AGENDA ITEM
WS 3

AGENDA PLACEMENT FORM

Send to: ccagenda@johnsoncountytx.org

Date: July 16, 2026

Meeting Date: July 27, 2026

Submitted By: Randy Gillespie

Department: Personnel

Signature of Elected Official/Department Head:

Randy Gillespie

Court Decision:
This section to be completed by County Judge's Office

Johnson County ★ APPROVED ★ Commissioners Court

07/27/2026

Description:

Annual Blue Cross Blue Sheild Plan Review presentation and consideration/approval of 2027 Plan Year Budget proposal.

Motion: Approve recommendations by Holmes Murphy for Wellness and Pharmacy plans

(May attach additional sheets if necessary)

Person to Present: Amy Westendorf, BCBS and Julie Rickman, Holmes Murphy

(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: 30 minutes

Session Requested: (check one)

☐ Action Item ☐ Consent ☑ Workshop ☐ Executive ☐ Public Announcement

Check All Departments That Have Been Notified:

☐ County Attorney ☐ IT ☐ Purchasing ☐ Auditor

☐ Personnel ☐ Development Services ☐ Facilities Management

Other Department/Official (list) _____

Please List All External Persons Who Need a Copy of Signed Documents In Your Submission Email

Approved in CC on 9/11/2023

Johnson County

Plan Updates and Budget Reforecast

7/27/2026

HOLMES MURPHY

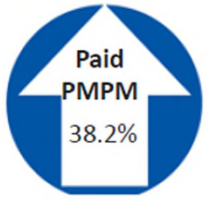
BCBS Plan Year Review

(800) 247.7756 | holmesmurphy.com

HOLMES MURPHY

UNDERSTANDING

Utilization Overview



$1,088
Paid PMPM
(66.2% Higher than Bob)

89.9%
Plan Share
(Bob 84.4%)



High-Cost Claimants:

Claimants	56 (53 prior)
Total Paid	$9.1M ($5.6M prior)
Percent of Pop	4.9% (2.48% BoB)
Employees	85% (61% BoB)
Repeat	39% (28% Bob)

DEMOGRAPHICS

1,144
Average Membership

0.7%
Membership Change

44
Average Employee Age

64%
Employee Enrollment

EXPENSE

99.7%
In-Network Utilization

$24,170,418
Covered Amount

53.2%
In-Network Discounts

$10,099,151
Total Paid

KEY COST DRIVERS



High-Cost Claimants
High-Cost Claimants (>$50k) accounted for 61.3% of the City's overall spend in the current period.

Perinatal & Circulatory
Most Costly Diagnostic Categories Overall



Utilization
IP Utilization was -1.8% cost was +>100%, OP was 0.2% but cost was +20.4%, Prof was +13% for and cost was +9.4%

UNDERSTANDING

Medical Paid By Leading Diagnostic Category

	COUNTY OF JOHNSON			Benchmark
	2nd Prior	Prior	Current	Public Solutions - Local Government
1. Perinatal	$1.30	$2.75	$197.09	$15.09
2. Circulatory	$124.40	$43.36	$82.00	$47.90
3. Neoplasms	$22.13	$73.05	$65.10	$58.04
4. Musculoskeletal	$57.55	$71.06	$53.18	$56.00
5. Health Status	$36.32	$41.11	$48.28	$41.12
6. Digestive	$36.81	$63.96	$45.23	$32.88
7. Infectious and Parasitic	$29.68	$29.39	$42.53	$15.82
8. Genitourinary	$21.53	$23.27	$39.96	$24.06
9. Injury and Poisoning	$39.73	$42.60	$37.33	$35.63
10. Symptoms and Ill-Defined	$39.26	$33.69	$32.68	$28.78

