



School Board of Clay County

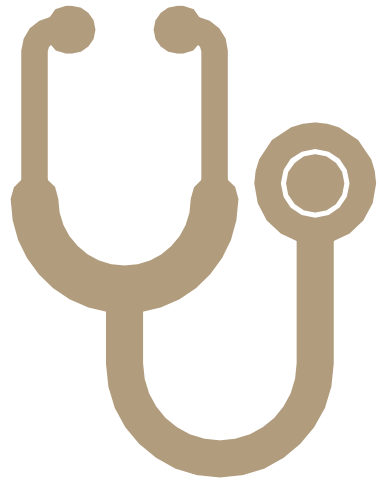
2021 – 2022 BENEFIT RENEWAL RECOMMENDATIONS

MARCH 4, 2021



Agenda

- Medical Claims Experience
- Medical Renewal
- Dental Renewal
- 2021 Renewal Summary

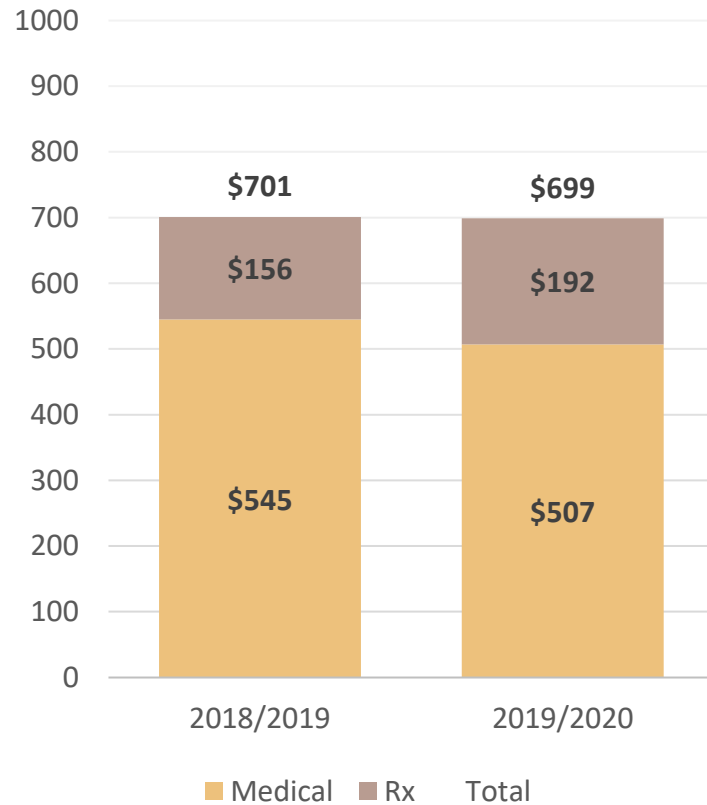


Health Claims Experience

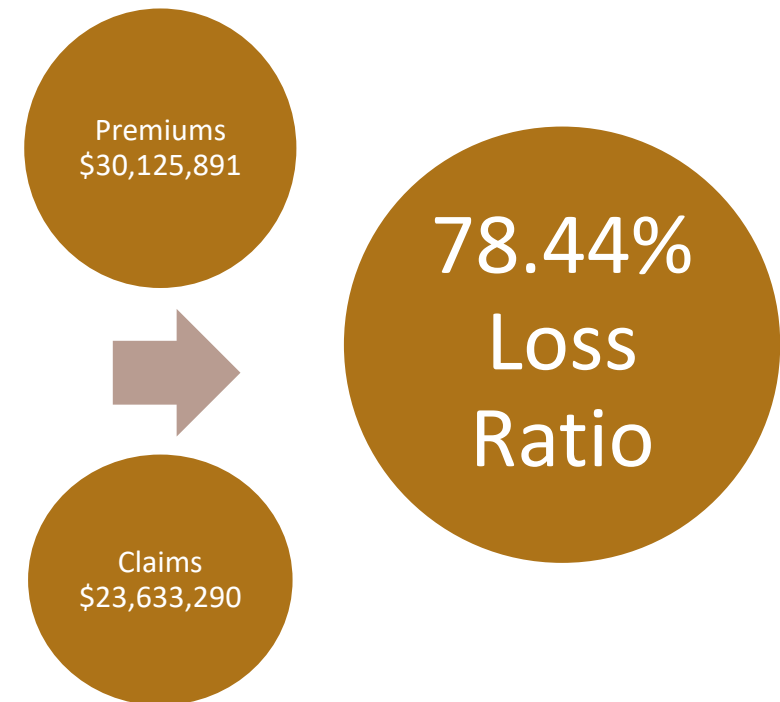
Health Claims Experience

October 2019 – September 2020

Cumulative monthly claims experience per employee per month (PEPM) for medical and prescription as compared to the prior plan year



Premiums paid between October 2019 and September 2020 compared to the claims paid by the plan.



Premium vs Claims Incurred with premium over 12 months

Year/Month	Members	Subscribers	Premium	Premium PMPM	Medical Payments	Capitation Payments	Managed Pharmacy Payments	Total Payments	Claims to Premium Ratio
2018-10	3,812	2,805	\$2,064,360	\$541.54	\$1,312,214	\$103,148	\$438,134	\$1,853,496	89.8%
2018-11	3,812	2,812	\$2,104,902	\$552.18	\$1,327,498	\$103,556	\$386,603	\$1,817,656	86.4%
2018-12	3,799	2,804	\$2,095,494	\$551.59	\$1,388,195	\$103,120	\$410,653	\$1,901,968	90.8%
2019-01	3,781	2,794	\$2,034,787	\$538.16	\$1,521,288	\$102,549	\$521,455	\$2,145,292	105.4%
2019-02	3,776	2,789	\$2,047,271	\$542.18	\$1,141,582	\$102,440	\$386,359	\$1,630,382	79.6%
2019-03	3,771	2,789	\$2,078,400	\$551.15	\$1,172,791	\$109,297	\$431,704	\$1,713,792	82.5%
2019-04	3,774	2,792	\$2,078,956	\$550.86	\$1,233,800	\$109,297	\$408,530	\$1,751,627	84.2%
2019-05	3,769	2,789	\$2,077,596	\$551.23	\$1,469,223	\$109,326	\$418,317	\$1,996,867	96.1%
