



June 1, 2006

Dear LEA Members,

The Livermore Education Association has worked hard with the Central Valley Trust, Marana Benefits and the District for the last two years to provide comprehensive and affordable health insurance to all of our members and retirees. As plan costs increase dramatically on a yearly basis, we know that this will not continue without your assistance. This last year, Central Valley Trust (CVT) has seen much improvement in the area of generic medications. More and more of our members are using generics and are helping to curb the rising costs.

With a cap on the district contribution (and a fixed income for most of our retirees), we are trying to offer options that stay within that range. During the 2005-2006 negotiations, the Livermore Education Association negotiated that some one-time money be used as a one-time increase to the district contribution for the 2006-2007 school year. By using this one-time money, equivalent to a 1% salary increase, we were able to reduce the annual cost for active members and district-paid retirees by \$485 per FTE. While this does help with the cost increases we would have faced this year, it is not a permanent solution. We need to keep in mind that the active member and district-paid retiree contribution amounts are being offset this year by this one-time money. We do not want to give you a false-hope that costs are being contained. This increased contribution will only be for the 2006-2007 school year unless something else is negotiated in the future.

Earlier this year, the LEA Rep Council passed our Health Care Committee's recommendation to leave Interplan and return to Blue Cross as our PPO provider for the 2006-2007 school year (Oct 1, 2006 – Sept 30, 2007). We hope that this change will open up a larger pool of doctors. Members and retirees residing inside California and Nevada will utilize the Blue Cross Network, while retirees residing outside of California and Nevada will utilize the Blue Card Network. Please see the LEA website or the CVT website for links to where you can search for local providers in your area.

On May 25, 2006, the LEA Rep Council also voted to eliminate PPO plan 7B for the 2006-2007 school year (Oct 1, 2006 – Sept 30, 2007) because it was so similar to the more popular PPO plan 6B. While the sixteen members and retirees currently on plan 7B will need to complete an open enrollment change form and choose a different plan, this recommendation will allow for the addition of PPO plan 10D. While plan 10D stays under the District Contribution and allows for active members to pay nothing out of their monthly paychecks, it is definitely a "bare-bones" plan. With a \$2,000 per individual deductible and a maximum out-of-pocket of \$4,000 – it is designed for healthy members who only need insurance to cover them in case of an emergency. We also hope that our members who have insurance with their spouses and did not want LVJUSD insurance can make this plan work to fit their needs.

As with any change to medical plans, we encourage you to look at the plan options, compare them to your actual and forecasted needs and make the best decision that you can.

The annual Open Enrollment period is from August 10, 2006 – September 10, 2006. The new plans will begin on October 1, 2006 and continue until September 30, 2007. Open Enrollment change forms will

be available at the District Office, the LEA Office, and by mail. You may also contact Human Resources at 925-606-3200 for information or with questions. You should also feel free to call the LEA office if you have questions or difficulties at 925-447-1199. While we will not be keeping regular office hours over the summer, we will be checking messages and will return your call within a week. We will also be participating in the annual Health Care Faire hosted by the District shortly after school begins. Keep an eye on the LEA and/or District websites for a date.

We would also like to encourage our members to learn more about Senator Sheila Kuehl's proposed legislation for Single-Payer Health Care: SB840. More and more Californians are realizing that something has to change with the Health Care Industry. Many of our members groan when they see \$100-\$300 a month coming out of their paychecks, but what many don't realize is that that cost is on top of the \$833 per month that the District is contributing. Realizing that all of our plans in the 2005-2006 school year for active members were over \$10,000 and we have over 600FTE members in our unit, as a group we are spending at least \$6 million every year on Health Care.

Here are some websites that may be helpful to you while making your plan selections:

The Livermore Education Association: www.livermoreteachers.org

The Livermore Valley Joint Unified School District: www.livermoreschools.com

The Central Valley Trust: www.cvtrust.org

Blue Cross/Blue Shield: www.bluecard.com

Kaiser Permanente: www.kp.org

Pacificare: www.pacificare.com

**Livermore Education
Association:**

1528 Catalina Court
Livermore, CA 94550

Phone: 925-447-1199
Fax: 925-447-0108

E-mail:
president@livermoreteachers.org

Central Valley Trust:

520 East Herndon Avenue
Fresno, CA 93720

Phone: 800-288-9870
Fax: 559-437-2965

E-mail:
info@cvtrust.org

**LVJUSD Human
Resources:**

685 East Jack London Blvd.
Livermore, CA 94551

Phone: 925-606-3200

Plan choices and changes will go into effect on October 1, 2006.

