

The Employee Medical Benefits Board held a regular meeting Monday, March 4, 2013 in Meeting Room #1 at the Municipal Center, 3 Primrose Street, Newtown, CT.

THESE MINUTES ARE SUBJECT TO APPROVAL BY EMPLOYEE MEDICAL BENEFITS BOARD

Chairman Mark Mattioli called the meeting to order at 6:15 pm.

PRESENT: James Loring, Mark Mattioli (Chair), Paul Smith and Donna Van Waalwijk; **NOT PRESENT:** Ron Bienkowski and Dan McAloon; **ALSO PRESENT:** Finance Director Robert Tait, and Joseph Spurgeon, Consultant with Lindberg and Ripple.

VOTER COMMENTS: None

COMMUNICATION: None

ACCEPTANCE OF THE MINUTES: Mr. Loring moved to accept the minutes of December 3, 2012. Ms. Van Waalwijk seconded the motion. All were in favor.

NEW BUSINESS

Discussion and Possible Action

Anthem Blue Cross Renewal – Mr. Spurgeon distributed and discussed the following documents:

Attachment A: “Lindberg & Ripple – Newtown (Town and BOE) Self Insurance Plan – July 2013 (dated March 4, 2013). **Attachment B:** “Newtown (Town and BOE) Jan 2013 ISL Illustration – Medical Claims Only” (Updated March 4, 2013) and **Attachment C:** “Newtown (Town and BOE) 2013 Revised Renewal – PPACA Fees” (dated February 18, 2013).

Mr. Spurgeon explained that he and Mr. Tait work on projection separately and then determine whether he can support the Anthem projections. He then stated that he supports Anthem’s projection. He then reviewed attachments A through C and discussed the federal health reform taxes and stop-loss.

Mr. Spurgeon provided a review of the probable renewal scenarios based on projections for the remaining five months. These seemed reasonable. Based on his stop-loss exhibit, the commission agreed not to make any changes at this time. Mr. Spurgeon will provide another exhibit within six months so the board can continue to keep an eye on this.

It was stated that the BOE is already locked into a contract. The Town contracts will be extended two years. Mr. Spurgeon said there are some offsets waiting for final projections from Anthem on the changes they have already negotiated on the Board side.

Mr. Tait then reviewed Attachment D. Mr. Tait reviewed the fund and it is projected to end the current plan year at about \$2.5 million. The board reviewed the available claim data, and everything seems acceptable and within the expected limits.

He asked for a confirmation that the board is comfortable with the 4% increase in the contributions in the medical insurance fund for plan year July 2013 – June 2014. Mr. Loring then motioned to accept the proposed budgeted contribution in the general fund to the self-insurance fund as presented. Ms. Van Waalwijk seconded the motion. All were in favor and the motion passed.

ANNOUNCEMENTS – None

ADJOURNMENT: Mr. Loring motioned to adjourn the meeting. Ms. Van Waalwijk seconded the motion. The Board adjourned at 7:12 pm.

Respectfully Submitted by Tammy Hazen, Clerk.

Attachments

Newtown: Town and BOE
Self Insurance Plan-July 2013
March 4, 2013



Attachment A

Lindberg & Ripple

Deeper Insights. Better Solutions.™

I. July 2010 Projected ASO Cost

a. Total Projected Claims	\$12,002,724
b. Admin/NAF Fees	\$559,667
c. Stop Loss Fees	<u>\$569,394</u>
d. Total Projected Cost	\$13,131,785

Actual Pd Claims: \$9,651,892 *immature*
% of Expected: 80.41% *immature*

II. July 2011 Projected ASO Cost

a. Total Projected Claims	\$11,820,024	-1.52% vs 2010
b. Admin/NAF Fees	\$550,127	-1.70% vs 2010
c. Stop Loss Fees	<u>\$587,598</u>	<u>3.20%</u> vs 2010
d. Total Projected Cost	\$12,957,749	-1.33% vs 2010