2019-06	3,784	2,794	\$2,080,825	\$549.90	\$2,173,579	\$109,646	\$430,290	\$2,713,515	130.4%
2019-07	3,795	2,797	\$2,082,764	\$548.82	\$1,461,696	\$109,907	\$515,908	\$2,087,512	100.2%
2019-08	3,797	2,784	\$2,070,604	\$545	\$1,243,037	\$110,459	\$424,856	\$1,778,352	85.9%
2019-09	3,814	2,793	\$2,070,178	\$543	\$1,536,982	\$110,924	\$455,674	\$2,103,580	101.6%
2019-10	3,980	2,828	\$2,521,413	\$633.52	\$1,636,007	\$59,150	\$445,979	\$2,141,136	84.9%
2019-11	3,979	2,823	\$2,516,955	\$632.56	\$1,261,778	\$59,418	\$489,829	\$1,811,026	72.0%
2019-12	3,990	2,825	\$2,518,738	\$631.26	\$1,609,877	\$59,418	\$545,185	\$2,214,481	87.9%
2020-01	3,977	2,821	\$2,515,172	\$632.43	\$1,571,946	\$59,269	\$522,932	\$2,154,147	85.6%
2020-02	3,959	2,805	\$2,500,906	\$631.70	\$1,491,356	\$59,072	\$462,662	\$2,013,089	80.5%
2020-03	3,962	2,811	\$2,506,256	\$632.57	\$988,091	\$59,101	\$607,823	\$1,655,015	66.0%
2020-04	3,951	2,813	\$2,508,039	\$634.79	\$738,996	\$58,982	\$524,767	\$1,322,745	52.7%
2020-05	3,955	2,813	\$2,508,039	\$634.14	\$1,347,124	\$59,027	\$581,613	\$1,987,764	79.3%
2020-06	3,951	2,812	\$2,507,147	\$634.56	\$1,538,708	\$58,997	\$543,177	\$2,140,882	85.4%
2020-07	3,945	2,809	\$2,504,473	\$634.85	\$1,672,308	\$59,229	\$584,127	\$2,315,664	92.5%
2020-08	3,953	2,813	\$2,508,039	\$634.46	\$1,275,164	\$59,364	\$586,906	\$1,921,435	76.6%
2020-09	3,960	2,816	\$2,510,714	\$634.02	\$1,315,310	\$59,499	\$581,097	\$1,955,906	77.9%
Prior			\$24,886,137					\$23,494,039	94.41%
Current			\$30,125,891					\$23,633,290	78.44%

