



June 24, 2016



Mr. Randy Gillespie  
Johnson County HR Director  
2 N. Main St. Rm 215  
Cleburne, TX 76033

Dear Mr. Gillespie:

The Texas Association of Counties Health and Employee Benefits Pool (TAC HEBP) is pleased to enclose the group health renewal packet for your upcoming plan anniversary date. Here are some highlights of your 2017 Plan Year renewal (explanations are listed by item number, below):

- 1) Projected Combined Medical and Prescription Inflation for Plan Year 2017: 7.5%**
- 2) Johnson County Renewal Rate change(s):**
  - a. Health Plan: - 3.00%
  - b. Dental Plan: Not Applicable.
  - c. Life/AD&D, STD/LTD: Not Applicable
- 3) Johnson County Surplus Distribution for 2015 Fiscal Year (paid in 2016): \$55,239**
- 4) Deadline for returning signed renewal documents to TAC HEBP: August 1, 2016**
- 5) Your Employee Benefits Consultant: Lisa McCaig (lisam@county.org); (800) 456-5974**

**1) Pool Performance.** The Pool has stayed below the national average for health plan rate increases (trend) for the past twelve years and has done so again this year.

**2) Renewal Rates.** Rates are set annually using a comprehensive process which determines the actuarial needs of the Pool for the coming year. We then evaluate each individual group based on a combination of the group's size, claims experience, age, and geographic area.

**3) Surplus Distribution.** At the end of the 2015 Fiscal Year (FY), TAC HEBP had a surplus of \$13,533,936 available for distribution. The Board of Directors elected to return this to our Pool groups over the next 3 years. Your surplus distribution check will be mailed out by the end of July. For a description of how the distribution is allocated to groups, see the enclosed "2015 FY Surplus Distributions Frequently Asked Questions" notice.

**4) Deadline to Return Renewal:** Please return signed renewal documents on or before this date.

**5) Questions and Concerns.** If you have questions about your renewal, are interested in the impact of changes to your plan, or are considering changes to your personnel policies that will affect benefits (e.g.; adding/dropping retiree benefits, changing waiting period, etc.), please be sure to discuss this in advance with your Employee Benefits Consultant so we can coordinate the changes with your renewal.

**Other important items to note for the upcoming plan year:**

**Benefit Year Alignment:** Your Benefit Year and Plan Year are now aligned. This means that your Deductible and Co-Insurance "start over" at the same time as your plan year.

**Prescription Plan Changes:** See attached notice regarding important changes affecting all groups.

**Benefits Value Advisor:** This service will no longer be offered after September 30, 2016. Information will be provided in the Open Enrollment materials regarding how members can locate providers and get cost estimates.

**Affordable Care Act Fees:** The Board voted to pay 2016 ACA fees on behalf of Pool groups; see attached 'Health Care Reform Updates' document for details.

**Dental Plans:** There is no Open Enrollment for dental coverage this year.

**Open Enrollment Toolkit:** This will be sent via email and contains the forms and notices your group will need to process employee benefit renewals.

**ACTION REQUIRED:** Please present the renewal to the Commissioners Court for approval, complete and sign the enclosed Renewal Notice and Benefit Confirmation forms, and return to TAC no later than August 1, 2016.

TAC HEBP understands how valuable medical coverage is for your employees and their families. We appreciate your partnership with the Pool, and want to continue helping your county or district offer this important benefit. Again, we thank you for your membership in the Pool and look forward to working with you for the upcoming plan year.

Sincerely,



Quincy Quinlan, Director  
Health and Benefits Services Department  
Texas Association of Counties

Enclosures:

- Renewal Checklist
- Renewal Calendar
- Renewal Notice and Benefit Confirmation (RNBC)
- 2015-16 Plan Year Claims Reports
- Prescription Plan Changes
- Surplus Distribution FAQs
- Health Care Reform Updates for 2016-17 Plan Year
- Grandfathered Plan FAQs
- TAC HEBP Private Exchange Product Grid and FAQs
- HEBP Territory Map and Contact Info



TEXAS ASSOCIATION of COUNTIES  
HEALTH AND EMPLOYEE BENEFITS POOL

**2016 - 2017 Renewal Notice and Benefit Confirmation**

Group: 161134 - Johnson County

Anniversary Date: 10/01/2016

Return to TAC by: 08/01/2016

Please initial and complete each section confirming your group's benefits and fill out the contribution schedule according to your group's funding levels. Fax to 1-512-615-8954 or email to Mariac@county.org.

