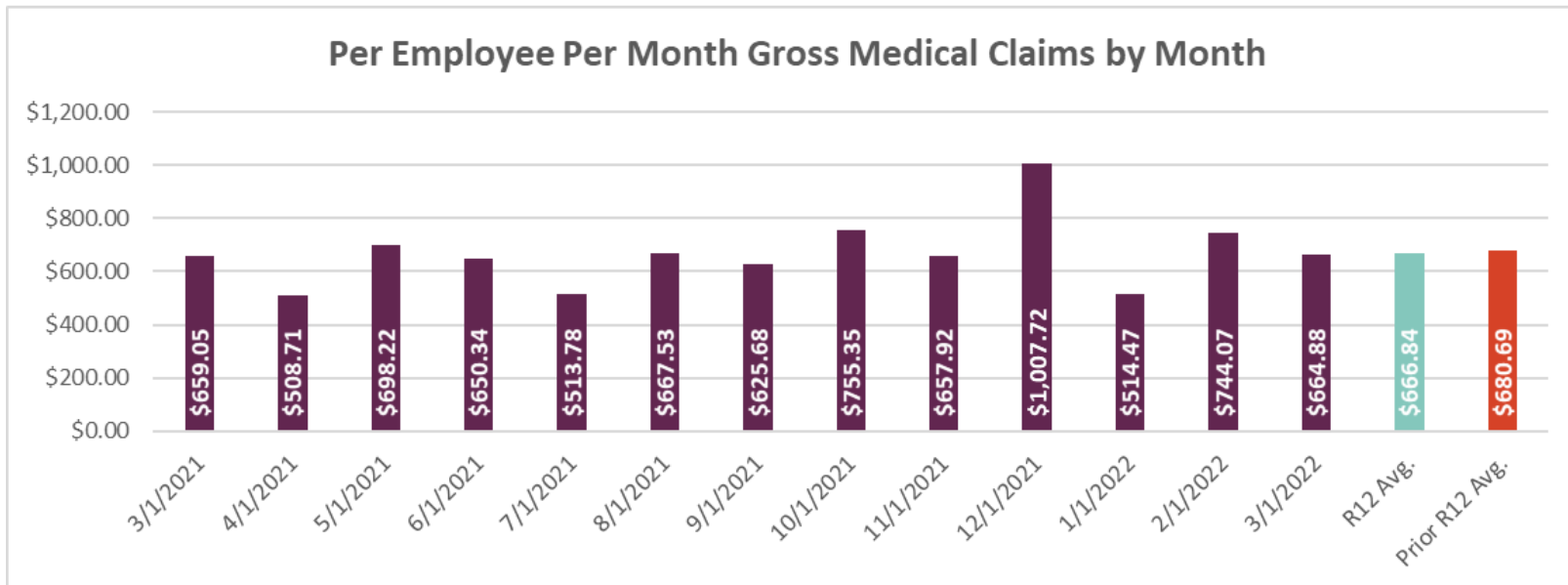
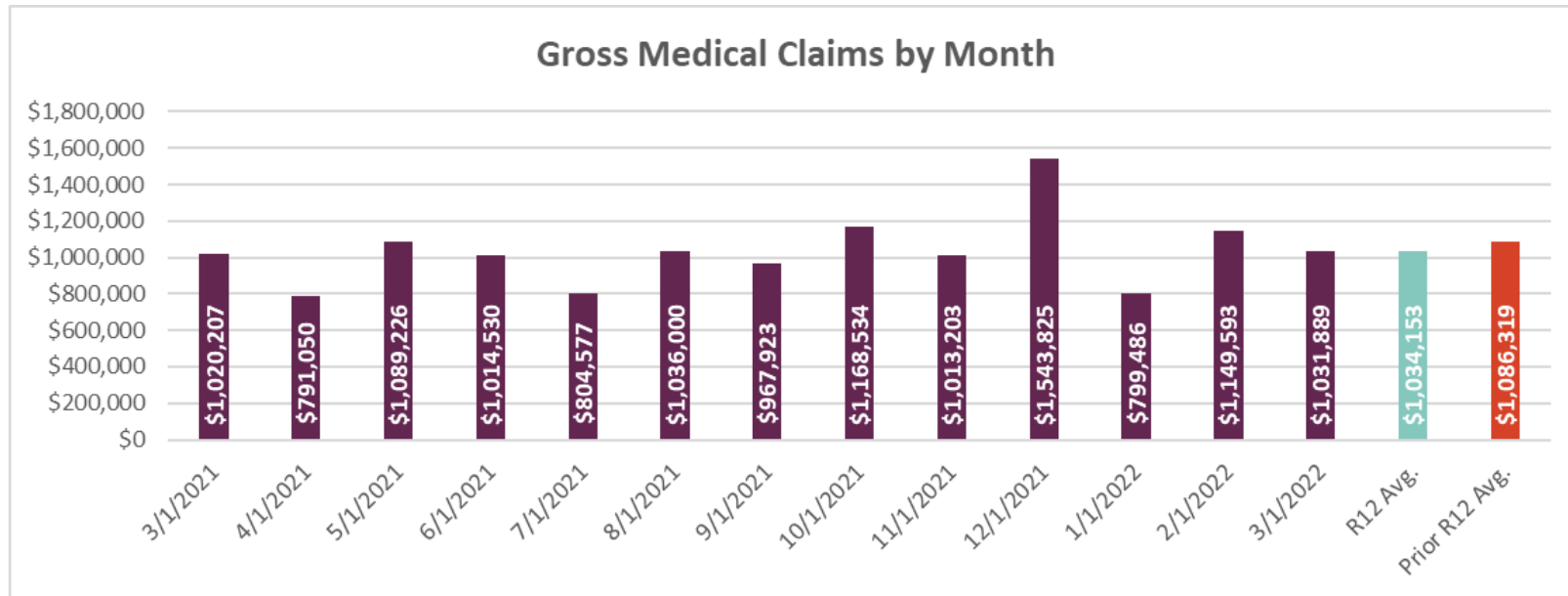




