



EGYPTIAN AREA SCHOOLS

TO: ALL EGYPTIAN TRUST SUPERINTENDENTS

FROM: LEO HEFNER AND TOM DAHNCKE

DATE: January 14, 2016

RE: MARK TO MARKET PLANS

Four new plans of benefits were approved at a special Board of Managers meeting on October 23, 2015. These plans mirror the existing Plan A, Plan B, and Plan C. They are called Plan A-1, Plan B-1, and Plan C-1. The fourth plan, Plan 201, is identical to Plan A-1 except that the co-insurance is 85%/15 instead of 90%/10%. The benefit the employee receives remains the same as the current plans. However, a reinsurance plan is purchased to pay part of the healthcare costs that the Trust would normally be paying until out of pocket maximums are met. The Trust then is responsible for any of the healthcare costs beyond that amount. Nothing changes for the employee. The deductible, co-insurance, and maximum out of pocket amounts remain the same for each of the plans. Prescription co-pays, doctor office visit co-pays, etc. all remain the same as well.

This program is called "Mark To Market." The program rewards districts whose behavior strengthens the Trust. The rewards occur in the form of premium reductions. The behaviors considered for premium reductions are: level of participation by the employees, geographic location, average age of enrolled employees, group size, and fiscal and physical wellness.

Over the past year we have formed a relationship with the Teachers Coalition on Health (TCOH). The reason for this letter is simple. We have asked TCOH to email a questionnaire to all our member districts to explore what "Mark To Market" Premium Credits your District qualifies for. This "Mark to Market" analysis is available to all existing Trust members on a voluntary basis, you can decline the analysis if you choose and continue at the same premium and program you have today. No one is forced to move to a "Mark to Market" plan.

We encourage you to complete the questionnaire so you can learn how your district can obtain credits to reduce future premiums. If you have any questions, please feel free to contact Leo (lhefner@htc.net, 618-973-8221) or Tom (tdahncke@charter.net, 618-791-5541).