

City of Marshall Health Plan Quotes for 2020

Note: United Health Care, Preferred One, Medica and Health Partners chose not to provide quotes

BC/09-24-2019

	2019 SWWC \$5000/10,000	2020 SWWC \$5000/10,000	2020 PEIP H.S.A. Plan	2020 PEIP High Plan	2020 PEIP Value Plan	2020 Prime Health \$5000/10,000
Single	\$ 638.50	\$ 693.00	\$ 678.82	\$ 986.84	\$ 887.76	\$ 782.24
Family	\$ 1,698.50	\$ 1,843.00	\$ 1,787.36	\$ 2,609.78	\$ 2,345.28	\$ 2,096.98

	2020 SWWC \$5000/10,000	2020 SWWC \$6900/13,800
Single	\$ 686.00	\$ 617.00
Family	\$ 1,824.50	\$ 1,627.00

On 10/4/19 the City received a final offer of alternative rates from SWWC Cooperative.

Summary of 2020 Premium Offers from SWWC Cooperative:

9/24/19 Initial Offer	8.5% increase	Gen RX
10/4/19 Final Offer	7.44% increase	Change to Classic RX, \$6900 deductible option added
2020 PEIP Premium Offer	6.3% increase	

History of Premium Increases

SWWC Cooperative (City of Marshall history)		PEIP (Group Pool Average)	
2011	10.65%		
2012	1.00%		
2013	6.00%	2013	5.0%
2014	6.90%	2014	0.5%
2015	0.00%	2015	2.4%
2016	17.50%	2016	5.5%
2017	6.50%	2017	3.5%
2018	7.10%	2018	0.2%
2019	15.00% First Offer	2019	2.5%
2019	12.30% Elimination of Lower Deductible Plan		

Option A (DRAFT) SWWC Coop

Design: 50/50 cost share on premium increase, equal VEBA/H.S.A contribution to 2019, balanced to H.S.A plan.

Estimated cost increase excluding retirees, Library and PHC employees: \$ 85,488.24 7.44% premium increase over 2019

2020 SWWC Service Cooperative	\$5000/10,000 HSA		\$5000/10,000 VEBA		\$6900/13,800 HSA		\$6900/13,800 VEBA	
	Single	Family	Single	Family	Single	Family	Single	Family
BCBS Premium Cost (monthly)	\$686.00	\$1,824.50	\$686.00	\$1,824.50	\$ 617.00	\$ 1,627.00	\$ 617.00	\$ 1,627.00
ER Contribution (monthly)	\$597.47	\$1,538.65	\$514.14	\$1,330.31	\$ 597.47	\$ 1,538.65	\$514.14	\$1,330.31
EE Contribution (monthly)	\$88.53	\$285.85	\$171.86	\$494.19	\$ 19.53	\$ 88.35	\$ 102.86	\$ 296.69
ER Premium (annually)	\$7,169.64	\$18,463.80	\$6,169.68	\$15,963.72	\$7,169.64	\$18,463.80	\$6,169.68	\$15,963.72
EE Premium (annually)	\$1,062.36	\$3,430.20	\$2,062.32	\$5,930.28	\$234.36	\$1,060.20	\$1,234.32	\$3,560.28
ER HSA/VEBA Contribution (annually)	\$1,500.00	\$2,000.00	\$2,500.00	\$4,500.00	\$ 1,500.00	\$ 2,000.00	\$ 2,500.00	\$ 4,500.00
TOTAL ANNUAL ER CONTRIBUTION	\$8,669.64	\$20,463.80	\$8,669.68	\$20,463.72	\$8,669.64	\$20,463.80	\$8,669.68	\$20,463.72
Annual EE Deductible	\$5,000.00	\$10,000.00	\$5,000.00	\$10,000.00	\$ 6,900.00	\$ 13,800.00	\$ 6,900.00	\$ 13,800.00
Prescription drug plan	Classic RX	Classic RX	Classic RX	Classic RX	Essential RX	Essential RX	Essential RX	Essential RX

Option B (DRAFT) PEIP

Design: 50/50 cost share on premium increase, equal VEBA/H.S.A contribution to 2019, balanced to H.S.A. plan

Estimated cost increase excluding retirees, Library and PHC employees: \$ 74,705.16 6.3% premium increase over 2019