**WILLIAMSON COUNTY**  
**2023 BENEFITS FUND BUDGET –**  
**BENEFIT COMMITTEE RECOMMENDATIONS**  
**JUNE 6, 2022**

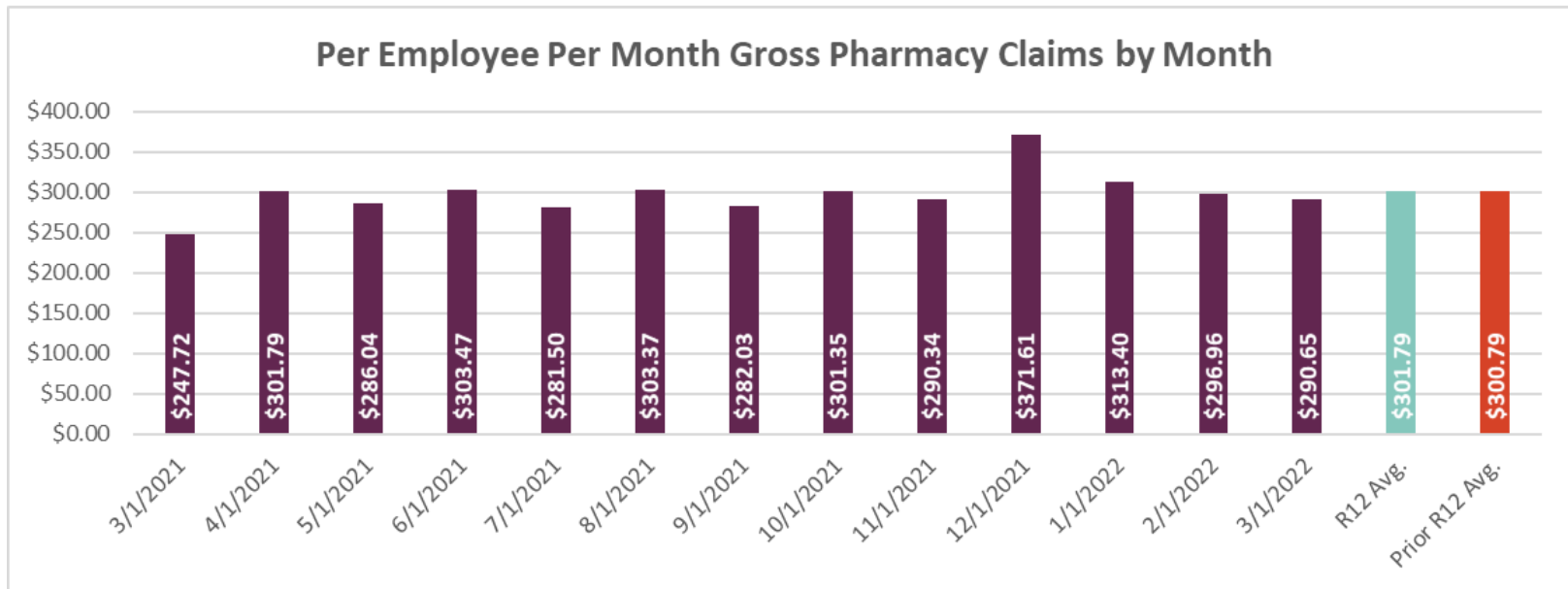
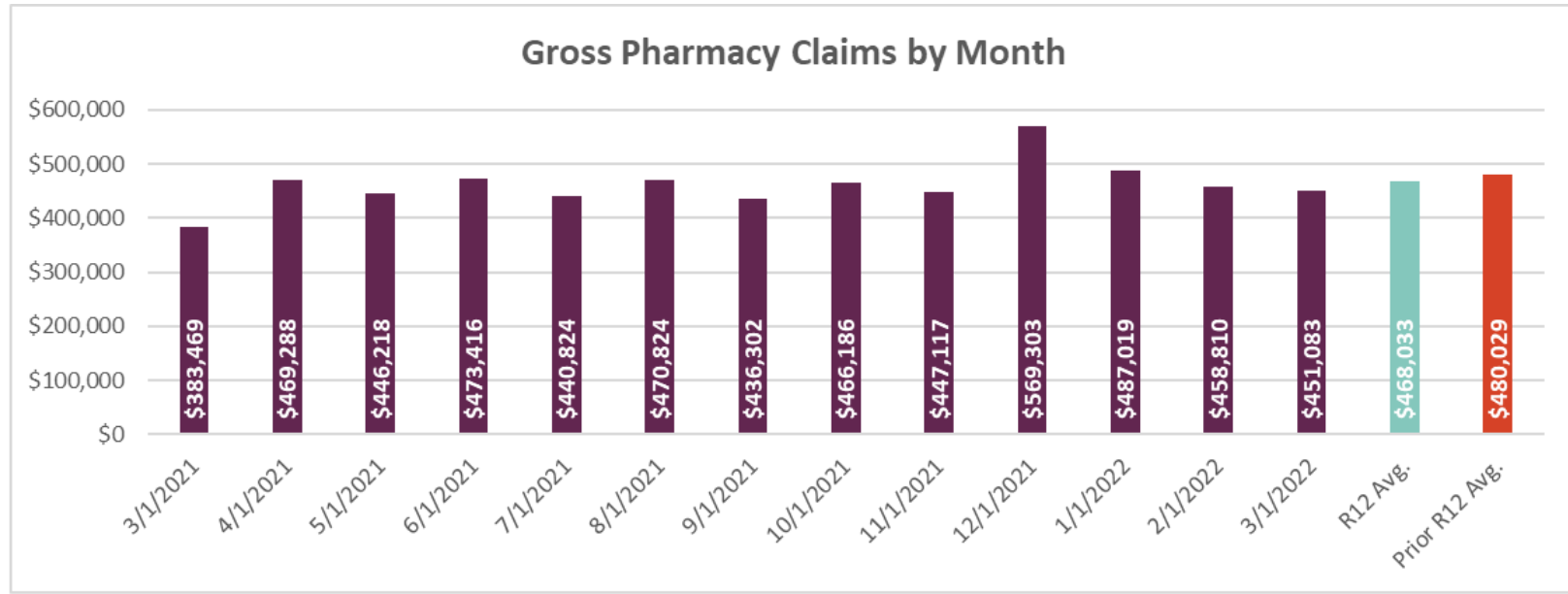
# MEDICAL CLAIMS BY MONTH