Our current plans will continue through September 30, 2006.

Livermore Valley Joint Unified School District - Livermore Education Association
 2006/2007 Health Care Plans and Pricing - Active Member (Based on 1FTE)

2006-07 Plan Names	2006-07 PPO / HMO Monthly Cost	2006-07 Rx Monthly Cost	2006-07 Total Health Care Plan Monthly Cost	2006-07 Dental Monthly Cost	2006-07 Vision Monthly Cost	2006-07 Total Plan Monthly Cost
PPO 4B	\$772.00	\$188.00	\$960.00	\$107.68	\$20.84	\$1,088.52
PPO 6B	\$702.00	\$188.00	\$890.00	\$107.68	\$20.84	\$1,018.52
PPO 8C	\$613.00	\$170.00	\$783.00	\$107.68	\$20.84	\$911.52
PPO 10D*	\$447.00	\$152.00	\$599.00	\$107.68	\$20.84	\$727.52
Kaiser HMO 3	\$775.00		\$775.00	\$107.68	\$20.84	\$903.52
Kaiser HMO 5	\$746.00		\$746.00	\$107.68	\$20.84	\$874.52
Pacificare HMO	\$777.00	\$143.00	\$920.00	\$107.68	\$20.84	\$1,048.52

*All members currently in PPO plan 7B will need to choose a new plan during the Open Enrollment Period (August 10 - September 10) for an effective date of October 1, 2006. PPO Plan 7B will be eliminated for the 2006-2007 school year and PPO Plan 10D will be added to the plan options for the 2006-2007 school year because we were able to keep its cost below the District Contribution toward Health Care. Our hope is that members who prefer using their spouse's PPO plan will have an easier time with Plan 10D and will have no out-of-paycheck cost for their Health Care plans.

Livermore Valley Joint Unified School District - Livermore Education Association
 2006/2007 Health Care Plans and Pricing - Active Member (Based on 1FTE)

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2006-07 Plan Names	2006-07 Total Monthly Plan Cost	2006-07 Total Yearly Plan Cost	2006-07 District Yearly Contribution	2006-07 Member Yearly Cost	LEA 05-06 Negotiated One Time Contribution	Adjusted 2006-07 Member Yearly Cost	Member (10-Month) Monthly Cost
PPO 4B	\$1,088.52	\$13,062.24	\$10,000.00	\$3,062.24	\$485.00	\$2,577.24	\$257.72
PPO 6B	\$1,018.52	\$12,222.24	\$10,000.00	\$2,222.24	\$485.00	\$1,737.24	\$173.72
PPO 8C	\$911.52	\$10,938.24	\$10,000.00	\$938.24	\$485.00	\$453.24	\$45.32
PPO 10D	\$727.52	\$8,730.24	\$10,000.00	\$0.00	\$485.00	\$0.00	\$0.00
Kaiser HMO 3	\$903.52	\$10,842.24	\$10,000.00	\$842.24	\$485.00	\$357.24	\$35.72
Kaiser HMO 5	\$874.52	\$10,494.24	\$10,000.00	\$494.24	\$485.00	\$9.24	\$0.92
Pacificare HMO	\$1,048.52	\$12,582.24	\$10,000.00	\$2,582.24	\$485.00	\$2,097.24	\$209.72

**All District Yearly Contributions, LEA 06-07 Yearly Contributions, Member Yearly Costs, and Member Monthly Costs are based on a member working in a 1FTE (Full-Time Equivalent) position. The District and LEA Yearly Contributions will be reduced proportionally based on a part-time members' FTE status causing part time members' yearly costs and therefore monthly costs to rise. While all 1FTE members must participate in the Health Care Plans, part time members may choose to waive coverage in any or all of the three coverage areas: medical, dental, and/or vision. These choices will affect their final yearly and monthly costs.

These documents were prepared by the Livermore Education Association to assist our members and retirees in their plan choices and general comparisons. The amounts listed are accurate to the best of our abilities with the information available to us as of May 23, 2006. Any changes made by a provider or administrator or any mistakes in our calculations or formulas will be reflected in final pricing.

