



Employee Benefits Update

CLAY COUNTY SCHOOL DISTRICT



Overview of Insurance Renewals

Benefit Plan	Carrier	2019 Renewal Expectation	Status
Medical Plans	UnitedHealthcare	<ul style="list-style-type: none"> Initial Renewal of 45% Negotiated to 19.5% with same plan Committee voted to retain current benefit plan at 19.5% 	Completed
Medical Gap Plan	Kemper	<ul style="list-style-type: none"> Rate hold for 2019 	Completed
Dental	Delta Dental	<ul style="list-style-type: none"> Renewal formula called for an 11-12% increase but there was a 5% renewal cap for 2019-2020. 5% two year rate guarantee through 2021 	Completed
Accident and Injury Plan	Aflac	<ul style="list-style-type: none"> Rate hold through 2021. 	Completed
Critical Illness	Aflac		Completed
Whole Life	Aflac		Completed
Vision	CompBenefits/Humana	<ul style="list-style-type: none"> Rate hold through 9/30/2020 	Completed
Basic Life Insurance	Liberty Mutual	<ul style="list-style-type: none"> Rate hold through 9/30/2022 	Completed
Long Term Disability	Liberty Mutual		Completed
Short Term Disability	Liberty Mutual		Completed

Medical Renewal

2019-20 Renewal Review

UHC Rates

- Initial renewal calculation called for an increase of 45% due to a loss ratio over 100%.
- Negotiated down to a 19.5% increase due to:
 - Clay's partnership and commitment based on prior year plan design changes and wellness initiatives.
 - UHC's strong book of business.
- The Bailey Group reviewed and recalculated UHC's renewal formula.

Review Benefit Strategies

- Evaluated plan design options/programs to help minimize the renewal increase.
 - Committee determined additional time is required to see results of benefit plan design changes.