Rolling 12 Average PEPM is 2.0% lower than Prior Rolling 12 Average PEPM



# PHARMACY CLAIMS BY MONTH

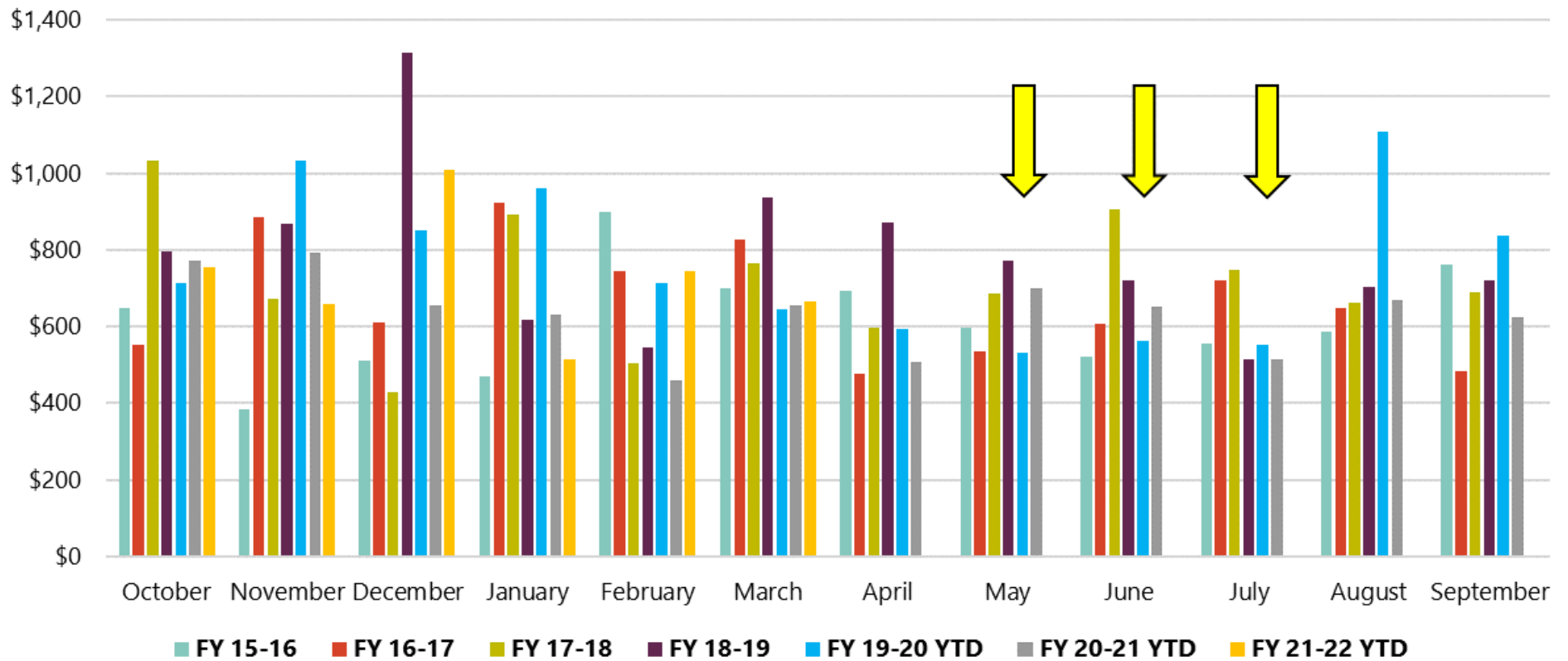


Rolling 12 Average PEPM is 0.3% higher than Prior Rolling 12 Average PEPM



# COVID-19 NORMALIZATION

## Gross Medical Per Employee PEPM



# 2023 ASSUMPTIONS

- **Medical/Rx**

- Projected costs based on Williamson County experience through March 2022
- Medical trend of 7.3% and Rx trend of 8.4% based on 2022 Segal Health Plan Cost Trend Survey
- Medical Past Coverage Level (PCL) selected at 65<sup>th</sup> percentile
- Rx PCL selected at 50<sup>th</sup> percentile
- Plan Changes:
  - Specialist copay for Behavioral Health: \$30 copay
  - Colonoscopies: Preventative Age 40+ covered at 100%, Diagnostic 100%
  - Mammograms: Preventative Age 40+ covered at 100%, Diagnostic 100%
  - Implement Kaia MSK program
  - Implement Second Opinion program
- Assumes 0% increase to current admin fees
- Assumes 19% increase to current ISL coverage admin fees
- Assumes 2023 budget rates and EE contributions will remain flat



# 2023 ASSUMPTIONS (CONT'D)

- **Dental**

- Projected costs based on Williamson County experience through March 2022
- Medical trend of 2.6% based on 2022 Segal Health Plan Cost Trend Survey
- Dental PCL selected at 40<sup>th</sup> percentile
- Assumes no plan design changes
- Assumes 0% increase to current admin fees
- Assumes 2023 budget rates and EE contributions will remain flat

- **Vision**

- Vision coverage is fully-insured
- Proposed UHC buy-up plan (High Plan) will supplement current vision plan (Low Plan) offering
