



Teachers Health Trust

P.O. Box 96238, Las Vegas, Nevada 89193-6238

Providing Service to Participants at: 2950 East Rochelle Avenue, Las Vegas, Nevada 89121

Phone: (702) 794-0272

Fax: (702) 794-2093

E-mail Address: serviceteam@teachershealthtrust.org

November 9, 2006

Dear Retiree:

I am writing to you to dispel any rumors or false information you may have heard regarding the Trust's retiree plans.

During the month of September, 2006, the Trust decided to terminate its contract with HPN and to have all active teachers and their dependents enrolled in the Trust's self-funded PPO Plans. This was a business decision based on numerous factors and was consistent with our historical practice of performing as many services internally as possible. During my meeting with HPN early in October, I offered to negotiate a contract for all of the retirees who are currently enrolled in an HPN Plan. HPN refused to do so unless the Trust agreed not to terminate its contract for active teachers. This was unacceptable to the Trust, with the result being that HPN will no longer offer its products to retired teachers.

When the Trust phased out its self-funded retiree plans in 2004, you had the choice of enrolling in the State of Nevada's Public Employees Benefit Plan (PEBP) (and receiving a subsidy from CCSD) or to pay your own premiums for HPN coverage. The HPN retiree premiums at that time for the Point of Service Plan ranged from \$410 - \$1,145 per month, depending on family size and the plan you were enrolled in. The Trust then negotiated with HPN to combine the retirees with the active teachers and the premiums were reduced to \$270 - \$670 per month. Now that the active teachers will no longer be covered by HPN, the retiree group must be rated separately.

The Trust has negotiated a contract with PacifiCare for those of you who were enrolled in the Sierra Choice POS Plan or in Senior Dimensions. **It is anticipated that this contract will remain in effect until April 1, 2008, at which time you may either enroll in PEPB (and receive a CCSD subsidy, if available) or research the commercial market for other coverage, such as AARP.** The Trust will attempt to extend this contract beyond that date if there are enough participants desiring to continue these plans. Details of the PacifiCare plans will be included in the Open Enrollment materials you will be receiving shortly. Enclosed is a schedule of premiums for 2007. While the premiums are



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higher than those you are currently paying since the retiree group is now being rated separately, they are competitive in today's health insurance market. The Trust will also permit you to continue your dental, vision and life insurance coverage during this period.

The Nevada Legislature convenes on February 5, 2007. There have been numerous bill drafts submitted regarding retiree insurance and subsidies. I encourage you to contact your legislators and demand that they adequately subsidize retiree health insurance benefits for teachers in order to minimize your financial burden.

Sincerely,

**Chief Executive Officer
TEACHERS HEALTH TRUST**

PA/sgc

cc: Board of Trustees
Service Department



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Teachers Health Trust Premium Rate Sheet For Retirees

Effective January 1, 2007

Monthly Premiums for 2007	
Medical Plan Premiums	
Retiree Only Under Age 65	\$435.00
Retiree Under Age 65 + 1 dependent	\$670.00
Retiree Under Age 65 + Family	\$970.00
Retiree Only eligible for Medicare A&B	\$70.00
Retiree eligible for Medicare A & B + 1 dependent eligible for Medicare A & B	\$140.00
Retiree eligible for Medicare A & B + 1 dependent not eligible for Medicare	\$505.00
Dental Premiums	
Diamond Dental (per person)	\$35.00
Platinum Dental (per person)	\$25.00
Vision Premium	
Vision (per person)	\$15.00