
Please Put on Your "To Do" List Now!

1) By December 15, 2008, you and your spouse **must complete the PHA again** or pay a \$200 penalty. (\$100 will be deducted from your paycheck once in February and again in March of 2009.)

2) If you want to **earn a \$200 tax-free incentive**, you must complete a voluntary GoodHealth program(s) before December 15, 2008 - to receive the incentive by February 28, 2009.

Why Act Now

Some voluntary programs take six months. Many involve three six-week programs - requiring 18 weeks to complete.

The December 15, 2008 deadline is less than nine months away.

◆ You should not wait until the deadline to take the PHA. The sooner the better. The results will help you select a program that fits your health/risk status.

◆ You cannot earn the \$200 incentive unless you start months prior to the deadline.

Special Sharpener

This edition is unusually long, but please review it and keep it.

It's on mtea.org (Newsletters) and will be archived for future reference.

Today's Sharpener is for **all** members in our four bargaining units: accountants/bookkeepers, educational assistants, teachers, and substitute teachers.

For Your Good Health - and the Greater, Collective Good

Most MTEA members completed the PHA before the December 15, 2007 deadline. We sense that many members (and spouses) took the PHA solely because they had to - to avoid paying a \$200 penalty.

And you may have not even thought about the joint **GoodHealth** wellness/health education program since then. But you should - for your personal benefit and the good of all MTEA members.

This Sharpener explains **why** you should participate in one of the voluntary programs (see below). It also provides extensive information to assist you in taking full advantage of a program designed for your good health.

Why Complete a Voluntary Program(s): The "Me" Reasons

You and your family can personally benefit from completing a voluntary program(s). By participating, you can:

- ◆ Help you and your family live healthy - maintain (and start) good habits, prevent serious illnesses, manage a chronic disease, etc.
- ◆ Reduce your family's out-of-pocket medical costs. "An ounce of prevention is worth a pound of cure."
- ◆ Earn a **\$200** tax-free incentive for 2008 and **\$250** for 2009.
- ◆ Also earn a share of the savings when the GoodHealth program produces net savings on the district's medical costs.

Why Complete a Voluntary Program(s): The "Greater, Collective Good" Reasons

High-quality, affordable health care is important to all members, young and old, active and retired. It is critical when a serious illness strikes or if you (or a spouse/child) suffer from a chronic disease. It is an economic necessity - especially for our lowest-paid members.

Our union's negotiating team sees maintaining health care benefits as a vital way to do what unions are supposed to do - take care of one another **collectively**. Not just looking out for our own families, but also helping our union sisters and brothers.

Our team has always fought for the high-quality insurance benefits currently available in the Aetna PPO plan. We continue to oppose "solutions" proposed by the School Board that shift costs to our most vulnerable members - those with serious illnesses, our lowest paid members, and retirees. To date, we have protected all active members from premium contributions, but the struggle continues.

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Financial Incentives

Summary of Financial Incentives

The financial incentives for the first two and a half years of GoodHealth are outlined below:

Penalty If PHA Not Done by Employee and Spouse

July 1, 2007 - December 15, 2007	- \$200
January 1, 2008 - December 15, 2008	- \$200*
January 1, 2009 - December 15, 2009	- <u>\$200*</u>
Worst Case: Employee/Spouse choose not to do the PHA all three years.	- \$600 Total Penalty for (2007, 2008, & 2009)

(*A \$200 penalty is projected but the amount may increase, subject to negotiations.)

Voluntary Programs Completed by Employee

July 1, 2007 - December 15, 2008	+ \$200
January 1, 2009 - December 15, 2009	+ <u>\$250</u>
Best Case: In the initial 18 months and again in 2009, employee completes voluntary programs.	\$450 Total (Tax-Free)

Shared Savings

July 1, 2007 - June 30, 2008	- None expected
July 1, 2008 - June 30, 2009	- Expected (Based on net savings)

Likely Case: No shared savings for 2008. For 2009, the employee (and spouse) take PHA and the employee completes a voluntary program(s). Completion of both the PHA and a voluntary program(s) are required. Employee receives share of savings in January of 2010.

