



Walton County

2022 Benefits Renewal

Presentation By:
MSI Benefits Group
May 3, 2022



2019-2020 Aggregate Report

Contract Period: 7/1/2019 - 6/30/2020
 Specific Deductible: \$150,000
 Aggregated Specific Deductible: \$75,000
 Incurred/Paid: 60+/12
 Minimum Attachment Point: \$8,015,616

Aggregate Factors: Employee \$675.64 Emp/Sp \$1,689.09 Emp/Ch \$1,689.09 Family \$1,689.09

| | Emp | Emp/SP | Emp/Ch | Family | Total | Estimated Attachment Point | | Claims Paid this Month * | Less Specific Reimburse | Total Claims Paid Under Agg. Coverage | Cumulative Claims Paid |
|----------------|-----|--------|--------|--------|-------|----------------------------|--------------|--------------------------|-------------------------|---------------------------------------|------------------------|
| | | | | | | Monthly | Cumulative | | | | |
| July | 170 | 81 | 91 | 212 | 554 | \$ 763,875 | \$ 763,875 | \$ 663,546 | | \$ 663,546 | \$ 663,546 |
| August | 173 | 81 | 88 | 212 | 554 | \$ 760,429 | \$ 1,524,304 | \$ 447,523 | | \$ 447,523 | \$ 1,111,069 |
| September | 172 | 80 | 87 | 211 | 550 | \$ 753,909 | \$ 2,278,213 | \$ 482,111 | | \$ 482,111 | \$ 1,593,180 |
| October | 167 | 79 | 87 | 208 | 542 | \$ 745,497 | \$ 3,023,710 | \$ 853,368 | \$ 82,982 | \$ 770,386 | \$ 2,363,566 |
| November | 174 | 78 | 86 | 210 | 548 | \$ 749,281 | \$ 3,772,991 | \$ 646,972 | \$ 16,012 | \$ 630,960 | \$ 2,994,526 |
| December | 174 | 79 | 86 | 214 | 553 | \$ 757,726 | \$ 4,530,718 | \$ 813,578 | \$ 98,021 | \$ 715,557 | \$ 3,710,082 |
| January | 178 | 81 | 89 | 216 | 564 | \$ 772,253 | \$ 5,302,970 | \$ 600,323 | \$ 170,175 | \$ 430,148 | \$ 4,140,230 |
| February | 177 | 81 | 89 | 215 | 562 | \$ 769,888 | \$ 6,072,858 | \$ 594,092 | \$ 115,427 | \$ 478,665 | \$ 4,618,895 |
| March | 179 | 77 | 85 | 217 | 558 | \$ 761,105 | \$ 6,833,963 | \$ 696,894 | \$ 160,195 | \$ 536,699 | \$ 5,155,594 |
| April | 181 | 75 | 85 | 216 | 557 | \$ 757,389 | \$ 7,591,352 | \$ 589,291 | \$ 14,221 | \$ 575,070 | \$ 5,730,664 |
| May | 179 | 76 | 83 | 217 | 555 | \$ 756,037 | \$ 8,347,389 | \$ 613,125 | \$ 213,362 | \$ 399,764 | \$ 6,130,428 |
| June | 177 | 80 | 84 | 216 | 557 | \$ 761,105 | \$ 9,108,494 | \$ 455,065 | \$ 16,599 | \$ 438,466 | \$ 6,568,894 |
| WGS Adjustment | -10 | -6 | -2 | -12 | -30 | \$ (40,471) | \$ 9,068,023 | | | \$ - | \$ 6,568,894 |
| Total | | | | | | | \$ 9,068,023 | \$ 7,455,889 | \$ 886,994 | | \$ 6,568,894 |

| | |
|--|--------------|
| 1. Total Claims Paid Under Aggregate Coverage: | \$ 6,568,894 |
| 2. Cumulative Estimated Attachment Point: | \$ 9,068,023 |
| 3. Loss Ratio (1/2): | 72.44% |
| 4. Dollar Claims Exceeding Attachment Point: \$0 | \$ - |

| | |
|------------------------|---------------------|
| Administrative Charges | \$ 1,012,689 |
| Total Cost | \$ 7,581,583 |

