

MAR 25 2019

Presented

REQUEST FOR AGENDA PLACEMENT FORM

Submission Deadline - Tuesday, 12:00 PM before Court Dates

SUBMITTED BY: Randy Gillespie TODAY'S DATE: March 12, 2019

DEPARTMENT: Personnel

SIGNATURE OF DEPARTMENT HEAD: Randy Gillespie

REQUESTED AGENDA DATE: March 25, 2019

SPECIFIC AGENDA WORDING: Presentation by Holmes Murphy (Employee Benefits Consultant) to discuss pre-renewal and strategy.

PERSON(S) TO PRESENT ITEM: Julie Rickman w/Holmes Murphy

SUPPORT MATERIAL: (Must enclose supporting documentation)

TIME: 30 minutes

ACTION ITEM: _____

WORKSHOP: X

(Anticipated number of minutes needed to discuss item) **CONSENT:** _____

EXECUTIVE: _____

STAFF NOTICE:

COUNTY ATTORNEY: _____ **IT DEPARTMENT:** _____

AUDITOR: _____ **PURCHASING DEPARTMENT:** _____

PERSONNEL: _____ **PUBLIC WORKS:** _____

BUDGET COORDINATOR: _____ **OTHER:** _____

*******This Section to be Completed by County Judge's Office*******

ASSIGNED AGENDA DATE: _____

REQUEST RECEIVED BY COUNTY JUDGE'S OFFICE _____

COURT MEMBER APPROVAL _____ **Date** _____



HOLMES MURPHY.

THINKING AHEAD

JOHNSON COUNTY

PRE-RENEWAL/STRATEGY MEETING

FEBRUARY 28, 2019

AGENDA

- WELLNESS RECAP
- MARKETPLACE UPDATE
- HISTORICAL DATA
- WHAT'S NEXT?

THERE'S NO
place
LIKE
HOLMES

OUR CLIENTS
ARE LIKE FAMILY.

Welcome
Holme!

in

WELLNESS RECAP

• How's it going?

- 215- Tobacco Certifications Complete
- 59- Health Screening Results Forms submitted

• 2018 HEALTHY COUNTY CHALLENGE PARTICIPATION

- **52 Employees** earned the 50 Amazon Gift Card (employees had to complete 3 of 4 challenges to earn award)
- **79 Employees** participated in the 1st Challenge: 10K A Day
- **66 Employees** participated in the 2nd Challenge: Keep America Active
- **74 Employees** participated in the 3rd Challenge: Spring into Motion
- **57 Employees** participated in the 4th Challenge: Walktober

oriented

of which continues to decline

utilization and costs in behavioral health

of the top loss market due to continued increase of high cost patients

increased recognition of cost and quality variability of products

cost complexity

clinical Medical Approach

to the shopping experience

HISTORICAL STRATEGIES

2015

- Changed from UHC to TAC. Savings of \$300,000
- Changed anniversary to 10/01
- Added County paid Vision plan
- Enhanced focus on Wellness

2016

- 3.27% decrease to Medical with \$55,239 in dividends
- No medical plan changes
- Total medical plan year savings \$202,000
- Continued with wellness
- Dental renewal negotiated from 8% to 5%

2017

- 9.5% increase to medical with 136% loss ratio - \$14,000 dividends
- No Medical plan changes
- Created new wellness strategy
- Vision renewal lowered from 26% to 10%
- Life renewal lowered from 10% to rate pass

