



City of Marshall

Working with the



- Northeast Service Cooperative
- Northwest Service Cooperative
- Southwest West Central Service Cooperative
- Resource Training and Solutions
- Lakes Country Service Cooperative
- South Central Service Cooperative
- Southeast Service Cooperative

2020 CCOGA Pool Renewal

Attached is your 2020 CCOGA Pool renewal. As always, your Service Cooperative team and Blue Cross Client Executive welcome your questions.

SWWC Service Cooperative
1420 East College Drive
Marshall, MN 56258

For more information, please contact:
Doug Deragisch - doug.deragisch@swwc.org
Mari Wagner - mari.wagner@swwc.org

Freedom | Choice | Satisfaction | Wellbeing



Your Service Cooperative group health insurance pool spreads risk and reduces cost while providing you the freedom to select the doctor and health plan of your choice. You will be the decision maker to see any doctor, clinic, or hospital for your care. This freedom gives you greater satisfaction about your healthcare which leads to perceived and actual improvements in your well-being.

Wellness Programs

Omada - Members have access to OMADA, an interactive program designed to help members who are at risk for diabetes and heart disease. This program gives members an individually-tailored program for living a healthier lifestyle.

Beginning 1.1.20 Omada will be offered to Type 2 Diabetics. This new program is exclusive to those already diagnosed with Type 2 Diabetes and will leverage Omada's expertise in behavior change and add additional components designed to improve blood glucose control and address critical gaps in diabetes care.

Smartshopper - This program pays members cash incentives for shopping for their health care online or by phone. When employees find and make cost-effective choices, they share in the savings!

Learn to Live - This program provides online programs and clinical assessments for members aged 13 or older living with stress, depression, social anxiety or insomnia with confidential, easy access to help at no cost to the member.

Sharecare - This program includes interactive programs such as RealAge testing, biometrics and the exciting new "Green Days" program that replaces the current Fitness Center Discount program with your plan's renewal in 2019. Sharecare programs are integrated with your health benefits information through your member portal to better serve you.

Telemedicine and Consumer Services

Doctor on Demand - Provides online access to board-certified doctors online to meet their health care needs for common, non-emergency medical conditions such as sinus infections, sore throats, pediatric issues, bladder infection, allergies, stress, anxiety, depression and addictions. All services are provided conveniently, online at a far lower cost to the member than any in-person clinic.

Further (formerly SelectAccount) - Further's health care savings account programs empowers people to make health spending choices that fit their everyday life and financial goals. By using Further's new, state-of-the-art member application, members will be able to maximize their health care savings. For more information, check out the member portal.

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SWWC Service Cooperative
CCOGA Pool Renewal
Health Plan Renewal Projection for:
City of Marshall
 1/1/2020



CLAIMS SUMMARY AND PROJECTION

5/2018 through 4/2019

5/2017 through 4/2018

A. Total Incurred Claims (12/15) ⁽¹⁾	\$1,458,044	\$1,525,107
Total Members ⁽²⁾	3,073	3,112
Per Member Per Month (PMPM) Claims	\$474.47	\$490.07
 B. Effective Trend Applied to Claims Periods 1 & 2 *	 14.8%	 24.3%
C. Projected Claims for: 1/1/2020 through 12/31/2020	\$1,674,321	\$1,895,200
Per Member Per Month (PMPM) Claims	\$544.85	\$609.00
Claims Period Weighting	80%	20%
 <u>Projected Claim Rate Formula</u>		
Weighted Projected Claims (PMPM) for each period:	\$435.88	\$121.80
D. Plus Blue Cross Blue Shield Network Management Fee		\$4.25
E. Combined Weighted Projected Claims (PMPM) for both periods:		\$561.93

**Effective trend is equal to annual trend x the number of months between the mid-point of the experience review period and the rate projection period.*

Annual trend factor applicable to Period 1:	8.9%	x effective trend months Period 1:	20	months
Annual trend factor applicable to Period 2:	9.1%	x effective trend months Period 2:	32	months

RENEWAL DEVELOPMENT - PROJECTED CLAIMS

City of Marshall

<u>Projected Claims by Plan (PMPM)</u>		<u>PMPM</u>	<u>Single</u>	<u>Emps w/Deps</u>	<u>Members</u> ⁽²⁾	<u>Projected Annual Pooled Claims</u>
Plan 1	HSA \$5000 100% \$5,000 OOP, Aware, Select Rx, GenRx	<u>\$561.93</u>	<u>41</u>	<u>59</u>	<u>251</u>	<u>\$1,692,529</u>
		\$561.93	41	59	251	\$1,692,529
E. Total Projected Claims - All Plans With Margin ⁽³⁾		\$575.98				\$1,734,842

