



## Partial Self-Funding



Effective July 1, 2010 the district moved to a different funding arrangement for offering the medical insurance plan through Principal Insurance Company. This arrangement is known as *partial self-funding*.

Principal set the premiums for the \$1000 deductible, \$1500 deductible and High Deductible Health Plan/Health Savings Account options offered to the Atlantic Community School District employees. All employees made their insurance election during the open enrollment period.

This arrangement impacts only the individuals electing the \$1000 deductible plan. The district insures the member at the \$1500 deductible plan and pays the premium to Principal. The premium difference between the \$1000 and \$1500 deductible plan is set aside by the District, to pay for future claims.

Claims for office visit care, routine physicals, and prescriptions will not be impacted by this administrative change. When care is received out-patient, in-patient or surgically where the annual deductible is utilized, please follow these steps.

- 1) Allow Principal to process all claims and wait for the explanation of benefits (EOB).
- 2) When you receive the EOB and it shows you have met the \$1500 deductible, please submit this EOB to Becky Kluever in the Administration Office.
- 3) The District will reimburse you for the \$500 additional out-of-pocket expense incurred. This reimbursement comes from the premium difference between the plans, set aside by the District.

The goal is to save money and help control rising insurance premiums.

# KNOW YOUR EMPLOYEE BENEFITS

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