (PSW)
 - 3.

Agenda Items for next meeting Monday 1/10/13

1. JPA Exploration Summary of Considerations
2. Review of Medicare Coordination Notices
3. Census for active and retirees;
4. Budget Review of benefits expenses
5. Review of Post-election Health Care Reform Considerations for Peralta
 - Default Enrollment-Considerations for Peralta
 - Cash in lieu-Considerations for Peralta
 - Buy in for non-benefit-eligible employees -Considerations
6. Other Topics?

Peralta Community College District
Health Benefits Fringe Committee
Meeting-Monday, December 3,
2012

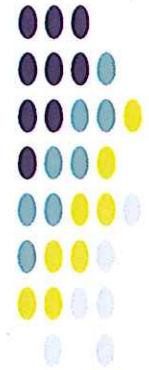
Joint Powers Authority (JPA) Different Models-a review from past meetings



- We can join a JPA with or without broker or consultant representation.
- We can forgo a broker/consultant and join a JPA directly.
- We can continue to use a broker/consultant for proper marketing of the Peralta population.

Currently, we have independent arrangements directly with our service providers for medical (not for dental)

JPA Exploration



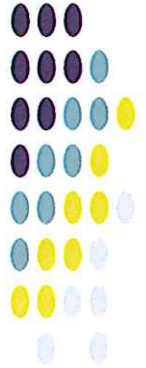
Joint Trust vs. JPA Comparison

	Joint Trusts (ex: CVT, VEBA)	JPA's (ex: SISC, PACE)
Employee Involvement	<ul style="list-style-type: none"> • Governing Board • District Insurance Committee 	<ul style="list-style-type: none"> • District Insurance Committee • Potential Governing Board and Advisory Committee
Final Decision on District Benefits	Joint Trust determines benefit design and offerings	JPA determines benefit design and offerings
Unilateral Benefit Change	Yes	Yes
Legal Structure	Private entity	Public entity
Subject to Brown Act	No	Yes
Financial Disclosure	<ul style="list-style-type: none"> • ERISA 	<ul style="list-style-type: none"> • GASB • AB1200 • Various Government Codes
Investment Guidelines	None	Investments limited by government code
Fiduciary Responsibility	Shared by Trustees	District and JPA
Accreditation Standards	None	Adheres to strict standards if CAJPA accredited
Withdrawal	Set forth in document	Set forth in document
Geographical Area	Many counties	Many counties
Asset Ownership	Assets must be used to benefit trust participants	Member districts own JPA assets
Financial Liability upon Dissolution	Trust can default	JPA's must satisfy financial obligations

Prepared by: Keenan & Associates
2012

Peralta Community College District
Health Benefits Fringe Committee
Meeting-Monday, December 3,
2012

Follow up from November Meeting Why are we exploring a Joint Powers Authority Arrangement?

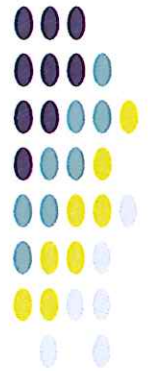


This request is an outcome of union negotiations from last spring. The request has two parts. We are exploring the pros and cons of Joint Powers partnerships as they pertain to PCCD...

- ...conduct a “feasibility study of post-2004 hires buying into Peralta’s retirees benefits at no cost to the District after the District becomes a part of a JPA for Kaiser...”

PFT Successor Agreement

ASCIP




- Alliance of Schools for Cooperative Insurance Programs-ASCIP
- Health Benefits Program-Overview, Dan Segar

ASCIP.org

ASCIP Basics


- **Medical:** Anthem, Blue Shield, UHC, Kaiser
 - HMO / PPO
 - Self-Funded / Fully Insured
- **Dental:** Delta
 - Self-Funded / Fully Insured
- **Vision:** VSP
 - Self-Funded
- **Life / Disability:** ING
- **SSAP:** MetLife

Alliance of Schools for Cooperative Insurance Programs  We've got you covered.

