



WILLIAMSON COUNTY
2022 BENEFIT COMMITTEE MEETING
MAY 5, 2021

AGENDA

1. Williamson County: State of the Union

2. UHC Plan Performance

3. Financial Modeling & Assumptions

- ❖ Current State
- ❖ Lookback Rolling 12
- ❖ Projected 2022 Budget

4. Network Considerations

5. Next Steps

Decisions:

- Assumptions
- Contributions
- Plan Design Options



Williamson County: State of the Union



United Healthcare Plan Performance Review



Break



Covid-19 Trends & Impact

*Incurring March–January 2021, Paid through February 2021;
includes medical claims with COVID-19 diagnosis & procedure codes*



COVID-19 TESTING

Diagnostic Tests

1,946

Tests

\$85

Paid per Test

Antibody Tests

75

Tests

\$62

Paid per Test

COVID-19 Testing Visits by Month



- COVID testing claims have been steadily increasing each month since September
- Average cost per diagnostic test is \$85 compared to the Book of Business aver of \$95



COVID-19 TREATMENT

261

Patients

\$653K

Paid

\$2,501

Average paid per patient

\$132

Median paid per patient

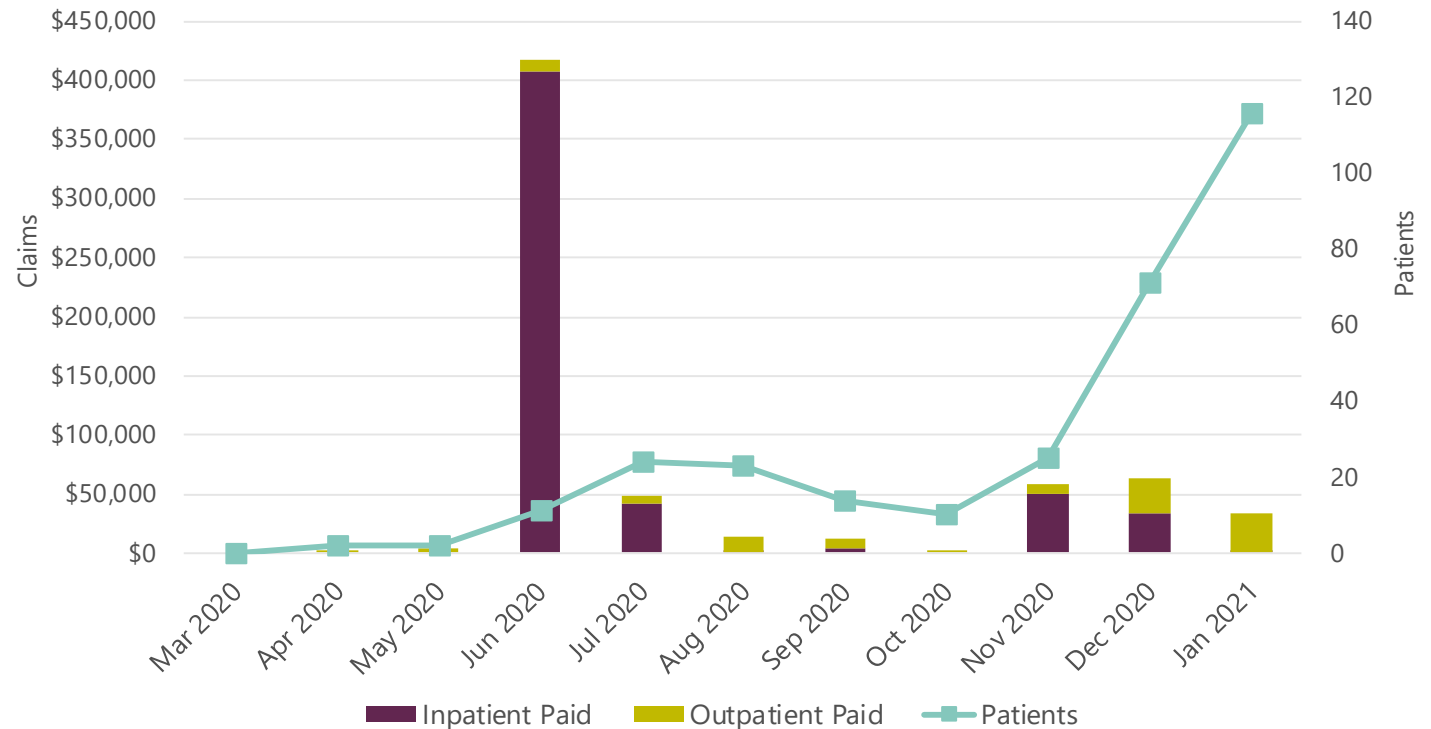
5%

