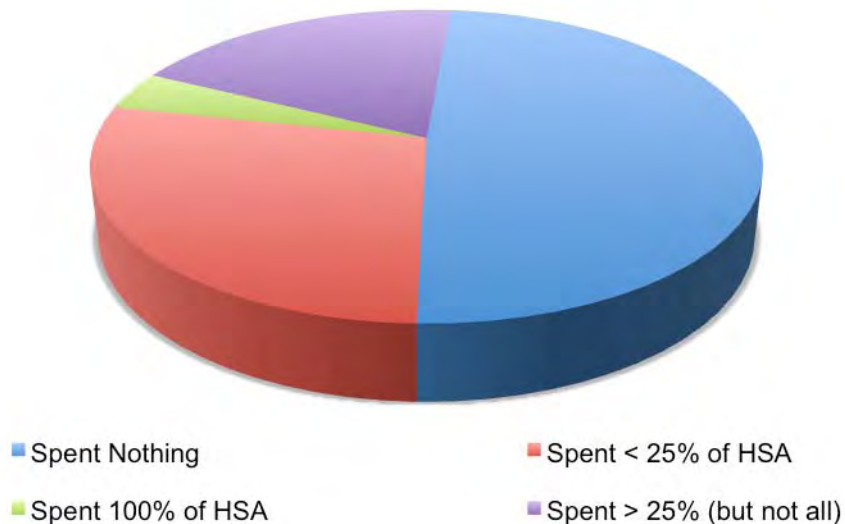


Are Our New Health Insurance Plans Working?

That's a question that's been asked a lot lately, since these plans are new and we're all just getting used to how they work. Each of you will have had your own personal experience with them and may have shared that with others, and we are committed to making sure that everyone gets the care we need. So each month, we carefully track the plans to see how they're working. Here are some details from the first quarter:

Health Savings Accounts

- So far, the District and employees have put nearly \$6 million into almost 4,000 employees' Health Savings Accounts (HSAs)
- Employees who are making additional voluntary contributions through payroll deduction are putting an average of \$175 per month into their HSA
- So far only \$700,000 (or 12%) has been spent from HSAs
- The graph below shows the percentage of employees who have not yet spent any of their HSA, have spent less than 25% (and we're 25% into the year), have spent more than 25% and may be in danger of running out this year, and those who have already spent all their HSA money.



As you can see, less than one in twenty of our employees have exhausted their HSAs so far (and many of these are making pre-tax monthly contributions so they will actually have more money to spend as the year goes on).

Eight out of ten people have spent less than 25% or nothing at all and are very likely to end the year with money remaining in their HSA that will roll forward to the next plan year.

For about one in five people, although they have money in their HSA (and again in many cases more coming in each month), they have spent more than 25% of their HSA so far and could exhaust their HSA before the end of the year.

Making Your HSA Work for You

It's natural for you to want to hold onto the funds in your HSA. But remember that your HSA is there to help you pay for drugs and services below the deductible. There are many things you can do to help stretch the life of the HSA while still obtaining the services and supplies that you need to be healthy!

Make Additional Contributions to your Health Savings Account

Since this is the first year of having an HSA, there is a once in a lifetime (really) opportunity to put more money in this year than the amount being put in by DCSD and by your monthly regular contributions (if you're making any). Here's why:

If you're single on the health plan, the IRS allows you to contribute \$3,000 into an HSA per **calendar** year as long as you're on the plan for more than one month in that year. Since the DCSD plan year started in July, you qualify for this maximum contribution. The District has put \$1,000 into your account already, and even if you're making the maximum monthly payroll deducted contribution of \$167, your deposits will only total \$2,000 by the end of December. That leaves you with a \$1,000 opportunity for a lump sum deposit.

So if you've already run out of your HSA or, like most people, you would simply like more money in your account for the future, please take advantage of this opportunity if you can. How? Simply make a transfer into your HSA, online or by check through HSA Bank, and then claim the tax back on your tax return at the end of this tax year (HSA Bank will provide you with the necessary forms for end of the year tax reporting). For every \$1,000 that you put into your HSA, you can claim back about \$250 (depending on your tax rate). Even if you think you don't need the money in your HSA now, if you don't take this opportunity it's like paying \$250 in extra tax this year. Every little bit counts, so please call HSA Bank if you need any help taking advantage of this opportunity.

For families, the annual allowance is \$5,950 so you may be able to save up to \$500 this year in tax by putting more money in your HSA.

