

To: jeevacation@gmail.com[jeevacation@gmail.com]
From: Rich Kahn
Sent: Mon 1/24/2011 9:37:08 PM
Subject: re: United Healthcare - NES (2/1/11 Renewal)

Attached is feedback from Health Insurance broker regarding renewal. I had asked her if we could have a 1 month extension to renew policy. Unfortunately they do not allow that and need a decision by 1/31/2011. To recap our conversation from Friday: United Health care monthly increase is from 19,414.12 to 25,801.37 (6,387.25 per month or 76,647 per annum – 33% increase).

I have outlined a number of options to help offset that cost.

- a) Have employees contribute a % of total health care costs:
- a. At 10% contribution net JEE additional cost = \$45,685 per annum – equivalent to JEE increase of 19.6%
 - i. Single would pay 585.73 (monthly cost) x 12 months x 10% = 702.87
 - ii. Family would pay 1,815.76 (monthly cost) x 12 months x 10% = 2,178.91

 - b. At 15% contribution net JEE additional cost = \$29,518 per annum – equivalent to JEE increase of 12.7%
 - i. Single would pay 585.73 (monthly cost) x 12 months x 15% = 1,054.31
 - ii. Family would pay 1,815.76 (monthly cost) x 12 months x 15% = 3,368.37

 - c. At 20% contribution net JEE additional cost = \$14,723 per annum – equivalent to JEE increase of 6.3%
 - i. Single would pay 585.73 (monthly cost) x 12 months x 20% = 1,405.75
 - ii. Family would pay 1,815.76 (monthly cost) x 12 months x 20% = 4,357.82

- b) Eliminate Dental coverage at a total cost savings to JEE of \$26,128
 - a. Net JEE Health insurance additional cost = \$50,519 per annum – equivalent to JEE increase of 21.7%

- c) Eliminate Life and Disability coverage at a total cost savings to JEE of \$41,693
 - a. Net JEE Health insurance additional cost = \$34,954 per annum – equivalent to JEE increase of 15.0%

- d) Keep as is and use as a future offset against raises and bonuses

Please advise which option or combination of options you prefer

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From: Janice Lichtenstein
Sent: Monday, January 24, 2011 12:13 PM
To: 'Rich Kahn'
Cc: [REDACTED]
Subject: United Healthcare - NES (2/1/11 Renewal)

Rich,

United Healthcare has indicated that the request for an off-renewal plan change was denied due to high utilization.

Any plan change must be received *before* the end of this month for a 2/1/11 date.

I'm sorry that the response was not more favorable.

Please let me know if you have any other questions.

Thank you.

Janice

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