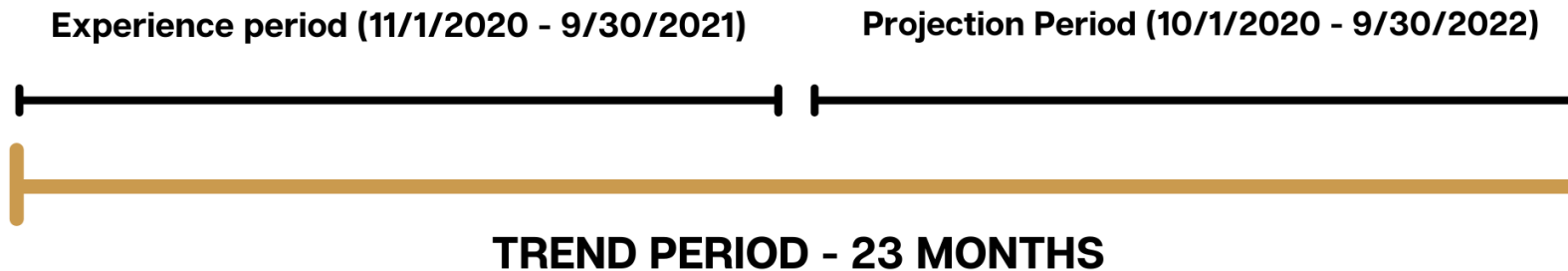
Trend in a Medical Renewal

What is Trend?

Medical trend is the forecast in change in health plans' per capita claims cost.

Factors that influence medical trend include: price inflation, increased utilization, use of more expensive drugs and treatments, technological advancements, and more. Annual medical/rx trend is 9.6%.

Trend must be calculated by how many months between the experience we have and the end of the plan year the renewal is being calculated for (End of CCDS renewal plan would be 9/30/2022)



To stretch this trend out to the end of our renewal plan year, we must calculate the compound trend in the renewal calculation **in order to try and predict what the claims will look like through that period:**

$$\text{Annual Trend (9.6\%)} \times \frac{\text{Months of Trend (23)} / 12}{} = \mathbf{19.2\%}$$

High Cost Claimants

There were 34 claimants with over \$50,000 in claims for the period August 1, 2019 and July 31, 2020. In consideration of privacy, details have been omitted.