- Assumes 60% will enroll in Low Plan and 40% will enroll in High Plan in 2023
- Vision premiums are employee-pay-all



# 2023 PROPOSED MEDICAL PLAN DESIGNS

<b><u>Medical Plan Design</u></b>	<b>Current Plan Year (2022)</b>		<b>2023 Plan Year</b>	
	<b>In-Network Benefits</b>			
	<b>Nexus / Choice+ Plan</b>	<b>HSA Plan</b>	<b>Navigate / Choice+ Plan</b>	<b>HSA Plan</b>
Coinsurance	80%	80%	80%	80%
Annual Deductible (Individual)	\$2,000	\$3,000	\$2,000	\$3,000
Out of Pocket Max (Individual)	\$5,500	\$5,500	\$5,500	\$5,500
Physician Office Visit	\$30	Deductible / Coinsurance	\$30	Deductible / Coinsurance
Specialist Office Visit	\$55	Deductible / Coinsurance	\$55	Deductible / Coinsurance
Inpatient Hospital	80%	Deductible / Coinsurance	80%	Deductible / Coinsurance
Emergency Room	\$400	Deductible / Coinsurance	\$400	Deductible / Coinsurance
Urgent Care	\$45	Deductible / Coinsurance	\$45	Deductible / Coinsurance
<b><u>Pharmacy</u></b>	<u>Retail</u>	<u>Retail</u>	<u>Retail</u>	<u>Retail</u>
Rx Deductible	\$50	Integrated w/ Medical	\$50	Integrated w/ Medical
Generic	35% (\$10 Min/\$100 Max)	Deductible / Coinsurance	35% (\$10 Min/\$100 Max)	Deductible / Coinsurance
Preferred Brand	35% (\$40 Min/\$100 Max)	Deductible / Coinsurance	35% (\$40 Min/\$100 Max)	Deductible / Coinsurance
Non-preferred Brand	35% (\$75 Min/\$100 Max)	Deductible / Coinsurance	35% (\$75 Min/\$100 Max)	Deductible / Coinsurance
Specialty Pharmacy	\$125	Deductible / Coinsurance	\$125	Deductible / Coinsurance
<b><u>HSA Deposit (Individual/Family)</u></b>	N/A	\$1,500/\$1,500	N/A	\$1,500/\$1,500
Active Enrollment %	66% / 19%	15%	66% / 19%	15%