Patients with an IP claim

83%

IP % of paid

COVID-19 Diagnosis: Monthly Patients and Incurred Claims

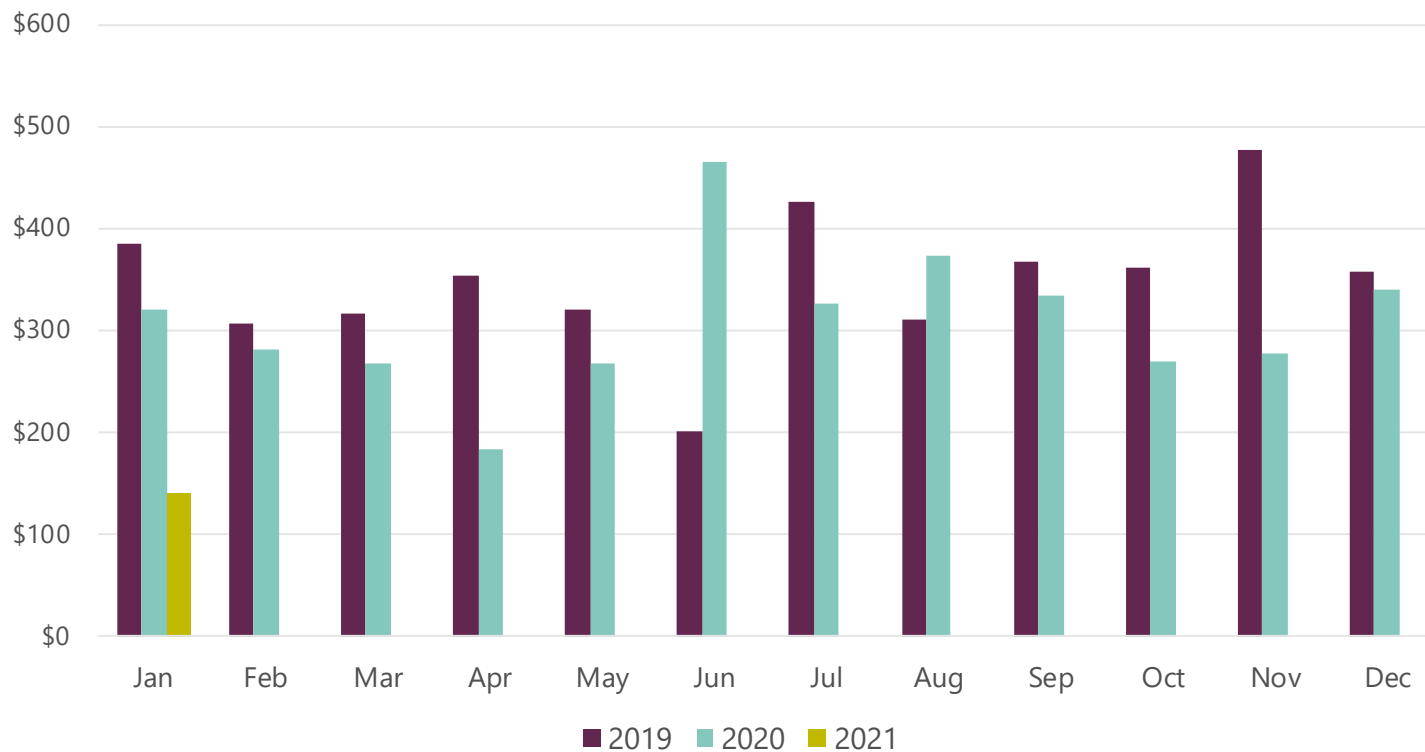


- 83% of Williamson County's costs to treat COVID-19 are in the Inpatient setting; however, only 5% have received inpatient services
- 261 patients have received treatment, for a total cost of \$653K or an average of \$2,501 per patient
- For the Holmes Murphy Book of Business, the average cost is \$2,091, and 6% of patient have received inpatient services accounting for 76% of costs



MEDICAL CLAIMS

PMPM Incurred Medical Claims by Month



\$349
PMPM
(Jan-Dec 2019)

\$309
PMPM
(Jan-Dec 2020)

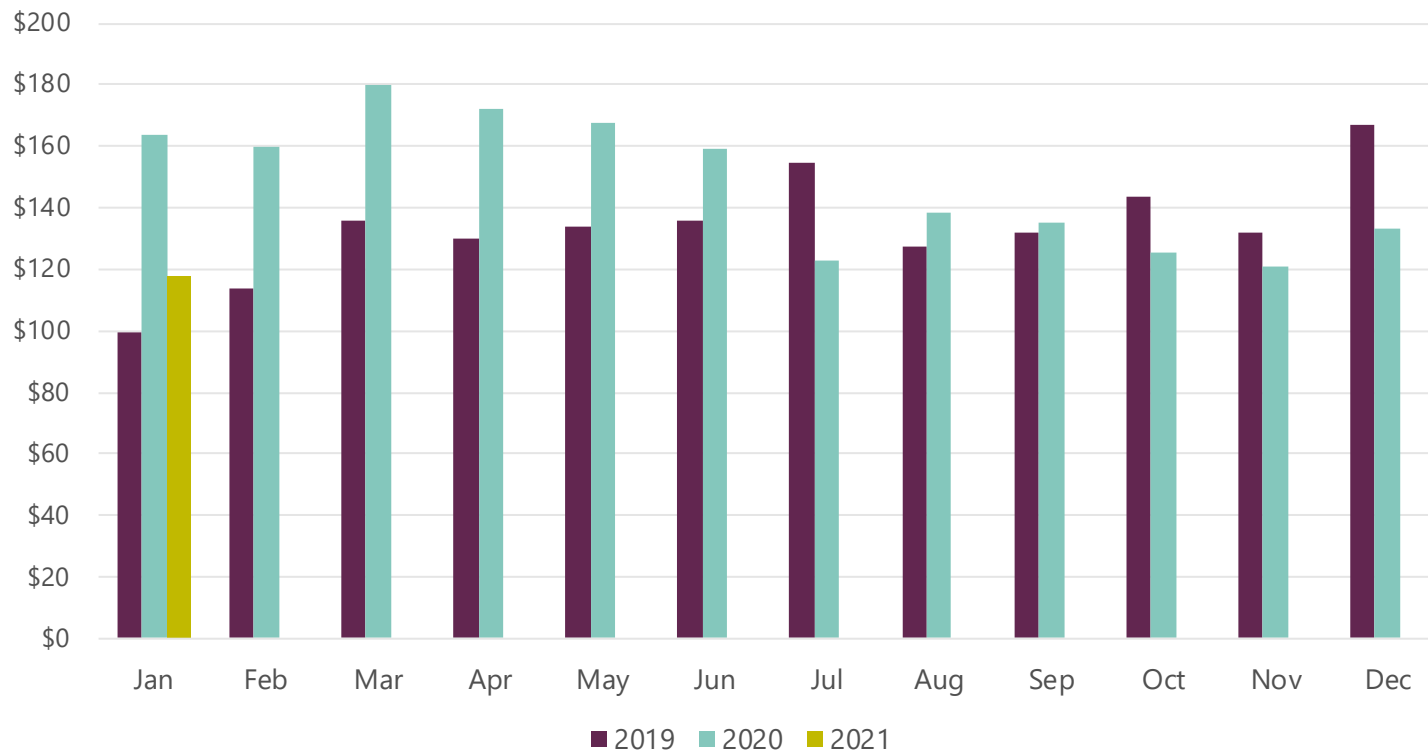
-11.4%
% Change

- As compared to 2019, 2020 PMPM medical claims were 11.48% lower
- For the Holmes Murphy Book of Business, PMPM medical claims are 4.1% lower than 2020



RX CLAIMS

PMPM Incurred Rx Claims by Month



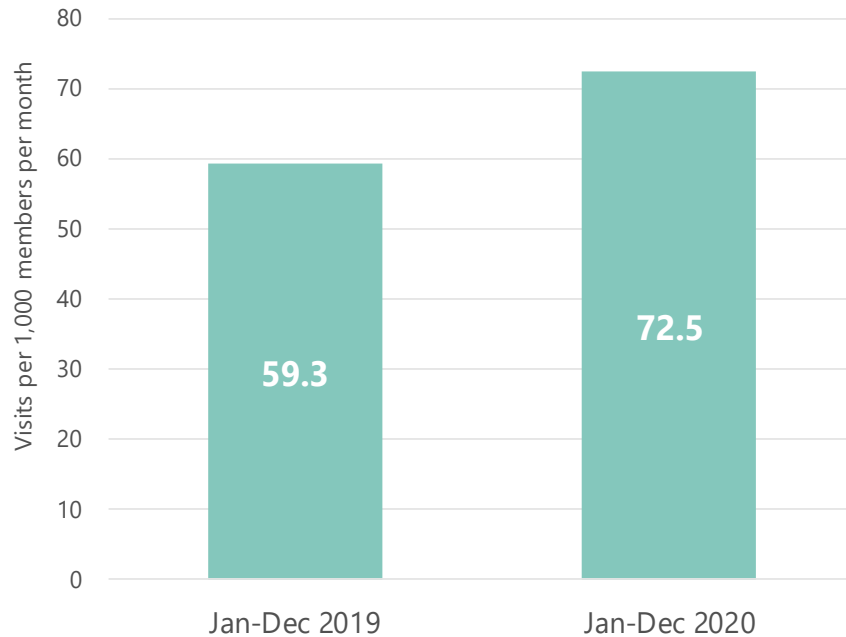
Rx	PMPM	% Incr
Calendar Year		
2019	\$134	
2020	\$148	10.5%
Calendar YTD (Jan)		
2019 YTD	\$100	
2020 YTD	\$164	63.8%
2021 YTD	\$118	-28.0%

