



Clermont County
Renewal Update
August 8, 2018
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Director, Employee Benefits

Agenda



- 1. 2018 Financials YTD**
- 2. 2019 Projected Medical Renewal**
- 3. Medical Strategies**
- 4. 2019 Projected Dental Renewal**
- 5. Vision Renewal**
- 6. Ancillary Renewal and RFP**
- 7. Other Benefit Renewals**
- 8. Next Steps**

Claims Update – 2018 YTD



The following chart is the monthly dashboard HORAN provides Clermont County in order to track how the plan is performing compared to total expected costs:

	Employees	Members	PCORI Fee*	Fixed Costs*	Runout Admin Fee*	Estimated 1st Year Credit from UHC*	Estimated Sun Life Return of Premium*	Reserve Build Tracker*	HORAN Expected Claims	Sun Life Max Claims Liability	Medical Paid Claims	Rx Paid Claims	Total Paid Claims	Total Plan Cost	Expected Total Plan Cost	Actual vs Expected Monthly Total Plan Cost (%)
Jan-18	1,031	2,244	\$490	\$165,931	\$11,890	(\$5,250)	(\$14,090)	\$25,000	\$810,139	\$1,193,950	\$464,985	\$11,131	\$476,116	\$660,087	\$994,110	66%
Feb-18	1,032	2,248	\$491	\$166,021	\$11,890	(\$5,250)	(\$14,090)	\$25,000	\$811,498	\$1,195,108	\$880,948	\$170,720	\$1,051,667	\$1,235,729	\$995,560	124%
Mar-18	1,028	2,244	\$490	\$165,868	\$11,890	(\$5,250)	(\$14,090)	\$25,000	\$866,225	\$1,190,475	\$670,256	\$190,407	\$860,663	\$1,044,571	\$992,050	105%
Apr-18	1,031	2,250	\$491	\$166,195	\$11,890	(\$5,250)	(\$14,090)	\$25,000	\$869,621	\$1,193,950	\$704,577	\$230,983	\$935,559	\$1,119,796	\$995,774	112%
May-18																
Jun-18																
Jul-18																
Aug-18																
Sep-18																
Oct-18																
Nov-18																
Dec-18																
Total	4,122	8,986	\$1,962	\$664,015	\$47,561	-\$21,000	-\$56,361	\$100,000	\$3,357,483	\$4,773,482	\$2,720,766	\$603,239	\$3,324,005	\$4,060,183	\$3,977,494	102%
Avg. / PEPM	1,031	2,247	\$0.48	\$161	-	-	-	-	\$815	\$1,158	\$660	\$146	\$806	\$985	\$965	102%

*See Data Notes (page 5) for additional information.

Net Total Plan Cost: \$3,324,005 \$4,060,183 \$3,977,494 102%

**Over/Under
Claims
Budget: \$82,689**

UHC Administration:

- As part of their proposal last year UHC agreed to a 2.0% increase, \$12,768 increase.

Sun Life Stop Loss:

- Specific Stop Loss – Sun Life is offering an illustrative renewal increase of 15%, \$120,432 increase.
- Aggregate stop loss illustrative increase of 8%, \$1,230 increase.

Medical / Rx Claims Projection:

- Including data through May, claims were projected to increase 4.1%.
- Including data through June, claims are projected to increase 8.5%.
 - One week in June accounted for \$540k in medical claims when the norm is \$140k

Medical Renewal Breakdown



	2018 Annual	2019 Annual	% Change	\$ Change
Administration	\$681,272	\$694,040	1.9%	\$12,768
Runout Fees	\$107,776	\$0		
UHC Credits	(\$70,000)	(\$39,860)		
Sun Life Premium Credit	(\$169,082)	(\$162,000)*		
Annual County Admin Fee	\$160,000	\$160,000		
HSA Contributions	\$329,400	\$329,400		
Specific Stop Loss	\$802,882	\$923,314	15.0%	\$120,432
Aggregate Stop Loss	\$30,742	\$31,972	4.0%	\$1,230
PCORI Fees	\$6,418	\$6,931	8.0%	\$513
Claims Projection	\$10,673,799	\$11,581,990	8.5%	\$908,191
Expected Rx Rebate	(\$478,354)	(\$564,880)	18.1%	(\$86,526)
TOTAL	\$12,074,853	\$12,960,907	7.3%	\$886,054

HORAN will update the projection one more time with data through July

Highlighted rows are the more standard renewal items

*Expected premium reimbursement amount based on 2017 plan performance

HORAN, HCAC and UHC are evaluating ways to positively impact costs

- Increase Real Appeal Engagement
 - 175 Enrolled; 86% are high risk for diabetes and cardiovascular disease
 - 1,321 collective pounds lost (4% average body weight)
 - 4.8 / 5.0 employee satisfaction
- Increase Virtual Visit utilization
- UHC / The Christ Hospital Bundling Program for knee and hip replacements
- UHC upgrading Clermont County to their Advocate4me Customer Service platform at no cost
- Align the medical plans closer to UHC norms and modern plan design structures
- HORAN is conducting a Stop Loss RFP

Dental Renewal



Dental Care Plus administration is under rate guarantee until 1/1/21. Projected costs have increased recently:

- Enrollment shift to high costing plan
- Trend is approximately 3%
- 2018 projection was a decrease so utilization is more in line with past norms

	2018 Annual	2019 Annual	% Change	\$ Change
Total Costs	\$503,684	\$537,020	6.6%	\$33,336

HORAN will update the projection one more time with data through July

Currently, Voluntary Vision is offered through EyeMed. Due to the affiliation with Health Action Council, Clermont has access to a vision plan also through EyeMed.

- Lower rates
- Better plan design
- Guaranteed until 1/1/23
- No disruption since Clermont is staying with EyeMed

Recommendation is to move to the EyeMed plan through HAC

Ancillary Renewal and RFP



Voluntary Life, Basic Life and Long Term-Disability are up for renewal 1/1/19

HORAN conducted an RFP sending it to eight carriers

- Symetra (incumbent) provided a rate hold on all lines
- LFG is \$4,600 below current guaranteed for three years
- Voya is \$5,200 below current guaranteed for three years

Next Steps

- HORAN provided a detailed contract comparison between the three carriers we are currently evaluating
- LFG and Voya finalist meetings

Other Benefit Renewals



Chard Snyder / Flexible Spending Account (FSA): Renews 1/1/19

TriHealth / EAP: Renews 1/1/19

P&A Group / COBRA: Rate hold

AllState / Accident, Critical Illness and Cancer: No change

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

- Effective 1/1/19, Clermont County will allow employees to partner with other HSA banks if they wish

Next Steps



- Finalize medical strategies
- Stop Loss RFP and final decisions
- Finalist meetings with Ancillary carrier and final decisions
- EyeMed Implementation
- Final recommendations to the Board August 22 or 29
 - If changing stop loss, won't be finalized until later September
- Benefits Fair 10/18
- Open Enrollment tentatively set for 10/26 – 11/12



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Questions?