Monitor and analyzed updated claims

Renew Current Plans

Clay County School District

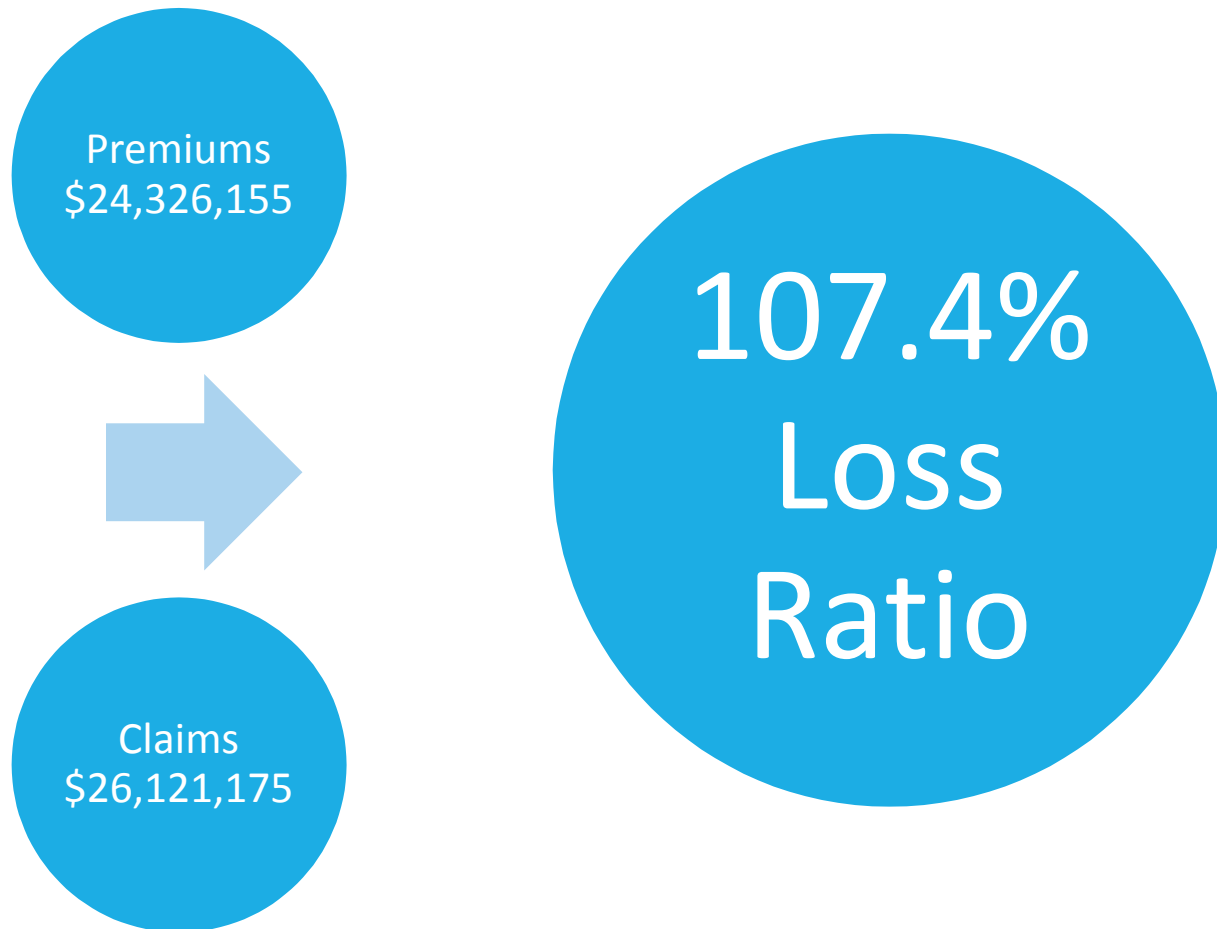
Medical Renewal 2019/2020

Clay County School District		UnitedHealthcare						UnitedHealthcare					
Medical Renewal 2019/2020		Choice		Choice Plus		Choice HSP		Choice		Choice Plus		Choice HSP	
		AQQ1 rx 162-13		AQP8 Rx 159-15		AHJT rx 125 HSA-11		AQQ1 rx 162-13		AQP8 Rx 159-15		AHJT rx 125 HSA-11	
BENEFITS SUMMARY		October 2018 – September 2019						October 2019 – September 2020					
IN NETWORK													
Deductible (CYD): (Ind / Fam)		\$5,000 / \$10,000		\$3,000 / \$6,000		\$4,000 / \$8,000 (emb)		\$5,000 / \$10,000		\$3,000 / \$6,000		\$4,000 / \$8,000 (emb)	
Deductible Applies to OOP Max?		Yes		Yes		Yes		Yes		Yes		Yes	
Coinsurance: Carrier / Member		70% / 30%		80% / 20%		80% / 20%		70% / 30%		80% / 20%		80% / 20%	
Physician Services: PCP / Specialist		\$45 / \$75		\$40 / \$60		CYD then 20%		\$45 / \$75		\$40 / \$60		CYD then 20%	
Inpatient Hospital Services		\$100 copay then 30%		CYD then 20%		CYD then 20%		\$100 copay then 30%		CYD then 20%		CYD then 20%	
Provider Services in Hospital and ER		CYD then 30%		CYD then 20%		CYD then 20%		CYD then 30%		CYD then 20%		CYD then 20%	
Independent Diagnostic Lab/X-Ray/AIS		\$0 / \$0 / \$300		\$0 / \$0 / \$300		CYD then 20%		\$0 / \$0 / \$300		\$0 / \$0 / \$300		CYD then 20%	
Outpatient Surgery – Freestanding Facility		\$250		CYD then 20%		CYD then 20%		\$250		CYD then 20%		CYD then 20%	
Outpatient Surgery – Hospital		CYD then 30%		CYD then 20%		CYD then 20%		CYD then 30%		CYD then 20%		CYD then 20%	
Emergency Room Services		\$500		\$500		CYD then 20%		\$500		\$500		CYD then 20%	
Urgent Care Services		\$70		\$50		CYD then 20%		\$70		\$50		CYD then 20%	
Prescription Drugs - Generic		\$20		\$15		CYD then \$10		\$20		\$15		CYD then \$10	
Prescription Drugs - Brand		\$40		\$45		CYD then \$50		\$40		\$45		CYD then \$50	
