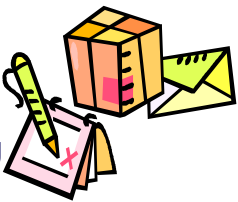


Healthcare 101

Kathy Rallings
CTA NODD Health Benefits Specialist

The Services Needed

- Risk Coverage
- Provider Network
 - Access
- Claims Processing



The Services Needed

- Third Party Administrator
 - Materials
- Broker/Consultant
 - Plan Design and Management



Financing of Health Care Plans



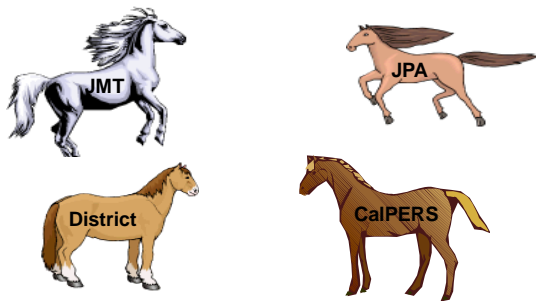
- Fully-insured (or a hybrid)
- Capitation
(an amount of money paid to a doctor or medical group. It is paid on a per person/per month basis)
- Self-funded ASO
(administrative services only)
- If self-funded - Stop-loss

MOST IMPORTANT ASPECTS TO CONSUMERS OF HEALTH CARE

- Access to Personal Doctors/Hospitals
- Access to Prescriptions
- Quality Care
- Dependability
- Out-of-Pocket Costs
- Customer Service



Four Options to Purchase Benefits



CalPERS

- Available to public employees in California.



What is a Joint Powers Authority?

- A group of school districts banning together to provide insurance coverage.



What is a Jointly Managed Trust?

- A cooperative labor/management effort to provide high quality benefits at reasonable costs. Trusts have a tax exempt status and follow ERISA regulations. 501(c)(9)



Operation of the Plan



- **Fee-for-service**
Can go to any doctor at any time (no penalty)
- **Preferred Provider Organization(PPO)**
Must use select panel to get higher paid benefit, but have choice of specialist
- **Health Maintenance Organization(HMO)**
Must use PCP, and PCP must refer to a specialist
- **Point of Service (POS)**
To get the greatest coverage and the most benefit paid, must use panel doc. Can go out of network, but has more out of pocket expense
