



Clermont County
2017 Plan Performance Review
April 25, 2018
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Director, Employee Benefits

Agenda



1. 2017 Medical Financials vs. 2016 Medical Financials
2. Plan Performance Utilization Insights
 - Demographic / Risk
 - Conditions
 - Utilization/Setting
 - Rx
3. 2019 Request for Proposal and Renewals Update
4. Next Steps

2016 vs. 2017 Financials



Financials

| | 2016 | 2017 | Change | 2016 PEPM* | 2017 PEPM* | Change |
|-------------------------|---------------------|--------------------|--------------|--------------|--------------|--------------|
| Medical Claims | \$8,415,020 | \$7,790,632 | -7.4% | \$678 | \$620 | -8.6% |
| Rx Claims | \$2,071,191 | \$2,185,627 | 5.5% | \$167 | \$174 | 4.1% |
| Total Claims | \$10,486,211 | \$9,976,260 | -4.9% | \$845 | \$793 | -6.1% |
| NET Total Claims | \$10,208,306 | \$9,976,260 | -2.3% | \$823 | \$793 | -3.6% |

*PEPM=Per Employee per Month

NET Total Claims adjusts for claims over \$200K in 2016 and \$250k in 2017 (\$278K in 2016 and \$0K in 2017)

2017 total costs came in 2% above HORAN's final projection

Please note: Clermont County may be eligible for a stop loss premium refund from Sun Life based on performance of the stop loss. This will be finalized in July/August.

Utilization Insights – Demographic/Risk



Demographic / Risk

- Average enrollment increased by 1.3%, 14 employees
- Average member age dropped from 35.0 to 34.3 in large part due to a 20.9% decrease in 65+ yrs. old members

| Total Demographics | | | | | |
|---------------------------|---------------------|-----------------------|-----------------|---------------|------------------------|
| Summary | Prior Period | Current Period | % Change | Norm | Current v. Norm |
| Average Employees | 1,034 | 1,048 | 1.3% | - | - |
| Average Members | 2,370 | 2,321 | -2.1% | - | - |
| Average Contract Size | 2.29 | 2.21 | -3.4% | 2.15 | 3.1% |
| Average Enrollment Time | 11 Months | 11.1 Months | 1.1% | 9.7 Months | 14.6% |
| Average Age | 35.0 | 34.3 | -1.9% | 34.3 | 0.0% |
| % Male / % Female | 49.0% / 51.0% | 48.7% / 51.3% | - | 50.3% / 49.7% | - |

Utilization Insights – Conditions



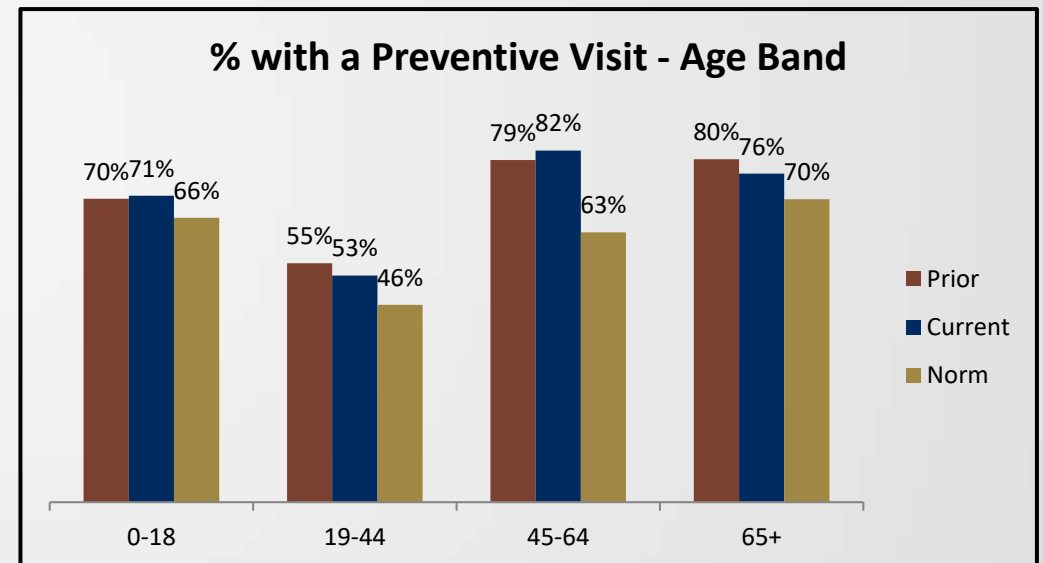
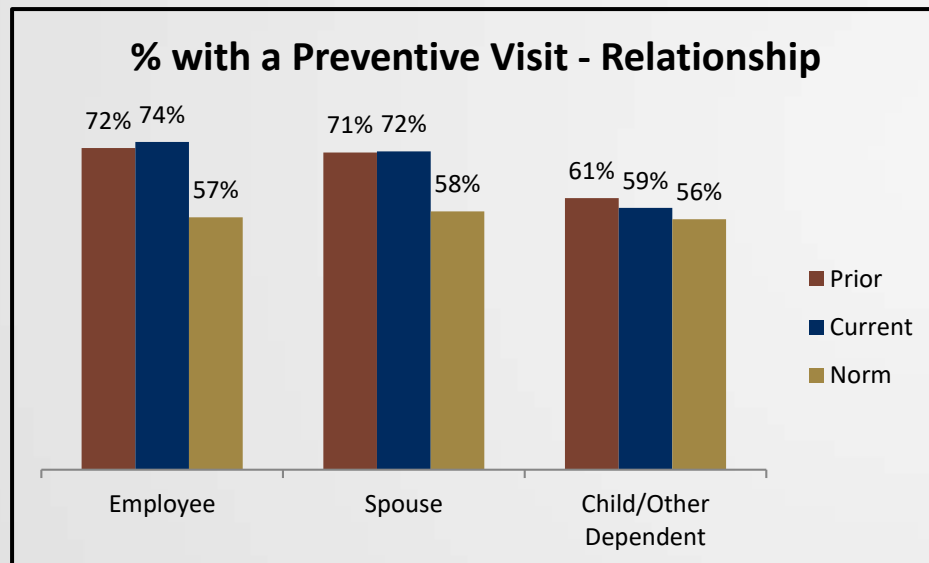
Conditions

