



LBA Negotiations Package

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COMPETITIVE BIDS

OBJECTIVE

Find Equal to or Better Than plan with premium savings.

REQUIRED ITEMS

Most recent bill, census, claims experience, renewal, benefits summary.

ANTICIPATED SAVINGS

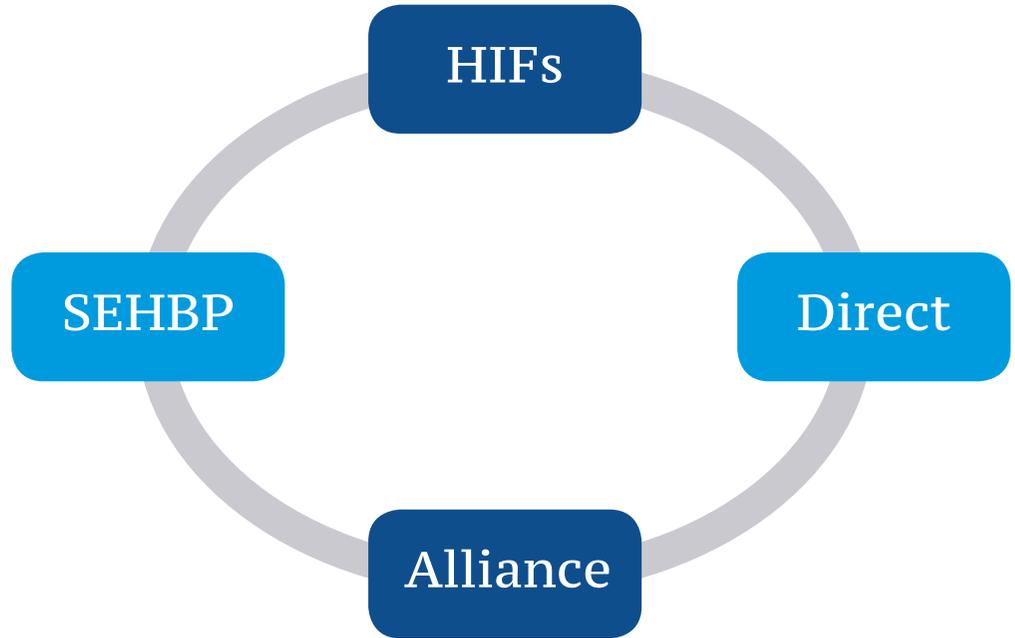
Up to 8% for Employee and Employer.

GOAL

Use savings to assist future budgeting.

EXPERIENCE

There are several markets that provide insurance to the New Jersey public sector. One can go direct with Aetna, Amerihealth, Horizon, or Oxford. Small groups tend to enroll in consortiums such as the School Health Insurance Fund (SHIF), or the Rx Alliance.



50%
in SEHBP

40+
in SHIF

18+
in Dental
Alliance

MODIFIED BASE PLAN

OBJECTIVE

Change the base plan.

REQUIRED ITEMS

Most recent bill, census, claims experience, renewal, benefits summary.

ANTICIPATED SAVINGS

Up to 30% for Employee and Employer.

GOAL

Immediate savings, Chapter 78 relief, long term cost containment.

EXPERIENCE

With the sunset of Chapter 78 there has been a surge of new base plans and alternative funding mechanisms. Most common has been a base plan change to the NJ Direct 15, however vendors like the Difference Card have had a substantial impact on the the public sector benefits landscape.

Plan Name	NJ Direct 10	NJ Direct 2035
In-Network Benefits	PPO	PPO
Deductible (Ind / Family)	None	\$200 (coins only)
Coinsurance (Employee)	10%	20%
Coinsurance Maximum (Ind/Family)	NA	\$2,000/\$5,000
Office Visit Copay (PCP / Specialist)	\$10/\$10	\$20/\$35
Inpatient Hospitalization	No Charge	No Charge
Outpatient Hospitalization	No Charge	No Charge
Emergency Room	\$25	\$300
ER Medical Transport	10%	20%
Urgent Care	\$10	\$35
Prenatal/Postnatal Care	\$10	\$35
Delivery/Inpatient Services	No Charge	No Charge
Laboratory	No Charge	No Charge
X-ray	No Charge	No Charge
Imaging (CT, MRI, PET)	No Charge	No Charge
MOOP (Ind / Family)	\$400/\$1000	\$5,720/\$11,440

20+

D15 Base

1+

1525 Base

50+

D10
Modification

BENCHMARKING

OBJECTIVE

Benchmark your employees salary and health benefits against other schools state and county-wide.