2020-2021 Aggregate Report

| | | | | |
|--|----------|------------|------------|------------|
| Contract Period: 7/1/2020 - 6/30/2021 | | | | |
| Specific Deductible: \$150,000 | | | | |
| Aggregated Specific Deductible: \$75,000 | | | | |
| Incurred/Paid: 60+/12 | | | | |
| Minimum Attachment Point: \$9,084,595 | | | | |
| Aggregate Factors: | Employee | Emp/Sp | Emp/Ch | Family |
| | \$741.44 | \$1,853.61 | \$1,853.61 | \$1,853.61 |

| | Emp | Emp/SP | Emp/Ch | Family | Total | Estimated Attachment Point | | Claims Paid this Month * | Less Specific Reimburse | Total Claims Paid Under Agg. Coverage | Cumulative Claims Paid |
|----------------|-----|--------|--------|--------|-------|----------------------------|---------------|--------------------------|-------------------------|---------------------------------------|------------------------|
| | | | | | | Monthly | Cumulative | | | | |
| July | 175 | 83 | 87 | 212 | 557 | \$ 837,831 | \$ 837,831 | \$ 886,318 | \$ 38,772 | \$ 847,546 | \$ 847,546 |
| August | 168 | 84 | 85 | 211 | 548 | \$ 829,008 | \$ 1,666,839 | \$ 507,549 | \$ (942) | \$ 508,491 | \$ 1,356,037 |
| September | 169 | 87 | 86 | 212 | 554 | \$ 838,943 | \$ 2,505,782 | \$ 1,022,579 | \$ 124,873 | \$ 897,707 | \$ 2,253,744 |
| October | 178 | 88 | 87 | 215 | 568 | \$ 854,884 | \$ 3,360,666 | \$ 604,569 | \$ 2,818 | \$ 601,752 | \$ 2,855,495 |
| November | 172 | 90 | 86 | 209 | 557 | \$ 841,538 | \$ 4,202,205 | \$ 693,307 | \$ 136,766 | \$ 556,542 | \$ 3,412,037 |
| December | 173 | 89 | 87 | 205 | 554 | \$ 835,236 | \$ 5,037,441 | \$ 836,033 | \$ 74,274 | \$ 761,759 | \$ 4,173,796 |
| January | 174 | 88 | 86 | 205 | 553 | \$ 831,529 | \$ 5,868,969 | \$ 606,700 | \$ 10,472 | \$ 596,228 | \$ 4,770,024 |
| February | 175 | 92 | 87 | 206 | 560 | \$ 843,392 | \$ 6,712,361 | \$ 653,797 | \$ 4,737 | \$ 649,060 | \$ 5,419,083 |
| March | 181 | 94 | 81 | 207 | 563 | \$ 842,280 | \$ 7,554,641 | \$ 577,805 | \$ 10,408 | \$ 567,397 | \$ 5,986,480 |
| April | 186 | 93 | 81 | 211 | 571 | \$ 851,548 | \$ 8,406,188 | \$ 753,354 | \$ 112,202 | \$ 641,152 | \$ 6,627,632 |
| May | 188 | 92 | 79 | 210 | 569 | \$ 845,987 | \$ 9,252,175 | \$ 864,307 | \$ 253,087 | \$ 611,220 | \$ 7,238,852 |
| June | 194 | 93 | 77 | 211 | 575 | \$ 850,065 | \$ 10,102,240 | \$ 1,223,293 | \$ 318,919 | \$ 904,374 | \$ 8,143,226 |
| WGS Adjustment | -13 | -1 | -7 | -4 | | \$ (30,436) | \$ 10,071,804 | \$ 151,983 | \$ 2,919 | \$ 149,064 | \$ 8,292,291 |
| Total | | | | | | | \$ 10,071,804 | \$ 9,381,595 | \$ 1,089,304 | | \$ 8,292,291 |

| | |
|--|---------------|
| 1. Total Claims Paid Under Aggregate Coverage: | \$ 8,292,291 |
| 2. Cumulative Estimated Attachment Point: | \$ 10,071,804 |
| 3. Loss Ratio (1/2): | 82.33% |
| 4. Dollar Claims Exceeding Attachment Point: \$0 | \$ - |

| | |
|------------------------|---------------------|
| Administrative Charges | \$ 1,383,626 |
| RX Rebates | \$ 517,672 |
| Total Cost | \$ 9,158,245 |

