



CITY OF STOCKTON

HUMAN RESOURCES DEPARTMENT

STEWART/EBERHARDT BUILDING • 22 E. Weber Avenue, Suite 150 • Stockton, CA 95202-2317
209/937-8233 • Fax 209/937-8558 • www.stocktongov.com

NOTICE – MODIFIED HEALTH PLAN DESIGN CHANGES

CITY OF STOCKTON –EMPLOYEE/RETIREE MEDICAL PLAN INFORMATIONAL MEETINGS

July 13, 2011

TO: All Employees in the Modified Medical Plan
TO: All Retirees in the Modified Medical Plan

On June 21, 2011, the Stockton City Council approved changes to the benefits and plan design of the Modified Medical Plan (a summary of the plan change is attached) that will go into effect September 1, 2011. Due to the number of changes being made the City is holding a series of informational meetings to explain the Plan changes. A representative from The Segal Company will be present to conduct the presentation, which will include a question and answer period. Comment cards will also be available to get your feedback on these changes. Four meetings are scheduled, and the same information will be provided at all the meetings. The meeting information is provided below:

July 27, 2011

9:00 a.m. to 10:00 a.m.
11:00 a.m. to 12:00 p.m.
2:00 p.m. to 3:00 p.m.
Civic Auditorium – Main Hall
525 N. Center Street

July 28, 2011

9:00 a.m. to 10:00 a.m.
Civic Auditorium – Main Hall
525 N. Center Street

If you are interested in getting more information about these changes please attend one of these meetings.

EMPLOYEES

The following are the Plan contribution changes adopted that go into effect for employees effective September 1, 2011, (the following rates include dental and vision).

	PREMIUM	CITY CONTRIBUTION	EMPLOYEE COST
Employee	\$570.13	\$481.00	\$89.13
Employee + 1	\$1,039.19	\$875.00	\$164.19
Employee + 2 or more	\$1,381.28	\$1165.00	\$216.28

RETIREES

No change in the City contribution for the cost of the premium for retiree medical has been made by the City Council.

These changes do not impact retirees on the original plan.

The following are the premiums (does not include dental or vision) and are for non-Medicare retirees:

	PREMIUM	CITY CONTRIBUTION	RETIREE COST
Retiree	\$896.61	\$896.61	\$0
Retiree + 1	\$1,613.90	\$1,613.90	\$0
Retiree + 2 or more*	\$2,151.88	\$1,613.90	\$537.98

The following premiums (does not include dental or vision) are for Medicare retirees:

	PREMIUM	CITY CONTRIBUTION	RETIREE COST
Retiree	\$297.27	\$297.27	\$0
Retiree + 1	\$535.09	\$535.09	\$0
Retiree + 2 or more*	\$713.45	\$535.09	\$178.36

*For retirees who have exceeded the 15 year maximum for under 65 retirees, or who have more than one dependent, the retiree pays the premium in excess of the City normal contribution.



TERESIA HAASE
DIRECTOR OF HUMAN RESOURCES

TABLE 11
Benefits Comparison - Current Modified Plan and Proposed Modified Plan

Benefits:	Modified Plan		Proposed Modified Plan	
	In-Network	Out-of-Network	In-Network	Out-of-Network
Lifetime Maximum	\$2,500,000	\$2,500,000	Unlimited	Unlimited
Maximum Out-of-Pocket	\$1,000	\$1,000	\$5,000	None
Per person	\$1,000 per person	\$1,000 per person	\$10,000	None
Per family	\$200	\$200	\$500	\$1,500
Deductible	\$500	\$500	\$1,500	\$3,000
Per person per year	60%	60%	80%	50%
Per family per year	12 visits per year	12 visits per year	Unlimited	Unlimited
Acupuncture	Limitation	Limitation	Unlimited	Unlimited
Alcohol and Drug Treatment - Actives Only (Substance Abuse Benefit)	100%	100%	After \$75 per admission copayment	After \$200 per admission copayment
1st Admission	75%	75%	80%	50%
2nd Admission	50%	50%	80%	50%
3rd Admission	30 days per admission and maximum 3 admissions per lifetime per member	30 days per admission and maximum 3 admissions per lifetime per member	80%	50%
Limitation	80%	80%	Unlimited	Unlimited
Ambulance	80%	80%	80%	50%
Preventive Care/Wellness (mandated under ACA)	80%	80%	80%	50%
Office Visit	80%	80%	100%	50%
Lab/Diagnostic	100%	100%	100%	50%
Chiropractic Visits	80%	80%	80%	50%
Emergency Physician	100%	100%	80%	80%
Emergency Room	100%	100%	80%	80%
Hearing Aids	80%	80%	80%	80%
Home Health Care and Hospice	Limitation	Limitation	Not Covered	Not Covered
Limitation	Maximum of \$6,000 per lifetime per member	Maximum of \$6,000 per lifetime per member	80%	Not Covered
Home Health Care and Hospice	100%	100%	80%	Not Covered
Hospitalization	100%	100%	After \$75 per admission copayment	After \$200 per admission copayment
Inpatient Psychiatric	80%	70%	80%	50%
Outpatient Mental or Nervous Disorder Treatment	80%	80%	80%	50%
Limitation	80% for the first 5 visits, 60% for the next 10 visits (Maximum 15 visits per year)	80% for the first 5 visits, 60% for the next 10 visits (Maximum 15 visits per year)	80%	50%
Outpatient Radiology/Lab	100%	100%	Unlimited	Unlimited
Physicians Office Visits	80%	80%	80%	50%
Pregnancy	100%	100%	80%	50%
Prescription Drug Program*	\$3	\$3	\$10	Not Covered
Retail Generic	\$25	\$25	\$35 (Closed Formulary)	Not Covered
Retail Brand	Same as Retail	Same as Retail	2 x Retail	Not Covered
Mail	Up to 90 days	Up to 90 days	Up to 90 days	Not Covered
Day Supply	100%	100%	80%	50%
Radiation/Chemotherapy/Dialysis	100%	100%	80%	50%
Surgeon/Anesthesiologist	100%	100%	80%	50%
Therapy Benefits	100%	100%	80%	50%

*Does not apply to deductible or out-of-pocket maximum
Note: New deductible amounts become effective for plan year beginning January 2012