## 2023 Plan Year

- Specialist copay for Behavioral Health: \$30 copay
- Colonoscopies: Preventative Age 40+ covered at 100%, Diagnostic 100%
- Mammograms: Preventative Age 40+ covered at 100%, Diagnostic 100%



# 2023 PROPOSED VISION PLAN DESIGNS LOW PLAN

Low Plan		
	In Network	Out of Network
<b>Plan Options</b>		
Contribution	Voluntary	
Product Type	Exam with Materials	
Network Type	Standard Network	
Exam(s) Co-pay	\$0	Not Applicable
Material Co-pay (Frames/Spectacle Lenses or Contact Lenses)	\$0	Not Applicable
<b>Service Frequency</b>		
Exams/ Lenses/ Frames/Contacts	12/12/12/12	
<b>Eye Examination</b>		
Exam(s) (Includes additional eye exam for ages 0-12 and pregnant or breastfeeding women)	100%	Up to \$40
<b>Lenses</b>		
Single Vision	100%	Up to \$40
Lined Bifocal	100%	Up to \$60
Lined Trifocal	100%	Up to \$80
Lenticular	100%	Up to \$80
<b>Frames</b>		
Retail Frame Allowance	Up to \$250	Up to \$45
Discount on Frame Overage at participating providers	30%	Not Applicable
<b>Elective Contact Lenses</b>		
Covered Formulary Contacts	Up to 10 boxes	Up to \$250
Non-Formulary Contacts	Up to \$250	Up to \$250
Necessary Contact Lenses	100%	Up to \$210
<b>Lens Options</b>		
Covered-in-full Lens Options	Polycarbonate Lenses for Children up to Age: 19 Standard Scratch Coating	Not Applicable
Non-covered Lens Options	Price Protection available for non-covered lens options ranging from 20-60% off retail pricing at participating providers (except where not permitted by state law).	





# 2023 PROPOSED VISION PLAN DESIGNS

## \*NEW HIGH PLAN

High Plan		
	In Network	Out of Network
<b>Plan Options</b>		
Contribution	Voluntary	
Product Type	Exam with Materials	
Network Type	Standard Network	
Exam(s) Co-pay	\$0	Not Applicable
Material Co-pay (Frames/Spectacle Lenses or Contact Lenses)	\$0	Not Applicable
<b>Service Frequency</b>		
Exams/ Lenses/ Frames/Contacts	12/12/12/12	
<b>Eye Examination</b>		
Exam(s) (Includes additional eye exam for ages 0-12 and pregnant or breastfeeding women)	100%	Up to \$40
<b>Lenses</b>		
Single Vision	100%	Up to \$40
Lined Bifocal	100%	Up to \$60
Lined Trifocal	100%	Up to \$80
Lenticular	100%	Up to \$80
<b>Frames</b>		
Retail Frame Allowance	Up to \$250	Up to \$45
Discount on Frame Overage at participating providers	30%	Not Applicable
<b>Elective Contact Lenses</b>		
Covered Formulary Contacts	Up to 10 boxes	Up to \$250
Non-Formulary Contacts	Up to \$250	Up to \$250
Necessary Contact Lenses	100%	Up to \$210
<b>Lens Options</b>		
Covered-in-full Lens Options	Polycarbonate Lenses for Children up to Age: 19 <b>Tier 1 Progressive</b> <b>Tier 2 Progressive</b> <b>Tier 3 Progressive</b> <b>Tier 4 Progressive</b> <b>Tier 5 Progressive</b> Standard Scratch Coating	Not Applicable



# 2023 VISION PLAN OPTION PREMIUMS

	Enrollment	Low Plan	High Plan
<b>Employee</b>	616	\$12.69	\$17.36
<b>Employee + Spouse</b>	184	\$24.07	\$34.72
<b>Employee + Child(ren)</b>	182	\$28.23	\$37.84
<b>Employee + Family</b>	291	\$39.71	\$53.63
<b>From 2020-2022:</b> 414 Progressive Standard Lens			



# 2023 BUDGET PROJECTION INCLUDING PLAN DESIGN CHANGES

	2022		2023
	Budget	HMA Reforecast	HMA Projection
Total Operating Expenses	\$24,977,159	\$22,189,051	\$26,469,157
Total Revenue Accounts	\$24,661,999	\$24,480,262	\$26,602,493
<b>(Surplus)/Deficit</b>	<b>\$315,160</b>	<b>(\$2,291,212)</b>	<b>(\$133,337)</b>

	2022	2023
	Budget	HMA Projection
FTE Positions	<b>1,958</b>	<b>2,010</b>
FTE Funding	<b>\$844</b>	<b>\$844</b>

