

GASB 45 Valuation – Preliminary Questions for Proposal

City of Rochester, NH

- How many active and retired employees are covered by the City for medical benefits?

224 active and 110 retired

How many medical plans do you offer to your employees (including Medicare supplement plans to your retired employees)? **6 plans offered** Are plans for non-Medicare retirees the same as plans for active employees? **yes**

- How many employee groups are there? **5 groups** Do benefits differ group to group? **yes**
- Are the plans insured or **self-funded** by the City? Does the City **participate in a purchasing group for health insurance**, or are benefits purchased on your own?
- What are the eligibility requirements for retiree medical benefits? **All retirees eligible to continue on City's group plans** Are they the same as the requirements for a pension?
- Are any groups covered by the City as active employees but not as retirees? **no**
- Are any groups not covered by Medicare? **yes**
- Are any other benefits offered to retirees (e.g., **dental**, life insurance, Medicare Part B premium reimbursement)?
- Please confirm that the retiree pays the full cost of health coverage, and that only the implicit subsidy must be valued. **yes**
- Is the City pre-funding retiree health benefits currently? **no**

- For purposes of compliance with GASB 45, in which revenue tier is the City? (Less than \$10 million, \$10 million - \$100 million, More than \$100 million).

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GASB 45 Valuation – Preliminary Questions for Proposal

City of Rochester, NH *School Dept*

- How many active and retired employees are covered by the City for medical benefits? The School Department currently has 505 active employees covered under the health insurance and 159 retirees.
- How many medical plans do you offer to your employees (including Medicare supplement plans to your retired employees)? Are plans for non-Medicare retirees the same as plans for active employees? The School Department offers three types of plans (HMO, POS, Indemnity Plan) plus the medicare supplement plans. Yes, the plans for non-Medicare retirees are the same plans as for active employees.
- How many employee groups are there? Do benefits differ group to group? The school department has 5 bargaining units and a non union group. Benefits do vary between the groups.
- Are the plans insured or self-funded by the City? Does the City participate in a purchasing group for health insurance, or are benefits purchased on your own? The school department obtains the health insurance from the Local Government Center not self funded. The school department does not participate in a purchasing group and all other benefits typically are pooled with the City.
- What are the eligibility requirements for retiree medical benefits? Are they the same as the requirements for a pension? The School Department employees follow the requirements through the New Hampshire Retirement System, same as the city.
- Are any groups covered by the City as active employees but not as retirees? no
- Are any groups not covered by Medicare? No
- Are any other benefits offered to retirees (e.g., dental, life insurance, Medicare Part B premium reimbursement)? Life insurance is purchased on their own and we would not know if they changed their plans.

- o Please confirm that the retiree pays the full cost of health coverage, and that only the implicit subsidy must be valued.

Yes, EMPLOYEE PAYS 100%.
(RETIRED)

- o Is the City pre-funding retiree health benefits currently? no

- o For purposes of compliance with GASB 45, in which revenue tier is the City? (Less than \$10 million, \$10 million - \$100 million, More than \$100 million). The School Department alone would be \$10 million - \$100 million range.

GASB 45 Valuation – Preliminary Questions for Proposal

Town of Durham, NH

- How many active and retired employees are covered by the Town for medical benefits?

Active – 80 Retired - 24

- How many medical plans do you offer to your employees (including Medicare supplement plans to your retired employees)? Are plans for non-Medicare retirees the same as plans for active employees?

7 Plans Plans are the same.

- How many employee groups are there? Do benefits differ group to group?

5 Employee Groups Same benefits available for all

- Are the plans insured or self-funded by the Town? Does the Town participate in a purchasing group for health insurance, or are benefits purchased on your own?

Plans are Insured and purchased through the HealthTrust.

- What are the eligibility requirements for retiree medical benefits? Are they the same as the requirements for a pension?

Eligibility determined by NHRS

- Are any groups covered by the Town as active employees but not as retirees?

None known

- Are any groups not covered by Medicare?

