

Agenda Back-Up /  
Contract Renewal for Health, Life and 125 Plan  
& Approval of Financial Institution [Depository]  
Board Meeting /  
September 18, 2007

**Background:**

Renewal of contracts for Health, Life and 125 Plans and approval of the financial institution [depository] for the 125 plan funds must be accomplished by action of the Board on an annual basis.

**Health Plan:**

The Health Plan renewal has been negotiated and a reduced rate increase of nine [9] has been reached.

The changes made to the district's Health Plan two years ago to reduce escalating costs are working as planned. In contrast, our renewal for the for the 2006 plan year was 21.2 %. Efforts will continue in the year to come to consider other changes that will prove beneficial to employees and the district.

Attached are rates that will be applicable as of January 1, 2008 [deductions for the 2008 plan year will start in December].

Vendor: Blue Cross Blue Shield of Florida

**125 Plan:**

The rates for the 125 plan [optional / voluntary benefits], inclusive of administration will renew for the 2008 plan year without increase.

The Board must also approve the depository used by the plan administrator. Not only is it required that the depository be approved by the Board, but the Board must assure itself that the depository is an approved financial institution by the State of Florida. Attached is a certificate provided by the State of Florida in that regard.

Vendor: Fringe Benefits Management Company

**Life Insurance Plan:**

Life rates for the 2008 year were delivered on September 7, 2007 [somewhat late] with a rate increase that has been termed unacceptable to the district. Coordination [w/ ACEA, Purchasing, and Legal] is underway at this point to seek other proposals for the 2008 plan year. A recommendation for a new Life Program will be made to the Board at a meeting in November.

Vendor:       AIG

**Recommendation:**

The Superintendent recommends renewal of the contracts for the 2008 year as shown below:

**Health:**

Health Insurance with Blue Cross Blue Shield of Florida at the rates shown in the attachment to the agenda. Vendor: Blue Cross Blue Shield of Florida

**125 Plan:**

125 Plan with Fringe Benefits Management Company at the same rates for the current year. Vendor: Fringe Benefits Management Company

and

Use of Wachovia Bank, N.A as the depository for administration of the plan.

Attachments

**Alachua County Public Schools  
Employee Health Plan Costs  
Effective 1/1/08  
Semi Monthly Payroll Deductions**

	Plan 1 \$500 Deductible BlueOptions	Plan 2 \$500 Deductible BlueChoice	Plan 3 Physician Copay \$300/BlueOptions	Plan 4 Physician Copay \$750/BlueOptions	Plan 5 Physician Copay \$1500/BlueOptions	Plan 6 Opt-out Package No Health Coverage
<b>Single Coverage</b>						
<b>Board Paid</b>	\$170.59	\$170.59	\$170.59	\$170.59	\$170.59	\$170.59
<b><u>Employee Paid</u></b>	<b><u>\$0.00</u></b>	<b><u>\$18.31</u></b>	<b><u>\$24.45</u></b>	<b><u>\$0.00</u></b>	<b><u>\$0.00</u></b>	<b><u>\$0.00</u></b>
<b>Dependent Coverage</b>						
Spouse Only	\$202.49	\$242.52	\$255.92	\$195.08	\$133.97	Not Available
Child (ren) Only	\$168.36	\$204.74	\$216.92	\$161.65	\$106.12	Not Available
Family Only	\$250.05	\$295.18	\$310.30	\$241.70	\$172.79	Not Available

Plan 4 if you choose dependent coverage an Annual credit of \$81.12 has been applied to reduce cost of coverage.  
 Plan 5 if you choose dependent coverage an Annual credit of \$751.68 has been applied to reduce cost of coverage.

You are given this amount of money toward the Flexible Benefit Products (FBMC) if you choose the below plans:

Plan 4-single coverage	Plan 5-single coverage	Plan 6
20 checks=\$4.06 (\$81.12)	20 checks=\$37.59 (\$751.68)	20 checks=\$12.50 (\$250.00)
24 checks=\$3.38 (\$81.12)	24 checks=\$31.32 (\$751.68)	24 checks=\$10.42 (\$250.00)

Special note: The costs shown above are for illustration purposes only. This reflects a full year of deductions on a 12 month basis. For those on a 10-month contract, you will see a second deduction, listed as pre-paid med ins on your pay stub from December through June, which is for the 2 1/2 months of premium for the summer months. 10 month employees who work through the end of their contract period in June will have insurance through September 30th of the year.

Family Discount Rate      \$79.46      \$124.59      \$139.71      \$71.11      \$2.20  
 Family Discount is when two employees work here and have dependents. They receive a huge family discount rate.



**DEPARTMENT OF FINANCIAL SERVICES**  
**Division of Treasury**  
**Bureau of Collateral Management**

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**CERTIFICATE OF QUALIFIED PUBLIC DEPOSITORY  
UNDER THE FLORIDA SECURITY FOR  
PUBLIC DEPOSITS ACT**

This is to certify that

**WACHOVIA BANK, N.A.**  
**TWO FIRST UNION CENTER**  
**CHARLOTTE, NORTH CAROLINA 28288-0201**

has fully qualified as a public depository pursuant to Chapter 280, Florida Statutes, otherwise known as the Florida Security for Public Deposits Act. As such, said bank or savings association is hereby designated to receive public deposits, as defined in Subsection 280.02(23), Florida Statutes.

Given under my hand this 8<sup>th</sup> day of January, 2003.

**CHIEF FINANCIAL OFFICER, STATE OF FLORIDA**