2021-2022 Aggregate Report

| | | |
|--|-----------------|---------------|
| Contract Period: 7/1/2021 - 6/30/2022 | | |
| Specific Deductible: \$175,000 | | |
| Aggregated Specific Deductible: \$75,000 | | |
| Incurred/Paid: 24/12 | | |
| Minimum Attachment Point: | | |
| | <u>Employee</u> | <u>Family</u> |
| Aggregate Factors: | \$1,527.55 | \$1,527.55 |

| | Emp | Family | Total | Estimated Attachment Point | | RX Claims Paid | Total Paid | Less Specific Deductible | Less Specific Reimburse | Total Claims Paid Under Agg. Coverage | Cumulative Claims Paid |
|--------------|-----|--------|-------|----------------------------|--------------|----------------|--------------|--------------------------|-------------------------|---------------------------------------|------------------------|
| | | | | Monthly | Cumulative | | | | | | |
| July | 184 | 387 | 571 | \$ 872,231 | \$ 872,231 | \$ 21,106 | \$ 48,616 | | | \$ 48,616 | \$ 48,616 |
| August | 179 | 379 | 558 | \$ 852,373 | \$ 1,724,604 | \$ 81,932 | \$ 303,346 | | | \$ 303,346 | \$ 351,962 |
| September | 178 | 386 | 564 | \$ 861,538 | \$ 2,586,142 | \$ 138,169 | \$ 1,177,141 | \$ 75,000 | \$ 14,510 | \$ 1,087,632 | \$ 1,439,594 |
| October | 180 | 382 | 562 | \$ 858,483 | \$ 3,444,625 | \$ 129,508 | \$ 637,704 | | \$ 4,199 | \$ 633,505 | \$ 2,073,099 |
| November | 181 | 378 | 559 | \$ 853,900 | \$ 4,298,526 | \$ 141,619 | \$ 770,672 | | \$ 42,617 | \$ 728,055 | \$ 2,801,154 |
| December | 176 | 381 | 557 | \$ 850,845 | \$ 5,149,371 | \$ 120,136 | \$ 764,934 | | \$ 112,560 | \$ 652,374 | \$ 3,453,529 |
| January | 180 | 383 | 563 | \$ 860,011 | \$ 6,009,382 | \$ 164,774 | \$ 753,082 | | \$ 42,860 | \$ 709,618 | \$ 4,163,147 |
| February | 178 | 383 | 561 | \$ 856,956 | \$ 6,866,337 | \$ 290,114 | \$ 877,692 | | \$ 78,416 | \$ 796,795 | \$ 4,959,942 |
| March | 180 | 383 | 563 | \$ 860,011 | \$ 7,726,348 | \$ 246,417 | \$ 1,096,126 | | \$ 110,403 | \$ 985,723 | \$ 5,945,665 |
| April | | | 0 | \$ - | \$ 7,726,348 | | | | | \$ - | \$ 5,945,665 |
| May | | | 0 | \$ - | \$ 7,726,348 | | | | | \$ - | \$ 5,945,665 |
| June | | | 0 | \$ - | \$ 7,726,348 | | | | | \$ - | \$ 5,945,665 |
| Adjustment | | | | \$ - | \$ 7,726,348 | | | | | \$ - | \$ 5,945,665 |
| Total | | | | | \$ 7,726,348 | \$ 1,333,773 | \$ 6,429,314 | | \$ 405,564 | | \$ 5,945,665 |

| | |
|---------------------------------|--------------|
| 1. Total Claims Paid Under Ag: | \$ 6,514,623 |
| 2. Cumulative Estimated Attach: | \$ 7,726,348 |
| 3. Loss Ratio (1/2): | 84.32% |
| 4. Dollar Claims Exceeding Att: | - |

| | |
|------------------------|---------------------|
| Administrative Charges | \$ 960,116 |
| RX Rebates (Anthem) | \$ 306,305 |
| Anthem Run Out | \$568,958 |
| Total Cost | \$ 7,168,434 |

Veracity - Prescription Drugs

The 5 buckets that help employers achieve maximum savings:



The Contract

Look at putting the Employer in charge to eliminate spread pricing (transparent, pass-through and auditable).



Preferred/Non-Preferred Networks

Consider charging members a \$15-\$20 higher copay on generic drugs when filled at CVS, Target, Walgreens, Walmart, Sam's Club and Rite-Aid (generic medications are on average \$15-\$20 higher at these retail locations).



Formulary Management

Consider adding lower cost therapeutic drugs to the formulary instead of higher cost drugs that maximize rebates (eliminate drugs that are priced to yield profits for PBMs and drug manufacturers)



International Pharmacy

Consider allowing members access to international medications that save members at least 50% off costs. 3 types of drugs can be imported from Canada: Insulin-like drugs, GLP-1 and HIV medications.



