



HEALTH TRUST REPORT CARD

The Rensselaer-Columbia-Greene Health Insurance Trust— Bringing the Power of 23 Districts Together

Health Plan Consolidation— Where We Stand Today

The Trust’s Guiding Principles

When the Rensselaer Columbia Greene Health Insurance Trust was established in 1985, one of the guiding principles was to provide economies of scale to school districts as they obtained health insurance and prescription drug services. Over the years, this principle has been realized through regular oversight of the Trust’s providers.

Prior Report Cards and other communications have informed you of various improvements that have been implemented in recent years that have allowed the Trust to maintain contribution requirements at rates well below general medical trend.

These efforts, of course, are being continued as they are critical to sound health plan management. Another guiding principle at establishment of the Trust was the ability of each participating school district to elect its own set of benefits. This principle was consistent with the history where each district engaged in collective bargaining with its various labor unions to obtain unique plan designs.

**The RCG Health Insurance Trust’s
Mission: “To benefit member Districts
by providing access to comprehensive,
high-quality, cost-effective health care
services.”**

Preferred Plans Set the Basis for Cost Savings

The Trustees have come to realize that the principle of economy of scale can be enhanced if the Board offers some guidance on benefit levels. This is not inconsistent with the ability of each district to bargain independently with its unions. Indeed as the Trustees announced when the preferred plans were presented, the preferred plans are recommended for adoption by each district at this time.

Although at this time it is only recommended that all incumbent plans be eliminated and replaced by one of the preferred plans, it is required that only a preferred plan can be negotiated/offered when introducing new policies/plan offerings.

RCG Trust Preferred Medical Plans

Here’s a snapshot of the medical plans the Trust is offering going forward based on the Plan Consolidation initiative.

Medical Plan Design			
	PP0-812	PP0-815	PP0-829
In-Network			
Deductible	N/A	N/A	\$250/500
Coinsurance	N/A	N/A	10%
Out of Pocket Maximum	N/A	N/A	\$1,000/2,000
Office Visit Copay	\$10	\$25	\$25/40
Emergency Room Copay	\$50	\$100	\$150
Urgent Care Copay	\$10	\$25	\$40
Inpatient Copay	\$0	\$250PA	Ded&Coin
Outpatient Copay	\$0	\$200	Ded&Coin
Out-of-Network			
Deductible	\$250/500	\$500/1,000	\$500/1,000
Coinsurance	20%	30%	40%
Out of Pocket Maximum	\$2,500/5,000	\$2,500/5,000	\$2,500/5,000

There are a variety of reasons for offering preferred plans. These reasons were discussed in a letter sent out earlier this year; they include:

- First, reviewing the Trust’s data with our consultants, carriers and pharmacy benefit manager has demonstrated that while there are over 100 different medical and pharmacy benefit plans currently being provided to the various bargaining units at participating school districts, many of them are quite similar.
- Next, our consultants, carriers and pharmacy benefits manager has indicated that limiting the number of alternatives will have a further positive effect on Trust costs and trend.
- Finally, it is generally accepted that plan design can be a driver of appropriate utilization and therefore cost. In some cases, this might be providing additional benefits and/or services. It is clear to the Board that school districts are not, in all cases, taking proper advantage of design techniques that will allow plan members to receive optimum value from the Trust.

The Board has worked with its consultants to develop a limited number of plans that is reflective of three new principles:

- The plans represent the best plan design practices being used by school districts for their health benefits plans.
- The benefit levels are similar to current offerings and represent a reasonable set of alternatives based on school districts’ budgetary and collective bargaining needs.
- The benefit levels will allow the Trustees to further improve its relationships with its carriers and pharmacy benefits manager through additional reductions in administrative fees and risk charges.

The Board is not requiring, at this point, that districts immediately move to these benefit levels, but this will become a requirement at some time in the future. Late last year, the Trust held a meeting with all participating districts and their collective bargaining agents during which the Trustees encouraged the districts and their unions to discuss the merits of prompt movement to adopt preferred plans. It was noted at the meeting that because some changes are minor, and in many cases employees share in the contribution requirements, making an immediate change will be beneficial to all parties.

RCG Trust Preferred Pharmacy Plans

Here’s a snapshot of the pharmacy plans the Trust is offering going forward based on the Plan Consolidation initiative.