For any plan or funding changes other than those listed below, please contact Maria Castillo at 1-800-456-5974.

**MEDICAL**

Medical: Custom Medical Plan

RX Plan: Option Custom \$15/40/75

Your % rate increase is: -3.00%

Your payroll deductions for medical benefits are: Pre Tax

| Tier                  | Current Rates | New Rates Effective 10/1/2016 | New Amount Employer Pays | New Amount Employee Pays | New Amount Retiree Pays (if applicable) |
|-----------------------|---------------|-------------------------------|--------------------------|--------------------------|---|
| Employee Only         | \$733.02      | \$709.02                      | \$ 709.02                | \$ 0                     | \$ 709.02                               |
| Employee + Child      | \$913.02      | \$883.62                      | \$ 709.02                | \$ 174.60                | \$ 883.62                               |
| Employee + Child(ren) | \$1,129.02    | \$1,093.14                    | \$ 709.02                | \$ 384.12                | \$ 1,093.14                             |
| Employee + Spouse     | \$1,539.34    | \$1,491.16                    | \$ 709.02                | \$ 782.14                | \$ 1,491.16                             |
| Employee + Family     | \$1,719.34    | \$1,665.76                    | \$ 709.02                | \$ 956.74                | \$ 1,665.76                             |

*RAH* Initial to accept Medical Plan and New Rates.



**TEXAS ASSOCIATION of COUNTIES  
HEALTH AND EMPLOYEE BENEFITS POOL**

**2016-2017 Alternate Plan Proposal  
Group: 161134 – Johnson County  
Effective Date: 10/1/2016**

|                             | <b>Current Plan Year<br/>Custom Medical/RX</b> | <b>Renewal Rates<br/>Custom Medical/RX</b> | <b>Option 1<br/>Plan 1200-NGS<br/>Rx Option 5A-NG</b> |
|-----------------------------|--|--|---|
| <b>Rates</b>                |  |  |   |
| Employee Only               | \$733.02                                       | \$709.02                                   | \$748.70  |
| Employee + Child            | \$913.02                                       | \$883.62                                   | \$933.28  |
| Employee + Child(ren)       | \$1,129.02                                     | \$1,093.14                                 | \$1,154.78  |
| Employee + Spouse           | \$1,539.34                                     | \$1,491.16                                 | \$1,575.54  |
| Employee + Family           | \$1,719.34                                     | \$1,665.76                                 | \$1,760.12  |
| <b>Medical Plan</b>         |  |  |   |
| Deductible In/Out Network   | \$1,000/\$5,000                                | \$1,000/\$5,000                            | \$1,000/\$3,000                                       |
| Co-Insurance % In/Out       | 80/50  | 80/50                                      | 80/60   |
| Co-Insurance Maximum        | \$5,000/\$10,000                               | \$5,000/\$10,000                           | \$3,000/\$6,000                                       |
| Office Visit – Primary Care | \$30   | \$30                                       | \$30  |
| Office Visit - Specialist   | \$45   | \$45                                       | \$40  |
| Emergency Room Hospital     | \$300  | \$300                                      | \$150   |
| <b>Prescription Plan</b>    |  |  |   |
| Prescription Card Co-Pay    | \$15/40/75                                     | \$15/40/75                                 | \$10/30/50  |
| Mail Order                  | 2.5 Copay                                      | 2 x Copay                                  | 2 x Copay   |

Proposal rates are based on the following information:

- Rates based upon current benefits and enrollment. A substantial change in enrollment (10% over 30 days or 30% over 90 days) may result in a change in rates.
- Rates based on a minimum employer contribution of 100% of the employee only rate or current funding level.
- Retirees pay the same premium as active employees regardless of age for medical and dental.
- Form must be received by 08/01/2016 in order to avoid a delay in implementation of benefits and/or late processing fees.

