

December 1, 2015

Dear Colleagues,

Thank you for your patience and support as we worked through the contract bargaining process. Along with posting our contract highlights, we wish to share critical information regarding our new health insurance platform.

One, our current Cigna PPO remains in effect through December 31, 2016 with no changes. No changes in premium cost share. No changes in co-pays. No changes in coverage(s). Period.

Two, beginning January 1, 2017, we begin a new High Deductible Health Plan (HDHP) in conjunction with a Health Savings Account (HSA). We continue to remain with Cigna thus our coverages do not change.

We understand members have and will have several questions regarding this change. To this end, during the latter part of this school year, April, May 2016, Cigna staff in conjunction with Human Resources shall conduct information sessions on the restructuring of health care plan. Again, coverages and protections for ourselves and our loved ones do not change.

Three, for those members affected by the salary anomaly and “bubble” we have succeeded in fixing it. To do so, we have reconfigured the step structure of our salary ladder. Please refer to the salary ladders for both years of our contract, 2016-17 and 2017-18, respectively.

Bottom line: teachers at the maximum step remain at the maximum step. For example, MA maximum in our current contract is Step 13. Our new scale now has 15 steps but those at maximum step do not progress to Step 14 but automatically to the new MA maximum or Step 15. Simply, max at every level goes to max.

Again, thank you for your support and patience throughout the contract negotiation process.

Thank you.

Michael J. Arcano
President, SEA



TUESDAY, DECEMBER 1, 2015

**STIPULATED AGREEMENT – NOVEMBER 18, 2015
(Corrected)**

SALARY:

Year 1 - Full Step Movement; Maximum, 1.50%

Year 2 - Full Step Movement; Maximum, 2.25%

TOTAL: 6.48%

Stipend Increase:

Year 1 - 0%

Year 2 - 1%

2016-2017 Salary Schedule

Step	BA	BA + 15	MA	MA + 15	6th YR	PhD/EDD
1	48,695	49,208	53,463	54,742	55,991	60,019
2	50,521	51,155	55,998	57,277	58,697	62,725
3	52,698	53,331	58,540	59,818	61,406	65,436
4	54,873	55,511	61,073	62,355	64,116	68,139
5	57,046	57,681	63,607	64,887	66,821	70,854
6	59,218	59,856	66,151	67,430	69,529	73,559
7	61,393	62,036	68,689	69,968	72,243	76,268
8	63,574	64,207	71,224	72,502	74,949	78,975
9	66,682	67,311	74,910	76,189	78,904	82,855
10	70,827	71,463	78,834	80,112	83,074	87,098
11	75,029	75,694	81,370	82,648	85,781	89,805
12	79,232	79,925	84,641	85,921	88,491	92,515
13			88,300	89,617	91,195	95,223
14			91,960	93,314	98,970	102,964
15			95,619	97,011	106,746	110,705

2017-2018 Salary Schedule

Step	BA	BA + 15	MA	MA + 15	6th YR	PhD/EDD
1	48,695	49,208	53,463	54,742	55,991	60,019
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13			88,300	89,617	91,195	95,223
14			91,960	93,314	98,970	102,964
15			97,770	99,194	109,148	113,196

HEALTH INSURANCE:

A. July 1, 2106 – December 31, 2016, maintains the current Cigna PPO plan with no changes in coverage, co-pays and premium share remains 20%.

B. Restructures health insurance to a High Deductible Health Plan (HDHP) and adds a Health Savings Account (HSA/HRA).

This provision becomes effective January 1, 2017 through the duration, June 30, 2018, of the contract.

Plan Deductibles: \$2,000 Individual; \$4,000 Family

Effective January 1, 2018, after the deductible is satisfied, the plan shall pay 90% of covered medical and drug expenses incurred In-Network and 70% of covered medical and drug expenses incurred Out-of-Network up to out-of-pocket limit.

