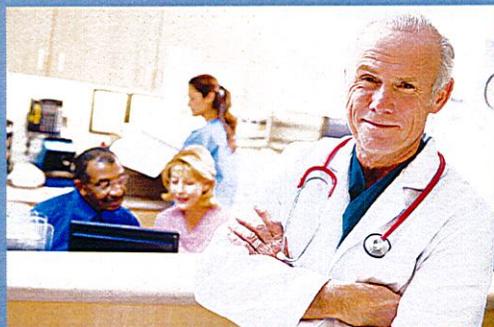


## Health Insurance Premiums . . .

## ECHIP May Help Lower Your Costs



### ECHIP MEMBERS

Coventry Board of Education  
Robert Carroll, 860-742-7317  
[rcarroll@coventryct.org](mailto:rcarroll@coventryct.org)

Coventry Municipal  
Beth Bauer, 860-742-3528  
[bbauer@coventryct.org](mailto:bbauer@coventryct.org)

EASTCONN  
Paula Colen, 860-455-1565  
[pcolen@eastconn.org](mailto:pcolen@eastconn.org)

Plainfield Board of Education  
Ron Lussier, 860-564-6459  
[lussierr@plainfieldschools.org](mailto:lussierr@plainfieldschools.org)

Plainfield Municipal  
Kelly Vachon, Secretary/Treasurer  
860-230-3005, [kvachon@plainfieldct.org](mailto:kvachon@plainfieldct.org)

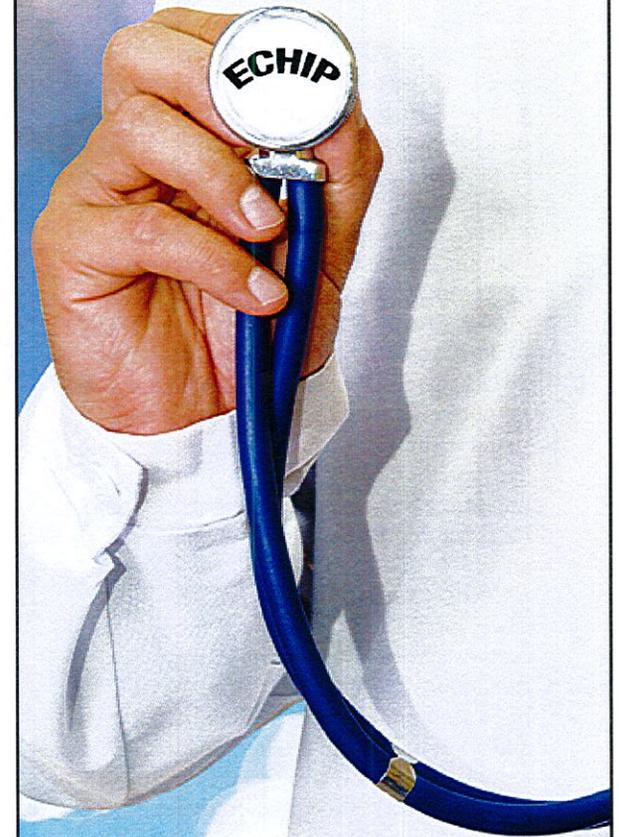
Putnam Board of Education  
William Hull, Vice-Chairman, 860-963-6900  
[hullw@putnam.k12.ct.us](mailto:hullw@putnam.k12.ct.us)

Putnam Municipal  
Doug Cutler, 860-963-6800  
[douglas.cutler@putnamct.us](mailto:douglas.cutler@putnamct.us)

Tolland Board of Education  
Walter Willett, 860-870-6850  
[wwillett@tolland.12.ct.us](mailto:wwillett@tolland.12.ct.us)

Tolland Municipal  
Steve Werbner, Chairman, 860-871-3600  
[swerbner@tolland.org](mailto:swerbner@tolland.org)

## Eastern Connecticut Health Insurance Program



### *A New Opportunity for Collaboration*

# Eastern Connecticut Health Insurance Program

## Q. What is the Eastern Connecticut Health Insurance Program (ECHIP)?

ECHIP is an employee health insurance collaborative serving 4 municipalities, 4 boards of education and a Regional Educational Service Center.

## Q. How was ECHIP established?

In 2010, Connecticut passed Public Act 10-174, allowing municipalities and boards of education to join together for the purpose of purchasing employee health insurance. Leaders from municipalities and boards of education across eastern Connecticut met with the ultimate goal of partnering to form the region's first public-employee health insurance collaborative. Working with Cigna, ECHIP was officially launched on July 1, 2012. The collaborative enabled its members to more effectively control and contain rising employee health insurance premiums. The collaborative's objective was and is to maximize resources, resulting in reduced costs for employee health benefits.