Manufacturers' Assistance Plans for Specialty Drugs

Considering allowing members access to expensive specialty medications with programs that offer huge savings for the employee and employer by going directly to the drug manufacturer.

| RX Savings Proposal | Estimated Savings |
|--|--------------------------|
| The Contract | \$ 69,035 |
| Preferred/Non-Preferred Network | \$ 134,618 |
| Formulary Management | \$ 44,424 |
| International Pharmacy | \$ 100,000 |
| Manufacturers' Assistance Plans for Specialty Drugs | \$ 500,000 |
| Total Estimated Savings | \$ 848,077 |

Prescription Drugs

Current vendors US RX Care for PBM services and ScriptSourcing for MAP/International Mail Order

- Pharmacy scripts written between July 2021 and December 2022 were 6,046 compared to 7,050 the previous year with Anthem
- Cost per script increased from \$104.70 to \$109.31
- US RX Care administrative fees were \$59,772 (\$7.75 per script + \$45 PA)
- **Proposing Veracity powered through ProCare – Gainesville Georgia.** Administrative fees for same time period \$4.50 per script and includes PA's. Estimated cost for same time period under \$26,000
- ProCare projects \$135,000 savings on preferred pharmacy for generics. This will be local pharmacies, grocery stores (Not Walmart, CVS, Walgreens, Target)
- ProCare projects \$113,000 savings on formulary management
- ScriptSourcing has set up 30 scripts for a total quarterly savings \$11,289. Fee was \$3,052 (20% of savings)
- Veracity has identified 745 scripts for MAP and 720 Scripts for International Mail order with projected savings of \$600,000.
- **Proposing Veracity powered through ProCare.** Total annual fee estimated at \$80,000. Same prescriptions through ScriptSourcing estimated fee \$120,000

Plan Design

| | | Current | Proposed |
|--|-----|--|--|
| IN-NETWORK | | | |
| Individual Calendar Year Deductible | | \$500 | \$500 |
| Family Calendar Year Deductible | | \$1,500 | \$1,500 |
| Coinsurance | | Member Pays 20% Plan pays 80% | Member Pays 20% Plan pays 80% |
| Individual Out-of-Pocket Maximum (includes deductible) | | \$3,000 | \$3,000 |
| Family Out-of-Pocket Maximum (includes deductible) | | \$9,000 | \$9,000 |
| Primary Care Physician Co-pay | | \$25 | \$25 |
| Specialist Physician Co-pay | | \$50 | \$50 |
| Preventive Care (not subject to deductible) | | \$0 | \$0 |
| Live Health Online (Online Physician Visit) | | \$0 | \$0 |
| Urgent Care Center Co-pay | | \$35 | \$35 |
| Emergency Room Co-pay (waived if admitted) | | \$350 | \$350 |
| OUT-OF-NETWORK | | | |
| Individual Calendar Deductible | | \$1,000 | \$1,000 |
| Family Calendar Deductible | | \$3,000 | \$3,000 |
| Coinsurance | | Member Pays 40% Plan pays 60% | Member Pays 40% Plan pays 60% |
| Individual Out-of-Pocket (includes deductible) | | \$9,000 | \$9,000 |
| Family Out-of-Pocket (includes deductible) | | \$27,000 | \$27,000 |
| PRESCRIPTION DRUG CO-PAYMENTS | | | Veracity /ProCare |
| Retail Drugs – Tier 1 | | \$5 | \$5 / \$20 |
| Retail Drugs – Tier 2 | | \$45 | \$45 |
| Retail Drugs – Tier 3 | | \$90 | \$90 |
| Retail Drugs – Tier 4 | | 25% up to \$450 | Included in Tier 3 |
| Mail Order Maintenance Drugs – Tier 1 | | \$5 | Retail 90 days X 2 |
| Mail Order Maintenance Drugs – Tier 2 | | \$90 | Retail 90 days X 2 |
| Mail Order Maintenance Drugs – Tier 3 | | \$270 | Retail 90 days X 2 |
| | | Employee Deductions (26 per year) | Employee Deductions (26 per year) |
| Employee Only | 176 | \$30.33 | 176 |
| Employee + Spouse | 94 | \$85.59 | 94 |
| Employee + Children | 82 | \$78.06 | 82 |
| Employee + Family | 210 | \$133.32 | 210 |
| 74 Waived Coverage | | 562 | 562 |
| | | \$1,242,323 | \$1,242,323 |

- Prescriptions available through International Mail Order covered at 50% if purchased elsewhere