ASCIP.org

ASCIP Basics

- **Financially Stable**
 - \$120M Revenue / ~10% Equity Balance
 - JPA Fees ~0.5% to 1.5% medical; \$0.50 PEPM D&V
- ~40,000 covered employees
- ~70 Districts
 - Mt. San Antonio CC, Compton CCD, Santa Monica CCD, Cerritos CCD
- **Oct 1 and Jan 1 renewal dates**
 - Districts can join any time
 - No exit constraints – 90 day written notification


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ASCIP.org

ASCIP Basics

Pool Trends


Coverage	Carrier(s)	Funding Type	Oct '11	Oct '12
Medical PPO	Anthem & Blue Shield	Self Funded	4% - 9.5%	5% - 9.5%
	UHC		7.6%	
Medical HMO	Anthem & Blue Shield	Self Funded (non-cap)	4% - 12.5%	5% - 9.5%
	UHC	Fully Insured	8%	4%
	Kaiser	Fully Insured	6.4%	2%
Dental	Delta	Self Funded (PPO) Fully Insured (HMO)	0% - 5% 0%	6.9% - 9.8% 3%
Vision	VSP	Self Funded	-2% to 2%	4% - 7%
Life / AD&D	ING	Fully Insured	-10%	0%

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ASCIP.org

ASCIP Advantages


- **Lower Administration Fees**
 - Buy in bulk from carriers
 - SISC partnership for Anthem and Blue Shield programs
- **Shared Risk Model (Self Funded Programs)**
 - Early rate range notification released in May
 - Rate stability due blending of district with pool
 - No long term subsidizing other pool members
 - Can share claims – rate changes consistent with long term trends
 - District cost management efforts will yield lower renewals (wellness / eligibility mgmt)

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ASCIP.org

ASCIP Advantages


- **Non-Profit Risk Sharing JPA**
 - Excess premiums build pool equity used for rate stabilization and program development
 - No internal incentives for sales or performance
 - Protecting current pool as important as growth
 - Pool run by schools, for schools
 - 13 member Executive Committee of current pool district representatives, 3 yr terms.

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ASCIP.org

Considerations

- **Limited Benefit Designs**
 - Menu designed to be broad but limited to reduce admin cost
 - No EPO (PPO light)
 - Higher OOP costs (deductibles, coinsurance, copays)
- **Pool Administration**
 - Oct 1 and Jan 1 effective dates only
 - “Blue on Blue” rule – can only bid Blue Shield to replace Anthem
 - 3 month deductible look back vs. deductible credit first year
 - Kaiser “break-in / break-out” rule


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ASCIP Strategy

Containing Health Insurance Costs
via
Employee Wellness and Alternative Care Delivery
Programs

Alliance of Schools for Cooperative Insurance Programs




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Current Cost Drivers

- Deteriorating Individual Health Status
 - Higher rates of inactivity, obesity, diabetes, high BP, high cholesterol
 - 50-85% of all diseases from modifiable risks
- Fragmented Delivery System
 - Primary Care, Specialty Care, Rx, ER, Hospital
 - Incentives based on volumes vs. outcomes
 - Limited connectivity



Alliance of Schools for Cooperative Insurance Programs

We've got you covered.

Employee Wellness

- **Goal:** Changing Habits Developed Over Decades
 - Diet, physical inactivity
- **Resources:**
 - Wellness Committee Assistance
 - Educational email blasts, videos, quizzes
 - Participation incentives
 - Utilization tracking



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Care Delivery Alternatives

Mobile Screening Vehicle

- HRA, blood chemistry, BMI
- EKG, echocardiogram, carotid artery ultrasound, abdominal aortic ultrasound, ankle brachial index, bone density ultrasound
- Early detection while asymptomatic



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Roadmap to a Wellness Culture

Step 1: Organizational Buy in

Survey staff -- areas of interest, activities, likelihood of participation
 Assess readiness to change, willingness to participate
 Show trends, health status, financial projections, cost of doing nothing

