

Employee Health Care Update

October 16, 2018

Agenda

- **Joint County/School Division Health Care Plan**
- **Medical & Dental Insurance**
 - Updates
 - New Plans
 - Cost
- **Post-65 Retiree Health Plan**
- **Timeline Update**

Joint Health Care Study

- **Joint Feasibility Study**
- **Competitive Market Study**
- **Negotiation of Final Contractual Elements**
- **Award Contract**
- **Implementation**

Joint Purchase Advantages

- **Combined cost avoidance of \$1.5M**
- **Plan design enhancements to both health and dental plans by combining the best aspects of each other's plan**
- **An additional Delta Dental plan offered to County employees to align with the School Division offerings**
- **Savings allowed the County's premium rates to stabilize and remain the same**

Updates for FY19

- **Changed health and dental plan year to calendar year**
- **Premium rates on health and dental will remain the same through December 31, 2019**
- **Cigna will be the new plan administrator for health care and we will continue to offer three health care plans.**
- **Plan designs will be comparable with the current Anthem plans with some plan design enhancements**

Updates for FY19

- **Delta Dental will remain the plan administrator for dental care.**
 - **New Exclusive Provider Option (EPO) dental plan option to align with the School Division**
 - **Both plans' annual maximums increased from \$1,000 to \$1,500**
 - **Prevention First plan design enhancement for PPO plus Premier Plan – preventive services will now be separate and will no longer count against the annual maximum**

Health Insurance Plan Options

- **Cigna Choice Fund High Deductible Plan with Health Savings Account (HSA)**
- **Cigna – Open Access Plus 1 Plan (OAP 1)**
- **Cigna – Open Access Plus 2 Plan (OAP 2)**

Medical Plan Design (In-Network)

Benefits	Choice Fund (HSA)	OAP 1	OAP 2
Deductible	\$3,000/\$6,000	\$0/\$0	\$0/\$0
Preventive Exams	\$0	\$0	\$0
Primary Care	0% after deductible	\$15	\$20
Specialist	0% after deductible	\$35	\$40
Emergency Room	0% after deductible	\$200	\$200/20% AC
Outpatient Surgery	0% after deductible	\$150 per visit	\$200/20% AC
Inpatient Care	0% after deductible	\$200 per day/max \$1,000	\$400/20% AC
Out of Pocket Max	\$4,000/\$8,000	\$3,500/\$7,000	\$3,500/\$7,000
Prescription Drugs	\$15/\$30/\$60/\$120 after deductible	\$15/\$30/\$60/\$120	\$15/\$30/\$60/\$120

Employee Monthly Health Rates Comparison

	Choice Fund (HSA)	OAP 1	OAP 2
Employee Only	\$0	\$43	\$166
Employee & Child	\$158	\$280	\$460
Employee & Spouse	\$221	\$394	\$642
Employee & Family	\$288	\$515	\$850

Employee Monthly Dental Rates Comparison

	PPO plus Premier	EPO
Employee Only	\$9	\$8
Employee & Child	\$12	\$10
Employee & Spouse	\$14	\$12
Employee & Family	\$18	\$16

History of Health & Dental Premium Rate Increases

	Health	Dental	Comments
FY2019	0.0%	0.0%	Savings from joint purchase allowed the rates to remain the same.
FY2018	13.1%	0.0%	POS plan increased 5% and the PPO plan increased 8% for the employee.
FY2017	4.1%	2.9%	County absorbed 2.9% for dental.
FY2016	4.0%	2.5%	County absorbed 2% for health and 2.5% for dental.
FY2015	5.0%	2.5%	Dental was unbundled with health insurance.

Post-65 Retirees - Primary Objectives

- Find a plan administrator for a fully insured Medicare Advantage Health Plan to include Part D prescription coverage
- Find a cost-effective plan for our post-65 retirees with a comparable or better health plan design

Post-65 Retirees - Results

- **Contract awarded to Retiree First (Retiree Benefit Manager) with medical and prescription coverage through Humana's Group Medicare Advantage plan**
- **Enriched benefits under Humana's Group Medicare Advantage program**

