

Agenda Packet

State and Public School Life and Health Insurance Program Legislative Task Force

August 26, 2014

10:00 A.M.

**Committee Room A, MAC Building
Little Rock, Arkansas**

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Draft Minutes

July 15, 2014 Meeting

State and Public School
Life and Health Insurance
Program
Legislative Task Force

MEETING SUMMARY

STATE AND PUBLIC SCHOOL
LIFE AND HEALTH INSURANCE PROGRAM
LEGISLATIVE TASK FORCE

Tuesday, July 15, 2014
1:30 P.M.

Room 149, State Capitol
Little Rock, Arkansas

Senator Jim Hendren, the Chair of the State and Public School Life and Health Insurance Program Legislative Task Force, called the meeting to order at 1:30 p.m.

MEMBERS OF THE STATE AND PUBLIC SCHOOL LIFE AND HEALTH INSURANCE PROGRAM LEGISLATIVE TASK FORCE IN ATTENDANCE: Senator Jim Hendren, Chair; Representative Harold Copenhaver, Vice Chair; Senator Cecile Bledsoe; Senator Eddie Cheatham; Senator Linda Chesterfield; Senator Jason Rapert; Senator David Sanders; and Representative George McGill.

OTHER MEMBERS OF THE GENERAL ASSEMBLY IN ATTENDANCE: Senator Joyce Elliott; Senator Jane English; Senator Johnny Key; Senator Bill Sample; Representative Charles L. Armstrong; Representative Charlotte Vining Douglas; Representative Debra Hobbs; Representative Douglas House; Representative Sheilla Lampkin; Representative Homer Lenderman; Representative Betty Overbey; Representative John Payton; Representative James Ratliff; and Representative Mary Slinkard.

Remarks by the Chair and Vice Chair

Senator Hendren thanked the staff of the Bureau of Legislative Research (BLR) for their hard work which has enabled the Task Force to make progress. He remarked on the recently completed Special Session and on changes to health insurance plans put into statute as a result of the work of the Task Force. He commented that the changes were a fix to the immediate problem of the pending 35% rate increase for the Public School Employee (PSE) Plan. However, this did not address the long term issues associated with the PSE Plan and the Arkansas State Employee (ASE) Plan, to which the Task Force will begin to review. He said two possible long-term structural changes have been discussed thus far and now the process of investigating those two possible solutions, as well as looking for other solutions, will begin. He stated the focus of the next Task Force meeting will be on one of the solutions, that of combining the PSE Plan and the ASE Plan. He said research will be undertaken to see if combining the plans is a viable option. He stated the other part of that meeting will be about evaluating differences in parity in benefits, in funding, and the path forward as far as intent. Senator Hendren said the second potential solution that will be investigated as a long-term option is school districts having the flexibility to contract and to take care of their own health insurance at the local level. He said if the data is ready, that option will be investigated at the September meeting. He said the Task Force is working with the Arkansas Department of Education (ADE) on cost, on structure, and on legal ramifications to stay in compliance with the court. Senator Hendren said that on future agendas, the Task Force would be looking into wellness programs to improve the health of both state and public school employees, as well as marketing and messaging to employees about what is taking place. Senator Hendren said he appreciates the hard work of the Task Force and the entire legislature for addressing this issue.

The Honorable Harold Copenhaver, State Representative, District 58, and Vice Chair of the Task Force, was recognized. Representative Copenhaver stated he appreciated the efforts put forth by the BLR and colleagues in the House of Representatives and Senate to create more opportunities for PSE employees. He said he concurred wholeheartedly with the long-term recommendations made in the Special Session.

Minutes:

Without objection, the minutes of April 30, 2014, May 14, 2014, and June 10, 2014, were approved as written.

Exhibits:

Exhibit C1 – 04/30/14 Minutes
Exhibit C2 – 05/14/14 Minutes
Exhibit C3 – 06/10/14 Minutes

Senator Hendren noted that **Mr. Jeff Altemus**, Deputy Superintendent, Marion School District, would be allowed to address the Task Force after completion of agenda items.

Senator Hendren announced that there would be a deviation from the agenda, and the Task Force would first take up Item H.

Presenter:

Mr. Bob Alexander, Director, Employee Benefits Division (EBD), Arkansas Department of Finance and Administration, was recognized. Mr. Alexander made presentations on all agenda items in the meeting. He participated in question and answer sessions and in-depth discussions of each topic.

Preliminary Discussion of the Transition of Part-time Employees off of the Public School Employees (PSE) Health Insurance Plan

Mr. Alexander discussed EBD plans for making part-time employees aware of their options and helping them during the transition process. He said that the EBD has had regional meetings with school district insurance representatives to disseminate information, and will continue to educate individuals at each school district through email blasts and on-site meetings. He stated that information will be given to part-time employees who are going to lose coverage so they can contact certified insurance agents who have gone through training about options in the open market, through the Exchange, or outside the Exchange.

Issues Included in the Discussion:

- communicating information in a more timely manner,
- communicating to affected part-time employees who don't have access to the Internet,
- developing information packets specific to this issue, and
- concern that half of school districts do not attend EBD meetings.

Senator Hendren announced that the Task Force would return to the regular agenda and pick up Item D.

Update on the Financial Status of Funds Administered by the Employee Benefits Division (EBD)

Mr. Alexander summarized financial statements for the ASE Plan and the PSE Plan. He first reviewed financials for the PSE Plan. He said the Plan had close to a \$6 million deficit in June 2014; but has a surplus of \$17 million for the year. He said in 2013, the Plan had a \$10 million deficit in June with an \$18 million deficit for the year. He stated the Plan is \$35 million to the better for 2014. He explained that June is always a bad month because no state revenue is allocated; and, if there are any liabilities, those liabilities are booked in June because it is the end of the fiscal year. He said this June a \$2.8 million liability to pay reinsurance tax under the Affordable Care Act (ACA) was booked.

Senator Hendren advised Task Force members to use the handout and compare differences between June 2013 and June 2014 figures side by side. He said funding is up Year to Date (YTD) and is \$157 million for 2014 vs. \$144 million for 2013. He said the other outstanding thing is that expenses are down by \$22 million YTD for 2014, of which \$10 million has been generated by prescription and pharmacy reform.

Mr. Alexander confirmed that medical and pharmacy claims are down, and drug claims, overall, are significantly down because of reference pricing.

Senator Hendren said it is important to note that net assets available in 2013 were minus \$7.8 million; in 2014 there are net assets of \$3.5 million. He said things are going in the right direction, but the reserves are not there. He said it is important that the EBD makes sure there are adequate reserves, and that any savings and build-up of funds be immediately transferred in the form of premium decreases back to public school employees.

Mr. Alexander commented that actuarial projections are for the PSE Plan to have between \$8 million and \$9 million in reserves by the end of December 2014.

Mr. Alexander next reviewed statements for the ASE Plan. He said June is a little different on the state side because it has continuous funding from the employer side. He noted a gain of \$3 million in June 2014, and \$12 million for the year vs. a negative \$8 million this time last year, and said it is about \$20 million to the better. He said claims did not go up and expenses actually went down. He said a decrease in drug claims can be attributed purely to reference pricing and other measures that have been taken.

Issues Included in the Discussion:

- clarification of the reinsurance tax under ACA and other taxes, and
- paying ACA tax only on participants, and not on ghost employees, in the state plan.

Update on Rates for the 2015 Plan Year for Arkansas State Employees (ASE) and Public School Employees (PSE)

and

Preliminary Discussion of Plan Structure and Pricing for Plan Year 2016 and Beyond

Mr. Alexander discussed projections and expectations with regard to rates and benefits. He said rates and benefits for the ASE Plan have been published and distributed. He stated that rates and benefits for the PSE Plan have not as yet been set. He said the Benefits Subcommittee will meet and make a recommendation to the State and Public School Life and Health Insurance Board on July 28; then the Board will meet on July 29 and set the rates and benefits for the PSE Plan. Mr. Alexander next discussed the three (3) new ASE Plan options: the Premium Plan, the Classic Plan, and the Basic Plan. He noted that discussions have taken place about using the same structure for the PSE Plan.

Contributor to the Discussion:

Mr. Tony Wood, Commissioner, Arkansas Department of Education

Issues Included in the Discussion:

- ◆ benefits of having a high deductible plan,
- ◆ managing health care dollars in a health savings account (HSA),
- ◆ cost of each ASE Plan option,
- ◆ employer contributions to HSAs,
- ◆ striving for parity in plan benefits vs. having an alternative where benefits are different,
- ◆ establishing a minimum amount that an employee must set aside each month into an HSA to be eligible for the consumer-driven health plan,

- ♦ HSA plan vs. a cafeteria plan,
- ♦ understanding changes to the plans,
- ♦ using professional development (PD) to educate teachers about health insurance reform,
- ♦ training insurance agents and developing information packets specific to this issue, and
- ♦ educating employees about disease management.

Senator Hendren remarked that since the previous discussion covered both Items E and F on the agenda, the Committees would proceed with Item G.

Preliminary Discussion of Implementation of Health Savings Accounts and FICA Savings

Mr. Alexander discussed the FICA savings implementation that would take place on January 1, 2015. He said it would potentially generate \$4 million to \$5 million in savings, but that it was hard to project savings prior to going through an open enrollment. He also explained that the statute requiring those with a consumer-driven health plan to open an HSA is in conflict with federal law. He said federal law states certain people are not eligible for an HSA. He discussed how the EBD plans to administer the state law in conjunction with the federal law. He noted a list of technical corrections regarding implementation of the HSA requirement will be prepared for the next General Session. Mr. Alexander also discussed spousal exclusion.

Issue Included in the Discussion:

- ☐ schedule of regional meetings with school districts.

Preliminary Discussion of Current and Proposed Wellness Initiatives

Senator Hendren commented in his opening remarks that the Task Force would be looking into wellness programs to improve the health of both state and public school employees in future meetings.

Handouts:

Act 6 of the Second Extraordinary Session, 2014
Act 7 of the Second Extraordinary Session, 2014
ASE PSE Financial Reports 2013 2014

Senator Hendren, noting that all agenda items had been completed, invited Mr. Jeff Altemus to address the Task Force.

Mr. Jeff Altemus, Deputy Superintendent, Marion School District, was recognized, and presented his credentials. He commented that health insurance became an issue for public school employees in about 1985. He said most of the recent articles written on the subject tend to agree that the core problem being faced with health insurance in Arkansas is a lack of funding from the employer side. He added that, for many years, most of the rate increases have been borne on the backs of employees. He noted while the rates in Arkansas are very similar to those in surrounding states, public school employees in Arkansas pay more out-of-pocket than those in the other states. He said there are 23,000 public school employees who will see a rate increase of between 37% and 355% depending on where they choose to go in the plan to maintain the level of coverage they had last year. Mr. Altemus commented on deductibles and rate structures and discussed effects on public school employees. He stressed that significant changes have to be made in the future to make health insurance work for public school employees.

Contributor to the Discussion:

Mr. Bob Alexander, Director, Employee Benefits Division (EBD), Arkansas Department of Finance and Administration

Issues Included in the Discussion:

- ≈ fundamental reform to the program in addition to looking at the overall funding structure,
- ≈ rate structures for the new plans,
- ≈ creating economies of scale in the plans,
- ≈ making starting salary schedules part of the conversation,
- ≈ clarification of the total state contribution to the health insurance program,
- ≈ services of Insurance Advantage for teachers and retired teachers,
- ≈ state efforts to help employees understand changes to plans and to help them choose the most advantageous plan,
- ≈ school districts participating in contributions to health insurance for public school employees,
- ≈ school districts' unrestricted fund balances, and
- ≈ responsibility of leadership at the local level to commit/contribute to the funding of health insurance.

Senator Hendren stated that parity issues regarding funding and benefits, and dollars sent to school districts going for the intended purpose, would be discussed at the next Task Force meeting.

Next Scheduled Meeting:

Tuesday, August 26, 2014, at 1:30 p.m. in Room 171 of the State Capitol in Little Rock

Adjournment:

The meeting adjourned at 3:30 p.m.

State Employee Compensation

State Employee compensation

Salary

The Regular Salary Procedures and Restrictions Act in Arkansas Code §21-5-101 states in part, that for any position authorized by the General Assembly of the State of Arkansas for the benefit of any department, agency, board, commission, institution, or program for which the provisions of the Uniform Classification and Compensation Act are to be applicable, it is declared to be the intent of the General Assembly that the Uniform Classification and Compensation Act shall govern with respect to:

- (a) the entrance salary;
- (b) the frequency with which salary increases may be granted; and
- (c) the maximum annual salary that may be paid for the grade assigned each employee under the provisions of the Uniform Classification and Compensation Act, § 21-5-201 et seq.

Arkansas Code §21-5-209 establishes the salaries and salary increases for employees serving in positions covered by the Statewide Uniform Classification and Compensation Plan. Act 688 of 2009 made adjustments to various sections of code relating to state employment, one of which was to establish the grades and pay levels for the two Plans to be used effective July 1, 2009 and thereafter. Pay levels established in this subchapter are for compensation management purposes and are not to be construed as a contract, right, or other expectation of actual employee salary determination. The positions covered fall into one of two Plans: (a) the Career Service Pay Plan, or (b) the Professional and Executive Pay Plan. **(Attachment 1)**.

For fiscal year 2013-2014, the average salary for all state employees in grades C101 to N922 and unclassified positions was \$39,502.

Although salary increases are covered in the Plan, it is not the intent of this system that salary increases are automatic or that any agency or institution has a claim or right to pay increases. As a general rule there is not a mechanism to provide a base salary increase to state employees other than a Cost of Living Adjustment, which is not guaranteed. Management representatives in each agency or institution determine if the employee, by experience, ability, and work performance, is eligible for any increases authorized in law.

There are a few avenues by which state employees can receive additional compensation. Arkansas Code §21-5-106 establishes the eligibility requirements for employees to receive annual career service recognition payments. Arkansas Code §21-5-211 -212, §21-5-214 and §21-5-218- 222 establish the implementation for grade changes and salary adjustments (§21-5-211 became effective July 1, 2014). Included in those statutes are a number of certification differentials and grid rates for certain classifications as approved by the General Assembly that can increase base salaries based on specific criteria. In addition, Arkansas Code §21-5-1101 authorizes the development and implementation of a merit increase pay system whereby a lump sum payment may be awarded to employees who satisfy performance evaluation-based criteria developed by agencies and institutions in accordance with rules and policies developed and approved by the Office of Personnel Management of the Division of Management Services of the Department of Finance and Administration after review by the Legislative Council.

Health Insurance

State employees are offered health insurance through a state plan administered by the Employee Benefits Division (EBD) of the Department of Finance and Administration. In fiscal year 2013-2014, 27,856 employees participated in the state plan. To fund the plan and partially defray the cost of life and health insurance for state employees participating in the plan, Arkansas Code §21-5-414 mandates that state agencies participating in the plan make a monthly contribution equal to the number of budgeted state employee positions. In fiscal year 2013-14, that amount was \$410. The employee share of the employee-only plan was \$96.68 per month, and the employee share for family coverage was \$423.60 per month. The Department also has the option of making a monthly contribution to partially defray the cost of health insurance for state employee retirees.

Retirement

Under Arkansas Code §24-4-301, all state employees as defined by §24-4-101(17) and (44) (**Attachment 2**) become members of the Arkansas Public Employees' Retirement System as a condition of employment. However, the term "employees" does not include persons who are members of any other retirement system (excepting federal Social Security), which retirement system is supported by state funds or is authorized by the laws of the state. It therefore excludes persons in the employ of: the Arkansas State Police, the Department of Education or Arkansas Teacher Retirement System, the University of Arkansas or any other state-supported institution of higher learning, justices of the Supreme Court, judges of circuit courts or judges of chancery courts, the General Assembly who are employees on a less than full-time regular salary basis, the Arkansas State Highway and Transportation Department, and persons whose rate of pay does not constitute employment that is substantially gainful (e.g. a tipped food service employee of the Department of Parks and Tourism).

The APERS Board Trustees establishes the employer contribution rates prospectively each year, based on an annual actuarial valuation. (Per APERS Regulation 103- 1997- "Employer Contribution Rates" as amended May 2001; based on §24-2-701)

Act 2084 of 2005 established a new mandatory contributory plan for all members hired after July 1, 2005, or returning members with a break in service over six months. Members are now required to contribute 5% of their pretax earnings to the System, and their deposit accounts are credited interest at a statutorily established rate of 4% per annum. When this contributory plan was established, employee members had the option of being either contributory (contributing 6% of their annual compensation) or non-contributory.

Act 140, effective July 1, 2011 (codified as §24-4-1101), gave APERS-covered workers in the non-contributory plan the option to switch to the contributory plan, as long as they applied to switch by December 31, 2011. Non-contributory members who switched officially became contributory plan participants on January 1, 2012.

Once retired, under §24-4-101(18), the "final average compensation" received is the average of the highest annual compensations paid a member during any period of three (3) years of credited service with a public employer. Should the member have less than the minimum three (3) years of credited service, "average compensation" means the annual average compensations to the member during his or her total years of actual service.

Under §24-4-601, the general benefits a non-contributory member receives are as follows:

- (a) A straight life annuity equal to one and seventy-five hundredths percent (1.75%) of the member's final average compensation for each year of noncontributory credited service in the system rendered prior to July 1, 2007.
- (b) A straight life annuity equal to one and seventy-two hundredths percent (1.72%) of the member's final average compensation for each year of noncontributory credited service in the system rendered after July 1, 2007.

