

REGIONAL SCHOOL DISTRICT NO. 4

CHESTER • DEEP RIVER • ESSEX

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May 18, 2010

Dear Retiree,

During a recent audit of post employment benefits, it was found that we have had some cases in which old rates and plan designs were being utilized. This letter is being sent to all former employees utilizing our insurance with an attached summary of the different plans that are available and their corresponding rate structure. More information about the plan designs can be found on our website at www.region4schools.com/retirees. If you have further questions about what is covered under the Anthem plans you can contact Karen O'Connell from Anthem Blue Cross/Blue Shield at 203-985-4295 or Karen.O'Connell@Anthem.com. If you have further questions about what is covered under the Teacher Retirement Board plan you can contact TRB at 800-504-1102 or go to their website at <http://www.ct.gov/trb>.

Statements will be sent with your current coverage option and the new rates that will go into effect on July 1, 2010. If you need to make any changes to your coverage or if you are unsure of your current coverage you should contact the Payroll/Employee Benefit Department at 860-526-2417. Connie Turkington can be reached at extension 1463 for Essex and Region 4 retirees and Dawn Pearson can be reached at extension 1453 for Deep River, Chester and Supervision retirees.

We will be hosting an informational session between 2:30 and 5:30 on June 1, 2010 in the John Winthrop Middle School Library, 1 Winthrop Road, Deep River, CT 06417 with representatives from Anthem Blue Cross/Blue Shield and TRB to discuss the post retirement benefit plans.

Thank you for your cooperation in this matter.

Sincerely

Garth Sawyer
Business Manager
Regional School District #4
Chester, Deep River, Essex
P.O. Box 187, 1 Winthrop Rd
Deep River, CT 06417

Non-Medicare Eligible Plans

If you do not yet qualify for Medicare, you have the option of joining one of the health benefit plans that are offered to our active employees. Retired teachers and administrators who retired through the TRB system get a supplement from TRB for \$110 per person per month which would reduce the rates shown below by that amount.

PPO PLAN

Our PPO plan is our co-pay based health plan managed by Anthem.

Copayment Structure

- Office visit \$20
- Inpatient Hospital \$100
- Outpatient Surgery/Service \$50
- Emergency Room \$75
- Urgent Care \$25
- Out-of-Network.
 - Deductible \$250/500/750
 - Coinsurance Max \$700/1400/2100
 - Out of Pocket Max \$950/1900/2850
- Prescription Copayments
 - Co-pays from \$5/20/35 Generic/Formulary Brand/ Non-Formulary Brand
 - Day supply keep at 30 Retail / 90 Mail
 - Mail Order Co-pay keep at 2x retail (we are starting to see commercial groups go to 2.5 and 3x)
 - RX Max at \$2,000k after which it is processed as a major medical claim at a 20% copayment.

2010-2011 Monthly Rates	Single	Two Person	Family
Dental	\$ 35.44	\$ 92.30	\$ 113.55
Medical & Prescription	\$708.76	\$1,470.31	\$2,010.34
Total	\$744.20	\$1,562.61	\$2,123.89

HSA PLAN

Our HSA plan is our high deductible health plan also managed by Anthem.

An HSA plan uses the same Anthem network and plan as the PPO, the difference is how you pay for the services. Instead of a co-pay for eligible services or prescriptions, when you receive the service or prescription you pay the full amount of the Anthem discounted rate until you reach the deductible at which point all eligible services for the rest of the plan year are covered at 100%. Preventive care visits are 100% covered. The current deductibles are \$1,500 for a single or \$3,000 for a two person/family plan.

Retirees electing the HSA plan will have the option of funding a Health Savings Bank Account that can be used to pay for deductible and other IRS qualified medical expenses. Contributions to Health Savings Bank Accounts qualify as tax deductions and the distributions from the Health Savings Bank Account are tax free. Further information will be provided June 1st meeting.

2010-2011 Monthly Rates	Single	Two Person	Family
Dental	\$ 35.44	\$ 92.30	\$ 113.55
Medical & Prescription	\$577.74	\$1,155.48	\$1,608.34
Total	\$613.18	\$1,247.78	\$1,721.89

Medicare Eligible Plans

Medicare eligible retired teachers and administrators can choose from a Board sponsored Anthem Medicare supplemental plan or a TRB Medicare supplemental plan.

ANTHEM MEDICARE SUPPLEMENTAL PLAN

Retired teachers and administrators who retired through the TRB system get a supplement from TRB for \$110 per person per month which would reduce the rates shown below by that amount.

2010 Monthly Rates	Per Person
Dental	\$ 35.44
Vision	\$ 5.46
Medical & Prescription	<u>\$392.12</u>
Total	\$433.02

TEACHER RETIREMENT BOARD SPONSORED MEDICARE SUPPLEMENTAL PLAN

Only Medicare eligible teachers and administrators are able to opt for this plan. The \$110 TRB supplement has already been factored into their rates. For more information visit the TRB website at <http://www.ct.gov/trb>.

2010 Monthly Rates	Per Person
Medicare Supplemental w/ Prescriptions	\$ 112.00
Medicare Supplemental w/ Prescriptions & Dental	\$ 160.00
Medicare Supplemental w/ Prescriptions & Dental & Vision	\$ 165.00