Prescription Drugs - Specialty		\$70		\$85		CYD then \$80		\$70		\$85		CYD then \$80	
Prescription Drugs - 90 day Mail Order		2x Copay		2.5x Copay		2.5x Copay		2x Copay		2.5x Copay		2.5x Copay	
Mental Health (Inpatient / Outpatient)		\$0		CYD then 20% / \$60		CYD then 20%		\$0		CYD then 20% / \$60		CYD then 20%	
Out of Pocket Maximum (Ind / Fam)		\$10,000 / \$20,000		\$6,000 / \$12,000		\$6,650 / \$13,300		\$10,000 / \$20,000		\$6,000 / \$12,000		\$6,650 / \$13,300	
OUT OF NETWORK													
Deductible (Individual / Family)		Not covered		\$6,000 / \$12,000		Not covered		Not covered		\$6,000 / \$12,000		Not covered	
Coinsurance: Carrier / Member		Not covered		50% / 50%		Not covered		Not covered		50% / 50%		Not covered	
Inpatient Hospital Services		Not covered		CYD then 50%		Not covered		Not covered		CYD then 50%		Not covered	
Outpatient Surgery		Not covered		CYD then 50%		Not covered		Not covered		CYD then 50%		Not covered	
Out of Pocket Maximum (Ind / Fam)		Not covered		\$12,000 / \$24,000		Not covered		Not covered		\$12,000 / \$24,000		Not covered	
RATING ANALYSIS		EEs		EEs		EEs		EEs		EEs		EEs	
Employee Only	1494	\$642.79	288	\$742.16	518	\$529.40	1494	\$768.13	288	\$886.88	518	\$632.63	
Employee + Spouse	132	\$1,242.01	29	\$1,434.01	63	\$961.74	132	\$1,484.19	29	\$1,713.64	63	\$1,149.27	
Employee + Child(ren)	57	\$1,184.86	6	\$1,367.97	41	\$917.61	57	\$1,415.90	6	\$1,634.72	41	\$1,096.54	
Full Family	105	\$1,627.62	11	\$1,879.16	71	\$1,260.54	105	\$1,945.00	11	\$2,245.59	71	\$1,506.34	
Total Premium (Monthly)	1788	\$2,108,856.82	334		693		1788	\$2,520,072.04	334		693		
Total Annual Premium		\$25,306,281.84						\$30,240,864.48					
Gross Increase/Decrease from Current								19.50%					

Plan Status and Utilization

Medical and Rx Loss Ratio

The loss ratio is a calculation of the premiums paid between December 2017 and November 2018 compared to the claims paid by the plan.