Summary ASO Details

| | Current | | Renewal - FIRM till 5/13 | | | Option - Firm till 5/5 | | | Option - Firm till 5/12 | | |
|---|---|--------------|--|--------------|---------|---|--------------|---------|---|--------------|---------|
| Medical Plan Third Party Administrator |  | |  | | |  | | |  | | |
| Provider Network |  | |  | | |  | | |  | | |
| | Monthly PEPM | Annual | Monthly PEPM | Annual | | Monthly PEPM | Annual | | Monthly PEPM | Annual | |
| Administrative Charges | \$57.07 | \$386,250 | \$62.42 | \$422,459 | 9.37% | \$62.42 | \$422,459 | 9.37% | \$85.91 | \$581,439 | 50.53% |
| <i>Trustmark</i> | | | | | | | | | | | |
| Network Access | \$9.00 | \$60,912 | \$7.18 | \$48,594 | -20.22% | \$7.18 | \$48,594 | -20.22% | | \$0 | |
| <i>Cigna</i> | | | | | | | | | | | |
| Dental Administration | \$3.48 | \$23,553 | \$3.58 | \$24,229 | 2.87% | \$3.58 | \$24,229 | 2.87% | \$3.58 | \$24,229 | 2.87% |
| <i>Anthem</i> | | | | | | | | | | | |
| Vision Administration | \$1.79 | \$12,115 | \$1.79 | \$12,115 | 0.00% | \$1.79 | \$12,115 | 0.00% | \$1.79 | \$12,115 | 0.00% |
| <i>Anthem</i> | | | | | | | | | | | |
| TeleHealth Service | \$2.25 | \$15,228 | \$2.25 | \$15,228 | 0.00% | \$2.25 | \$15,228 | 0.00% | | \$0 | |
| | | | | | | | | | | | |
| Specific Stop-loss | \$114.06 | \$771,958 | \$147.28 | \$996,791 | 29.13% | \$114.30 | \$773,582 | 0.21% | \$148.14 | \$1,002,612 | 29.88% |
| \$175,000 w /\$75,000 aggregating ded | 24/12 CIGNA | | Paid/12 CIGNA | | | 24/12 Skyward | | | 24/12 Anthem | | |
| Aggregate | \$5.64 | \$38,172 | \$6.47 | \$43,789 | 14.72% | \$6.14 | \$41,556 | 8.87% | \$4.83 | \$32,689 | -14.36% |
| | | | | | | | | | | | |
| Expected Claim Liability | \$1,272.96 | \$8,615,382 | \$1,496.10 | \$10,125,578 | 17.53% | \$1,521.06 | \$10,294,507 | 19.49% | \$1,348.23 | \$9,124,821 | 5.91% |
| | | | | | | | | | | | |
| Max Claim Liability | \$1,527.55 | \$10,338,458 | \$1,870.12 | \$12,656,972 | 22.43% | \$1,901.32 | \$12,868,134 | 24.47% | \$1,685.29 | \$11,406,043 | 10.33% |
| | | | | | | | | | | | |
| Laser | None | | None | | | YES | | | None | | |

- Trustmark \$50,000 wellness credit
- NAF billed in error in current year (Should have been \$7 – billed \$9) refund due County
- Skyward offer has 3 members with limited run-in and lasers of \$325K & \$225k
- Anthem is providing a \$75,000 Universal Credit fund

Summary Medical Cost

| | Current | Renewal - FIRM till 5/13 | Renewal - FIRM till 5/5 | Renewal - FIRM till 5/12 |
|-------------------------------|---|--|---|---|
| Third Party Administrator |  |  |  |  |
| Provider Network |  |  |  |  |
| Reinsurance | CIGNA | CIGNA | SKYWARD | Anthem |
| Specific Deductible | \$175,000 | \$175,000 | \$175,000 | \$175,000 |
| Aggregating Deductible | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| Fixed Cost | \$188.02 | \$225.60 | \$192.29 | \$238.88 |
| Expected Cost | \$1,272.96 | \$1,496.10 | \$1,521.06 | \$1,348.23 |
| Aggregate | \$1,527.55 | \$1,870.12 | \$1,901.32 | \$1,685.29 |
| Covered Members | 564 | 564 | 564 | 564 |
| Annual Medical Fixed Cost | \$1,272,519 | \$1,526,861 | \$1,301,419 | \$1,616,740 |
| Annual Expected Claims | \$8,615,382 | \$10,125,578 | \$10,294,507 | \$9,124,821 |
| Annual Fixed + Maximum Claims | \$11,610,978 | \$14,183,833 | \$14,169,552 | \$13,022,783 |
| Exp. Pharmacy Rebates/Savings | | \$848,077 | \$848,077 | \$848,077 |
| Administrative Credits | | | | |
| Annual Fixed + Expected Claim | \$9,887,901 | \$10,804,362 | \$10,747,849 | \$9,893,483 |
| Lasers | None | None | YES | None |