2020 PEIP Plan Summary	Low Plan (H.S.A or VEBA)		Low Plan (VEBA only)		Value Plan (VEBA only)		Advantage Plan (VEBA only)	
	Single	Family	Single	Family	Single	Family	Single	Family
PEIP Premium Cost (monthly)	\$678.82	\$1,787.36	\$678.82	\$1,787.36	\$887.76	\$2,345.28	\$986.84	\$2,609.78
ER Contribution (monthly)	\$591.13	\$1,522.68	\$507.80	\$1,314.35	\$716.13	\$1,689.35	\$716.13	\$1,689.35
EE Contribution (monthly)	\$87.69	\$264.68	\$171.02	\$473.01	\$171.63	\$655.93	\$270.71	\$920.43
ER Premium (annually)	\$7,093.56	\$18,272.16	\$6,093.60	\$15,772.20	\$8,593.56	\$20,272.20	\$8,593.56	\$20,272.20
EE Premium (annually)	\$1,052.28	\$3,176.16	\$2,052.24	\$5,676.12	\$2,059.56	\$7,871.16	\$3,248.52	\$11,045.16
ER HSA/VEBA Contribution (annually)	\$1,500.00	\$2,000.00	\$2,500.00	\$4,500.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL ANNUAL ER CONTRIBUTION	\$8,593.56	\$20,272.16	\$8,593.60	\$20,272.20	\$8,593.56	\$20,272.20	\$8,593.56	\$20,272.20
Maximum Out of Pocket Expense*	\$3,000.00	\$6,000.00	\$3,000.00	\$6,000.00	\$3,850.00	\$7,700.00	\$2,750.00	\$5,500.00
Prescription drug plan	CVS Rx	CVS Rx	CVS Rx	CVS Rx	CVS Rx	CVS Rx	CVS Rx	CVS Rx

*Cost Levels 1 and 2

2020 Health Insurance Cost Projections

***2020 Estimates below are based upon draft scenarios of splitting premium increases 50/50 between City/Employee--these are subject to change per Council approval.

2019 Employer Total cost under Coop	\$	1,311,824.00
2020 Employer Total cost under Coop		\$1,397,312.24
2020 Estimated Increase in Employer Cost		<u>\$85,488.24</u>
2020 Employer Total cost under PEIP	\$	1,386,529.16
2020 Estimated Increase in Employer Cost	<u>\$</u>	<u>74,705.16</u>
Cost Savings to City of PEIP over SWWC Cooperative	\$10,783.08	0.82%

2020 SWWC Increase by Fund

General Fund	65	\$ 67,282.20
Red Baron	3	\$ 3,823.56
Merit	1	\$ 1,274.52
Waste Water	13	\$ 11,122.20
Tall Grass Liquor	4	\$ 1,985.76
Total	86	\$ 85,488.24

2020 PEIP Increase by Fund

General Fund	65	\$	58,735.80
Red Baron	3	\$	3,322.44
Merit	1	\$	1,107.48
Waste Water	13	\$	9,759.60
Tall Grass Liquor	4	\$	1,779.84
Total	86	\$	74,705.16

ABOUT PEIP

PEIP's mission is to make affordable health coverage available to all cities, counties, school districts and other public employers regardless of size, location or other factors.

PEIP coverage was designed to provide long-term rate stability by pooling your group's experience with that of other public employee groups.

The Program is managed by the Minnesota Management and Budget, the largest purchaser of employee insurance benefits in the state. Innovo Benefits Administration and Marketing handles enrollment and billing and is responsible for proposals, enrollment meetings, and customer service. The following carriers provide health coverage:

Advantage Network Health Plans

- Blue Cross Blue Shield
- Preferred One
- HealthPartners

The PEIP Advantage Plans offer the following features:

- A choice of three networks with a uniform, comprehensive set of benefits across all three carriers.
- A choice of three benefit plan design options:
 - Advantage
 - Value
 - H.S.A. compatible
- State-wide tiered network of primary care clinics (PCC):
 - Each member chooses a primary care clinic to deliver and coordinate care.
 - Benefits for each plan level are based on the cost level of your primary care clinic.
 - Family members may elect different primary care clinics (even in different cost levels), but must enroll with the same carrier.
 - Members can change clinics throughout the year by calling their network carrier.
- Referrals are needed for specialist care outside the primary care group. No referrals are needed for emergencies or urgent care. Participant can self-refer to OBGyn, Chiropractic, Routine Vision, Mental Health/Chemical Dependency, provided the practitioner is with the carriers' self-referral network.
- No co-payments are charged for preventive care such as well-child care, immunizations, annual check-ups, cancer screenings, routine eye and hearing exams, etc.

COMPARE / CONTRAST 2020 PROVIDER WELLNESS PROGRAM BENEFITS

Wellness Program Benefits	SWWC Service Cooperative	PEIP
ShareCare---Digital health and wellness (social media)	✓	✓
Doctor on Demand	✓	✓
Omada---Type 2 Diabetes program	✓	✓
SmartShopper	✓	
Blue365---new for 2020---discounts on specific products	✓	
*Learn-to-Live program---mental health online program	✓	
Live Well Incentive (\$500 to H.S.A./VEBA account)	✓	
Fitness Incentive (\$20 Target gift card per month)	✓	
Biometric Screening (\$40 per contract per year)	✓	
Wellness Activity (\$30 per contract per year)	✓	

Note:

*The City also offers an Employee Assistance Program (EAP) through Morneau Shepell. This program is provided at no cost to the City or the Employee.