
SCHOOLCARE HEALTH BENEFIT PLANS OF

THE NH SCHOOL HEALTH CARE COALITION

Business Reports

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Annual Meeting
November 7, 2011

2010-11 Highlights

- Staff made scheduled visits to 92% of members' offices
- Dental coverage offered beginning 7/1/2010
- PATH wellness participation increase from 29% to 47%
- American Revolution Adventure in 18 employer groups

- 100% renewal of existing groups
- 12 new groups = 13.6% growth
- No additional staff

2010-11 Financial Results

- **Contributions/Investments/Income**

- \$107.6 million

- **Claims Expense/Insurance/Admin**

- \$106.9 million

- **Excess of Revenue over Expense**

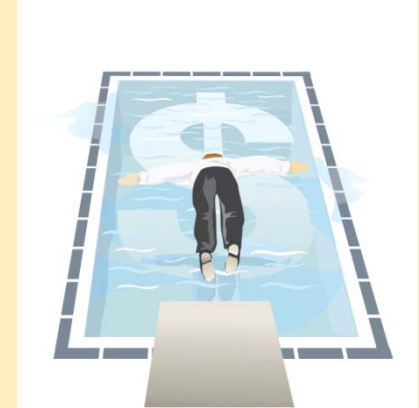
- \$737,000

Why? **Claims** ↓

Return on investment ↑



Net Assets



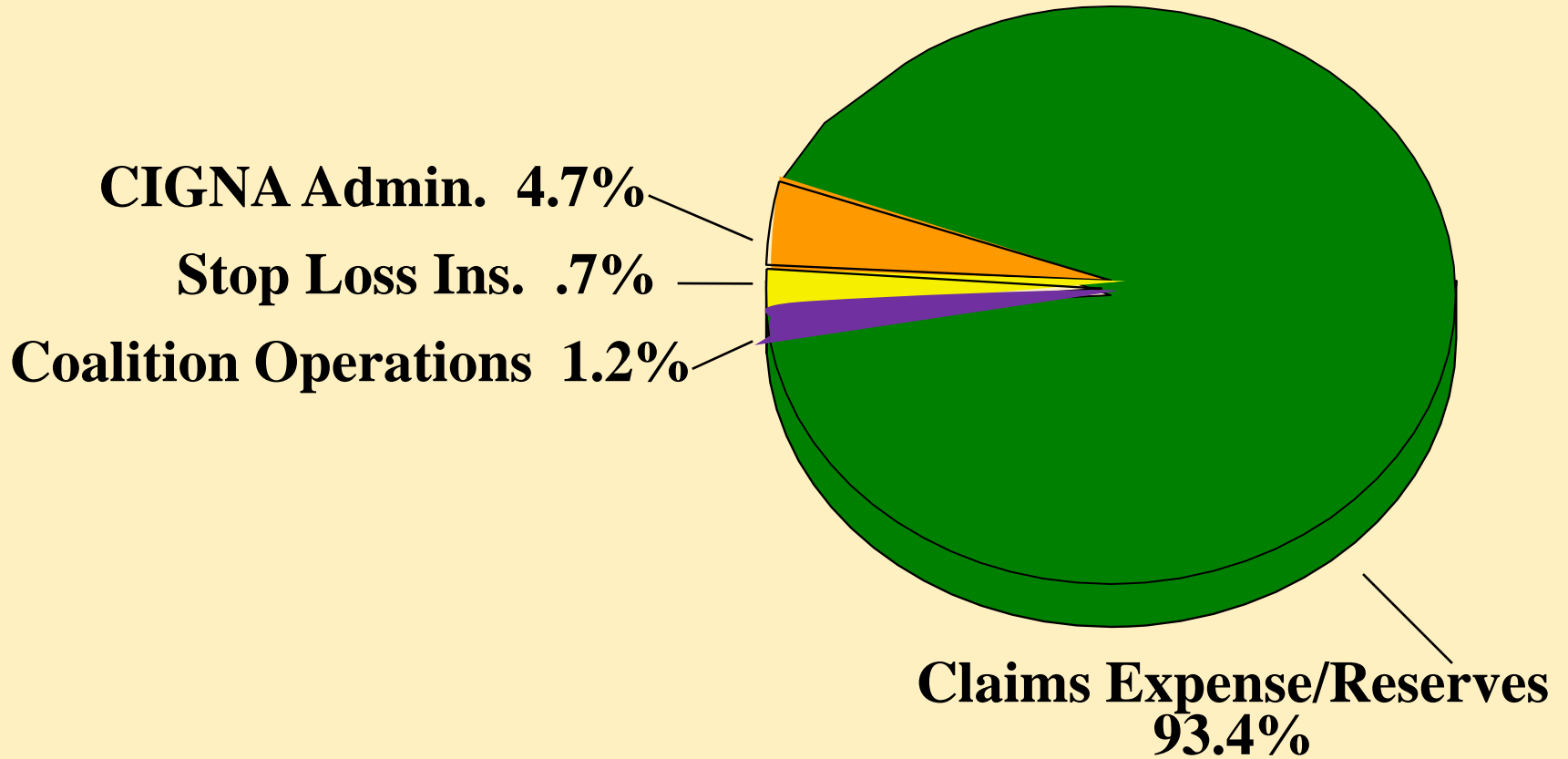
- **Fund Balance = Members' Equity**
\$38.7 million

