#### **Presented**

#### REQUEST FOR AGENDA PLACEMENT FORM Submission Deadline - Tuesday, 12:00 PM before Court Dates SUBMITTED BY: Randy Gillespie TODAY'S DATE: June 27, 2019 **DEPARTMENT:** X Personnel SIGNATURE OF DEPARTMENT HEAD: X X July 8, 2019 **REQUESTED AGENDA DATE:** SPECIFIC AGENDA WORDING: Consideration to approve 2020 Plan Year renewal with Texas Association of Counties Health and Employee Benefits Pool. PERSON(S) TO PRESENT ITEM: Randy Gillespie/Personnel Director, Julie Rickman/Holmes Murphy **SUPPORT MATERIAL: (Must enclose supporting documentation)** TIME: 30 min. **X**\_\_\_\_ **ACTION ITEM: WORKSHOP:** X (Anticipated number of minutes needed to discuss item) **CONSENT: EXECUTIVE: STAFF NOTICE:** COUNTY ATTORNEY: \_\_\_\_\_ ISS DEPARTMENT: \_\_\_\_ AUDITOR: PURCHASING DEPARTMENT: \_\_\_\_\_ PERSONNEL: \_\_\_\_\_ PUBLIC WORKS: \_\_\_\_ BUDGET COORDINATOR: \_\_\_\_\_ OTHER: \_\_\_\_ \*\*\*\*\*\*\*\*\*This Section to be Completed by County Judge's Office\*\*\*\*\*\*\*\*

REQUEST RECEIVED BY COUNTY JUDGE'S OFFICE

ASSIGNED AGENDA DATE:

Date

(

COURT MEMBER APPROVAL



MURPHY.

THINKING AHEAD

## JOHNSON COUNTY 2019-2020 RENEWAL

# ANCILLARY AND MEDICAL RENEWALS

### **MEDICAL PLAN DESIGN OPTIONS**

**NEXT STEPS** 





#### MURPHY

THINKING AHEAD

#### RENEWALS 2019-2020

# DENTAL RENEWAL FACTORS

County running at an 85% loss ratio

DPPO – 2.87% increase; 2 year rate guarantee

DHMO – 2.00% increase; 2 year rate guarantee



### DENTAL PLAN RENEWAL

DPPO	Current Rates	Current Rates Renewal Rates	Monthly Increase	Participation
EE Only	\$33.74	\$34.71	\$0.97	128
EE + Spouse	\$67.43	\$69.37	\$1.94	26
EE + Child(ren)	\$72.35	\$74.43	\$2.08	31
EE + Family	\$111.20	\$114.39	\$3.19	19

DHMO	<b>Current Rates</b>	Current Rates Renewal Rates	Monthly	Participation
EE Only	\$10.68	\$10.89	\$0.21	124
EE + Spouse	\$20.82	\$21.23	<b>\$0.4</b> 1	26
EE + Child(ren)	\$22.52	\$22.96	\$0.44	35
EE + Family	\$32.56	\$33.20	\$0.64	16

## **VISION RENEWAL FACTORS**

LAST YEAR'S RENEWAL OFFERED A 10% RATE CAP

**OFFERING A 10% INCREASE FOR 2019** 

**3 YEAR RATE GUARANTEE GOING FORWARD** 



#### VISION RENEWAL

\$1.84	\$20.25	\$18.41	EE + Family
\$1.36	\$14.99	\$13.63	EE + Child(ren)
\$1.16	\$12.78	\$11.62	EE + Spouse
\$0.60	\$6.60	\$6.00	EE Only
Monthly Increase	Renewal Rates	<b>Current Rates</b>	Vision

If the County continues to pay 100% of employee only coverage, total annual increase is approximately \$3,600



# **MEDICAL RENEWAL CHANGES**

County. PCORI Fee – last payment in 2019 TAC will continue to pay ACA fees on behalf of the

at copay office visit Airrosti (musculoskeletal manipulation) benefit paid

programs based on the County's actual claims New Healthy County CSI program – recommends



# **MEDICAL RENEWAL FACTORS**

Market Trend: 7.1% Medical, 7.5% RX

TAC pool-wide increase 6.8%

101% loss ratio – April 2018 to April 2019

10 large claimants with over \$100,000 in claims

HMA estimated 18.1% renewal based on experience



#### MEDICAL RENEWAL

## **6.8% INCREASE TO CURRENT RATES**

Tier	<b>Current Rates</b>	New Rates	Increase
Employee Only	\$836.94	\$893.84	\$56.90
Employee + Child	\$1,043.02	\$1,113.94	\$70.92
Employee + Children	\$1,290.34	\$1,378.08	\$87.74
Employee + Spouse	\$1,760.18	\$1,879.86	\$119.68
Employee + Family	\$1,966.23	\$2,099.96	\$133.73
Approximate County Annual Spend:	\$5,242,592	\$5,599,013	\$356,421