Out-of-Pocket Limit (OOPL): \$2,500 Individual, \$5,000 Family for In-Network charges; \$4,000 Individual, \$8,000 Family, Out-of-Network charges

Annual HSA Contribution: (by BOE, active employees only)	\$1,000 Individual; \$2,000 Family
Timing of Contribution:	Annually on January 1, in full
Plan for those Ineligible, HSA:	Like HRA program, accumulated HRA credit not to exceed plan deductibles
Status Change, Single-Family:	Add'l BOE HSA family contribution pro-rated
HSA Admin & Bank Fees:	BOE fully funds admin fees; other HSA & bank fees borne by teacher
Other Plan Changes (relative to plan in effect prior to HDHP plan:	Changes necessitated by administrator to HDHP/HSA/HRA platform to <i>maintain qualified status</i> per federal (ACA) guidelines
Healthcare FSA enrollment:	FSA plan amended January 1, 2017 for all HSA participants to a limited purpose (vision/dental expenses reimbursable only) plan

C. The HDHP shall provide infertility benefits per the State of Connecticut mandate.

D. Teachers participating in the HDHP-HSA or HDHP-HRA plan shall contribute to the projected cost of the plan in accordance of the following schedule. Employee contributions are subject to Internal Revenue Code (IRC) Section 125:

a) Premium Contribution 2016-2017 (effective January 1, 2017):
Unit members shall contribute **18%** of the HDHP premium cost.

b) Premium Contribution 2017-2018 (effective January 1, 2018:
Unit members shall contribute **19%** of the HDHP premium cost.

E. Prescription claim management protocols shall remain ***status quo ante***. (No change)

DENTAL

No Changes. Maintains all current coverages and deductibles.

SICK BANK

Reduces life time sick bank usage from 186 days to 93 days.

EARLY RETIREMENT NOTICE INCENTIVE

Each unit member who becomes eligible for the incentive under Article 19 through June 30, 2016 shall receive \$16,550 and shall have 50% of the medical insurance continuation due under Article 6 paid on their behalf for the first 3 consecutive years. Eligible members must provide irrevocable notice of resignation for purposes of retirement to Human Resources no later than *April 15* (previously, January 15) of the school year proceeding the school year of retirement.

Said right to receive the incentive due becomes a vested property right which shall survive the death of the unit member.

There shall be no incentive payments for unit members who become eligible on July 1, 2016 and thereafter.

NOTE

Beginning February 1, 2016, the parties shall jointly enter into negotiations to address Articles 16, 16A and 17, Unit Member Assignment, Vacancies and Unit Member Transfer, respectively. These articles provide members with placement and assignment protections and remain critical to teachers.

Stamford Public Schools

SEA HSA Program

A Health Plan plus a Health Savings Account



Stamford Public Schools SEA HSA Program

- Plan effective January 1, 2017
- Communication/Education Program begins now
 - Meetings, Workshops
 - Dedicated pre-enrollment customer service line
- Eligibility
 - all SEA members: not covered by another non HDHP medical plan, not covered by Medicare, not covered by spouse's full purpose FSA
 - “Mirror” HRA for those ineligible for HSA
- What's not changing
 - Same insurance company, same network, same covered charges, same exclusions, limitations, etc.

Stamford Public Schools SEA HSA Program

- HSA Bank Account
 - Will be opened automatically, prior to January 1, 2017
 - Board deposits Employer HSA contribution \$1,000/\$2,000 (on or about 1/1/17)
 - Employees control account
 - How to use or save the balance (rules, taxes, investing)
 - HSA Bank – other banks
- Online tools and other facilities
 - Pre-enrollment line
 - Mycigna.com – price & quality evaluation tools