## Q. Who are ECHIP's members?

There are 9 ECHIP members: the municipalities of Coventry, Plainfield, Putnam and Tolland; as well as the boards of education in Coventry, Plainfield, Putnam and Tolland. The 9<sup>th</sup> member is EASTCONN, a public, non-profit Regional Educational Service Center. The collaborative represents about 4,000 people.

## Q. How is ECHIP governed?

ECHIP is governed by a board of directors, which meets quarterly; the executive committee meets monthly. ECHIP members have one voting director on the board. Bylaws provide an operations framework.

## Q. What are the benefits of joining a collaborative like ECHIP?

ECHIP members realize savings by moving from being fully insured to being self-funded. Self-funded health insurance plans are more affordable because they eliminate the fixed costs associated with fully insured plans.

By collectively insuring thousands of individuals, ECHIP members are in a stronger negotiating position with their health insurance carrier. As a result, members are able to control their health insurance costs more effectively. A top priority for the ECHIP collaborative is to increase the fund-balance reserve, so it can eventually be used for investment opportunities.

Through this unique regional partnership, ECHIP members can save taxpayer dollars and redirect those savings to other important school and municipal projects.

ECHIP members also collaborate to provide health management programs for their employees. These incentivized initiatives promote healthy lifestyles and are both funded and managed by ECHIP's Wellness Committee. Such health-wise initiatives have a positive impact on renewal rates.

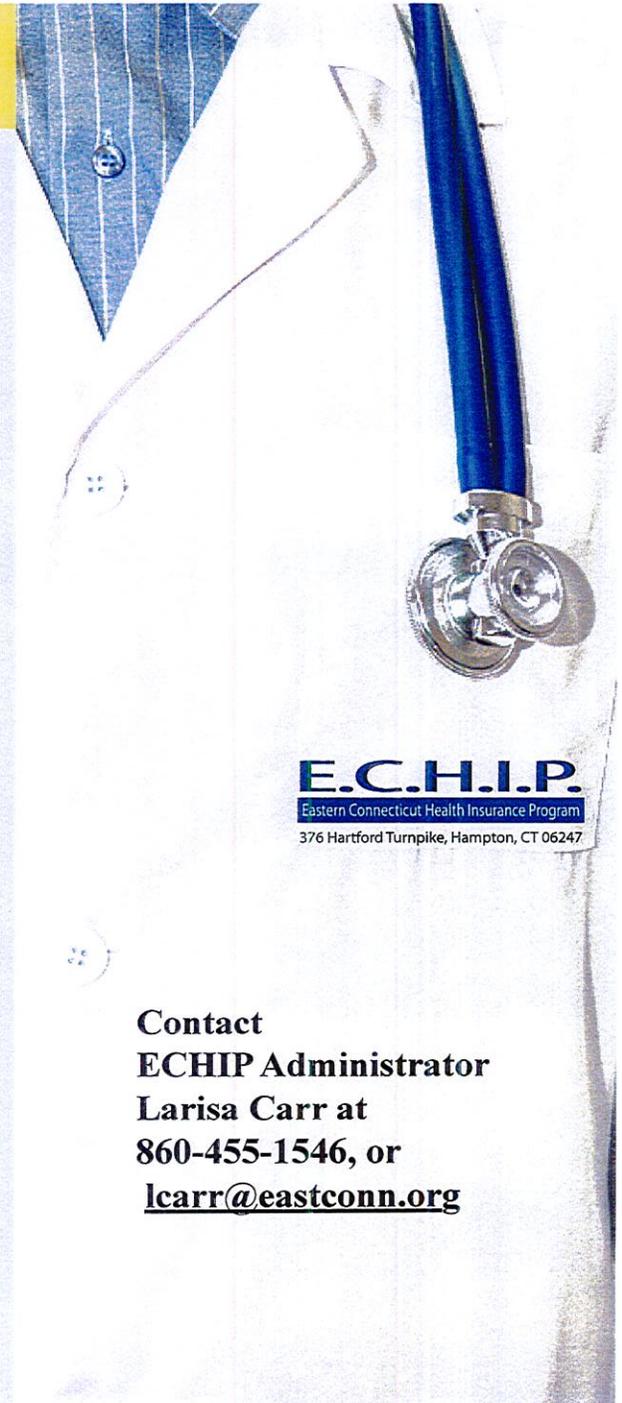
## Q. How much have ECHIP members saved?

ECHIP members continued to realize savings in 2014-15, with renewal rates ranging from -2% to an average high of 8%. As ECHIP enters 2015-2016, members' renewal rates reflect a 2.7% overall increase, well below national trends.