ASCCIP

Provide Survey, draft communications

District

Distribute & collect surveys

Step 2: Awareness and Education

Recruit Wellness Team
 At least 1 from each school site
 Schedule meeting to disseminate information and listed to feedback and concerns
 Distribute wellness emails (Fitness Consulting)
 Announce Activities and encourage participation (quiz's)
 Announce Wellness Program
 Describe purpose, goals and objectives
 email blasts and activities

Provide menu of activities, prizes for quiz answers, email text, draft announcement

Distribute emails, recruit wellness team

Step 3: Wellness and Prevention Activities

Announce activities and incentives
 Walking program
 Other physical activity programs (going to the gym, enrolling in weight watchers, etc.)

Provide prizes and incentives, draft communications

Disseminate info, announce winners, distribute prizes.

Step 4: Health Plan Utilization

Announce health plan utilization incentives
 Annual physical
 Online HRA and onsite blood draw
 Health screenings (mammograms, colonoscopies, etc.)
 One session with a medical consultant- Web MD telephonic coach?

Provide incentives, draft tracking forms, coordinate & fund health screens

Track utilization, incentive payouts, coordinate health screens

Step 5: Onsite Care

Determine support for onsite care model
 Assess available internal resources
 Internal thought-leaders to promote the program
 Physical space available onsite
 Announce onsite doc as additional medical resource
 Info sessions
 Meet and Greets
 Enrollments

Sponsor onsite doc, coordinate MD interviews, draft announcements, track utilization, coordinate promotional activities

Determine support, identify onsite spaces, build out as necessary, provide access to staff, coordinate promotional activities.



Blue Shield of California PPO
Health Benefits Program Comparison Prepared for
Peralta Community College District
Effective 7/1/2013

Eligible Participants	Current Plan Anthem PPO Traditional (except Local 39)		Proposed Plan Blue Shield Plan 1	
			In-network	Out-of-Network
General Benefits				
Calendar Year Deductible	Individual: \$100; Family \$300		Individual: \$250; Family \$500	
Calendar Year Out-of-Pocket Maximum	Individual: \$300; Family: \$900	Individual: \$1,000; Family: \$3,000	Individual: \$1,000; Family: \$2,000	Individual: \$3,000; Family: \$6,000
Medical/ Outpatient				
Physician Office Visits	\$10 copay, then 100%	80%	\$20 copay**	70%
Specialists	\$10 copay, then 100%	80%	\$20 copay**	70%
X-Ray and Lab Tests	No charge	80%	90%	70%
DM Equipment	No charge	80%	90%	70%
Urgent Care	\$35 copay, then 80%	\$35 copay, then 80%	\$20 copay	70%
Outpatient Surgery	Unknown	Unknown	90%	70%
Chiropractic Care	Unknown	Unknown	\$20 copay**	70% after \$20 copay**
Routine/Preventive Care				
Routine Physicals	No charge	80%	No copay	Not covered
Well Baby / Well Child (up to Age 7)	No charge	Not covered	No copay	70%
Cancer Screenings*	No charge	80%	No copay	70%
Hospital Benefits				
Room & Board and Surgeon's Fees	100% after deductible	80%	90% after deductible	70%
Emergency Room	\$35 copay; waived if admitted		\$50 copay; waived if admitted	\$50 copay; waived if admitted
Mental Health and Chemical Dependency Benefits				
Mental Health and Substance Abuse is covered as any other illness, in accordance with the Mental Health Parity and Addiction Equity Act.				
Prescription Drug Benefits <i>Provided through Medco</i>				
Retail Copays (30-day supply)	Current Plan		Proposed RX Standard Plan	
Generic	\$10	Must use contracting pharmacies	\$10	Applicable in-network copay plus difference in cost
Brand Formulary	\$15		\$20	
Day Supply	30 day supply		\$35	
The copays above cover up to a 30-day supply. Mail order is available which can reduce participant out-of-pocket expenses.				