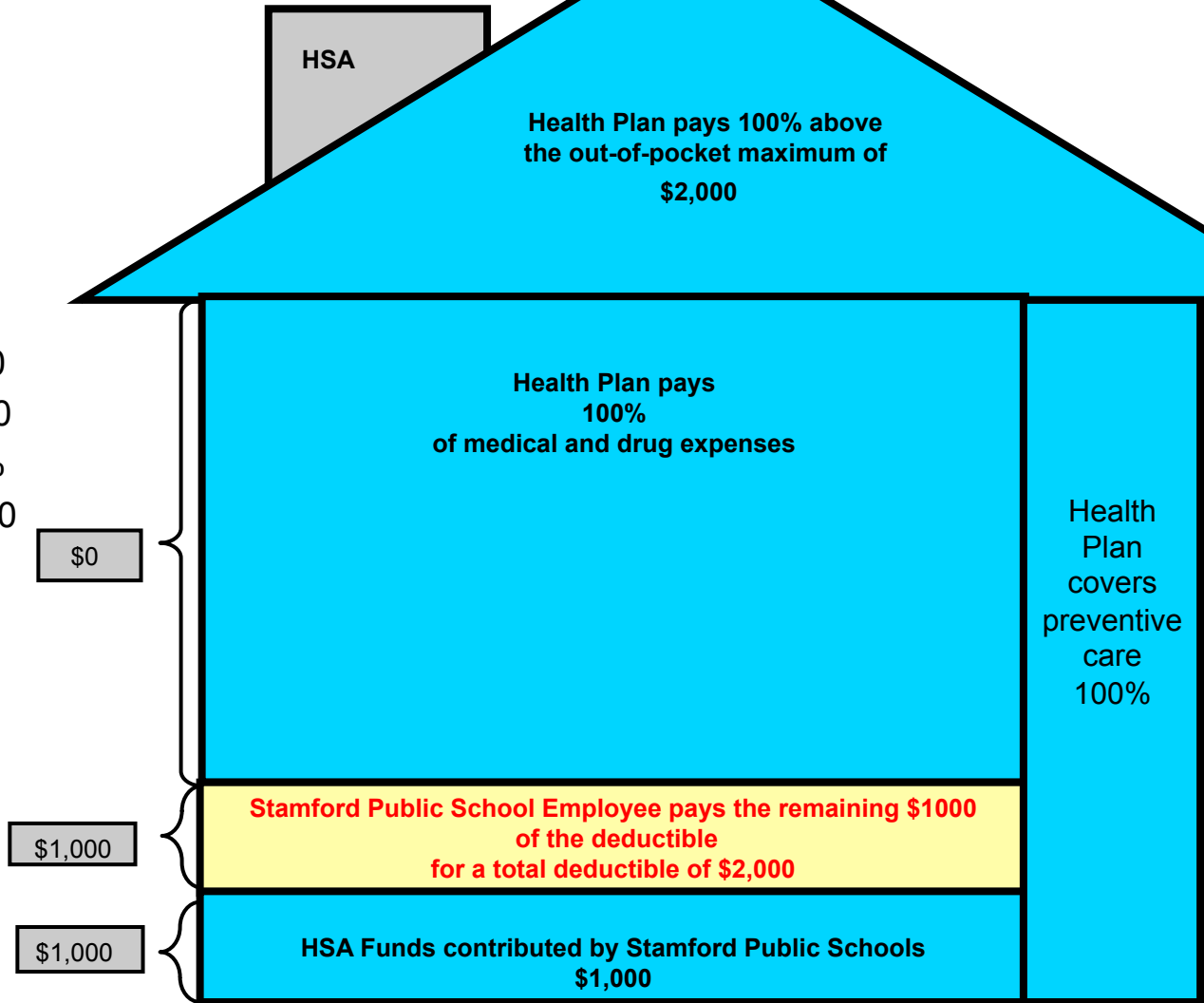
House Diagram of HSA Plan SEA January 1, 2017 Single Example