Use Generic Drugs

Taking a generic drug instead of a name brand medication will save you \$85 on average. Contrary to popular belief, generic medications are no different than the name brand except for the color and sometimes the coating of the tablet. Generics are FDA regulated and by law must contain the same active ingredients and release rate as the name brand. Several pharmacies (Wal-Mart, Walgreens, Target, CVS, and others) have a listing of generics that are available for \$4-\$5 per prescription. Take a copy of that list to your doctor and see if any of your meds can be changed. It could mean huge savings for you.

Compare the Cost of Drugs

Different pharmacies charge different prices for the same medication. Use the on-line cost comparison tools through your health plan or call the pharmacies directly to obtain the best price on your medication.

Take Advantage of Prescription Assistance Programs

There are several prescription drug assistance programs in existence that may make your drug more affordable. Note that not all programs cover all drugs, but it is well worth the effort of examining each program to see if they will be of use to you. Details about each of these programs is available on the DCSD website:

Human Resources >> Employee Benefits >> Medical, Dental, Vision and Pharmacy Information >> Drug Assistance Program Information

Here is a list of other useful websites with information on their assistance programs.

Abbott Laboratories: www.abbottpatientassistancefoundation.org

Colorado Drug Card: www.ColoradoDrugCard.com

DC Prescription Drug Discount Card: www.douglas.co.us/humanresources/discountcard

Forest Pharmaceuticals: www.forestpharm.com/pap

Partnership for Prescription Assistance: www.PPARx.org

Pfizer: www.PfizerHelpfulAnswers.com

Wyeth Pharmaceuticals: www.wyeth.com

Check your HSA Bank Account Balance Frequently

Through www.hsabank.com, you have 24-hour access to your account balance. You can sign up for email updates through www.hsabank.com so that you are notified each time a deposit is made to your account, or each time you use your HSA Bank Visa Debit card. You may also call HSA Bank (800-357-6246) to obtain information about your account.

Avoid the Emergency Room (ER) for NON-EMERGENCY Issues

A visit to the ER costs on average \$800, while a visit to an urgent care clinic is half that cost and a doctor's office visit is just a fraction of *that*. While it is true that many of us get sick on the weekends, unless there is a threat to life or limb, try to see your doctor during the week and avoid using the ER. In addition, pharmacies like Wal-Mart, CVS and Walgreens have mini-clinics that charge nominal fees to see a Family Nurse Practitioner or Physician's Assistant who can treat minor injuries, respiratory illnesses like lung and ear infections, administer vaccinations, and more.

Prepare for your Doctor's Office Visits

Most of us don't have the time or the desire to make multiple trips to the doctor. So make the most of your visit, when and if you need to go:

- Make a list of all the questions you have for your doctor, before you leave home
- Know your family history (capture and update it on your computer so you can always print it out for future visits or when seeing a new doctor)
- From the moment you make the appointment to the day you arrive, keep a running list on the refrigerator, on your desk, or in your purse/wallet of all of the symptoms you are experiencing
- Don't leave anything out – all of the things you dismiss or say are “nothing” will give your doctor a complete picture of your health and will help him or her make a more accurate diagnosis
- Take a list of all the medications you are taking, including dosage, frequency, and time of day you are taking the meds. Vitamins and over the counter meds should be included
- Visit www.webmd.com or www.mayoclinic.com to see if your symptoms are linked to any particular illness or condition
- If you have a few general issues, start with your general practitioner. Make this a preventive visit by including an annual physical, well woman screens, and annual blood work
- Write down your doctor's comments and suggestions during the visit
- Stay in network

How do our plans compare to last year's plans?

Remember that last year there were co-pays on almost all services (office visits, all drugs, hospital admissions, etc) and for many people on the PPO plans, the coinsurance rate was only 80%, leaving 20% of the costs above the deductible to be paid for by you. This meant that had we kept the old plans, those people who have run out of their HSAs this year would more than likely have already spent much more on co-pays and other deductibles. Two other things to remember:

1. We faced much larger premium increases on the old plans (starting at 15%) and if you're a family, you would have been paying more out of pocket each month.
2. There was no HSA last year so most if not all out-of-pocket payment were made with post-tax money, costing you more.

We often forget how our old plans work when thinking about our new plans. To see how things would have been on the “old” plans, take a look at the example below.

Example

Let's take a look at how a current teacher and her family would have fared on the "old plan" (the CIGNA HMO with the 2009-2010 structure) compared to how she is doing on the CIGNA Preferred Plan.