Notes:

(1) Reimbursement based on Blue Shield approved charges. Member is responsible for co-payment in addition to any charges above allowable amounts.

*Including annual mammography, Papanicolaou test, or cervical cancer and human papillomavirus (HPV) screening

** Deductible waived

Annual plan deductible does not apply to out of pocket maximum.

The chart above only provides highlights of the benefits offered by ASCIP. If there are inconsistencies between this chart and the official plan documents, the plan documents will govern. ASCIP may modify, amend or terminate any of the benefit plans at any time, with or without notice. This chart does not serve as a contract.



Delta Dental Enhanced PPO
Health Benefits Program Comparison Prepared for
Peralta CCD
Effective 7/1/13

Eligible Participants	Current Program Delta Dental		Current Program UHC		Proposed Program Delta Dental PPO
	In-Network	Out-of-Network	In-Network	Out-of-Network	
General Benefits					
Calendar Year Deductible	None	None	None	None	None
Calendar Year Maximum Benefit <i>Standard</i>	\$1,500	\$1,500	Unlimited	Unlimited	\$1,500
Diagnostic Care Benefits					
Oral exam, cleaning, x-rays, tissue biopsy exams, fluoride treatment, space maintainers, specialist consultation.	100%	100%	100%	Not covered	100%
Basic Benefits					
Oral surgery (extractions), fillings, root canals, periodontic (gum) treatment, tissue removal (biopsy), sealants	100%	100%	100%	Not covered	100%
Crowns and Other Cast Restorations					
	100%	100%	100%	Not covered	100%
Prosthodontics					
Bridge Bridges (partial and full), dentures	In-network: 50% Out-of-network: 50%		In-network: 100% Out-of-network: Not covered		In-network: 70% Out-of-network: 50%
Dental Accident Benefits					
Enhancements	Unknown	Unknown	Unknown	100%, \$1,000 maximum per calendar year	
Third Cleaning for Pregnancy					
Dental Implants	Unknown	Unknown	Unknown	Unknown	Covered see Diagnostic Covered see Prosthodontics
Orthodontics					
Option 1	50%, \$1,000 lifetime maximum	100% of UHC fees not to exceed \$2,250 in co-pays			50%, \$1,000 lifetime maximum

Covered dental services are paid at various levels depending on the dentist providing services. In-network or PPO dentists have pre-negotiated rates with Delta and therefore the lowest member costs. Out-of-network benefits consist of two levels of reimbursement: Premier and non-contracted. Premier dentists are considered out-of-network, but have agreements with Delta to charge their accepted rate and therefore no balance billing. Dentists that do not have any type of contract signed with Delta will be reimbursed at usual, reasonable and customary rates which may result in balance billing and higher costs to the member. The Delta Dental PPO Plans also include enhancements such as third cleaning for pregnant women and dental implants.

Notes:

The chart above only provides highlights of the benefits offered by ASCIP. If there are inconsistencies between this chart and the official plan documents, the plan documents will govern. ASCIP may modify, amend or terminate any of the benefit plans at any time, with or without notice. This chart does not serve as a contract.

ASCIP.org

Care Delivery Alternatives

Onsite Primary Care

- Physicals, health screens, infections, prescriptions, chronic disease management, sprains, strains, etc
- 24/7 accessible via cell phone, text, email



- Greater compliance with care recommendations
 - typical non-compliance rates 30% to 50%
- Expect lower Rx, ER, Hospital costs



Alliance of Schools for Cooperative Insurance Programs



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ASCIP.org

Consumer Tools

Claims Concierge Services

- Provider selection of physicians, hospitals, labs, etc. based on quality and member preferences like location or experience
- Appointment scheduling, coordination of services, bill review & problem resolution
- **Price Transparency** analysis to expose and compare prices for providers, services and prescriptions.
 - Leverages the wide variance in pricing for the same services



Alliance of Schools for Cooperative Insurance Programs





We've got you covered.