Key Clarification

The School Board "self funds" both the Aetna PPO plan and the UnitedHealthcare HMO. This means the Board itself pays for the medical services received by the employees and dependents covered by the MPS group plans. Aetna and UnitedHealthcare receive a fee for administering the medical claims, but the School Board pays the actual costs.

The bottom line is that every dollar **not** spent on medical services is a dollar that the Board can spend elsewhere - for elementary specialists, supplies, class size reduction, employee raises which would also help attract and retain high-quality educators, etc.

One Negative

◆ Each employee and spouse must complete the PHA questionnaire once a year - from January through December 15. If not, there is a \$200 premium contribution (a.k.a. penalty). A \$100 deduction is taken from the employee's second paycheck in February and March.

Positive Incentive #1 - Voluntary Programs

◆ Employees (**not** spouses) may earn a financial incentive by completing a voluntary program(s) each year. Every employee can earn a **\$200** tax-free incentive during the GoodHealth 18-month start-up period from July 1, 2007 through December 15, 2008.

◆ After 2008, GoodHealth will operate on a calendar year basis. For example, an employee who completes a voluntary program(s) from January 1, 2009 through December 15, 2009 will earn a **\$250** tax-free incentive.

(For both the 18-month start-up and for 2009, employees are eligible to earn an incentive **only** if they and their spouse complete the PHA.)

Positive Incentive #2 - Shared Savings

After the start-up period, the savings in medical costs paid by the School Board are expected to exceed the Board's costs for the GoodHealth program. In fact, the companies administering GoodHealth have guaranteed the School Board a total net savings of \$4.5 million systemwide for the first three years, July 1, 2008 - June 30, 2010. If not, the Board will receive a substantial refund on the costs it has paid these firms. It's almost certain - **there will be net savings!**

By contract, the net savings will be split - half to the Board and half to the employees. **Only** MTEA-represented employees who complete their voluntary program(s) and complete the annual PHA (and their spouse) in 2009 will receive a share in the net savings earned during 2008-09.



How GoodHealth Will Save Costs

The School Board is paying a lot for the GoodHealth program:

- ◆ \$6 million in start-up costs.
- ◆ A monthly fee of \$12.51 for every active employee covered by either the Aetna PPO plan or UnitedHealthcare HMO plan.
- ◆ The financial incentives for voluntary program completion, potentially for all employees in an MPS group health plan.
- ◆ Merely completing the PHA is actually a cost to the Board.

PHA - Only Step #1

PHA results are the first step toward learning and living good health. The savings come from what members and spouses **do** with their own health information.

When employees and families participate in the GoodHealth programs, they individually take small, doable steps to maintaining and improving their health.

Collective Power!

There are savings both short-term and long-range - **collectively**, as we live healthier. Here are just two examples:

- ◆ Immediate savings when we better manage chronic diseases, e.g. avoid trips to the emergency room for an asthma attack.
- ◆ Savings over time when we avoid serious illnesses like a heart attack that would cost the Board thousands of dollars.

Research Proven

Extensive research has proven comprehensive wellness programs, done well, save employers a lot of money. **Collectively**, our participation will produce significant savings in medical costs.

Health Reimbursement Account (HRA)

A Health Reimbursement Account (HRA) is an individual employee account regulated by the IRS, which may be spent **only** for medical expenses. Only the employer may deposit funds in an HRA, and all deposits are tax-free.

HRA funds can be spent on medical expenses such as:

- ◆ Deductibles, copays, and co-insurance payments to doctors, clinics, labs, and hospitals.
- ◆ Over-the-counter and prescription drugs
- ◆ Many other medical expenses, defined by the IRS.

You May Accumulate HRA Deposits

HRA funds not used in one calendar year are "rolled over" to the next, and can be accumulated for several years. For example, you can build up your HRA funds to pay for laser eye surgery.

MPS Establishing HRA Accounts for 2009

The positive financial incentives employees can earn through GoodHealth will be deposited into each employee's HRA account.

MPS is setting up HRA accounts so that deposits can be made by February 28, 2009. By that date, **\$200** will be credited to the HRA of each employee who earns the financial incentive for the 18-month GoodHealth start-up period (July 1, 2007 - December 15, 2008).

For employees who earn a financial incentive in 2009 (January 1, 2009 - December 15, 2009), **\$250** will be deposited in their HRA by February 28, 2010.