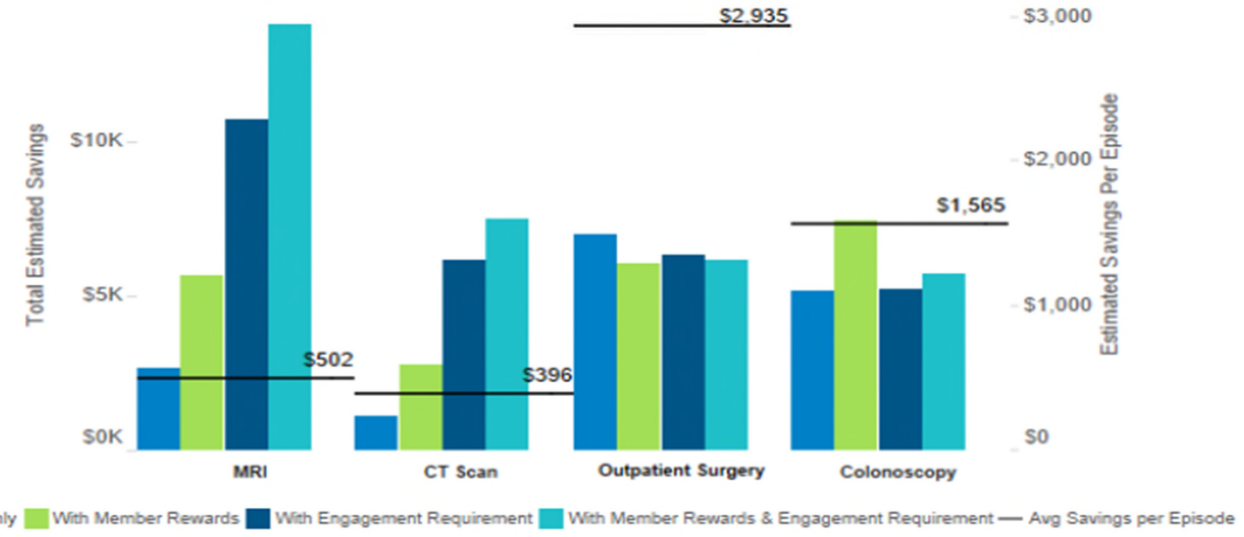
UNDERSTANDING

BVA

Estimated Savings*	BVA Only with Outbound Calling	With Member Rewards with Outbound Calling	With Engagement Requirement**	With Member Rewards & Engagement Requirement**
PEPM	$3.64	$4.34	$4.90	$5.53
Total	$32,087	$38,252	$43,121	$48,723

* Estimated savings are calculated using assumed BVA utilization based on BoB experience of accounts with BVA. Individual performance will vary based on actual BVA utilization and percent of members who switch to lower cost providers. The average utilzation for BVA Only is 2.9%, With Member Rewards is 4.8%, With Engagement Requirement is 7.4%, and With Member Rewards and Engagement Requirement is 8.6%.

Estimated Savings and Average Savings Per Episode



UNDERSTANDING

MD Live

Virtual Visits by MDLIVE - Overall Summary

(Enterprise Benchmark)			(Custom Benchmark)		
(10.3%)	19.2%	(10.3%)	(5.9%)	15.9%	(5.9%)
Members Registered			Annualized Utilization		
(222 Registered / 1,154 Eligible)			(214 Visits * 12 / 14 # Months Accrued / 1,154 Average Members)		
(76.5%)	100.0%	(76.5%)	(48)	100	(48)
Satisfaction Rate			Net Promoter Score		
(1 Satisfied Surveys)			(1 Total Surveys)		



