

**Kenai Peninsula Borough School District**  
**Summary of Public Education Health Trust (PEHT) Options**  
**Based on 3/30/16 Presentation**



**Key Considerations**

- Medical and dental services incurred under the existing plan, but submitted for payment after the PEHT plan is in place, are called Runout claims. They would be paid under the current plan at the current 85%/15% formula. Those payments would be in addition to monthly premiums paid to PEHT.
- PEHT will allow participants to decline coverage (opt out). The requirements for the opt out will be determined through bargaining. A new Negotiated Agreement could allow participants to opt out for any reason or limit opt outs to those employees with other health coverage, for example.
- PEHT will not provide any claims experience specific to KPBSD. PEHT will provide the employer with a census of the employer's covered employees and will release annual audited financial statements for the trust to any plan participant upon request.
- PEHT will cover existing COBRA participants.
- PEHT recently released rates for FY17. The FY17 rates for most plan options represent a significant increase over the FY16 rates. The FY17 rates offered for KPBSD contain a 5% load. The "load" protects the PEHT against unanticipated increased health insurance usage by the participants. The load will be reviewed annually and can be continued for up to 3 years. The load may increase or decrease, but will not be rebated to the participants even if the PEHT subsequently determines it was not needed.

**PEHT Plan Rates**

Plan	Deductible (per person / family)	Total Monthly Premium	KPEA/KPESA Proposed District Cap	Monthly Employee Contribution (=Premium minus District Cap)
Medical A / Dental B	\$100/\$300	\$2,076	\$1,580	\$496
Medical B / Dental B	\$250/\$750	\$2,006	\$1,580	\$426
Medical C / Dental B	\$500/\$1,500	\$1,984	\$1,580	\$404
Medical D / Dental B	\$300/\$900	\$1,986	\$1,580	\$406
Medical E / Dental B	\$1,000/\$3,000	\$1,830	\$1,580	\$250
Medical F / Dental B	\$1,500/\$3,000	\$1,796	\$1,580	\$216
Medical G / Dental B	\$3,000/\$6,000	\$1,663	\$1,580	\$83
HDHP / Dental B	\$1,500 for single coverage / \$3,000 for family coverage	\$1,625	\$1,580	\$45

## Comparison

### KPBSD current plan; PEHT Plan C; and PEHT High Deductible Health Plan (HDHP) plan designs

Medical	Current KPBSD	PEHT Medical Plan C Dental Plan B	PEHT Medical HDHP Dental Plan B
Deductible	\$200 per person \$600 per family	\$500 per person \$1,500 per family	\$1,500 for Single coverage \$3,000 for Family coverage
Coinsurance %	80%	80%	80%
Non-PPO Penalty / Payment	Facility only- 60%	Facility and Providers - Payable limited to 125% of the Medicare equivalent rate	Facility and Providers - Payable limited to 125% of the Medicare equivalent rate
Out-of-Pocket Maximum (excludes deductible)	\$1,000 per person \$3,000 per family	\$2,000 per person \$6,000 per family	\$3,500 per person \$7,000 per family
ER Deductible / Penalty	\$250 for Non-Emergency services	\$500 Waived if admitted	\$500 Waived if admitted
Inpatient Hospital Copay	None	\$500 per admission, up to 2 copays per person per year	\$200 per admission, up to 2 copays per person per year, applies to OOP

Rx	Current KPBSD	PEHT Medical Plan C Dental Plan B	PEHT Medical HDHP Dental Plan B
Retail Days Supply Generic Preferred Brand Non-Preferred Brand	100 days \$5 copay \$25 copay \$50 copay	30 days \$17 copay \$30 copay \$60 copay	Subject to medical deductible and coinsurance
Mail Order Days Supply Generic Preferred Brand Non-Preferred Brand	100 days \$5 copay \$25 copay \$50 copay	90 days \$34 copay \$60 copay \$120 copay	Subject to medical deductible and coinsurance
Specialty	\$100 copay, 30 day supply	50% copay up to \$100 for Value drugs, \$400 Formulary, \$600 Non- Formulary	50% copay up to \$100 for Value drugs, \$400 Formulary, \$600 Non- Formulary

Dental	Current KPBSD	PEHT Medical Plan C Dental Plan B	PEHT Medical HDHP Dental Plan B
Deductible (Waived for preventive)	\$50 per person \$150 per family	\$75 per person \$225 per family	\$75 per person \$225 per family
Coinsurance Preventive Basic Major	100% 100% 50%	100% 80% 50%	100% 80% 50%
Maximum Benefit	\$2,500 per person	\$3,000 per person	\$3,000 per person