2006/2007
CVT HMO PLAN OPTIONS FOR KAISER AND PACIFICARE
LIVERMORE EDUCATORS ASSOCIATION

BENEFIT	KAISER PLAN 3	KAISER PLAN 5	PACIFICARE
DOCTOR VISITS	Covered, \$10 Copay	Covered, \$25 Copay	No Deductible Copay Out-of-Pocket Max: \$800 individual / \$2400 family
ANNUAL PHYSICAL	Covered, \$10 Copay	Covered, \$25 Copay	Covered, No Charge
IMMUNIZATIONS	Covered, No Charge	Covered, No Charge	Covered, No Charge
PREVENTIVE CARE FOR CHILDREN	Covered, No Charge Up To Age 2 After Age 2 - \$10 Copay	Covered, No Charge Up To Age 2 After Age 2 - \$25 Copay	Covered, No Charge
WELL WOMAN: PAP SMEAR/ MAMMOGRAM	Pap Smear-Covered, \$10 Copay Mammogram-Covered, No Charge	Pap Smear-Covered, \$25 Copay Mammogram-Covered, No Charge	Covered, No Charge
OUTPATIENT X-RAY & LAB	Covered, No Charge	Covered, No Charge	Covered, No Charge
PHYSICAL THERAPY	Covered, \$10 Copay	Covered, \$25 Copay	Covered, No Charge
CHIROPRACTIC	Not Covered	Not Covered	Not Covered
ACUPUNCTURE	Covered, \$10 Copay Referral by Plan Physician	Covered, \$25 Copay Referral by Plan Physician	Not Covered
HOSPITAL INPATIENT	Covered, No Charge	Covered, No Charge	Covered, No Charge
HOSPITAL EMERGENCY ROOM	Covered, \$35 Copay Waived if Admitted	Covered \$35 Copay Waived if Admitted	Covered, No Charge / ER \$35 Copay
RADIATION THERAPY, CHEMOTHERAPY & SURGERY	Inpatient: Covered, No Charge Outpatient: \$10 Copay	Inpatient: Covered, No Charge Outpatient: \$25 Copay	Covered, No Charge
HOME HEALTH CARE	Covered, No Charge (Limits)	Covered, No Charge (limits)	Covered, No Charge
HOSPICE	Covered, No Charge	Covered, No Charge	Covered, No Charge (prognosis of life expectancy of one year or less)
DURABLE MEDICAL EQUIPMENT	Covered, No Charge In accord with DME Formulary	Covered, No Charge In accord with DME Formulary	Covered, No Charge

<i>Page 2</i>	KAISER PLAN 3		KAISER PLAN 5		PACIFICARE	
AMBULANCE- GROUND/AIR	Covered, No Charge, If Med. Necessary		Covered, No Charge, If Med. Necessary		No charge, if medically necessary	
MENTAL HEALTH - INPATIENT	Covered, No Charge 45 days per calendar year (limits) No limits with AB88 Parity		Covered, No Charge 45 days per calendar year (limits) No limits with AB88 Parity		30 days per calendar year; substance abuse limited to hospital detox plus residential treatment (limits)	
MENTAL HEALTH OUTPATIENT	Covered, \$10 Copay; 20 visits per calendar year No limits with AB88 Parity		Covered, \$25 Copay; 20 visits per calendar year No limits with AB88 Parity		30 visits per calendar year	
SUBSTANCE ABUSE INPATIENT	Detox – No Charge Transitional Residential Recovery Services-\$100 per admission (limits) Residential Rehab (30 days cal yr) – No Charge (limits)		Detox – No Charge Transitional Residential Recovery Services-\$100 per admission (limits) Residential Rehab (30 days cal yr) – No Charge (limits)		Detox – Covered, No Charge	
SUBSTANCE ABUSE OUTPATIENT	Covered, \$10 Copay for individual visits; \$5 Copay for group visits (no limits)		Covered, \$25 Copay for individual visits; \$5 Copay for group visits (no limits)		Detox – Covered, No Charge	
OUT OF POCKET MAXIMUM	\$1,500 Per Person \$3,000 Per Family		\$1,500 Per Person \$3,000 Per Family		\$800 Per Person (3 Individual Maximums Per Family)	
LIFETIME MAX PER PERSON	No Lifetime Maximum		No Lifetime Maximum		No Lifetime Maximum	
PRESCRIPTION DRUGS (CO-PAYMENTS)	<u>Retail</u> \$10 Generic \$20 Brand (Up to 100 day supply)	<u>Mail Order</u> \$10 Generic \$20 Brand Refills Only	<u>Retail</u> \$10 Generic \$20 Brand (Up to 100 day supply)	<u>Mail Order</u> \$10 Generic \$20 Brand Refills Only	<u>Retail: 30- Day Supply</u> \$5 both Generic & Brand	<u>Mail Order: 90-Day Supply</u> \$5 both Generic & Brand

THIS SUMMARY IS FOR COMPARISON PURPOSES ONLY. PLEASE REFER TO THE ACTUAL SUMMARY PLAN DESCRIPTION FOR COMPLETE BENEFITS.