REQUIRED ITEMS

Current negotiations proposal.

ANTICIPATED SAVINGS

Not Applicable.

GOAL

Help guide negotiations with appropriate recommendations.

EXPERIENCE

Before beginning negotiations it is critical to be aware of the contracts your peers have settled on. This will help determine what salary increases and benefit changes are appropriate and realistic. Use these findings to project the impact those changes would have on your budget.



2.71%

2017-2018
Avg Salary
Increase

2.83%

2018-2019
Avg Salary
Increase

2.88%

2019-2020
Avg Salary
Increase

BUDGET MODELING TOOL

OBJECTIVE

Provide detailed budget information in real time based on an unlimited number of salary, benefits, and contribution configurations.

REQUIRED ITEMS

BMT Census.

Year	Total Cost Salary	Salary Increase	Medical Selection	Premium	Employee Contribution	Cost of Healthcare for Board	Total Cost to Board	Avg \$ Individual Impact	Avg % Individual Impact	Count of Employees with Net Decreases	% Change in Cost to Board Over Previous Year
2016-2017	\$ 2,446,404	-	-	\$885,024	\$143,727	\$741,298	\$3,187,702				
2017-2018	\$ 2,509,032	\$ 62,628	0	\$950,596	\$152,369	\$798,226	\$3,307,258	\$1,174	2.36%	0	3.75%
2018-2019	\$ 2,573,263	\$ 64,231	0	\$1,027,563	\$168,171	\$859,392	\$3,432,655	\$898	1.74%	2	3.64%
2019-2020	\$ 2,639,139	\$ 65,876	0	\$1,111,304	\$192,744	\$918,560	\$3,557,699	\$3,124	6.33%	1	11.61%
				\$3,089,462	\$513,284	\$2,576,178	\$10,297,612				

ANTICIPATED SAVINGS

Not Applicable.

GOAL

Help guide negotiations with appropriate recommendations.

EXPERIENCE

The Budget Modeling Tool dramatically impacts the pace of negotiations. No more waiting 3 weeks for new quotes and estimates. With a few simple clicks, the BMT models the impact of each change on every employee and the board in seconds.

Dental Contributions
No

Vision Contributions
No

Waiver
No

Fees
No

Salary Increase and Contribution Options				
Year	Salary Increase	Ch. 78 Base	Fiat Contribution	Chapter 78 Year
2017-2018	2.56%	1.50%	0%	4
2018-2019	2.56%	1.50%	0%	4
2019-2020	2.56%	1.50%	0%	4

Renewal Increases				
Year	Medical	Prescription	Dental	Vision
2017-2018	7.5%	12.0%	2.0%	2.0%
2018-2019	7.5%	12.0%	2.0%	2.0%
2019-2020	7.5%	12.0%	2.0%	2.0%

Base Plan Selection				
Year	Medical Plan	Rx Plan	Dental Plan	Vision Plan
2017-2018	0	0	0	NA
2018-2019	0	0	0	NA
2019-2020	0	0	0	NA

Medical Key	#
Direct/Freedom 10	1
Direct/Freedom 15	2
Direct/Freedom 1525	3
HMO	4
SHIF Freedom 10	5
SHIF Freedom 15	6
SHIF Freedom 1525	7
SHIF HMO	8
SEHBP 2035	9
0	10



TOTAL COST ESTIMATOR

OBJECTIVE

Provide employees with information about their contribution and estimated out of pocket expenses.

REQUIRED ITEMS

Salary, benefit, and contribution proposal.

ANTICIPATED SAVINGS

Not Applicable.

GOAL

Provide transparency and education to employees in order to facilitate negotiations.

