



San Diego Unified School District

EUGENE BRUCKER EDUCATION CENTER
4100 Normal Street, San Diego, CA 92103-2682

(619) 725-8130
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HUMAN RESOURCE SERVICES DIVISION
Benefits Operations

January 1, 2009

To: Employee Separating Due to a Reduction in Force (Layoff):

This letter is being provided to you for informational purposes only and to assist you with decisions you must make regarding your coverage under the district-sponsored medical, dental, vision, and life insurance plans in which you are enrolled. If you are laid off by the district, the Employee Benefits Operations Office will send you an official letter giving you detailed instructions as to what you need to do. For clarity it is presented in a question and answer format. Please read all information carefully

When will my district-paid coverage terminate?

Coverage under the district-sponsored medical, dental, vision, and life insurance plans in which an employee is enrolled terminates at the end of the month following the month in which the last day of paid service in an eligible monthly salaried position occurs. For example, if an employee's last day of paid service occurs anytime in February, the medical, dental, vision and life insurance coverage terminates March 31st. If, however, an employee's last day of paid service occurs in June or July, coverage will extend through September 30th of the same year.

Can I continue my coverage after I am laid off?

Certain district-sponsored health plans may be continued on a self-pay basis. There are two Programs under which benefit plans are offered to laid-off employees and/or their dependents; however, not all plans are available for continuation under both of these Programs. The two Programs are the following:

1. The "**District Program**" which offers continuation of medical coverage for laid-off employees and their enrolled dependents for 12 months following the date the employee's coverage would have normally terminated.
2. The federally-mandated program known as "**COBRA** " which offers continuation for a laid-off employee and/or their enrolled dependents for 18 months following the termination of district paid health coverage.

Is the coverage under each of these Programs the same that I had as an active employee?

The plans available under each of these Programs provide the same coverage that active employees have.

Please note that the District does reserve the right, through the collective negotiations process with the employee organizations/associations, to modify, amend, or eliminate plans and carriers at any time in the future.

Are there differences in the two Programs that I should be concerned about?

Yes, there are some important Program provisions that need to be taken into consideration when deciding under which Program a particular benefit plan should be continued; such as, length of the continuation period, rate structure, and/or eligibility requirements. These provisions were established as a result of federal or state law, collective bargaining agreements or district policy. Attachment A summarizes some of the benefits provided under the District and COBRA programs.

How can I determine which Program is best for me?

Please study Attachment A which provides a summary of some of the important provisions of each Program. Please note that all benefit plans do not have to be continued under the same Program. Dental and vision coverage is offered under the COBRA Program only; therefore, an employee may choose to continue dental and vision coverage under the COBRA Program and medical coverage under the District Program.

Employees who continue coverage may participate in the annual open enrollment period, and may change to and from medical and/or dental plans which are offered under the same Program; i.e., change from PacifiCare HMO under the District Program to Kaiser under the District Program.

How much will coverage cost?

Attachment B lists the costs of the plans for 2009. These costs are subject to change each calendar year.

What do I need to do?

If you need additional information, please contact the Employee Benefits Operations Office located in Room 1150A at the Eugene Brucker Education Center. The telephone number is (619) 725-8130, Monday through Friday 8:00 – 5:00 p.m.

RA:fg
(4/09)

SUMMARY OF BENEFITS CONTINUATION PROGRAMS FOR
EMPLOYEES WHO ARE SEPARATING DUE TO A REDUCTION IN FORCE (LAYOFF)

	<u>District Program</u>	<u>COBRA Program</u>						
1. Employees who may participate	Certificated and classified employees who are currently enrolled in Health Insurance benefits.	Certificated and classified employees who are currently enrolled in Health Insurance benefits.						
2. Dependents who may participate	Employee's legal spouse, domestic partner, and/or eligible children (1)	Employee's legal spouse and/or eligible children						
3. Maximum length of time coverage may be continued	The last day of the 12th month following the date coverage terminated as an active employee, <u>or</u> the day the employee acquires coverage under any other group plan, whichever occurs first.	The last day of the 18th month following the date coverage terminated as an active employee, <u>or</u> the day the employee acquires coverage under any other group plan, whichever occurs first.						
4. Frequency of payment	Monthly	Monthly						
5. Open enrollment (November each year)	May add or delete dependents and /or change insurance plans offered under this same Program.	May add or delete dependents and /or change insurance plans offered under this same Program.						
6. Conversion	<p>Some of the district-sponsored group benefits plans provide an option to convert to an individual policy when coverage under the group plan ceases. Under a conversion plan, if application is received within specified time limits, a policy must be issued without regard to health status. However, conversion plan rates and benefits may differ greatly from the group plan. You are urged to compare the conversion plan with other individual plans available to you before making a decision. The district-sponsored group benefits plans which offer conversion and the telephone numbers to call for information and rates are shown below.</p> <p>Application for conversion must be made within thirty-one (31) days from the date group coverage terminates.</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 70%;">PacifiCare HMO</td> <td style="text-align: right;">1.800.624.8822</td> </tr> <tr> <td>PacifiCare POS</td> <td style="text-align: right;">1.800.913.9133</td> </tr> <tr> <td>Kaiser Health Plan</td> <td style="text-align: right;">1.800.464.4000</td> </tr> </table>		PacifiCare HMO	1.800.624.8822	PacifiCare POS	1.800.913.9133	Kaiser Health Plan	1.800.464.4000
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(1) May continue only if employee continues coverage.

DISTRICT-SPONSORED GROUP HEALTH PLAN RATES
January 1, 2009-December 31, 2009

Please note: Coverage may only be continued under plans in which an individual is already enrolled. After deciding which District-Sponsored Plan you want to continue, please indicate your selection on the appropriate line in Column II. If you wish to continue under the COBRA Program, please indicate it on the enclosed COBRA application.

Column I <u>CURRENT ENROLLMENT</u> Benefit Plan	Column II <u>DISTRICT PROGRAM**</u> Monthly Cost	Column III <u>COBRA PROGRAM***</u> Monthly Cost
<u>PacifiCare HMO*</u>	\$837.63	\$854.38
<u>PacifiCare POS*</u>	\$983.07	\$1,002.73
<u>PacifiCare PPO</u>	\$1,282.74	\$1,308.39
<u>PacifiCare Out-of-Area</u>	\$1,410.01	\$1,438.21
<u>Kaiser*</u>	\$730.08	\$744.69
<u>Delta Dental PPO</u>	Not available	\$70.85
<u>DeltaCare USA</u>	Not available	\$29.78
<u>Western Dental</u>	Not available	\$30.36
<u>Vision Service Plan</u>	Not Available	\$10.93
<u>District-Paid Life Insurance Plans</u>	Continuation available through the life insurance company only. Only if currently enrolled. Call Benefits Operations (619) 725-8130	
<u>Employee-Paid Life Insurance Plans</u>	Continuation available through the life insurance company only. Only if currently enrolled. Call Benefits Operations (619) 725-8130	

* Please note that if you reside outside of California, you will need to enroll in one of the other PacifiCare plans available in your area.

** District Program offered under the provisions of Ed Code Section 7000 et seq.

***Maximum continuation period under COBRA is 18 months.