Actual Pd Claims: \$10,927,859
% of Expected: 92.45%

III. July 2012 Projected ASO Cost

a. Total Projected Claims	\$11,530,392	-2.45% vs 2011
b. Admin/NAF Fees	\$435,108	-20.91% vs 2011
c. Stop Loss Fees	<u>\$651,989</u>	<u>10.96%</u> vs 2011
d. Total Projected Cost	\$12,617,489	-2.63% vs 2011

IV. July 2012 thru January 2013 Year to Date Actual Claims

a. Actual Paid Claims	\$6,312,675
d. Average Monthly Claims	\$901,811
c. Projected Monthly Claims	\$960,866 (III.a. divided by 12 months)
d. Claim Improvement	-6.15%

V. Potential FY July 2012-June 2013 Ending Claims--ACTUAL RESULTS MAY VARY

a. Annualized Average	\$10,821,729	-6.15% vs Expecteds	<i>(aggressive)</i>
Annualized Average (wi margin)	\$11,038,163	-4.27% vs Expecteds	<i>added 2%</i>
c. Running 12 Trended to YE	\$11,547,545	-2.31% vs Expecteds	<i>\$11.1Mx4.3% Trend (8.53% annual trend for 5 mos)</i>
d. Running 12 Trended to YE (with margin)	\$11,778,495	-0.35% vs Expecteds	<i>added 2%</i>

VI. July 2013 REVISED Projected Anthem ASO Renewal/RFP Response

Experience Period (EP) thru 1/31/13

a. EP Average Members	2,068	-1.69% -vs-in-force renewal
d. EP Average Contracts	791	-2.94% -vs-in-force renewal
c. Current Members	2,040	-2.63% -vs-in-force renewal
d. Current Contracts	773	-4.45% -vs-in-force renewal (down 36 contracts)
e. Paid Claims	\$11,074,244	6.94% -vs-in-force renewal--up 10.2% on per contract basis
f. Excess Claims	\$146,309	
g. Net Claims	\$10,927,935	5.73% -vs-in-force renewal--up 8.93% on per contract basis
h. Claims PMPM	\$440.39	7.55% -vs-in-force renewal--up 8.93% on per contract basis

LRI Attempt at Anthem Claim Projection

i. 17 Month Trend (8.53% Annual)	12.59%	
j. Trended PMPM	\$495.84	5.34% -vs-in-force renewal
k. Current Members	2,040	
l. Projected Claims	\$12,138,170	5.27% -vs-in-force renewal--\$24K >than Anthem revised renewal
m. Projected Claims PCPM	\$1,308.56	10.17% -vs-in-force renewal

Anthem Revised Projection

n. Total Projected Claims	\$12,162,204	5.48% -vs-in-force renewal (up 10.39% pcpm)
o. Admin/NAF Fees	\$480,838	10.51% -vs-in-force renewal (up 15.66% pcpm)
p. Stop Loss Fees	<u>\$668,336</u>	<u>2.51%</u> -vs-in-force renewal (up 7.28% pcpm)
q. Total Projected Cost	\$13,311,378	5.50% -vs-in-force renewal (up 10.41% pcpm)

VII. Town/BOE Break Out (estimated)

	Cost	%
a. Total	\$13,311,378	100%
b. BOE	\$9,717,306	73% using Bob T. % from 2012
c. Town	\$3,594,072	27% using Bob T. % from 2012

VIII. Reserve Target

Reserve Model: Carrier IBNR/ 50% ASO Corridor				
Medical IBNR:	8.00% Approx 1 Month (Standard Anthem Factor)			
ASO Claim Corridor:	12.50% 1/2 Corridor to 125%			
Budget Stabilization:	5.00% Margin			
Fiscal Year Ending June 30	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Total Projected Claims	\$ 12,002,724	\$ 11,820,024	\$ 11,530,392	\$ 12,162,204
Claim IBNR:	\$ 960,218	\$ 945,602	\$ 922,431	\$ 972,976
ASO Corridor:	\$ 1,500,341	\$ 1,477,503	\$ 1,441,299	\$ 1,520,276
Stabilization:	\$ 600,136	\$ 591,001	\$ 576,520	\$ 608,110
Combined Reserve:	\$ 3,060,695	\$ 3,014,106	\$ 2,940,250	\$ 3,101,362