EXPERIENCE

“The copays are too high.” Heard in almost every negotiation when the 2030 plan or 2035 plan is an option. But in conjunction with a Year 2 Chapter 78 contribution, the total costs for most employees decreases significantly. This tool uses guidelines from the ACA to show just that.

See below to project your savings from D10 to 2035

1. Enter your salary	\$ 65,000
2. Choose your level of coverage	Family
3. Choose the number of paychecks you receive annually	20
4. Year 4 Chapter 78 Contribution percentage (AUTO CALCULATES)	19%

	Care Level	D10 Cost	2035 Cost	Difference
5. Care level for Employee	Medium	\$ 75.00	\$ 120.00	\$ (45.00)
6. Care level for Spouse	Medium	\$ 75.00	\$ 120.00	\$ (45.00)
7. Care level for Child 1	High	\$ 170.00	\$ 600.00	\$ (430.00)
8. Care level for Child 2	High	\$ 170.00	\$ 600.00	\$ (430.00)
9. Care level for Child 3	NA	\$ -	\$ -	\$ -
Additional Cost of 2035 Plan		\$ 490.00	\$ 1,440.00	\$ (950.00)

*These assumptions are general and will not reflect your exact usage

Health Benefits Plan	Direct 10	Direct 2035
Contribution Structure	Ch. 78 Yr. 4	1.5% of Salary
Per Paycheck Contribution Amount	\$326.84	\$48.75
Per Paycheck Savings		\$278.09
Annual Premium Savings		\$3,337.06
Annual Additional Cost of 2035		-\$950.00
Net Savings		\$2,387.06

*These contributions are ESTIMATES, for actual contributions see Business Office

EMPLOYEE EDUCATION

OBJECTIVE

Provide benefits education to employees in order to make them better understand the potential changes and to prepare them for a post-chapter78 future.

REQUIRED ITEMS

Meeting with employees.

ANTICIPATED SAVINGS

Not Applicable.

GOAL

Help both sides of the table to understand that we're all actually sitting on the same side.

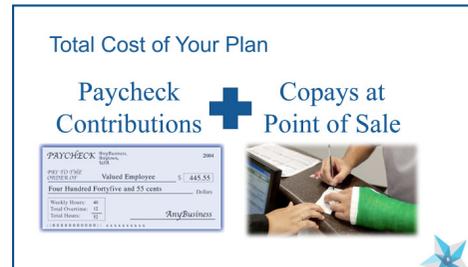
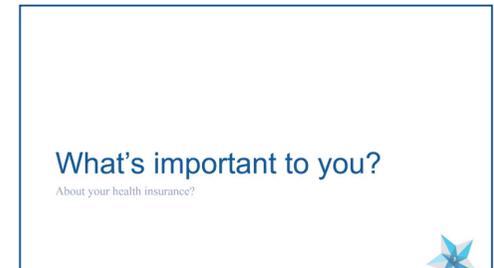
EXPERIENCE

Consultants routinely speak to employees, but it's typically a sales presentation. What employees need to understand is how the health insurance marketplace works and how the EA and BOE can work together to slow benefit increases year ot year.

5yr+
Speaking to employees

10+
New Jersey ASBOs

1
Great presentation



Green Brook BOE	Direct 10	2035
Plan Name	NJ Direct 10	NJ Direct 2035
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Prevental/Postnatal Care	\$10	\$35
Delivery/Inpatient Services	No Charge	No Charge
Laboratory	No Charge	No Charge
Prescription	No Charge	No Charge
Imaging (CT, MRI, PET)	No Charge	No Charge
MOOP (Ind / Family)	\$400/\$1000	\$5,720/\$11,440
Benefit Period	Calendar year	Calendar year
Gatekeeper	Non-gated	Non-gated

2035 Strengths

- Inpatient/Outpatient:**
 - Largest expense related to pregnancy
 - Still FREE!
- Delivery/Inpatient:**
 - Largest expense related to pregnancy
 - Still FREE!
- Lab/X-Ray/Imaging:**
 - Some of the most common procedures
 - Can add up to become expensive
 - Still FREE!





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