Plan Matrix for PPO Plans - Active and District Paid Retirees

BENEFITS	PLAN 4B		PLAN 6B		PLAN 8C		PLAN 10D	
MAJOR MEDICAL*	Deductible: \$100 Ind / \$300 family		Deductible: \$250 Ind / \$750 family		Deductible: \$500 Ind / \$1,500 family		Deductible: \$2,000 Ind / \$6,000 family	
	Coinsurance: 90/10		Coinsurance: 80/20		Coinsurance: 80/20		Coinsurance: 80/20	
	Out-of-Pocket Max: \$300 per person + deductible		Out-of-Pocket Max: \$1,000 per person + deductible		Out-of-Pocket Max: \$2,000 per person + deductible		Out-of-Pocket Max: \$4,000 per person + deductible	
LIFETIME MAX PER PERSON	\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000	
DOCTOR VISITS	\$10 co-pay		\$10 co-pay		Major Medical*		Major Medical*	
	(co-pay not applied to deductible or out-of-pocket max)		(co-pay not applied to deductible or out-of-pocket max)					
ANNUAL PHYSICAL	Up to \$200/year for employee and spouse; balance to Major Med*		Up to \$200/year for employee and spouse; balance to Major Med*		Up to \$200/year for employee and spouse; balance to Major Med*		Up to \$200/year for employee and spouse; balance to Major Med*	
IMMUNIZATIONS	Major Medical*		Major Medical*		Major Medical*		Major Medical*	
	Employee & spouse covered under annual physical allowance.		Employee & spouse covered under annual physical allowance.		Employee & spouse covered under annual physical allowance.		Employee & spouse covered under annual physical allowance.	
PREVENTIVE CARE FOR CHILDREN	Major Medical*		Major Medical*		Major Medical*		Major Medical*	
	Covered, as long as eligible		Covered, as long as eligible		Covered, as long as eligible		Covered, as long as eligible	
WELL WOMAN: PAP SMEAR / MAMMOGRAM	Major Medical*		Major Medical*		Major Medical*		Major Medical*	
OUTPATIENT X-RAY & LAB	Major Medical*		Major Medical*		Major Medical*		Major Medical*	
PHYSICAL THERAPY	Major Medical*		Major Medical*		Major Medical*		Major Medical*	
	(Copay, if applicable)		(Copay, if applicable)					
	Non-Par Providers limited to 13 visits per year, max \$25 per visit.		Non-Par Providers limited to 13 visits per year, max \$25 per visit.		Non-Par Providers limited to 13 visits per year, max \$25 per visit.		Non-Par Providers limited to 13 visits per year, max \$25 per visit.	
CHIROPRACTIC	Major Medical*		Major Medical*		Major Medical*		Major Medical*	
	(Co-pay, if applicable)		(Co-pay, if applicable)					
	Non-Par Providers limited to 13 visits per year, max \$25 per visit.		Non-Par Providers limited to 13 visits per year, max \$25 per visit.		Non-Par Providers limited to 13 visits per year, max \$25 per visit.		Non-Par Providers limited to 13 visits per year, max \$25 per visit.	
ACUPUNCTURE	Major Medical*		Major Medical*		Major Medical*		Major Medical*	
	(Co-pay, if applicable)		(Co-pay, if applicable)					
	Max of 12 visits per calendar year		Max of 12 visits per calendar year		Max of 12 visits per calendar year		Max of 12 visits per calendar year	
<i>BENEFITS Continued</i>	PLAN 4B		PLAN 6B		PLAN 8C		PLAN 10D	
HOSPITAL: INPATIENT	Major Medical*		Major Medical*		Major Medical*		Major Medical*	
	Unlimited days, semi-private room		Unlimited days, semi-private room		Unlimited days, semi-private room		Unlimited days, semi-private room	
HOSPITAL: EMERGENCY ROOM	\$35 co-pay		\$35 co-pay		\$35 co-pay		\$35 co-pay	
	Major Medical*		Major Medical*		Major Medical*		Major Medical*	