HSA Plan Design

Single

Fund Amount \$1,000
 Deductible \$2,000
 Coinsurance 100%
 OOP Maximum \$2,000

IN-NETWORK*



- * out-of-network 70%/30% coinsurance to \$4,000 OOP

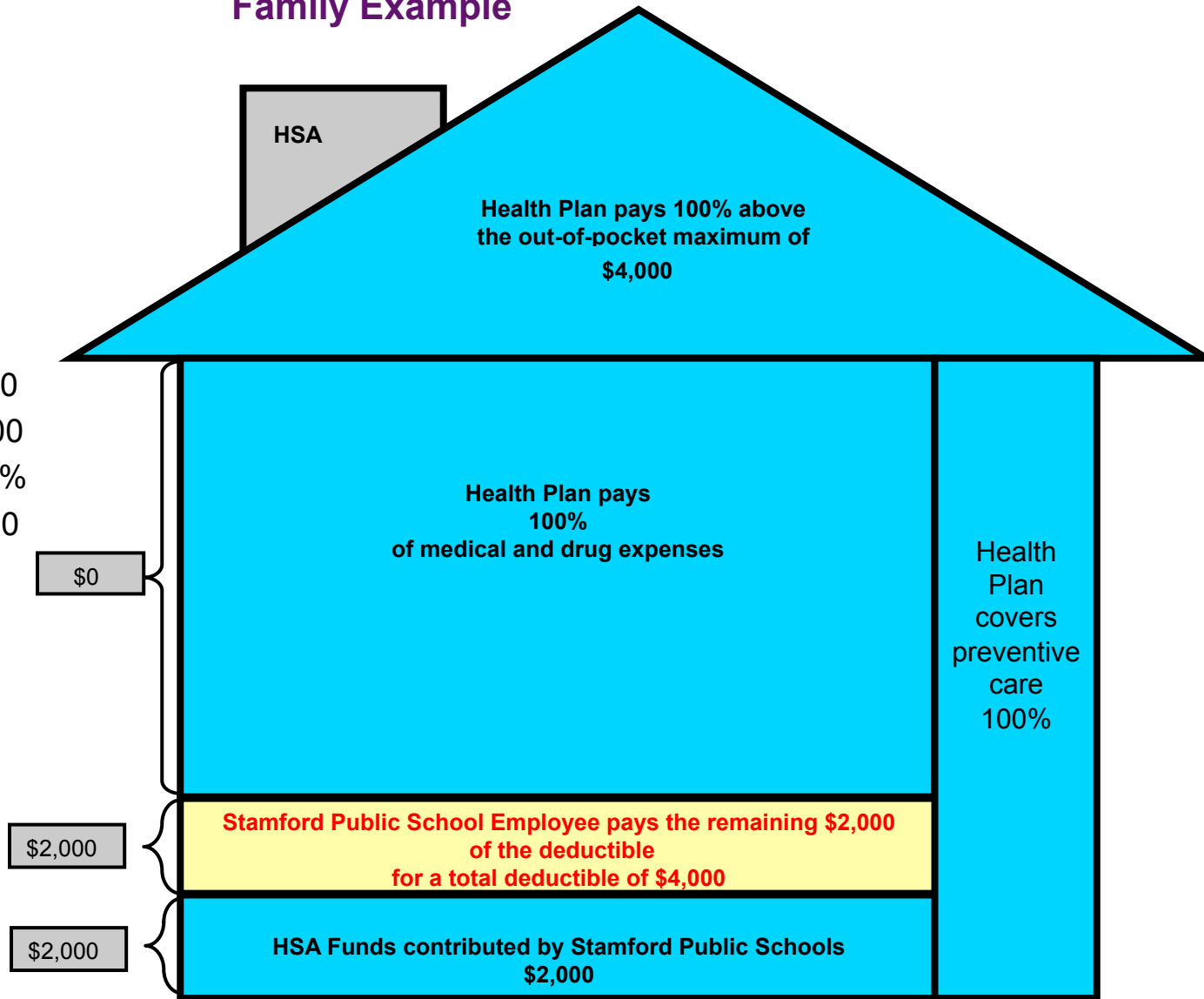
House Diagram of HSA Plan SEA January 1, 2017 Family Example