- As compared to 2019, 2020 PMPM Rx claims were 10.5% higher, which is higher than expected Rx trend
- For the Holmes Murphy Book of Business, PMPM Rx claims have increased 8.7%

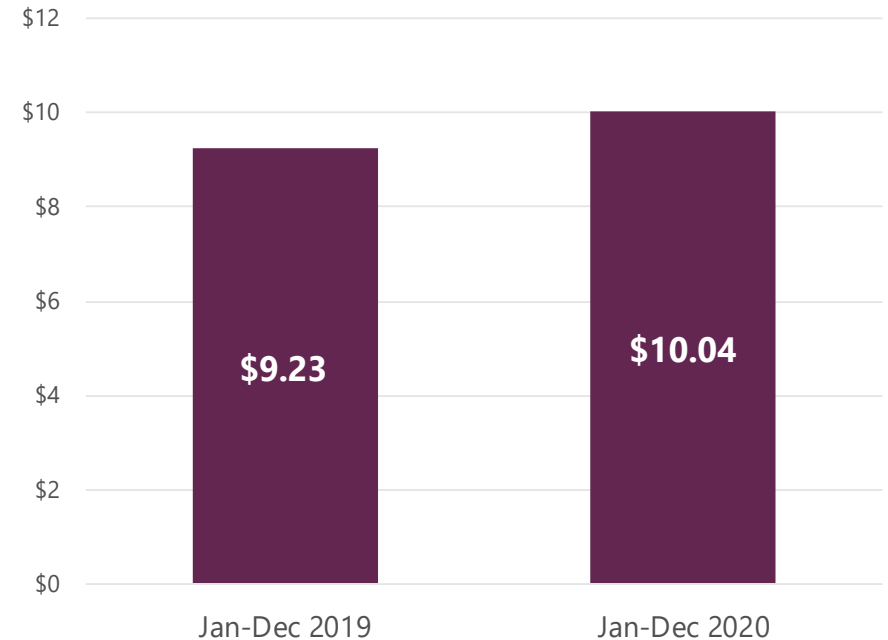


MENTAL HEALTH

Mental Health Visits (2019 vs 2020)



Mental Health PMPM Claims (2019 vs 2020)

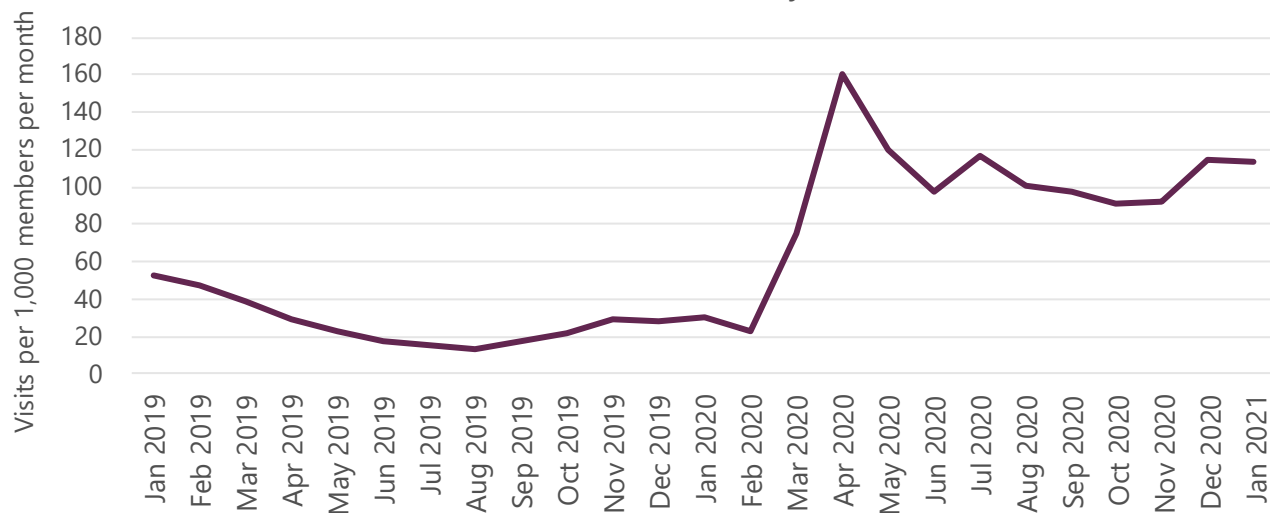


- As compared to 2019, Williamson County's Mental Health visits and PMPM have increased (22.3% for visits, 8.8% for claims), which is due to the increasing stress, anxiety, and mental health concerns due to the pandemic
 - Opportunity for Williamson County to continue to promote mental wellness and available resources
- For the Holmes Murphy Book of Business, Mental Health visits and claims have increased over 2019 (9.8% for visits, 14.6% for claims)