Newtown: Town and Board of Education
Jan 2013 ISL Illustration

Medical Claims Only

Member	Status	Medical Claims thru Jan 2013	Trend (1)	11-12 Trended Claim Level	Projected Liability at \$175K	Projected Liability at \$200K	Projected Liability at \$225K	Projected Liability at \$250K
1	Active	\$ 250,030	1.1259	281,508.78	\$ 175,000	\$ 200,000	\$ 225,000	\$ 250,000
2	Active	\$ 222,821	1.1259	250,874.16	\$ 175,000	\$ 200,000	\$ 225,000	\$ 250,000
3	Inactive	\$ 225,696	1.1259	254,111.13	\$ 175,000	\$ 200,000	\$ 225,000	\$ 250,000
4	Active	\$ 196,428	1.1259	221,158.29	\$ 175,000	\$ 200,000	\$ 221,158	\$ 221,158
5	Active	\$ 164,875	1.1259	185,632.76	\$ 175,000	\$ 185,633	\$ 185,633	\$ 185,633
6	Active	\$ 145,106	1.1259	163,374.85	\$ 163,375	\$ 163,375	\$ 163,375	\$ 163,375
7	Active	\$ 135,260	1.1259	152,289.23	\$ 152,289	\$ 152,289	\$ 152,289	\$ 152,289
8	Active	\$ 101,465	1.1259	114,239.44	\$ 114,239	\$ 114,239	\$ 114,239	\$ 114,239
9	Active	\$ 98,273	1.1259	110,645.57	\$ 110,646	\$ 110,646	\$ 110,646	\$ 110,646
10	Inactive	\$ 93,475	1.1259	105,243.50	\$ 105,244	\$ 105,244	\$ 105,244	\$ 105,244
11	Active	\$ 90,223	1.1259	101,582.08	\$ 101,582	\$ 101,582	\$ 101,582	\$ 101,582
12		\$ -	1.1259	-	\$ -	\$ -	\$ -	\$ -
13		\$ -	1.1259	-	\$ -	\$ -	\$ -	\$ -
14		\$ -	1.1259	-	\$ -	\$ -	\$ -	\$ -
Total Liability After Stop Loss					\$ 1,622,375	\$ 1,733,007	\$ 1,829,166	\$ 1,904,166
ABC ISL Charge (2)					\$ 636,458	\$ 540,989	\$ 486,890	\$ 432,791
<i>PCPM</i>					<i>66.05</i>	<i>56.14</i>	<i>50.53</i>	<i>44.91</i>
<i>Diff vs \$175k</i>					<i>\$</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>
<i>Add'l # of Claimants to breakeven</i>					<i>\$</i>	<i>95,469</i>	<i>149,568</i>	<i>203,666</i>
Total Cost Large Claims					\$ 2,258,832	\$ 2,273,997	\$ 2,316,056	\$ 2,336,957
Projected Amount Over ISL					\$ 318,285	\$ 207,652	\$ 111,494	\$ 36,494

Notes:

- Using a 8.73% annual trend projected for 17 months
 - \$175K from From July 2013 Renewal, Other Est. Based on 2012 Factors to 175K
- + General Note: ASL protection and/or Reserve Levels should be considered as the Total Liability exposure is increased with higher ISL levels.
 - + General Note: This Illustration is based on known claimants with Claims Over \$87.5k during the reported period.
 - + General Note: Large claim activity is difficult to predict. Actual utilization may be different which will impact these results.