Premium vs Claims Incurred

Year/Month	Members	Subscribers	Premium	Medical Payments	Capitation Payments	Pharmacy Payments	Total Payments	Claims to Premium Ratio
2017-01	4,190	3,027	\$1,838,650	\$1,180,975	\$115,449	\$444,816	\$1,741,241	94.7%
2017-02	4,172	3,008	\$1,871,990	\$1,208,664	\$115,117	\$463,148	\$1,786,929	95.5%
2017-03	4,193	3,018	\$1,872,725	\$1,393,516	\$115,588	\$509,133	\$2,018,236	107.8%
2017-04	4,187	3,018	\$1,896,512	\$1,802,374	\$115,477	\$456,012	\$2,373,863	125.2%
2017-05	4,189	3,019	\$1,894,094	\$1,260,870	\$115,643	\$468,725	\$1,845,238	97.4%
2017-06	4,196	3,021	\$1,888,707	\$1,547,147	\$115,837	\$451,158	\$2,114,142	111.9%
2017-07	4,217	3,029	\$1,885,729	\$1,890,062	\$116,473	\$481,525	\$2,488,060	131.9%
2017-08	4,229	3,035	\$1,865,719	\$1,779,373	\$116,667	\$471,236	\$2,367,276	126.9%
2017-09	4,237	3,037	\$1,894,618	\$1,478,695	\$117,303	\$452,847	\$2,048,845	108.1%
2017-10	4,093	2,960	\$1,979,934	\$1,222,333	\$112,568	\$433,658	\$1,768,559	89.3%
2017-11	4,065	2,947	\$1,992,704	\$1,201,147	\$112,349	\$354,501	\$1,667,997	83.7%
2017-12	4,076	2,960	\$2,009,818	\$1,636,329	\$112,625	\$479,093	\$2,228,047	110.9%
2018-01	4,084	2,965	\$1,991,853	\$1,333,593	\$110,604	\$536,855	\$1,981,052	99.5%
2018-02	4,076	2,956	\$2,001,164	\$1,639,582	\$110,495	\$422,677	\$2,172,754	108.6%
2018-03	4,059	2,951	\$1,996,192	\$1,434,571	\$110,250	\$435,189	\$1,980,010	99.2%
2018-04	4,069	2,952	\$1,980,423	\$1,457,275	\$110,575	\$416,899	\$1,984,749	100.2%
2018-05	4,084	2,956	\$2,005,542	\$1,598,388	\$110,656	\$448,495	\$2,157,539	107.6%
2018-06	4,073	2,951	\$2,006,022	\$1,846,529	\$110,711	\$467,810	\$2,425,050	120.9%
2018-07	4,082	2,952	\$2,008,660	\$2,046,470	\$110,956	\$497,635	\$2,655,061	132.2%
2018-08	4,085	2,950	\$2,007,938	\$1,487,107	\$111,173	\$542,542	\$2,140,823	106.6%
2018-09	4,093	2,952	\$2,012,291	\$2,140,760	\$111,200	\$448,832	\$2,700,792	134.2%
2018-10	3,833	2,817	\$2,096,404	\$1,336,252	\$103,584	\$441,391	\$1,881,228	89.7%
2018-11	3,824	2,821	\$2,112,983	\$1,405,923	\$103,965	\$391,944	\$1,901,832	90.0%
2018-12	3,816	2,819	\$2,106,683	\$1,614,351	\$103,584	\$422,349	\$2,140,284	101.6%
			\$24,326,155				\$26,121,175	107.4%

Ancillary Renewals

Kemper

	Current Rates	Renewal (Monthly)	Renewal (20 Pay)
<i>Benefit</i>	<i>\$2,500 / \$1,250</i>	<i>\$2,500 / \$1,250</i>	<i>\$2,500 / \$1,250</i>
Employee Only	\$38.06	\$38.06	\$22.84
Employee + Spouse	\$77.78	\$77.78	\$46.67
Employee + Child(ren)	\$67.39	\$67.39	\$40.43
Employee + Family	\$114.67	\$114.67	\$68.80