Please indicate the selected plan here: Custom Medical/RX

Fax the signed document to (512) 481-8481.

Signature  Date: 7-11-16

**RETIREE**

Please circle one for each benefit that applies.

Your group allows retiree coverage for:

Medical

**Pre 65**

Post 65

Both

RH Initial to confirm.

**WAITING PERIOD**

Waiting period applies to all benefits.

**Employees**

60 days - 1st of the month following date of  
hire but first of the month

**Elected Officials**

60 days - 1st of the month following date of hire  
but first of the month

RH Initial to confirm.

## COBRA ADMINISTRATION

Please indicate how your group manages COBRA administration:

County/Group processes COBRA on OASYS

\*County/Group is responsible for fulfilling COBRA notification process and requirements.

BCBS COBRA Department processes COBRA

\*BCBS COBRA Department administers via COBRA contract with the County/Group

RH Initial to confirm COBRA Administration.

## PLAN INFORMATION

### Broker or Consultant Information

Please confirm your broker or consultant's name, if applicable:

Agency Name: Holmes Murphy

Agency Address: 12712 Park Central Dr., Ste. 100  
Number and Street

Dallas TX 75251  
City State Zip

Broker Representative or Consultant's Name: Jarrad Wills

Contact Phone Number: 214 532-1043

Contact Email Address: jwills@holmesmurphy.com

RH Initial to confirm Broker or Consultant information

- Please update broker or consultant's information.
- Broker commissions are included in rates listed on page 1.
- Retirees pay the same premium as active employees regardless of age for medical and dental.
- Rates based upon current benefits and enrollment. A substantial change in enrollment (10% over 30 days or 30% over 90 days) may result in a change in rates.
- Form must be received by **08/01/2016** in order to avoid additional administrative fees.
- Signature on the following page is required to confirm and accept your group's renewal.

**TAC HEBP Member Contact Designation  
Johnson County**

**CONTRACTING AUTHORITY**

As specified in the Interlocal Participation Agreement, each Member Group hereby designates and appoints, as indicated in the space provided below, a Contracting Authority of department head rank or above and agrees that TAC HEBP shall NOT be required to contact or provide notices to ANY OTHER person. Further, any notice to, or agreement by, a Member Group's Contracting Authority, with respect to service or claims hereunder, shall be binding on the Member. Each Member Group reserves the right to change its Contracting Authority from time to time by giving written notice to TAC HEBP.

Please list changes and/or corrections below.

**Name/Title** Randy Gillespie/HR Director

**Address** 2 Main St., Rm 215  
Cleburne, TX 76033

**Phone** 817-556-6194

**Fax** 817-556-6899

**Email** randyg@johnsoncountytexas.org

**BILLING CONTACT**

Responsible for receiving all invoices relating to HEBP products and services.

Please list changes and/or corrections below.

**Name/Title** Laura Baxter/Payroll Administrator

**Address** 2 Main St., Rm 215  
Cleburne, TX 76033

**Phone** 817-556-6162

**Fax** 817-556-6899

**Email** laurab@johnsoncountytexas.org

**HIPAA Secured Fax**

**PRIMARY CONTACT**

HEBP's main contact for daily matters pertaining to the health benefits.

Please list changes and/or corrections below.