- Number of claimants with Musculoskeletal claims dropped -9.2%, but total paid claims increased 1.0% indicating higher severity. Paid claims per member per month is 28% above the norms.
- Malignant Neoplasm spend increased from \$198k to just over \$1MM; 406.8% increase
 - \$317k were breast cancer and colorectal cancer

| Top 10 Condition Categories | | | | | | | | | |
|-------------------------------------|-----------|---------|----------|-------------------|-------------|----------|-----------------------------------|------|-------------|
| Condition Categories | Claimants | | | Total Paid Claims | | | Paid Claims PMPM Current vs. Norm | | |
| | Prior | Current | % Change | Prior | Current | % Change | Current | Norm | % Different |
| Musculoskeletal & Connective Tissue | 796 | 723 | -9.2% | \$1,664,315 | \$1,681,355 | 1.0% | \$60 | \$47 | 27.6% |
| Malignant Neoplasm | 47 | 46 | -2.1% | \$198,226 | \$1,004,644 | 406.8% | \$36 | \$21 | 70.1% |
| Gastrointestinal | 273 | 266 | -2.6% | \$531,476 | \$637,497 | 19.9% | \$23 | \$18 | 30.4% |
| Ears, Nose and Throat | 854 | 824 | -3.5% | \$258,362 | \$259,041 | 0.3% | \$9 | \$9 | 6.3% |
| Injury, Poisoning | 249 | 218 | -12.4% | \$153,180 | \$243,815 | 59.2% | \$9 | \$6 | 36.7% |
| Neurological | 141 | 145 | 2.8% | \$328,891 | \$223,503 | -32.0% | \$8 | \$8 | 5.2% |
| Obstetric | 64 | 60 | -6.3% | \$306,030 | \$205,419 | -32.9% | \$7 | \$14 | -48.3% |
| Nutritional and Metabolic | 348 | 333 | -4.3% | \$257,627 | \$167,527 | -35.0% | \$6 | \$6 | -3.2% |
| Psychiatric | 249 | 247 | -0.8% | \$138,190 | \$133,131 | -3.7% | \$5 | \$6 | -26.0% |
| Cardiovascular | 331 | 328 | -0.9% | \$398,054 | \$129,654 | -67.4% | \$5 | \$17 | -72.8% |