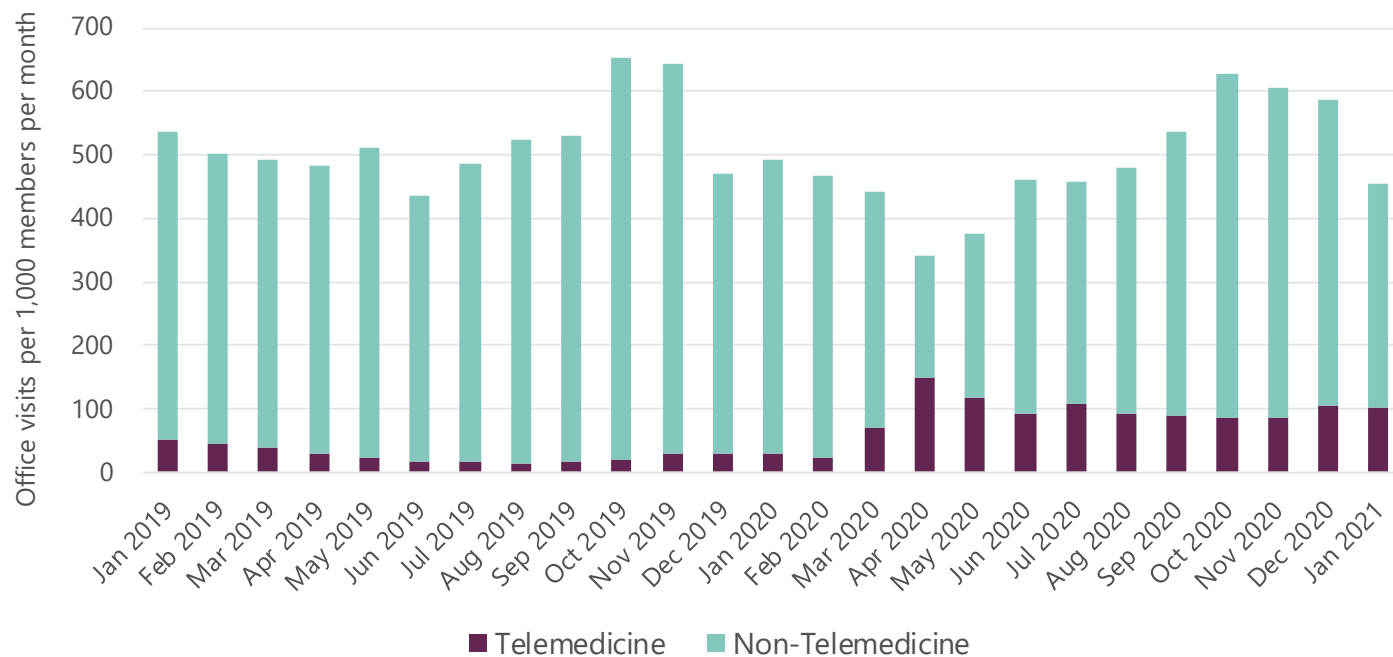


TELEMEDICINE

Telemedicine Utilization by Month



Telemedicine Usage for Office Visits by Month

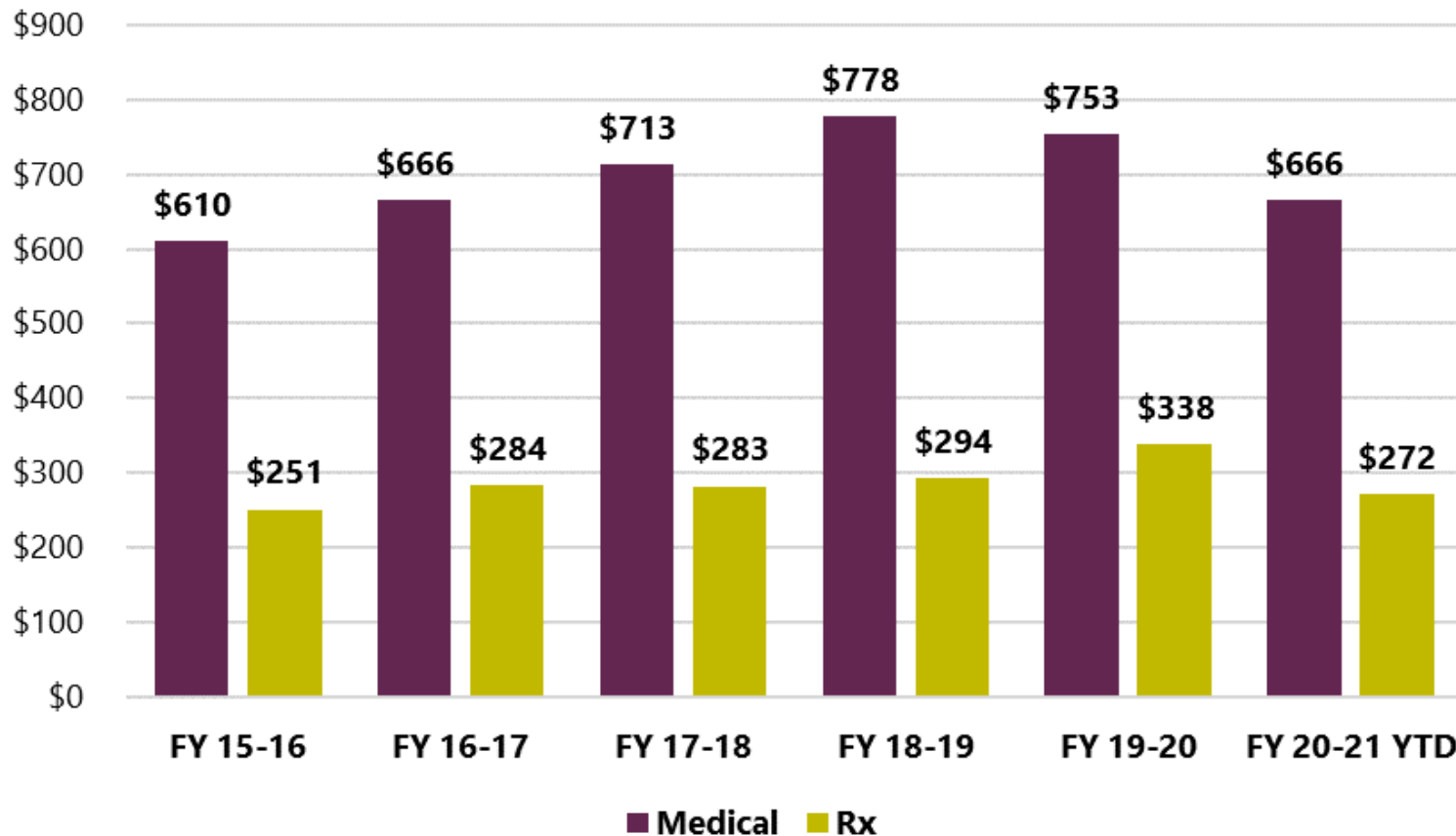


Financial Modeling & Assumptions



CURRENT STATE

Per Employee Per Month Gross Claims



% YOY	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21 YTD
Medical	9.2%	7.0%	9.1%	-3.2%	-11.6%
Rx	12.8%	-0.3%	3.9%	15.2%	-19.6%
Total	10.2%	4.8%	7.6%	1.9%	-14.1%