LRI/CBMD

Created: 12/3/2012
Updated: 3/4/2013

Attachment B

**Newtown: Town and Board of Education
2013 Revised Renewal-PPACA Fees
February 18, 2013**

I. Revised Renewal with PPACA Fees (initial renewal thru January 2013)

a.	Total 2013 projected cost	\$	13,311,378
b.	Total 2012 projected cost	\$	12,617,489
c.	Projected rate increase		5.50%

II. ACA Reinsurance Fee

a.	Redistributes funds from employer plans to individual market/exchange		
b.	Applies to fully insured and self-funded employer plans		
c.	Fee begins January 2014 <u>(and is represented in the rates)</u>		
d.	Current projected fee	\$	5.25 per MEMBER per month
e.	Member counts		2040
f.	Projected annual fee	\$128,565	illustrative full 12 months
g.	Fee at 6 months	\$64,283	for 2013-2014 FY

III. ACA Insurer Fee

a.	Redistributes funds from employer plans to subsidized premium rates offered through the exchange (subsidies are income based)		
b.	Applies to fully insured groups only		
c.	Fee begins January 2014 <u>(and is represented in the rates)</u>		
d.	Current projected fee	N/A	of total premium
e.	2013 projected premium	N/A	
f.	Projected annual Fee	N/A	illustrative full 12 months
g.	Fee at 6 months	N/A	for 2013-2014 FY

IV. Comparative Effectiveness Research Fee (CERF)

a.	Funds will be used to establish a not-for-profit Patient-Centered Outcomes Research Institute. Tasked with evaluating US delivery system.		
b.	Applies to fully insured and self-funded employer plans		
c.	Fee <u>NOT IN RENEWAL</u> -will be collected via an employer payment/tax form		
d.	Fee charged in July 2013	\$1.00	per member per year
e.	Current member counts		2,040
f.	Total 2013 Fee	\$	2,040 <u>(not in Renewal Cost)</u>
g.	Fee charged in July 2014	\$2.00	per member per year
h.	Current member counts		2,040
i.	Total 2014 fee	\$	4,080 <u>(not in Renewal Cost)</u>

V. State Premium Tax (not new or related to PPACA)

a.	Applies to fully insured employer plans only		
b.	Current tax	NA	of total premium
e.	2013 projected premium	NA	
f.	Projected annual fee	NA	

VI. Total/Summary All Taxes & Fees for FY 2013-2014

a.	All taxes & fees for FY 2013-2014	\$	66,323	includes CERF
b.	<i>Self-funded Only</i>		\$66,323	includes CERF
c.	2013/14 projected cost no taxes	\$	13,245,055	does remove CERF since not in premium
d.	Total 2012 projected cost	\$	12,617,489	
e.	Projected increase no taxes		4.97%	

All Fees Based on Current PPACA Guidance-Could be Subject to Change

**Newtown: Town and BOE
Reserve Modeling**

Reserve Model: Carrier IBNR/ 50% ASO Corridor		8.00% Approx 1 Month (Standard Anthem Factor)
Medical IBNR:		12.50% 1/2 Corridor to 125%
ASO Claim Corridor:		5.00% Margin
Budget Stabilization:		
Fiscal Year Ending June 30	2011	2012
Total Actual/Expected Claims	\$ 12,002,724	\$ 11,820,024
Claim IBNR:	\$ 960,218	\$ 945,602
ASO Corridor:	\$ 1,500,341	\$ 1,477,503
Stabilization:	\$ 600,136	\$ 591,001
Combined Reserve:	\$ 3,060,695	\$ 3,014,106

****Audited medical self insurance fund balance, at June 30, 2012 = 2,339,000. This covers the IBNR & ASO corridor. It is not enough for fund stabilization.**

LRI/CBMD

Created: 2/22/2011
Updated: 4/27/2011

Attachment 13

TOWN OF NEWTOWN
 MEDICAL SELF INSURANCE FUND ANALYSIS @ JANUARY 24, 2013
 FISCAL YEAR 2012 - 2013 FORCAST

FUND BALANCE @ JULY 1, 2012

2,339,622

ESTIMATED REVENUES

EMPLOYER CONTRIBUTIONS:

MUNICIPAL 2,689,000
 EDUCATION 7,400,000

10,089,000

EMPLOYEE CONTRIBUTIONS:

MUNICIPAL 235,000
 EDUCATION 1,700,000

1,935,000

RETIREE/COBRA/AGENCY CONTRIBUTIONS:

