

Business Operations
Ofelia San Pedro, Deputy Superintendent

SUBJECT: HEALTH COVERAGE FOR MEDICARE-ELIGIBLE RETIREES

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

At the Board meeting of September 7, 2005, the Board approved the Employee Benefits Program for calendar year 2006, including applicable coverages for district retirees, pursuant to the requirements of Section 112.0801, Florida Statutes, which states that retirees and their eligible dependents, shall be offered the same health and hospitalization coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. Retirees covered under Medicare may be experience rated separately from those retirees not covered by Medicare, and from active employees, provided that the total premium does not exceed that of the active group, and that the coverage is basically the same as for the active group.

At the time the Board approved the program in September, negotiations with UnitedHealthcare of Florida, Inc. had resulted in a renewal of the currently offered Medicare Supplement program, as well as the Medicare Complete program (Medicare Risk) for retirees who reside in Miami-Dade County, pursuant to the plan filings as approved by the Center for Medicare and Medicaid Services (CMS). At that time, negotiations to be able to continue the Medicare Complete program for retirees residing in Broward and Palm Beach Counties had not been finalized.

Final negotiations have now been completed to renew the district's group Medicare Complete program for Medicare-eligible retirees residing in all three counties. Pursuant to CMS rules, the plan benefits and retiree-paid premiums vary from county to county, based upon a CMS formula which determines how much it pays the Health Maintenance Organizations (HMO's), based upon average cost of healthcare by county.

E-68

As a result of this formula, CMS pays HMOs in Miami-Dade County more than they pay in Broward County or Palm Beach County. The monthly plan premiums for calendar year 2006, as approved by CMS are as follows:

Miami-Dade County residents	\$108.27
Broward County residents	\$284.72
Palm Beach County residents	\$303.29

Retirees enrolled in the 2001-2002 retiree incentive plan who choose this option will have their premiums paid by the Board, pursuant to the provisions of the incentive.

RECOMMENDED: That The School Board of Miami-Dade County, Florida approve UnitedHealthcare of Florida, Inc. to offer the group Medicare Complete program to M-DCPS Medicare-eligible retirees, and their eligible dependents, in Miami-Dade, Broward and Palm Beach Counties, effective January 1, 2006, with benefits and premium costs pursuant to the plan filings as approved by the Center for Medicare and Medicaid Services (CMS), at the following monthly rate structure:

Miami-Dade County residents:	\$108.27
Broward County residents:	\$284.72
Palm Beach County residents:	\$303.29

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