HSA Plan Design

Family

Fund Amount \$2,000
 Deductible \$4,000
 Coinsurance 100%
 OOP Maximum \$4,000

IN-NETWORK*



• * out-of-network 70%/30% coinsurance to \$8,000 OOP

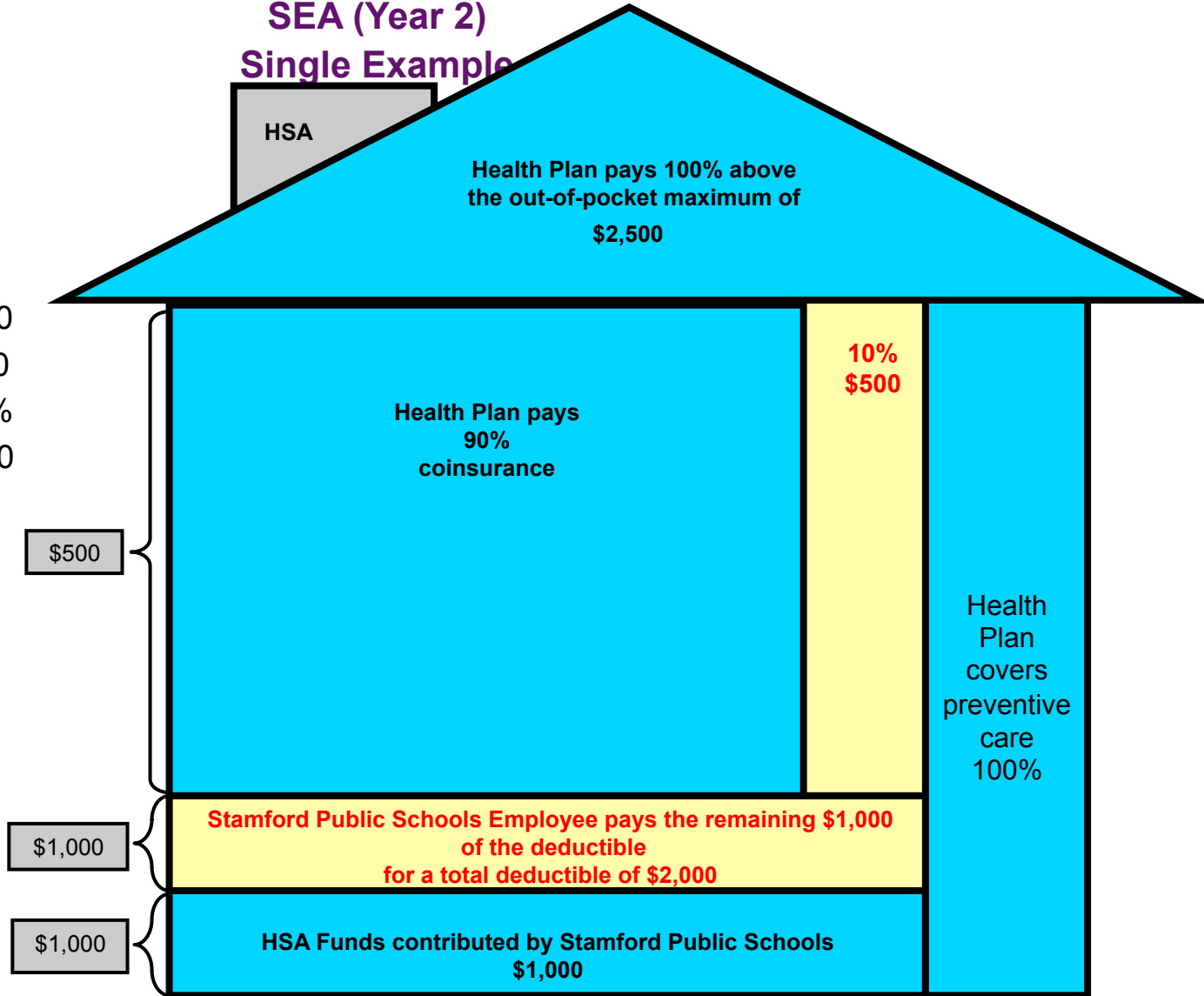
House Diagram of HSA Plan SEA (Year 2) Single Example