Claimant	Medical Paid	Rx Paid	Total Paid	Diagnosis	Open/Closed
1	\$638,986	\$318	\$639,304	COMPLICATION OF DEVICE; IMPLAN	OPEN
2	\$386,632	\$537	\$387,169	DEFICIENCY AND OTHER ANEMIA	OPEN
3	\$267,476	\$15,840	\$283,316	MAINTENANCE CHEMOTHERAPY; RADI	OPEN
4	\$255,530	\$189	\$255,719	COMPLICATION OF DEVICE; IMPLAN	OPEN
5	\$78,088	\$116,373	\$194,461	OTHER BONE DISEASE AND MUSCULO	OPEN
6	\$19,588	\$154,578	\$174,166	MULTIPLE MYELOMA	OPEN
7	\$165,666	\$1,433	\$167,100	CANCER OF OVARY	OPEN
8	\$165,094	\$741	\$165,836	HEART VALVE DISORDERS	OPEN
9	\$162,420	\$598	\$163,018	ACUTE AND UNSPECIFIED RENAL FA	OPEN
10	\$39,479	\$114,496	\$153,975	PNEUMONIA (EXCEPT THAT CAUSED	OPEN
11	\$149,918	\$481	\$150,399	SEPTICEMIA (EXCEPT IN LABOR)	OPEN
12	\$139,791	\$776	\$140,566	MAINTENANCE CHEMOTHERAPY; RADI	OPEN
13	\$122,371	\$4,357	\$126,728	ACUTE MYOCARDIAL INFARCTION	OPEN
14	\$45,843	\$74,044	\$119,886	SECONDARY MALIGNANCIES	OPEN
15	\$115,047	\$1,919	\$116,967	PULMONARY HEART DISEASE	OPEN
16	\$98,569	\$988	\$99,557	CRUSHING INJURY OR INTERNAL IN	OPEN
17	\$11,213	\$67,569	\$78,782	REGIONAL ENTERITIS AND ULCERAT	OPEN
18	\$77,604	\$92	\$77,695	INFECTIVE ARTHRITIS AND OSTEOM	OPEN
19	\$74,821	\$446	\$75,266	ACUTE MYOCARDIAL INFARCTION	OPEN
20	\$72,273	\$26	\$72,299	ACUTE CEREBROVASCULAR DISEASE	OPEN
21	\$68,701	\$2,703	\$71,404	OTHER CNS INFECTION AND POLIOM	OPEN
22	\$69,068	\$115	\$69,183	MAINTENANCE CHEMOTHERAPY; RADI	OPEN
23	\$305	\$68,410	\$68,715	DIABETES MELLITUS WITHOUT COMP	OPEN
24	\$63,632	\$2,682	\$66,314	CONDUCTION DISORDERS	OPEN
25	\$66,017	\$ -	\$66,017	HYPERTENSION COMPLICATING PREG	CLOSED
26	\$62,506	\$93	\$62,598	IMMUNITY DISORDERS	OPEN
27	\$58,796	\$703	\$59,499	CANCER OF LIVER AND INTRAHEPAT	OPEN
28	\$57,803	\$1,555	\$59,358	MAINTENANCE CHEMOTHERAPY; RADI	OPEN
29	\$55,851	\$632	\$56,483	CANCER OF BREAST	OPEN
30	\$988	\$53,672	\$54,660	OTHER ENDOCRINE DISORDERS	OPEN
31	\$52,410	\$1,645	\$54,055	PHLEBITIS; THROMBOPHLEBITIS AN	OPEN
32	\$42,516	\$9,451	\$51,967	OTHER AFTERCARE	OPEN
33	\$46,394	\$5,032	\$51,427	PERIPHERAL AND VISCERAL ATHERO	OPEN
34	\$11,653	\$38,487	\$50,140	OSTEOARTHRITIS	OPEN
	\$3,743,049.50	\$740,980.23	\$4,484,029.73		
	Claims Above Pooling Point (\$300,000):		\$426,473.10		
	Net HCC Paid:		\$4,057,556.63		

Top Prescription by Paid Amount

12 Months Incurred through October 2020, paid through December 2020

**The following are the top ten prescriptions in order of highest cost.
The portion paid by the member is also included.**