CURRENT STATE - PHARMACY

Specialty vs Non-Specialty Paid Claims



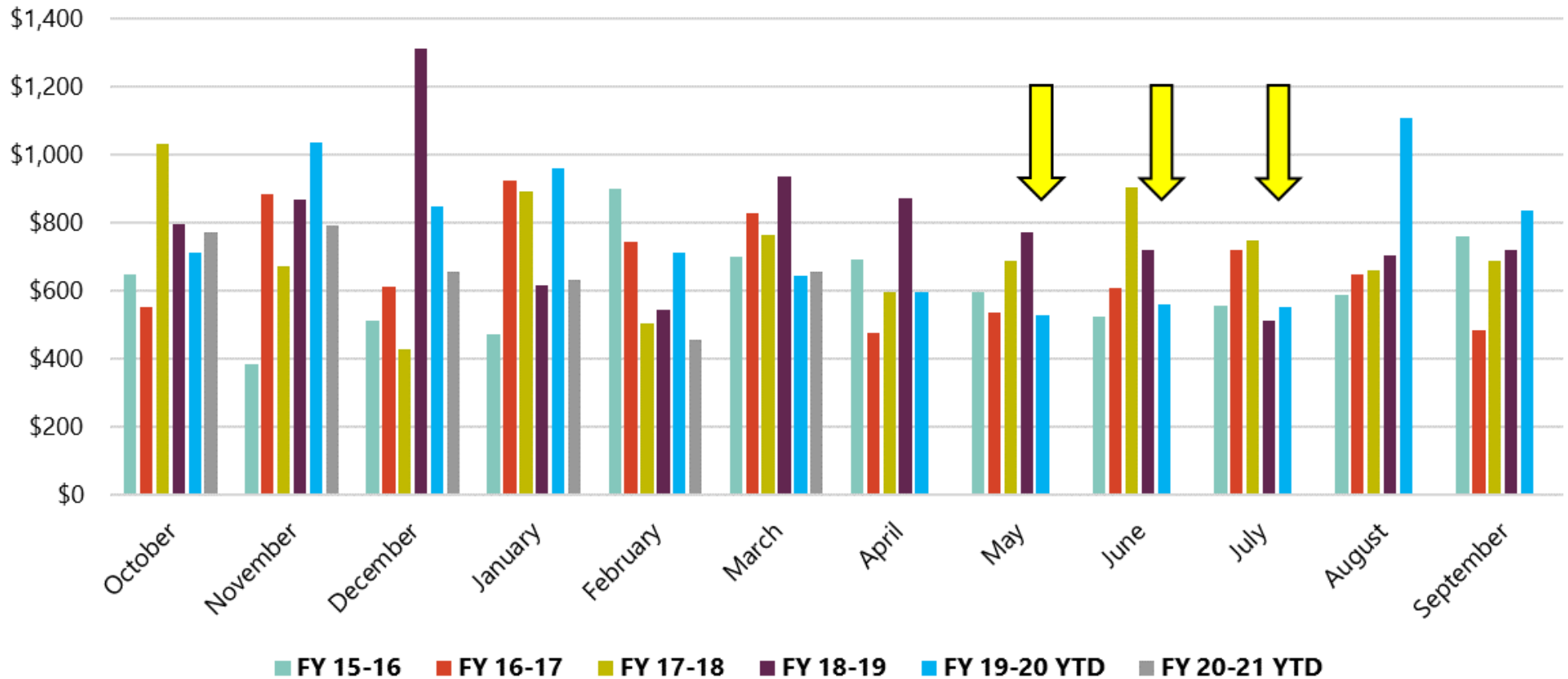
Avg. % Specialty

FY 18-19	37.3%
FY 19-20	52.1%
FY 20-21 YTD	47.4%



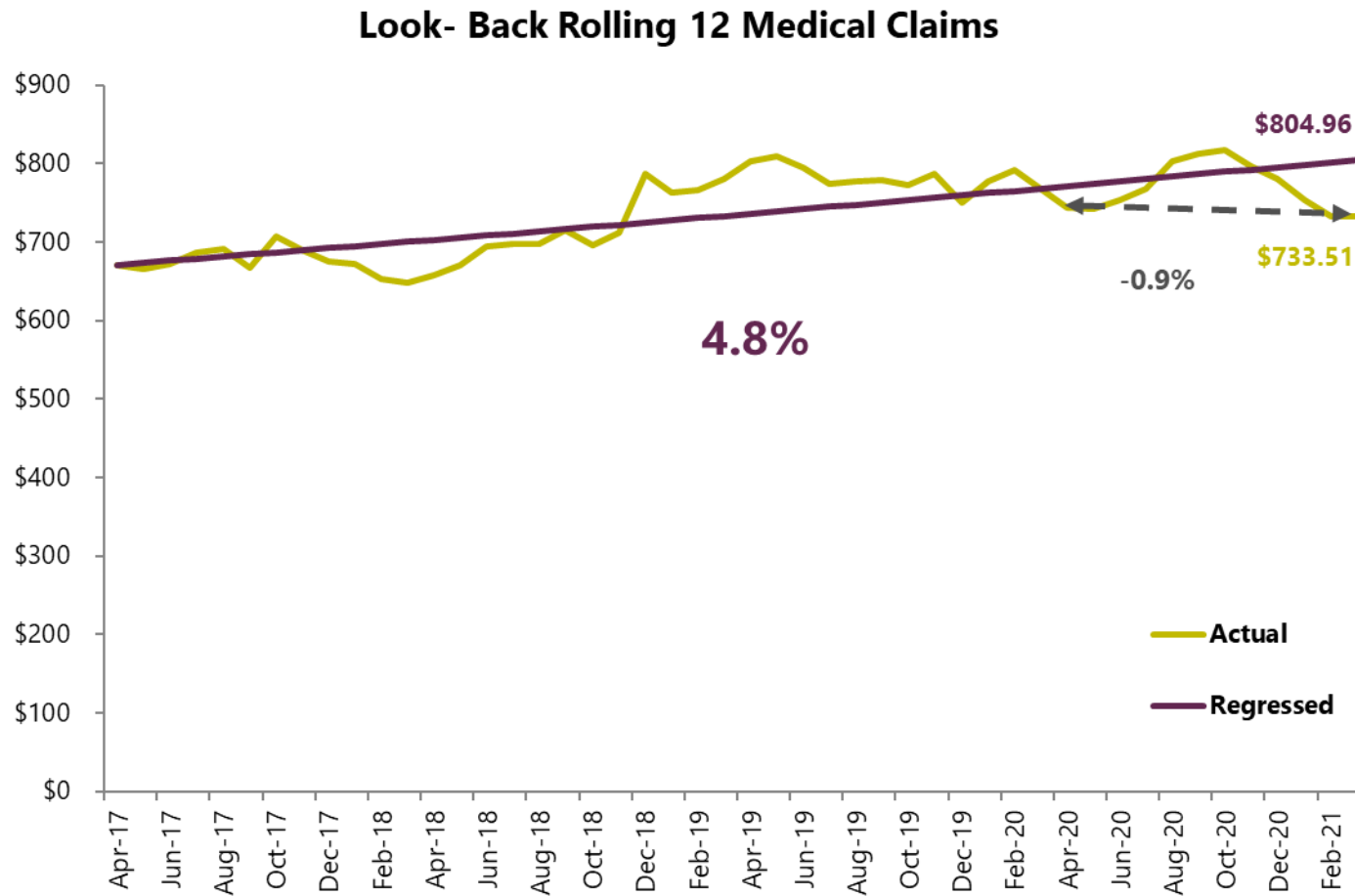
CVOID-19 NORMALIZATION

Gross Medical Per Employee PEPM



MEDICAL CLAIM TREND

ROLLING 12, PER EMPLOYEE PER MONTH BASIS

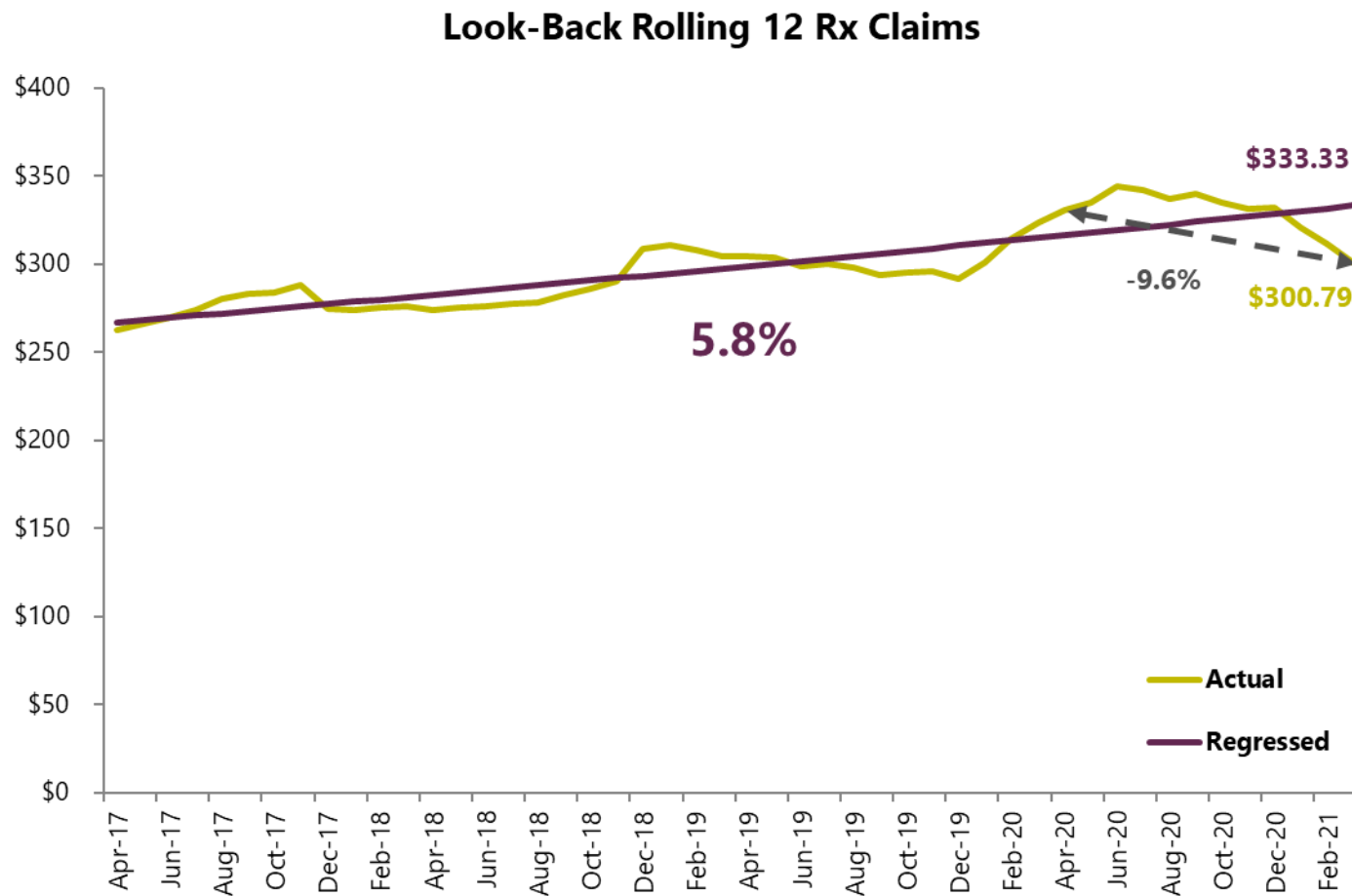


