



JUL 24 2023

Approved

AGENDA PLACEMENT FORM

(Submission Deadline – Monday, 5:00 PM before Regular Court Meetings)

Date: _____

Meeting Date: 7/24/2023 Motion to Accept Funding Rates Presented by Holmes Murphy

Submitted By: _____

Department/Office: CJO Motion to Approve Agreement with Kronos SaaS, Inc. to Connect Kronos to PlaneSource in the Amount of \$3,000.00 with Authorization for County Judge

Signature of Director/Official: to Sign

Agenda Title:

Discuss and take any appropriate action necessary to implement employee health insurance plan

Public Description (Description should be 2-4 sentences explaining to the Court and the public what action is recommended and why it is necessary):

(May attach additional sheets if necessary)

Person to Present: _____

(Presenter must be present for the item unless the item is on the Consent Agenda)

Supporting Documentation: (check one) PUBLIC CONFIDENTIAL

(PUBLIC documentation may be made available to the public prior to the Meeting)

Estimated Length of Presentation: _____ minutes

Session Requested: Action (Action Item, Workshop, Consent, Executive)

Check All Departments That Have Been Notified:

County Attorney IT Purchasing Auditor

Personnel Public Works Facilities Management

Other Department/Official (list) _____

Please Inter-Office All Original Documents to County Judge’s Office Prior to Deadline & List All External Persons Who Need a Copy of Signed Documents In Your Submission Email



Commissioner's Court Marketing Timeline Discussion

July 24, 2023



Agenda

- Implementation update
- Funding assumptions
- Recommended funding rates
- Recommended financial summary
- Next steps

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Implementation Update

- Ongoing implementation of all products
 - New employer paperwork
- PlanSource enrollment platform build
- Open enrollment dates set 8/21-8/30



Funding Assumptions

Assumptions	
Claims Experience	Through January 2023
Trend	7.4% Medical 9.8% Pharmacy
Past Coverage Level	Rolling 12 Medical Rolling 12 Pharmacy
Tiers	4 tiers vs. 5 tiers
Admin fees	\$45.90
Individual Stop Loss Premium	\$145 PEPM
Individual Stop Loss Threshold	\$125,000
Rebate Credit	\$63.61
Reserve Fund	~3.5X monthly claims average

Enrollment Assumptions

2022-2023 Enrollment

	EE	SP	CH	FM	Total	
HMO Base Plan	526	3	79	7	615	82.4%
PPO Buy Up	108	1	21	1	131	17.6%
	634	4	100	8	746	100%
	85%	1%	13%	1%		

2023-2024 Projected Enrollment

	EE	SP	CH	FM	Total	
HMO Base Plan	316	42	66	37	461	61.8%
PPO Buy Up	64	9	18	7	98	13.2%
HDHP	127	17	28	15	187	25.0%
	507	67	113	59	746	100%
	68%	9%	15%	8%		

dependent tier shifts (10% to SP, 2% to CH, and 8% to FAM)

HDHP Plan added, 25% migration

Proposed Funding Rates

Full rates including both employer and employee contributions:

2022-2023 Premiums

	<u>EE</u>	<u>SP</u>	<u>CH</u>	<u>FM</u>
HMO Base Plan	\$921.72	\$1,937.94	\$1,238.32	\$2,164.76
PPO Buy Up	\$1,029.84	\$2,165.30	\$1,413.66	\$2,418.72

2023-2024 Funding Rates

	<u>EE</u>	<u>SP</u>	<u>CH</u>	<u>FM</u>
HMO Base Plan	\$891.53	\$1,874.47	\$1,337.30	\$2,407.14
PPO Buy Up	\$980.69	\$2,061.95	\$1,471.03	\$2,647.85
HDHP	\$891.53	\$1,961.37	\$1,337.30	\$2,407.14

Proposed Contributions

2022-2023 EE Contributions

	EE	SP	CH	FM
HMO Base Plan	\$0.00	\$1,016.22	\$316.60	\$1,243.04
PPO Buy Up	\$108.12	\$1,243.58	\$491.94	\$1,497.00

2023-2024 Plan Year EE Contributions

	EE	SP	CH	FM
HMO Base Plan	\$50.00	\$450.00	\$225.00	\$611.00
PPO Buy Up	\$165.00	\$525.00	\$350.00	\$698.00
HDHP	\$0.00	\$400.00	\$200.00	\$500.00

2022-2023 ER Contributions

	EE	SP	CH	FM
HMO Base Plan	\$921.72	\$921.72	\$921.72	\$921.72
PPO Buy Up	\$921.72	\$921.72	\$921.72	\$921.72

2023-2024 Plan Year ER Contributions

	EE	SP	CH	FM
HMO Base Plan	\$841.53	\$1,424.47	\$1,112.30	\$1,796.14
PPO Buy Up	\$815.69	\$1,536.95	\$1,121.03	\$1,949.85
HDHP	\$891.53	\$1,561.37	\$1,137.30	\$1,907.14

Proposed Payroll Deductions

2022-2023 EE Contributions

	<u>EE</u>	<u>SP</u>	<u>CH</u>	<u>FM</u>
HMO Base Plan	\$0.00	\$508.11	\$158.30	\$621.52
PPO Buy Up	\$54.06	\$621.79	\$245.97	\$748.50

2023-2024 Plan Year EE Contributions

	<u>EE</u>	<u>SP</u>	<u>CH</u>	<u>FM</u>
HMO Base Plan	\$25.00	\$225.00	\$112.50	\$305.50
PPO Buy Up	\$82.50	\$262.50	\$175.00	\$349.00
HDHP	\$0.00	\$200.00	\$100.00	\$250.00

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Financial Summary

2022-23 Plan Year

2023-24 Plan Year

	Current Fully Insured	Fully Insured Renewal No Changes	Self Funded Projection No Changes	Self Funded Projection With Changes
Average Headcount	744	746	746	746
PEPM Gross Cost	\$1,004	\$1,165	\$1,027	\$1,184
PEPM EE Contributions	\$82	\$82	\$82	\$159
PEPM Net Cost	\$922	\$1,082	\$944	\$1,026
Gross % Change To Current		16.0%	2.2%	17.9%
Net % Change To Current		17.4%	2.4%	11.3%
Annual Gross Cost	\$8,961,000	\$10,427,000	\$9,189,000	\$10,602,000
Annual EE Contribution	\$736,000	\$738,000	\$738,000	\$1,420,000
Annual Net Cost	\$8,225,000	\$9,689,000	\$8,451,000	\$9,182,000
Gross \$ Change To Current		\$1.466M	\$228K	\$1.641M
Net \$ Change To Current		\$1.464M	\$226K	\$957K

*Assumes 16% Fully Insured Renewal

contribution changes
dependent tier shifts (10% to SP, 2% to CH, and 8% to FAM)
Removed HRA, \$1000 Deductible
reinstated
HDHP Plan added, 25%
migration

Next Steps

- Court to approve plan year 2023/2024 rates and contributions
- Ongoing implementation
- Stop Loss marketing - ongoing
- Open enrollment 8/21-8/30
- New plans effective 10/01/2023



Thank
you.



HOLMES
MURPHY.