Delta Dental

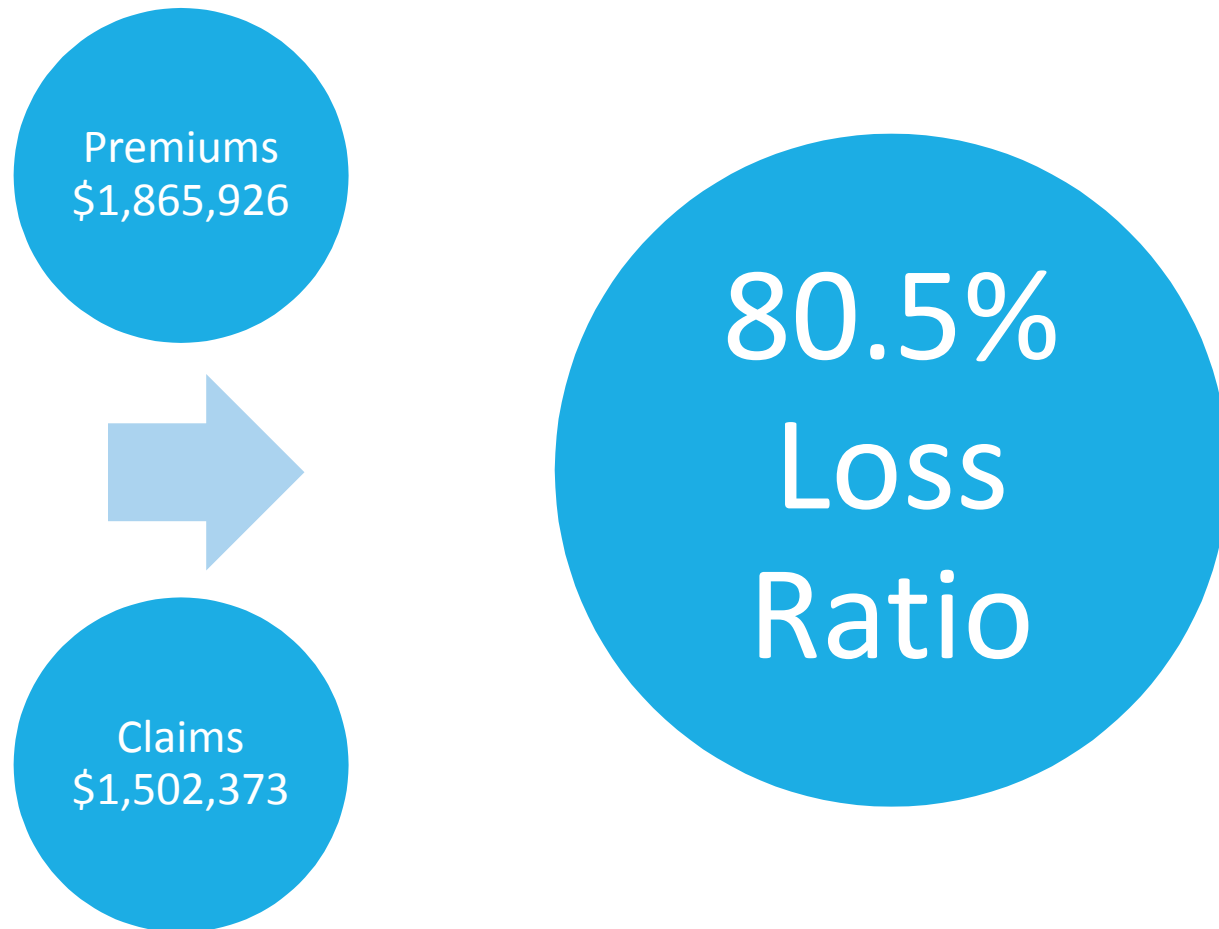
DeltaCare Prepaid	2018-2019 rates	2019-2020 rates	Variance
Employee Only	\$12.16	\$12.77	5%
Employee + 1 Dependent	\$21.61	\$22.69	5%
Employee + 2 or more	\$32.11	\$33.72	5%

Delta PPO	2018-2019 rates	2019-2020 rates	Variance
Employee Only	\$33.78	\$35.47	5%
Employee + 1 Dependent	\$65.36	\$68.63	5%
Employee + 2 or more	\$104.99	\$110.24	5%

- Renewal formula called for an 11-12% increase but there was a 5% renewal cap for 2019-2020. Delta Dental agreed to a 2-year rate guarantee.
- Historical Renewal Increases/Decreases
 - 2018: -5%
 - 2017: no change
 - 2016: +3.93%

Dental Loss Ratio

The loss ratio is a calculation of the premiums paid between January 2018 and December 2018 compared to the claims paid by the plan.



FSA Contribution Maximum

Recently update by the IRS

- The IRS recently announced an increase in the maximum FSA Contribution allowed for 2019.
- The new limit will be \$2,700 (up from \$2,650 in 2018).
- The committee voted to increase the allowed FSA contribution maximum for 2019/2020 to align with the IRS maximum.



Questions & Comments

Thank You!