



EDUCATORS HEALTH ALLIANCE

Participation. Collaboration. Cooperation.

EHA COMPARES WELL WITH NATIONAL PLANS

At the summer EHA Board meeting, Kevin Dolsky, actuarial consultant for the EHA, provided information about the EHA plan compared to national industry averages. The plan was compared to recent Kaiser Permanente, Oliver Wyman, and Wyatt/NBGH actuarial studies.

These organizations are involved in actuarial studies to review trends in the Health Insurance industry in the United States. The results show that our premium rates for the last year were comparable to National pricing for the 2009 EHA contract year. On average, pricing increases for large employer groups throughout the U.S were over 11%, with the actual cost going up only 7%. With the EHA plan, the Board

developed a 7.25% increase in our pricing and saw our cost go up 7%. The EHA plan has the ability to be more accurate for our costs because the plan has 75,000 + members, which allows the plan to run more true in experience. Furthermore, the average deductible was \$168 less than the national average. The average deductible nationally was \$634 compared to the average for the EHA of \$486. An area that did not compare well was the EHA members in High Deductible Health Plans (HDHP) options. Many groups on both coasts have been implementing high deductible health plans and other plan options to help maintain or reduce cost, with 54% of the large companies

CONTINUED ON PAGE 2

DAN ERNST ELECTED CHAIR OF THE EDUCATORS HEALTH ALLIANCE BOARD OF DIRECTORS



DAN ERNST, NCSA

At the August 25th EHA Board meeting, new Board officers were elected for the 2010-11 plan year. Dan Ernst-NCSA, was elected chair while Neal Clayburn-NSEA will serve as Vice-Chair. Furthermore, both Jack Moles-NCSA, Secretary and Sheri Jablonski- NSEA, Treasurer retained their positions on the Board of Directors for their current duties. The EHA Board of Directors consists of 6 individuals representing the NSEA, 3 members of the NASB, and 3 members from the NCSA. The Board meets regularly to discuss current issues, trends and utilization of over 350 schools health and dental plans. Under Ernst's leadership, the Board is committed to provide quality and affordable coverage to over 75,000 members here in Nebraska now and into the future. ■

PARTICIPATING ORGANIZATIONS



NEBRASKA ASSOCIATION OF
SCHOOL BOARDS



NEBRASKA COUNCIL OF
SCHOOL ADMINISTRATORS



NEBRASKA STATE
EDUCATION ASSOCIATION

EHA COMPARES WELL WITH NATIONAL PLANS CONTINUED:

having them as part of their benefit options. The EHA plan has very few members in these plans at this time. With the Dual Choice options being put in place this year, the number of participants in this class should show an increase for the EHA over the next few years. ■

| | EHA | Kaiser |
|--------------------------------|-------|--------|
| Premium Rates per Employee | \$735 | \$726 |
| Increase in Rates 1999 to 2009 | 115% | 131% |
| Average Single Deductible PPO | \$486 | \$634 |

| | | |
|---------------------|------------------------------|------------------------------|
| EHA 7.25% | Pricing Medical | Oliver Wyman 11.0% |
| 5.5% | Dental | 6.0% |
| EHA 7.0% | Cost 2009 Increase | Wyatt/NBGH 7.0% |
| 4.58% | 2010 Increase | 6.5% |
| EHA 1.4% | HDHP Number of Ees | Others 22%(Kaiser) |
| 6.2% | Number of Groups | 54%(NBGH) |

NEW FED LAW EXTENDS COVERAGE FOR DEPENDENTS ON THE EHA PLAN

With the enactment of the Patient Protection & Affordable Care Act (PPACA) on March 23, 2010, certain changes have been made in regards to dependent’s eligibility for health insurance whom are between the ages of 19 & 26 and covered under the EHA plan. Effective immediately, if you have a child currently on the plan that is between the ages of 19 & 24, they may stay on the plan as your dependent, until their 26th birthday. EHA’s partner, BCBSNE, will no longer request student verification for any eligible dependents between these ages. For example, if your child is out of state, married, or no longer a full-time student, they will be able to stay on the plan until their 26th birthday. If you have a dependent between the ages of 19 & 26, who is not currently on the plan, they will be eligible to come back as a dependent under your coverage September 1, 2011. This is when the EHA plan must comply with all requirements set by the new law. If you have any further questions, please contact BCBSNE Customer Service at 1-877-721-2583 or Kurt Genrich, EHA Plan Advocate ♦ 1-866-465-1342 Toll-free ♦ 402-217-2042 Cell ♦ kurt@chaplan.org ■