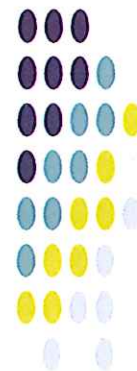
ASCIP.org

ASCIP
Health Benefits Program
Overview

Questions?

 Alliance of Schools for Cooperative Insurance Programs  *We've got you covered.*

Follow up from November Meeting-
- Is the Ben-Select Plan offered through the American Association of Community Colleges, in conjunction with Keenan open to non faculty?

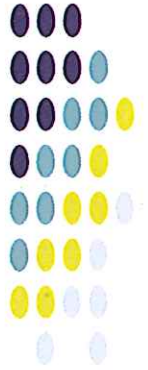


Yes!

Peralta has participants in this plans. The participant customizes his own options based on his needs.

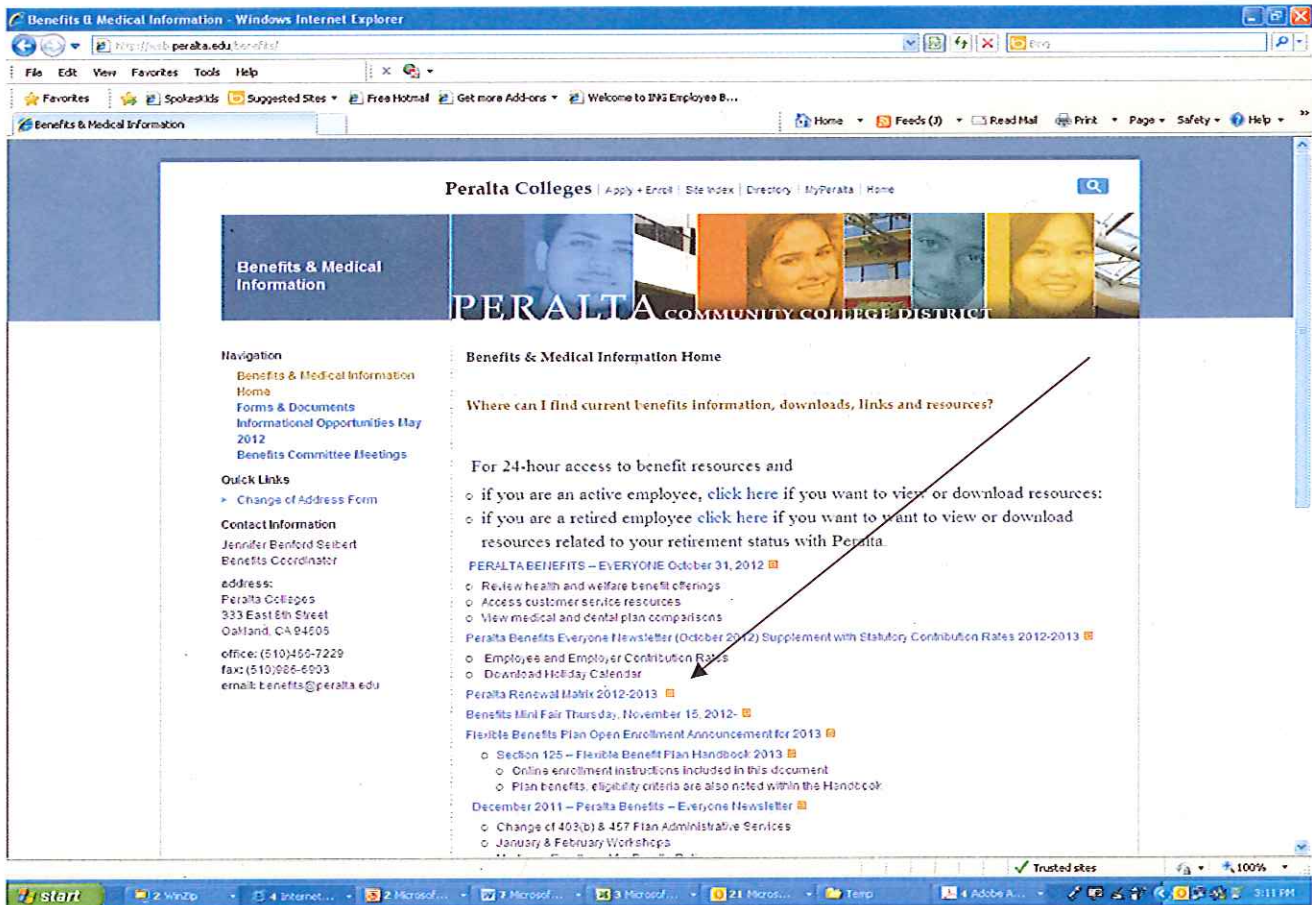
Answer reconfirmed by Keenan

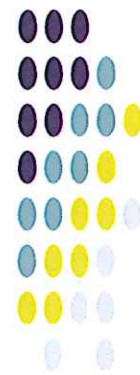
Follow up from November Meeting – *Can the District publish the entire rate matrix for active and retired employees?*



Yes! Visit the link on the Peralta Benefits homepage

<http://web.peralta.edu/benefits/>





Follow up from November Meeting- *Does the self-funded plan pay out-of-network on anesthesia when you have no choice in the selection of professional services? Where is it cited?*

Excerpt of letter emailed from Rick Greenspan

----- Forwarded Message -----
From: Noel Breeding <noel@pswbenefits.com>
To: XXXXXXXXX
Cc: Georgeanne Paige <georgeanne@pswbenefits.com>
Sent: Tue, November 6, 2012 7:54:30 AM
Subject: PCCD/ Self Funded Claim Inquiry

Hello Mr. XXXXXXXXX –

To reiterate my phone conversation with you this afternoon:

Lastly, Anesthesiologists typically cannot be selected by the patient and therefore do not have to be in network. As long as the doctors and facilities are in network, the Anesthesiologists claims are to be processed at the in network benefit level.

Citation in the Summary Plan Description - page 10

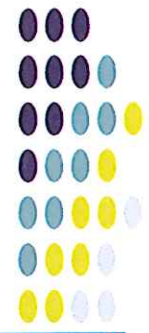
