California Education Coalition for Health Care Reform
Who is CECHCR?
CECHCR is You!

- Association of California School Administrators
- California Association of School Business Officials
- California County Superintendents Educational Services Association
- California Federation of Teachers
- California School Boards Association
- California School Employees Association
- California Teachers Association
- Community College League of California
- School Employers Association of California
CECHCR History

- Federal Mediation and Conciliation Services
- Local grants:
  - California Endowment
  - California Health Care Foundation
Stronger Together

- Management and labor working together
- Of the education community
- By the education community
- For the education community
CECHCR Strategies

- Train & educate on purchase and use of health benefits
- Study & share policy info
- Assist districts & unions in improving cost & quality of their benefits
- Analyze legislation
- Support health promotion & wellness
Three Education Programs

“Effective Health Benefits Practices for Labor-Management Teams”

“Making Informed Choices: Cost and Quality of Health Care”

“Managing Costs”

www.ceechcr.org
Follow-up Services

- Coaching/Mentoring
- Creating a plan of action
- Follow-up consultations
- Assistance in engaging health benefits plans

Help with implementing your health benefits action plan?
CECHCR’s Role

- To train local districts to be more informed purchasers of health care
- To educate and coordinate the education community about various reform proposals and how they impact school districts/unions
- To help districts and unions reduce the cost and improve the quality of their health care
CECHCR Direct Services

Real Time Solution to the Cost-Quality Crisis

- Many districts and employees are paying too much, AND
- are not getting the best health care

Second Opinion Program

- Can save you $$$ millions!
- Objective and experienced evaluation
- Fees based on value
- Full transparency
- No savings, no fees!
The CECHCR Approach

- CECHCR wants to be sure you hear about ALL the best options for your group

- CECHCR utilizes J Glynn & Co. to impartially evaluate your situation and give you solid recommendations to improve your benefits.
Module V In a Nutshell

- CECHCR provides Orientation to explain Module V.
- District and unions agree to participate.
- Desk review of current benefits situation—no fee.
  - To determine if CECHCR can help.
  - To estimate amount of savings possible.
- Review current renewal.
- CECHCR proposal presented to the district & unions.
- Comprehensive evaluation & results.
Module V Success

- Module V WORKS because CECHCR:
  - has a proven track record of success.
  - studies your unique situation and brings you options that will work best for you.
  - is your expert guide-by-the-side to work with you to make the changes you decide to make.
Values and Principles Are Aligned
Disclosures: None!

1. No Commissions
2. No Overrides
3. No money, under no circumstances from the industry or its agents
4. Employees of JgInn might sign an employment agreement that reflects these values
5. CECHCR/Jglynn charges fees for scope of work for each school district client
6. School district knows exactly what its paying, and what work product is expected CECHCR
Principles

The only goal is to get the best plan as the best price:
Next – Smarter Consumers

- Trust but Verify:
- Anthem Blue Distinction Designation
- UnitedHealth Physician Evaluation Tool
  - Our goal is to educate using publicly available data on the best providers for school employer and employees – IT SAVES LIVES AND MONEY!
Smarter Consumers

Education Classes (no commercials):

- **Health Care 101:**
  - *Getting the most from your doctor office visit!*
  - What to do before, during and after that “8-minute” visit with your doctor

- **Health Care 102:**
  - *Quality Care: Don’t take it for Granted!*
  - What you can do to help make sure you are getting good quality care

- **Health Care 103:**
  - *Know Your Patient Rights!*
  - Your fundamental Patient Rights – & recourses if you don’t get them

- **Health Care 104:**
  - *Taking Charge of Your Own Health – Healthy Resources*
  - Check out our topics and tools to help you and your family stay healthy
Our Experience

- When we show up: Rates
- Recently
  - $326,000
  - $
### Brokerage Fees and Sales Commissions 2014 - 2015

<table>
<thead>
<tr>
<th>Health Plan</th>
<th>Brokerage Fees</th>
<th>Sales Commissions</th>
<th>Annual Compensation</th>
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<tbody>
<tr>
<td>2</td>
<td>Health Plan $3.50 PMPM</td>
<td>6.00%</td>
<td>$303,939</td>
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<td>3</td>
<td>Health Plan $40 new members; $5 renewals</td>
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<td>Health Plan $0 - $3.25 Per member</td>
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<td>Dental $1.13 PMPM</td>
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<td>$25,669</td>
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<td>Dental $0.90 PEPM, $0.39 PEPM</td>
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<td>7</td>
<td>Vision $1.00 PEPM</td>
<td>1.00%</td>
<td>$6,281</td>
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<td>8</td>
<td>Total Annual Compensation</td>
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<td>$467,638</td>
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| Cost Per Employee Per Year | #DIV/0! |

### Non-Medical Health Plan Costs

<table>
<thead>
<tr>
<th>Health Plan</th>
<th>Medical Loss Ratio</th>
<th>Medical Claims</th>
<th>Administrative Costs</th>
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<tbody>
<tr>
<td>11</td>
<td>Health Plan Actual: 85% (Jan'14 70%)</td>
<td>#REF!</td>
<td>#REF!</td>
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<td>12</td>
<td>Health Plan 2012 Large Groups: 84.8%</td>
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<td>#REF!</td>
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<td>13</td>
<td>Health Plan Actual: 86.3%</td>
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| Cost Per Employee Per Year | #REF! |

### Volatility of Large Claims In Small Groups

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<th>Health Plan</th>
<th>Large Claim Cost</th>
<th>% Total Claims</th>
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<tr>
<td>17</td>
<td>Kaiser 2013</td>
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<tr>
<td>18</td>
<td>Kaiser 2012</td>
<td>#REF!</td>
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<p>| Cost Per Employee Per Year (2012/2013) | #REF! | #REF! |</p>
<table>
<thead>
<tr>
<th>#</th>
<th>Hospital Name</th>
<th>Anthem PPO</th>
<th>Anthem Preferred IMO</th>
<th>Shred PPO</th>
<th>United Healthcare IMO</th>
<th>HealthPlan Security IMO</th>
<th>Blue Distinction Center (R)</th>
<th>Leapfrog Group Hospital Safety Grade (D)</th>
<th>CalQuality Care Surgical Measure Rating (G)</th>
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<tbody>
<tr>
<td>1</td>
<td>Anaheim Geffen Hospital Medical Center</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>C</td>
<td>Superior</td>
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<td>9</td>
<td>Children's Hospital of Los Angeles</td>
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</table>

(1) CalQualityCare, Sutter Health - http://www.sutterhealth.org/CalQualityCare
(2) Leapfrog Group: Hospital Safety Grade - http://www.leapfroggroup.org
(4) CalQualityCare: Surgical Measure Rating - http://www.calsavers.com

WARMING: This information is subject to change during the course of the plan year. Please review the links noted above for the most current information.