Under §24-4-1103, the general benefits a contributory member receives are as follows:

- (a) A straight life pension equal to two and three one-hundredths percent (2.03%) of the member's final average compensation multiplied by the number of years and any fraction of a year of the member's service for each year of contributory service rendered prior to July 1, 2007.
- (b) A straight life pension equal to two percent (2%) of the member's final average compensation multiplied by the number of years and any fraction of a year of the member's service for each year of contributory service rendered after June 30, 2007.
- (c) A straight life annuity equal to an additional five-tenths percent (0.5%) of the member's final average compensation for each year of actual service in the system in excess of twenty-eight (28) years that is rendered on or after July 1, 2009.

(d) The maximum benefit payable upon retirement shall be one hundred percent (100%) of the member's final average compensation without regard to any postretirement increases enacted by the General Assembly.

Paid Leave

Arkansas Code §21-4-202 et seq. establishes a uniform attendance and leave policy for all affected state employees of agencies, boards and commissions. It entitles each permanent or probationary employee (1) working day per month of annual leave (with full pay computed on the basis of a schedule) for each complete month of service, including the probationary period. The amount of annual leave earned increases in scheduled increments as the years of service increase. Sick leave is also provided to each permanent or probationary employee, entitling each to (1) day per month. The amount earned does not increase with years of service. With both types of leave, there is a provision that allows for carryover of time from year to year.

Information provided by:

Bureau of Legislative Research Fiscal and Legal Divisions
Arkansas Public Employees Retirement System

August 2014

Office of Personnel Management

Policy

Policy Title: Compensation Plan	Policy Number: 20.01
Citation: Arkansas Code Annotated § 21-5-209	Forms: None

Purpose

Most state government employees are paid under a compensation plan which establishes the salaries and salary increases for employees serving in positions covered by the Statewide Uniform Classification and Compensation Plan.

Specific Provisions

No employee shall be paid at a rate of pay higher than the appropriate rate in the grade assigned to his or her class, and no employee shall be paid more than the highest pay level established for the employee's grade unless otherwise provided for in the Statewide Uniform Classification and Compensation System.

Although salary increases are covered in the Uniform Classification and Compensation system, it is not the intent of this system that salary increases are automatic or that any employee has a claim or right to pay increases. Management representatives in each agency or institution determine if the employee, by experience, ability, and work performance, is eligible for the increase authorized in law.

Pay levels established in this subchapter are for compensation management purposes and are not to be construed as a contract, right, or other expectation of actual employee salary determination.

Positions in state agencies or institutions covered by the Uniform Classification and Compensation system will either fall in the Career Service Pay Plan or the Professional and Executive Pay Plan. Every position will be assigned to a job classification that is assigned a grade for the purpose of employee compensation. Every agency and institution appropriation act will provide a list of authorized positions by job classification. Employee salary compensation must be implemented and function in compliance with fiscal control laws of this state.

The following grades and pay levels shall be authorized for the two pay plans, effective July 1, 2009, and thereafter:

Career Service Pay Plan

Professional and Executive Pay Plan

FY 2014 CAREER SERVICE PAY PLAN

PAY GRADE	ENTRY	BASE	MIDPOINT	MAXIMUM	CAREER
C101	\$15,080 \$7.2500	\$15,683 \$7.5400	\$18,663 \$8.9726	\$21,643 \$10.4052	\$23,374 \$11.2375
C102	\$15,512 \$7.4577	\$16,467 \$7.9170	\$19,761 \$9.5004	\$23,054 \$11.0838	\$24,899 \$11.9706
C103	\$16,288 \$7.8308	\$17,291 \$8.3129	\$20,922 \$10.0585	\$24,553 \$11.8042	\$26,517 \$12.7485
C104	\$17,102 \$8.2222	\$18,155 \$8.7285	\$22,149 \$10.6488	\$26,144 \$12.5690	\$28,235 \$13.5745
C105	\$17,957 \$8.6332	\$19,063 \$9.1649	\$23,448 \$11.2728	\$27,832 \$13.3808	\$30,059 \$14.4514
C106	\$18,855 \$9.0650	\$20,016 \$9.6232	\$24,820 \$11.9327	\$29,624 \$14.2423	\$31,994 \$15.3817
C107	\$19,798 \$9.5183	\$21,017 \$10.1043	\$26,271 \$12.6304	\$31,525 \$15.1565	\$34,048 \$16.3692
C108	\$20,788 \$9.9943	\$22,068 \$10.6095	\$27,805 \$13.3680	\$33,543 \$16.1265	\$36,227 \$17.4168
C109	\$21,827 \$10.4938	\$23,171 \$11.1400	\$29,427 \$14.1478	\$35,684 \$17.1556	\$38,538 \$18.5278
C110	\$22,919 \$11.0188	\$24,330 \$11.6970	\$31,142 \$14.9722	\$37,954 \$18.2473	\$40,991 \$19.7072
C111	\$24,065 \$11.5698	\$25,546 \$12.2819	\$32,955 \$15.8436	\$40,363 \$19.4053	\$43,592 \$20.9576
C112	\$25,268 \$12.1481	\$26,824 \$12.8960	\$34,871 \$16.7647	\$42,918 \$20.6335	\$46,351 \$22.2841
C113	\$26,531 \$12.7553	\$28,165 \$13.5408	\$36,614 \$17.6030	\$45,064 \$21.6652	\$48,669 \$23.3985
C114	\$27,858 \$13.3933	\$29,573 \$14.2178	\$38,445 \$18.4831	\$47,317 \$22.7485	\$51,102 \$24.5682
C115	\$29,251 \$14.0630	\$31,052 \$14.9287	\$40,367 \$19.4073	\$49,683 \$23.8859	\$53,657 \$25.7966
C116	\$30,713 \$14.7659	\$32,604 \$15.6751	\$42,386 \$20.3777	\$52,167 \$25.0802	\$56,340 \$27.0865
C117	\$32,249 \$15.5044	\$34,234 \$16.4589	\$44,505 \$21.3965	\$54,775 \$26.3342	\$59,157 \$28.4408
C118	\$33,861 \$16.2794	\$35,946 \$17.2818	\$46,730 \$22.4664	\$57,514 \$27.6509	\$62,115 \$29.8629
C119	\$35,554 \$17.0933	\$37,743 \$18.1459	\$49,067 \$23.5897	\$60,390 \$29.0335	\$65,221 \$31.3562
C120	\$37,332 \$17.9481	\$39,631 \$19.0532	\$51,124 \$24.5786	\$62,616 \$30.1041	\$67,626 \$32.5125
C121	\$39,199 \$18.8457	\$41,612 \$20.0059	\$53,264 \$25.6075	\$64,915 \$31.2091	\$70,108 \$33.7057
C122	\$41,159 \$19.7880	\$43,693 \$21.0062	\$55,490 \$26.6778	\$67,287 \$32.3495	\$72,670 \$34.9375

C123	\$43,217 \$20.7775	\$45,877 \$22.0565	\$57,806 \$27.7911	\$69,734 \$33.5258	\$75,312 \$36.2076
C124	\$45,377 \$21.8159	\$48,171 \$23.1593	\$60,214 \$28.9491	\$72,257 \$34.7389	\$78,038 \$37.5182
C125	\$47,646 \$22.9068	\$50,580 \$24.3173	\$62,719 \$30.1534	\$74,858 \$35.9895	\$80,847 \$38.8687
C126	\$50,029 \$24.0525	\$53,109 \$25.5331	\$65,324 \$31.4057	\$77,539 \$37.2783	\$83,742 \$40.2605
C127	\$52,530 \$25.2549	\$55,764 \$26.8098	\$68,032 \$32.7079	\$80,301 \$38.6061	\$86,725 \$41.6947
C128	\$55,156 \$26.5174	\$58,553 \$28.1503	\$70,849 \$34.0618	\$83,145 \$39.9734	\$89,796 \$43.1711
C129	\$57,914 \$27.8433	\$61,480 \$29.5578	\$73,776 \$35.4693	\$86,072 \$41.3809	\$92,958 \$44.6913
C130	\$60,810 \$29.2356	\$64,554 \$31.0357	\$76,819 \$36.9324	\$89,085 \$42.8292	\$96,212 \$46.2557
ENTRY to MIDPOINT requires CFO approval ONLY					
<u>ANY</u> amount over midpoint requires Personnel Committee Approval					

FY 2014 PROFESSIONAL & EXECUTIVE PAY PLAN

PAY GRADE	BASE	MIDPOINT	MAXIMUM
N901	\$65,000 \$31.2500	\$73,125 \$35.1563	\$81,250 \$39.0625
N902	\$67,600 \$32.5000	\$76,050 \$36.5625	\$84,500 \$40.6250
N903	\$70,304 \$33.8000	\$79,092 \$38.0250	\$87,880 \$42.2500
N904	\$73,116 \$35.1520	\$82,256 \$39.5460	\$91,395 \$43.9399
N905	\$76,041 \$36.5582	\$85,546 \$41.1278	\$95,051 \$45.6975
N906	\$79,082 \$38.0202	\$88,968 \$42.7730	\$98,853 \$47.5254
N907	\$82,246 \$39.5414	\$92,526 \$44.4839	\$102,807 \$49.4264
N908	\$85,536 \$41.1231	\$96,228 \$46.2632	\$106,919 \$51.4033
N909	\$88,957 \$42.7678	\$100,077 \$48.1138	\$111,196 \$53.4596
N910	\$92,515 \$44.4784	\$104,080 \$50.0383	\$115,644 \$55.5980
N911	\$96,216 \$46.2577	\$108,243 \$52.0398	\$120,270 \$57.8221
N912	\$100,065 \$48.1082	\$112,573 \$54.1214	\$125,081 \$60.1350
N913	\$104,067 \$50.0323	\$117,075 \$56.2863	\$130,084 \$62.5403
N914	\$108,230 \$52.0337	\$121,759 \$58.5377	\$135,287 \$65.0418
N915	\$112,559 \$54.1150	\$126,629 \$60.8793	\$140,699 \$67.6437
N916	\$117,061 \$56.2794	\$131,694 \$63.3144	\$146,327 \$70.3495
N917	\$122,914 \$59.0933	\$138,279 \$66.4801	\$153,643 \$73.8668
N918	\$130,289 \$62.6390	\$146,575 \$70.4689	\$162,862 \$78.2990
N919	\$139,410 \$67.0241	\$156,836 \$75.4018	\$174,262 \$83.7798
N920	\$150,562 \$72.3856	\$169,383 \$81.4339	\$188,203 \$90.4822
N921	\$164,113 \$78.9005	\$184,627 \$88.7630	\$205,141 \$98.6254
N922	\$180,524 \$86.7904	\$203,090 \$97.6393	\$225,655 \$108.4879

BASE to MIDPOINT requires CFO approval ONLY

ANY amount over midpoint requires Personnel Committee Approval

Arkansas Public Employees' Retirement System - General Provisions

24-4-101(17)(A)(i)(a) "Employees" means all officers and employees of any office, agency, board, commission, including the Department of Higher Education, or department of a public employer whose compensations were or are payable from funds appropriated by the public employer and all otherwise eligible employees whose compensations were or are payable in whole or part from federal funds, as well as the official court reporters and stenographers of the circuit and chancery courts of the state and all of the prosecuting attorneys of the judicial districts of Arkansas.

(b) In addition, effective July 1, 1983, the term "employees" shall include those persons who are eligible for benefits from the Teachers Insurance and Annuity Association but who are otherwise eligible for participation in the Arkansas Public Employees' Retirement System due to employment with a public employer.

(ii) Any person who has previously been denied coverage under the Arkansas Public Employees' Retirement System because the person was or is paid from a grant instead of funds appropriated by the public employer shall from July 1, 1991, become a member of the system if in an otherwise eligible position due to being an employee of a public employer, and a member may at his or her option receive credit for service rendered before that date as an employee paid from a grant, subject to the following conditions:

(a) The member is a participating employee covered under the Arkansas Public Employees' Retirement System at the time of the purchase;

(b) The member furnishes proof in a form required by the Arkansas Public Employees' Retirement System of the service and compensation received;

(c) The member pays or causes to be paid all employee contributions at the rate and on the compensation that would have been paid had he or she been a member during that time, all employer contributions based on the employer normal cost from the most recently completed regular annual actuarial valuation and the compensation that would have been paid had he or she been a member during that time, and regular interest on the employee and employer contributions. The interest shall be computed from the date the service was rendered to the date the payment is received by the Arkansas Public Employees' Retirement System. The member may purchase all of the service or any portion thereof in multiples of one (1) year;

(d) The payment of funds shall be made in one (1) lump sum; and

(e) Any person who, prior to the effectiveness of this provision, has been removed from membership in the Arkansas Public Employees' Retirement System because of eligibility for membership in a local firemen's pension fund as a volunteer firefighter may restore the refunded service and establish subsequent service by paying or causing to be paid to the Arkansas Public Employees' Retirement System the refunded contributions and the legally required contributions for subsequent service.

(B) Excepting members of the General Assembly and those persons participating in a local firemen's pension fund because of their status as volunteer firefighters and those persons who have dual full-time employment in separate positions covered by the Arkansas Public Employees' Retirement System and the Arkansas Local Police and Fire Retirement System respectively, the term "employees" shall not include persons who are members of any other retirement system, excepting federal Social Security, which retirement system is supported by state funds or is authorized by the laws of the state. In addition, the term "employees" specifically shall not include the following:

(i) Persons in the employ of the Department of Arkansas State Police who are members of the State Police Retirement System;

(ii) Persons in the employ of the Department of Education or the Arkansas Teacher Retirement System, except as otherwise provided by law;

(iii) Persons in the employ of the University of Arkansas or any other state-supported institution of higher learning, except as otherwise provided by law;

(iv) Justices of the Supreme Court, judges of circuit courts, or judges of chancery courts;

(v) Persons in the employ of the General Assembly who are employed on a less than full-time regular annual salary basis, except that any person who has served or who shall serve during at least six (6) legislative sessions as Chief Clerk of the House of Representatives and who has served in the employ of the General Assembly during at least twelve (12) previous legislative sessions shall be eligible to receive credited service in the Arkansas Public Employees' Retirement System for any period of employment with the General Assembly since July 1, 1957, but only if the employee is, or was, an active member of the system with at least ten (10) years of credited service and only if the employee pays or causes to be paid all employee contributions at the rate and on the compensation that would have been paid had he or she been a member of the system during those periods of time, all employer contributions based on the employer normal cost from the most recently completed regular annual actuarial valuation and the compensation that would have been paid had he or she been a member during those periods of time, and regular interest on the employee and employer contributions computed from the date of service to the date the payment is received by the system;

(vi) Persons who are in the employ of the Arkansas State Highway and Transportation Department;

(vii) Persons employed with the intent of working less than ninety (90) calendar days;

(viii) Persons who are employed for a period of more than ninety (90) consecutive calendar days but who do not qualify as full-time employees shall be excluded from membership. A person shall be considered a full-time employee if that person works at least eighty (80) hours per month during a period of ninety (90) consecutive calendar days;

(ix)(a)(1) Persons whose rate of pay does not constitute employment that is substantially gainful shall be excluded from membership.

(2) A rate of pay less than the federal minimum wage for the year shall not be considered employment that is substantially gainful.

(b) A tipped food service employee of the Department of Parks and Tourism who is guaranteed the prevailing minimum wage by the Fair Labor Standards Act of 1938, 29 U.S.C. § 201 et seq., as it existed on January 1, 2009, is in employment that is substantially gainful.

(c) The employee and employer contributions for a tipped food service employee of the Department of Parks and Tourism is computed based on the tipped food service employee's hourly rate of pay;

(x) Persons who are first employed or those who are reemployed as participants on or after July 1, 1979, under the Comprehensive Employment and Training Act [repealed]. However, those persons participating in the program prior to July 1, 1979, shall continue to be members of the Arkansas Public Employees' Retirement System while employed by a participating public employer;

(xi) Any person previously denied coverage by the Arkansas Public Employees' Retirement System because that person was eligible for membership in but did not participate in another retirement system that is supported by state funds or that is authorized by the laws of the state, shall become a member of the Arkansas Public Employees' Retirement System from the date of July 1, 1999, if in an otherwise eligible position due to employment with a participating employer. Any person previously denied coverage by the Arkansas Public Employees' Retirement System because that person was eligible for or receiving benefits from another retirement system supported by state funds or that is authorized by the laws of the state shall become a member of the Arkansas Public Employees' Retirement System from the date of July 1, 1999, if in an otherwise eligible position due to employment with a participating employer. That person may receive, at the employee's option, credit for service rendered to a participating public employer before that date, subject to the following conditions:

(a) The member is a participating employee covered under the Arkansas Public Employees' Retirement System at the time of the purchase;

(b) The member furnishes proof in a form required by the Arkansas Public Employees' Retirement System of the service and compensation received;

(c) The member pays or causes to be paid all employee contributions at the rate and on the compensation that would have been paid had he or she been a member during that time, all employer contributions based on the employer normal cost from the most recently completed regular annual actuarial valuation and the compensation that would have been paid had he or she been a member during that time, and regular interest on the employee and employer contributions. The interest shall be computed from the date the service was rendered to the date the payment is received by the Arkansas Public Employees' Retirement System. The member may purchase all of the service or any portion thereof in multiples of one (1) year; and

(d) The payment of funds shall be made in one (1) lump sum;

(xii) The surviving spouse of any person deemed erroneously enrolled due to receipt of a benefit from another retirement system supported by state funds or that is authorized by the laws of the state but whose service had not been refunded at or before the date of death shall be eligible to receive a benefit under the provisions of § 24-4-608, provided that the person was an employee of the participating employer on the date of death. The monthly annuity shall be payable on the first day of the month following the month of application and shall be retroactive to the date the benefit would have been otherwise payable as provided for in § 24-4-608; and

(xiii) Any person previously denied coverage by the Arkansas Public Employees' Retirement System because that person was employed in dual full-time positions covered by the Arkansas Public Employees' Retirement System and the Arkansas Local Police and Fire Retirement System, respectively, shall become a member of both systems from and after the date of July 1, 2001, if in otherwise eligible positions with participating employers. The person may receive at the employee's option credit for service rendered to a participating public employer before that date, subject to the following conditions:

(a) The member is a participating employee covered under the Arkansas Public Employees' Retirement System at the time of the purchase;

(b) The member furnishes proof in a form required by the Arkansas Public Employees' Retirement System of the service and compensation received;

(c) The member pays or causes to be paid all employee contributions at the rate and on the compensation that would have been paid had the person been a member during that time, all employer contributions based on the employer normal cost from the most recently completed regular annual actuarial valuation and the compensation that would have been paid had the person been a member during that time, and regular interest on the employee and employer contributions. The interest shall be computed from the date the service was rendered to the date the payment is received by the Arkansas Public Employees' Retirement System. The member may purchase all of the service or any portion thereof in multiples of one (1) year; and

(d) The payment of funds shall be made in one (1) lump sum.

