

Subject: TEA Health Care Information!

Troy Education Association

Communication #7

November 12, 2016

1. Members have been requesting information about prescription drug exclusions under the BC/BS Simply Blue plan. Here is a link to BC/BS "Drug List Exclusions for Blue Cross Commercial Plans": <http://www.bcbsm.com/content/dam/public/Consumer/Documents/help/documents-forms/pharmacy/drug-list-exclusions.pdf>

2. There have been a number of questions regarding the process leading up to the vote on medical insurance. The following represents the sequencing of events and contributing factors in the process:
 - The MESSA rates for the July 1, 2016 to June 30, 2017 plan year were released in late April.
 - TEA membership was informed of the rate increase.
 - Membership requested the Association look for alternate solutions due to the "doubling" of premium costs for the membership who take the MESSA medical insurance.
 - In late May of 2016, a number of actions were taken.
 - The Association reconvened the ad-hoc TEA Health Care Committee.
 - Membership on the committee was recruited.
 - The Association approached the TSD to acquire proposals (RFP's) on medical insurance.
 - The Association opened discussions with the TSD to see if the District would be open to a change of medical insurance providers should a viable alternative be found.
 - The District agreed that a switch in providers would be acceptable.

 - The District enlists the assistance of their contracted consulting firm The Gallagher Group to assist in securing bids.
 - The Gallagher Group reported in June that the number of school districts and other companies pursuing insurance bids was slowing the bidding process.

In July, an important reality was presented to the District from the Gallagher Group representatives: A bid in the middle of a calendar year will be for the remainder of that calendar year (August 2016 through December 2016).

- The District requested the Gallagher Group to pursue a longer duration for a guaranteed premium rate.
- The goal was for an 18 month guaranteed rate – the remainder of 2016 and all of 2017.
- No company would offer a rate longer than a twelve month rate from January 2017 to December 2017.
- In August, the District instructed the Gallagher Group to pursue a bid for the teachers for the 2017 calendar year.

Two factors influenced the procurement of competitive bids.

1. The Association's two years of claim history had to be sent from MESSA to the Gallagher Group in order to secure bids. This process ended in late August.
2. Except for MESSA, all other medical insurance companies send out their bids for the next calendar year in October. This is for those companies' current clients and potential new clients.

TIMELINE:

- On October 10th, the District met with all groups that take medical insurance to present the bids.
- On October 17th, the TEA Health Care Committee met with a representative of MESSA to discuss the plan options and differences between the two competitive plans
- On October 24th, the TEA Health Care Committee met with a representative of BC/BC and representatives of the Gallagher Group to discuss the plan options and differences between the two competitive plans.
- On October 25th, the TEA Health Care Committee met to discuss the plans and to review options. A proposal to bring the question to the membership was approved by the committee through consensus.
- On November 1st, the TEA Health Care Committee met with the TEA Bargaining Team and the Executive Board to preview the committee's recommendation. Both the Bargaining Team and the Executive Board moved in favor of the committee's recommendation.
- On November 2nd, a special Representative Assembly was held to hear the Health Care Committee's recommendation to bring the two insurance products to the membership for consideration. The Representative Assembly agreed to move the recommendation forward and to have the membership vote on the two medical insurance products.
- On November 3rd, the TEA Health Care Committee met to structure the TEA General Membership meeting agenda and to organize supportive materials.

- On November 8th, the Representative Assembly voted to adopt bylaw amendments that would make the Health Care Committee a standing committee with expectations and procedures enumerated, and the Assembly also voted to adopt bylaw amendments that allowed the Association membership to vote on a medical insurance proposal that amends a current contract.
- Throughout this process the membership was made aware of a “tentatively scheduled” General Membership meeting to be held on November 9th to review medical insurance options.
- Documents related to medical insurance were sent out to the membership by the Health Care Committee during the week of October 24th.
- The General Membership vote on the medical insurance options is to take place during a two day span from November 11th through November 12th.
- Membership will be informed of the results of the vote on November 13th.
- TSD Open Enrollment will begin November 14th.

The processing of individual open enrollment requests compressed the timeline. The TSD needs a minimum of three weeks to process all of the employee’s medical and ancillary insurance paperwork so that it is in effect by January 1, 2017.

Regardless of which company is chosen by the Association, there will be informative medical insurance meetings on November 14th and 15th from 2:30 to 6:30 in the Athens TACC room. This is an opportunity to speak with representatives from the company and to complete open enrollment forms. Spouses are welcome to attend.