Rank	Drug Name	Therapeutic Class	Total Paid	Number of Claimants
1	IBRANCE	ANTINEOPLASTICS	\$335,976	3
2	HUMIRA(CF) PEN	ANTIARTHRITICS	\$290,345	11
3	TRULICITY	DIABETIC THERAPY	\$268,164	41
4	STELARA	MISCELLANEOUS	\$251,645	3
5	JARDIANCE	DIABETIC THERAPY	\$226,774	59
6	REVLIMID	ANTINEOPLASTICS	\$219,920	1
7	TRIKAFTA	MISCELLANEOUS	\$183,688	1
8	NINLARO	ANTINEOPLASTICS	\$144,985	1
9	OZEMPIC	DIABETIC THERAPY	\$143,669	28
10	HUMALOG KWIKPEN U-100	DIABETIC THERAPY	\$109,856	29
			\$2,175,022	177

Top Therapeutic Class by Paid Amount

12 Months Incurred through October 2020, paid through December 2020

The following are the top ten therapeutic classes of prescriptions in order of the highest cost.

Rank	Therapeutic Class	Total Paid	Total Net Paid Per Rx	Number of Claimants
1	DIABETIC THERAPY	\$1,677,099	\$349	378
2	ANTIARTHRITICS	\$710,556	\$333	775
3	BRONCHIAL DILATORS	\$355,408	\$118	577
4	LIPOTROPICS	\$114,565	\$23	665
5	OTHER CARDIOVASCULAR PREPS	\$99,398	\$22	551
6	OTHER ANTIHYPERTENSIVES	\$95,360	\$16	745
7	PSYCHOSTIMULANTS-ANTIDEPRESSANTS	\$94,704	\$14	874
8	SYSTEMIC CONTRACEPTIVES	\$92,607	\$48	417
9	ANTICONVULSANTS	\$70,948	\$35	360
10	THYROID PREPS	\$8,065	\$3	360
		\$3,318,710	\$958	5,702

Top Diagnosis by Paid Amount

12 Months Incurred through October 2020, paid through December 2020

The following are the top ten diagnosis in order of highest cost.

Rank	Diagnosis Category	Total Paid	Number of Claimants
1	CIRCULATORY SYSTEM	\$1,936,015	893
2	NEOPLASMS	\$1,806,075	579
3	MUSCULO CNCTV TISSUE	\$1,754,930	1032
4	OTHER CONDITIONS	\$1,662,361	2573
5	INFECTIOUS & PARASITIC DIS	\$1,144,761	1674
6	INJURY AND POISONING	\$1,037,720	432
7	DIGESTIVE SYSTEM	\$1,002,076	472
8	GENITOURINARY SYSTEM	\$981,919	869
9	NERVOUS SYS SENSE ORGANS	\$896,050	834
10	PREGNANCY CHILDBIRTH PUERP	\$704,225	198
		\$12,926,132	9556