CIGNA HMO 2009-2010 (annual deductible of \$1,000; no Health Savings Account)

Annual Premium	3 months X \$477.25	= \$1,432
Pap Smear	\$120 (applies to deductible)	= \$120
Mammogram	\$150 (applies to deductible)	= \$150
Annual physical for spouse	\$120 (applies to deductible)	= \$120
Doctor's office visit – eye infection	\$100 (applies to deductible)	= \$100
Medication for eye infection	\$35 (applies to deductible)	= \$35
Inhaler for asthma	2 X \$50 (applies to deductible)	= \$100
Total Out-of-pocket:		= \$2,057

Preferred Plan 2009-2010 (\$6,000 deductible; \$2,000 HSA Funding from DCSD)

Annual Premium	3 X \$415	= \$1,245
Pap Smear	\$0 – Preventive	= \$0
Mammogram	\$0 – Preventive	= \$0
Annual physical for spouse	\$0 – Preventive	= \$0
Doctor's office visit – eye infection	\$120 – paid from HSA	= \$0
Medication for eye infection	\$50 – paid from HSA	= \$0
Inhaler for asthma	\$0 – Preventive	= \$0
Total Out-of-pocket:		= \$1,245

Note on the Preferred Plan: while there was a cost for the doctor's office visit associated with the eye infection and the medication used to treat the infection (total cost of \$170), because the employee was able to use her HSA fund provided by DCSD, these costs were not paid out-of-pocket.

As you can see, if the old HMO plan had been renewed, this employee would have been paying the full cost of office visits and prescriptions below the deductible. These costs would have been 100% the responsibility of the employee, and there would not have been an HSA with DCSD funding to help them pay for these costs. The employee would have paid \$2,057 (to date) out of their own pocket.

In contrast, on the current plan their premium is lower, preventive screens and medications are free, and \$2,000 HSA funding is available up front to help them pay for non-preventive services. Their out of pocket is thus \$1,245, **a savings of \$812 or \$270 per month! Not to mention that there is still \$1,830 left in her HSA.**

In total, she is \$2,642 better off so far.

Even for members who have already had significant expenses in this first quarter, most are better off since:

- Their out-of-pocket is limited to the “gap” between their HSA and their deductible (\$2,000 for singles, \$4,000 for families on the Preferred Plan). On the old plan, the out-of-pocket maximum was \$2,500 for singles and \$5,000 for families (**on top of drug co-pays**)
- Covered preventive screens and drugs are no longer subject to co-pays. Neither are any drugs above the deductible.
- HSAs and the union loan can help finance out of pocket expenses on a tax efficient basis.

How are our administrators doing?

We have had a few teething problems with CIGNA and Kaiser on the new plans, although well over 99% of all claims have been correctly processed. If you are having problems with CIGNA or Kaiser with claims processing or payment to providers please contact their help lines or speak with your benefit representative at the Benefits office.

Some members have reported that some doctors are asking for cash up-front before providing services. **Note that this is contrary to their agreement with CIGNA** so please do not accept any such requests. You only need pay a bill once it has been returned to you from CIGNA (and re-priced to reflect their discount). If your doctor is asking for cash up-front, please provide details to CIGNA or to the DCSD Benefits office. CIGNA will then reach out to the provider and remind them of their agreement.

CIGNA Customer Care: 800-244-6224; Group #3203264

Note that although we did not review administrators last year since we were making such significant changes to the types of plans we offer, we will be doing so this year to ensure that you enjoy the lowest costs of care, the highest quality network of providers and the best service. This review will take place over the next two months and, if there are going to be any changes as a result, we will let you know well in advance of when the changes will actually take place (July 2010).

Large Claims and Union Loans

So far this year, 11 people have spent more than \$50,000 in claims (after the network discount was applied) with the largest claim so far at nearly \$200,000. These are the people who need our health insurance most and although they will have spent their HSA early on this year, they will of course have 100% coverage for the balance of the year with no co-payments. In fact, unlike last year when their out-of-pocket payments could have exceeded ten thousand dollars (when you add the max out-of-pocket limits, the co-pays and co-insurances), this year their out-of-pocket is limited to the difference between their HSA and the deductible. In most cases, their share of the total claim is much less than 4% of the entire cost of their treatment. For these people, who need our help and financial support more than ever, the plan is really working.

