



Clermont County Renewal Update  
August 14, 2018  
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# Agenda

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- 1. 2019 Financials YTD**
- 2. 2020 Projected Medical Renewal**
- 3. Medical Strategies**
- 4. 2020 Projected Dental Renewal**
- 5. Other Benefit Renewals**
- 6. Next Steps**

# Claims Update – 2019 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	Administration	Stop Loss	Reserve Build Tracker	HORAN Expected Claims	Symetra 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-19	1,048	2,234	\$93,069	\$62,147	\$66,667	\$880,977	\$1,060,115	\$1,509,163	\$218,635	\$1,727,798	\$1,949,681	\$1,102,860	177%
Feb-19	1,044	2,232	\$92,796	\$61,864	\$66,667	\$878,419	\$1,055,448	\$597,022	\$193,892	\$790,915	\$1,012,241	\$1,099,745	92%
Mar-19	1,049	2,246	\$93,376	\$62,176	\$66,667	\$880,588	\$1,060,714	\$639,745	\$208,672	\$848,417	\$1,070,635	\$1,102,806	97%
Apr-19	1,042	2,237	\$92,834	\$61,918	\$66,667	\$876,903	\$1,055,762	\$792,915	\$243,830	\$1,036,745	\$1,258,164	\$1,098,321	115%
May-19	1,035	2,228	\$92,492	\$61,604	\$66,667	\$872,029	\$1,050,053	\$614,472	\$202,230	\$816,702	\$1,037,465	\$1,092,793	95%
Jun-19													
Jul-19													
Aug-19													
Sep-19													
Oct-19													
Nov-19													
Dec-19													
<b>Total</b>	<b>5,218</b>	<b>11,177</b>	<b>\$464,566</b>	<b>\$309,709</b>	<b>\$333,333</b>	<b>\$4,388,916</b>	<b>\$5,295,797</b>	<b>\$4,153,318</b>	<b>\$1,067,260</b>	<b>\$5,220,577</b>	<b>\$6,328,186</b>	<b>\$5,496,525</b>	<b>115%</b>
<b>Avg. / PEPM</b>	<b>1,044</b>	<b>2,235</b>	<b>\$89</b>	<b>\$59</b>	<b>-</b>	<b>\$841</b>	<b>\$1,015</b>	<b>\$796</b>	<b>\$205</b>	<b>\$1,000</b>	<b>\$1,213</b>	<b>\$1,053</b>	<b>115%</b>

ISL Loss Ratio (ISL reimbursements / ISL Premium): 235%

Less Estimated Stop Loss Reimbursements: \$703,770

Less Estimated Rx Rebates (Paid): \$424,098

Net Total Plan

Cost: \$4,092,709    \$5,200,318    \$5,496,525    95%

Over/Under Claims Budget: \$296,207

One claimant accounts for \$954k in claims. Netting out this claimant and the plan is running at 90%

# Medical Renewal



## UHC Administration:

- UHC's rate is increasing \$1.05 pepm per the agreement in the 3 year admin guarantee

## Symetra Stop Loss:

- Specific Stop Loss – Symetra provided an initial 50% renewal increase (rate cap), totaling \$357k
- Aggregate stop loss – 10.1% increase, totaling \$2k

## Medical / Rx Claims Projection:

- Including data through May, claims were projected to increase 12.5%.

## Rebates:

- Anticipated rebates for 2020 have increased to a minimum guarantee of \$776k (up from \$605k)

# Medical Renewal Breakdown



	2019 Annual	2020 Annual	% Change
Administration	\$694,852	\$707,880	1.9%
UHC Credits	(\$70,119)	(\$69,814)	
Sun Life Premium Credit	(\$162,000)	(\$130,061)	
Annual County Admin Fee + Reserves	\$960,000	\$460,000	
HSA Contribution	\$355,200	\$355,200	
Specific Stop Loss	\$714,437	\$1,071,687	50.0%
Aggregate Stop Loss	\$25,809	\$28,414	10.1%
Claims Projection	\$11,062,870	\$12,440,885	12.5%
Expected Rx Rebate	(\$564,880)	(\$776,000)	37.4%
<b>TOTAL</b>	<b>\$13,016,169</b>	<b>\$14,088,191</b>	<b>8.2%</b>

HORAN will update the projection one more time  
Highlighted rows are the more standard renewal items

# Medical Strategies



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

- Increase Real Appeal Engagement
  - Through 6/30/19: 230 Members enrolled and 1793 total pounds lost
- Increase Virtual Visit utilization
  - Visits are 89% above UHC's book of business norm
- UHC / The Christ Hospital Bundling Program for knee and hip replacements
  - 2 members have utilized this benefit
- Continue to increase Premium Provider Utilization with additional member communications
  - Those who use designated physicians cost 6% less
- Continue to educate members on the Airrosti benefit
  - Musculoskeletal is the most expensive condition, accounting for \$1.9M in claims for the last 12 months
- Stop Loss Request for Proposal

# Medical Strategies – Plan Design Changes



Discuss alternate plan design options - Primary Advantage Plan scenarios below:

	Current PPO	Primary Advantage 1	Primary Advantage 2
Deductible	\$2,000/\$4,000	\$2,000/\$4,000	\$2,000/\$4,000
Co-insurance	80/20	80/20	80/20
Inpatient Facility	Ded 80/20	Ded 80/20	Ded 80/20
Outpatient Facility	Ded 80/20	Ded 80/20	Ded 80/20
Office Visit	\$20	<b>\$0</b>	<b>\$0</b>
Virtual Visits	\$20	<b>\$0</b>	<b>\$0</b>
Specialist	\$50 for Tier 1/ \$100 for all others	\$50 for Tier 1/ \$100 for all others	\$50 for Tier 1/ \$100 for all others
Urgent Care	\$60	<b>\$25</b>	<b>\$25</b>
Emergency Room	\$300	<b>\$250, Ded 80/20</b>	<b>\$250, Ded 80/20</b>
Out of pocket	\$4,000/\$8,000	<b>\$5,500/\$11,000</b>	<b>\$6,500/\$13,000</b>
Estimated savings off Renewal		<b>4.7% (\$545k)</b>	<b>5.7% (\$662k)</b>
Revised Renewal Increase		<b>4.0%</b>	<b>3.1%</b>

# Medical Strategies – Plan Design Changes



HORAN is currently evaluating copays after deductible on the High Deductible Health Plan to continue driving consumerism and mitigating costs (savings TBD). Potential options provided below:

	Current HDHP	Renewal Option 1	Renewal Option 2	Renewal Option 3
Deductible	\$3,000/\$6,000	\$3,000/\$6,000	\$3,000/\$6,000	\$3,000/\$6,000
Co-insurance	100/0	100/0	100/0	100/0
Inpatient Facility	Ded 100/0	Ded 100/0	Ded 100/0	Ded 100/0
Outpatient Facility	Ded 100/0	Ded 100/0	Ded 100/0	Ded 100/0
Office Visit	Ded 100/0	Ded 100/0, \$20 copay	Ded 100/0	Ded 100/0
Virtual Visits	\$50	\$50	\$50	\$50
Specialist	Ded 100/0 for Tier 1; \$80 copay for all others	<b>Ded, \$20 copay for Tier 1; Ded, \$40 copay for all others</b>	Ded 100/0 for Tier 1; \$80 copay for all others	Ded 100/0 for Tier 1; \$80 copay for all others
Urgent Care	Ded 100/0	Ded 100/0	Ded 100/0	Ded 100/0
Emergency Room	Ded 100/0	Ded 100/0	<b>Ded, \$250 copay</b>	Ded 100/0
Out of pocket	\$4,000/\$8,000	\$4,000/\$8,000	\$4,000/\$8,000	<b>\$5,000/\$10,000</b>
Rx Copay	Ded 100/0	Ded 100/0	Ded 100/0	Ded 100/0
Estimated Savings off Renewal		<b>0.4% (\$48k)</b>	<b>0.5% (\$61k)</b>	<b>0.7% (\$78k)</b>
Revised Renewal Increase		<b>7.9%</b>	<b>7.8%</b>	<b>7.6%</b>

# Dental Renewal



Dental Care Plus administration is under rate guarantee until 1/1/21; however, HORAN has received proposals back for 2020 renewal.

2019 Annual	2020 Annual	% Change	\$ Change
\$494,831	\$473,294	(4.4%)	(\$21,537)

HORAN requested fully insured and self-funded quotes with the following plan provisions:

- Match current preventive only plan
- Match current Traditional plan
- Traditional plan with increased annual maximum, orthodontia

# Dental Renewal



Fully Insured Renewal Percentages shown below (if continuing with current Preventive/Traditional plan):

Carrier	Total Plan % Increase	Annual \$\$ Change from Current	Rate Guarantee
DCP	1.2%	\$6,646.20	3 years
Superior Dental	-7.6%	-\$40,783.44	2 years, 3 year rate cap of 8%
Delta Dental	-2.6%	-\$13,835.64	2 years
UHC	2.5%	\$13,425.96	1 year

Each vendor quoted an enhanced dental plan, increasing the annual maximum from \$1,000 to \$1,500 and adding orthodontia:

Carrier	Total Plan % Increase	Annual \$\$ Change from Current	Rate Guarantee
DCP	1.5%	\$8,176.44	3 years
Superior Dental	-6.9%	-\$35,107.84	2 years, 3 year rate cap of 8%
Delta Dental	-5.2%	-\$27,525.96	2 years
UHC	1.6%	\$8,462.64	1 year

# Dental Renewal



Disruption: total providers currently used by Clermont County = 304

Carrier	In-Network	Percentage
DCP*	304	100%
Superior Dental	215	71%
Delta Dental PPO/Premier**	151/241	50%/79%
Cigna	163	54%
UHC	121	40%
Principal	117	38%

\*95% of the dentists in Cinci/NKY participate in the HMO, which totals 1,500 providers

\*\*PPO – Small national network but deeper discount/Premier – Large national network (not as discounted as PPO)

# Additional Ancillary Lines of Coverage



Voya / Basic Life, Voluntary Life and Long Term Disability: Rate guarantee until 1/1/22

EyeMed / Vision: Rate guarantee through 1/1/23

Chard Snyder / Flexible Spending Account (FSA): Renews 1/1/20

TriHealth / EAP: Updated contract has been approved (Increased face to face visits for 2019 and recommend to continue for 2020)

-Auto Renewal for 5 years

P&A Group / COBRA: Rate hold

No changes to supplemental benefit plans: Accident, Critical Illness, Cancer, Universal Life, Short Term & Long Term Disability

# Next Steps



- Finalize medical plan strategies with HR and HCAC – meeting scheduled for 8/16
- Stop Loss RFP and final decisions
- Dental RFP and final decisions
- Final recommendations to the Board Wednesday, August 28
  - If changing stop loss, won't be finalized until later September
  - If additional board session is necessary, this will take place September 18<sup>th</sup>
- Benefits Fair 10/8 (will include Mammogram van and flu shots)
- Open Enrollment tentatively set for 10/22 – 11/4
- OPI Department to create video presentation of Open Enrollment
- **Recommendation: Remain with all carriers, except continue evaluating dental and stop loss**



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Questions?