## Q. Can other municipalities and boards of education apply for membership in ECHIP?

Yes. Contact ECHIP Administrator Larisa Carr at 860-455-1546, or at [lcarr@eastconn.org](mailto:lcarr@eastconn.org).

Learn more at [www.echipct.org](http://www.echipct.org).



**E.C.H.I.P.**  
Eastern Connecticut Health Insurance Program  
376 Hartford Turnpike, Hampton, CT 06247

**Contact**  
**ECHIP Administrator**  
**Larisa Carr at**  
**860-455-1546, or**  
**[lcarr@eastconn.org](mailto:lcarr@eastconn.org)**

# CONNECTIONS

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*ECHIP Board members include, l. to r., seated: Alternate Suzanne Waterhouse, Tolland BOE; Robert Carroll, Coventry BOE; and Paula M. Colen, EASTCONN. Standing: Alternate Michael Wilkinson, Town of Tolland; ECHIP Treasurer/Secretary Kelly Vachon, Town of Plainfield; ECHIP Chairman Steve Werbner, Town of Tolland; Ron Lussier, Plainfield BOE and ECHIP Vice-Chairman William Hull, Putnam BOE. Missing from photo: William Guzman, Tolland BOE; Beth Bauer, Town of Coventry; Doug Cutler, Town of Putnam.*

## One Year Later, ECHIP Earns High Marks From Members

Now in its second year, the Eastern Connecticut Health Insurance Program (ECHIP), Connecticut's first health insurance collaborative for municipalities and school districts, continues to earn high marks from its current members as they benefit from cost-control savings.

"As chairperson of ECHIP this past year, I am proud of our initial accomplishments," said Steve Werbner, ECHIP's Chairman, who is also Tolland's Town Manager. "ECHIP members saw rate stabilization and, in many cases, decreases in health insurance costs, establishment of adequate future reserves and a stronger voice in the market place due to the size of the organization.

"In my own community of Tolland," he continued, "this past year has seen the lowest rate of increase in health care costs in years, much of which I attribute to our inclusion in ECHIP."

In 2010, Connecticut legislators passed Public Act 10-174, allowing municipalities and boards of education to join together for the purpose of purchasing employee health insurance. Working with Cigna, ECHIP was officially launched on July 1, 2012. The

collaborative was the first of its kind in the state.

ECHIP has nine members, including both the municipalities and school districts of Coventry, Putnam, Plainfield and Tolland, as well as EASTCONN. Altogether, ECHIP insures more than 3,500 people through self-funded Cigna health plans.

"ECHIP has allowed Putnam to begin to have control over its health care costs," said Putnam Superintendent of Schools William Hull. "We have already seen savings. The power of this collaborative will only grow with time."

Ron Lussier, who represents Plainfield's Board of Education on the ECHIP board, also gave ECHIP high marks.

"ECHIP and the wellness programs sponsored by ECHIP have provided us with ways of helping our employees maintain healthier lifestyles," Lussier said. "As a result, we can expect to see reduced claims, which translates into reduced costs to the district ... Every dollar we save in premiums is a dollar saved for our taxpayers."

Among ECHIP's first-year successes were a stabilization of administrative costs; the development of two new medical-benefits options that will reduce members' costs; and the implementation of successful employee health and wellness initiatives for members, said ECHIP Administrator Larisa Carr.

"It's also clear that ECHIP board members have developed a true spirit of collaboration, which promises to ensure that ECHIP will continue to grow in a positive direction," said Carr.

A variety of employee wellness initiatives like walking programs, biometric health screenings, health fairs and informational sessions have provided ECHIP members and their dependents with a chance to improve their health, she said.

"With the help of Cigna, the ECHIP Health and Wellness Committee did a great job of increasing awareness of the many ways in which employees can manage their overall health," said Carr. "Proactive activities like these demonstrate an overall commitment to maintaining healthy lifestyles among ECHIP members, which ultimately drives down claims costs."

"Last year's successful EASTCONN Walk-for-Health program, which is running again this fall, has ignited interest from three other ECHIP members and as a result, there will be a total of four ECHIP-member walking programs for our municipalities and school districts this year," said Carr.

"That's fantastic news, not only for all of our member employees and their families, but also for ECHIP's bottom line," Carr said.

Carr added that ECHIP's goals this year are to expand its membership and promote the two, new medical-benefit options.

To learn more about ECHIP or to inquire about membership, contact ECHIP Administrator Larisa Carr at [lcarr@eastconn.org](mailto:lcarr@eastconn.org), or reach her at 860-455-1546.