***FTE Funding Increase: 0.0%***



# 2023 MED/RX EMPLOYEE CONTRIBUTIONS

## NO INCREASE

	2022 Monthly Contributions			
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan	\$55.75	\$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	\$0.00	\$0.00	\$0.00	\$0.00
Choice +	\$0.00	\$0.00	\$0.00	\$0.00
HSA Plan	\$0.00	\$0.00	\$0.00	\$0.00

Total Annual Increase			
<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00
\$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	\$0.00	\$0.00	\$0.00	\$0.00
Choice +	\$0.00	\$0.00	\$0.00	\$0.00
HSA Plan	\$0.00	\$0.00	\$0.00	\$0.00



# 2023 MED/RX EMPLOYER/EMPLOYEE PLAN COST

With All Incentives				
	Employee Per Pay Period	Monthly Employee	Monthly Employer	Total Cost
<b>Navigate Plan</b>				
Employee Only	\$27.87	\$55.75	\$613.56	\$669.31
Employee/Spouse	\$111.40	\$222.81	\$1,283.14	\$1,505.95
Employee/Child	\$58.38	\$116.76	\$1,221.86	\$1,338.62
Employee/Family	\$116.76	\$233.52	\$1,941.74	\$2,175.26
With All Incentives				
	Employee Per Pay Period	Monthly Employee	Monthly Employer	Total Cost
<b>Choice Plus Plan</b>				
Employee Only	\$108.73	\$217.45	\$518.79	\$736.24
Employee/Spouse	\$180.50	\$360.99	\$1,295.55	\$1,656.55
Employee/Child	\$138.72	\$277.44	\$1,195.04	\$1,472.49
Employee/Family	\$208.35	\$416.70	\$1,976.09	\$2,392.79
With All Incentives				
	Employee Per Pay Period	Monthly Employee	Monthly Employer	Total Cost
<b>HSA Plan</b>				
Employee Only	\$22.00	\$44.00	\$598.56	\$642.56
Employee/Spouse	\$88.00	\$176.00	\$1,269.75	\$1,445.75
Employee/Child	\$46.12	\$92.23	\$1,192.88	\$1,285.11
Employee/Family	\$102.29	\$204.58	\$1,883.73	\$2,088.31

**Total Cost = Medical & RX claims + Administration  
+ Stop Loss Insurance costs**



# 2023 RETIREE CONTRIBUTIONS

## RETIRE PRIOR TO 2/1/2013

		PY 2022 Monthly Contributions			
		<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan		\$55.75	\$222.81	\$116.76	\$276.60
	Choice +	\$217.45	\$360.99	\$277.44	\$475.36
		PY 2023 Monthly Contributions			
		<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan		\$55.75	\$222.81	\$116.76	\$276.60
	Choice +	\$217.45	\$360.99	\$277.44	\$475.36
		Monthly \$ Increase			
		<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan		\$0.00	\$0.00	\$0.00	\$0.00
	Choice +	\$0.00	\$0.00	\$0.00	\$0.00

		PY 2022 Enrollment			
		<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan		9	3	2	0
	Choice +	3	3	0	1



# 2023 RETIREE CONTRIBUTIONS

## 8-15 YRS OF SERVICE, RETIRE AFTER 2/1/2013

PY 2022 Monthly Contributions				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan	\$423.46	\$814.11	\$663.07	\$1,188.87
Choice +	\$597.73	\$1,055.13	\$858.03	\$1,430.97
PY 2023 Monthly Contributions				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan	\$423.46	\$814.11	\$663.07	\$1,188.87
Choice +	\$597.73	\$1,055.13	\$858.03	\$1,430.97
Monthly \$ Increase				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Nexus Plan	\$0.00	\$0.00	\$0.00	\$0.00
Choice +	\$0.00	\$0.00	\$0.00	\$0.00

PY 2022 Enrollment				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan	4	0	1	0
Choice +	1	0	1	0



# 2023 RETIREE CONTRIBUTIONS

## 16+ YR'S OF SERVICE, RETIRE AFTER 2/1/2013

PY 2022 Monthly Premiums				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan	\$232.64	\$469.19	\$364.21	\$653.44
Choice +	\$388.85	\$777.69	\$528.10	\$887.18
PY 2023 Monthly Premiums				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Nexus Plan	\$232.64	\$469.19	\$364.21	\$653.44
Choice +	\$388.85	\$777.69	\$528.10	\$887.18
Monthly \$ Increase				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Nexus Plan	\$0.00	\$0.00	\$0.00	\$0.00
Choice +	\$0.00	\$0.00	\$0.00	\$0.00

PY 2022 Enrollment				
	<u>Employee</u>	<u>EE + Spouse</u>	<u>EE + Child</u>	<u>Family</u>
Navigate Plan	32	18	5	14
Choice +	9	2	1	3