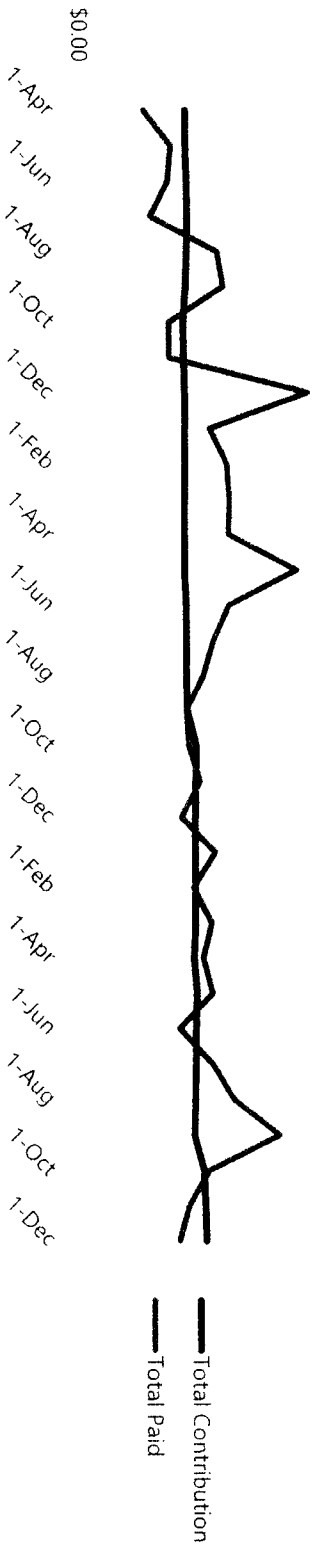
2018

- 7.8% increase to medical plans with 115% loss ratio - \$14,000 in dividends
- Added MD Life and Airrosti
- PMB Vendor through TAC Changed
- Dental – Accepted 10/5% renewal negotiated from 12/5%
- Life – Still in rate guarantee
- Vision – Accepted 2 year rate cap, 10% for year 2, 10% renewal from 13%

MEDICAL – PREMIUM VS CLAIMS

April 2016 to December 2018

\$1,000,000.00



- JOHNSON COUNTY EXPERIENCED A SPIKE IN CLAIMS DURING NOVEMBER 2018
- RX SPEND = 28%
- TOTAL LOSS RATIO = 115% - LAST ROLLING 12 = 111%
- TARGET LOSS RATIO = >85%

IS THIS THE NEW NORM?

LARGE CLAIMANTS REPORT > 50K

Relationship	Gender	Age Band	Diagnosis	Total Cost	Active
Subscriber	Male	60-64	Neoplasms	\$205,622	Yes
Spouse	Male	50-59	Injury/Poisoning	\$187,991	No
Dependent	Female	<1-19	Nervous System	\$139,030	Yes
Subscriber	Male	60-64	Musculoskeletal	\$126,445	Yes
Subscriber	Female	60-64	Digestive	\$110,837	Yes
Subscriber	Female	40-49	Mental Health	\$99,564	Yes
Subscriber	Female	40-49	Neoplasms	\$99,341	Yes
Dependent	Female	<1-19	Digestive	\$94,824	Yes
Subscriber	Male	60-64	Musculoskeletal	\$85,199	Yes
Dependent	Female	<1-19	Symptoms/Ill-Defined	\$82,731	Yes
Subscriber	Male	50-59	Musculoskeletal	\$79,353	Yes
Spouse	Male	50-59	Nervous System	\$76,232	Yes
Subscriber	Female	50-59	Neoplasms	\$75,299	Yes
Subscriber	Male	40-49	Neoplasms	\$68,998	Yes
Subscriber	Female	50-59	Musculoskeletal	\$68,923	Yes
Subscriber	Female	50-59	Musculoskeletal	\$68,843	Yes
Subscriber	Female	50-59	Musculoskeletal	\$68,843	Yes
Subscriber	Female	50-59	Musculoskeletal	\$68,843	Yes

CLAIMS INCURRED 10/01/2017 THROUGH 12/31/2018

- HMA PROJECTED INCREASE IS 18.1% - RENEWAL WORK UP SHEET
- TAC POOLING WILL HELP THE COUNTY CONSIDERABLY THIS NEXT RENEWAL!

• ENROLLMENT HAS INCREASE FROM 511 TO 523 - IS THE COUNTY HIRING?

• WELLNESS IS STILL WORKING!

- 6 MSK
- 4 Neoplasm
- 3 Digestive

7/3

RENEWAL SUMMARY

- **TAC MEDICAL RENEWAL**

- Renewals released late June/early July

- **CIGNA VISION**

- Renewal released June
- Rate cap at 10%

- **CIGNA DENTAL**

- May see increase

- **BASIC LIFE/AD&D**

ADDITIONAL THOUGHTS

- **EXPECTING RENEWALS**
 - June
- **MARKETING**
 - Need to market all lines in 2020
- **WELLNESS PLANNING**
- **COMMUNICATIONS**