**Name/Title** Brenda Slauson/Personnel Assistant

**Address** 2 Main St., Rm 215  
Cleburne, TX 76033

**Phone** 817-556-6349

**Fax** 817-556-6899

**Email** brendas@johnsoncountytexas.org

  
\_\_\_\_\_  
Signature of County Judge or Contracting Authority

Date: 7/16/16

Roger Harmon, County Judge

Please PRINT Name and Title

*The Texas Association of Counties would like to thank you for your membership in the only all county-owned and county directed Health and Employee Benefits Pool in Texas.*





TEXAS ASSOCIATION of COUNTIES  
HEALTH AND EMPLOYEE BENEFITS POOL

12 Month Report - Medical

Group Number: JOHNSON COUNTY - 161134

Claims Paid Through: 4/30/2016

| Month / Year        | Total EEs | Total Members | Contribution   | Paid Medical   | Paid RX      | Total Paid     |
|---------------------|-----------|---------------|----------------|----------------|--------------|----------------|
| Apr-2016            | 519       | 608           | \$401,889.98   | \$156,637.37   | \$86,166.92  | \$242,804.29   |
| Mar-2016            | 518       | 599           | \$398,308.60   | \$195,460.84   | \$81,025.93  | \$276,486.77   |
| Feb-2016            | 523       | 599           | \$399,376.04   | \$245,234.84   | \$79,517.12  | \$324,751.96   |
| Jan-2016            | 524       | 600           | \$399,929.06   | \$313,491.84   | \$84,266.03  | \$397,757.87   |
| Dec-2015            | 522       | 598           | \$399,822.36   | \$341,783.79   | \$81,688.87  | \$423,472.66   |
| Nov-2015            | 630       | 721           | \$400,735.38   | \$347,468.35   | \$89,213.22  | \$436,681.57   |
| Oct-2015            | 520       | 594           | \$398,140.32   | \$197,834.58   | \$80,360.09  | \$278,194.67   |
| Sep-2015            | 516       | 590           | \$395,208.24   | \$179,220.22   | \$65,787.44  | \$245,007.66   |
| Aug-2015            | 510       | 584           | \$390,810.12   | \$242,283.76   | \$82,153.84  | \$324,437.60   |
| Jul-2015            | 510       | 584           | \$390,810.12   | \$248,002.53   | \$77,157.96  | \$325,160.49   |
| Jun-2015            | 507       | 579           | \$389,344.08   | \$225,443.82   | \$59,707.40  | \$285,151.22   |
| May-2015            | 504       | 582           | \$386,988.00   | \$143,307.71   | \$70,460.23  | \$213,767.94   |
| Total for 12 months |           |               | \$4,751,362.30 | \$2,836,169.65 | \$937,505.05 | \$3,773,674.70 |