RENEWAL DEVELOPMENT - FIXED COSTS

	<u>Per contract/month</u>	<u>Annual Fixed Costs</u>
Blue Cross Administrative Fee	\$40.24	\$48,288
Service Cooperative Administrative Fee	\$11.85	\$14,220
Health and Well Being Fee ⁽⁴⁾	\$2.46	\$2,952
Broker Fee	<u>\$10.00</u>	<u>\$12,000</u>
F. Summary of per contract per month charges	\$64.55	\$77,460
	<u>Single</u>	<u>Emps w/Deps</u>
G. Stop Loss: 12/15 contract; (Specific: \$200,000; Aggregate: 110%) ⁽⁵⁾	\$81.90	\$204.75
H. Total Fixed Costs		\$262,718
I. Total Projected Claims + Fixed Costs (Renewal Premium)	(E + H) =	\$1,997,560
J. Current Total Premium (based on current enrollment - see footnote 2)		\$1,516,680

K. Calculated % Change in Current Premium Needed for Renewal	31.7%
L. Calculated current premium adjustment - addition/(reduction) before pooling formula	\$480,880
M. Pool Formula % Change Effective: 1/1/2020 <i>see next page for rates</i>	8.5%

⁽¹⁾ Claims incurred during the claims periods and paid through in the following three months; with benefit adjustments and stop loss claims removed.
⁽²⁾ Members based on current plan enrollment in the most recent period vs the same period one year earlier.
⁽³⁾ Projected claims blended for all plans include pooling formula margin 2.5%
⁽⁴⁾ Health and Well Being programs include: Chronic Conditions Management, Learn to Live, Vitals and Sharecare.
⁽⁵⁾ Stop loss rates include \$500,000 purchased through BCBS, and insuring \$200,000 - \$499,999 through the MHC statewide.



**SWWC Service Cooperative
CCOGA Pool Renewal**



City of Marshall

<u>Plan</u>	<u>Description</u>	<u>Coverage</u>	<u>Contracts *</u>	<u>Current rates</u>	<u>1/1/2020</u>
1	HSA \$5000 100% \$5,000 OOP, Aware, Select Rx, GenRx	Single	41	\$638.50	\$693.00
		Family	59	\$1,698.50	\$1,843.00
2	ALTERNATE \$6900 Ded 100% Aware, Essential Rx, Key Rx, No 4Q C/O	Single	0	\$0.00	\$617.00
		Family	0	\$0.00	\$1,627.00
TOTAL ALL PLANS			Monthly Premium	\$126,390	\$137,150
			Annual Premium	\$1,516,680	\$1,645,800
* Based on the group's most recent enrollment data.			% Annual Adjustment		8.5%
Rates are guaranteed for one year beginning: 1/1/2020			\$ Annual Adjustment		\$129,120
Freedom Choice Satisfaction Wellbeing		SWWC Service Cooperative	CCOGA Pool Renewal		1/1/2020



**SWWC Service Cooperative
CCOGA Pool Renewal
City of Marshall**



Rates Effective: 1/1/2020

Please send a signed copy of this renewal confirmation to your Service Cooperative Representative and Blue Cross Client Executive
Please attach Alternative Plan rate sheets for any new plan you are implementing.

NOTE: THIS RENEWAL CONFIRMATION IS DUE: 10/1/2019

<u>Plan</u>	<u>Description</u>	<u>Single</u>	<u>Family</u>	<u>Confirm plans renewing</u>	
				<u>Yes</u>	<u>No</u>
1	HSA \$5000 100% \$5,000 OOP, Aware, Select Rx, GenRx	\$693.00	\$1,843.00	<input type="checkbox"/>	<input type="checkbox"/>
2	ALTERNATE \$6900 Ded 100% Aware, Essential Rx, Key Rx, No 4Q C/O	\$617.00	\$1,627.00	<input type="checkbox"/>	<input type="checkbox"/>

Alternative Plans (if applicable)

Attach worksheets for alternative plans. Check "no" above for the plan or plans that are being replaced or discontinued.

Renewal confirmation approved by:

Print name:

Signature:

Date:

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