Redirection Setting	Visits	% of Ttl Visits	Cost Avoidance	% of Ttl Cost Avdnce	Avg Savings per Visit	Unq Mbr w Vis	Avg Visits per Mbr
Urgent Care	83	38.8%	$11,751	52.8%	$142	57	1.5
Emergency Room	5	2.3%	$7,360	33.1%	$1,472	4	1.3
Primary Care Physician	70	32.7%	$5,772	25.9%	$82	55	1.3
Other	1	0.5%	$85	0.4%	$85	1	1.0
Another Online Therapy Company	2	0.9%	$65	0.3%	$32	1	2.0
In-person Therapist	2	0.9%	$60	0.3%	$30	1	2.0
Delay Seeking Care	51	23.8%	-$2,826	-12.7%	-$55	34	1.5
Grand Total	214	100.0%	$22,267	100.0%	$104	121	1.8

Overall Estimated Cost Avoidance

$22,267

($25,093 + -$2,826**Delay Seeking Care)

COUNTY OF JOHNSON

as a result of redirection of care from higher-cost facilities

PEPM Cost Avoidance

$2.16

($2.43 + $-0.27**Delay Seeking Care)

Net = Estimated Cost Avoidance - ASO Fees ($5,372)

$0.52 ASO PEPM Cost

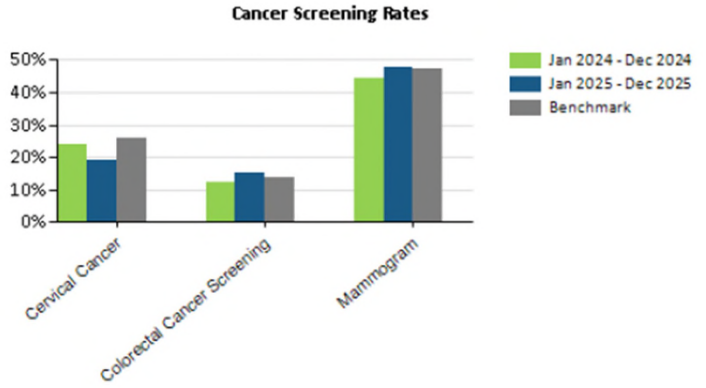
($1.20) ($1.20)

UNDERSTANDING

Preventive Care

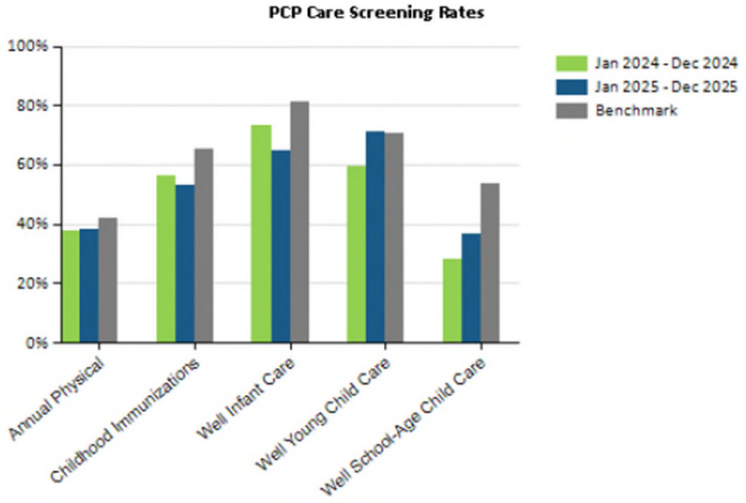
Cancer Screenings:

	Jan 2024 – Dec 2024	Jan 2025 – Dec 2025	Benchmark
Cervical Cancer Screening	24.1%	19.3%	25.8%
Colorectal Cancer Screening	12.5%	15.3%	13.7%
Mammogram Screening	44.4%	47.8%	47.5%



PCP Care:

	Jan 2024 – Dec 2024	Jan 2025 – Dec 2025	Benchmark
Annual Physical	37.6%	**38.2%**	41.7%
Childhood Immunizations	56.3%	52.9%	65.5%
Well Infant Care	73.2%	64.7%	81.4%
Well Young Child Care	59.3%	71.2%	70.8%
Well School-Age Child Care	28.4%	**36.6%**	53.8%