(C) In any case of doubt as to who is an employee within the meaning of this act, the board shall have the final power to decide the question;

24-4-101(44)(A) "State employees" means all otherwise eligible employees whose compensations were, or are, payable from funds appropriated by the state and includes all employees whose compensations were, or are, payable in whole or in part from federal funds.

(B) In any case of doubt as to who is a state employee within the meaning of this act, the board shall have the final power to decide the question; and

Public School Teacher Compensation

Public School Teacher Compensation

Salary

Arkansas Code §6-17-2403 establishes the minimum salary schedule for teachers in Arkansas. The minimum salary for a teacher with a bachelor's degree is \$29,244, while the minimum salary for a teacher with a master's degree is \$33,630. For each additional year of teaching experience, districts must pay an additional \$450 for teachers with a bachelor's degree and \$500 for teachers with a master's degree.

Years of Exp.	BA	MS	Difference
0	\$29,244	\$33,630	\$4,386
1	\$29,694	\$34,130	\$4,436
2	\$30,144	\$34,630	\$4,486
3	\$30,594	\$35,130	\$4,536
4	\$31,044	\$35,630	\$4,586
5	\$31,494	\$36,130	\$4,636
6	\$31,944	\$36,630	\$4,686
7	\$32,394	\$37,130	\$4,736
8	\$32,844	\$37,630	\$4,786
9	\$33,294	\$38,130	\$4,836
10	\$33,744	\$38,630	\$4,886
11	\$34,194	\$39,130	\$4,936
12	\$34,644	\$39,630	\$4,986
13	\$35,094	\$40,130	\$5,036
14	\$35,544	\$40,630	\$5,086
15	\$35,994	\$41,130	\$5,136

These step increases are in addition to any cost of living adjustment or year-end bonus that teachers may receive. During the 2013-14 school year, nine of the 238 districts used the statutory minimum as their minimum salary. The schedule has not been updated since the 2008-09 school year.

In 2012-13, the state's average teacher salary was \$46,631, according to the National Education Association (NEA). This ranks Arkansas 11th among the 16 Southern Regional Education Board states, and 5th among surrounding states. The Arkansas Department of Education (ADE) calculates the average teacher salary differently from the NEA. Under ADE's methodology, the average teacher salary for 2012-13 was \$47,316.

Health Insurance

Public school employees are offered health insurance through a state plan administered by the Employee Benefits Division (EBD) of the Arkansas Department of Finance and Administration. In calendar year 2014, there were 45,121 school district plan enrollees, or 67% of employees. (This figure does not include employees of charter schools, educational service cooperatives, or vocational centers.) To fund the plans, school districts are required to pay a statutorily established monthly amount for each public school employee participating in the plan (§6-17-1117). In 2012-13, that amount was \$131. Act 517 of 2013 increased that amount to \$150 and requires the minimum district contribution to increase annually in future years. In 2014, 62 of the 238 school districts paid more than the minimum contribution.

The state also provides \$50 million annually to EBD to offset the cost of health insurance for public school employees. During the first Extraordinary Session of 2013, the General Assembly approved legislation that is expected to generate \$26.4 million in new funding for public school employee insurance beginning in 2014-15, and during the 2014 Fiscal Session, the Governor requested another \$10 million in General Revenue. The state also has occasionally provided one-time funds, including \$43 million for the 2013-14 fiscal year.

For calendar year 2014, the employee share of the employee-only plan ranged from \$11 to \$249.38 per month (assuming the district paid only the minimum contribution of \$150). The employee share of family coverage ranged from \$269.50 to \$1,132.96 per month.

Retirement

Public school teachers are offered retirement benefits through the Arkansas Teacher Retirement System (ATRS) to which school districts are required to contribute (§24-7-401). The ATRS Board of Trustees sets the employer contribution rate each year, and state statute prohibits the rate from exceeding 14% of the salaries of employees enrolled in the system. In 2013, the General Assembly passed Act 1446, which gave the Board of Trustees the authority to increase the contribution rate to a maximum of 15%, beginning July 1, 2015.

Paid Leave

Arkansas Code §6-17-1204 requires school districts to provide teachers one day of paid sick leave per contract month.

Basic Benefits Comparison ASE and PSE

Summary Comparison of Public School Employees and State Employees

State Employees

Public School Employees

Days per contract year	State Employee = 260 days or 2080 hrs \$40,000 salary / 260 days = \$153.85 per day or \$19.23 per hour.		Avg contract days for all public school FTE's = 198 days or 1584 hours Basic teachers 9 month contract = 190 days or 1520 hrs.
Example	\$40,000 salary / 260 days = \$153.85 per day or \$19.23 per hour.		\$40,000 salary / 198 days = \$202.02 per day or 25.25 per hour. \$40,000 salary / 190 days = \$210.53 per day or \$26.32 per hour.

Average Salary	\$39,502 for all state employees listed in AASIS in grades C101 to N922 and unclassified positions. \$44,629 for state employees in grades C115 to C126.		\$37,977 For all public school FTE's. \$47,316 for public school teacher FTE's.
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Note: Average public school FTE's salary provided from the 2013 school year. State employee data does not include some constitutional offices or the Highway Dept as they are not in AASIS.

Annual Leave / Sick Leave	State Employees are provided Sick and Annual Leave as 2 separate types of leave per A.C.A 21-4-204 and 21-4-207. Sick Leave is provided at 8 hours per month for all employees and never increases Annual Leave varies from a minimum of 8 hours per month to a maximum of 15 hours based on years of service.		Public school employees are guaranteed 1 sick day per contract month as provided in A.C.A 6-17-1204 and 6-17-1304. Public school employees' sick and or personal leave can vary by district and contract because districts may provide additional leave per A.C.A 6-17-1208, 6-17-1306 and 6-17-211.
Leave examples	Sick Leave 8 hours x 12 mos = 12 days Annual Leave 8 hours X 12 mos = 12 days Sick + Annual Total = 24 Days Annual Leave 15 hours X 12 mos = 22.5 days Sick + Annual Total = 34.5 Days		School Employees Min Sick = 1 day X 9 mos = 9 days

Insurance paid by Employer	The actual contribution by each state agency is \$410 for all budgeted positions.		A minimum of \$153 per month for each participating employee paid by the school district.
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Maximum Insurance Cost to employee per month with Wellness Visit - Premium Plan	Effective January 1, 2015 to December 31, 2015		Effective January 1, 2015 to December 31, 2015	Difference per month for 2015
Employee Only	\$ 104.78		\$ 179.38	\$ 74.60
Employee and Spouse	\$ 379.08		\$ 812.72	\$ 433.64
Employee and Children	\$ 210.04		\$ 460.08	\$ 250.04
Employee and Family	\$ 484.34		\$ 814.92	\$ 330.58

Minimum Insurance Cost to employee per month with Wellness Visit - Basic Plan	Effective January 1, 2015 to December 31, 2015		Effective January 1, 2015 to December 31, 2015	Difference per month for 2015
Employee Only	\$ -		\$ 11.00	\$ 11.00
Employee and Spouse	\$ 132.48		\$ 266.72	\$ 134.24
Employee and Children	\$ 28.16		\$ 119.16	\$ 91.00
Employee and Family	\$ 160.64		\$ 269.50	\$ 108.86

Note: Any plan chosen by state employees or public school employees will be increased by \$75 per month if the employee has not had a Wellness Visit by October 31, 2014.

Retirement Benefit Information based on Straight Life Monthly Benefit						
Final Avg Salary	APERS 28 years svc	ATRS 28 years svc	Monthly Diff 28 years	APERS 35 years svc	ATRS 35 years svc	Monthly Diff 35 years svc
\$40,000	\$1,867	\$2,081	\$214 per mos	\$2,450	\$2,583	\$133 per mos
\$55,000	\$2,567	\$2,834	\$267 per mos	\$3,369	\$3,523	\$154 per mos
\$75,000	\$3,500	\$3,837	\$337 per mos	\$4,594	\$4,778	\$184 per mos

Note: The comparisons made are based on employees who have each completed 28 or 35 years of contributory service. We have eliminated a number of variables to make the best comparison possible. The majority of members in both systems are now contributory and any new employees are required to be contributory with limited exceptions for ATRS.

COMPARISON OF ACTIVE EMPLOYEE BENEFITS STATE EMPLOYEES & SCHOOL EMPLOYEES FOR 2015

CONTRACT WORK HOURS SALARY PER HOUR WORKED

	State Employees	School Employees
Full-time	State Employees - 260 Days or 2,080 hours \$40K per year = \$153.85 per day or \$19.23 per hour	Public School FTE's Avg Contract Days = 198 days or 1584 hours \$40K per year = \$202.02 per day or 25.25 per hour. Basic Teacher Contract – 190 days or 1520 hours \$40K per year = \$210.53 per day or \$26.32 per hour

AVERAGE SALARY DATA

	State Employees	School Employees
Average Salary	\$39,502 = Average salary the 28,713 state employees listed in AASIS \$44,629 = Average salary of 13,169 state employees in grades C115 to grade C126 which generally require a bachelor's or master's degree as part of the classification's minimum qualifications.	\$37,977 = Average salary of all 70,409 state public school FTE's. \$47,316 = Average salary of public school teachers, approx 41,392 FTE's.

CLASSIFICATION & COMPENSATION

	State Employees	School Employees
Positions and Classification	The number of appropriated positions for each state agency is established by the AR General Assembly and includes a specific job title, classification and appropriate pay grade based on the duties of the job.	Certified and Non-Certified; various classifications assigned based on employee group, education, training, licensure and experience Placement determined by local school district.
Compensation or Pay Grade	There are 2 different pay plans that cover the majority of all state employee classifications. The Career Service pay plan and the Professional and Executive pay plan. Pay grades are assigned to each classification and establish an Entry Rate and	Salary schedules vary from district to district with specific minimums being set by the state. There is no maximum salary level set by the state.

Compensation and Pay Grade Cont...	<p>Career or Maximum Salary level that cannot be exceeded.</p> <p>Career Service pay plan begins with grade C101 and has an Entry Rate of \$15,080 and a Career rate of \$23,374. The highest Career Service pay grade is C130 which has an Entry Rate of \$60,810 and a Career rate of \$96,212.</p> <p>The Professional and Executive pay plan begins with grade N901 and has an Entry rate of \$65,000 and a Maximum of \$81,250. The highest Professional and Executive pay grade is N922 with an Entry rate of \$180,542 and a Maximum of \$225,655.</p> <p>There are also a number of classifications established by the legislature that have a line item maximum established by appropriation bill. These are known as unclassified positions and are not subject to the pay plans.</p>	<p>The minimum salary for all teachers with a bachelor's degree and 0 years of experience is \$29,244. Each year of experience gained increases the minimum salary that can be paid through 15 years with a minimum of 35,994.</p> <p>The minimum salary for all teachers with a master's degree and 0 years of experience is \$33,630. As with bachelor's degree each year of experience increases the minimum that can be paid. At 15 years the minimum is \$41,130.</p> <p>For the 13-14 school year the highest salary minimums paid by a school district were \$45,820 for bachelor's degree with 0 years of experience up to \$67,696 at the top of the pay scale for bachelor's.</p> <p>The highest master's degree minimum paid was \$48,344 for 0 years of experience up to \$74,320 at the top of the pay scale for master's degrees.</p>
Base Salary Increases	<p>There is not a standard process to provide a base salary increase to state employees other than Cost of Living Adjustments.</p> <p>Employees may apply for a competitive promotion to a higher graded classification, either in their own agency or by transferring to another agency in order to increase their base salary.</p> <p>There are a number of certification differentials and grid rates for certain classifications as approved by the General Assembly that can increase base salaries based on specific criteria. The general population of state employees does not have access to these rates or plans.</p>	<p>There is a minimum base salary increase built into the pay plan for teachers each year for the first 15 years of service.</p> <p>A \$450 minimum increase each year for bachelor's level teachers and a \$500 minimum increase each year for master's level teachers.</p> <p>There is no set minimum or maximum for classified school employees and no set maximum for administration or teachers. Districts may choose to increase their salary schedules from year to year.</p>
COLA	<p>The most recent Cost of Living Adjustment was applied in June of 2013. The increase was 2% of the base salary for all state employees.</p> <p>Prior to 2013, the last COLA provided was in 2010 and was also 2%.</p> <p>If the Governor and Chief Fiscal Officer determine that there are not enough funds in the state budget to provide a COLA then it is withheld until sufficient funds may become available.</p>	<p>Districts may increase their salary schedules each year or provide a COLA if they choose, but they are not required to do so.</p> <p>The state has added an inflationary adjustment to the per-student foundation funding amount that includes a COLA for salaries, but districts are not required to distribute the funds for that purpose.</p>

Merit Adjustments	<p>Merit Adjustments are not base salary increases. They are lump sum payments provided to employees based on performance evaluations.</p> <p>The maximum allowed by law is 4.5% for Exceeding Standards rating, 3.5% for Above Average rating and 1.5% for a Satisfactory rating.</p> <p>Like COLA, the Governor and Chief Fiscal Officer can adjust the maximum percentages available each year or withhold Merit completely based on available funding.</p> <p>For FY14 the Merit bonus maximum was 3%. For FY13 it was 4.5%. For FY12 it was 3%. For FY11 and FY10 it was 2.25%.</p>	<p>There is not a consistent process across all school districts for providing Merit or Performance- based increases. The districts may adjust individual salaries and salary schedules as the budget allows.</p> <p>A.C.A 6-17-119 and Dept of Education rule 5.16 also establish minimum criteria and guidelines for Alternative Pay Programs. "Alternative pay" means a salary amount that is part of the licensed employee's or classified employee's total compensation for additional responsibilities, mastery of new knowledge and skills, advanced career opportunities, increased student achievement, attracting highly qualified teachers, or professional development exceeding state minimums. Included in the criteria is a rule that if alternative pay is provided it shall be paid at a minimum of ten percent (10%) of the salary and receivable in one (1) year.</p>
Career Service Recognition	State employees are eligible after their 10 th year of service for a Lump Sum bonus of \$600, \$700, \$800, or \$900 based on their total years of service.	Annual service increments determined by state minimum requirements and additional increments may be provided at the districts' discretion.

LEAVE POLICIES

	State Employees	School Employees
Annual/Personal	<p>Annual leave accrued monthly varies from a minimum of 8 hours per month to a maximum of 15 hours based on years of service. Maximum carryover from year to year is 30 days or 240 hours per A.C.A 21-4-204</p> <p>All state employees are subject to the same annual leave policies regardless of classification.</p>	There is not a consistent process across all school districts for providing personal leave. It varies from district to district and may depend on their classification and number of contract days. A.C.A 6-17-211 provides for school districts to set leave policies.
Sick	<p>Sick Leave is provided at 8 hours per month for all employees and never increases. Maximum carryover from year to year is 120 days or 960 hours per A.C.A 21-4-207</p> <p>All state employees are subject to the same sick leave policies regardless of classification.</p>	<p>Each public school employee is guaranteed 1 sick day per contract month per A.C.A 6-17-1204 and 6-17-1304.</p> <p>School districts may provide additional sick days for employees above the minimum per 6-17-1208 and 6-17-1306.</p>

**COMPARISON OF INSURANCE BENEFITS
PUBLIC EMPLOYEES & TEACHERS RETIREMENT SYSTEMS**

HEALTH INSURANCE

	State Employees		School Employees	
Eligibility	1,000 work hours per year		30 Hours per week	
Monthly cost to Employee for Plan Year 2015	<p>Premium Employee Only \$104.78 Employee/Spouse \$379.08 Employee/Child(ren) \$210.04 Employee/Family \$484.34</p> <p>Classic Employee Only \$46.48 Employee/Spouse \$243.02 Employee/Child(ren) \$109.46 Employee/Family \$306</p> <p>Basic Employee Only \$0.00 Employee/Spouse \$132.48 Employee/Child(ren) \$28.16 Employee/Family \$160.64</p>		<p>Premium Employee Only \$179.38 Employee/Spouse \$812.72 Employee/Child(ren) \$460.08 Employee/Family \$814.92</p> <p>Classic Employee Only \$45.00 Employee/Spouse \$346.74 Employee/Child(ren) \$154.90 Employee/Family \$350.36</p> <p>Basic Employee Only \$11.00 Employee/Spouse \$266.72 Employee/Child(ren) \$119.16 Employee/Family \$269.50</p>	
EAP	All state agency employees and families supported by EBD including non-insured employees have this benefit.		Insured school employees and families have the same EAP benefit as state employees; non-insured have no benefit	
Cafeteria Plan	Pre-tax dollars for Flexible Spending Accounts (FSA) for daycare and medical, dental insurance, health insurance premiums, some life insurance (not dependents), and other voluntary products		Schools offer a variety of cafeteria plan benefits, and they vary by district. Health insurance premiums are offered pre-tax.	