- Plan is running as expected for current plan year
- FSA administration handled by Trustmark

Dental Summary

Employees on coverage: 565

Current Self - Insured



| | Current | Renewal |
|--|------------------|------------------|
| Administrative Fee PEPM | \$3.48 | \$3.58 |
| Total Annual Admin Fee | \$23,594 | \$24,272 |
| Expected Annual Claims | \$454,909 | \$401,621 |
| Actual Annual Claims | \$378,888 | |
| Employee Annual Deductions | \$135,554 | \$135,554 |
| County Net Cost | \$266,928 | \$290,340 |
| Expected Annual Cost Difference | | \$23,411 |
| | | 8.77% |

Bi-weekly Deductions (26 per year)

| | BASE | | BUY UP | |
|-----------------------------------|------------------|------|--------|-------|
| Employee Only | 113 | 2.71 | 69 | 6.74 |
| Employee + Spouse | 63 | 5.41 | 40 | 14.52 |
| Employee + Children | 33 | 5.14 | 27 | 14.25 |
| Employee + Family | 97 | 8.39 | 123 | 17.50 |
| Combined Annual Deductions | \$135,554 | | | |

48 Waived Coverage

Summary of Benefits

| | BASE | BUY UP |
|---|--------------|--------------|
| Deductible (Individual / Family) | \$50 / \$150 | \$50 / \$150 |
| Preventive | 100% | 100% |
| Basic | 80% | 80% |
| Major | 50% | 50% |
| Annual Maximum Benefit | \$1,000 | \$2,000 |
| Fillings | 80% | 80% |
| Simple Extractions | 80% | 80% |
| Oral Surgery | 80% | 80% |
| Periodontics | 80% | 80% |
| Endodontics (Root Canals) | 80% | 80% |
| Crowns | 50% | 50% |
| Dentures / Bridges | 50% | 50% |

- Actual claims are lower than anticipated
- Dental claims are expected to trend 6% annually

Vision Summary

| | | Current Self - Insured | |
|------------------------------------|-----|---|-------------|
| | |  | |
| Employees on coverage: 534 | | Current | Renewal |
| Admin Fee (PEPM) | | \$1.79 | \$1.79 |
| Total Annual Admin | | \$11,470.32 | \$11,470.32 |
| Annual Expected Claims | | \$55,557.17 | \$48,855.99 |
| Actual Claims | | \$47,433.00 | |
| Total | | \$58,903.32 | \$60,326.31 |
| Total Annual Fully Insured Premium | | | |
| Annual Employee Cost | | \$33,254.26 | \$33,254.26 |
| County Expected Net Cost | | \$25,649.06 | \$27,072.05 |
| | | 5.55% | |
| | | <i>Employee Deductions (26 per year)</i> | |
| Employee Only | 173 | 1.16 | |
| Employee + Spouse | 109 | 2.32 | |
| Employee + Children | 57 | 2.20 | |
| Employee + Family | 195 | 3.59 | |
| 74 Waived Coverage | 534 | | |
| IN-NETWORK | | | |
| Routine Eye Exam | | \$10 copay (every 12 months) | |
| Eyeglass Frames | | \$130 allowance (every 24 months) | |
| Eyeglass Lenses | | | |
| Standard Plastic Single | | \$20 copay | |
| Standard Plastic Bifocal | | \$20 copay | |
| Standard Plastic Trifocal | | \$20 copay (every 12 months) | |
| Contact Lenses | | | |
| Elective Conventional Lenses | | \$130 allowance | |
| Elective Disposable Lenses | | \$130 allowance (every 12 months) | |
| OUT-OF-NETWORK | | | |
| Routine Eye Exam | | \$30 allowance | |
| Eyeglass Lenses | | \$25 - \$55 allowance | |
| Contact Lenses - Elective | | \$105 allowance | |
| Frames | | \$45 allowance | |

97 Waive

- Actual claims are lower than anticipated
- Vision claims are expected to trend 3% annually