Individual Cards Will Be Issued

Employees will receive a plastic card to draw from their HRA account. For example, if you buy aspirin at Walgreen's, you can use your HRA card to pay for it. The HRA is like a gift card you can use for many different **medical** purposes, as long as you have funds in your account.



Great First Step!

Our membership participation was amazing - especially for our first-time PHA. The percentage of participation by members **and spouses** by the December 15, 2007 deadline were:

- 100%** - Accountants/Bookkeepers
- 92%** - Teachers
- 86%** - Educational Assistants
- 80%** - Substitute Teachers

Research shows that a very high percentage of employees and spouses must complete the PHA for a wellness plan to succeed. PHA results, along with financial incentives, help motivate us to learn and live good health.

Examples of Voluntary Programs

GoodHealth offers a continuum of voluntary programs to employees, spouses, and dependent children - based on the individual's health and risk status. Here's a few examples on the health continuum.

For the Very Healthy

For example, if you are in great health and exercise regularly, you may choose to participate in the "Get-In-Shape" program. You would go online to confidentially log your present exercise routine for three six-week periods - a total of 18 weeks doing for the same program three times. You'd earn a financial incentive by recording what you're already doing.

For Those With Chronic Conditions

At the other end of the health continuum, some members have chronic conditions - back pain, obesity, asthma, etc. Suppose you choose the diabetes Disease Care Management program - to support what your doctor currently asks you to do. To complete this program and earn the financial incentive, you would:

- ◆ Complete an intake assessment by phone for your condition.
- ◆ Receive counseling by phone, confidentially, from a GoodHealth coach, a nurse trained in caring for diabetes - at least three times. (You arrange the dates and times.)
- ◆ After 16 weeks, complete a survey.
- ◆ Complete at least one small goal that you set.

For Pregnancy

Suppose you choose the Maternity Care Management program to support and augment what your doctor is asking you to do to keep you and your baby healthy. To complete this seven-month program and earn the financial incentive, you would:

- ◆ Complete an intake assessment by phone.
- ◆ Receive counseling by phone, confidentially, from a GoodHealth coach, a nurse trained in maternity care - at least three times. (You arrange the dates and times.)
- ◆ Complete a survey after 28 weeks.
- ◆ Complete at least one small goal that you set.

For Most of Us - Wellness Activity Programs

Most employees are somewhere between the two extremes of the health/risk continuum. Most of us are not extremely healthy nor seriously ill, and we can benefit from a variety of program options.

For relatively healthy employees and spouses/children, GoodHealth offers two sets of Wellness Activity programs:

- ◆ **Online Healthy Living** for those with only one or no health risks.
- ◆ **Mail-based Lifestyle Management** for those at a higher risk.

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How to Start a Voluntary Program

There are two ways to get started - one for the very healthy and the other for the rest of us.

For the Very Healthy

Go to the GoodHealth link at mtea.org. Log in on the GoodHealth home page - first name, date of birth, last four digits of your Social Security number, and the unique password you created. (Don't worry. There's an easy forget-your-password option.)

After logging in, you can go to the PHA (at the upper left) and complete it for 2008.

And/or, you can access the voluntary programs geared to the healthy by clicking on "Healthy Living Programs" (at the upper right).

For the Rest of Us

You may be in the "rest-of-us" group even if you feel very healthy. For example, if you are overweight, if you have chronic back pain, etc.

The rest of us call the MPS GoodHealth toll free number: **1-866-904-2615**. You will encounter a recorded menu, but it will quickly guide you to a knowledgeable (live) representative. You will be guided to the voluntary program(s) which fits your health/risk status.

Because personal interaction is necessary, the rest of us cannot go online to start a program.

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Healthy Living - Online Options

There are 10 online Healthy Living programs: Smoke Free, Healthier Diet, Get in Shape, Weight Loss, Stress Relief, Healthy Heart, Healthy Aging, Diabetes-Fighting, Cancer Fighting, and Easy Start. Each six-week program concludes with a required post assessment.

To earn the financial incentive, employees need to complete three six-week online programs (the same program three times or three different programs). It takes 18 weeks to complete three programs.

