



# Berkeley Unified School District

Office of Risk Management & Health Benefits

## MEMORANDUM

**Date:** July 30, 2008

**To:** All COBRA Participants

**From:** Inez Reed, Risk Manager

**Re:** 2009 Plan Year Changes to Health Benefits and Open Enrollment

**2009 Open Enrollment has arrived.** This is your once-a-year opportunity to review current health care coverage elections and make changes for the upcoming plan year.

This memo highlights key health benefit changes and open enrollment information. More details about your health care coverage and premiums can be found in the attached Benefits Open Enrollment Summary Document. We encourage you to take the time to read this information carefully so that you understand all that is available to you. Enrollment forms and materials are available at the Benefits/Risk Management Office and also will be available at the Wellness Fair.

**OPEN**  
**ENROLLMENT**

August 11, 2008  
through  
5:00 p.m. on  
September 11, 2008

### **2009 PLAN YEAR COSTS**

The rising cost of health care continues to be a nationwide concern. Employers like Berkeley Unified School District are challenged with finding ways to continue offering quality health care coverage at affordable prices. With this goal in mind, the joint labor/management Health Benefits Cost Containment Committee reviews the District's health plan costs and options in the marketplace each year. But despite the Committee's best efforts to mitigate cost increases, the District's Health Care Program faces the following 2009 premium increases:

<b>Health Net:</b>	HMO High Option:	19.7%
	HMO Low Option:	11.0%
	PPO Plan:	11.1%
	POS Plan:	11.1%
<b>Kaiser:</b>	HMO Plan:	7.1%
	Medicare Cost Plan:	4.9%
	Medicare Out of Area Plan:	4.1%
<b>Delta Dental:</b>	Dental PPO Plan:	14.3%



### **2009 PLAN YEAR CHANGES - Health Net HMO – Low Option and PPO Plans**

Health Net originally proposed much higher increases for the HMO and PPO Plans. In an effort to reduce the increases so that they are more in line with the other medical plans, the Health Benefits Cost Containment Committee explored a number of alternatives within Health Net. As a result, the following changes will take place on October 1, 2008:

- **Health Net HMO-Low Option Plan Changes:**
  - **Copayment:** The copayment for Brand Name-Preferred and Non-Preferred prescription drugs will increase. The cost for Generic prescriptions will not increase.
  - **Deductible:** A deductible has been incorporated into the Low Option Prescription Drug Plan.
- **Health Net PPO:** Increases will be made to the calendar year deductible, out-of-pocket maximums, member in- and out-of-network coinsurance levels, office visit copays, and copays for outpatient prescription drugs. You will find the plan designs and monthly premiums in the Open Enrollment Summary.

## **2009 OPEN ENROLLMENT – WHAT ACTIONS YOU CAN TAKE**

During Open Enrollment, you may elect to:

- Change medical and/or dental plans
- Enroll qualified dependents into your elected medical, dental plan and/or vision coverage
- Cancel medical and/or dental coverage for yourself or your dependent

*If you wish to continue your current elections, DO NOTHING.  
Your coverages will continue into the 2009 Plan Year.*



### **Dental Plan - New Enrollment Provisions Following Waiver of Coverage**

The District now allows employees to waive dental coverage when first eligible. If you waived District-sponsored dental coverage because you had other dental coverage, you may select either the Delta PPO or PMI plan provided you can show proof of this other coverage, such as an Explanation of Benefits statement or a dental ID card. However, if you do not currently have other dental coverage (or you cannot show proof of prior coverage), you **must** elect the Delta PMI plan for the 2009 Plan Year.

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**All plan changes, applicable rates, and new elections will become effective October 1, 2008. These changes become effective even if you do not receive a new member ID card by October 1, 2008.** We strongly encourage you to turn in your paperwork as early as possible so that the carriers can forward your new member ID card(s) by October 1<sup>st</sup>. Remember that, after Open Enrollment ends, changes may not be made to your health coverage during the year unless you have a qualifying family status change (e.g., marriage, birth, adoption, etc.) and notify the Benefits/Risk Management Office within 30 days from the date of the qualifying event.

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<p><b>Benefits/Wellness Fair – September 8</b></p> <p><b>Mark your calendars.</b> Representatives from Kaiser, Health Net, Delta Dental, and Vision Service Plan (VSP) will be available to assist you and answer any questions you may have. <b>Additionally</b>, the District’s new EAP Provider, Horizon Health, will be present to answer questions about their services.</p>	<p style="text-align: center;"><b><u>Benefits Wellness Fair</u></b></p> <p style="text-align: center;"><b>September 8</b> <b>1:30 pm to 5:30 pm</b></p> <p style="text-align: center;"><b>Berkeley Adult School -Multipurpose Room</b> <b>1701 San Pablo Avenue, Berkeley</b></p>
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Should you have any questions regarding the above, please contact the Benefits/Risk Management Department, (510) 644-4827.