

Benefit Information Summary for
BELLINGHAM ADMINISTRATORS' ORGANIZATION (BAO) STAFF

- Net Monthly Allocation Available for Health Benefits: \$750.00 per FTE. This represents an increase of \$13.00 per month per FTE. See your Collective Bargaining Agreement for details. This includes the state allocation less the retiree carveout plus an additional \$64.59 per month of local district contribution. Subject to change due to collective bargaining agreement.
- Premiums: Premium changes are shown on the attached charts.
- **Medical Plan Changes: Please review your Summary of Health and Welfare Benefit Plans brochure for changes to Regence Blue Shield, Group Health and Premera Blue Cross plans.**
- The last date to enroll in or change medical plans is noon on Friday, September 4, 2009.
 - Employees who want to change medical and/or dental coverage must submit new forms to the Human Resources Office by noon on September 4. *Note: Employees who are currently on the Group Health plan may also change primary care physicians at this time.*
 - Employees who do not want to change medical coverage need take no action.
- Benefits Fair: Scheduled for Monday, August 31, 2009. See enclosed information.

MANDATORY BENEFITS

GROUP LIFE INSURANCE

UNUMProvident CORPORATION:

Benefit:

A death benefit which decreases from a maximum of \$50,000 if you are age 65 or under, to \$5,000 at age 90 (per ADEA compliance). Includes accidental death, dismemberment, premium waiver, living benefit, portability and conversion benefits.

GROUP LONG TERM DISABILITY

CIGNA:

Benefit:

Benefit amount is 60% of salary to a maximum monthly benefit of \$5,000. The waiting period is 90 days from the onset of a disability.

DENTAL INSURANCE

How to Select a Dental Plan

You have a choice of two different dental plans: incentive dental and managed care dental. An explanation of each plan design and the plan name follows:

- **INCENTIVE DENTAL** type plans encourage yearly visits to the dentist. Subscribers must visit the dentist at least once each year to receive the maximum benefit available. Subscribers must also see participating dentists to receive maximum benefits. Coverage is available for non-participating dentists, but dentists may charge above the allowable amount.

INCENTIVE Plan Choice: WASHINGTON DENTAL SERVICE (WDS)

Preventive (Exams, X-rays, Cleaning, etc.)	70% - 100% Incentive*
Restorative (Fillings, Extractions, Crowns, etc.)	70% - 100% Incentive*
Major Care (Dentures, Partials, Bridges, etc.)	50%
Implants (Pre-authorization required)	50% (applied towards annual maximum)
Annual Maximum Benefit	\$1,750 per person per benefit year (September 1 – August 31)
Dependent Eligibility	Unmarried dependent children from birth to 25 th birthday

***How the Incentive Program Works:**

This plan encourages regular dental care. During the first benefit year on the plan, 70% of covered benefits are paid. Providing you use the program at least once each benefit year, this increases by 10% annually (on September 1) to a maximum of 100%. Failure to use the program once each benefit year causes your level to drop by 10% below the last level of payment, but never below the original 70%. Each eligible employee and dependent creates his or her own percentage level.

Percentage levels do not affect the established constant 50% payment level for the cost of allowable prosthetics (dentures and bridges).

Member Dentists:

You may select a licensed dentist. Tell your dentist you are covered by Washington Dental Service program **Group #0186**. **If your dentist is a member dentist**, your claims will be submitted directly to WDS, and no more than the filed fee can be charged. **If your dentist is not a member dentist**, it is your responsibility to have a claim form completed. You are responsible for paying the dentist’s bill and for submitting the claim to WDS. Since WDS does not have filed fees for nonmember dentists, payment for services performed by a nonmember dentist is based on usual, customary and reasonable charges.

- **MANAGED CARE DENTAL** plans offer care at their own locations. No dental services received outside managed care clinics will be covered.

MANAGED Plan Choice: WILLAMETTE DENTAL GROUP (WDG)

Coverage is as follows only at participating WDG locations:

Preventive (Exams, X-rays, Cleanings, etc.)	Covered with a \$15 office visit charge
Restorative (Fillings, Extractions, etc.)	Covered with a \$15 office visit charge
Major Care (Crowns, Dentures, Bridges, etc.)	Covered after a \$50 copay plus a \$15 office visit charge.
Emergency Treatment	Covered after a \$20 copayment for after hours treatment at a WDG location. Reimbursement of \$150 for out-of-area emergency care.
Implants	Discount program available
Dependent Eligibility	Unmarried dependent children from birth to 25th birthday

VISION INSURANCE

Northwest Benefit Network

There is no co-payment required on materials or eye exams for either Panel (Participating) or Non-Panel Providers. Most benefits obtained from Panel Providers are covered at 100%, with a few of the exceptions listed below. For Non-Panel Providers, members pay all charges and are reimbursed up to the allowances listed below under “Non-Panel Providers”. Unmarried children are eligible from birth to age 25, provided they depend upon the member for support.