Mail-Based Lifestyle Management Options

The mail-based Lifestyle Management programs take six months. Each consists of six mailings to your home and a confidential survey. The eight program options are: Smoking Cessation, Nutrition, Exercise, Back Care and Management of Weight Stress, Cholesterol, or Blood Pressure.

You may be invited to participate in a Lifestyle Management program based on your PHA results (or medical billing information GoodHealth may receive from Aetna or UnitedHealthcare). The invitation, by phone or mail, is **only** an invitation. Participation is strictly voluntary!

Employees may earn the financial incentive by completing one mail-based Lifestyle Management program **plus** two online Healthy Living programs.

Spouse & Dependent Children

◆ Spouses are also required to take the PHA each year. If not, the employee pays the \$200 penalty.

◆ Spouses are strongly encouraged to participate in the voluntary wellness/healthy education programs. Their incentive is maintaining/improving their health. (Only employees earn the tax-free incentives.)

◆ Children may not take the PHA. However, parents should enroll their children in voluntary programs when appropriate. For example, to help manage a chronic disease such as asthma or diabetes.

How spouses/dependents fit into GoodHealth are outlined below:

	Annual PHA	Voluntary Programs
Spouse	Required (or employee pays \$200 penalty)	Urged to participate (don't earn incentives)
Dependent Children	Not eligible to take the PHA	Urged to participate (don't earn incentives)



Collaboration: Is the Superintendent for Real?

It's difficult to comprehend how the superintendent can talk "working together," but support the way some of his staff members treat employees. The decisions of some at high levels within Supt. Andrekopoulos' administration are a serious impediment to healthy labor/management relations.

Here's one example of the grievances our union has had to file on behalf of 15 members we believe should not have paid the \$200 PHA-related penalty. (We did try to resolve all of them informally first.)

\$200 Penalty for a Deceased Husband

When the husband of a member died in 2005, she reported his passing to MPS by phone. She was not informed MPS wanted a copy of the death certificate. When she received her annual open enrollment data in the mail, she failed to update the form listing her husband as a covered spouse.

MPS deducted \$200 because the records were not updated. The MTEA staff explained this case and brought a copy of the death certificate to the administration. A high-level MPS administrator insisted on exacting the \$200 penalty; we filed a grievance.

Editorial Note

Despite cases like this, the **joint GoodHealth** is clearly in the best interest of educators. We also believe, with huge savings for the Board, GoodHealth is also in the best interest of the children and families we serve.

Continued from front page...

School Board's Goal: Eliminate the Aetna Plan

For several years, the Board has worked to eliminate the Aetna plan as a solution to ever-rising medical costs, and it has the mechanism to reach this goal in place.

Premium Contribution Trigger in All Contracts

As a result of an arbitrator selecting the Board's final offer on the 2003-05 teacher contract, the contracts for all MPS unions contain a premium contribution "trigger" provision. If the Aetna premium ever increases 17% or more, a 2.5% premium contribution will be triggered and take effect, permanently, but **only** for employees in the Aetna plan.

How real is the risk? During the past three decades, the rates have increased by at least 17% a total of **10 times**.

If Premium Contributions Were Triggered...

Here's what could happen if the Aetna premium amount (family or single) increased by 17% effective July 1, 2008. Starting in the fall, Aetna participants would be deducted a 2.5% premium share - \$61.55 per month for family, \$27.84 for single (10-month basis). There would be no premium for UnitedHealthcare HMO participants.

During the September open enrollment, many members would switch from Aetna to the UnitedHealthcare HMO to avoid the deductions. This "migration" would start with members who have healthy families and currently do not need the superior benefits Aetna provides. Members with tight family budgets would also leave Aetna.

After the first year, the Aetna rates (and the 2.5% contribution) would increase at a higher rate than the UnitedHealthcare HMO due to the "migration" of healthy members. The migration would accelerate annually. Aetna would become more and more a plan chosen only by members in need of the better benefits. With fewer and fewer healthy members in the Aetna plan, the 2.5% contributions would rapidly increase each year.

Our Members Would Lose What All Families Deserve

As other unions have learned - unfortunately too late - our members would eventually lose the high-quality health care benefits which **all** employees and their families should have!

Our union's negotiators see the successful implementation of GoodHealth as the best way to preserve the Aetna plan benefits.