HSA Plan Design

Single

Fund Amount \$1,000
 Deductible \$2,000
 Coinsurance 90%
 OOP Maximum \$2,500

IN-NETWORK



70%/30% Coinsurance out-of-network to \$4,000/\$8,000 OOP/OON

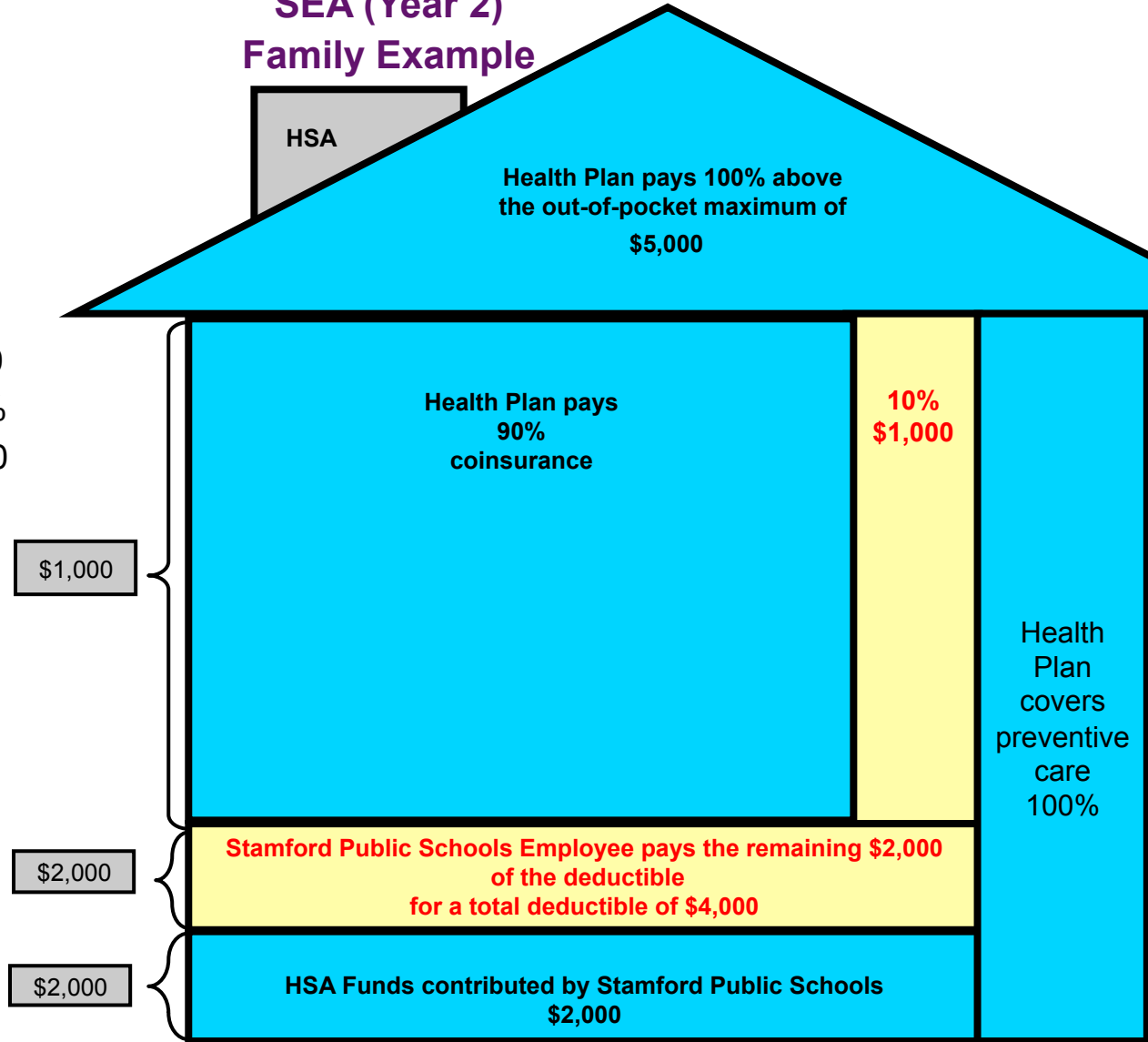
House Diagram of HSA Plan SEA (Year 2) Family Example