- **Designated \$37.6 million**

- SCHOOLCARE 65+ - \$2.2 million
- Medical Claims Stabilization- \$15.4 million
- Rate Stabilization - \$20 million (\$5 million applied to 2011-12 rates)

- **Undesignated \$1.1 million**

Your Premium Dollar



Rating Objectives

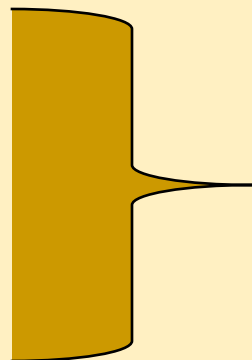
■ Predictability

- Guarantee rates for negotiations and budgeting by December 1

■ Stability

- Minimize fluctuations from year to year

- 2007-08: 5.9%
- 2008-09: 2.6%
- 2009-10: 6.5%
- 2010-11: 2.2%
- 2011-12: 6.2%



5 Year Average: 4.6%!

2012 Preliminary Rate Indication

- Medical Trend 9%

- Apply 100% of Early Retiree Reinsurance Program (ERRP) reimbursements received to date - \$1.7 million

- If \$8.3 million of the Designated Rate Stabilization fund is applied,
 - average increase would be 5.3%
 - range of increases 0 – 9.5%

July 1, 2012

Expanded Provider Network

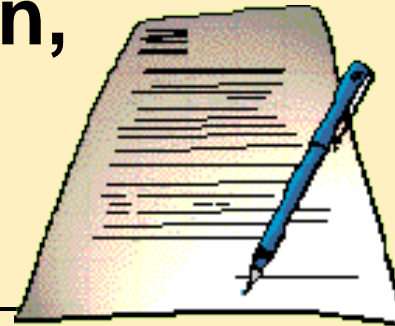
- CIGNA National Provider Network
- Same plans, all plans will have Open Access features
 - PCP not required, but recommended
 - No referrals required
 - Guesting outside New England network no longer necessary
- NO benefit changes
- New ID Card; same ID #

2012-2013 Rates

- **Notices to each member by Dec. 1**
 - **Employer and Employee**



- **To renew and lock in,
sign by Feb. 1**



Choices

- **If member accepts rate by February 1, the Coalition can guarantee it for 2012-13, regardless of how claims may change**
- **If member does not accept by February 1, the Coalition reserves the right to re-rate, based on more recent claims experience**
- **Members must notify the Coalition within 45 days of July 1 if wishing to non-renew**

Questions?