EXCEPTIONS

The following listing of exceptions represents services, supplies or treatments rendered by a *nonpreferred provider* where *covered expenses* shall be payable at the *preferred provider* level of benefits:

1. *Emergency treatment rendered at a nonpreferred provider facility or at a preferred provider facility by a nonpreferred provider. If the covered person is admitted to the hospital on an emergency basis, covered expenses shall be payable at the preferred provider level.*
2. *Nonpreferred anesthesiologist when the operating surgeon is a preferred provider and/or the facility where such services are rendered is a preferred provider.*

More References and are found in the SPD page 10; and can be found at the following link:
<http://www.peralta.pswbenefits.net/MedicalInsurance/PCCDSelfFundedPPOPlanTPACoreSource/tabid/365/Default.aspx>

Communications- Benefits Office



Benefits & Medical Information - Windows Internet Explorer

http://web.peralta.edu/benefits

File Edit View Favorites Tools Help

Home Feeds (1) Read Mail Print Page Safety Help

Benefits & Medical Information

Benefits & Medical Information

PERALTA COMMUNITY COLLEGE DISTRICT

Navigation

- Benefits & Medical Information
- Home
- Forms & Documents
- Informational Opportunities May 2012
- Benefits Committee Meetings

Quick Links

- Change of Address Form

Contact Information

Jennifer Benford Seibert
Benefits Coordinator

address:
Peralta Colleges
333 East 6th Street
Oakland, CA 94605

office: (510) 455-7229
fax: (510) 936-6303
email: benefits@peralta.edu

Benefits & Medical Information Home

Where can I find current benefits information, downloads, links and resources?