Medical, Dental and Vision Deductions

| MEDICAL | | Current | % of cost paid by employee |
|-----------------------|-----|--------------------|-----------------------------------|
| Employee | 180 | \$30.33 | 9.19% |
| Employee + Spouse | 101 | \$85.59 | 12.89% |
| Employee + Child(ren) | 69 | \$78.06 | 12.63% |
| Employee + Family | 208 | \$133.32 | 14.00% |
| 73 Waive | | | |
| 558 | | \$1,227,738 | |

| DENTAL | | \$1,000 Annual Max | |
|-----------------------|-----|---------------------------|--------|
| BASE PLAN | | | |
| Employee | 113 | \$2.71 | 10.47% |
| Employee + Spouse | 63 | \$5.41 | 11.87% |
| Employee + Child(ren) | 33 | \$5.14 | 8.98% |
| Employee + Family | 97 | \$8.39 | 10.30% |
| BUY UP PLAN | | \$2,000 Annual Max | |
| Employee | 69 | \$6.74 | |
| Employee + Spouse | 40 | \$14.52 | |
| Employee + Child(ren) | 27 | \$14.25 | |
| Employee + Family | 123 | \$17.50 | |
| 66 Waive | | | |
| 565 | | \$135,530 | |

| VISION | | | |
|----------------------------------|-----|--------------------|--------|
| Employee | 173 | \$1.16 | 22.92% |
| Employee + Spouse | 109 | \$2.32 | 27.39% |
| Employee + Child(ren) | 57 | \$2.20 | 23.94% |
| Employee + Family | 195 | \$3.59 | 25.59% |
| 97 Waive | | | |
| 534 | | \$33,254 | |
| Annual Payroll Deductions | | \$1,396,523 | |

Critical Illness

| | Current | Proposal | Proposal | |
|---|---|--|--|----------------------|
| Critical Illness |  |  |  | |
| Employee Coverage Levels: | \$5,000 up to \$50,000 | \$5,000 up to \$30,000 | \$25,000 | |
| Spouse Coverage Levels: | 50% of employee | 50% of employee | 50% of employee | |
| Child(ren) Coverage Levels: | 50% of Employee at no additional cost (0 - 26) | 50% of Employee | 50% of Employee | |
| Reduction Schedule: | No Age Reduction | No Age Reduction | No Age Reduction | |
| Wellness / Health Screening | \$50 / Calendar Year | \$50 / Calendar Year | \$50 / Calendar Year | |
| Covered Illnesses <i>(Percent Paid of Face Amount)</i> | | | Benefits Paid for Early identification and Early-stage diagnosis | |
| ALS | 0% | 100% | 100% | |
| Alzheimer's Disease | 0% | 100% | 50% | |
| Parkinson's Disease (Advanced) | 0% | 100% | 50% | |
| Heart Attack | 100% | 100% | 100% | |
| Stroke | 100% | 100% | 100% | |
| Major Organ Transplant | 100% | 100% | 100% | |
| Renal Failure (End Stage) | 100% | 100% | 100% | |
| Internal Cancer | 100% | 100% | 100% | |
| Coma | 100% | 100% | 10% | |
| Severe Burns | 100% | 0% | 0% | |
| Paralysis | 100% | 100% | 100% | |
| Loss of Sight, Hearing or Speech | 100% | 100% | 100% Loss of Hearing | |
| Additional 25% coverage | Coronary Artery Bypass Surgery, Non-Invasive Cancer | Coronary Artery Bypass Surgery, Non-Invasive Cancer, Skin Cancer \$250 | 100% - Lupus, Central nervous infection of the brain, MS, Huntington's Disease; 10% - Stem cell/bone marrow transplant, Acute Respiratory Distress Syndrome, Epilepsy, Rheumatoid Arthritis, Type 1 Diabetes | |
| Portable | Yes | Yes (main contract must remain in force) | Yes (main contract must remain in force) | |
| Monthly Premium | | | | |
| Employee Monthly Cost: | <i>Uni-Tobacco Rates</i> | <i>Uni-Tobacco Rates</i> | <i>Non - Tobacco Rates</i> | <i>Tobacco Rates</i> |
| Age 18 - 24 / \$10,000 | 6.05 | 3.33 | 10.05 | 11.16 |
| Age 25 - 29 / \$10,000 | 6.05 | 4.08 | 10.05 | 11.16 |
| Age 30 - 34 / \$10,000 | 9.75 | 4.60 | 10.05 | 11.16 |
| Age 35 - 39 / \$10,000 | 9.75 | 5.80 | 14.17 | 17.77 |
| Age 40 - 44 / \$10,000 | 19.35 | 7.77 | 18.57 | 26.07 |
| Age 45 - 49 / \$10,000 | 19.35 | 11.39 | 24.16 | 37.27 |
| Age 50 - 54 / \$10,000 | 32.96 | 15.69 | 30.27 | 50.66 |
| Age 55 - 59 / \$10,000 | 32.96 | 21.66 | 39.76 | 71.26 |
| | No pre-ex condition exclusion | No pre-ex condition exclusion | Pre-ex condition applies for Late Entrants only | |
| | 6 months re-occurrence benefit | Re-occurrence benefit - 30 day separation period If both conditions are Vascular or both are Cancer. | No reoccurrence limitations or separation periods | |
| | Issue Age Rates | Attained Age Rates | Issue Age Rates | |