MUNICIPAL 290,000
 EDUCATION 441,000

731,000

INTEREST EARNED ON INVESTMENTS

3,503

TOTAL REVENUES

12,758,503

ESTIMATED EXPENSES

CLAIMS/NAF:

MUNICIPAL
 EDUCATION

11,673,000

Estimated claims using the
February analysis

ADMINISTRATIVE FEES:

MUNICIPAL
 EDUCATION

842,000

CONSULTANT FEES

50,000

TOTAL EXPENSES

12,565,000

ESTIMATED FUND BALANCE @ JUNE 30, 2013

2,533,125

25% OF TOTAL CLAIMS = 2,918,250

TOWN OF NEWTOWN
 MEDICAL SELF INSURANCE FUND ANALYSIS @ JANUARY 24, 2013
 FISCAL YEAR 2013 - 2014 FORECAST

ESTIMATED FUND BALANCE @ JULY 1, 2013 2,533,125

<u>ESTIMATED REVENUES</u>	
EMPLOYER CONTRIBUTIONS:	
MUNICIPAL	2,797,000
EDUCATION	<u>7,696,000</u>
EMPLOYEE CONTRIBUTIONS:	
MUNICIPAL	240,000
EDUCATION	<u>1,700,000</u>
RETIREE/COBRA/AGENCY CONTRIBUTIONS:	
MUNICIPAL	270,000
EDUCATION	<u>441,000</u>
INTEREST EARNED ON INVESTMENTS	4,000

13,148,000

TOTAL REVENUES

<u>ESTIMATED EXPENSES</u>	
CLAIMS/NAF:	
MUNICIPAL	
EDUCATION	
ADMINISTRATIVE FEES:	
MUNICIPAL	908,000
EDUCATION	50,000
CONSULTANT FEES	
	<u>13,097,920</u>
	<u>2,583,205</u>

Estimated claims, for 2013-14, using analytical review.

12,139,920

ESTIMATED FUND BALANCE @ JUNE 30, 2014

JANUARY 2013 ANALYSIS

TOWN OF NEWTOWN CLAIMS ANALYSIS

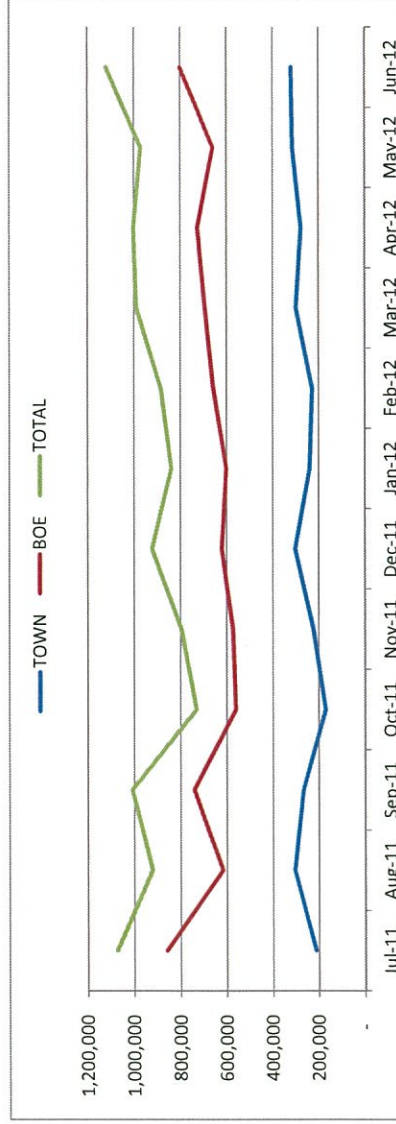
FISCAL YEAR 2012 - 2013													
	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	TOTALS
TOWN	247,000	226,000	168,000	198,000	190,000	266,000	200,000						1,495,000
BOE	722,000	764,000	611,000	812,000	694,000	739,000	700,000						5,042,000
TOTAL	969,000	990,000	779,000	1,010,000	884,000	1,005,000	900,000						6,537,000
													11,673,000
													Using 56%
													23%
													77%

