

SVUSD INSURANCE COMMITTEE UPDATE for SVEA

September/October 2013

The SVUSD Insurance Committee continues to meet bi-monthly. The September/October meeting was held October 23rd. Below are some of the items discussed.

BUDGET UPDATE: The Insurance Committee received the financial reports for the 12-13 fiscal year, ending June 30th and for the first three months of the 13-14 budget year, July-September 2013. Final numbers for 12-13 show that expenditures ran UNDER projected costs by approximately \$3.4 million dollars or 8.94%. Spending in the 13-14 budget year is currently running \$580,437 or 6.19% under projections. Most insurance rates will increase starting January 2014, as these rates are calculated on a calendar year basis. However, due to the 13-14 contract settlement, employees' current monthly health insurance related payroll deductions will remain the same.

OPEN ENROLLMENT: Open enrollment starts on November 1st and will run through Friday, November 22 at 4:30pm. This is the time to switch between our HMO or PPO medical plans, set- up a Flexible Spending Account or make other changes. While the District supplies a basic life insurance plan to covered employees through ING, this year's open enrollment period will provide an opportunity to purchase additional/supplemental life insurance up to a maximum of \$200,000 with no medical underwriting required. Amounts in excess of this will require medical underwriting. This is a one-time only opportunity. Blue Shield will be sending out new member ID cards to ALL plan enrollees. PPO participants will get a maximum of two (2) cards per household; HMO participants will receive one (1) for each covered adult. You can always visit the Blue Shield website to order/print out cards. You should be receiving an electronic communication in your SVUSD e-mail on these topics very soon. Hard copies will also be posted at each work/school site.

HEALTH CARE REFORM: A number of the provisions of the Affordable Care Act, otherwise known as Obamacare, will take effect starting January 1, 2014. SVUSD sent out a legally required notice this summer, the "New Health Insurance Marketplace Coverage Options and Your Health Coverage" notice. The notice was primarily intended to inform non-insured employees that they may be eligible to purchase health insurance through California's Health Insurance Marketplace (Covered California) and potentially receive a tax credit when doing so. AON-Hewitt, the benefits consulting firm used by SVUSD, is working with the District to ensure compliance with additional upcoming mandates.

NEXT MEETING: This was the Committee's first meeting for the 2013-14 school year. Our next meeting will take place on December 19th. In the meantime, please do not hesitate to contact, Cheryl Johnson (johnsoncherl@svusd.k12.ca.us), Stephen Miller (Stephen.Miller@svusd.org), Lisa Eck (leck@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