UNDERSTANDING

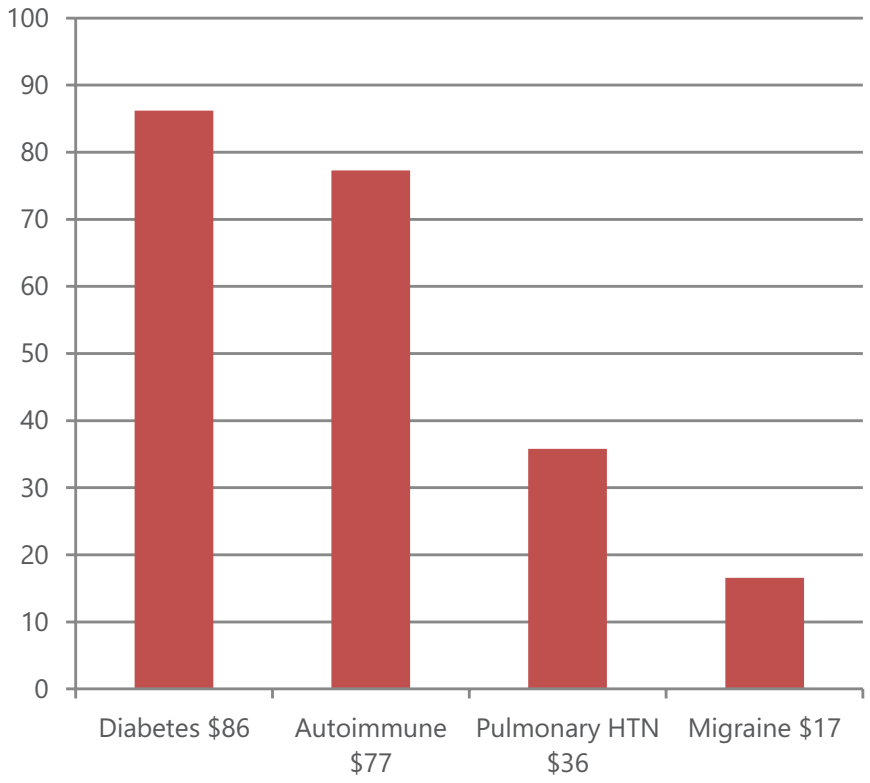
Johnson County 2025 Pharmacy Executive Review

13.8%	$327	$154	46.5%
Overall Trend	Total Rx PMPM	Specialty PMPM	Specialty Share

Key takeaway: Specialty drugs and GLP-1 therapies are the primary drivers of pharmacy trend. Diabetes ($86 PMPM) and Autoimmune ($77 PMPM) are the largest spend categories.

UNDERSTANDING

Cost Drivers and Emerging Risks



Top Traditional Drugs
- Mounjaro
- Ozempic
- Vigabatrin

Top Specialty Drugs
- Humira
- Uptravi
- Voranigo

Specialty represents nearly half of pharmacy spend and continues to outpace traditional trend growth.

UNDERSTANDING

2025 Pharmacy Savings Results

Program	Savings
Utilization Management	$830,944
Balanced Drug List	$94,545
Specialty Pharmacy	$89,462
MedsYourWay	$18,091
Other Programs	$2,281

Total Annual Savings

$1,035,323

UNDERSTANDING

Strategic Priorities

Risk Areas	Opportunities
Plan Spend	**FlexAccess manufacturer assistance**
Plan Waste	**Split Fill Program**

