

# Consultant to help schools curb costs

Faced with \$50 million in annual health insurance costs, the Buffalo Board of Education has hired a consultant to seek a less expensive package that provides employees with comparable medical benefits. Current contracts with nine unions offer 36 health insurance choices, and medical insurance premiums are rising as much as 15 percent a year, said Donald A. Van Every, chairman of the board's Finance Committee.

Niagara Insurance Group, at a cost of \$42,500, will work with district and union officials to try to streamline options and save money through economies of scale.

"That's one of our fastest-growing costs," Van Every said. "If we can do anything to bring down those increases, that's a huge benefit. This is one of those areas where we have some control."

The timing of that effort is crucial for the district because negotiations are under way with

unions, and health care has been targeted for potential savings. The need for economies became even more pressing last week when the district announced that it faces a projected \$45 million budget gap next school year.

But Philip Rumore, president of the Buffalo Teachers Federation, said school officials failed to

contact him about the consultant.

"I don't know anything about it. If you're trying to secure

someone's cooperation, you'd think they would have said,

"This is who we want to

work with, and this is what we want to do,'" Rumore said.

The Niagara Insurance Group, based in Amherst, last year helped Erie County implement a revised health care system designed to save between \$10 million and \$16 million. That was accomplished by

making Blue Cross Blue Shield of Western New York the sole provider for the county's 8,500 employees and reducing health care choices from 16 to three.

Van Every said the school district has more than 7,000 workers and might be able to realize similar savings.

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Peter Simon, News Business Reporter

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