Total Cost of Insurance Plans to the State for Fiscal Year 2014	Actives/COBRA	\$59,561,364.20	Actives/COBRA	\$97,587,759.95
	Retirees (Non Medicare)	\$10,295,799.89	Retirees (Non Medicare)	\$18,644,742.09
	Medicare Retiree	\$19,214,518.56	Medicare Retiree	\$9,134,745.12
	State Contribution	\$171,816,472.00	State Contribution	\$51,000,000.00
	District Contribution	\$0.00	District Contribution	\$98,750,129.58
	Dept of Education	\$0.00	Dept of Education	\$50,000,000.00
	Medicare Subsidy	\$4,930,778.00	Medicare Subsidy	\$0.00
	FICA Savings Transfer	\$4,496,351.85	FICA Savings Transfer	\$0.00
	Pharmacy Rebates	\$1,437,319.00	Pharmacy Rebates	\$1,774,016.65
	Miscellaneous	\$388,986.97	Miscellaneous	\$246,715.63
	TOTAL	\$272,141,590.47	TOTAL	\$327,138,109.02
	- Miscellaneous includes Performance Guarantees, Interest, Fines & Penalties, etc. - Medicare Retirees on the State Plan have pharmacy benefits therefore their rates are higher than the school Medicare retirees.			- State of Arkansas gave the School Plan \$8,000,000 during FY14 to shore up Plan Year 2013 and \$43,000,000 to use for Plan Year 2014 for a total of \$51 million. - Medicare Retirees on the School Plan do not have pharmacy benefits, therefore their rates are lower than the state.

LIFE INSURANCE

	State Employees	School Employees
	State employees have a basic policy of \$10,000 paid by the state at \$1.70 month.	The basic life insurance for the school employees is \$10,000 at \$1.70 per month. Not all schools pay for this coverage, so the employee has the option to decline the coverage at enrollment (hire) time.

**COMPARISON OF RETIREMENT BENEFITS
PUBLIC EMPLOYEES & TEACHERS RETIREMENT SYSTEMS**

STRAIGHT LIFE ANNUITY COMPARISON

APERS				ATRS			
APERS 28 Years Service				ATRS 28 Years Service			
Avg Salary	Non Contributory *	Non Contributory **	Contributory	Avg Salary	Non Contributory	Contributory	
\$40,000	\$1,605	\$1,913	\$1,867	\$40,000	\$1,372	\$2,081	
\$55,000	\$2,207	\$2,631	\$2,567	\$55,000	\$1,858	\$2,834	
\$75,000	\$3,010	\$3,588	\$3,500	\$75,000	\$2,507	\$3,837	
APERS 35 Years Service				ATRS 35 Years Service			
Avg Salary	Non Contributory *	Non Contributory **	Contributory	Avg Salary	Non Contributory	Contributory	
\$40,000	\$2,123	\$2,508	\$2,450	\$40,000	\$1,696	\$2,583	
\$55,000	\$2,920	\$3,449	\$3,369	\$55,000	\$2,304	\$3,523	
\$75,000	\$3,981	\$4,703	\$4,594	\$75,000	\$3,115	\$4,778	
*No Temporary Annuity - retire after age 62				Contributory service is mandatory for new public school employees working over 181 hours at 6%			
**Includes Temporary Annuity (0.33% *FAS) - retire before age 62				70% of ATRS members are contributory.			
Contributory service is mandatory for any new state employees at 5%				90% of active teachers and administrators are contributory.			
65% of current APERS members are contributory.							

VESTING

	APERS	ATRS
Eligibility:	5 years of service	5 years of service

FULL RETIREMENT

	APERS	ATRS
Eligibility:	<p>Noncontributory: Age 65 with 5 years of service; age 55 with 35 credited years of service; or any age with 28 years of service</p> <p><u>Contributory:</u></p> <p>Before 7/1/05 - Age 65 with 5 years; age 60 with 20 years service (pre-1978 provisions); or any age with 28 years service</p> <p>After 7/1/05: same as non-contributory</p>	Age 60 with 5 years of service or any age with 28 years of service.
Benefit:	<p><u>Noncontributory</u> - 1.75% of final average salary (FAS) times years of service thru 6/30/07; 1.72% on 7/1/07</p> <p><u>Temporary Annuity</u> available to members who retire before age 62 until age 62 (0.33% x FAS x yrs of svc_(non-contributory service only)</p> <p><u>Contributory</u> - 2.03% of final average salary times years of service thru 6/30/07; 2.0% on 7/1/07</p> <p><u>Longevity Increase</u> -An additional 0.5% of FAS for every yr of service beyond 28 yrs.</p> <p>(3 year final average salary)</p> <p><u>Career Service Payments/Lump Sum Payments</u> used to determine retirement benefits - Act 799 of 2007</p> <p>Average benefit \$12,928/year (\$1,077/month)</p>	<p>2.15% of final average salary times years of contributory service;</p> <p>1.39% of final average salary times years of non-contributory service. Certain minimum benefit provisions apply.</p> <p>[+ \$75 monthly supplement with ten actual years of service]</p> <p>(3 year final average salary)</p> <p>Average benefit - \$21,900/year (\$1,825/month)</p>

REDUCED RETIREMENT

	APERS	ATRS
Eligibility:	Age 55 with 5 years of service or any age with 25 years of service	Any age with 25 years of service.
Benefit:	Full benefit reduced by 1/2 of 1% for each month retirement precedes normal retirement age or 1% if reduced from 28 years	Full benefit reduced by 5/12 of a percent, times months by which early retirement precedes the earlier of attainment of age 60 or completion of 28 years of service.

OTHER RETIREMENT OPTIONS

	APERS	ATRS
Annuity Options	<p>Straight Life - monthly lifetime benefits</p> <p>Option A120 - 94% of straight life annuity; beneficiary receives annuity for balance of 120 months</p> <p>Option A60 - 98% of straight life annuity; beneficiary receives balance of the 60 months</p> <p>Option B50 - 88% - 1/2 of monthly benefit paid to beneficiary</p> <p>Option B75 - 83% - 3/4 of monthly benefit paid to beneficiary</p>	<p>Joint and 100% Survivor</p> <p>Joint and 50% Survivor</p> <p>10 Years Certain and Life</p>

COST OF LIVING RAISES FOR RETIREES

	APERS	ATRS
	<p>3% per year compounded</p> <p>1% ad hoc increase for retirement on or before 6/1/07 - Act 1568 of 2007</p>	3% simple per year.

DISABILITY

	APERS	ATRS
Eligibility:	5 years of service (10 yrs for General Assembly members)	5 years of actual service
Benefit:	Accrued benefit at disability	Accrued benefit at disability.

DEATH BENEFITS

	APERS	ATRS
Eligibility:	5 years of service	see <i>Death-in-Service</i>

LUMP SUM DEATH BENEFIT

	APERS	ATRS
Eligibility:		10 years of service active or retired member eligible for benefit of \$6,667 to \$10,000

DEATH-IN-SERVICE

	APERS	ATRS
Eligibility:	5 years of service	5 years of actual and reciprocal service
Benefit:	Greater of option B-75 or 10% of covered compensation. Must have been married to spouse for one year preceding death. Each child - annuity of the greater of 10% of covered compensation or equal share of monthly minimum; 25% maximum for all children.	<p>Surviving spouse shall receive an amount as if the member had retired and took joint and 100% survivor annuity.</p> <p>Surviving spouse's benefit payable immediately if the member had 25 or more years of service or had reached age 60. Otherwise, surviving spouse's benefit payable the month following the member's 60th birthday.</p> <p>Dependent Child's benefits payable immediately equivalent to 20% of member's highest salary or maximum of 60% if 3 or more dependent children.</p>

PARTIAL ANNUITY WITHDRAWAL

	APERS	ATRS
Eligibility:	Meets age and service requirements and NOT participating in DROP	none
Benefit	Lump sum of up to 60 months of benefits for each month beyond eligibility for unreduced benefit. Annuity actuarially reduced, depending on age	none

DEFERRED RETIREMENT OPTION PLANS (DROP)

	APERS	ATRS
Eligibility:	30 years; 28 yrs reduced	30 years; 28 yrs reduced
Monthly Annuity:	75%; reduced 6% each year under 30 years	Reduced 1% each year of service including reciprocal; additional reduction of 6% each year under 30 yrs
Duration	7 years	10 years
Interest	2.50% compounded	Variable: 2% - 6% compounded; continued interest paid at a variable rate of 4% - 6% for post 10-year participation.

CONTRIBUTIONS

	APERS	ATRS
Employee:	5% of pay for contributory member	6% of pay for contributory member
Employer:	14.76% State 14.76% Local 4% School	14% employer rate on all salary paid to employees; Active, Working Retirees, and T-DROP participants.

RETURN TO WORK PROVISIONS

	APERS	ATRS
Retirees Returning to Work	Regular APERS-covered employees must terminate employment (be off the payroll) for a minimum of one calendar month before returning to a position otherwise covered by the system. No further credit can be accrued in APERS. Elected officials must terminate employment for a minimum of one year. No further credit available. EXCEPT: Elected officials moving from one form of government to another (eg: mayor to legislator) need no such break in service. No further credit in the system.	Members under age 65 must terminate employment prior to the effective date of benefits. Members under age 65 cannot return to work for an ATRS covered employer within 6 months of their effective date or their retirement will be canceled (unless they have at least 38 or more years of combined service; members with 38 or more years of combined service must remain terminated for at least 1 month beyond their effective date of retirement). Members age 65 or older may apply for benefits without termination of employment.
Rescinding Retirement	NA	NA
Earnings Limitation	NA	NA
Waiver of Earnings Limitation	NA	NA

PURCHASE OF SERVICE

	APERS	ATRS
Additional Service Purchase	May purchase up to 5 years out-of-state service credit upon the attainment of 5 years of service. May purchase educational leave time; time lost due to Worker's Compensation injury; service where the person was paid by a federal grant; service with a non-participating municipality; out-of-state public employment and federal public employment	May purchase military service (5 years), overseas (10 years) and out-of-state service (15 years), sabbatical leave (one-for-one time of actual enrollment), private school service (5 years for classified and 15 years for teaching) prior state service (one-for one—no limit), domestic federal service (10 years), federal retirement (10 years) and national guard service (5 years). Purchase of service is based on actuarial cost..

Military Service	<p>May purchase anywhere from one month to 5 years of active duty military service with at least 5 years of actual service in the System, received an honorable discharge;</p> <p>May purchase five years of credited service for Arkansas National Guard or Armed Forces Reserve service after separation from Guard/Reserve service.</p>	<p>May establish up to 5 years of free military service, if time served is compulsory, after member has established at least 5 years of actual service in the System and received an honorable discharge.</p> <p>May purchase up to 5 years of active duty military service with at least 5 years of actual service in the System and received an honorable discharge.</p> <p>May purchase up to 5 years of credited service for Arkansas National Guard and/or Reserve service with at least 5 years of actual service in the System.</p> <p>All military service purchases are based on actuarial cost.</p>
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BOARD COMPOSITION

APERS (9 PERSONS)		ATRS (15 PERSONS)	
State Auditor, ex officio	<p>Three (3) state employee members, appointed by the Governor (6-year term of office)</p> <p>three non-state employees appointed by Governor (6-yr term)</p>	State Bank Commissioner, ex officio	<p>Eight (8) members elected by system members (6-yr term of office)</p> <p>Three (3) retirees elected by TRS retirees (6-year term of office)</p>
State Treasurer, ex officio		State Treasurer, ex officio	
DFA Director, ex officio		State Auditor, ex officio	
		Education Commissioner, ex officio	

Health Insurance
Funding Methodology
ASE and PSE

Health Insurance Funding Methodology

State Employees

Arkansas Code § 21-5-414 requires the state to make monthly contributions for each budgeted state employee position. According to the statute, the monthly contributions cannot exceed \$425 per month per budgeted position. This maximum amount has been in statute since FY2008. The statute also authorizes the state's Chief Fiscal Officer to set the contribution amount. According to the Department of Finance and Administration's 2015 Annual Operation Plan for State Agencies, the monthly contribution amount was set at \$410.

Public School Employees

Funding for public school employees is provided in two ways: 1.) each school district is required to make monthly contributions for employees enrolled in the plan, and 2.) the state contributes funding directly to the Employee Benefits Division (EBD) to be used for the public school employee plan.

- School District Contributions

Arkansas Code § 6-17-1117 requires school districts to pay a minimum of \$150 per month for each employee actually participating in the state health insurance plan beginning Jan.1, 2014. Districts have the option of paying more than the minimum amount, and in 2014, 62 of the 238 school districts (as well as five charter schools, four educational service cooperatives and two secondary technical centers) paid more than the minimum. The statute also requires the contribution rate to increase as the per-student foundation funding rate increases. Specifically, the contribution amount must increase at the same rate as the salary and benefit component of foundation funding (as calculated by the foundation funding formula, or matrix). For FY15 (July 2014 through June 2015), the salary and benefit component increased 2%, raising districts' monthly employee contribution requirement to \$153.

The General Assembly provides funding to school districts for this purpose primarily through the per-student foundation funding rate (\$6,521 for 2014-15). However, the state and federal government provides school districts many other sources of funds they may use to pay the health insurance benefits of employees. For example, the state provides English Language Learner state categorical funds, which are intended to allow school districts to pay the salaries and benefits for teachers in English as a Second Language programs.

- Direct State Contributions

In addition to providing school districts with money they can use for health insurance, the state also sends funding directly to the Employee Benefits Division. The state provides \$50 million annually through two Public School Fund appropriations (one for \$35 million and another for \$15 million). For 2013-14, the General Assembly provided \$43 million in additional one-time money from General Improvement Funds, for a total of \$93 million. For 2014-15, an additional \$26.4 is being redirected from

two school facilities funding programs and the program that funds professional development for educators. Additionally, during the 2014 Fiscal Session, the Governor requested another \$10 million in General Revenue to be added to the \$26.4 million that was reallocated during the First Extraordinary Session of 2013, for a total of \$36.4 million. With the existing \$50 million, the General Assembly has provided a total of about \$86.4 million directly to EBD for the public school employee health insurance plan.

ASE Positions

Authorized v. Base v. Unbudgeted

Authorized vs Base vs Unbudgeted

Assume an agency has 100 **positions** authorized in their Appropriation Act.

During their **annual** budgeting process they budget for 80 of the 100 positions. This establishes their base level number of positions at 80.

This means they have 20 positions that are authorized/appropriated, but not budgeted.

100 Authorized Positions
- 80 Budgeted Positions= Base Level
20 Unbudgeted Positions

Now assume that 10 of the 80 budgeted positions are vacant. Even though these positions are vacant, the agency budgets for them as if they may fill them during the fiscal year.

80 Budgeted Positions
- 10 Vacant Budgeted Positions
70 Budgeted Positions Filled.

Insurance will be paid on the 10 vacant budgeted positions, but retirement will not. If any or all of these 10 are filled during the fiscal year, the agency will begin to pay retirement on those positions as they are filled.

Insurance and Retirement will be paid on all 70 positions that are budgeted and filled.

Neither Insurance nor Retirement will be paid on the 20 unbudgeted positions.

When the agency prepares their next budget request - that will eventually become their next appropriation act - they must request a change level (continuation/restoration) of the 20 unbudgeted positions in order to keep them. If they do not, the positions will be eliminated, causing the agency to have 80 authorized positions instead of 100 in the appropriation act, assuming no other changes were made.

If the agency were to request the change level (continuation/restoration) of the 20 unbudgeted positions and they were approved, then the new appropriation will continue to reflect 100 authorized positions.

