



To: All Employees, School District of Whitefish Bay
From: Mark S. Kapocius, Director of Human Resources,
 Shawn M. Yde, Director of Business Services
Re: Health Insurance for the 2011-12 School Year
Date: April 29, 2011

Last month, the District commissioned a survey of employees with regards to their preferences about health insurance. Historically, the District negotiated the terms and conditions of the group health insurance policy with represented employee groups. However, under Act 10 (formerly the "Budget Repair Bill"), the District is prohibited from bargaining the terms of employee group health insurance coverage. While Act 10 has not been published at this time, all indications are that the law will become effective on, or before, July 1, 2011.

The health insurance survey results (which can be found online at http://www.wfbschools.com/District/HRSS/SurveySummary_04142011.pdf) indicate that employees value having the WEA Insurance Trust as the group health insurance carrier. However, employees are reluctant to spend more money on group health insurance as a result of higher employee premiums or a more expensive health insurance carrier.

Based on this feedback, as well as the District's need to reduce expenditures by over \$2,000,000 for the 2011-12 school year, the District believes it can achieve the balance of honoring employee preferences and making the appropriate cost reductions with the following plan:

1. **Retaining WEA Insurance Trust** (and keeping deductibles at \$100/\$200)
2. **Maintaining the employee share of the insurance premium at 8%** (for example, a 12% employee share would be an additional \$398/year for single, \$903/year for family)
3. **Modifying the existing plan services:**
 - a. **Prescription drug plan** (currently at \$0/5/20) to \$0/10/25/50 *and/or*
 - b. **Office visit copays** (currently at \$0/10/10/25) to \$10/25/25/50.*

Ultimately, with Act 10, the District has the duty and responsibility of selecting the group health insurance. However, the District believes that feedback from an educated workforce on the proposed options will allow for a better decision to be made. To learn more about the potential impact of the modification in the prescription drug card plan, as well as consumer-driven changes that can help reduce the costs of prescription medications, please visit http://www.weatrust.com/wea/weamain.nsf/vw_pb_d/valuedrugplan ("Value Choice Drug Plan"), or attend an informational session on May 9th at 3:45 p.m. in the Cumberland Great Room.

Employee feedback is encouraged and appreciated. To provide feedback to District Administration about group health insurance options, please visit <http://www.wfbschools.com/district/healthinsurancefeedback.cfm>.

**Example of a copay structure*

Type of Service	T.P. Plan #1-currently offered	T.P. Plan #1-modified
Office Visit (network)	0	10
Office Visit (non-network)	10	25
Urgent Care (network)	10	25
Urgent Care (non-network)	10	25
E.R. (network)	25	50
E.R. (non-network)	25	50