No

- Are any other benefits offered to retirees (e.g., dental, life insurance, Medicare Part B premium reimbursement)?

Dental Insurance

- Please confirm that the retiree pays the full cost of health coverage, and that only the implicit subsidy must be valued.

Retirees are responsible for 100%

- Is the Town pre-funding retiree health benefits currently?

No

- o For purposes of compliance with GASB 45, in which revenue tier is the Town? (Less than \$10 million, \$10 million - \$100 million, More than \$100 million).

Less than \$10 million

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GASB 45 Valuation – Preliminary Questions for Proposal

Town of Londonderry, NH

- How many active and retired employees are covered by the Town for medical benefits?

As of May 19, 2009, there are 146 active employees and 46 retirees/spouses are enrolled in the Town's medical plans.

- How many medical plans do you offer to your employees (including Medicare supplement plans to your retired employees)? Are plans for non-Medicare retirees the same as plans for active employees?

Four plans are available for both active and non-Medicare retirees. There are also two Medicare supplemental plans available to retirees (one with a prescription rider and one without a prescription rider).

- How many employee groups are there? Do benefits differ group to group?

Seven different benefit groups, with all plans available to all groups.

- Are the plans insured or self-funded by the Town? Does the Town participate in a purchasing group for health insurance, or are benefits purchased on your own?

The plans are insured. The Town participates in a purchasing group.

- What are the eligibility requirements for retiree medical benefits? Are they the same as the requirements for a pension?

Pension eligible retirees are eligible for medical coverage. The Town does not contribute toward the cost of coverage for retirees.

- Are any groups covered by the Town as active employees but not as retirees?

All retirees who meet pension requirements are eligible for coverage. The Town does not contribute toward the cost of coverage for retirees.

- Are any groups not covered by Medicare?

All retirees who meet pension requirements are eligible for coverage. The Town does not contribute toward the cost of coverage for retirees.

- Are any other benefits offered to retirees (e.g., dental, life insurance, Medicare Part B premium reimbursement)?

All retirees who meet pension requirements are eligible for dental coverage. The Town does not contribute toward the cost of coverage for retirees.

- Please confirm that the retiree pays the full cost of health coverage, and that only the implicit subsidy must be valued.

Correct. Town does not contribute to the cost of health coverage of retirees.

- Is the Town pre-funding retiree health benefits currently?

No.

- For purposes of compliance with GASB 45, in which revenue tier is the Town? (Less than \$10 million, \$10 million - \$100 million, More than \$100 million).

\$10 million - \$100 million.

GASB 45 Valuation – Preliminary Questions for Proposal

Londonderry, NH School District

- How many active and retired employees are covered by the School District for medical benefits? Active 658; retired 118 for health; active 792; retired 135 for dental
- How many medical plans do you offer to your employees (including Medicare supplement plans to your retired employees)? Are plans for non-Medicare retirees the same as plans for active employees? 6 health plans: 4 dental: YES
- How many employee groups are there? Do benefits differ group to group?
6 groups: benefits vary
- Are the plans insured or self-funded by the School District? Does the School District participate in a purchasing group for health insurance, or are benefits purchased on your own? The district participates in two health ins pools [Local Gov't Center and School Care]
- What are the eligibility requirements for retiree medical benefits? Are they the same as the requirements for a pension? Any employee who was eligible for health or dental coverage during the last year of employment may continue coverage at their expense. NO
- Are any groups covered by the School District as active employees but not as retirees? NO
- Are any groups not covered by Medicare? NO
- Are any other benefits offered to retirees (e.g., dental, life insurance, Medicare Part B premium reimbursement)? NO
- Please confirm that the retiree pays the full cost of health coverage, and that only the implicit subsidy must be valued. That is correct

- Is the School District pre-funding retiree health benefits currently?

- For purposes of compliance with GASB 45, in which revenue tier is the School District? (Less than \$10 million, \$10 million - \$100 million, More than \$100 million).

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