Accident Coverage

Current

| |  |  |  |
|-------------------------------------|---|---|---|
| Accident Insurance | 24-Hour Coverage | 24-Hour Coverage | 24-Hour Coverage |
| Hospital Admission | \$1,000 <i>(Once per covered accident)</i> | \$1,500 <i>(Once/accident within 90 days)</i> | \$1,000 |
| Hospital Confinement | \$300/Day <i>(365 Day max per accident)</i> | \$300/Day <i>(365 Day max Lifetime)</i> | \$300/Day <i>(365 Day max)</i> |
| Hospital Intensive Care | \$600/Day <i>(30 Day max per accident)</i> | \$600/Day <i>(30 days/accident; 365 days/lifetime)</i> | \$600/Day <i>(15 days/accident)</i> |
| Accidental Death | \$50,000 | \$50,000 | \$50,000 |
| Accidental Common Carrier Death | \$10,000 | \$150,000 | \$150,000 |
| Wellness | \$50 / Calendar Year | \$50 / Calendar Year | \$50 / Calendar Year |
| Specific Injury Benefits: | | | |
| <u>Complete Fractures:</u> | | | |
| Hip/Thigh | \$3,000 | \$3,000 | \$3,000 |
| Pelvis | \$2,400 | \$2,700 | \$2,400 |
| Skull (Non - Depressed) | \$1,050 | \$480 | \$1,050 |
| Leg | \$1,800 | \$1,650 | \$1,800 |
| Hand/Foot/Ankle/Knee Cap | \$1,500 | \$1,350 | \$1,500 |
| Shoulder Blade/Collar Bone | \$1,200 | \$1,350 | \$1,200 |
| Lower Jaw | \$1,200 | \$1,050 | \$1,200 |
| Facial Bones | \$900 | \$480 | \$900 |
| Rib/Finger/Toe | \$240 | \$240 | \$250 |
| <u>Complete Dislocation:</u> | | | |
| Hip | \$2,500 | \$2,500 | \$2,500 |
| Knee | \$1,625 | \$1,350 | \$1,625 |
| Shoulder | \$1,250 | \$1,050 | \$1,000 |
| Foot/Ankle | \$1,000 | \$1,050 | \$1,250 |
| Hand | \$875 | \$480 | \$875 |
| Wrist | \$625 | \$1,050 | \$625 |
| Finger/Toe | \$200 | \$240 | \$250 |
| Monthly Premium | | | |
| Employee Only | \$16.27 | \$12.35 | \$13.00 |
| Employee + Spouse | \$25.76 | \$19.68 | \$20.45 |
| Employee + Child(ren) | \$32.52 | \$20.81 | \$24.92 |
| Employee + Family | \$42.01 | \$32.75 | \$34.23 |

Recommendations

1. Accept the ACCG Anthem medical insurance offer and change insurance administrator and reinsurance from Trustmark/CIGNA to Anthem.
Rationale: Trustmark projected to increase \$1.7M. Changing to Anthem would keep expected increase at \$850K
2. Change pharmacy benefit manager to Veracity powered by ProCare at a projected savings to County of \$850K.
Rationale: Would keep county's net cost for medical insurance unchanged
3. Anthem is offering a \$75,000 universal credit fund which can be used to cover COBRA cost, FSA administrative cost and wellness initiatives
4. Change the voluntary group critical illness and accident plans from AFLAC to Anthem.
Rationale: Lower cost and automatic claim notification process
5. Change Flexible Spending Account (FSA) from Trustmark to Anthem.
Rationale: Medical, dental and vision claims integration to reduce manual filing of claim receipts