Budget Summary

HOLMES MURPHY

Budget Summary

	2025-26 Fiscal Year Current Med Trend at 9.3% & Rx Trend at 11.0% Current PCL 50th Med & 50th Rx			2026-27 Fiscal Year Prospective Med Trend at 9.3% & Rx Trend at 11.0% Prospective PCL 50th Med & 50th Rx			
	Budget	Reforecast	County Budget	Projection	Projection w/ Changes	Difference	County Budget
Average Headcount	**756**	**756**	**771**	**764**	**764**		**776**
PEPM Gross Cost	$1,587	$1,547	$1,288	$1,751	$1,751	$-	$1,698
PEPM EE Contributions	$166	$166	$159	$168	$189	$21	$189
PEPM Net Cost	$1,421	$1,380	$1,129	$1,583	$1,561	($21)	$1,509
Gross % Change To Budget		(2.6%)		10.3%	10.3%	*Cost || (Savings)*	
Net % Change To Budget		(2.8%)		11.4%	9.9%		
Annual Gross Cost	$14,398,000	$14,031,000	$11,917,000	$16,052,000	$16,052,000	$ -	$15,816,000
Annual EE Contribution	$1,510,000	$1,510,000	$1,471,000	$1,544,000	$1,737,000	$193,000	$1,764,000
Annual Net Cost	$12,888,000	$12,521,000	$10,446,000	$14,508,000	$14,315,000	($193,000)	$14,052,000
Gross $ Change To Budget		($367)K		$1.654M	$1.654M	*Cost || (Savings)*	
Net $ Change To Budget		($367)K		$1.620M	$1.427M		

- 2026-27 Includes interest income of $450,000 in the top line
- Holmes Murphy confirmed that the variance between the HMA projection and the County budget will be funded through the current $10 million fund balance.
- This includes the County increasing the budget at 10/01/2026 to $1509 to County Funding

2027 Active Rates ; Employee Per Pay Period Premiums

Employee Contributions

PPO	Enrollment	2026	2027	Change
Employee Only	162 or 21.2%	$82.50	$95.00	$12.50
Employee + Spouse	22 or 2.9%	$262.50	$302.50	$40.00
Employee + Child(ren)	67 or 8.8%	$175.00	$202.50	$27.50
Employee + Family	26 or 3.4%	$349.00	$401.50	$52.50

HMO	Enrollment	2026	2027	
Employee Only	202 or 26.4%	$25.00	$30.00	$5.00
Employee + Spouse	10 or 1.3%	$225.00	$260.00	$35.00
Employee + Child(ren)	49 or 6.4%	$112.50	$130.00	$17.50
Employee + Family	13 or 1.7%	$305.50	$353.00	$47.50

Employee Cost Share:

HDHP	Enrollment	2026	2027	$1.00
Employee Only	161 or 21.1%	$0.00	$0.00	$0.00
Employee + Spouse	8 or 1.0%	$200.00	$240.00	$40.00
Employee + Child(ren)	30 or 3.9%	$100.00	$127.50	$27.50
Employee + Family	11 or 1.4%	$250.00	$302.50	$52.50

Wellness

HOLMES MURPHY

NEW FOR 2027

GO Wellbeing Core & Configurable

CURRENT
Well onTarget Today

Foundational wellness portal with self-directed courses, health content, tools and trackers

- ✓ Health Assessment
- ✓ Blue Points
- ✓ Self-guided education and programs
- ✓ Coaching & Incentives *(limited avail.)*

CORE
Option 1

A turnkey wellbeing solution driving year-round engagement through fresh content, challenges and automated communications

