



TO: Members of the Montana Unified School Trust (MUST)
FROM: Darrell Rud, Executive Director, SAM
Eric Feaver, President, MEA-MFT
Lance Melton, Executive Director, MTSBA
DATE: April 14, 2010
SUBJECT: Montana Unified School Trust (MUST)

As you know, the Montana School Boards Association (MTSBA), School Administrators of Montana (SAM), and MEA-MFT are the sponsoring organizations of MUST. Together, we appoint directors to the Montana Unified School Trust (MUST) Board and govern the Montana School Services Foundation (MSSF). Like you, we are very concerned about the increasing cost trends in health care insurance throughout Montana and the nation at large. We are specifically concerned about the impact of those trends on our respective members. After listening to your concerns and hearing of them individually and through a variety of media, we feel compelled to utilize this means of reaffirming our commitment to MUST both presently and on into the future.

As you may know, all three of our organizations purchase health insurance for our employees through MUST. Our rate increases are typical of those experienced by other MUST participants. We are also responsible for payment of the same MUST assessment per employee. In spite of the difficult circumstances in which we all find ourselves with regard to health insurance, MTSBA, SAM and MEA-MFT remain firmly committed to and supportive of MUST.

This support from our collective members and leadership from the sponsoring organizations is not new! MTSBA, SAM and MEA-MFT joined together to form MUST in the mid-1980's (1987) and all three organizations have jointly governed and sponsored MUST ever since. In spite of past, current, and possible challenges for the future, we are proud of our trust which continues to provide quality health insurance programs as a viable alternative to for-profit programs.

MUST is not alone in experiencing the harsh realities of these cost increases. For example, according to a recent story by Mike Dennison that appeared in several Lee Newspaper outlets throughout Montana, most of Montana's other major insurer's experienced multi-million dollar losses in calendar year 2009, ranging from nearly \$6 million to \$17.6 million.

The escalating cost of health insurance not only threatens MUST covered employees and their dependents but employees all across our state and nation. Our national economy is even at risk. As hard as things have been, however, MUST believes that it offers the best health insurance solution for school districts in Montana. Through their continued membership in MUST, school districts can maintain local control over spiraling health insurance costs. MTSBA, SAM and MEA-MFT all remain confident that continued membership in MUST, a well-run, self-funded, non-profit company that is governed entirely by its members is the best way to tackle the challenges of ensuring access to reasonably-priced health insurance for Montana's public schools. That is why, after nearly 25 years, through good years and bad, MTSBA, SAM and MEA-MFT continue to support and endorse MUST.

We appreciate your support for MUST for the last 23 years and urge you to continue this support for the indefinite future. Together, we can make a difference.