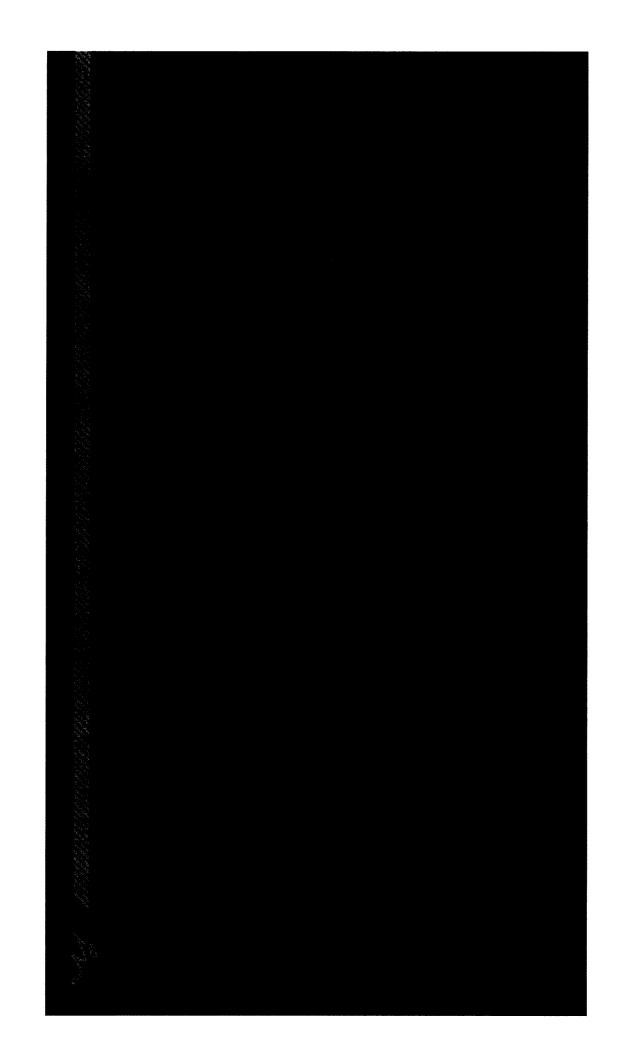
### **OPTIONAL PLAN DESIGNS**

(\$281,128)	\$23,052	\$356,421	Cost Difference
2x copay	2x copay	2x copay	Prescription Mail Order
\$0	\$250	\$0	Prescription Deductible
\$10/\$30/\$50	\$10/\$30/\$50	\$15/\$40/\$75	Prescription Copay Retail
\$150	\$150	\$300	ER Visit
\$50	\$45	\$45	Specialist Visit Copay
\$40	\$35	\$30	Office Visit Copay
\$4,150/\$8,000	\$4,000/\$8,000	\$5,000/\$10,000	Out of Pocket Max In/Out of Network
80%/60%	80%/60%	80%/60%	Co-Insurance % In/Out of Network
\$3,000/\$7,500	\$2,000/\$6,000	\$1,000/\$5,000	Deductible In/Out of Network
Optional Plan 2	Optional Plan 1	Current/Renewal Plan	Medical/RX Benefit



#### 

Avoid \$75 Surcharge	Tobacco Attestation Certify as a Tobacco Non- User or Complete a Tobacco Cessation Program	Avoid \$100 Surcharge	If not met: Choose 1 of 3 Activities	Meet 3 of 5 or complete alternative activity	2018
Avoid \$100 Surcharge	Same as 2018	Avoid \$125 Surcharge		Same as 2018	2019
Avoid \$100 Surcharge	Same as 2019	Avoid \$125 Surcharge	If not met: Choose 2 of 4 Activities	Meet 4 of 5 or complete alternative activity	2020
Avoid \$125 Surcharge	Same as 2020	Avoid \$150 Surcharge		Same as 2020	2021



#### **APPENDIX**

*14* 

#### **EXPERIENCE**

	#5,050,551.70	lotal	
	\$5 036 997 70	Total	
	<b>\$</b> 475.923`\$6	2019	
	\$473,412.74	2019	T-Mar
	\$473,618 <u>.</u> 82	2019	1-Feb
	\$478,009.60	2019	
	\$473,767.22	2018	1-Dec
	\$469,679.76	2018	1-Nov
	\$464,148.72	2018	1-0ct
	\$427,513.38	2018	1-Sep
	\$430,515.84	2018	1-Aug
	\$433,701.42	2018	1-Jul
*	\$434,745.46	2018	1-Jun
	\$438,818.54	2018	1-May
	\$427,949.22	2018	1-Apr
	Contributions	Year	Month



### **OPTION 1 INCREASES**

\$1,295.60 \$1,767.06 \$6.88	\$1,29 \$1,76	\$1,196.98 \$1,632.82	EE + Spouse
	\$1,29	\$1,196.98	
		4 L L C C C C C	FF + Child(ran)
\$1,047.42 \$4.40	\$1,0	\$967.56	EE + Child
\$840.62 \$3.68	\$84	\$776.38	EE Only
Option 1 Monthly Increase		Current Rates	Medical



### **OPTION 2 INCREASES**

EE + Family \$1,824.00 \$1,858.84 (\$2	EE + Spouse \$1,632.82 \$1,664.18 (\$2	EE + Child(ren) \$1,196.98 \$1,220.36 (\$1	EE + Child \$967.56 \$986.74 (\$1	\$776.38 \$792.06 (\$1	Medical Culterit Rates Option 2 Month
(\$241.12)	(\$215.68)	(\$157.72)	(\$127.20)	(\$101.78)	Monthly Increase