

## **For All Retirees Covered by ICC Health Insurance:**

April 12, 2006

At the ICCRA membership meeting last Thursday, April 6, Bruce Budde, VP of Finance and Administration gave an informational presentation to the membership. The thrust of the talk was that the college would like to move those retirees covered under ICC's self-insured health care plan to the state College Insurance Program (CIP) health care plan. The reasons for this action are:

- New government rules require that the college account for its liability for such health care offerings. The \$10 million liability reduces the college's ability to issue bonds and borrow funds.
- The college is, at present, contributing to two health care plans for covered retirees; it funds its own self-insured plan and is also required to contribute to the CIP state plan.

On March 20, Bruce met with members of the insurance committee, some ICCRA Executive Committee members, and college Six Sigma staff to explain some of the costs and the reasoning behind the college's wish to make this transition. At both meetings, Bruce stated that it was the ICC Board of Trustees' intention that any such move provides comparable coverage and cost for the affected retirees. At the April meeting, Bruce provided three handouts. They are:

- A page titled, "Questions and Answers on ICC Retiree Health Care Coverage."
- A comparison of premiums, features, and deductibles among the ICC plan and the choices available through the CIP plan.
- A booklet, "Your Benefits Working for You," that explains the features and options for the CIP plans. The booklet is 19 pages long and includes plan options, features, and premiums.

Please look over these materials carefully with an eye toward how such a move to the CIP plan would affect the group and you, personally. ICCRA officers will meet soon and determine a date, time, and method(s) to collect and discuss comments and concerns our members have.

You may have heard some speculation regarding a timeline for this transition. I have been told the month of May – the annual open enrollment period for CIP – is the target. Another retiree told me someone said July 1 was the enactment date. To our knowledge, there is no target date as of this moment. The last item on the attached Q & A sheet says the college is looking for input from retirees and others, and that once the information is collected a timeline will be formed.

Please note, also, that the Q & A sheet states that "The college is committed to offering retirees comparable coverage at a comparable cost." The devil may be in the details, but it is a positive statement. And Bruce has said publicly that he doesn't want to make any such transition quickly at the expense of doing it correctly.

Again, please read the distributed documents carefully and consider both the effect of a move to the CIP plan and what it would take to provide you with comparable coverage. The documents are provided in several file formats, where possible.

The ICCRA Executive Board welcomes your thoughts on this matter. You can email your comments to Ed Smith at [eismith@aol.com](mailto:eismith@aol.com), or call (309) 745-8096.

If you have specific questions on comparative coverage under these two insurance plans, please call the Risk Management Office and speak to Dale Cunningham at (309) 694-5430 or Angie McElyea at ((309) 694-5398.

-- ICCRA Executive Committee