Medical Plan Design						
	Retail			Mail		
Preferred Rx Plans	Tier 1	Tier 2	Tier 3	Tier 1	Tier 2	Tier 3
Preferred Plan 1	\$0	\$15	\$30	\$0	\$30	\$60
Preferred Plan 2	\$5	\$25	\$40	\$10	\$50	\$80
Preferred Plan 3	20%	20%	20%	20%	20%	20%
Preferred Plan 4	\$10	\$30	\$50	\$20	\$60	\$100
Preferred Plan 5	\$15	\$35	\$60	\$30	\$70	\$120
Preferred Plan 6	30%	30%	30%	30%	30%	30%



Strategies to target during collective bargaining should include:

1. Transition any Indemnity population to one of the Preferred PPO plans, as an Indemnity plan will no longer be an option at some point in the future
2. Carve-out any remaining BSNENY prescription benefits and self-fund them under the Express Scripts program
3. Move any community-rated HMO membership to an experience-rated EPO.

If your district has not raised transitioning to these benefit levels, consider contacting Benetech to begin the process.

Where Does Medicare Fit In?

There continues to be new products created for Medicare-eligible retirees. In this changing Medicare climate, the Trust will continue to explore any opportunities to provide appropriate, high quality coverage for our Medicare population while minimizing the financial impact on the individuals and their Districts.

Healthy Mind and Body, Healthier Bottom Lines: Wellness Initiative Overview

Wellness initiatives are really taking off among plan sponsors as a way for health plans to target costs. By encouraging plan participants to take steps to improve their health through a variety of wellness initiatives, many plan sponsors are beginning to see real results.

In fall 2010, the RCG Trust, in conjunction with BlueShield of Northeastern New York, began a wellness initiative to focus on each district's health-related needs. The initiative continues, and is constantly growing and evolving. Components include:

- A clinical review of your district's population risk drivers
- An employee interest survey, to find out what programs pique your employees' interests
- Meetings and consultations with your district's wellness committee
- Completely voluntary and totally confidential personal health assessment
- Health improvement challenges, such as walking or weight loss programs
- Student activities such as Field Days
- Educational wellness seminars
- Fitness classes
- Health fairs

Designed to help employees and their family members understand, maintain, and improve their health, many of these options are available at no cost and can be tailored specifically to each district.

What the Districts Are Doing

For example, some districts have coordinated contests such as a "Biggest Loser" weight loss challenge or a walking-based program, to encourage support—and a bit of friendly competition—toward health improvement goals. Other districts have promoted the health assessment, a confidential health questionnaire that allows each employee to learn about his or her personal health status. Employees can then choose to work telephonically with a health coach to encourage unintimidating, yet meaningful, changes to improve overall well being.

Health fairs are another popular choice, informing attendees of community resources or simply providing a few moments of stress reduction with a chair massage. Furthermore, educational opportunities such as online tools and on-site seminars provide worthwhile information for all employees, while more targeted outreach can be provided for those with chronic conditions in order to foster better understanding and enhanced disease management. These are just a few examples of the wellness initiative in action.

If your district hasn't done so already, it should set up a Health/Wellness Committee and your committee should then contact BSNENY directly to discuss and secure the wellness programs that best suit your district's needs.

All of these tools aim to encourage employees and their families to live healthier lives and, over time, foster a culture of awareness. While this initiative ultimately results in a healthy workforce, a secondary outcome could be a positive impact on the rise of medical plan costs. This would benefit both employees, who pay a portion of the costs, and member districts as a whole. Everyone wins, with the benefits being dose-dependent: the more the district engages and embraces wellness, the greater the reward.

Each step you take toward both understanding and improving your health positively affects your life, your family, and your employer. The smallest action—taking the stairs instead of the elevator; eating carrot sticks instead of potato chips; completing a personal health assessment—lead to healthier, lifelong habits. In addition, your example is powerful and will inspire others to take that first important step. Working together, we can be healthier both physically and fiscally... and healthy really does change everything. The resources are easily accessible and readily available, so please put them to good use. **If you would like to get started on a specific wellness program or initiative, call Trystan Hansen who is the Health Promotion specialist at BSNENY at (518) 220-4629. You can also contact Kevin Avery at BSNENY at (518) 220-5742 if you have any questions.**

MEET THE BOARD

The Board of Trustees are elected by the 23 member Districts to oversee the Trust in addition to their regular duties. They meet monthly to approve the direction of the Trust.

The RCG Health Insurance Trustees are:

Tammy Sutherland, Chairperson
Leslie Copleston, Vice Chairperson
Harry Hadjioannou, Treasurer
Lou McIntosh
Bill Lyons
Karen McGraw
Kate Farrell

Advisory Members to the Trust are:

Mark Notarnicola / NYSUT Representative
John Wilary / NYSUT Representative
Beth Whitney / SAANYS Representative

Let us know if you have any questions or suggestions. You can reach us by email at RCGHealthTrust@questar.org.