TEXAS ASSOCIATION OF COUNTIES  
HEALTH AND EMPLOYEE BENEFITS POOL

*Large Claimant Summary*

Claimants Over: \$10,000

Group Number: JOHNSON COUNTY - 161134

Claims Paid: 5/1/2015 - 4/30/2016

Product Type: PPO

| Claimant Number | Status  | Medical Claims | Rx Claims   | Total Paid Claims |
|-----------------|---------|----------------|-------------|-------------------|
| 1631279G        | Active  | \$318,902.54   | \$8,577.63  | \$327,480.17      |
| 1611194G        | Active  | \$139,118.66   | \$25,037.63 | \$164,156.29      |
| 1616760G        | Active  | \$149,659.24   | \$1,098.93  | \$150,758.17      |
| 1608651G        | Active  | \$130,582.64   | \$1,356.64  | \$131,939.28      |
| 1606903G        | Active  | \$71,125.15    | \$7,284.86  | \$78,410.01       |
| 1685631G        | Active  | \$72,524.17    | \$1,018.07  | \$73,542.24       |
| 1629474G        | Retired | \$51,925.88    | \$19,447.17 | \$71,373.05       |
| 1615139G        | Active  | \$1,862.39     | \$68,038.22 | \$69,900.61       |
| 1608076G        | Active  | \$63,559.80    | \$2,246.02  | \$65,805.82       |
| 1619062G        | Active  | \$53,621.07    | \$9,430.95  | \$63,052.02       |
| 1629345G        | Active  | \$47,181.72    | \$14,781.48 | \$61,963.20       |
| 1613470G        | Active  | \$32,339.87    | \$24,273.62 | \$56,613.49       |
| 1676990G        | Active  | \$39,834.16    | \$8,191.58  | \$48,025.74       |
| 1508400G        | Active  | \$42,846.18    | \$2,661.65  | \$45,507.83       |
| 1647006G        | Active  | \$41,996.91    | \$1,721.75  | \$43,718.66       |
| 1616969G        | Active  | \$1,145.87     | \$40,655.18 | \$41,801.05       |
| 1613179G        | Retired | \$618.67       | \$38,523.19 | \$39,141.86       |
| 1649185G        | Active  | \$575.81       | \$37,752.32 | \$38,328.13       |
| 1606456G        | Active  | \$32,697.03    | \$3,825.99  | \$36,523.02       |
| 1631485G        | Active  | \$32,694.91    | \$337.22    | \$33,032.13       |
| 1614115G        | Active  | \$24,461.14    | \$6,028.12  | \$30,489.26       |
| 1625601G        | Active  | \$10,789.32    | \$15,965.04 | \$26,754.36       |
| 1626321G        | Active  | \$1,407.30     | \$25,237.33 | \$26,644.63       |
| 1631359G        | Active  | \$26,432.57    | \$53.76     | \$26,486.33       |
| 1642476G        | Active  | \$26,159.07    | \$92.46     | \$26,251.53       |
| 1632669G        | Active  | \$25,813.96    | \$248.68    | \$26,062.64       |
| 1649715G        | Active  | \$25,574.07    | \$468.17    | \$26,042.24       |
| 1648030G        | Active  | \$25,710.82    | \$312.83    | \$26,023.65       |
| 1654754G        | Active  | \$379.97       | \$24,884.01 | \$25,263.98       |
| 1622688G        | Active  | \$11,895.84    | \$13,073.95 | \$24,969.79       |



TEXAS ASSOCIATION of COUNTIES  
HEALTH AND EMPLOYER BENEFITS POOL

*Large Claimant Summary*

Claimants Over: \$10,000

Group Number: JOHNSON COUNTY - 161134

Claims Paid: 5/1/2015 - 4/30/2016

|          |         |             |             |             |
|----------|---------|-------------|-------------|-------------|
| 1651576G | Active  | \$24,634.00 | \$0.00      | \$24,634.00 |
| 1631783G | Active  | \$17,436.02 | \$6,668.30  | \$24,104.32 |
| 1327617G | Active  | \$23,919.29 | \$3.25      | \$23,922.54 |
| 1626190G | Retired | \$19,089.36 | \$3,561.31  | \$22,650.67 |
| 1633870G | Active  | \$1,198.08  | \$20,759.10 | \$21,957.18 |
| 1608613G | Active  | \$19,753.91 | \$2,125.01  | \$21,878.92 |
| 1621504G | Active  | \$16,014.14 | \$5,427.30  | \$21,441.44 |
| 1616791G | Active  | \$14,977.41 | \$5,973.80  | \$20,951.21 |
| 1610525G | Active  | \$11,946.36 | \$8,910.27  | \$20,856.63 |
| 1635361G | Active  | \$19,930.61 | \$847.99    | \$20,778.60 |
| 1742674G | Active  | \$20,749.71 | \$0.00      | \$20,749.71 |
| 1610151G | Active  | \$16,899.66 | \$3,777.48  | \$20,677.14 |
| 1652309G | Active  | \$7,901.55  | \$12,591.94 | \$20,493.49 |
| 1616647G | Active  | \$11,293.36 | \$8,564.90  | \$19,858.26 |
| 1614469G | Active  | \$17,062.89 | \$2,163.94  | \$19,226.83 |
| 1611009G | Active  | \$13,903.66 | \$4,625.53  | \$18,529.19 |
| 1635221G | Active  | \$18,371.88 | \$101.70    | \$18,473.58 |
| 1634312G | Active  | \$9,632.83  | \$8,826.50  | \$18,459.33 |
| 1626015G | Active  | \$3,135.90  | \$15,274.10 | \$18,410.00 |
| 1650094G | Active  | \$14,815.06 | \$2,807.22  | \$17,622.28 |
| 1628555G | Active  | \$17,362.60 | \$164.59    | \$17,527.19 |
| 3825G    | Active  | \$16,187.47 | \$1,142.05  | \$17,329.52 |
| 1632696G | Active  | \$17,250.29 | \$23.06     | \$17,273.35 |
| 1624219G | Active  | \$16,379.23 | \$648.17    | \$17,027.40 |
| 1611159G | Active  | \$3,379.65  | \$13,538.63 | \$16,918.28 |
| 1652064G | Active  | \$5,749.80  | \$10,903.64 | \$16,653.44 |
| 1633058G | Active  | \$15,277.22 | \$1,206.43  | \$16,483.65 |
| 1621265G | Active  | \$10,159.26 | \$5,941.96  | \$16,101.22 |
| 1608101G | Active  | \$13,661.47 | \$1,850.46  | \$15,511.93 |
| 1631641G | Active  | \$15,377.49 | \$40.70     | \$15,418.19 |
| 1609535G | Active  | \$10,822.20 | \$4,391.05  | \$15,213.25 |
| 1611094G | Active  | \$12,135.49 | \$2,872.11  | \$15,007.60 |
| 1671718G | Active  | \$14,984.29 | \$0.00      | \$14,984.29 |