# 2023 PROPOSED DENTAL PREMIUMS

## NO INCREASE

Monthly Premiums				
Low Plan	Enrollment	2022	2023	Change
EE	236	\$34.00	\$34.00	\$0.00
ES	31	\$63.00	\$68.00	\$0.00
EC	61	\$70.00	\$70.00	\$0.00
EF	72	\$77.00	\$77.00	\$0.00
High Plan	Enrollment	2022	2023	Change
EE	392	\$47.00	\$47.00	\$0.00
ES	157	\$87.00	\$94.00	\$0.00
EC	169	\$95.00	\$95.00	\$0.00
EF	343	\$106.00	\$106.00	\$0.00

- Dental premiums are employee-pay-all
- Recommend holding rates flat for 2023, but ES = EEx2



# 2023 PROPOSED VISION PREMIUMS

Monthly Premiums				
Low Plan	Enrollment	2022	2023	Change
EE	361	\$12.69	\$12.69	\$0.00
ES	110	\$24.07	\$25.38	\$1.31
EC	109	\$28.23	\$27.67	-\$0.56
EF	172	\$39.71	\$39.23	-\$0.48
High Plan	Enrollment	2022	2023	Change
EE	241		\$17.36	
ES	74		\$34.72	
EC	72		\$37.84	
EF	114		\$53.63	

- Vision premiums are employee-pay-all
- Assumes 60% of actives + retirees will enroll in the Low Plan and 40% will enroll in the High Plan





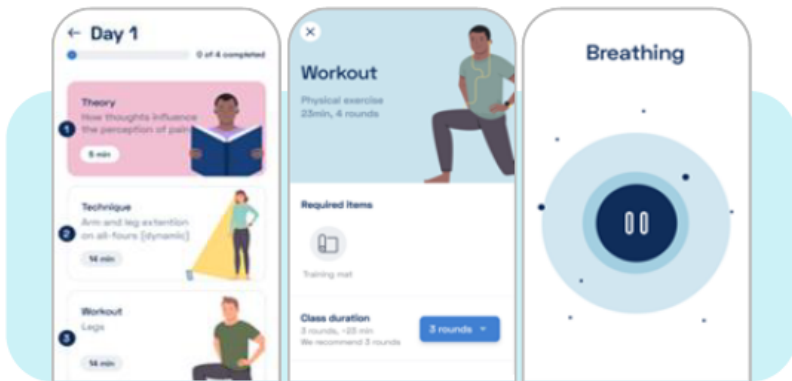
# Appendix



# KAIA MSK

## A low-cost, convenient and holistic digital MSK solution

Virtual Physical Therapy provided by **Kaia** offers personalized digital physical therapy for employees anywhere on the care continuum, with:



Modules that include physical therapy exercises, condition education and behavioral health



Personalized 1:1 coaching delivered via chat or phone



A computer-vision motion coach that provides validated, physical therapy-grade feedback



# KAIA MSK PRICING



Average cost PMPY = \$450 | Maximum cost PMPY = \$780

## Core access Month 1–3

## Maintenance access Month 4–12

### Amount

- \$200 per active user per month\*

- \$20 per active user per month\*

### Services

- Unlimited app access
- Unlimited multi-channel Coach access with proactive coach outreach
- Account management support (including monthly reporting)

- Unlimited app access
- Continued Coach access
- Account management support (including monthly reporting)

\*Active user defined as a user who completes two program modules within the month.



# SECOND OPINION

## Incorrect Care Negatively Impacts Employees And Raises Costs

Second Opinion

 **12M**

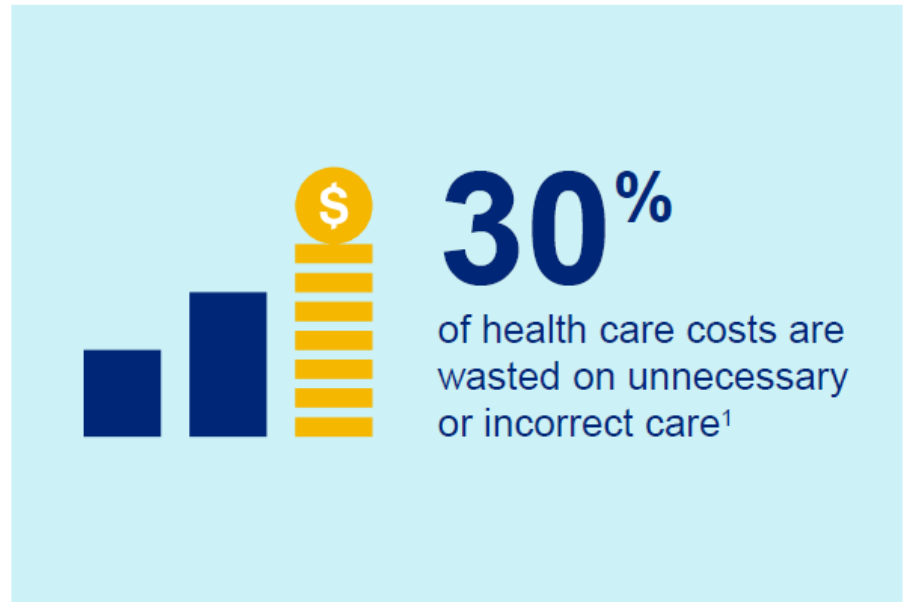
5.1% of patients are misdiagnosed each year<sup>4</sup>