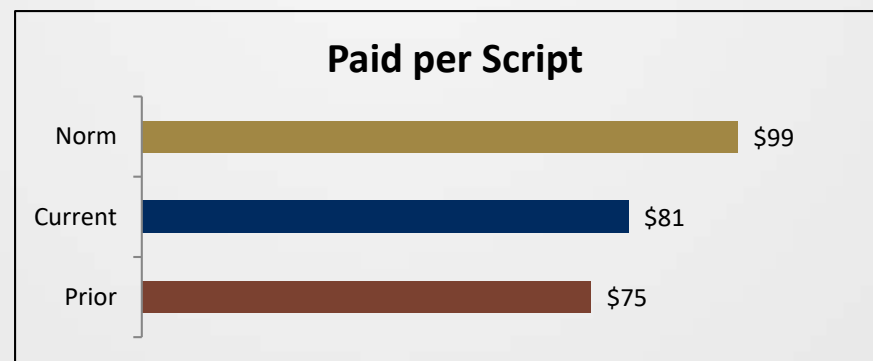
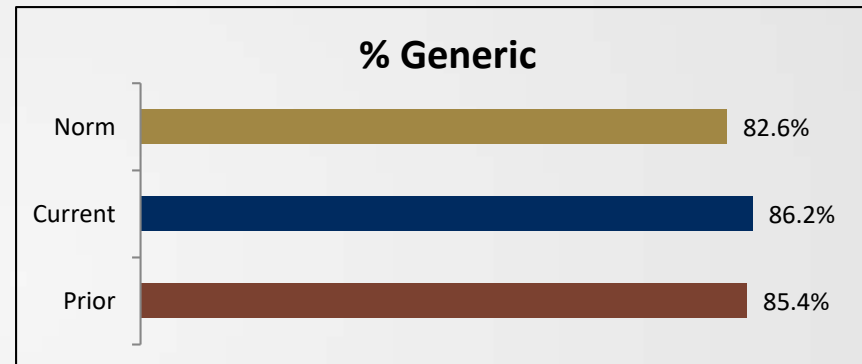
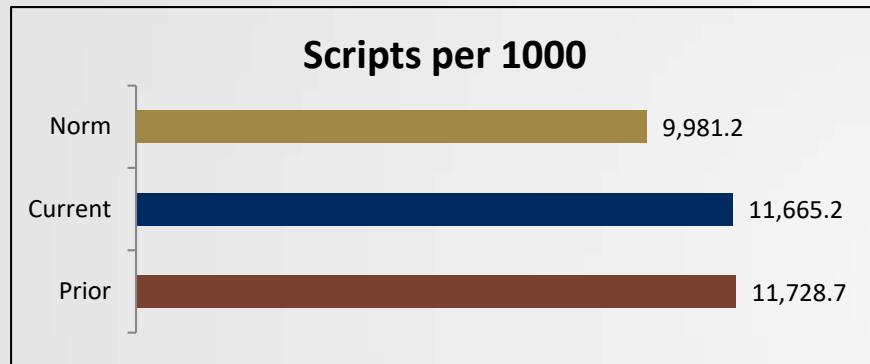
Utilization / Setting

- ER visits per 1,000 dropped 16.2% and are now 11.1% below the norm (increased copay from \$200-\$300)
- Preventive visits across all measurables was higher than the norm while members with no claims dropped to 5.4% (norm is 12.8%)



Rx

- Number of scripts filled remained relatively flat and are 16.9% above the norm
- Generic utilization increased nearly one point and is at 86.2% (norm is 82.6%)
- Paid per script is -18.3% below the norm



Renewals and Request for Proposals



Action to be Taken

Symetra / Basic Life, Voluntary Life and LTD: Renews 2019

- HORAN will conduct a full RFP

EyeMed / Voluntary Vision: Under rate guarantee until 2020

- HORAN will evaluate moving to the Health Action Counsel EyeMed vision plan
- Potential savings, better plan design and no disruption

Park National / Health Savings Account (HSA): No charge for the accounts

- HORAN, HR and HCAC evaluated moving to Chard Snyder for a full service HSA provider for 2018
- To be determined

Renewals and Request for Proposals (RFP)



Other Benefit Renewals

UHC & Optum / Medical & Pharmacy Administration:

- Moved in 2018 and received 3 year step rates

Sun Life / Stop Loss: Renews 1/1/2019

- Premium refund will be determined July/August
- HORAN can conduct RFP in September/October if not a favorable renewal

Dental Care Plus / Dental: Renews 1/1/2021

- RFP conducted for 2018

Chard Snyder / Flexible Spending Account (FSA): Renews 2019

TriHealth / EAP: Renews 1/1/2019

P&A Group / COBRA: Renews 1/1/2019

Next Steps



- May / June: Strategic Check-in with HR and HCAC
- May: Basic Life, Voluntary Life and LTD RFP sent
- June: Carrier quotes due
- July: Renewals received and EyeMed HAC quote
- July / August: Renewal meetings with HR and HCAC
- July / August: Carrier finalist presentations
- August / September: Final recommendations
- September: Implementation Meetings (if applicable)
- September / October: Stop Loss renewal finalized
- October: Open Enrollment begins



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Questions