Medical Renewal

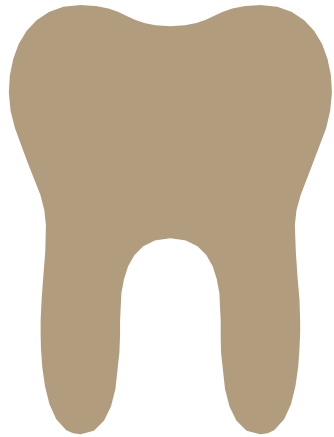
Renewing Current Plans

Clay County District Schools
10/1/2021

	United Healthcare						United Healthcare					
	Choice HSP HDHP AHJT rx 570 HAS-11		Choice HMO AQQ1 Rx 570		Choice Plus PPO AHRI Rx 573		Choice HSP HDHP AHJT rx 570 HAS-11		Choice HMO AQQ1 Rx 570		Choice Plus PPO AHRI Rx 573	
	Current						Renewal = 0% down from Formula Renewal: 16.4%					
IN NETWORK												
Deductible (CYD): (Ind / Fam)	\$4,000 / \$8,000 (emb)		\$5,000 / \$10,000		\$3,000 / \$6,000		\$4,000 / \$8,000 (emb)		\$5,000 / \$10,000		\$3,000 / \$6,000	
Deductible Applies to OOP Max?	Yes		Yes		Yes		Yes		Yes		Yes	
Coinsurance: Carrier / Member	80% / 20%		70% / 30%		80% / 20%		80% / 20%		70% / 30%		80% / 20%	
Physician Services: PCP / Specialist	CYD + 20%		\$45 / \$75		\$40 / \$60		CYD + 20%		\$45 / \$75		\$40 / \$60	
Inpatient Hospital Services	CYD + 20%		\$100 Copay + 30%		CYD + 20%		CYD + 20%		\$100 Copay + 30%		CYD + 20%	
Provider Services in Hospital and ER	CYD + 20%		CYD + 30%		CYD + 20%		CYD + 20%		CYD + 30%		CYD + 20%	
Independent Diagnostic Lab/X-Ray/AIS	CYD + 20%		\$0 / \$0 / \$300		\$0 / \$0 / \$300		CYD + 20%		\$0 / \$0 / \$300		\$0 / \$0 / \$300	
Outpatient Surgery - Freestanding Facility	CYD + 20%		\$250		\$0 / \$0 / \$300		CYD + 20%		\$250		\$0 / \$0 / \$300	
Outpatient Surgery - Hospital	CYD + 20%		CYD + 30%		CYD + 20%		CYD + 20%		CYD + 30%		CYD + 20%	
Emergency Room Services	CYD + 20%		\$500		\$500		CYD + 20%		\$500		\$500	
Urgent Care Services	CYD + 20%		\$70		\$50		CYD + 20%		\$70		\$50	
Prescription Drugs - Generic	CYD + \$10		\$10		\$10		CYD + \$10		\$10		\$10	
Prescription Drugs - Brand	CYD + \$50		\$35		\$45		CYD + \$50		\$35		\$45	
Prescription Drugs - Specialty	CYD + \$80		\$70		\$85		CYD + \$80		\$70		\$85	
Prescription Drugs - 90 day Mail Order	2.5x copay		2.5x copay		2.5x copay		2.5x copay		2.5x copay		2.5x copay	
Mental Health (Inpatient / Outpatient)	CYD + 20%		\$0		CYD + 20% / \$60		CYD + 20%		\$0		CYD + 20% / \$60	
Out of Pocket Maximum (Ind / Fam)	\$6,650 / \$13,300		\$10,000 / \$20,000		\$6,000 / \$12,000		\$6,650 / \$13,300		\$10,000 / \$20,000		\$6,000 / \$12,000	
OUT OF NETWORK												
Deductible (Individual / Family)					\$6,000 / \$12,000						\$6,000 / \$12,000	
Coinsurance: Carrier / Member					50% / 50%						50% / 50%	
Inpatient Hospital Services	No Coverage		No Coverage		CYD + 50%		No Coverage		No Coverage		CYD + 50%	
Outpatient Surgery					CYD + 50%						CYD + 50%	
Out of Pocket Maximum (Ind / Fam)					\$12,000 / \$24,000						\$12,000 / \$24,000	
RATING ANALYSIS												
	EEs	<i>Monthly Rates</i>	EEs	<i>Monthly Rates</i>	EEs	<i>Monthly Rates</i>	EEs	<i>Monthly Rates</i>	EEs	<i>Monthly Rates</i>	EEs	<i>Monthly Rates</i>
Employee Only	579	\$669.97	1430	\$813.45	212	\$939.22	579	\$669.97	1430	\$813.45	212	\$939.22
Employee + Spouse	51	\$1,217.08	206	\$1,571.77	24	\$1,814.75	51	\$1,217.08	206	\$1,571.77	24	\$1,814.75
Employee + Child(ren)	46	\$1,161.25	78	\$1,499.43	5	\$1,731.18	46	\$1,161.25	78	\$1,499.43	5	\$1,731.18
Full Family	100	\$1,595.24	224	\$2,059.77	15	\$2,378.08	100	\$1,595.24	224	\$2,059.77	15	\$2,378.08
Total Monthly Premium	776	\$3,015,283.09	1938		256		776	\$3,015,283.09	1938		256	
Total Annual Premium		\$36,183,397.08						\$36,183,397.08				
Gross Increase/Decrease from Current								0%				