“THE EHA PROGRAM THROUGH THE STATEWIDE POOLING OF RESOURCES AND RISK HAS BEEN ABLE TO POSITIVELY IMPACT THE VALUE EQUATION FOR ITS PARTICIPANTS BY CONTROLLING MEDICAL COSTS, LOWERING ADMINISTRATIVE EXPENSES, AND PROVIDING PREMIUM STABILITY. EMPLOYERS IN OTHER STATES WITHOUT SUCH A POOL DO NOT HAVE COMPARABLE RESULTS ON EACH OF THESE VALUE MEASURES.”

FUN FACTS

- ♦ During your lifetime, you'll eat about 60,000 pounds of food, that's the weight of about 6 elephants
- ♦ Fingernails grow nearly 4 times faster than toenails
- ♦ Apples are more effective at keeping people awake in the morning than caffeine
- ♦ Did You Know, It is impossible to lick your elbow
- ♦ Des Moines has the highest per capita Jello consumption in the U.S
- ♦ Men are 6 times more likely to be struck by lightning than women



KURT GENRICH
EHA PLAN ADVOCATE
402-217-2042
866-465-1342
KURT@EHAPLAN.ORG

WE'RE ON THE WEB!
SEE US AT:
WWW.EHAPLAN.ORG

DUAL CHOICE OPTION AVAILABLE TO SCHOOLS

On September 1, 2010, many school groups within the EHA offered for the first time a Dual Choice Health Plan for their employees. In an effort to provide options within a group, the EHA Board came out with two options that can be used with the \$350 and the \$600 PPO Deductible options. These two options were the \$1,500 PPO plan and the \$2,850 High Deductible Health Plan. These plans offer a considerable decrease in premium compared to the base plans (\$350 & \$600). A group who elects this option must stay with the dual choice plan for at least 3 years. The members within the group can annually select between the two options available for their school. This will allow members to review their health needs annually to make the right decision for them and their family. **The EHA Plan will also allow groups to make this selection for January 1, 2011.** This time is available because the EHA PPO options run on a calendar year deductible. So people who have met their deductible for this year would not have to lose benefits if the plan would start January 1. If you have questions, there is good information about the options on our website, www.ehaplan.org, or contact your Blue Cross Blue Shield of Nebraska representative or Kurt Genrich, EHA Plan Advocate. ■

EHA FORMS TASK FORCE TO ADDRESS NATIONAL HEALTH CARE REFORM

At the August EHA Board meeting, the Task Force reviewed items from the Patient Protection and Recovery Act (PPCA) with the Board of Directors that may affect our plan in the near future. The Task Force will review, inform and address key issues with regards to Health Care Reform from the prospective of the impact on the EHA plan. The items that are being reviewed currently include the new requirement to allow children on the program to age 26, analyze the new Wellness mandate, Health Insurance exchanges and the Early Retiree/Direct Bill plan. The Task Force includes members from the NCSA, NSEA, NASB, BCBSNE, EHA actuary and the EHA Plan Advocate. In addressing these issues with the Task Force, the members will enable the EHA Board to better understand how the new mandates will affect the EHA plan now and in the future. The Task Force will position the EHA to achieve maximum benefit for the constituents of the EHA through these new federal laws. ■

EHA RECEIVES APPROVAL FOR EARLY RETIREE FUNDING FROM THE FEDERAL GOVERNMENT

In August, the EHA received correspondence from Health and Human Services (HHS) that our application for PPACA Early Retiree Reinsurance Subsidy was approved. The subsidy is for groups who provide coverage for their members who retire and have not reached the age of 65. The subsidy is provided to help with the additional cost that arises from these members medical services. The plan is waiting to hear back from the HHS in regards to the amount that we will receive. The subsidy will provide money to help decrease future rate increases for our retired members between the ages of 55-64. The EHA currently has 3,539 early retiree subscribers who take coverage after they retire, that will benefit with lower increases, from this reinsurance amount. ■



**BlueCross BlueShield
of Nebraska**