Payment will be made on behalf of the subscriber as follows:

	<u>Frequency</u>	<u>NBN Panel Providers</u>	<u>Non-Panel Providers</u>
Eye Exam	Every year	100%	\$35
Single Vision Lenses	Every year	100%*	\$30
Bifocal Lenses	Every year	100%*	\$40
Trifocal Lenses	Every year	100%*	\$45
Lenticular Lenses	Every year	100%*	\$90
Continuous Blend	Every year	100%**	\$40
Lens Coating, Tints, Oversize	Every year	Some covered	Not covered
Frames	Every 2 years	100%***	\$30
Elective Contacts	Every year	\$175****	\$90
Necessary Contacts	Every year	100%	\$200

*Lenses necessary to correct the visual acuity of the patient are fully covered. Specialized lenses, special features and “extras” may not be covered.

**Standard grades of ‘continuous blend’ lenses are covered.

***Plan pays 100% of a selection of frames; subscriber pays additional amount for more expensive frames.

****\$175 contacts allowance is for exam, fitting and lenses combined in lieu of all other services.

If a non-covered lens extra or a frame that exceeds the plan allowable is ordered, the subscriber is responsible for any additional provider charges including a small dispensing fee.

Note: This is a summary and cannot cover all plan details. If you have any questions regarding your vision benefits or your eligibility for services, please contact NBN at 800-732-1123.

VOLUNTARY LIFE INSURANCE

Additional UnumProvident Life Insurance coverage is available through payroll deductions. September is the annual open enrollment period to add this benefit or to increase your current benefit amount. This is optional coverage and would be in addition to your \$50,000 group coverage. If you apply for a supplemental amount over \$25,000, you must submit, and have approval of, a short Health Evidence form. Spouse and dependent coverage is also available through this optional coverage. **NOTE: If you already have this optional insurance, it will continue to be in effect – you do not have to sign up each year.**

BELLINGHAM PUBLIC SCHOOLS
Bellingham, Washington

INSURANCE OPTIONS AND PREMIUMS
(BELLINGHAM ADMINISTRATORS' ORGANIZATION [BAO])

	<u>2008-2009</u>	<u>2009-2010</u>	<u>Increase</u>
<u>MONTHLY BENEFIT ALLOCATION</u>	\$732.00	\$745.00	
	Per FTE	Per FTE	
<u>MONTHLY BENEFIT FROM DISTRICT</u>	\$65.40	\$64.59	
	Per FTE	Per FTE	
<u>STATE-MANDATED RETIREE BENEFITS</u>	\$60.40	\$59.59	
	Per FTE	Per FTE	
<u>NET AVAILABLE FOR HEALTH BENEFITS</u>	\$737.00	\$750.00	
	Per FTE	Per FTE	

NOTE: The state-mandated retiree benefit is deducted first from the monthly allocation. The remaining \$750.00 will be used for dental, vision, life and medical.

<u>DENTAL / VISION / LIFE PREMIUMS</u>			
Dental (Washington Dental)-----	\$111.20	\$117.45	5.6%
Dental (Willamette Dental)-----	\$71.75	\$73.05	1.8%
Vision (Northwest Benefit Network)-----	\$18.00	\$20.00	11.1%
Life (UnumProvident Life -- \$50,000 coverage)-----	\$6.55	\$6.55	0%

MEDICAL OPTIONS / PREMIUMS

Regence Blue Shield WEIC Modified Copay

Subscriber Only-----	\$688.10	\$707.23	2.8%
Subscriber/Spouse-----	\$1,319.50	\$1,356.19	2.8%
Subscriber/Child(ren)-----	\$967.25	\$994.14	2.8%
Subscriber/Spouse/Child(ren)-----	\$1,598.65	\$1,643.10	2.8%

Regence Blue Shield WEIC Engage 80

Subscriber Only-----	\$495.45	\$567.59	14.6%
Subscriber/Spouse-----	\$948.70	\$1,086.77	14.6%
Subscriber/Child(ren)-----	\$695.10	\$796.27	14.6%
Subscriber/Spouse/Children-----	\$1,148.35	\$1,315.45	14.6%

Regence Blue Shield WEIC High Option

Subscriber Only-----	\$560.20	\$628.89	12.3%
Subscriber/Spouse-----	\$1,074.15	\$1,205.85	12.3%
Subscriber/Child(ren)-----	\$787.45	\$884.02	12.3%
Subscriber/Spouse/Child(ren)-----	\$1,301.40	\$1,460.98	12.3%

Regence Blue Shield WEIC Innova 500

Subscriber Only-----	\$332.55	\$378.09	13.7%
Subscriber/Spouse-----	\$638.35	\$725.77	13.7%
Subscriber/Child(ren)-----	\$515.75	\$586.38	13.7%
Subscriber/Spouse/Child(ren)-----	\$821.55	\$934.06	13.7%

Group Health Traditional

Subscriber Only-----	\$550.36	\$624.21	13.4%
Subscriber/Spouse-----	\$1,056.99	\$1,198.83	13.4%
Subscriber/Child(ren)-----	\$839.78	\$952.47	13.4%
Subscriber/Spouse/Child(ren)-----	\$1,345.51	\$1,526.06	13.4%