Historical Medical Renewals and Plan Design Changes

Plan Year	Initial Renewal	Negotiated (no changes)	Final Blended	Renewal Actions Taken
2021 - 2022	16.4%	0%	0%	<ul style="list-style-type: none"> Renewal is presented with zero changes to cost and plans.
2020 - 2021	23.56%	5.9%	5.9%	<ul style="list-style-type: none"> Renewal was accepted at 5.9% increase due to CCDS' partnership and commitment based on previous years' plan design changes and wellness initiatives, improved claims and gradually lower loss ratio, UHC's strong book of business.
2019 – 2020	19.5%	19.5%	19.5%	<ul style="list-style-type: none"> Renewal was accepted at 19.5% with the additional funding secured to move to a tier-based contribution strategy and to make the Choice HSP Employee Only Plan no cost.
2018 – 2019	29.32%	28.00%	11.08%	<ul style="list-style-type: none"> Initial renewal was presented at 29.32% and was negotiated down to 28% due to our high loss ratio Changes to the HMO and Choice HSP plans were made to minimize the premium increase <ul style="list-style-type: none"> HMO – Increased Deductible from \$3k/\$6k to \$5k/\$10k & copays from \$35/\$65 to \$45/\$75 Choice HSP – Increased Deductible from \$1.5k/\$3k to \$4k/\$8k.
2017 – 2018	10.0%	10.0%	10.0%	<ul style="list-style-type: none"> Year 1 renewal cap at 10% from UHC.
2016 – 2017	Marketed plan design prior to receiving initial renewal		-10.9%	<ul style="list-style-type: none"> Conducted medical RFP and moved to UHC based on results and quoted plans/premiums.
2015 – 2016	13.8%	10.25%	9%	<ul style="list-style-type: none"> Initial renewal in February at 13.8% with final negotiated renewal in May
2014 – 2015	15.7%	12.5%	7.7%	<ul style="list-style-type: none"> Medical renewal without rate guarantee specified in 2013 RFP was 19.4% Initially delivered at 15.7% increase (Rate cap 12% + 3.7% ACA fees) Aon negotiated to 12.5% with ACA fees; second look in May Final renewal with claims through April resulted in 9% increase with no changes to plan design Defined Board subsidy continued in 2014/15 plan year
2013 – 2014	Marketed plan design prior to receiving initial renewal	9%	6%	<ul style="list-style-type: none"> Medical Marketing for carrier change – Florida Blue awarded HMO (3% increase) and PPO (14% increase) replaced Aetna POS No change to District subsidy Began cost share for Employee Only coverage
2012 – 2013	13-15%	2.5%	2.5%	<ul style="list-style-type: none"> Projected increase of 13-15%. Aetna made a business decision - Rate pass for POS + HCR impact <ul style="list-style-type: none"> Adding gatekeeper referral requirement Charged 2.5% for PPACA compliance impact No change to employee contributions
2011 – 2012	13.1%	8.5%	0.3%	<ul style="list-style-type: none"> Review of over 15 Plan Alternatives & 7 contribution models Moved from three (3) medical options to one Choice POS Reduced cost for Employee Only coverage to \$0



Dental Renewal

Delta Dental Renewal + Recommendation – DeltaCare Plan

- **Renew** current DeltCare HMO plan at a 5% increase for 2 years
- **Add Implants** to the current HMO plan from A15 to 16i at a 6.89% rate increase for 2 years.

