

# Governor Mifflin School District

10 South Waverly Street, Shillington, PA 19607

January 9, 2012

**FOR IMMEDIATE RELEASE**

For more information, please contact:

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## **HEALTH CONSORTIUM APPROVES ASO PLAN**

SHILLINGTON, PA, JANUARY 2012 - At a Governor Mifflin Board of School Directors meeting on January 9, 2012, it was reported that the Berks County School Districts Health Trust, of which Governor Mifflin is a member, accepted a three-year Administrative Services Only proposal which will begin on July 1, 2012.

The Trust, which includes 18 entities and is represented by both labor and management personnel, is currently under contract with Capital Blue Cross for a fully-insured plan. By going with the self-insured option, the Trust will be responsible for paying employee claims. Based on a seven-year history, schools in the Trust hope to save an average of over \$2 million per year, collectively, by switching to the ASO.

Under the self-insured plan, the Trust will receive an administrative fee credit of \$3.5 million in the 2012-2013 fiscal year. Monthly administrative fees will increase from \$25/contract to \$30/contract over the duration of the new contract.

Because the Trust will maintain a 9% contribution rate, the move to a self-funded plan will have no impact on membership in 2012-2013.

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