Positions by State Agency FY 2012 through FY 2014

Agency No.	Agency Title	FY12				FY13				FY14			
		# Positions	# Positions	# Employees	# Employees	# Positions	# Positions	# Employees	# Employees	# Positions	# Positions	# Employees	# Employees
		Unbudgeted FY12	Budgeted FY12	Insured	Total FY12	Unbudgeted FY13	Budgeted FY13	Insured	Total FY13	Unbudgeted FY14	Budgeted FY14	Insured	Total FY14
002	HOUSE OF REPRESENTATIVES	48	29	18	18	19	29	21	22	20	29	20	20
005	SENATE	15	15	11	12	15	15	10	12	0	15	11	2
009	LEGISLATIVE AUDIT	290	290	25	275	290	290	250	278	0	290	258	21
011	LEGISLATIVE COUNCIL	129	129	17	116	129	129	103	119	0	129	101	13
018	COURT OF APPEALS	49	49	47	47	49	49	41	47	0	49	44	49
023	ADMIN. OFFICE OF THE COURTS	123	124	100	119	123	125	104	119	0	125	108	15
028	PROSECUTOR COORDINATOR	12	12	9	10	12	11	10	10	0	12	10	0
032	SUPREME COURT	46	46	35	45	46	46	40	45	0	46	57	4
034	GOVERNOR'S OFFICE	60	60	45	49	60	60	45	49	0	60	43	3
035	OFFICE OF MEDICAL INSPECTOR GENERAL	4	4	0	0	4	4	0	0	0	4	25	3
051	LEUTENANT GOVERNOR	4	4	4	4	4	4	1	2	0	4	2	1
053	ATTORNEY GENERAL	169	169	152	168	169	169	149	167	0	169	150	20
059	AUDITOR OF STATE	869	869	697	149	882	869	715	857	0	886	727	131
061	LAND COMMISSIONER	45	45	32	40	45	45	33	40	0	45	35	7
063	SECRETARY OF STATE	163	163	131	167	162	162	138	175	0	162	130	17
069	TREASURER OF STATE	33	33	29	29	33	33	28	28	0	33	24	1
080	GAME & FISH COMMISSION	602	602	497	58	602	602	522	579	0	612	520	52
085	LOTTERY COMMISSION	91	69	69	13	72	72	72	82	0	71	71	10
090	HIGHWAY & TRANSPORTATION	4,834	3,594	3,179	371	4,834	3,591	3,177	348	3,550	3,194	376	3,520
130	ARK. TECH UNIVERSITY	11	11	10	12	10	10	0	0	0	9	0	2
175	NATIONAL PARK COMMUNITY COLLEGE	142	142	159	13	172	172	160	160	0	162	153	3
180	ARKANSAS NORTHEASTERN COLLEGE	41	41	38	0	39	39	30	30	0	34	27	0
200	ABSTRACTOR'S BD.	1	1	0	0	1	1	0	0	0	1	0	0
203	ACCOUNTANCY BD.	9	9	7	8	9	9	8	9	0	9	8	1
205	APPRAISERS LICENSING BD.	4	4	3	1	4	4	3	4	0	4	3	1
206	ARCHITECT'S, LANDSCAPE ARCHITECTS, & INTERIOR DESIGNERS BD.	3	3	3	3	3	3	3	3	0	3	2	1
210	AUCTIONEER'S LICENSING BD.	1	1	0	1	1	1	0	1	0	1	0	1
211	PROFESSIONAL BAIL BONDSMAN BOARD	3	3	2	1	3	3	2	1	0	3	0	1
212	BARBER EXAMINER'S BD.	3	3	1	2	3	3	1	2	0	4	2	1
215	BURIAL ASSOCIATION BD.	3	3	3	0	3	3	2	0	0	3	2	1
216	PRIVATE CAREER ED. STATE BD.	4	4	3	0	3	3	4	0	0	4	0	4
220	CHILD ABUSE & NEGLECT PREV.	2	2	1	2	2	2	1	1	0	2	1	1
221	COLLECTION AGENCIES BD.	4	4	3	0	4	4	3	0	0	4	0	4
224	CONTRACTOR'S LICENSING BD.	18	18	16	3	18	18	18	19	0	22	16	2
228	COUNSELING BD. OF EXAMINERS IN	3	3	2	3	3	3	2	3	0	3	2	1
229	FAIR HOUSING	10	10	7	2	10	11	7	2	0	12	5	1
232	ELECTION COMMISSIONERS BD	7	7	7	0	7	7	5	1	0	7	6	0
233	EMBALMERS & FUNERAL DIR.'S BD.	3	3	1	1	3	3	0	1	1	2	0	1
236	LICENSURE FOR PROFESSIONAL ENGINEERS & PROFESSIONAL SURVEYERS BD.	5	5	5	0	5	5	5	5	0	5	5	0
238	ETHICS COMMISSION	9	9	6	2	9	9	6	2	0	9	7	1
240	GEOLOGISTS BD.	1	1	0	1	1	1	0	0	0	0	0	0
241	JUDICIAL DISCIPLINE & DISAB. COMM.	6	6	6	0	6	6	6	0	0	6	0	6
245	MESSAGE THERAPY BD.	2	2	2	1	2	2	2	0	0	2	0	2
246	PHYSICAL THERAPY BOARD	2	2	0	2	2	2	0	2	0	2	0	2
248	REAL ESTATE COMMSN.	15	15	13	1	15	15	13	0	13	15	0	13
250	RURAL SERVICES	6	6	3	1	6	6	4	1	0	5	0	5
254	SOCIAL WORKERS LICENSING BD.	1	1	1	0	1	1	1	0	0	1	0	1
255	AT HOME INSPECTOR REGISTRATION BD	3	3	0	2	3	3	3	1	0	4	0	4
258	TOWING AND RECOVERY BOARD	28	26	17	8	25	31	17	8	0	31	22	7
261	ARKANSAS TOBACCO CONTROL	3	3	3	0	3	3	3	0	0	3	0	3
263	FIRE PROTECTION LICENSING BD.	1	1	0	1	1	1	0	1	0	1	0	1
265	CHIROPRACTIC EXAM. BD.	3	3	0	0	3	3	0	0	0	3	0	3
268	DENTAL EXAMINER'S BD.	3	3	2	0	3	3	2	0	0	3	0	3
270	DIETETICS LICENSING BD.	1	1	0	1	1	1	0	1	0	1	0	1
274	MEDICAL BD.	41	41	31	38	41	41	32	39	0	41	0	41
277	NURSING BD.	27	27	25	2	27	27	21	3	0	27	0	27
279	DISPENSING OPTICIAN'S BD.	1	1	1	1	1	1	0	1	0	1	0	1
280	OPTOMETRY BD.	2	2	2	0	2	2	2	0	0	2	0	2
283	PHARMACY BD.	10	10	8	2	10	10	8	1	0	10	7	1
289	PSYCHOLOGY BD.	2	2	1	2	2	2	1	2	0	2	0	2
292	SPEECH PATHOLOGY & AUDIOLOGY	1	1	0	1	1	1	0	1	0	1	0	1
295	SPINAL CORD COMMISSION	25	25	20	5	25	27	23	3	0	28	26	2
298	VETERINARY MEDICAL BD.	3	3	0	1	3	3	1	0	0	3	0	3
305	MANUFACTURED HOMES COMMSN.	538	400	318	35	538	400	309	338	0	483	342	40
311	DISABILITY DETERMINATION	10	10	7	2	10	10	9	2	0	10	0	10
314	GOVERNOR'S MANSION COMMSN.	3	3	0	3	3	3	0	3	0	3	0	3
315	CAPITOL ZONING DISTRICT CMN.	4	4	0	4	4	4	0	4	0	4	0	4
318	MARTIN LUTHER KING, JR. COMMISSION	9	9	6	1	9	9	8	0	0	9	7	0
319	MINORITY HEALTH COMMISSION	7	7	3	3	7	7	4	1	0	7	0	7
320	MOTOR VEHICLE COMMSN.	22	22	18	4	22	22	17	5	0	22	19	4
323	POST PRISON TRANSFER BOARD	259	259	270	29	259	241	277	26	0	244	279	20
324	PUBLIC DEFENDER COMMISSION	32	30	17	1	32	30	21	2	0	30	20	2
327	SCIENCE & TECHNOLOGY AUTHORITY	5	5	5	0	5	5	5	0	0	5	0	5
328	SENTENCING COMMISSION	3	3	0	2	3	3	0	2	0	3	0	3
334	TOBACCO SETTLEMENT COMMISSION	7	7	5	0	7	7	5	0	0	7	0	7
338	WAR MEMORIAL STADIUM COMMISSION	20	20	11	9	20	20	12	8	0	20	12	8
341	WATERWAYS COMMISSION	93	89	69	7	93	89	69	7	4	89	66	6
347	STUDENT LOAN AUTHORITY	20	20	5	0	20	20	4	0	0	20	0	0
350	ARKANSAS BUILDING AUTHORITY	72	72	66	6	72	72	66	6	0	72	66	6
360	CLAIMS COMMISSION	10	10	8	1	10	10	4	3	0	10	0	3

Summary Information
ASE Health Insurance Plan
FY 2012 through FY 2014

Summary Information for State Employee Insurance for FY12-14

Appropriated Position and Active Employee Data

FY12					
Positions	# Positions	# Positions	# Employees	# Employees	# Employees
Auth in Act	Budgeted FY12	Unbudgeted FY12	Insured	Not Insured	Total FY12
38,045	34,518	3,527	27,627	4,954	32,581
State agencies provided \$390 per month for each "budgeted position" during FY 12. \$390 per month X 34,518 budgeted positions comes to a total of \$161,544,240 contribution to EBD.					

FY13					
Positions	# Positions	# Positions	# Employees	# Employees	# Employees
Auth in Act	Budgeted FY13	Unbudgeted FY13	Insured	Not Insured	Total FY13
38,018	34,740	3,278	27,851	4,883	32,734
State agencies provided \$390 per month for each "budgeted position" during FY 13. \$390 per month X 34,740 budgeted positions comes to a total of \$162,583,200 contribution to EBD.					

FY14					
Positions	# Positions	# Positions	# Employees	# Employees	# Employees
Auth in Act	Budgeted FY14	Unbudgeted FY14	Insured	Not Insured	Total FY14
38,356	34,902	3,454	27,859	4,486	32,345
State agencies provided \$410 per month for each "budgeted position" during FY 14. \$410 per month X 34,902 budgeted positions comes to a total of \$171,717,840 contribution to EBD.					

Notes:

- Arkansas Tech University, National Park Community College and AR Northeastern College each have a group of positions that have been folded into the institutions over the years from other agencies and still provide ASE Insurance to those employees.
- The Number of budgeted positions for the Natural Resources Commission is nearly double the number appropriated positions in the agencies act due to A.C.A 14-125-312 that provides state insurance to Conservation District employees.
- The Lottery Commission as well as Arkansas Tech, National Park Community College, and Arkansas Northeastern College pay a higher rate to EBD for each budgeted position. For FY14 they are paying \$466 per position that equates to an additional \$185,472 per year going to EBD.

Summary Information for State Employee Insurance for FY12-14

Cont.

Retiree Data - Employee Only

Non-Medicare Retirees (as of June 30)			
Year	Gold	Silver	Bronze
2012	2,278	3	20
2013	2,482	18	36
2014	2,444	22	58

Medicare Retirees	
Year	Gold Only
2012	7,360
2013	7,865
2014	8,232

Total Retirees	
Year	All Plans
2012	9,661
2013	10,401
2014	10,756

TOTAL STATE EMPLOYEE MEMBER COUNTS - INCLUDING DEPENDENTS

2012	GOLD	SILVER	BRONZE	Total
Actives	46,538	1,193	2,782	50,513
Non-Medicare Retirees	3,188	9	50	3,247
Medicare Retirees	9,792	0		9,792
Total 2012	59,518	1,202	2,832	63,552

2013	GOLD	SILVER	BRONZE	Total
Actives	45,234	2,197	3,498	50,929
Non-Medicare Retirees	3,443	34	78	3,555
Medicare Retirees	10,461	0		10,461
Total 2013	59,138	2,231	3,576	64,945

2014	GOLD	SILVER	BRONZE	Total
Actives	44,119	2,919	4,549	51,587
Non-Medicare Retirees	3,398	34	103	3,535
Medicare Retirees	10,896			10,896
Total 2014	58,413	2,953	4,652	66,018

Summary Information
PSE Health Insurance Plan
FY 2012 through FY 2014

Summary Information for Public School Employee Insurance for FY12-14
Retiree Data - Employee Only

Non-Medicare Retirees (as of June 30)			
Year	Gold	Silver	Bronze
2012	2,175	7	227
2013	2,257	48	887
2014	1,735	94	1164

Medicare Retirees	
Year	Gold Only
2012	6,946
2013	8,022
2014	9,025

Total Retirees	
Year	All Plans
2012	9,355
2013	11,214
2014	12,018

TOTAL SCHOOL EMPLOYEE MEMBER COUNTS - INCLUDING DEPENDENTS

2012	GOLD	SILVER	BRONZE	Total
Actives	52,525	1,507	16,066	70,098
Non-Medicare Retirees	2439	6	177	2,622
Medicare Retirees	7519			7,519
Total 2012	62,483	1,513	16,243	80,239

2013	GOLD	SILVER	BRONZE	Total
Actives	36,379	7,489	25,804	69,672
Non-Medicare Retirees	2,617	57	1152	3,826
Medicare Retirees	8,774			8,774
Total 2013	47,770	7,546	26,956	82,272

2014	GOLD	SILVER	BRONZE	Total
Actives	22,263	7,852	42,004	72,119
Non-Medicare Retirees	2,026	97	1448	3,571
Medicare Retirees	9,885			9,885
Total 2014	34,174	7,949	43,452	85,575

Eligible School Employees	
2012	69,995
2013	69,609
2014	69,983

ASE Health Insurance Plan FY 2015 Plan Year

ASE 2015 Monthly Rates

ASE 2015 Monthly RATES

Effective January 1, 2015 - December 31, 2015

Monthly Premiums for Arkansas State Active Employees with Wellness Visit

	Discounted Monthly Premium	State Contribution	Plan Contribution	Total Monthly Employee Cost
Employee Only				
Premium	\$431.08	\$305.75	\$20.55	\$104.78
Classic	\$372.78	\$305.75	\$20.55	\$46.48
Basic	\$326.30	\$305.75	\$20.55	\$0.00
Employee & Spouse				
Premium	\$968.92	\$552.69	\$37.15	\$379.08
Classic	\$832.86	\$552.69	\$37.15	\$243.02
Basic	\$722.32	\$552.69	\$37.15	\$132.48
Employee & Child(ren)				
Premium	\$723.48	\$481.10	\$32.34	\$210.04
Classic	\$622.90	\$481.10	\$32.34	\$109.46
Basic	\$541.60	\$481.10	\$32.34	\$28.16
Family				
Premium	\$1,261.32	\$728.04	\$48.94	\$484.34
Classic	\$1,082.96	\$728.02	\$48.94	\$306.00
Basic	\$937.62	\$728.04	\$48.94	\$160.64

Monthly Premiums for Arkansas State Active Employees without Wellness Visit

	Base Monthly Premium	State Contribution	Plan Contribution	Total Monthly Employee Cost
Employee Only				
Premium	\$506.08	\$305.75	\$20.55	\$179.78
Classic	\$447.78	\$305.75	\$20.55	\$121.48
Basic	\$401.30	\$305.75	\$20.55	\$75.00
Employee & Spouse				
Premium	\$1,043.92	\$552.69	\$37.15	\$454.08
Classic	\$907.86	\$552.69	\$37.15	\$318.02
Basic	\$797.32	\$552.69	\$37.15	\$207.48
Employee & Child(ren)				
Premium	\$798.48	\$481.10	\$32.34	\$285.04
Classic	\$697.90	\$481.10	\$32.34	\$184.46
Basic	\$616.60	\$481.10	\$32.34	\$103.16
Family				
Premium	\$1,336.32	\$728.04	\$48.94	\$559.34
Classic	\$1,157.96	\$728.02	\$48.94	\$381.00
Basic	\$1,012.62	\$728.04	\$48.94	\$235.64

ASE 2015 Monthly RATES

Effective January 1, 2015 - December 31, 2015

Monthly Premiums for Arkansas State Non-Medicare Retirees

	Discounted Monthly Premium	State Contribution	Plan Contribution	Total Monthly Retiree Cost
Retiree Only				
Premium	\$431.08	\$161.58	\$10.86	\$258.64
Classic	\$372.78	\$161.58	\$10.86	\$200.34
Basic	\$326.30	\$161.58	\$10.86	\$153.86
Retiree & Spouse				
Premium	\$968.92	\$287.57	\$19.33	\$662.02
Classic	\$832.86	\$287.57	\$19.33	\$525.96
Basic	\$722.32	\$287.57	\$19.33	\$415.42
Retiree & Child(ren)				
Premium	\$723.48	\$230.08	\$15.46	\$477.94
Classic	\$622.90	\$230.08	\$15.46	\$377.36
Basic	\$541.60	\$230.08	\$15.46	\$296.06
Retiree & Family				
Premium	\$1,261.32	\$356.07	\$23.93	\$881.32
Classic	\$1,082.96	\$356.05	\$23.93	\$702.98
Basic	\$937.62	\$356.07	\$23.93	\$557.62
Retiree & Medicare Primary Spouse				
Premium	\$790.98	\$272.86	\$18.34	\$499.78
Classic	---	---	---	---
Basic	---	---	---	---
Retiree & Medicare Primary Spouse & Child(ren)				
Premium	\$1,083.38	\$341.36	\$22.94	\$719.08
Classic	---	---	---	---
Basic	---	---	---	---

Monthly Premiums for Arkansas State Medicare Retirees

	Discounted Monthly Premium	State Contribution	Plan Contribution	Total Monthly Retiree Cost
Retiree Only	\$359.90	\$185.48	\$12.46	\$161.96
Retiree & Spouse	\$790.99	\$211.44	\$14.21	\$565.34
Retiree & Child(ren)	\$692.48	\$291.62	\$19.60	\$381.26
Retiree & Family	\$1,190.13	\$379.95	\$25.54	\$784.64
Retiree & Medicare Primary Spouse	\$697.31	\$289.81	\$19.48	\$388.02
Retiree & Medicare Primary Spouse & Child(ren)	\$1,029.88	\$395.95	\$26.61	\$607.32

ASE 2015 Premium Plan

2015 ASE Schedule of Benefits - Premium

(Active, Cobra & Non-Medicare Retiree)

	IN-NETWORK	OUT-OF-NETWORK
Annual Deductible - Individual	\$500	\$2,000
Annual Coinsurance Limit - Individual	\$2,500	N/A
*Medical Out-of-Pocket Max	\$3,000	N/A
Annual Deductible - Family	\$1,000	\$4,000
Annual Coinsurance Limit - Family	\$5,000	N/A
*Medical Out-of-Pocket Max - Family	\$6,000	N/A
Paid By Plan After Satisfaction Of Deductible	80%	60%
*Deductible, coinsurance and copays are included.		