- Williamson County's historical regressed medical claim trend is 4.8%; national projected for 2021 is 7.7%
- However, over the latest 12 months, the trend has been at -0.9%



PHARMACY CLAIM TREND

ROLLING 12, PER EMPLOYEE PER MONTH BASIS

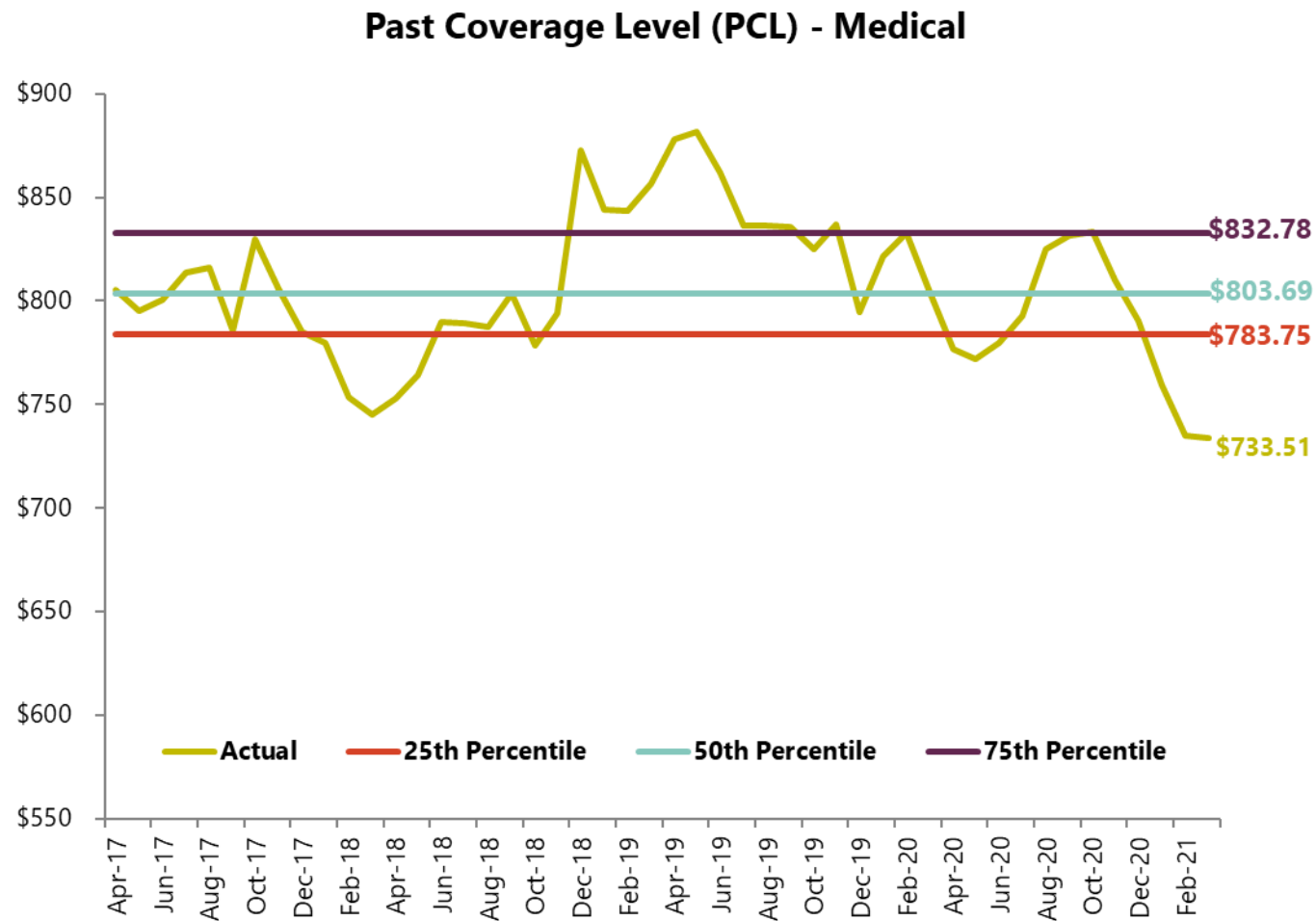


- Williamson County's historical regressed pharmacy claim trend is 5.8%; national projected for 2021 is 7.3%
- However, over the latest 12 months, the trend has been at -9.6%