HSA Plan Design

Family

Fund Amount \$2,000
 Deductible \$4,000
 Coinsurance 90%
 OOP Maximum \$5,000

IN-NETWORK



70%/30% Coinsurance out-of-network to \$4,000/\$8,000 OOP/OON

Stamford Public Schools

SEA Consumer Directed Health Plan

	Current Rates	Annual Rates	Per Pay Current Employee Cost	Annual Current Employee Cost
Costs Today - 20% employee premium share				
Employee Only	\$999.86	\$11,998	\$114.27	\$2,400
Employee and One Dependent	\$1,999.07	\$23,989	\$228.47	\$4,798
Employee and Two or More Dependents	\$2,698.72	\$32,385	\$308.43	\$6,477
Expected Co-Pay PPO Costs January 1, 2017				
Employee Only	\$1,049.85	\$12,598	\$119.98	\$2,520
Employee and One Dependent	\$2,099.02	\$25,188	\$239.89	\$5,038
Employee and Two or More Dependents	\$2,833.66	\$34,004	\$323.85	\$6,801
Expected New CDHP HSA Plan Costs January 1, 2017 - 18% employee premium share				
Employee Only	\$976.36	\$11,716	\$100.43	\$2,109
Employee and One Dependent	\$1,952.09	\$23,425	\$200.79	\$4,217
Employee and Two or More Dependents	\$2,635.30	\$31,624	\$271.06	\$5,692
Expected Premium Savings from HSA Plan				
Employee Only			\$19.56	\$410.70
Employee and One Dependent			\$39.10	\$821.14
Employee and Two or More Dependents			\$52.79	\$1,108.53

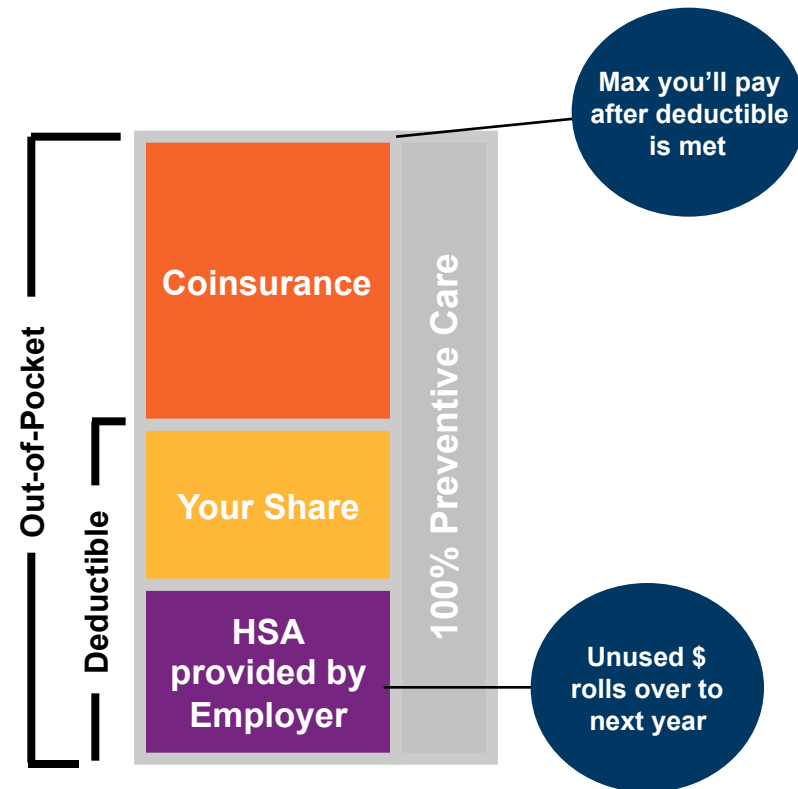
HOW IS THIS DIFFERENT FROM A TRADITIONAL PLAN?

Same

- Wide choice of doctors/hospitals
- Preventive care covered at 100%
- Plan begins to pay after deductible is met
- Covers routine, emergency and catastrophic care
- Plan pays percentage of bill for covered out-of-network care
- Plan pays higher percentage for covered in-network care
- Cigna receives bills, sends payment to doctors/hospitals

Different

- Lower premium but higher deductible
- Plan begins to pay after deductible is met; however, funds in your HSA can be used to cover eligible health expenses such as the deductible
- Limit on out-of-pocket expenses
- Unused HSA money rolls over to next year



WHO IS ELIGIBLE TO PARTICIPATE IN AN HSA?