COVERED BENEFITS AND SERVICES	IN-NETWORK COPAYMENT	IN-NETWORK	OUT-OF-NETWORK	APPLIES TO DEDUCTIBLE
ADVANCED IMAGING				
*Advanced Imaging (Radiology Services)	\$0	20%	40%	Y
*Requires pre-certification				
*Charges will apply for such services as MRI, MRA, CTA AND PET Scans				
*Charges will not apply when provided in conjunction with Emergency Room or Inpatient Hospital Services				
ALLERGY SERVICES				
Services and Specialty Providers (Office Visit and Testing)	\$50	20%	40%	N
Injections	\$0	\$0	0%	N
*Formulation of allergy serum requires coinsurance				
AMBULANCE SERVICES				
Air Ambulance Transportation	\$0	10%	10%	N
Ground Transportation	\$50	0%	40%	N
*Limited Benefits: \$2,000 per member per trip for ground ambulance				
BEHAVIORAL/MENTAL HEALTH & SUBSTANCE ABUSE TREATMENT SERVICES				
Office Visit	\$25	0%	40%	N
Psychological Testing	\$35	0%	40%	N
In-Patient Services	\$0	20%	40%	Y
Outpatient Services (Partial Hospital/Day Treatment)	\$0	20%	40%	Y
Outpatient Services (Intensive Outpatient)	\$0	20%	40%	Y
Residential Treatment	\$0	20%	40%	Y
DENTAL SERVICES				
Repair to Non-Diseases Teeth Due to Accident/Injury	\$0	20%	35%	Y

COVERED BENEFITS AND SERVICES	IN-NETWORK COPAYMENT	IN-NETWORK	OUT-OF- NETWORK	APPLIES TO DEDUCTIBLE
DIABETES MANAGEMENT SERVICE				
Insulin Pump & Supplies	\$0	20%	40%	Y
Glucometers	\$0	20%	40%	N
Diabetic Self Management Training	\$0	0%	40%	N
*Lancets and insulin needles for diabetics will be paid 100% by the plan for participants in the Diabetic Management Program *Test strips must be purchased at Pharmacy Only. *Glucometers - Provided through DME/Medical Benefit				
DURABLE MEDICAL EQUIPMENT/ENTERAL FEEDING				
DME/Enteral Feeding	\$0	20%	40%	Y
*Coverage is provided for medically necessary durable medical equipment. See exclusions. Not all services require pre-certification and may be reviewed for medical necessity by AHH. Refer to Utilization Management section.				
HEARING SERVICES				
Hearing Screening	\$50	0%	\$50	N
*Limited Benefits: One screening every three years				
Hearing Aid	\$0	0%	0%	N
*Limited Benefits: \$1,400 per ear every three years				
HOME HEALTH SERVICES				
Home Health Services	\$0	20%	40%	Y
HOME INTRAVENOUS DRUGS				
Home Intravenous Drugs and Solutions	\$0	20%	40%	Y
HOSPICE SERVICES				
Hospice Care	\$0	20%	40%	Y
HOSPITAL SERVICES				
In-Patient Services	\$0	20%	40%	Y
Outpatient Services	\$0	20%	40%	Y
Diagnostic Services	\$0	20%	40%	Y
Emergency Room Visit and Observation Services	\$250	0%	0%	N
*ER copay will be waived if admitted in the hospital.				
Urgent Care Center	\$100	0%	0%	N
*Visits deemed non-emergency charged as hospital services/outpatient, the coinsurance/copayment will apply.				

COVERED BENEFITS AND SERVICES

IN-NETWORK
COPAYMENT

IN-NETWORK

OUT-OF-
NETWORK

APPLIES TO DEDUCTIBLE

MATERNITY AND FAMILY PLANNING SERVICES

Prenatal and Postnatal Outpatient Care	\$0	20%	40%	Y
Inpatient Maternity Services	\$0	20%	40%	Y
*Hospital length of stay for childbirth: This plan complies with federal law that prohibits restricting benefits for any hospital length of stay in connection with childbirth for the mother and newborn child to less than 48 hours following a normal vaginal delivery or less than 96 hours following a caesarean section delivery				
Infertility Diagnostic Evaluation: Office Visit	\$70	0%	40%	N
Infertility Testing	\$0	20%	40%	Y
*Treatment for infertility is not a covered benefit under the ARBenefits Plan. Services related to infertility are covered up to diagnosis. Testing is not covered during or following treatment.				

PHARMACY BENEFIT - REFER TO RX DRUG COVERAGE SECTION

Prescription - Generic - Tier I	\$15
Prescription - Preferred - Tier II	\$40
Prescription - Non-Preferred - Tier III	\$80
Prescription Specialty - Tier IV	\$100
*RX Out-of-Pocket Max (Individual/Family)	\$3100/\$6200

*Excluded drugs, reference price drugs and brand drugs where generic is available does not apply towards the RX Out-of-Pocket Max.

PHYSICIAN/SPECIALIST SERVICES

*Primary Care Physician Office Visit	\$25	\$0	40%	N
*Specialist Office Visit/Specialty Care Services	\$50	\$0	40%	N
*Other Physician Services provided under Outpatient or In-Patient Care**	\$0	20%	40%	Y
*Includes such services as debridement and/or wound dressing changes performed in an outpatient setting with or without direct physician attention				
Medication	\$0	20%	40%	Y
*This includes injectable, oral and intravenous medications				
Radiation Therapy	\$0	20%	40%	Y
**See Professional Services under SPD - Summary of Common Services				

PREVENTATIVE CARE SERVICES

Physical Exams/Preventative Care	\$0	0%	40%	N
Well Baby/Child Care Visits	\$0	0%	40%	N
*Immunizations	\$0	0%	0%	N
*Vaccinations for the Flu, HPV and Herpes Zoster (Shingles) are covered 100% by the plan under the pharmacy benefit.				

PROSTHETIC AND ORTHOTIC DEVICES

Prosthetic and Orthotic Devices and Services	\$0	20%	40%	Y
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REHABILITATION SERVICES (INPATIENT)


Rehabilitation Services	\$0	20%	40%	Y
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COVERED BENEFITS AND SERVICES	IN-NETWORK COPAYMENT	IN-NETWORK	OUT-OF- NETWORK	APPLIES TO DEDUCTIBLE
REHABILITATION SERVICES (OUTPATIENT) OR OFFICE VISIT				
Chiropractic	\$25	0%	40%	N
*Limited Benefit: Fifteen (15) visits per member per plan year				
Physical Therapy	\$25	0%	40%	N
Occupational Therapy	\$25	0%	40%	N
Speech Therapy	\$25	0%	40%	N
*Therapy services billed by or provided by a Specialist MD will have the Specialist Copay (\$50)				
SKILLED NURSING FACILITY (SNF) SERVICES				
SNF Services	\$0	20%	40%	Y
TEMPOROMANDIBULAR JOINT (TMJ)/DYSFUNCTION (TMD) SERVICES				
TMJ/TMD	\$0	20%	40%	Y
*Limited Benefit: \$1,000 per member per plan year				
TRANSPLANT SERVICES				
Organ/Bone Marrow Transplant	\$250	20%	40%	N
*Copayment applicable per admission. *Limited Benefit: Two (2) organ transplants of the same organ per member per lifetime. *Limited Benefit: \$10,000 lifetime limit for travel and lodging determined by EBD as reasonable and necessary in conjunction with transplant services. *Coverage is provided for transplant services subject to pre-authorization (See Utilization Management Section). Transplant services MUST be provided by approved transplant provides and facilities.				
VISION SCREENING				
Vision Screening	\$50	0%	\$50	N
*Limited Benefit: One (1) exam every twenty-four (24) months				
Certain Limitations Apply - Please check your SPD Exclusions and Limitations section for more information				

ASE 2015 Classic Plan

2015 ASE Schedule of Benefits - Classic

(Active, Cobra & Non-Medicare Retiree)

	IN-NETWORK	OUT-OF-NETWORK	
Annual Deductible - Individual	\$2,500	\$4,000	
Annual Coinsurance Limit - Individual	\$3,950	N/A	
*Out-of-Pocket Max	\$6,450	N/A	
Annual Deductible - Family	\$5,000	\$8,000	
Annual Coinsurance Limit - Family	\$7,900	N/A	
*Out-of-Pocket Max - Family	\$12,900	N/A	
Paid By Plan After Satisfaction Of Deductible	80%	60%	
*Deductible, coinsurance and copays are included.			

COVERED BENEFITS AND SERVICES	IN-NETWORK COPAYMENT	IN-NETWORK	OUT-OF-NETWORK	APPLIES TO DEDUCTIBLE
ADVANCED IMAGING				
*Advanced Imaging (Radiology Services)	N/A	20%	40%	Y
*Requires pre-certification *Charges will apply for such services as MRI, MRA, CTA AND PET Scans *Charges will not apply when provided in conjunction with Emergency Room or Inpatient Hospital Services				
ALLERGY SERVICES				
Services and Specialty Providers (Office Visit and Testing)	N/A	20%	40%	Y
Injections	N/A	\$0	0%	N
AMBULANCE SERVICES				
Air Ambulance Transportation	N/A	10%		N
Ground Transportation	N/A	20%		N
*Limited Benefits: \$2,000 per member per trip for ground ambulance				
BEHAVIORAL/MENTAL HEALTH & SUBSTANCE ABUSE TREATMENT SERVICES				
Office Visit	N/A	20%	40%	Y
Psychological Testing	N/A	20%	40%	Y
In-Patient Services	N/A	20%	40%	Y
Outpatient Services (Partial Hospital/Day Treatment)	N/A	20%	40%	Y
Outpatient Services (Intensive Outpatient)	N/A	20%	40%	Y
Residential Treatment	N/A	20%	40%	Y
DENTAL SERVICES				
Repair to Non-Diseases Teeth Due to Accident/Injury	N/A	20%	40%	Y

COVERED BENEFITS AND SERVICES

IN-NETWORK
COPAYMENT

IN-NETWORK

OUT-OF-
NETWORK

APPLIES TO DEDUCTIBLE

DIABETES MANAGEMENT SERVICE

Insulin Pump & Supplies	N/A	20%	40%	Y
Glucometers	N/A	20%	40%	Y
Diabetic Self Management Training	N/A	20%	40%	Y

*Lancets and insulin needles for diabetics will be paid 100% by the plan for participants in the Diabetic Management Program

*Test strips must be purchased at Pharmacy Only.

*Glucometers - Provided through DME/Medical Benefit

DURABLE MEDICAL EQUIPMENT/ENTERAL FEEDING

DME/Enteral Feeding	N/A	20%	40%	Y
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*Coverage is provided for medically necessary durable medical equipment. See exclusions. Not all services require pre-certification and may be reviewed for medical necessity by AHH. Refer to Utilization Management section.

HEARING SERVICES

Hearing Screening	\$50	0%	\$50	N
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*Limited Benefits: One screening every three years

Hearing Aid	\$0	20%	40%	Y
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*Limited Benefits: \$1,400 per ear every three years

HOME HEALTH SERVICES

Home Health Services	N/A	20%	40%	Y
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HOME INTRAVENOUS DRUGS

Home Intravenous Drugs and Solutions	N/A	20%	40%	Y
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HOSPICE SERVICES

Hospice Care	N/A	20%	40%	Y
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HOSPITAL SERVICES

In-Patient Services	N/A	20%	40%	Y
Outpatient Services	N/A	20%	40%	Y
Diagnostic Services	N/A	20%	40%	Y
Emergency Room Visit and Observation Services	N/A	20%	40%	Y
Urgent Care Center	N/A	20%	40%	Y

COVERED BENEFITS AND SERVICES

IN-NETWORK
COPAYMENT

IN-NETWORK

OUT-OF-
NETWORK

APPLIES TO DEDUCTIBLE

MATERNITY AND FAMILY PLANNING SERVICES

Prenatal and Postnatal Outpatient Care	N/A	20%	40%	Y
Inpatient Maternity Services	N/A	20%	40%	Y
*Hospital length of stay for childbirth: This plan complies with federal law that prohibits restricting benefits for any hospital length of stay in connection with childbirth for the mother and newborn child to less than 48 hours following a normal vaginal delivery or less than 96 hours following a caesarean section delivery				
Infertility Diagnostic Evaluation: Office Visit	N/A	20%	40%	Y
Infertility Testing	N/A	20%	40%	Y
*Treatment for infertility is not a covered benefit under the ARBenefits Plan. Services related to infertility are covered up to diagnosis. Testing is not covered during or following treatment.				

PHARMACY BENEFIT - REFER TO RX DRUG COVERAGE SECTION

Prescription - Generic - Tier I	N/A	20%	N/A	Y
Prescription - Preferred - Tier II	N/A	20%	N/A	Y
Prescription - Non-Preferred - Tier III	N/A	20%	N/A	*Y
Prescription Specialty - Tier IV	N/A	20%	N/A	Y
*Excluded drugs, reference price drugs and brand drugs where generic is available does not apply towards the RX Out-of-Pocket Max.				

PHYSICIAN/SPECIALIST SERVICES

*Primary Care Physician Office Visit	N/A	20%	40%	Y
*Specialist Office Visit/Specialty Care Services	N/A	20%	40%	Y
*Other Physician Services provided under Outpatient or In-Patient Care**	N/A	20%	40%	Y
*Includes such services as debridement and/or wound dressing changes performed in an outpatient setting with or without direct physician attention				
Medication	N/A	20%	40%	Y
*This includes injectable, oral and intravenous medications				
Radiation Therapy	N/A	20%	40%	Y
**See Professional Services under SPD - Summary of Common Services				

PREVENTATIVE CARE SERVICES

Physical Exams/Preventative Care	N/A	0%	40%	N
Well Baby/Child Care Visits	N/A	0%	40%	N
*Immunizations	N/A	0%	0%	N
*Vaccinations for the Flu, HPV and Herpes Zoster (Shingles) are covered 100% by the plan under the pharmacy benefit.				

PROSTHETIC AND ORTHOTIC DEVICES

Prosthetic and Orthotic Devices and Services	N/A	20%	40%	Y
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REHABILITATION SERVICES (INPATIENT)

Rehabilitation Services	N/A	20%	40%	Y
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COVERED BENEFITS AND SERVICES	IN-NETWORK COPAYMENT	IN-NETWORK	OUT-OF- NETWORK	APPLIES TO DEDUCTIBLE
REHABILITATION SERVICES (OUTPATIENT) OR OFFICE VISIT				
Chiropractic	N/A	20%	40%	Y
*Limited Benefit: Fifteen (15) visits per member per plan year				
Physical Therapy	N/A	20%	40%	Y
Occupational Therapy	N/A	20%	40%	Y
Speech Therapy	N/A	20%	40%	Y
SKILLED NURSING FACILITY (SNF) SERVICES				
SNF Services	N/A	20%	40%	Y
TEMPOROMANDIBULAR JOINT (TMJ)/DYSFUNCTION (TMD) SERVICES				
TMJ/TMD	N/A	20%	40%	Y
*Limited Benefit: \$1,000 per member per plan year				
TRANSPLANT SERVICES				
Organ/Bone Marrow Transplant	N/A	20%	40%	Y
*Limited Benefit: Two (2) organ transplants of the same organ per member per lifetime. *Limited Benefit: \$10,000 lifetime limit for travel and lodging determined by EBD as reasonable and necessary in conjunction with transplant services. *Coverage is provided for transplant services subject to pre-authorization (See Utilization Management Section). Transplant services MUST be provided by approved transplant provides and facilities.				
VISION SCREENING				
Vision Screening	\$50	0%	\$50	N
*Limited Benefit: One (1) exam every twenty-four (24) months				
Certain Limitations Apply - Please check your SPD Exclusions and Limitations section for more information				

ASE 2015 Basic Plan

2015 ASE Schedule of Benefits - Basic

(Active, Cobra & Non-Medicare Retiree)

	IN-NETWORK	OUT-OF-NETWORK
Annual Deductible - Individual	\$6,450	not covered
Annual Coinsurance Limit - Individual	N/A	not covered
Out-of-Pocket Max	\$6,450	not covered
Annual Deductible - Family	\$12,900	not covered
Annual Coinsurance Limit - Family	N/A	not covered
Out-of-Pocket Max - Family	\$12,900	not covered
Paid By Plan After Satisfaction Of Deductible	100%	not covered



COVERED BENEFITS AND SERVICES	IN-NETWORK COPAYMENT	IN-NETWORK	OUT-OF-NETWORK	APPLIES TO DEDUCTIBLE
ADVANCED IMAGING				
*Advanced Imaging (Radiology Services)	N/A	0%	not covered	Y
*Requires pre-certification *Charges will apply for such services as MRI, MRA, CTA AND PET Scans *Charges will not apply when provided in conjunction with Emergency Room or Inpatient Hospital Services				
ALLERGY SERVICES				
Services and Specialty Providers (Office Visit and Testing)	N/A	0%	not covered	Y
Injections	N/A	\$0	not covered	N
AMBULANCE SERVICES				
Air Ambulance Transportation	N/A	10%		N
Ground Transportation	N/A	0%		N
*Limited Benefits: \$2,000 per member per trip for ground ambulance				
BEHAVIORAL/MENTAL HEALTH & SUBSTANCE ABUSE TREATMENT SERVICES				
Office Visit	N/A	0%	not covered	Y
Psychological Testing	N/A	0%	not covered	Y
In-Patient Services	N/A	0%	not covered	Y
Outpatient Services (Partial Hospital/Day Treatment)	N/A	0%	not covered	Y
Outpatient Services (Intensive Outpatient)	N/A	0%	not covered	Y
Residential Treatment	N/A	0%	not covered	Y
DENTAL SERVICES				
Repair to Non-Diseases Teeth Due to Accident/Injury	N/A	0%	not covered	Y

COVERED BENEFITS AND SERVICES

IN-NETWORK
COPAYMENT

IN-NETWORK

OUT-OF-
NETWORK

APPLIES TO DEDUCTIBLE

DIABETES MANAGEMENT SERVICE

Insulin Pump & Supplies	N/A	0%	not covered	Y
Glucometers	N/A	0%	not covered	Y
Diabetic Self Management Training	N/A	0%	not covered	Y

*Lancets and insulin needles for diabetics will be paid 100% by the plan for participants in the Diabetic Management Program

*Test strips must be purchased at Pharmacy Only.