HISTORICAL MEDICAL CLAIMS

PAST COVERAGE LEVEL (PCL)

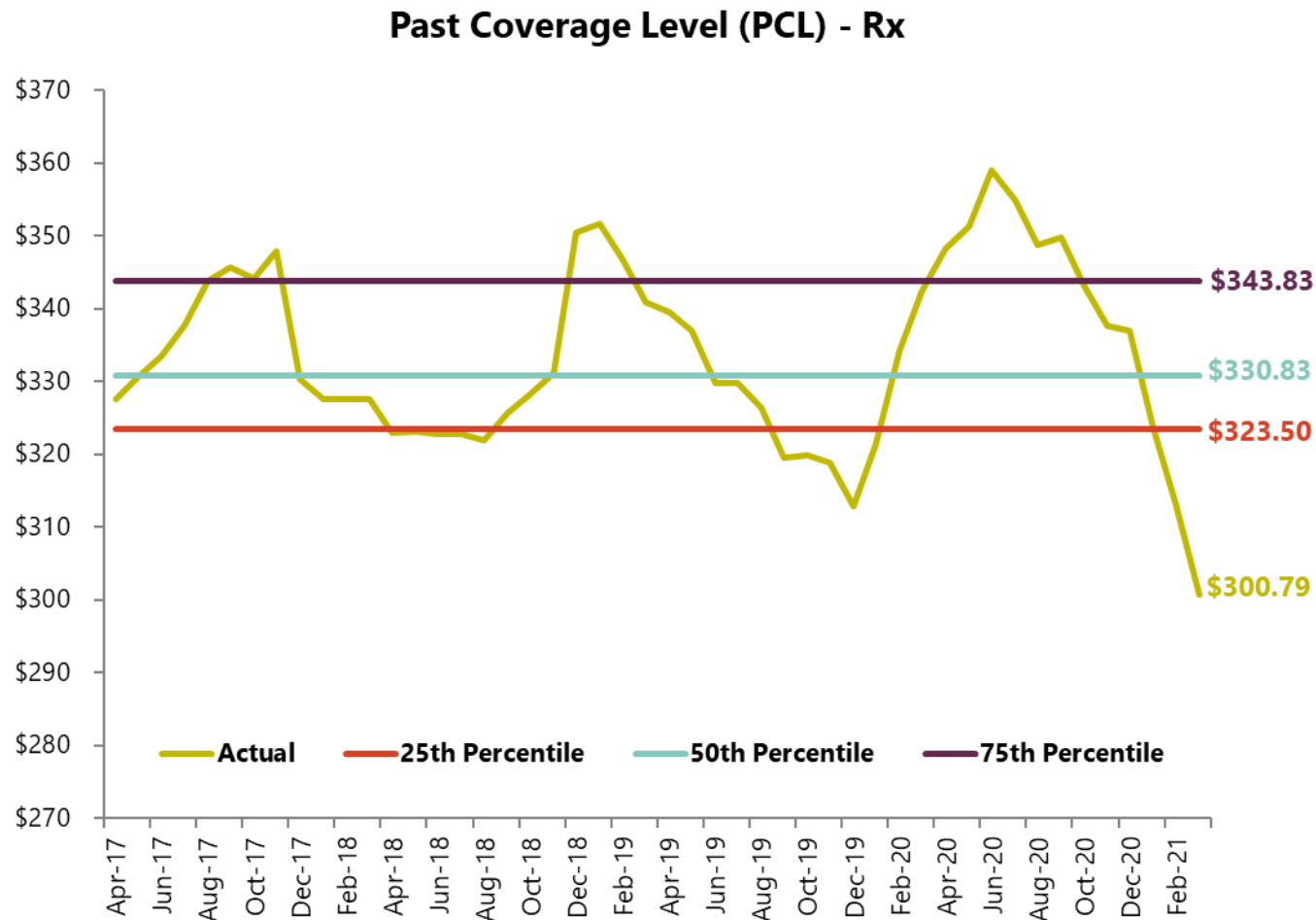


- The PCL methodology takes Williamson County's historical claims (last 48 months) and trends them to today's dollars, based on Williamson County's actual historical trend rates.
- The PCL is utilized for budgeting purposes as a risk tolerance tool.
- Medical PEPM is currently running at \$733.51 (at the 0th PCL)
 - For FY 2021 Budget the 40th PCL (\$791.77) was utilized



HISTORICAL PHARMACY CLAIMS

PAST COVERAGE LEVEL (PCL)



- The PCL methodology takes Williamson County's historical claims (last 48 months) and trends them to today's dollars, based on Williamson County's actual historical trend rates.
- The PCL is utilized for budgeting purposes as a risk tolerance tool.
- Pharmacy PEPM is currently running at \$300.79 (at the 0th PCL)
 - For FY 2021 Budget the 50th PCL (\$314.00) was utilized



BUDGET ASSUMPTIONS

- Based on claims through March 2021
- FTE Positions of 1,946
- Medical trend of 7.7% and pharmacy trend of 7.3%
- Medical PCL at 40% and Pharmacy PCL at 50%
- 8% projected stop loss renewal
- Current Enrollment
 - Nexus Plan – 1,206 (77%)
 - Choice + Plan – 331 (21%)
 - HSA - Choice + Plan – 33 (2%)



FIXED COST ASSUMPTIONS

2021 Plan Year		
Medical Admin	PEPM	Annual
Nexus Plan	\$54.25	\$785,106
Choice +	\$51.55	\$204,757
Naviguard Admin	\$2.50	\$46,620
HSA Plan	\$51.55	\$20,414
Total	\$56.68	\$1,056,896

Increase

3%

3%

3%

3%

2022 Plan Year		
Medical Admin	PEPM	Annual
Nexus Plan	\$55.88	\$808,659
Choice +	\$53.10	\$210,899
Naviguard Admin	\$2.58	\$48,019
HSA Plan	\$53.10	\$21,026
Total	\$58.38	\$1,088,603

Increase: \$31,707

Stop-Loss Admin	PEPM	Annual
SL Family	\$71.06	\$1,325,127
Agg SL	\$4.47	\$83,357
Total	\$75.53	\$1,408,483

Increase

8%

0%

Stop-Loss Admin	PEPM	Annual
SL Family	\$76.74	\$1,431,137
Agg SL	\$4.47	\$83,357
Total	\$81.21	\$1,514,494

Increase: \$106,010

Other Costs	PEPM	Annual
Shared Savings (R12)	\$17.21	\$320,988
Legislative	\$0.49	\$9,068
Total	\$17.70	\$330,057

Increase

N/A

3%

Other Costs	PEPM	Annual
Subrogation & A&R	\$0.86	\$16,015
Legislative	\$0.50	\$9,375
Total	\$1.36	\$25,390

