



HUMAN RESOURCES & EMPLOYEE COMPENSATION SERVICES

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September 26, 2014

TO: All "Health Benefits Eligible" Active Employees and Early Retirees

As you may be aware, the Affordable Care Act (ACA) was signed into law in 2010 and upheld by the United States Supreme Court in June 2012. The main goal of ACA was to give more Americans access to affordable quality health care insurance and to reduce the growth in health care spending in the United States.

In an effort to determine if the District was: (1) providing optimum levels of health benefits at affordable rates and (2) ensuring cost effectiveness of current health benefit plans, an extensive analysis and review was conducted this year. The results revealed that the District could significantly improve in both areas by exploring the available options in other California governmental entities.

In recent years, the District purchased medical benefits through CalPERS under the system known as the Public Employees Medical and Hospital Care Act (PEMHCA). In an effort to address the rising cost of health benefits while also meeting the requirements of the ACA, the District and CSA (*Classified Supervisors Association*), SEIU (*Service Employees International Union*), Teamsters, and UPE (*United Professional Educators*), have collectively agreed to allow SCUSD to directly purchase and manage health care benefits for employees in these bargaining groups. Additionally, employees in the Non-Represented Management, SCTA (*Sacramento City Teachers Association*), Confidential, and Supervisory groups will be similarly impacted as well. While SCTA is challenging the District's authority to unilaterally make these changes, the District's obligation is to ensure all benefits-eligible employees and retirees are informed of this change. **Note: This change in health benefits management will not impact CalPERS employees' current retirement and/or pension participation.**

This shift to District management of health care benefits begins January 1, 2015 and will result in ongoing savings of *millions* of dollars annually. A portion of these savings will be used to stabilize District finances and help us begin to restore some positions and programs cut during the recession. Another portion will be directed to partially offset our District's unfunded liability with regards to the skyrocketing cost of retiree health benefits.

Important information for ALL employees and early retirees:

- If you are a current Kaiser participant, you do not need to change anything. However, you will still need to participate in Open Enrollment.
- The level of benefits for all employees and early retirees is expected to remain the same or improve with this change.
- In the majority of cases, employees will be able to retain the same physician/doctor they currently have.

The following charts represent the health benefits provider changes:

KAISER PARTICIPANTS

Current Health Care Benefits Provider	Health Care Benefits Options (Effective January 1, 2015)
Kaiser HMO	Kaiser HMO Western Health Advantage HMO Sutter Health HMO

NON-KAISER PARTICIPANTS

Current Health Care Benefits Providers	Health Care Benefits Options (Effective January 1, 2015)
Anthem Select HMO Anthem Traditional HMO Blue Shield Access + Blue Shield Net Value Health Net PERS Care PERS Choice PERS Select United Healthcare	Kaiser HMO Western Health Advantage HMO Sutter Health HMO

Additional Information about WHA and Sutter Health:

Western Health Advantage	Sutter Health
<ul style="list-style-type: none"> The following link provides a user-friendly guide to access information regarding doctors, hospital affiliations, medical groups and more: Western Health Advantage (right click on this link and select "open hyperlink") Additional WHA service <u>options</u>: <ol style="list-style-type: none"> 24/7 Advice Nurse Online pharmacy No referral for emergency room visits 	<ul style="list-style-type: none"> The following link provides an easy to navigate guide to access information regarding doctors, hospital affiliations, medical groups and more: Sutter Health (right click on this link and select "open hyperlink") Additional Sutter Health service <u>options</u>: <ol style="list-style-type: none"> Online prescription benefit 24/7 Advice Nurse Easy to find drug formulary

Current Dental/Vision Providers	Dental/Vision Providers (Effective January 1, 2015)
Delta Dental VSP	Delta Dental VSP

BENEFITS INFORMATIONAL WORKSHOPS

If you would like more information about the new health benefits options listed above, the District will be sponsoring several health benefits informational workshops during October as listed below:

Informational Workshops	
Friday 10-3-14 (2 Sessions)	10am – 12noon 1pm – 3pm <i>Serna Center</i> <i>(Minnesota Room)</i>
Tuesday 10-14-14 (3 Sessions)	10am – 12noon <i>Serna Center</i> <i>(City of Sacramento Conference Room-Near HR)</i> 1pm – 3pm <i>Serna Center</i> <i>(Bistro)</i> 3:30pm – 6:30pm <i>Serna Center</i> <i>(Florida Room-HR)</i>
Tuesday 10-21-14 (3 Sessions)	10am – 12noon <i>Serna Center</i> <i>(City of Sacramento Conference Room-Near HR)</i> 1pm – 3pm 3:30pm – 6:30pm <i>Serna Center</i> <i>(Florida Room-HR)</i>
Tuesday 10-28-14 (2 Sessions)	10am – 12noon <i>Serna Center</i> <i>(City of Sacramento Conference Room-Near HR)</i> 1pm – 3pm <i>Serna Center</i> <i>(Bistro)</i>

Benefit Bridge Online Training Workshops	
Thursday 10-30-14 (3 Sessions)	10am – 12noon 1pm – 3pm 3:30pm – 6:30pm <i>Serna Center</i> <i>(IT Training Rooms)</i>

Tuesday 11-4-2014 (2 sessions)	10am - 12noon 1pm - 3pm <i>Serna Center (IT Training Rooms)</i>
Wednesday 11-19-14 (2 Sessions)	10am - 12noon 1pm - 3pm <i>Serna Center (IT Training Rooms)</i>

OPEN ENROLLMENT

Open Enrollment is your annual opportunity to review and make changes to your benefits.

Our Open Enrollment period will be November 3 to November 21, 2014 with the Health Benefits Fair being held on November 14, 2014 at the Serna Center.

This year we are pleased to announce that employee/retiree access to health benefit plans will be available on the Web Portal – ***Benefit Bridge***. This is a secure website and gateway to your personal benefits plan information. Additional information on user registration will be available to you in October 2014.

Note: If you are a CalPERS member, please be advised that as a result of the District's withdrawal from the CalPERS medical benefits system, all CalPERS 2014 Open Enrollment announcements and/or mailings you may have received, are no longer applicable. The District will be providing all pertinent Open Enrollment information to you in the coming weeks.

FAQ's

1. How do I find out if my current doctor is available in one of the new plans?

There are two ways you can find out—(1) Contact your current doctor and inquire if he/she is affiliated with WHA or Sutter Health, or (2) Visit the website links noted above to search for your current physician.

2. Given this shift in medical coverage options, what should I do if I have an upcoming medical procedure under my current medical plan/doctor?

Contact your current doctor(s) to advise them of your change in medical plan. Reminder: Medical coverage changes are effective January 1, 2015.

3. Do I have to participate in Open Enrollment to make changes to my benefits?

Yes. All employees and early retirees must enroll onto Benefit Bridge, the online portal, to ensure that all changes are updated in our new system. You will have the opportunity to make changes during the Open Enrollment period of November 3 through November 21, 2014. This is true even if you are choosing the same doctor.

4. Do I have to enroll onto Benefit Bridge if I am currently a Kaiser member and I plan to keep my Kaiser plan for 2015?

Yes. All current Kaiser members must enroll onto Benefit Bridge to ensure that their benefits plan is updated in our new system.

5. If I opt out of district benefits, do I receive a stipend or reimbursement?

No.

If you have any questions, please contact us using the following resources:

Health Benefits Hotline: (916) 643-7910
Contact us at: benefits2015@scusd.edu