FISCAL YEAR 2011 - 2012													
	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	TOTALS
TOWN	213,000	304,000	266,000	171,000	223,000	302,000	238,000	227,000	298,000	276,000	312,000	318,000	3,148,000
BOE	860,000	618,000	742,000	561,000	573,000	621,000	601,000	657,000	692,000	726,000	659,000	802,000	8,112,000
TOTAL	1,073,000	922,000	1,008,000	732,000	796,000	923,000	839,000	884,000	990,000	1,002,000	971,000	1,120,000	11,260,000
													JAN = 55.9%

FISCAL YEAR 2010 - 2011													
	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	TOTALS
TOWN	133,000	336,000	198,000	193,000	249,000	245,000	215,000	204,000	277,000	271,000	271,000	276,000	2,846,000
BOE	123,000	801,000	655,000	644,000	607,000	587,000	628,000	448,000	568,000	678,000	778,000	624,000	7,141,000
TOTAL	256,000	1,137,000	853,000	837,000	856,000	832,000	843,000	652,000	845,000	927,000	1,049,000	900,000	9,987,000
													JAN = 56.2%

Estimate of total claims using actual claims up to Jan '13

2011 - 2012



FEBRUARY 2013 ANALYSIS

TOWN OF NEWTOWN CLAIMS ANALYSIS

FISCAL YEAR 2012 - 2013													
	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	TOTALS
TOWN	247,000	226,000	168,000	198,000	190,000	266,000	242,000	232,000					1,769,000
BOE	722,000	764,000	611,000	812,000	694,000	739,000	596,000	710,000					5,648,000
TOTAL	969,000	990,000	779,000	1,010,000	884,000	1,005,000	838,000	942,000					7,417,000
FISCAL YEAR 2011 - 2012													
	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	TOTALS
TOWN	213,000	304,000	266,000	171,000	223,000	302,000	238,000	227,000	298,000	276,000	312,000	318,000	3,148,000
BOE	860,000	618,000	742,000	563,000	573,000	621,000	601,000	657,000	692,000	726,000	659,000	802,000	8,112,000
TOTAL	1,073,000	922,000	1,008,000	732,000	796,000	923,000	839,000	884,000	990,000	1,002,000	971,000	1,120,000	11,260,000
FISCAL YEAR 2010 - 2011													
	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	TOTALS
TOWN	133,000	336,000	198,000	193,000	249,000	245,000	215,000	204,000	277,000	249,000	271,000	276,000	2,846,000
BOE	123,000	801,000	655,000	644,000	607,000	587,000	628,000	448,000	568,000	678,000	778,000	624,000	7,141,000
TOTAL	256,000	1,137,000	853,000	837,000	856,000	832,000	843,000	652,000	845,000	927,000	1,049,000	900,000	9,987,000