Post-65 Retirees - Results

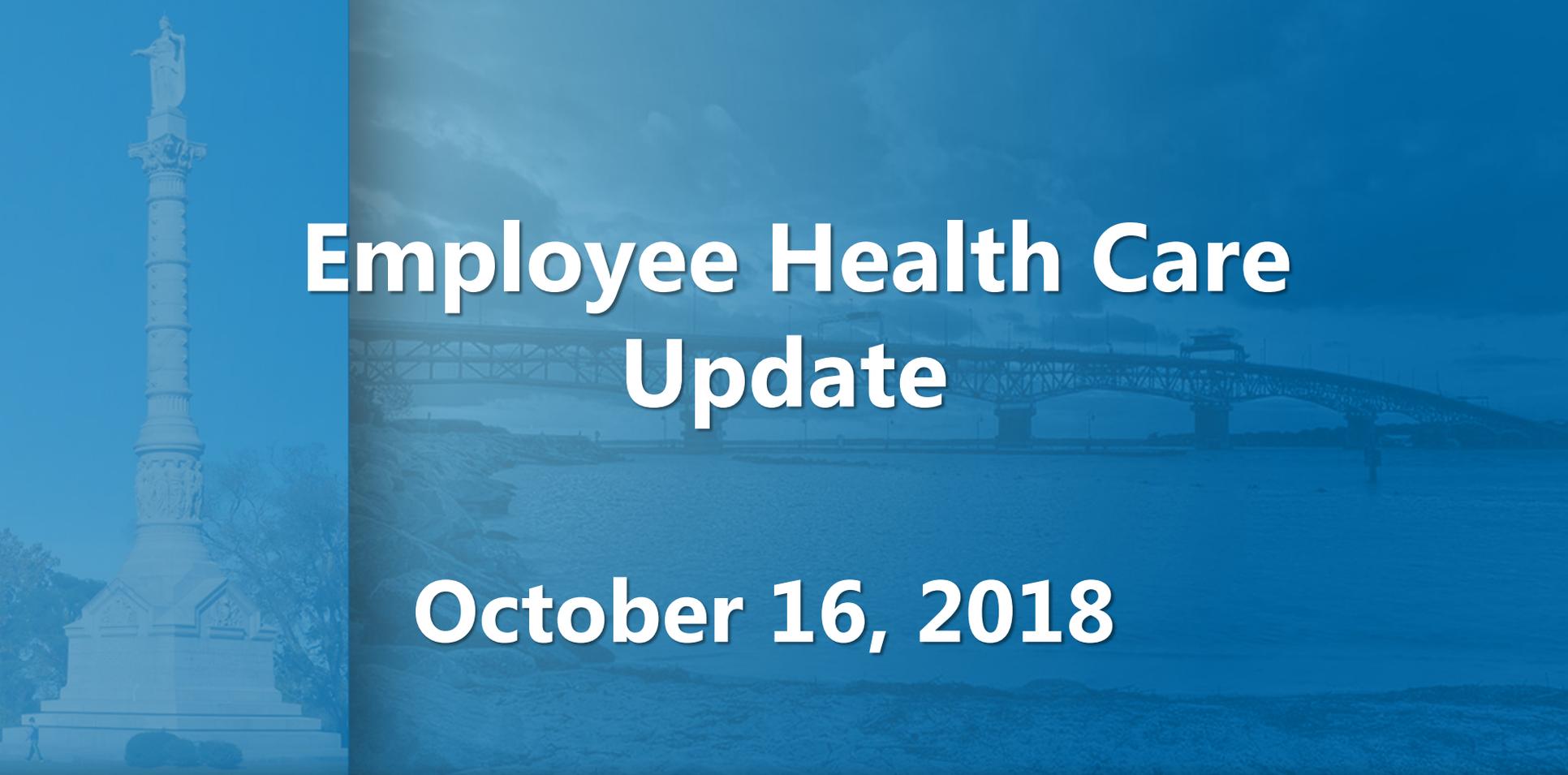
- **Substantially lower premium rates for our post-65 retirees and their eligible spouses**
 - **Retiree Total Monthly Rate changes from \$818 to \$249**
 - **Eligible retirees pay half**

Medical Plan Design (In-Network)

Benefits	Choice Fund (HSA)	OAP 1	OAP 2	 Humana
Deductible	\$3,000/\$6,000	\$0/\$0	\$0/\$0	\$0
Preventive Exams	\$0	\$0	\$0	\$0
Primary Care	0% after deductible	\$15	\$20	\$5
Specialist	0% after deductible	\$35	\$40	\$20
Emergency Room	0% after deductible	\$200	\$200/20% AC	\$65
Outpatient Surgery	0% after deductible	\$150 per visit	\$200/20% AC	10% AC
Inpatient Care	0% after deductible	\$200 per day/max \$1,000	\$400/20% AC	\$200 daily copay (days 1- 5)
Out of Pocket Max	\$4,000/\$8,000	\$3,500/\$7,000	\$3,500/\$7,000	\$3,000
Prescription Drugs	\$15/\$30/\$60/\$120 after deductible	\$15/\$30/\$60/\$120	\$15/\$30/\$60/\$120	\$10/\$20/\$40/\$80

Timeline Update

Award of Cigna Contract	July 2018
Award of Humana/Retiree First Contract	August 2018
Implementation of Programs	July – December 2018
Open Enrollment	October 8 – October 26 2018
Effective Date of Contracts	January 1, 2019



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