Less than forty people (about 1% of insured employees) have made use of a Union loan so far (this is available if you run out of your HSA and need the money to pay a provider or pay for a medication). Remember, before being granted a loan, you will be asked to talk with your provider (especially hospitals) to see if they would be willing to reduce their price or work with you on a payment plan. So far, they have been more than willing to either offer significant discounts (on top of what CIGNA gets for us) or to offer payment terms so that you won't even need a loan. Other requirements for obtaining the loan include: (1) you must be making regular, payroll deduction contributions to your HSA and (2) your HSA must have a \$0 balance (you cannot request a loan while you still have a positive balance in your HSA).

Contact Julie Weatherman at the Union office for more details: 303-688-3381

Wellness Program

The wellness program pilot-test has been a great success and DCSD is now offering a pedometer to **every employee** that wants to participate **at no cost**. United Healthcare has kindly sponsored these pedometers (the first of many partnerships we're working on as part of our vision to become the Healthiest School District in the US by 2015). In addition, Health at Work has sponsored 4,000 exercise balls for the **first** 4,000 people to attend a meeting later this month to get their pedometers.

So don't delay! Visit the DCSD website and navigate to the RSVP form here:

Human Resources >> Employee Benefits >> Wellness Program >>
Fall 2009 Pedometer Rollout RSVP

Dates and times of the pedometer distribution events are as follows:

Tuesday 10/27	4:30-6 PM	Ponderosa High School Auditorium
Wednesday 10/28	4:30-6 PM	Highlands Ranch High School Auditorium
Thursday 10/29	4:30-6 PM	Ranch View Middle School Commons
Tuesday 11/3	4:30-6 PM	Legend High School Auditorium
Wednesday 11/4	4:30-6 PM	Sagewood Middle School Commons
Thursday 11/5	4:30-6 PM	ThunderRidge High School
Saturday 11/7	10-11:30 AM	Douglas County High School Auditorium

Success Stories

In May 2009, 1,000 DCSD employees (now called Wellness CHAMPIONS) jumped at the chance to take part in the District’s wellness program. The first program rolled out to employees was a pedometer program called Sonic Striding, in which a small device is worn on the participant’s shoe and daily activity and step counts are wirelessly uploaded to the participant’s own webpage.

A competition was run during the month of May with phenomenal results. Employees enrolled in the competition as either teams or as individuals and were ranked based on the amount of time they were active over the period of the competition.

The team that won the May pedometer competition called themselves YAY US! The team, made up of Kellie Frasersmith and Melissa Tafoya of Flagstone Elementary walked for a total of 154 hours – 300 miles each. Prior to the Sonic Striding program, Kellie and Melissa participated in their school’s “Biggest Loser” contest in March so they were already embarking on their journey towards wellness. The pedometer program gave them extra motivation and they increased the number of times they walked each day and added on locations to explore.

Kellie lost 15 lbs. and Melissa lost 40 lbs. Not only that, they came in second in the DCSD’s second Striding Competition that took place in September of 2009!

Sonic Striding Second Competition Results

Starting in the month of August, DCSD ran a second pedometer competition with the 1,000 Wellness CHAMPIONS that yielded even more amazing results. Here is what was accomplished over the six-week period of the competition:

	Total	Average Per Person	Average Per Day	Units
Time	2,067,592	80	1.9	Hours
Walked Steps	75,101,396	174,435	4,153	Steps
Run Steps	7,646,184	17,741	422	Steps
Total Steps	94,303,190	218,813	5,209	Steps
Total Miles	40,670	94	2.25	Miles
Calories	3,528,004	8,196	195	Calories

The winning team for this second round of the competition was called “Hooked on Sonics” and was made up of Janice Perry and Margot Hunjan. These super striders walked a total of 14,011 minutes or 233.52 hours over the course of the competition, or an average of 5.5 hours per day of activity!

Other top winners included Deborah Rolph, who burned the most calories as an individual (19,017); Andrew Patch, who had the highest activity time for an individual (9,861 minutes or 164 hours); and the team called Cubbies who improved their walking time the most – 83% improvement in time from the start of the competition until the end.

In addition to the measurable successes we see from the competitions, there are daily comments about how wonderful the program has been for attitude; appreciation for the creative energy being sparked around the District, and gratitude for the ability to take part in a wellness initiative while at work.

We hope to see all of you at the pedometer rollout meetings in October and November. Don't miss out on this wonderful, **free program** and the opportunity to practice daily wellness habits in the place where you spend so much of your time.