Estimate of total claims using actual claims up to Feb'13

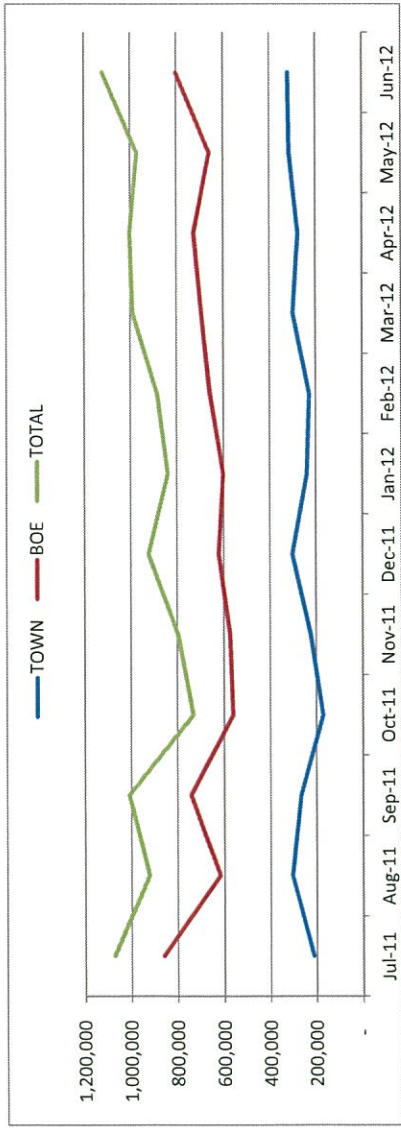
11,773,016
Using 63%

63.7%

62.7%

ADDED \$800,000 DUE TO CLAIMS LAG FROM GOING TO SELF INSURED.

2011 - 2012



Report 1

Renewal Cost Summary

Newtown Town And Board Of Education

Renewal Effective Date: July 1, 2012 2012-2013

Expected Paid Claims by Coverage Category*

Medical	\$9,994,944
Drug	\$1,393,476
Dental	\$138,600
Vision	\$3,372
Total Expected Paid Claims:	\$11,530,392

Included in claims. Expected claims = \$11,754,550 (compares to my estimate!!)

\$224,158

Estimated Retention and Stop Loss:**

Retention Fees	\$210,950
Stop Loss Fees	\$651,989
Estimated Total Retention and Stop Loss Fees	\$862,939

Estimated Total Cost:

\$12,617,490

The Expected Paid Claims represents the actuarial projection of claims cost for the renewal period. These amounts are provided to assist you with estimating claim liability for your budgetary purposes. These projections are also used as the basis for determining the maximum liability for aggregate stop loss coverage.

*Capped at 100% Network Access Fee

*Claims, Retention, and Stop Loss costs were calculated based on contracts as of January, 2012. The Network Access Fee is capped at 100%, a maximum dollar amount of \$224,158.

The health benefit plan(s) reflected in this quote is not considered to be grandfathered under the provisions of the Patient Protection and Affordable Care Act. Nongrandfathered plans are subject to additional provisions under the Patient Protection and Affordable Care Act that do not apply to grandfathered plans. For further information, please contact your account representative.

This renewal rate includes changes to the standard medical plan to ensure compliance with the requirements of the federal health care reform legislation for nongrandfathered plans, including 100 percent coverage of in-network preventive care services.



Report 1

Renewal Cost Summary

Newtown Town And Board Of Education

Renewal Effective Date: July 1, 2013 2013-2014

Expected Paid Claims by Coverage Category*

Medical	\$10,517,160
Drug	\$1,499,796
Dental	\$141,540
Vision	\$3,708
Total Expected Paid Claims:	\$12,162,204
Network Access Fee:	\$220,243

Total claims =
\$12,382,000

Estimated Retention and Stop Loss:**

Retention Fees	\$260,595
Stop Loss Fees	\$668,336
Estimated Total Retention and Stop Loss Fees	\$928,931
Estimated Total Cost:	\$13,311,378

The Expected Paid Claims represents the actuarial projection of claims cost for the renewal period. These amounts are provided to assist you with estimating claim liability for your budgetary purposes. These projections are also used as the basis for determining the maximum liability for aggregate stop loss coverage.

*Capped at 100% Network Access Fee

*Claims, Retention, and Stop Loss costs were calculated based on contracts as of January, 2013. The Network Access Fee is capped at 100%, a maximum dollar amount of \$220,243.

The health benefit plan(s) reflected in this quote is not considered to be grandfathered under the provisions of the Patient Protection and Affordable Care Act. Nongrandfathered plans are subject to additional provisions under the Patient Protection and Affordable Care Act that do not apply to grandfathered plans. For further information, please contact your account representative.

This renewal rate includes changes to the standard medical plan to ensure compliance with the requirements of the federal health care reform legislation for nongrandfathered plans, including 100 percent coverage of in-network preventive care services.

Your health benefit plan includes new and newly expanded benefits for women's preventive care. Certain services, drugs and supplies will now be paid at 100% in-network. Coverage for these services is included in this renewal. Please see your Account Manager for details.

