



Educators Health Alliance Announces Premium ‘Holiday’

The Educators Health Alliance (EHA) Board is pleased to announce that in its May 26, 2011 meeting the Board approved a premium ‘holiday’ for the month of December 2011 by passing the following resolution:

“There shall be a premium holiday in December, 2011. In subgroups where a recognized or certified bargaining agent exists, both the employer and bargaining agent shall sign a form provided by EHA in order to receive the holiday. If a bargaining agent does not exist the employer shall sign the form. Direct bill subscribers, including early retirees, and COBRA subscribers, shall receive the holiday if they are enrolled in the month of December.”

The EHA has been able to keep recent rate increases to a reasonable amount despite the ongoing pressures of medical inflation.

We believe proper management of the EHA plan along with the prudent use of medical services by plan participants has contributed to low premium increases and recent favorable claims costs in the plan.

In February, the EHA Board announced there will be no rate increase for the plan year beginning September 1, 2011 and furthermore the increase for the 2012-13 plan year will be limited to 4% or less.

The favorable claims experience of the 2009-10 year has continued into the 2010-11 year. The EHA has a contractual agreement with its insurer, Blue Cross Blue Shield of Nebraska (BCBSNE), whereby favorable experience is accrued to a rate stabilization reserve (RSR) which will be utilized to offset future unfavorable experience or provide future premium rate relief for plan participants.

The action of the EHA Board, in agreement with BCBSNE, is to provide this future rate relief through the waiving of one month’s premium payments. In order to receive the premium holiday a form will need to be signed and provided to BCBSNE by November 1, 2011. Additional administrative requirements, if any, in implementing the premium holiday will be provided at a later date.

Please contact Kent Trelford-Thompson at 402-458-4810, email Kent.trelford-thompson@bcbsne.com or Kurt Genrich at 402-217-2042, email Kurt@ehaplan.org with any questions regarding this announcement.

John Bonaiuto
Executive Director NASB

Craig Christiansen
Executive Director NSEA

Mike Dulaney
Executive Director NCSA

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