

**COCHISE COUNTY**

# **Cochise Combined Trust**

## **Proposed Schedule of Benefits and Rates FY 17/18**

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***Public Programs...Personal Service***

## COCHISE COUNTY

# Fall 2016 Benefits Survey

- 286 respondents; 49% had worked for the County 10 or more years
- Employees want options in healthcare
  - 33% want an option to purchase national network coverage
  - 23% want an option to buy a higher level of coverage
- 84% of respondents indicated a no premium option was very important



## Fall 2016 Benefits Survey

- More than one-third were not participating in the Human Vitality Wellness Program and only 12% rated it “extremely helpful”
- 52% felt employees who participate in wellness activities should pay less for coverage
- 33% wanted increased orthodontia coverage in the dental plan
- Comments revealed concern about high out-of-pocket maximums for family coverage



# CCT FY 17/18 Benefits and Rates

CCT Board Meeting January 27, 2018

- Current Trust reserves are \$5,673,483.76
- Trust faced medical premium increases of 11-28%
- Base plan changes limited the increase to 8.50%
  - \$48.02 per employee
  - \$820,738.52 total cost at current coverage level
- Board added additional medical plan options to better manage costs and meet employee needs



# CCT FY 17/18 Plan Year Benefits

## Basic Medical Changes

- Two plans: Traditional and Healthcare Savings
- Increased deductibles with added option to buy down
- Added National Wrap Network
- Added Diagnostic 3D Mammogram coverage
- Added requirement for precertification for Sleep Studies and Advanced Imaging



# CCT FY 17/18 Plan Year Changes

## Wellness Program

- HumanaVitality (go365) discontinued July 1, 2017
- ECA will manage onsite Wellness Screenings

## Vision Insurance

- Annual frames allowance increased from \$120 to \$150
- Contact Allowance increased from \$135 to \$150
- No premium increase

## Dental Insurance

- Increased lifetime orthodontic benefit from \$1,000 to \$2,500
- No premium increase



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# CCT FY 17/18 Plan Year Benefits

## Monthly Premium Cost Comparison

	<u>Current</u>	<u>Traditional</u>	<u>Health Savings</u>
<i>Employee (425)</i>	\$526.17	\$574.19	\$529.79
<i>Employee Spouse (111)</i>	\$912.68	\$1004.63	\$922.39
<i>Employee Child (168)</i>	\$759.98	\$836.91	\$765.91
<i>Employee Family (107)</i>	\$1110.72	\$1222.17	\$1124.43

*Current annual County cost = \$6,419,364.48*



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- Funding Recommendation:

- Institute an employee premium to cover increase for traditional plan coverage
- Offer healthcare savings account plan with no employee premium and additional tax-free financial benefits
- Restructure dependent premiums to remain market competitive and encourage child coverage



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# CCT FY 17/18 Plan Year Benefits

### Monthly Employee Cost Recommendation

	<u>Current</u>	<u>Traditional</u>	<u>Health Savings</u>
<i>Employee (425)</i>	\$0	\$50	\$0
<i>Employee Spouse (111)</i>	\$222.24	\$270	\$135
<i>Employee Child (168)</i>	\$130.20	\$170	\$85
<i>Employee Family (107)</i>	\$341.06	\$370	\$185

Healthcare Savings Account additional financial considerations:

- \$500 annual Health Savings Account contribution
- Up to \$500 wellness activity bonus HSA contribution
- Option to rollover up to \$500 in unused annual leave 1x per year to HSA



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## CCT FY 17/18 Plan Year Changes

	Current EPO	FY 17-18 Traditional Plan	FY 17-18 Healthcare Savings Account Plan
Deductible	\$350/\$1,050	\$500/\$1,500	\$3,000/\$6,000 \$5,000/\$10,000 OON
Coinsurance	80/20	80/20	100/0 In-Network 50/50 OON
Max OOP	\$3,000/\$13,700	\$3,500/\$14,300	\$3,000/\$6,000 \$10,000/\$20,000 OON
National Wrap Network	No	Yes	No
Non HCR Wellness	\$500	\$500	\$500
Diagnostic 3D and On-site Screening	Not Covered	Covered	Covered
Add Sleep Studies to Precertification		Yes	Yes
Add Advanced Imaging to Precertification		Yes	Yes
Additional Coverage Available for Purchase	No	Yes	Yes
Premium EE	\$526.17 (\$0)	\$574.19 (\$50)	\$529.79 (\$0)
ES	\$912.68 (\$222.24)	\$1,004.63 (\$270)	\$922.39 (\$135)
EC	\$759.98 (\$130.06)	\$836.91 (\$170)	\$765.91 (\$85)
EF	\$1,110.72 (\$341.06)	\$1,222.17 (\$370)	\$1,124.43 (\$185)



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**Questions?**