	Delta Dental DeltaCare Prepaid Plan Low		Delta Dental DeltaCare Prepaid Plan + Implants Low
BENEFITS SUMMARY	CURRENT	RENEWAL	OPTION 2: ADD IMPLANTS
Deductible	N/A	N/A	N/A
Annual Maximum	N/A	N/A	N/A
In-Network			
Preventive Services	100%	100%	100%
Basic Services Major Services	Price dependent on service	Price dependent on service	Price dependent on service (Implants now an option under Major Services)
Out-of-Network			
Preventive Services	No Coverage	No Coverage	No Coverage
Basic Services			
Major Services			
Endo/Perio Benefit Level	Basic	Basic	Basic
Orthodontia	Start up Fee \$200 Lab Fees \$250 Under age 19: \$1,800 Over age 19: \$2,000	Start up Fee \$200 Lab Fees \$250 Under age 19: \$1,800 Over age 19: \$2,000	Start up Fee \$200 Lab Fees \$250 Under age 19: \$1,800 Over age 19: \$2,000
Contract Language			
Waiting Periods	None	None	None
Rate Guarantee		2 Years	2 Years
RATING ANALYSIS	<i>Monthly Rates</i>	<i>Monthly Rates</i>	<i>Monthly Rates</i>
Employee Only	\$12.77	\$13.41	\$13.65
Employee + One Dependent	\$22.69	\$23.82	\$24.25
Employee + Two or More Dependents	\$33.72	\$35.41	\$36.04

Delta Dental Renewal + Options – PPO Plan

- **Renew** current PPO plan at a rate pass for 2 years
- **Add implants** to the PPO plan for 2 years at a 12.62% increase with increasing the CYM to \$2,000

	Delta Dental Delta Dental PPO Plan High		Delta Dental Delta Dental PPO Plan + Implants High
BENEFITS SUMMARY	CURRENT	RENEWAL	OPTION 2: ADD IMPLANTS
Deductible	\$50 / \$150	\$50 / \$150	\$50 / \$150
Annual Maximum	\$1,000	\$1,000	\$2,000
In-Network			
Preventive Services	100%	100%	100%
Basic Services	80%	80%	80%
Major Services	50%	50%	50% (Implants Included)
Out-of-Network			
Preventive Services	100%	100%	100%
Basic Services	60%	60%	60%
Major Services	40%	40%	40%
Endo/Perio Benefit Level	Basic	Basic	Basic
Orthodontia	50% to \$1,000	50% to \$1,000	50% to \$1,000
Contract Language			
Waiting Periods	None	None	None
Rate Guarantee	2 Years	2 Years	2 Years
RATING ANALYSIS	<i>Monthly Rates</i>	<i>Monthly Rates</i>	<i>Monthly Rates</i>
Employee Only	\$35.47	\$35.47	\$39.95
Employee + One Dependent	\$68.63	\$68.63	\$77.28
Employee + Two or More Dependents	\$110.24	\$110.24	\$124.13



2021 Renewal Summary

Overview of Insurance Renewals

Benefit Plan	Carrier	2021 Renewal Expectation	Status
Medical Plans	UnitedHealthcare	<ul style="list-style-type: none"> UHC showed an initial 16.4% increase from renewal formula Final: 0% Renewal Increase 	Up for Renewal
Dental	Delta Dental	Delta Dental offered: <ul style="list-style-type: none"> PPO: <ul style="list-style-type: none"> Renew current plan at a rate pass for 2 years Option to add implants with increasing CYM to \$2,000 at a 12.62% increase for 2 years HMO: <ul style="list-style-type: none"> Renew current plan at a 5% increase for 2 years Option to change current HMO plan to DeltaCare 16i HMO plan which includes implants at a 6.89% increase for 2 years 	Up for Renewal
Medical Gap Plan	Kemper	Kemper offered to renew current plan with no premium increase through 9/30/22	Up for Renewal
Accident and Injury Plan	Aflac	Aflac offered to renew current plans with no premium increase through 9/30/22	Up for Renewal
Critical Illness			
Whole Life			
Lines in Rate Hold			
Vision	Humana	Humana Vision rates are in a rate hold through 9/30/2023	No Action
Life	Lincoln Financial Group	Lincoln Financial Group rates are in a rate hold through 9/30/2022	No Action
Long Term Disability			
Short Term Disability			



Thank you!