For 24-hour access to benefit resources and

- if you are an active employee, [click here](#) if you want to view or download resources.
- if you are a retired employee [click here](#) if you want to view or download resources related to your retirement status with Peralta.

November 2012 Announcements

Save the Date – Thursday, November 15, 2012 Benefits Mini Fair

Open Enrollment for the Flexible Benefits Plan IRS Code 125 is 11/1/12-11/30/12

- PERALTA BENEFITS – EVERYONE October 31, 2012
 - Review health and welfare benefit offerings
 - Access customer service resources
 - View medical and dental plan comparisons
- Peralta Benefits Everyone Newsletter (October 2012) Supplement with Statutory Contribution Rates 2012-2013
 - Employee and Employer Contribution Rates
 - Download Holiday Calendar
- Benefits Fair Announcement November 2012
 - Workshops on Estate Planning, Identity Theft, Choosing a Financial Planner, Retirement Planning
 - Invited Guests include our Health & Wellness Benefits Partners:
 - 24 Hour Fitness-Club One-Mariners Square-Kaiser Permanente Wellness Coaches
 - COSTCO-renew your membership
 - Golden State Warriors, enter your name in a raffle
- Flexible Benefits Plan Open Enrollment Announcement for 2013
 - Section 125 – Flexible Benefit Plan Handbook 2013
 - Online enrollment instructions included in this document
 - Plan benefits, eligibility criteria are also noted within the Handbook

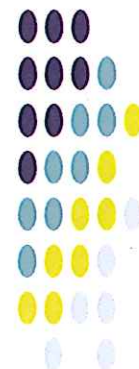
This document failed to print

Document name: C:\Documents and Settings\js...
Printer name: RICOH Aficio MP C3502 PCL 6
Time sent: 2:49:09 PM 11/7/2012

Click here to open the print queue, and then for assistance, click Troubleshooter on the Help menu.

start 10 Microsoft Offi... 33 7 Microsoft Offi... Microsoft PowerPol... 4 Internet Explorer 29 Microsoft Out... PCCD-PSWER-Cust... 2:50 PM

Issues in self-funding Out of network claims review (PSW Benefit Resources)



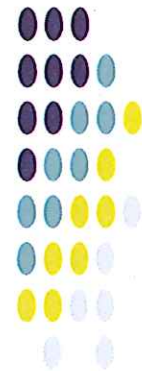
Once again, why are we looking at out-of state networks?

Successor Agreements:

“ Year 1 (2012-2013): Status quo (current) coverage for eligible dependent or people who retire AND move out of California

Years 2 and 3: Revisit out-of-state networks...shall work together to make every reasonable effort to attempt to provide out-of-state retirees a network similar to the California Anthem BlueCross network, beginning in Year 2.

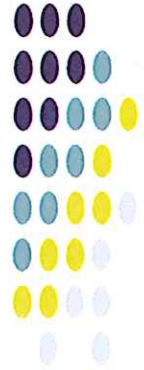
Update of Non-California network options, PSW Benefit Resources



Changes in the network landscape

- Anthem Blue Cross now offers a more expansive network known as a JAA
 - The Anthem Blue Cross JAA did not exist before-
 - What is a JAA, anyway?
 - Provides savings to California and non-California claims
 - The Anthem JAA has a wider network than the current PHCS Network –
 - We have been with the PHCS network for non-California participants for about 5 years or so.

Agenda Items for Next Meeting-January 2013



Agenda Items for next meeting Thursday, 1/10/13

1. JPA Exploration Summary of Considerations
 2. Review of Medicare Coordination Notices
 3. Census for active and retirees
 4. Budget Review of benefits expenses
 5. Considerations of Post-election Health Care Reform and impact to:
 - Default medical and/or dental plan enrollment
 - Cash in lieu programs
 - Wellness programs
 6. Follow up discussion on:
 - Medicare Coordination Notices
 - Buy in programs for non-benefit-eligible employees
- Other Topics?