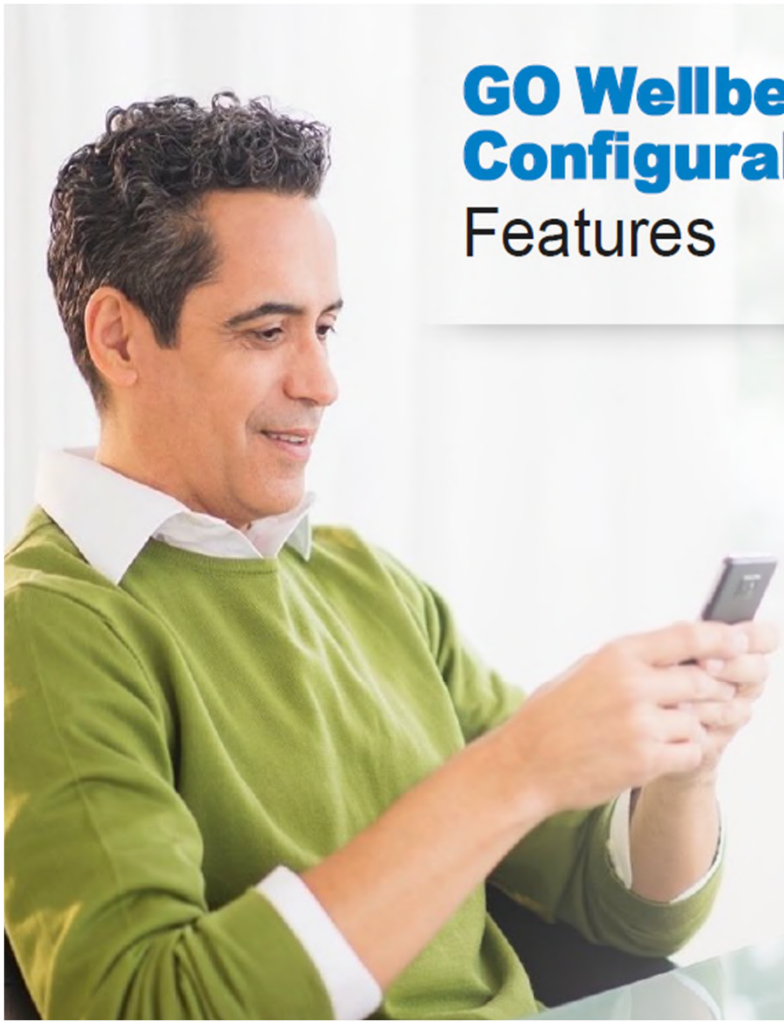
- ✓ **RealAge Test**
- ✓ **GO Points**
- ✓ Access to Standard Incentives **included**
- ✓ **NEW Personalized** holistic wellbeing content
- ✓ **NEW Claims-integrated preventive Care Guide** reminders for screenings
- ✓ **NEW Community Wellbeing Index**

CONFIGURABLE
Option 2

A flexible wellbeing solution — customized to each employers' culture, priorities and workforce needs

Includes **ALL** Core features plus:

- ✓ **NEW Co-branding** opportunities
- ✓ **NEW Employer-specific benefits** page
- ✓ **NEW Employer-level wellness challenges**
- ✓ **NEW Enhanced reporting** and insights
- ✓ **NEW Includes** access to configurable incentives
- ✓ **NEW 1:1 Lifestyle Management Coaching**
- ✓ **NEW Worksite Wellbeing** Support for set-up



GO Wellbeing Configurable Features

A flexible wellbeing solution that helps employers tailor the experience to their culture, priorities, and workforce needs

- **Platform Personalization**
  Co-brand the experience to align with your benefits strategy
- **Custom Benefits Page**
  Share communications and resources in one place
- **Rewardable Activities**
  Incentivize actions aligned to organizational goals
- **Point Solutions Integration**
  Connect preferred partner programs within the app

UNDERSTANDING

Program Costs

Core: ($0.75 PEPM)	*Configurable ($1.50 PEPM)*
Turnkey wellbeing platform	All Core features
Programs, challenges & communications	Employer branding & customization
Year-round engagement	Incentive reporting
	1:1 coaching & tobacco cessation
	Vendor integrations & targeted campaigns

UNDERSTANDING

Action Items and Next Steps

- Approve Budget
- Approve Pharmacy Programs
  - Split Fill
  - Flex Access
- Select wellness enhancement
  - Core $0.75 PEPM
  - Configurable $1.50 PEPM
- Create wellness program parameters
  - Meet with Committee, select additional programs

Thank you

(800) 247.7756 | holmesmurphy.com

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