

July 15, 2014 – Joan Gallagher – Director of Personnel

Good Evening.

I was actually asked just to kind of give a brief explanation about our insurance in general.

Everybody hears about NYSHIP in the public but not everyone necessarily knows what NYSHIP is.

NYSHIP is the New York State Health Insurance Program or a lot of people call it the Empire Plan. It's a comprehensive health program for New York State public employees. It's self insured. It insures about 1.2 million State and Local government employees, retirees and their families all across the country. It's approximately also 800 local government employers, that's cities, counties, villages, towns, schools, fire districts, libraries. NYSHIP is one of the largest employer sponsored group health insurance programs in the United States and because of this they hold some power when they negotiate with people/groups such as Blue Cross and Blue Shield and United Healthcare.

From 2006-2013 the annual net premium increase for the Empire Plan averaged 4% obviously much lower than fully insured plans.

It's a very good plan but it's not what's considered a Cadillac plan. The Affordable Care Act defines Cadillac plans as those with annual premiums of \$10,200 – ours is \$9258.48 for individuals and \$27,500 for families and ours stands at \$20,570.28.

Since 2006 one of the main goals of the Town Board has been to ensure that all employees contribute to their health insurance. That's when it started and that's what I heard every negotiation.

This Blue Collar contract does say that Blue Collar employees will contribute to their health insurance and for the first time new Blue Collar employees will contribute into their retirement. In doing this, this puts the Town Board on a path to achieving its healthcare contribution goal.