*Glucometers - Provided through DME/Medical Benefit

DURABLE MEDICAL EQUIPMENT/ENTERAL FEEDING

DME/Enteral Feeding	N/A	0%	not covered	Y
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*Coverage is provided for medically necessary durable medical equipment. See exclusions. Not all services require pre-certification and may be reviewed for medical necessity by AHH. Refer to Utilization Management section.

HEARING SERVICES

Hearing Screening	\$50	0%	not covered	N
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*Limited Benefits: One screening every three years

Hearing Aid	\$0	0%	not covered	Y
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*Limited Benefits: \$1,400 per ear every three years

HOME HEALTH SERVICES

Home Health Services	N/A	0%	not covered	Y
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HOME INTRAVENOUS DRUGS

Home Intravenous Drugs and Solutions	N/A	0%	not covered	Y
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HOSPICE SERVICES

Hospice Care	N/A	0%	not covered	Y
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HOSPITAL SERVICES

In-Patient Services	N/A	0%	not covered	Y
Outpatient Services	N/A	0%	not covered	Y
Diagnostic Services	N/A	0%	not covered	Y
Emergency Room Visit and Observation Services	N/A	0%	not covered	Y
Urgent Care Center	N/A	0%	not covered	Y

COVERED BENEFITS AND SERVICES

IN-NETWORK
COPAYMENT

IN-NETWORK

OUT-OF-
NETWORK

APPLIES TO DEDUCTIBLE

MATERNITY AND FAMILY PLANNING SERVICES

Prenatal and Postnatal Outpatient Care

N/A

0%

not covered

Y

Inpatient Maternity Services

N/A

0%

not covered

Y

*Hospital length of stay for childbirth: This plan complies with federal law that prohibits restricting benefits for any hospital length of stay in connection with childbirth for the mother and newborn child to less than 48 hours following a normal vaginal delivery or less than 96 hours following a caesarean section delivery

Infertility Diagnostic Evaluation: Office Visit

N/A

0%

not covered

Y

Infertility Testing

N/A

0%

not covered

Y

*Treatment for infertility is not a covered benefit under the ARBenefits Plan. Services related to infertility are covered up to diagnosis. Testing is not covered during or following treatment.

PHARMACY BENEFIT - REFER TO RX DRUG COVERAGE SECTION

Prescription - Generic - Tier I

N/A

0%

N/A

Y

Prescription - Preferred - Tier II

N/A

0%

N/A

Y

Prescription - Non-Preferred - Tier III

N/A

0%

N/A

*Y

Prescription Specialty - Tier IV

N/A

0%

N/A

Y

*Excluded drugs, reference price drugs and brand drugs where generic is available does not apply towards the RX Out-of-Pocket Max.

PHYSICIAN/SPECIALIST SERVICES

*Primary Care Physician Office Visit

N/A

0%

not covered

Y

*Specialist Office Visit/Specialty Care Services

N/A

0%

not covered

Y

*Other Physician Services provided under Outpatient or In-Patient Care**

N/A

0%

not covered

Y

*Includes such services as debridement and/or wound dressing changes performed in an outpatient setting with or without direct physician attention

Medication

N/A

0%

not covered

Y

*This includes injectable, oral and intravenous medications

Radiation Therapy

N/A

0%

not covered

Y

**See Professional Services under SPD - Summary of Common Services

PREVENTATIVE CARE SERVICES

Physical Exams/Preventative Care

N/A

0%

not covered

N

Well Baby/Child Care Visits

N/A

0%

not covered

N

*Immunizations

N/A

0%

not covered

N

*Vaccinations for the Flu, HPV and Herpes Zoster (Shingles) are covered 100% by the plan under the pharmacy benefit.

PROSTHETIC AND ORTHOTIC DEVICES

Prosthetic and Orthotic Devices and Services

N/A

0%

not covered

Y

REHABILITATION SERVICES (INPATIENT)

Rehabilitation Services

N/A

0%

not covered

Y

COVERED BENEFITS AND SERVICES	IN-NETWORK COPAYMENT	IN-NETWORK	OUT-OF- NETWORK	APPLIES TO DEDUCTIBLE
REHABILITATION SERVICES (OUTPATIENT) OR OFFICE VISIT				
Chiropractic	N/A	0%	not covered	Y
*Limited Benefit: Fifteen (15) visits per member per plan year				
Physical Therapy	N/A	0%	not covered	Y
Occupational Therapy	N/A	0%	not covered	Y
Speech Therapy	N/A	0%	not covered	Y
SKILLED NURSING FACILITY (SNF) SERVICES				
SNF Services	N/A	0%	not covered	Y
TEMPOROMANDIBULAR JOINT (TMJ)/DYSFUNCTION (TMD) SERVICES				
TMJ/TMD	N/A	0%	not covered	Y
*Limited Benefit: \$1,000 per member per plan year				
TRANSPLANT SERVICES				
Organ/Bone Marrow Transplant	N/A	0%	not covered	Y
*Limited Benefit: Two (2) organ transplants of the same organ per member per lifetime. *Limited Benefit: \$10,000 lifetime limit for travel and lodging determined by EBD as reasonable and necessary in conjunction with transplant services. *Coverage is provided for transplant services subject to pre-authorization (See Utilization Management Section). Transplant services MUST be provided by approved transplant provides and facilities.				
VISION SCREENING				
Vision Screening	\$50	0%	not covered	N
*Limited Benefit: One (1) exam every twenty-four (24) months				
Certain Limitations Apply - Please check your SPD Exclusions and Limitations section for more information				

PSE Health Insurance Plan FY 2015 Plan Year

PSE 2015 Monthly Rates

PSE 2015 Monthly RATES

Effective January 1, 2015 - December 31, 2015

Monthly Premiums for Public School Active Employees with Wellness Visit

	Discounted Monthly Premium	State Contribution	Plan Contribution	Minimum District Contribution	Total Monthly Employee Cost
Employee Only					
Premium	\$641.14	\$300.96	\$7.80	\$153.00	\$179.38
Classic	\$267.94	\$68.17	\$1.77	\$153.00	\$45.00
Basic	\$148.50	\$0.00	(\$15.50)	\$153.00	\$11.00
Employee & Spouse					
Premium	\$1,457.18	\$479.04	\$12.42	\$153.00	\$812.72
Classic	\$554.68	\$53.55	\$1.39	\$153.00	\$346.74
Basic	\$269.72	\$0.00	(\$150.00)	\$153.00	\$266.72
Employee & Child(ren)					
Premium	\$1,192.60	\$564.88	\$14.64	\$153.00	\$460.08
Classic	\$469.82	\$157.83	\$4.09	\$153.00	\$154.90
Basic	\$238.52	\$0.00	(\$33.64)	\$153.00	\$119.16
Family					
Premium	\$2,008.64	\$1,014.42	\$26.30	\$153.00	\$814.92
Classic	\$731.56	\$222.43	\$5.77	\$153.00	\$350.36
Basic	\$334.74	\$0.00	(\$87.76)	\$153.00	\$269.50

Monthly Premiums for Public School Active Employees without Wellness Visit

	Base Monthly Premium	State Contribution	Plan Contribution	Minimum District Contribution	Total Monthly Employee Cost
Employee Only					
Premium	\$716.14	\$300.96	\$7.80	\$153.00	\$254.38
Classic	\$342.94	\$68.17	\$1.77	\$153.00	\$120.00
Basic	\$223.50	\$0.00	(\$15.50)	\$153.00	\$86.00
Employee & Spouse					
Premium	\$1,532.18	\$479.04	\$12.42	\$153.00	\$887.72
Classic	\$629.68	\$53.55	\$1.39	\$153.00	\$421.74
Basic	\$344.72	\$0.00	(\$150.00)	\$153.00	\$341.72
Employee & Child(ren)					
Premium	\$1,267.60	\$564.88	\$14.64	\$153.00	\$535.08
Classic	\$544.82	\$157.83	\$4.09	\$153.00	\$229.90
Basic	\$313.52	\$0.00	(\$33.64)	\$153.00	\$194.16
Family					
Premium	\$2,083.64	\$1,014.42	\$26.30	\$153.00	\$889.92
Classic	\$806.56	\$222.43	\$5.77	\$153.00	\$425.36
Basic	\$409.74	\$0.00	(\$87.76)	\$153.00	\$344.50

PSE 2015 Monthly RATES

Effective January 1, 2015 - December 31, 2015

Monthly Premiums for Public School Non-Medicare Retirees

	Discounted Monthly Premium	Retiree Subsidy	Plan Contribution	Total Monthly Retiree Cost
Retiree Only				
Premium	\$641.14	\$0.00	\$0.00	\$641.14
Classic	\$267.94	\$0.00	\$0.00	\$267.94
Basic	\$148.50	\$0.00	\$0.00	\$148.50
Retiree & Spouse				
Premium	\$1,457.18	\$0.00	\$0.00	\$1,457.18
Classic	\$554.68	\$0.00	\$0.00	\$554.68
Basic	\$269.72	\$0.00	\$0.00	\$269.72
Retiree & Child(ren)				
Premium	\$1,192.60	\$0.00	\$0.00	\$1,192.60
Classic	\$469.82	\$0.00	\$0.00	\$469.82
Basic	\$238.52	\$0.00	\$0.00	\$238.52
Retiree & Family				
Premium	\$2,008.64	\$0.00	\$0.00	\$2,008.64
Classic	\$731.56	\$0.00	\$0.00	\$731.56
Basic	\$334.74	\$0.00	\$0.00	\$334.74
Retiree & Medicare Primary Spouse				
Premium	\$795.12	\$0.00	\$0.00	\$795.12
Classic	---	---	---	---
Basic	---	---	---	---
Retiree & Medicare Primary Spouse & Child(ren)				
Premium	\$1,346.58	\$0.00	\$0.00	\$1,346.58
Classic	---	---	---	---
Basic	---	---	---	---

Monthly Premiums for Public School Medicare Retirees

	Discounted Monthly Premium	Retiree Subsidy	Plan Contribution	Total Monthly Retiree Cost
Retiree Only	\$153.98	\$55.18	\$0.00	\$98.80
Retiree & Spouse	\$783.92	\$0.00	\$0.00	\$783.92
Retiree & Child(ren)	\$757.10	\$0.00	\$0.00	\$757.10
Retiree & Family	\$1,521.48	\$0.00	\$0.00	\$1,521.48
Retiree & Medicare Primary Spouse	\$285.46	\$27.58	\$0.00	\$257.88
Retiree & Medicare Primary Spouse & Child(ren)	\$888.57	\$0.00	\$0.00	\$888.57

PSE 2015 Premium Plan

2015 PSE Schedule of Benefits - Premium

(Active, Cobra & Non-Medicare Retiree)

	IN-NETWORK	OUT-OF-NETWORK
Annual Deductible - Individual	\$1,000	\$2,000
Annual Coinsurance Limit - Individual	\$2,500	N/A
*Medical Out-of-Pocket Max	\$3,500	N/A
Annual Deductible - Family	\$2,000	\$4,000
Annual Coinsurance Limit - Family	\$5,000	N/A
*Medical Out-of-Pocket Max - Family	\$7,000	N/A
Paid By Plan After Satisfaction Of Deductible	80%	60%
*Deductible, coinsurance and copays are included.		



COVERED BENEFITS AND SERVICES	IN-NETWORK COPAYMENT	IN-NETWORK	OUT-OF-NETWORK	APPLIES TO DEDUCTIBLE
ADVANCED IMAGING				
*Advanced Imaging (Radiology Services)	\$0	20%	40%	Y
*Requires pre-certification				
*Charges will apply for such services as MRI, MRA, CTA AND PET Scans				
*Charges will not apply when provided in conjunction with Emergency Room or Inpatient Hospital Services				
ALLERGY SERVICES				
Services and Specialty Providers (Office Visit and Testing)	\$50	20%	40%	N
Injections	\$0	\$0	0%	N
*Formulation of allergy serum requires coinsurance				
AMBULANCE SERVICES				
Air Ambulance Transportation	\$0	10%	10%	N
Ground Transportation	\$50	0%	40%	N
*Limited Benefits: \$2,000 per member per trip for ground ambulance				
BEHAVIORAL/MENTAL HEALTH & SUBSTANCE ABUSE TREATMENT SERVICES				
Office Visit	\$25	0%	40%	N
Psychological Testing	\$35	0%	40%	N
In-Patient Services	\$0	20%	40%	Y
Outpatient Services (Partial Hospital/Day Treatment)	\$0	20%	40%	Y
Outpatient Services (Intensive Outpatient)	\$0	20%	40%	Y
Residential Treatment	\$0	20%	40%	Y
DENTAL SERVICES				
Repair to Non-Diseases Teeth Due to Accident/Injury	\$0	20%	35%	Y

COVERED BENEFITS AND SERVICES	IN-NETWORK COPAYMENT	IN-NETWORK	OUT-OF- NETWORK	APPLIES TO DEDUCTIBLE
DIABETES MANAGEMENT SERVICE				
Insulin Pump & Supplies	\$0	20%	40%	Y
Glucometers	\$0	20%	40%	N
Diabetic Self Management Training	\$0	0%	40%	N
*Lancets and insulin needles for diabetics will be paid 100% by the plan for participants in the Diabetic Management Program				
*Test strips must be purchased at Pharmacy Only.				
*Glucometers - Provided through DME/Medical Benefit				
DURABLE MEDICAL EQUIPMENT/ENTERAL FEEDING				
DME/Enteral Feeding	\$0	20%	40%	Y
*Coverage is provided for medically necessary durable medical equipment. See exclusions. Not all services require pre-certification and may be reviewed for medical necessity by AHH. Refer to Utilization Management section.				
HEARING SERVICES				
Hearing Screening	\$50	0%	\$50	N
*Limited Benefits: One screening every three years				
Hearing Aid	\$0	0%	0%	N
*Limited Benefits: \$1,400 per ear every three years				
HOME HEALTH SERVICES				
Home Health Services	\$0	20%	40%	Y
HOME INTRAVENOUS DRUGS				
Home Intravenous Drugs and Solutions	\$0	20%	40%	Y
HOSPICE SERVICES				
Hospice Care	\$0	20%	40%	Y
HOSPITAL SERVICES				
In-Patient Services	\$0	20%	40%	Y
Outpatient Services	\$0	20%	40%	Y
Diagnostic Services	\$0	20%	40%	Y
Emergency Room Visit and Observation Services	\$250	0%	0%	N
*ER copay will be waived if admitted in the hospital.				
Urgent Care Center	\$100	0%	0%	N
*Visits deemed non-emergency charged as hospital services/outpatient, the coinsurance/copayment will apply.				

COVERED BENEFITS AND SERVICES

IN-NETWORK
COPAYMENT

IN-NETWORK

OUT-OF-
NETWORK

APPLIES TO DEDUCTIBLE

MATERNITY AND FAMILY PLANNING SERVICES

Prenatal and Postnatal Outpatient Care	\$0	20%	40%	Y
Inpatient Maternity Services	\$0	20%	40%	Y
*Hospital length of stay for childbirth: This plan complies with federal law that prohibits restricting benefits for any hospital length of stay in connection with childbirth for the mother and newborn child to less than 48 hours following a normal vaginal delivery or less than 96 hours following a caesarean section delivery				
Infertility Diagnostic Evaluation: Office Visit	\$70	0%	40%	N
Infertility Testing	\$0	20%	40%	Y
*Treatment for infertility is not a covered benefit under the ARBenefits Plan. Services related to infertility are covered up to diagnosis. Testing is not covered during or following treatment.				

PHARMACY BENEFIT - REFER TO RX DRUG COVERAGE SECTION

Prescription - Generic - Tier I	\$15
Prescription - Preferred - Tier II	\$40
Prescription - Non-Preferred - Tier III	\$80
Prescription Specialty - Tier IV	\$100
*RX Out-of-Pocket Max (Individual/Family)	\$3100/\$6200

*Excluded drugs, reference price drugs and brand drugs where generic is available does not apply towards the RX Out-of-Pocket Max.

PHYSICIAN/SPECIALIST SERVICES

*Primary Care Physician Office Visit	\$25	\$0	40%	N
*Specialist Office Visit/Specialty Care Services	\$50	\$0	40%	N
*Other Physician Services provided under Outpatient or In-Patient Care**	\$0	20%	40%	Y
*Includes such services as debridement and/or wound dressing changes performed in an outpatient setting with or without direct physician attention				
Medication	\$0	20%	40%	Y
*This includes injectable, oral and intravenous medications				
Radiation Therapy	\$0	20%	40%	Y
**See Professional Services under SPD - Summary of Common Services				

PREVENTATIVE CARE SERVICES

Physical Exams/Preventative Care	\$0	0%	40%	N
Well Baby/Child Care Visits	\$0	0%	40%	N
*Immunizations	\$0	0%	0%	N

*Vaccinations for the Flu, HPV and Herpes Zoster (Shingles) are covered 100% by the plan under the pharmacy benefit.

