



# HDIEET changes for 2017- 2018 Medical Insurance

by AVUTA HDIEET representative Denise Giles

# History review

- AVUTA/HDIEET was with Blue Shield for about 15 years.
- Coverage was good, missing some much needed services. We kept asking, they did not change.
- Switched to United Health Care- combining with a Trust group called VEBA. United Health Care was ok, but the contract with VEBA did not succeed as expected, which caused problems with UHC. (Bigger membership-lower rates)
- 3 years ago- Blue Shield wanted us back. We received many services that were previously not included. Cost of yearly increase was reasonable.
- Still many problems. Urgent care services, was one.

# Utilization of benefits

- As a trust, the utilization of our insurance was high.  
Yes, that is what it is for,
- But, when we use more then we put in, this affects our rates.
- This is why a few years ago, everyone was encouraged to use Urgent Care instead of ER, generic vs. brand name, because it helps keep our cost down.
- Our usual utilization is around 85% to 95%
- We have been *over 100%* for about 5 months.
- Why is this important? It affects the next year's rates.

What did HDIETT do about this:

- Since Blue Shield was so high we went out to market to see if we could do better.
- The Trust received 2 offers that were considered.
- Health Net- bid us at an increase of 11.30%
- Aetna- bid us at 10.38%

- Both companies were well represented and both had extras to offer our group trust.
- It was decided by the HDIEET board to go with Aetna
- Aetna gave a new offer before they left the meeting.  
Decreased to **10%** (instead of 10.38%)

# What Blue Shield 2017-2018 OFFERED to US

- First offer was a 25.5% rate increase.
- Second offer- about 20.80%
- Third and Final offer;
- 17.02%
- Looks good *except*; remember our cap went up thanks to a new contract.

## Best and Final offer

- Monthly- \$1,983.73
- Annual - \$23,804.80
- Current Cap \$15,860.00
- Employee Cost- \$7,944.80

# Current Blue Shield and Aetna Proposed PPO & HMO

## Blue Shield *Current* 2016-2017

- Total monthly package \$1,717.05
- Annual - \$20,604.60
- Current Cap – 12,500.00
- Employee cost - \$8,104.60
- Monthly Premium -\$675.38

(This **includes** Dental, Vision, Life)

## Aetna *Proposed* 2017-2018

- Total Monthly Package - \$1,873.05
- Annual - \$22,476.60
- New Cap - \$15,860.00
- Employee Cost - \$6,616.60
- Monthly Premium - \$551.38
- (This **includes** Dental, Vision, and Life insurances)

# Aetna

Effective on July 1, 2017

- ✓ In business 160 years. Trusted Long term partner
- ✓ Full time *On Site Service Rep.*
- ✓ 99.9% Network Match (providers are the same)
- ✓ Nurse in the Family
- ✓ Mobile Technology- Also Teledoc services
- ✓ They have a branch that is focused on Public Employee trusts and their particular needs.
- ✓ Out of State students or for those of us traveling, Aetna is a NATIONAL INS. Our college bound will have all their medical needs met and not just emergency needs.



## Important General Information

- There will be **NO** change in the Medical Plan. It will be exactly the same as we have now. This includes Chiropractor and Mental Health services.
- Delta Dental and VSP (vision), and Life insurance plans will remain the same.
- Continuation of care – things in process will be taken care on an individual basis. Members will get help to make sure they are taken care of.
- Deductibles and out of pocket will be transferred. (rolled over)
- More details will follow in District Email, so make sure members are aware and reading notices.
- Mail order/prescriptions will also be taken care of so **NO ONE** is without their needed medicines. If you have *specialty* medicines, watch for notices from the district to know how to handle that transfer.
- ***Notify me***, by email, if you find out your providers are not with Aetna. I will pass that on, so that Aetna can reach out and hopefully get them on board.

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Please email me with any concerns you have and I will do my best to get you the answers you need.

***Note:*** *Dr. Cynthia Thomas has declined to participate in Aetna, except as an out of Network patient doctor. Meaning you will pay 20% every time you see her.*

# Kaiser

- ❖ Last year there was a decrease of -4.43%
- ❖ Proposed rate will be 10.6%
- ❖ They offered this to us on the first round and did not change throughout the process.
- ❖ Again, it is because our Utilization was high.

# Kaiser Insurance HMO

## Current Cost 2016-2017

- Monthly - \$1,140.01(only Medical)
- Annual - \$13,680.12
- Current Cap – \$12,500.00
- Monthly premium - \$248.00
- Annual Employee Cost - \$2,979.28 (*This includes Dental, Vision, and Life insurance*)

## Kaiser *Proposed* 2017-2018

- Monthly – \$1,259.59 (only Medical)
- Annual - \$15,115.08
- New Cap – \$15,860.00
- Monthly premium- \$88.
- Annual Actual Employee Cost – \$1,054.20 (*This includes Dental, Vision, and Life.*)