

Q & A

Health Benefits

What benefits plans does the college offer?

The college currently offers two HMO plans provided by Health Net (Low and High) and three PPO plans provided by Blue Shield (Low, Medium, and High).

What changes in plans have already been agreed to?

In spring 2009, all employee groups and the college agreed to move from Health Net HMOs to Blue Shield HMOs. The main purpose of doing so was to contain the cost increases: Health Net was scheduled to increase 18% (\$1,012,606 for all employees) whereas the comparable Blue Shield plans were scheduled to increase by 14-16% (a cost increase to the District of \$806,814).

Why are additional changes being proposed?

The final state budget cut community colleges by more than 8% over last year. It is only in light of these significant funding cuts that the Benefits Committee and union Council recommend further cost shifts to employees.

What changes are currently being proposed?

The college would like us to change to the Option 2 Low HMO (more below), with slightly higher out-of-pocket costs for individuals. If we switch to the Option 2 Low HMO it would save the college over a half a million dollars (the District will pay \$234,940 more for all employees for the year as opposed to \$806,814 more for Option 1). No changes are being proposed to the PPO plans. CCFT considered changing the High HMO, but, after receiving input from members, will recommend that the college maintain a Blue Shield High HMO comparable to the previous High Health Net High HMO plan.

How does this affect me if I plan to be on the High HMO or a PPO?

The Low HMO sets the base District contribution for all of the plans. For full-time faculty the District pays 100% of the Low HMO as well as dental, life, and disability coverage. If full-time faculty members select a plan that costs more than the Low HMO, they pay the additional amount by payroll deduction. Thus, while the PPOs will not change, the change in out-of-pockets costs will be based on the District contribution which is directly tied to the Low HMO. For eligible adjunct faculty: the District-paid benefits stipend increases by the same percentage as the employee-only benefits stipend for contract regular faculty.

What are the actual out-of-pocket cost differences for full-time employees?

	HMO High (Option B, comparable to current HMO High)	PPO Low (Catastrophic)	PPO Medium	PPO High
Current monthly cost to employee	Single: \$42 Two-party: \$85 Family: \$116	Single: \$0 Two-party: \$0 Family: \$0	Single: \$110 Two-party: \$90 Family: \$286	Single: \$174 Two-party: \$204 Family: \$464
Cost if Option 2 is used as the base-level HMO	Single: \$107 Two-party: \$215 Family: \$295	Single: \$0 Two-party: \$0 Family: \$0	Single: \$124 Two-party: \$106 Family: \$316	Single: \$191 Two-party: \$225 Family: \$502
Cost if Option 1 is used as the base-level HMO	Single: \$50 Two-party: \$101 Family: \$138	Single: \$0 Two-party: \$0 Family: \$0	Single: \$67 Two-party: \$-8 Family: \$159	Single: \$134 Two-party: \$111 Family: \$345

proposed plan
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How would the Low HMO change if we switch over to Option 2?

A detailed description of the plan changes can be found at: <http://www.cabrillo.edu/services/hr/benefits/index.html>. These are some of the major differences:

<p style="text-align: center;">Option 1 HMO Low Blue Shield</p>	<p style="text-align: center;">Option 2 (proposed plan) HMO Low Blue Shield</p>
<p>Co-pay: \$20 visits Co-pay: \$250 hospital Annual Max: \$1,500 / \$3,000 Pharmacy: \$5 generic \$10 brand \$25 non-formulary</p>	<p>Co-pay: \$25 visits Co-pay: \$500 hospital Annual Max: \$2,000 / \$4,000 Pharmacy: \$10 generic \$20 brand \$35 non-formulary</p>

Are we planning on changing the High HMO?

Not at this point. As mentioned above, we are changing from Health Net to Blue Shield for both of our HMOs. If we change to the new Option 2 Low HMO as proposed (which sets the base District contribution), then the monthly deductions for comparable Blue Shield “High HMO” plan are substantial, as seen in the table above (a family currently paying a 12thly amount of \$116 would see that number jump to \$295). For this reason, during flex week CCFT and CCEU surveyed employees to see if they would rather have Option A or Option B below as the new High HMO plan. Surveys indicated a preference towards maintaining Option B (similar to the current High HMO) as the High HMO Option.

<p style="text-align: center;">HMO High Option A (comparable to previous HMO low)</p>	<p style="text-align: center;">HMO High Option B (comparable to previous HMO high)</p>
<p>Co-pay: \$20 visits, \$250 hospital Annual Max: \$1,500 / \$3,000 Pharmacy: \$5 generic \$10 brand \$25 non-formulary</p>	<p>Co-pay: \$10 visits, \$0 hospital Annual Max: \$1,000 / \$2,000 Pharmacy: \$5 generic \$10 brand \$25 non-formulary</p>
<p>Cost if Option 2 is used as the base-level HMO</p>	
<p>Single: \$47 2-Party: \$114 Family: \$157</p>	<p>Single: \$107 2-Party: \$215 Family: \$295</p>

Will CCFT members vote on the proposed changes?

Yes, ballots for ratification of proposed changes will be sent out to faculty mailboxes on September 8 and will be due back by September 11.

When is the open enrollment period?

Open enrollment will likely take place around the second week of September. Be on the lookout for information from Sue Torres in Human Resources. New plans will be effective November 1, 2009-September 30, 2010.

Where can I get more information?

Details about the various plans are on the Human Resources website at: <http://www.cabrillo.edu/services/hr/benefits/index.html>. You may also call the CCFT office (464-2238) or CCFT Benefits Committee reps Debora Bone (425-0622; debone@cabrillo.edu) or Olivia Hand (479-6282; olhand@cabrillo.edu) for more information.