Group Health Deductible Welcome

Subscriber Only-----	\$352.20	\$399.46	13.4%
Subscriber/Spouse-----	\$676.11	\$766.84	13.4%
Subscriber/Child(ren)-----	\$537.26	\$609.35	13.4%
Subscriber/Spouse/Child(ren)-----	\$860.62	\$976.11	13.4%

Premera Blue Cross PPO 1

Subscriber Only-----	\$654.40	\$702.95	7.4%
Subscriber/Spouse-----	\$1,244.75	\$1,337.20	7.4%
Subscriber/Child(ren)-----	\$916.90	\$984.95	7.4%
Subscriber/Spouse/Child(ren)-----	\$1,536.05	\$1,650.15	7.4%

Premera Blue Cross PPO 2

Subscriber Only-----	\$572.35	\$614.75	7.4%
Subscriber/Spouse-----	\$1,110.95	\$1,193.45	7.4%
Subscriber/Child(ren)-----	\$800.35	\$859.75	7.4%
Subscriber/Spouse/Child(ren)-----	\$1,338.95	\$1,438.45	7.4%

MAJOR INSURANCE PLAN CHANGES FOR 2009-2010

Listed below is a summary of plan changes. Carefully review the Summary of Health and Welfare Benefit Plans brochure for details and total coverage information.

GROUP HEALTH HMO

For Both Traditional and Deductible Welcome Plans

- The chemical dependency benefit increased from \$14,000 to \$14,500 every 24 consecutive months.
- The availability of additional manipulative therapy visits by referral has been removed.
- The plan will no longer require that a dependent be partially or totally dependent on the subscriber for financial support to be eligible for coverage. Financial dependency tests are no longer permitted. The dependent must be unmarried and under age 25 to be eligible for coverage.
- No other major changes in plan benefits.

- Group Health Cooperative Traditional Plan

Premium rates increased 13.4%.

- Group Health Cooperative Deductible Welcome Plan

Premium rates increased 13.4%.

REGENCE BLUE SHIELD

For All Regence Blue Shield Plans

- The chemical dependency benefit increased from \$14,000 to \$14,500 every 24 consecutive months.
- Coordination of benefits for prescription drugs applies.
- Neurodevelopmental therapy and outpatient rehab benefits apply to the coinsurance out-of-pocket maximum (stop-loss).
- Diabetic supplies processed under the prescription benefit with no benefit limits.
- Growth hormone processed under the prescription benefit with no benefit limits.
- No coverage for repair of teeth due to injury.
- The plan no longer requires that a dependent be partially or totally dependent on the subscriber for financial support to be eligible for coverage. Financial dependency tests are no longer permitted. The dependent must be unmarried and under age 25 to be eligible for coverage.

WEIC Modified Copay Plan

- Participating providers covered at 70% (previously covered at 60%).
- Non-participating providers covered at 70% (previously not covered).
- Preventive care annual maximum has been eliminated (previously \$500).

WEIC Engage 80 (formerly WEIC Deductible Plan)

- Participating providers covered at 80% (previously covered at 60%).
- Non-participating providers covered at 80% (previously not covered).

WEIC High Option Plan

- Non-participating providers covered at 70% (previously not covered).
- Preventive care covered at 90% after a \$20 copay for preferred providers (previously covered at 100% and \$20 copay).

WEIC Innova 500 (formerly K-12 FourFront Plan)

- Office visits not subject to deductible not limited to four. An unlimited number of office visits covered with a \$15 copay.
 - Prescription drug copays are \$5 generic/\$20 brand formulary/\$40 non-formulary (previously (\$0/30%/50%).
 - Participating providers covered at 60% (previously covered at 50%).
 - Non-participating providers covered at 60% (previously not covered).
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|-----------------------------------|---------------------------------|
| - WEIC Modified Copay Plan | - Premium rates increased 2.8% |
| - WEIC Engage 80 | - Premium rates increased 14.6% |
| - WEIC High Option Plan | - Premium rates increased 12.3% |
| - WEIC Innova 500 | - Premium rates increased 13.7% |

WEA PREMERA BLUE CROSS

PPO 1, PPO 2

- The chemical dependency benefit increased from \$14,000 to \$14,500 every 24 consecutive months.
 - The plan no longer requires that a dependent be partially or totally dependent on the subscriber for financial support to be eligible for coverage. Financial dependency tests are no longer permitted. The dependent must be unmarried and under age 25 to be eligible for coverage.
 - No other major changes in plan benefits.
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|---------------------|---------------------------------|
| - PPO 1 Plan | - Premium rates increased 7.4%. |
| - PPO 2 Plan | - Premium rates increased 7.4%. |

WASHINGTON DENTAL SERVICE (WDS)

- No changes in plan benefits.
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| - Premium rates increased 5.6%. |
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WILLAMETTE DENTAL GROUP

- No changes in plan benefits.
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| - Premium rates increased 1.8%. |
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NORTHWEST BENEFIT NETWORK

- No changes in plan benefits.
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| - Premium rates increased 11.1%. |
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WEA SELECT GROUP TERM LIFE PLAN - UNUM

- Portability added effective 6/15/2009.
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| - No change in premium rates. |
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