PROSTHETIC AND ORTHOTIC DEVICES

Prosthetic and Orthotic Devices and Services	\$0	20%	40%	Y
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REHABILITATION SERVICES (INPATIENT)

Rehabilitation Services	\$0	20%	40%	Y
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COVERED BENEFITS AND SERVICES

IN-NETWORK
COPAYMENT

IN-NETWORK

OUT-OF-
NETWORK

APPLIES TO DEDUCTIBLE

REHABILITATION SERVICES (OUTPATIENT) OR OFFICE VISIT

Covered Benefits and Services	In-Network Copayment	In-Network	Out-Of-Network	Applies to Deductible
Chiropractic	\$25	0%	40%	N
*Limited Benefit: Fifteen (15) visits per member per plan year				
Physical Therapy	\$25	0%	40%	N
Occupational Therapy	\$25	0%	40%	N
Speech Therapy	\$25	0%	40%	N
*Therapy services billed by or provided by a Specialist MD will have the Specialist Copay (\$50)				

SKILLED NURSING FACILITY (SNF) SERVICES

SNF Services	\$0	20%	40%	Y
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TEMPOROMANDIBULAR JOINT (TMJ)/DYSFUNCTION (TMD)
SERVICES

TMJ/TMD	\$0	20%	40%	Y
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***Limited Benefit: \$1,000 per member per plan year**

TRANSPLANT SERVICES

Organ/Bone Marrow Transplant	\$250	20%	40%	N
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Copayment applicable per admission.**Limited Benefit: Two (2) organ transplants of the same organ per member per lifetime.*****Limited Benefit: \$10,000 lifetime limit for travel and lodging determined by EBD as reasonable and necessary in conjunction with transplant services.*****Coverage is provided for transplant services subject to pre-authorization (See Utilization Management Section). Transplant services MUST be provided by approved transplant providers and facilities.**

VISION SCREENING

Vision Screening	\$50	0%	\$50	N
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***Limited Benefit: One (1) exam every twenty-four (24) months**

Certain Limitations Apply - Please check your SPD Exclusions and Limitations section for more information

PSE 2015 Classic Plan

2015 PSE Schedule of Benefits - Classic

(Active, Cobra & Non-Medicare Retiree)

	IN-NETWORK	OUT-OF-NETWORK	
Annual Deductible - Individual	\$2,000	\$3,000	
Annual Coinsurance Limit - Individual	\$4,450	N/A	
*Medical Out-of-Pocket Max	\$6,450	N/A	
Annual Deductible - Family	\$3,000	\$6,000	
Annual Coinsurance Limit - Family	\$6,675	N/A	
*Medical Out-of-Pocket Max - Family	\$9,675	N/A	
Paid By Plan After Satisfaction Of Deductible	80%	60%	
*Deductible, coinsurance and copays are included.			

COVERED BENEFITS AND SERVICES	IN-NETWORK COPAYMENT	IN-NETWORK	OUT-OF-NETWORK	APPLIES TO DEDUCTIBLE
ADVANCED IMAGING				
*Advanced Imaging (Radiology Services)	N/A	20%	40%	Y
*Requires pre-certification *Charges will apply for such services as MRI, MRA, CTA AND PET Scans *Charges will not apply when provided in conjunction with Emergency Room or Inpatient Hospital Services				
ALLERGY SERVICES				
Services and Specialty Providers (Office Visit and Testing)	N/A	20%	40%	Y
Injections	N/A	\$0	0%	N
AMBULANCE SERVICES				
Air Ambulance Transportation	N/A	10%		N
Ground Transportation	N/A	20%		N
*Limited Benefits: \$2,000 per member per trip for ground ambulance				
BEHAVIORAL/MENTAL HEALTH & SUBSTANCE ABUSE TREATMENT SERVICES				
Office Visit	N/A	20%	40%	Y
Psychological Testing	N/A	20%	40%	Y
In-Patient Services	N/A	20%	40%	Y
Outpatient Services (Partial Hospital/Day Treatment)	N/A	20%	40%	Y
Outpatient Services (Intensive Outpatient)	N/A	20%	40%	Y
Residential Treatment	N/A	20%	40%	Y
DENTAL SERVICES				
Repair to Non-Diseases Teeth Due to Accident/Injury	N/A	20%	40%	Y

COVERED BENEFITS AND SERVICES

IN-NETWORK
COPAYMENT

IN-NETWORK

OUT-OF-
NETWORK

APPLIES TO DEDUCTIBLE

DIABETES MANAGEMENT SERVICE

Insulin Pump & Supplies	N/A	20%	40%	Y
Glucometers	N/A	20%	40%	Y
Diabetic Self Management Training	N/A	20%	40%	Y

*Lancets and insulin needles for diabetics will be paid 100% by the plan for participants in the Diabetic Management Program

*Test strips must be purchased at Pharmacy Only.

*Glucometers - Provided through DME/Medical Benefit

DURABLE MEDICAL EQUIPMENT/ENTERAL FEEDING

DME/Enteral Feeding	N/A	20%	40%	Y
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*Coverage is provided for medically necessary durable medical equipment. See exclusions. Not all services require pre-certification and may be reviewed for medical necessity by AHH. Refer to Utilization Management section.

HEARING SERVICES

Hearing Screening	\$50	0%	\$50	N
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*Limited Benefits: One screening every three years

Hearing Aid	\$0	20%	40%	Y
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*Limited Benefits: \$1,400 per ear every three years

HOME HEALTH SERVICES

Home Health Services	N/A	20%	40%	Y
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HOME INTRAVENOUS DRUGS

Home Intravenous Drugs and Solutions	N/A	20%	40%	Y
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HOSPICE SERVICES

Hospice Care	N/A	20%	40%	Y
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HOSPITAL SERVICES

In-Patient Services	N/A	20%	40%	Y
Outpatient Services	N/A	20%	40%	Y
Diagnostic Services	N/A	20%	40%	Y
Emergency Room Visit and Observation Services	N/A	20%	40%	Y
Urgent Care Center	N/A	20%	40%	Y

COVERED BENEFITS AND SERVICES

IN-NETWORK
COPAYMENT

IN-NETWORK

OUT-OF-
NETWORK

APPLIES TO DEDUCTIBLE

MATERNITY AND FAMILY PLANNING SERVICES

Prenatal and Postnatal Outpatient Care

N/A

20%

40%

Y

Inpatient Maternity Services

N/A

20%

40%

Y

*Hospital length of stay for childbirth: This plan complies with federal law that prohibits restricting benefits for any hospital length of stay in connection with childbirth for the mother and newborn child to less than 48 hours following a normal vaginal delivery or less than 96 hours following a caesarean section delivery

Infertility Diagnostic Evaluation: Office Visit

N/A

20%

40%

Y

Infertility Testing

N/A

20%

40%

Y

*Treatment for infertility is not a covered benefit under the ARBenefits Plan. Services related to infertility are covered up to diagnosis. Testing is not covered during or following treatment.

PHARMACY BENEFIT - REFER TO RX DRUG COVERAGE SECTION

Prescription - Generic - Tier I

N/A

20%

N/A

Y

Prescription - Preferred - Tier II

N/A

20%

N/A

Y

Prescription - Non-Preferred - Tier III

N/A

20%

N/A

*Y

Prescription Specialty - Tier IV

N/A

20%

N/A

Y

*Excluded drugs, reference price drugs and brand drugs where generic is available does not apply towards the RX Out-of-Pocket Max.

PHYSICIAN/SPECIALIST SERVICES

*Primary Care Physician Office Visit

N/A

20%

40%

Y

*Specialist Office Visit/Specialty Care Services

N/A

20%

40%

Y

*Other Physician Services provided under Outpatient or In-Patient Care**

N/A

20%

40%

Y

*Includes such services as debridement and/or wound dressing changes performed in an outpatient setting with or without direct physician attention

Medication

N/A

20%

40%

Y

*This includes injectable, oral and intravenous medications

Radiation Therapy

N/A

20%

40%

Y

**See Professional Services under SPD - Summary of Common Services

PREVENTATIVE CARE SERVICES

Physical Exams/Preventative Care

N/A

0%

40%

N

Well Baby/Child Care Visits

N/A

0%

40%

N

*Immunizations

N/A

0%

0%

N

*Vaccinations for the Flu, HPV and Herpes Zoster (Shingles) are covered 100% by the plan under the pharmacy benefit.

PROSTHETIC AND ORTHOTIC DEVICES

Prosthetic and Orthotic Devices and Services

N/A

20%

40%

Y

REHABILITATION SERVICES (INPATIENT)

Rehabilitation Services

N/A

20%

40%


Y

COVERED BENEFITS AND SERVICES	IN-NETWORK COPAYMENT	IN-NETWORK	OUT-OF- NETWORK	APPLIES TO DEDUCTIBLE
REHABILITATION SERVICES (OUTPATIENT) OR OFFICE VISIT				
Chiropractic	N/A	20%	40%	Y
*Limited Benefit: Fifteen (15) visits per member per plan year				
Physical Therapy	N/A	20%	40%	Y
Occupational Therapy	N/A	20%	40%	Y
Speech Therapy	N/A	20%	40%	Y
SKILLED NURSING FACILITY (SNF) SERVICES				
SNF Services	N/A	20%	40%	Y
TEMPOROMANDIBULAR JOINT (TMJ)/DYSFUNCTION (TMD) SERVICES				
TMJ/TMD	N/A	20%	40%	Y
*Limited Benefit: \$1,000 per member per plan year				
TRANSPLANT SERVICES				
Organ/Bone Marrow Transplant	N/A	20%	40%	Y
*Limited Benefit: Two (2) organ transplants of the same organ per member per lifetime. *Limited Benefit: \$10,000 lifetime limit for travel and lodging determined by EBD as reasonable and necessary in conjunction with transplant services. *Coverage is provided for transplant services subject to pre-authorization (See Utilization Management Section). Transplant services MUST be provided by approved transplant provides and facilities.				
VISION SCREENING				
Vision Screening	\$50	0%	\$50	N
*Limited Benefit: One (1) exam every twenty-four (24) months				
Certain Limitations Apply - Please check your SPD Exclusions and Limitations section for more information				

PSE 2015 Basic Plan

2015 PSE Schedule of Benefits - Basic

(Active, Cobra & Non-Medicare Retiree)

	IN-NETWORK	OUT-OF-NETWORK	
Annual Deductible - Individual	\$4,250	not covered	
Annual Coinsurance Limit - Individual	\$2,200	not covered	
*Medical Out-of-Pocket Max	\$6,450	not covered	
Annual Deductible - Family	\$8,500	not covered	
Annual Coinsurance Limit - Family	\$4,400	not covered	
*Medical Out-of-Pocket Max - Family	\$12,900	not covered	
Paid By Plan After Satisfaction Of Deductible	80%	not covered	
*Deductible, coinsurance and copays are included.			

COVERED BENEFITS AND SERVICES	IN-NETWORK COPAYMENT	IN-NETWORK	OUT-OF-NETWORK	APPLIES TO DEDUCTIBLE
ADVANCED IMAGING				
*Advanced Imaging (Radiology Services)	N/A	20%	not covered	Y
*Requires pre-certification *Charges will apply for such services as MRI, MRA, CTA AND PET Scans *Charges will not apply when provided in conjunction with Emergency Room or Inpatient Hospital Services				
ALLERGY SERVICES				
Services and Specialty Providers (Office Visit and Testing)	N/A	20%	not covered	Y
Injections	N/A	\$0	not covered	N
AMBULANCE SERVICES				
Air Ambulance Transportation	N/A	10%		N
Ground Transportation	N/A	20%		N
*Limited Benefits: \$2,000 per member per trip for ground ambulance				
BEHAVIORAL/MENTAL HEALTH & SUBSTANCE ABUSE TREATMENT SERVICES				
Office Visit	N/A	20%	not covered	Y
Psychological Testing	N/A	20%	not covered	Y
In-Patient Services	N/A	20%	not covered	Y
Outpatient Services (Partial Hospital/Day Treatment)	N/A	20%	not covered	Y
Outpatient Services (Intensive Outpatient)	N/A	20%	not covered	Y
Residential Treatment	N/A	20%	not covered	Y
DENTAL SERVICES				
Repair to Non-Diseases Teeth Due to Accident/Injury	N/A	20%	not covered	Y

COVERED BENEFITS AND SERVICES	IN-NETWORK COPAYMENT	IN-NETWORK	OUT-OF- NETWORK	APPLIES TO DEDUCTIBLE
DIABETES MANAGEMENT SERVICE				
Insulin Pump & Supplies	N/A	20%	not covered	Y
Glucometers	N/A	20%	not covered	Y
Diabetic Self Management Training	N/A	20%	not covered	Y
*Lancets and insulin needles for diabetics will be paid 100% by the plan for participants in the Diabetic Management Program *Test strips must be purchased at Pharmacy Only. *Glucometers - Provided through DME/Medical Benefit				
DURABLE MEDICAL EQUIPMENT/ENTERAL FEEDING				
DME/Enteral Feeding	N/A	20%	not covered	Y
*Coverage is provided for medically necessary durable medical equipment. See exclusions. Not all services require pre-certification and may be reviewed for medical necessity by AHH. Refer to Utilization Management section.				
HEARING SERVICES				
Hearing Screening	\$50	0%	not covered	N
*Limited Benefits: One screening every three years				
Hearing Aid	\$0	20%	not covered	Y
*Limited Benefits: \$1,400 per ear every three years				
HOME HEALTH SERVICES				
Home Health Services	N/A	20%	not covered	Y
HOME INTRAVENOUS DRUGS				
Home Intravenous Drugs and Solutions	N/A	20%	not covered	Y
HOSPICE SERVICES				
Hospice Care	N/A	20%	not covered	Y
HOSPITAL SERVICES				
In-Patient Services	N/A	20%	not covered	Y
Outpatient Services	N/A	20%	not covered	Y
Diagnostic Services	N/A	20%	not covered	Y
Emergency Room Visit and Observation Services	N/A	20%	not covered	Y
Urgent Care Center	N/A	20%	not covered	Y

COVERED BENEFITS AND SERVICES

IN-NETWORK
COPAYMENT

IN-NETWORK

OUT-OF-
NETWORK

APPLIES TO DEDUCTIBLE

MATERNITY AND FAMILY PLANNING SERVICES

Prenatal and Postnatal Outpatient Care	N/A	20%	not covered	Y
Inpatient Maternity Services	N/A	20%	not covered	Y
*Hospital length of stay for childbirth: This plan complies with federal law that prohibits restricting benefits for any hospital length of stay in connection with childbirth for the mother and newborn child to less than 48 hours following a normal vaginal delivery or less than 96 hours following a caesarean section delivery				
Infertility Diagnostic Evaluation: Office Visit	N/A	20%	not covered	Y
Infertility Testing	N/A	20%	not covered	Y
*Treatment for infertility is not a covered benefit under the ARBenefits Plan. Services related to infertility are covered up to diagnosis. Testing is not covered during or following treatment.				

PHARMACY BENEFIT - REFER TO RX DRUG COVERAGE SECTION

Prescription - Generic - Tier I	N/A	20%	N/A	Y
Prescription - Preferred - Tier II	N/A	20%	N/A	Y
Prescription - Non-Preferred - Tier III	N/A	20%	N/A	*Y
Prescription Specialty - Tier IV	N/A	20%	N/A	Y
*Excluded drugs, reference price drugs and brand drugs where generic is available does not apply towards the RX Out-of-Pocket Max.				

PHYSICIAN/SPECIALIST SERVICES

*Primary Care Physician Office Visit	N/A	20%	not covered	Y
*Specialist Office Visit/Specialty Care Services	N/A	20%	not covered	Y
*Other Physician Services provided under Outpatient or In-Patient Care**	N/A	20%	not covered	Y
*Includes such services as debridement and/or wound dressing changes performed in an outpatient setting with or without direct physician attention				
Medication	N/A	20%	not covered	Y
*This includes injectable, oral and intravenous medications				
Radiation Therapy	N/A	20%	not covered	Y
**See Professional Services under SPD - Summary of Common Services				

PREVENTATIVE CARE SERVICES

Physical Exams/Preventative Care	N/A	0%	not covered	N
Well Baby/Child Care Visits	N/A	0%	not covered	N
*Immunizations	N/A	0%	not covered	N
*Vaccinations for the Flu, HPV and Herpes Zoster (Shingles) are covered 100% by the plan under the pharmacy benefit.				

PROSTHETIC AND ORTHOTIC DEVICES

Prosthetic and Orthotic Devices and Services	N/A	20%	not covered	Y
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REHABILITATION SERVICES (INPATIENT)

Rehabilitation Services	N/A	20%	not covered	Y
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COVERED BENEFITS AND SERVICES	IN-NETWORK COPAYMENT	IN-NETWORK	OUT-OF- NETWORK	APPLIES TO DEDUCTIBLE
REHABILITATION SERVICES (OUTPATIENT) OR OFFICE VISIT				
Chiropractic	N/A	20%	not covered	Y
*Limited Benefit: Fifteen (15) visits per member per plan year				
Physical Therapy	N/A	20%	not covered	Y
Occupational Therapy	N/A	20%	not covered	Y
Speech Therapy	N/A	20%	not covered	Y
SKILLED NURSING FACILITY (SNF) SERVICES				
SNF Services	N/A	20%	not covered	Y
TEMPOROMANDIBULAR JOINT (TMJ)/DYSFUNCTION (TMD) SERVICES				
TMJ/TMD	N/A	20%	not covered	Y
*Limited Benefit: \$1,000 per member per plan year				
TRANSPLANT SERVICES				
Organ/Bone Marrow Transplant	N/A	20%	not covered	Y
*Limited Benefit: Two (2) organ transplants of the same organ per member per lifetime. *Limited Benefit: \$10,000 lifetime limit for travel and lodging determined by EBD as reasonable and necessary in conjunction with transplant services. *Coverage is provided for transplant services subject to pre-authorization (See Utilization Management Section). Transplant services MUST be provided by approved transplant provides and facilities.				
VISION SCREENING				
Vision Screening	\$50	0%	not covered	N
*Limited Benefit: One (1) exam every twenty-four (24) months				

Certain Limitations Apply - Please check your SPD Exclusions and Limitations section for more information