	(co-pay not applied to deductible or out-of-pocket max and waived if admitted as in-patient)		(co-pay not applied to deductible or out-of-pocket max and waived if admitted as in-patient)		(co-pay not applied to deductible or out-of-pocket max and waived if admitted as in-patient)		(co-pay not applied to deductible or out-of-pocket max and waived if admitted as in-patient)	
RADIATION THERAPY, CHEMOTHERAPY & SURGERY	Major Medical*		Major Medical*		Major Medical*		Major Medical*	
HOME HEALTH CARE	Major Medical*		Major Medical*		Major Medical*		Major Medical*	
	Limited to 100 visits per calendar year		Limited to 100 visits per calendar year		Limited to 100 visits per calendar year		Limited to 100 visits per calendar year	
HOSPICE	100% of Covered Expense with a lifetime maximum of \$10,000		100% of Covered Expense with a lifetime maximum of \$10,000		100% of Covered Expense with a lifetime maximum of \$10,000		100% of Covered Expense with a lifetime maximum of \$10,000	
DURABLE MEDICAL EQUIPMENT	Major Medical*		Major Medical*		Major Medical*		Major Medical*	
AMBULANCE-GROUND/AIR	Major Medical*		Major Medical*		Major Medical*		Major Medical*	
MENTAL HEALTH - INPATIENT	After deductible met, facility charges paid at 80% to Preferred Providers up to a maximum of 30 days per calendar yr.		After deductible met, facility charges paid at 80% to Preferred Providers up to a maximum of 30 days per calendar yr.		After deductible met, facility charges paid at 80% to Preferred Providers up to a maximum of 30 days per calendar yr.		After deductible met, facility charges paid at 80% to Preferred Providers up to a maximum of 30 days per calendar yr.	
MENTAL HEALTH & SUBSTANCE ABUSE PROFESSIONAL CHARGES (INPATIENT / OUTPATIENT)	After deductible met, 50% up to a maximum of \$50 per visit to Preferred Providers & up to \$25 to Non-Par Providers. (Substance abuse limited to 50 visits per year)		After deductible met, 50% up to a maximum of \$50 per visit to Preferred Providers & up to \$25 to Non-Par Providers. (Substance abuse limited to 50 visits per year)		After deductible met, 50% up to a maximum of \$50 per visit to Preferred Providers & up to \$25 to Non-Par Providers. (Substance abuse limited to 50 visits per year)		After deductible met, 50% up to a maximum of \$50 per visit to Preferred Providers & up to \$25 to Non-Par Providers. (Substance abuse limited to 50 visits per year)	
SUBSTANCE ABUSE- INPATIENT	\$300 Copay – After copay met, MHN Provider -- 100%. Non-MHN Provider -- 50%. Two courses of treatment during lifetime.		\$300 Copay – After copay met, MHN Provider -- 100%. Non-MHN Provider -- 50%. Two courses of treatment during lifetime.		\$300 Copay – After copay met, MHN Provider -- 100%. Non-MHN Provider -- 50%. Two courses of treatment during lifetime.		\$300 Copay – After copay met, MHN Provider -- 100%. Non-MHN Provider -- 50%. Two courses of treatment during lifetime.	
PRESCRIPTION DRUGS	Retail		Retail		Retail		Retail	
	Mail Order		Mail Order		Mail Order		Mail Order	
	Mail Order		Mail Order		Mail Order		Mail Order	
(CO-PAYMENTS)	\$7 Generic	\$15 Generic	\$7 Generic	\$15 Generic	\$7 Generic	\$15 Generic	\$10 Generic	\$25 Generic
	\$15 Preferred	\$35 Preferred	\$15 Preferred	\$35 Preferred	\$25 Preferred	\$60 Preferred	30% Preferred	30% Preferred
	\$30 Non-Pref.	\$70 Non-Pref.	\$30 Non-Pref.	\$70 Non-Pref.	\$40 Non-Pref.	\$90 Non-Pref.	50% Non-Pref.	50% Non-Pref.
	(30-day supply)	(90-day supply)	(30-day supply)	(90-day supply)	(30-day supply)	(90-day supply)	(30-day supply)	(90-day supply)