Increase: -\$304,667

Rebates	PEPM	Annual
Rx Rebates	-\$99.93	-\$1,863,561

Increase

4.5%

Rebates	PEPM	Annual
Rx Rebates	-\$104.45	-\$1,947,748

Increase: -\$84,187

-\$4.51



2022 BUDGET PROJECTION

BEFORE PLAN DESIGN OR CONTRIBUTION CHANGES

	2021		2022
	Budget	HMA Reforecast	HMA Projection
Total Operating Expenses	\$24,608,141	\$22,322,750	\$24,767,828
Total Revenue Accounts	\$24,661,999	\$24,498,684	\$24,486,132
(Surplus)/Deficit	-\$53,858	-\$2,175,933	\$281,697

	2021	2022
	Budget	HMA Projection
FTE Positions	1,946	1,946
FTE Funding	\$844	\$844

FTE Funding Increase: 0.0%



2022 PROPOSED PLAN CHANGES

- HSA Plan Changes
 - Increase HSA Deposit for Single/Family to \$1,000
 - Assume 7.5% enrollment in the plan
- Convert Nexus ACO to Navigate with larger network, PCP selection and referrals required
 - *Estimated Cost - \$267,263*
- Implement Radiology Prior Authorization program
 - *Estimated Savings - \$24,946*
- Employee contribution Scenarios
 - 3% Employee Increase
 - 5% Employee Increase



2022 PROPOSED PLAN DESIGNS

Medical Plan Design

Coinurance
Annual Deductible (Individual)
Out of Pocket Max (Individual)

Physician Office Visit
Specialist Office Visit

Inpatient Hospital
Emergency Room
Urgent Care

Pharmacy

Rx Deductible
Generic
Preferred Brand
Non-preferred Brand
Specialty Pharmacy

HSA Deposit (Individual/Family)

Active Enrollment %

Current Plan Year (2021)		2022 Plan Year	
In-Network Benefits			
Nexus / Choice+ Plan	HSA Plan	Navigate / Choice+ Plan	HSA Plan
80%	80%	80%	80%
\$2,000	\$3,000	\$2,000	\$3,000
\$5,500	\$5,500	\$5,500	\$5,500
\$30	Deductible / Coinsurance	\$30	Deductible / Coinsurance
\$55	Deductible / Coinsurance	\$55	Deductible / Coinsurance
80%	Deductible / Coinsurance	80%	Deductible / Coinsurance
\$400	Deductible / Coinsurance	\$400	Deductible / Coinsurance
\$45	Deductible / Coinsurance	\$45	Deductible / Coinsurance
<u>Retail</u>	<u>Retail</u>	<u>Retail</u>	<u>Retail</u>
\$50	Integrated w/ Medical	\$50	Integrated w/ Medical
35% (\$10 Min/\$100 Max)	Deductible / Coinsurance	35% (\$10 Min/\$100 Max)	Deductible / Coinsurance
35% (\$40 Min/\$100 Max)	Deductible / Coinsurance	35% (\$40 Min/\$100 Max)	Deductible / Coinsurance
35% (\$75 Min/\$100 Max)	Deductible / Coinsurance	35% (\$75 Min/\$100 Max)	Deductible / Coinsurance
\$125	Deductible / Coinsurance	\$125	Deductible / Coinsurance
N/A	\$500/\$500	N/A	\$1,000/\$1,000
77% / 21%	2%	71% / 21%	7.5%

2022: Navigate Network will replace Nexus Network.
PCP Selection and Referrals required



2022 EMPLOYEE CONTRIBUTIONS

3% INCREASE TO NEXUS/CHOICE (NEXUS PLAN BECOMES NAVIGATE)

2021 Monthly Contributions				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Nexus Plan	\$54.08	\$216.32	\$113.36	\$226.72
Choice +	\$211.12	\$350.48	\$269.36	\$404.56
HSA Plan	\$44.00	\$176.00	\$92.23	\$204.58
2022 Monthly Contributions				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan	\$55.70	\$222.81	\$116.76	\$233.52
Choice +	\$217.45	\$360.99	\$277.44	\$416.70
HSA Plan	\$44.00	\$176.00	\$92.23	\$204.58
Monthly \$ Increase				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan	\$1.62	\$6.49	\$3.40	\$6.80
Choice +	\$6.33	\$10.51	\$8.08	\$12.14
HSA Plan	\$0.00	\$0.00	\$0.00	\$0.00

\$ Per Paycheck Increase				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan	\$0.81	\$3.24	\$1.70	\$3.40
Choice +	\$3.17	\$5.26	\$4.04	\$6.07
HSA Plan	\$0.00	\$0.00	\$0.00	\$0.00



2022 BUDGET PROJECTION

INCLUDING PLAN CHANGES & 3% EE INCREASE

	2021		2022
	Budget	HMA Reforecast	HMA Projection
Total Operating Expenses	\$24,608,141	\$22,322,750	\$24,986,999
Total Revenue Accounts	\$24,661,999	\$24,498,684	\$24,527,412
(Surplus)/Deficit	-\$53,858	-\$2,175,933	\$459,587

	2021	2022
	Budget	HMA Projection
FTE Positions	1,946	1,946
FTE Funding	\$844	\$844

FTE Funding Increase: 0.0%



2022 EMPLOYEE CONTRIBUTIONS

5% INCREASE TO NEXUS/CHOICE (NEXUS PLAN BECOMES NAVIGATE)

2021 Monthly Contributions				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Nexus Plan	\$54.08	\$216.32	\$113.36	\$226.72
Choice +	\$211.12	\$350.48	\$269.36	\$404.56
HSA Plan	\$44.00	\$176.00	\$92.23	\$204.58
2022 Monthly Contributions				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan	\$56.78	\$227.14	\$119.03	\$238.06
Choice +	\$221.68	\$368.00	\$282.83	\$424.79
HSA Plan	\$44.00	\$176.00	\$92.23	\$204.58
Monthly \$ Increase				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan	\$2.70	\$10.82	\$5.67	\$11.34
Choice +	\$10.56	\$17.52	\$13.47	\$20.23
HSA Plan	\$0.00	\$0.00	\$0.00	\$0.00

\$ Per Paycheck Increase				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan	\$1.35	\$5.41	\$2.83	\$5.67
Choice +	\$5.28	\$8.76	\$6.73	\$10.11
HSA Plan	\$0.00	\$0.00	\$0.00	\$0.00



2022 BUDGET PROJECTION

INCLUDING PLAN CHANGES & 5% EE INCREASE

	2021		2022
	Budget	HMA Reforecast	HMA Projection
Total Operating Expenses	\$24,608,141	\$22,322,750	\$24,986,999
Total Revenue Accounts	\$24,661,999	\$24,498,684	\$24,567,594
(Surplus)/Deficit	-\$53,858	-\$2,175,933	\$419,405

	2021	2022
	Budget	HMA Projection
FTE Positions	1,946	1,946
FTE Funding	\$844	\$844

FTE Funding Increase: 0.0%



Break



Network Considerations

DISCUSS REPLACING NEXUS NETWORK
WITH NAVIGATE PCP GATEKEEPER
NETWORK.



PLAN YEAR 2022 NOTES (CHANGES AND ASSUMPTIONS):



NEXT STEPS

Confirm:

- Assumptions
- Contributions
- Plan Design Options





Thank You!