 **36M**

patients are on suboptimal treatment plans<sup>3</sup>

 **20M**

26.2% of patients are referred to the incorrect specialty<sup>2</sup>



<sup>1</sup> Harvard School of Public Health. Reducing wasteful health care spending begs the question, what is waste? <https://www.hsph.harvard.edu/news/features/reducing-wasteful-health-care-spending/>. Accessed June 2019. <sup>2</sup> [https://www.kyruus.com/hubfs/Whitepapers/Whitepaper\\_Physician%20Referral%20Sentiment\\_Updated.pdf?submissionGuid=8d6d6077-70d1-4aaa-bafa-d01183aec1ec&submissionGuid-706810f-6d31-4adb-804b-b80d89061902](https://www.kyruus.com/hubfs/Whitepapers/Whitepaper_Physician%20Referral%20Sentiment_Updated.pdf?submissionGuid=8d6d6077-70d1-4aaa-bafa-d01183aec1ec&submissionGuid-706810f-6d31-4adb-804b-b80d89061902). <sup>3</sup> <https://www.hopkinsmedicine.org/news/newsroom/news-releases/johns-hopkins-medicine-researchers-identify-health-conditions-likely-to-be-misdiagnosed>. Accessed September 2019. <sup>4</sup> BMJ Quality & Safety. <https://qualitysafety.bmj.com/content/23/9/727> Accessed October 2019.



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# SECOND OPINION

## Helping guide employees to appropriate care

**Second Opinion** provides convenient virtual consultations with leading medical experts\* at no additional cost to employees.

- Flexible consults with board-certified experts within 3–5 days<sup>1</sup>
- Designated care team coordinator guides employees through the entire process
- Seamless experience — employees report 98% satisfaction<sup>1</sup>



**\$5,231** average employer savings per consult<sup>\*\*1</sup>

**50+** hours estimated time saved per consult<sup>1</sup>

**85%** of treatment plans improved<sup>1</sup>



# SECOND OPINION

## Second Opinion For Any Condition

A New  
Diagnosis



Possible  
Surgery



Change in  
course of  
treatment



Chronic  
Condition



### All The Conditions We Help

- MSK is most common treatment category (41%)
- Other top categories include: Nervous System, Oncology, Digestive, Women's Health, and Circulatory
- "Other" category makes up majority of cases (29%)



Video or telephonic access directly with our elite specialists





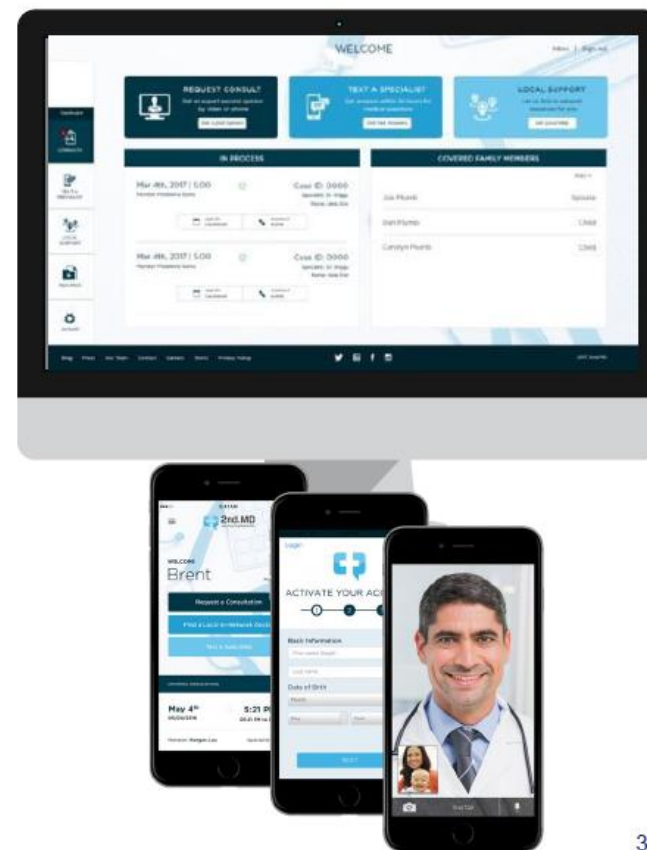
# SECOND OPINION

## Second Opinion Medical Certainty through Personalized & Live Consultations

- **SPEED:** Answers in 3 days average drives more opportunity for impact
- **LIVE:** Speak directly with expert specialist
- **IMPROVED CARE:** 86% improved treatment plan
- **OPTIMAL UTILIZATION:** Included member communications and data driven outreach
- **INTEGRATION:** with UHC Advocate teams
- **SAVINGS:** \$6,684/consult, \$90k total savings



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Thank You!