

STAFF REPORT

Subject: 2023 Renewal Changes- Medical, Pharmacy, Dental and Vision Insurance

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Department: Human Resources and Risk Management

Meeting Date: October 18, 2022

Item Description: Medical, Pharmacy, Dental and Vision Insurance Renewals/Changes for Calendar Year 2023.

Summary Recommendation:

Staff recommends renewal of the dental and vision insurance with Met Life for Calendar Year 2023. Met Life has proposed a renewal with a 12.6% increase in dental premiums with no plan changes, and no increase in premiums or plan design for vision Insurance.

The County has had Met Life dental and vision insurance since 1/1/2019. The plan design the County has for the dental and vision insurance is very robust. Feedback from employees has been positive for both plans. Customer service with Met Life has been outstanding.

Staff recommends renewal changes to the medical plan design as listed below. Evaluated actuarial value for recommended plan designs and combined changes for all medical plans was less than 1% with Meritain.

Base Plan

- Lowered copays for PCP and specialist visits
- Lowered copays for physical, occupational, and speech therapy as well as chiropractor services
- Lowered Rx deductible to \$200 individual / \$400 family
- Lowered generic Rx copay to \$10
- Increase ER copay and made benefits subject to deductible

Buy-Up Plan

- Lowered copays for PCP and specialist visits
- Lowered copays for physical, occupational, and speech therapy as well as chiropractor services
- Removed Rx deductible
- Lowered generic Rx copay to \$10
- Increase ER copay and made benefits subject to deductible
- Lowered overall plan OOP max to \$5000 individual / \$10,000 family

Staff asked our broker (USI) to send out a RFP for Pharmacy coverage. Meritain/CVS Caremark had the best bid with 16.81% savings over the next three years and no member disruption.

ALTERNATIVES FOR COMMISSION TO CONSIDER:

1. Approve Staff recommendation as noted above and continue contract with Met Life for Dental and Vision Insurance and contract with Meritain/CVS Caremark for Medical/Pharmacy through 12/31/2023.
2. Disapprove recommendation as noted above and provide staff guidance.

FUNDING: Budget projections for Calendar Year 2023 are sufficient to cover costs if Staff recommendations are approved. Costs associated with the recommendations are flat.

RECOMMENDED ALTERNATIVE: Alternative #1

DOCUMENTS ATTACHED: Effingham County 2023 Renewal Changes
ECBOC 2023 Ancillary Renewal Analysis