TEXAS ASSOCIATION of COUNTIES  
HEALTH AND EMPLOYEE BENEFITS POOL

Large Claimant Summary

Claimants Over: \$10,000

Group Number: JOHNSON COUNTY - 161134

Claims Paid: 5/1/2015 - 4/30/2016

|                                  |         |                       |                    |                       |
|----------------------------------|---------|-----------------------|--------------------|-----------------------|
| 1695116G                         | Active  | \$13,399.74           | \$1,405.61         | \$14,805.35           |
| 1608610G                         | Active  | \$2,094.65            | \$12,373.02        | \$14,467.67           |
| 1609579G                         | Active  | \$11,809.09           | \$2,603.94         | \$14,413.03           |
| 1647516G                         | Active  | \$2,506.00            | \$11,785.26        | \$14,291.26           |
| 1627361G                         | Active  | \$14,216.41           | \$44.22            | \$14,260.63           |
| 1639771G                         | Active  | \$9,032.27            | \$4,553.74         | \$13,586.01           |
| 1629344G                         | Active  | \$2,507.22            | \$10,877.44        | \$13,384.66           |
| 1609636G                         | Active  | \$1,770.42            | \$11,296.27        | \$13,066.69           |
| 1669972G                         | Active  | \$12,507.31           | \$454.09           | \$12,961.40           |
| 1607196G                         | Active  | \$10,058.60           | \$2,731.36         | \$12,789.96           |
| 1621127G                         | Active  | \$10,729.26           | \$1,717.06         | \$12,446.32           |
| 1618272G                         | Active  | \$12,302.62           | \$0.00             | \$12,302.62           |
| 1609869G                         | Active  | \$10,301.47           | \$1,474.03         | \$11,775.50           |
| 1736901G                         | Active  | \$11,011.31           | \$360.96           | \$11,372.27           |
| 1618304G                         | Retired | \$11,196.91           | \$104.13           | \$11,301.04           |
| 1612531G                         | Active  | \$10,838.98           | \$250.05           | \$11,089.03           |
| 1611015G                         | Active  | \$9,926.45            | \$894.99           | \$10,821.44           |
| 1624941G                         | Active  | \$10,457.33           | \$86.38            | \$10,543.71           |
| 1664044G                         | Active  | \$1,370.10            | \$8,966.87         | \$10,336.97           |
| 1625995G                         | Active  | \$9,820.50            | \$421.87           | \$10,242.37           |
| 1654956G                         | Active  | \$3,830.06            | \$6,223.14         | \$10,053.20           |
| <b>PPO Group Total for Large</b> |         | <b>\$2,156,515.57</b> | <b>\$66,981.37</b> | <b>\$2,223,496.94</b> |