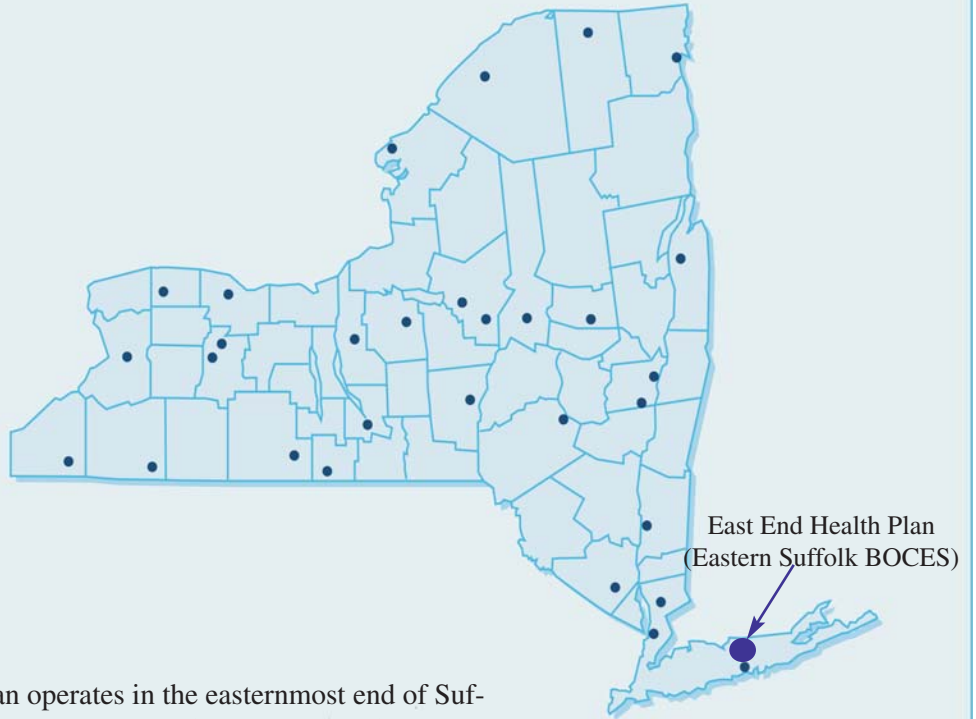


Success story:



East End Health Plan

The East End Health Plan operates in the easternmost end of Suffolk County and has 12 members. The plan was formed in 1990 in reaction to the increasingly high premiums of the New York State Health Insurance Program’s Empire Plan, which were averaging between 20% and 40% per year. At the time, all of the districts in the area were insured through the Empire Plan, whose benefits and rates were dictated through negotiations between the state and civil service unions. Superintendents, board members, and unions established an Article 44 Trust that offered benefits similar to that of the Empire Plan but would provide cost savings to members.

From 2003-04 to 2007-08, total cost savings for member districts was \$2 million, based on the difference between what they would have paid if they had remained part of the Empire Plan and what they were paying as members of the consortium. The savings were achieved by negotiating lower reimbursement rates with the insurance company United Healthcare in return for the guaranteed patient volume. In addition, rate reductions were achieved based on the experience rating of the members of the consortium compared with the higher premiums of the community-rated Empire Plan.



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