



HOLMES MURPHY.

THINKING AHEAD

JOHNSON COUNTY
2019-2020 RENEWAL

ANCILLARY AND MEDICAL RENEWALS

MEDICAL PLAN DESIGN OPTIONS

NEXT STEPS

AGENDA



HOLMES MURPHY.

THINKING AHEAD

**2019-2020
RENEWALS**

DENTAL RENEWAL FACTORS

County running at an 85% loss ratio

DPP0 – 2.87% increase; 2 year rate guarantee

DHMO – 2.00% increase; 2 year rate guarantee



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DENTAL PLAN RENEWAL

DPP0	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	Current Rates	Renewal Rates	Monthly Increase	Participation
EE Only	\$10.68	\$10.89	\$0.21	124
EE + Spouse	\$20.82	\$21.23	\$0.41	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



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VISION RENEWAL

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

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



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MEDICAL RENEWAL CHANGES

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

Airrosti (musculoskeletal manipulation) benefit paid at copay office visit

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



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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



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MEDICAL RENEWAL

6.8% INCREASE TO CURRENT RATES

Tier	Current Rates	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

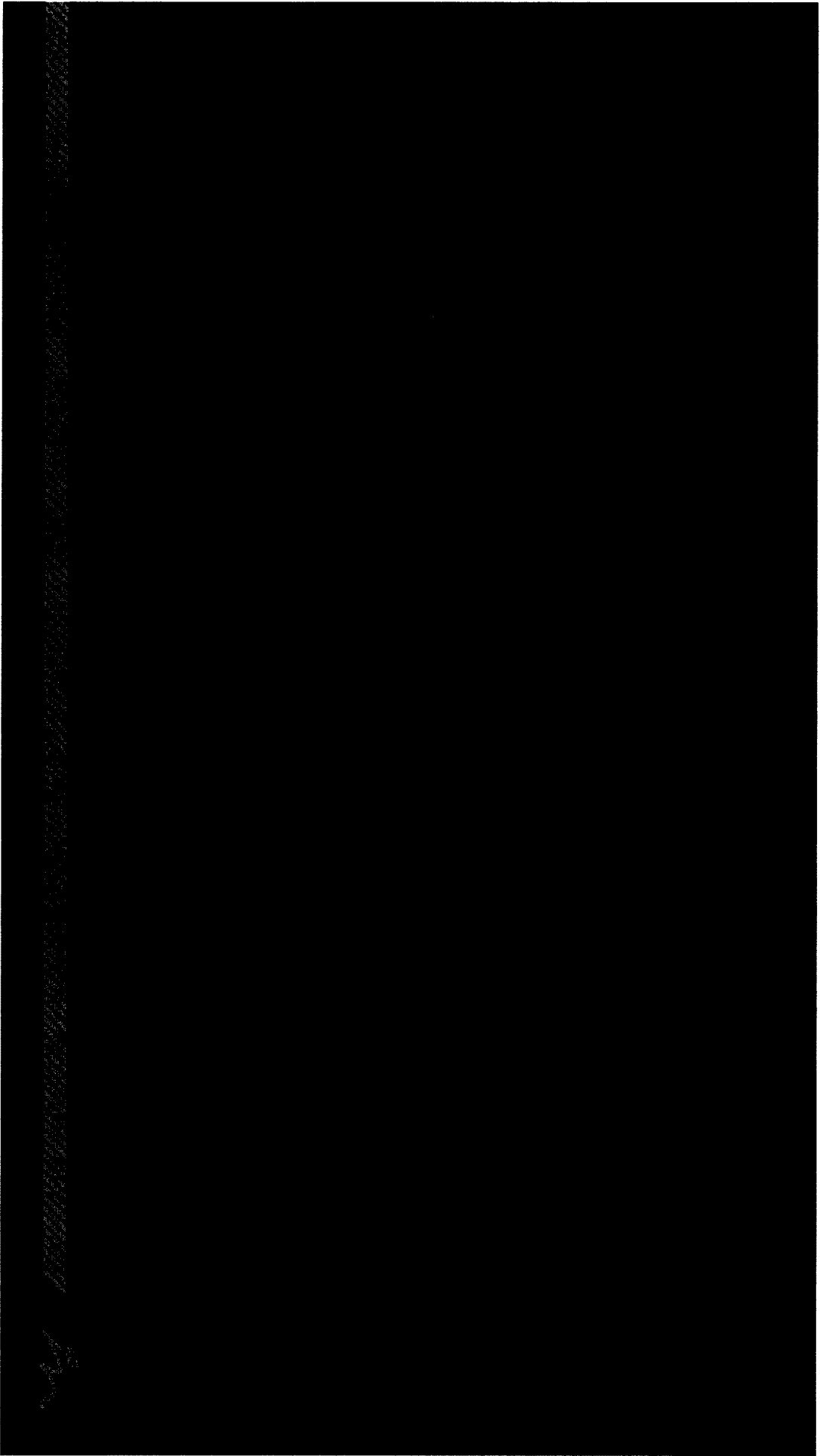
OPTIONAL PLAN DESIGNS

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



THE FUTURE OF WELLNESS

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



APPENDIX



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EXPERIENCE

Month	Year	Contributions	Paid claims
1-Apr	2018	\$427,949.22	\$463,325.92
1-May	2018	\$438,818.54	\$497,667.01
1-Jun	2018	\$434,745.46	\$371,149.24
1-Jul	2018	\$433,701.42	\$499,250.95
1-Aug	2018	\$430,515.84	\$576,531.31
1-Sep	2018	\$427,513.38	\$752,739.91
1-Oct	2018	\$464,148.72	\$483,683.20
1-Nov	2018	\$469,679.76	\$407,017.30
1-Dec	2018	\$473,767.22	\$371,208.64
1-Jan	2019	\$478,009.60	\$621,948.66
1-Feb	2019	\$473,618.82	\$406,285.00
1-Mar	2019	\$473,412.74	\$645,613.58
1-Apr	2019	\$475,923.56	\$406,488.31
Total		\$5,036,997.70	\$5,895,561.65

OPTION 1 INCREASES

Medical	Current Rates	Option 1	Monthly Increase
EE Only	\$776.38	\$840.62	\$3.68
EE + Child	\$967.56	\$1,047.42	\$4.40
EE + Child(ren)	\$1,196.98	\$1,295.60	\$5.26
EE + Spouse	\$1,632.82	\$1,767.06	\$6.88
EE + Family	\$1,824.00	\$1,973.86	\$7.63



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OPTION 2 INCREASES

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



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