

SVUSD INSURANCE COMMITTEE UPDATE for SVEA

September 2015

The first meeting of the 2015-16 school year was held on September 10th. The SVUSD Insurance Committee continues to meet bi-monthly. Below are some of the items discussed.

BUDGET UPDATE: The final numbers for the 2014-15 fiscal year were reported by our consultant, Burnham, at today's meeting. We finished the year at .09% under the projected, almost right on target. These numbers include the increase of 14.8% in HMO premium and an 8% increase in Vision coverage that began in the calendar year beginning in January. No data was presented for the 2015-16 year as yet due to a couple of reasons; a glitch in the Blue Shield rollout of a new billing system in July and the large numbers of new hires for the new school year. And while the preparations for Open Enrollment are 95% complete, SVUSD was unwilling to share information related to the cost of insurance premiums for the calendar year 2016. What is known is that we are anticipating a jump in prescription costs due to several new drugs that have significant costs as well as an uptick in utilization of the existing plan.

NEW TAX FORM: Yet another requirement of the Affordable Care Act will be seen this tax season as SVUSD will now be required to provide employees covered under the plan a form 1095c, which shows actual costs of plan for EACH employee. Think of it as a W-2 form for benefits. This form will go out with Open Enrollment information in November. **IT IS CRITICAL EMPLOYEES CAREFULLY REVIEW THE INFORMATION ON THE FORM!** Address must match the one used on your tax forms. This is the form that demonstrates coverage requirements under ACA. You must present your 1095c form to your tax person as it shields you from a potential tax liability. As EVERY employee has different situations, the info contained on the form will look different for EACH employee. Keep an eye out for it as Open Enrollment season approaches.

NEXT MEETING: This was the Committee's first meeting for the 2015-16 school year. Our next meeting will take place on **October 15**. In the meantime, please do not hesitate to contact, Cheryl Johnson (johnsoncherl@svusd.k12.ca.us), Michael Stone (MStone@cta.org) or me, Frank Werner (wernerfrk@svusd.org), if you have any questions regarding insurance our benefit plans.

Respectfully submitted,
Frank Werner
SVUSD Insurance Committee Member Representing SVEA