To contribute to an HSA, the IRS requires that individuals:

- ✓ **Must be enrolled in a qualified HSA medical plan (Cigna Choice Fund HSA is a qualified medical plan)**

- ✓ **Cannot have any other health coverage (this applies to the employee only)**
 - **Not covered by spouse's medical or pharmacy plan**

 - **Not covered through Medicare Part A, Part B, Part D, or through TRICARE**

 - **Not covered through a general-purpose Flexible Spending Account (FSA) plan (either employer's or spouse's)**

- ✓ **Cannot be claimed as a dependent on another person's tax return**

IF YOU NEED MORE INFORMATION

- **myCigna.com**
- Available 24/7/365
- Single Sign On to your HSA Information
- Personalized site to learn about your benefits, track claims and much more
- **1.800.244.6224**
- Customer Service
- 24/7/365

The screenshot shows the top navigation bar with the Cigna logo and 'healthy life it's what you manage' tagline. User information 'Hi Test' and links for Profile, Contact, Forms, Español, and Log Out are visible. A search bar is on the right. Below the navigation are buttons for 'REVIEW MY COVERAGE', 'MANAGE CLAIMS & BALANCES', 'FIND A DOCTOR OR SERVICE', 'CIGNA HOME DELIVERY PHARMACY', 'ESTIMATE HEALTH CARE COSTS', and 'MANAGE MY HEALTH'. A 'Secure Inbox (0)' notification is present. A message states: 'You asked for it, we listened...you can now go directly to your Health Assessment and social network without logging in. Check it out!'. A large banner features a rainbow and a person icon with the text 'Take my health assessment' and 'Discover your health with Zensery, a fun and exciting health assessment and social network that will empower you to live a healthier life.'

The screenshot shows the 'My Account > Account Information' page. It includes a navigation bar with 'MY ACCOUNT', 'TRANSACTIONS', 'STATEMENTS', 'INVESTMENTS', 'PAYMENTS', 'TRANSFERS', 'ALERTS & MOBILE', 'TOOLS & RESOURCES', and 'CUSTOMER CENTER'. The page is divided into sections for 'Account Information', 'Spending', and 'Contributions'. A 'MD OFFERED THROUGH' badge is visible on the left.

Account Information	
Current HSA Balance	\$9,585.80
Available Cash Account Balance	\$500.00
Pending Transfer to Investments	\$0.00
Total Cash Account Balance	\$500.00
Total Investment Balance (as of 08/28/2014)	\$9,085.80

Payment Date	Category	Status	Qualified	Amount
07/14/2014	Dental Care	Paid	Yes	\$4000.00

Date	Description	Amount
08/27/2014	Contribution on 8/27	\$242.60
08/15/2014	Employer Incentive on 8/15	\$250.00
08/13/2014	Contribution on 8/13	\$242.59
07/30/2014	Contribution on 7/30	\$242.60

Year-to-Date Contribution: \$4,616.66

2014* Contribution Bar Chart: Shows contributions up to approximately \$4,600. Individual Max: \$3,300. Family Max: \$6,550.

* Individuals age 55 or over are eligible for an additional \$1,000.00 catch-up contribution.



CUSTOMER SERVICE TO HELP MANAGE THE HSA

By Phone

- One toll-free number on the back of the ID card and debit card
- Available 24 hours a day, 7 days a week
- Specially trained Cigna Customer Service Representatives answer questions about:
 - Medical and pharmacy benefits and claims
 - HSA IRS requirements
 - HSA transaction activity and balance
 - Warm transfer to HSA Bank for specialized activity (investments, lost debit card)
 - Directs callers to additional tools available on myCigna.com



Online

- Single sign-on to Medical and HSA activity through myCigna.com
 - Medical/pharmacy information
 - Find a physician or facility participating in the Cigna network
 - Access cost and quality tools
 - HSA information
 - Manage investment accounts



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