



WILLIAMSON COUNTY

Commissioners Court Meeting

June 22, 2010

WILLIAMSON COUNTY
Prospective Rate Projection
April 2010
18 Months

			PPO High	PPO Low	EPO/HMO	DENTAL	VISION	TOTALS
Paid Claims			\$5,088,042 +	\$124,087 +	\$5,130,381 +	\$837,352 +	\$283,056 =	\$11,179,862
Prescription Drugs			\$1,074,194 +	\$39,456 +	\$916,379 +	+	\$0 =	\$2,030,029
Stop Loss Reimbursements			(\$136,643) +	\$0 +	\$0 +	\$0 +	\$0 =	(\$136,643)
Plan Changes				\$0 +	\$0 +	\$0 +	\$0 =	\$0
TOTAL PAID CLAIMS:			\$6,025,593	\$163,543	\$6,046,760	\$837,352	\$283,056	\$13,073,248
Trend								
	Medical	12%	\$594,168 +	\$14,890 +	\$615,646 +	\$0 +	\$0 =	\$1,224,704
	Dental	12%	\$0 +	\$0 +	\$0 +	\$100,482 +	\$0 =	\$100,482
	RX	18%	\$193,355	\$7,102 +	\$164,948 +	\$0 +	\$0 =	\$365,405
CLAIMS SUMMARY:			\$6,813,116	\$185,536	\$6,827,354	\$937,834	\$283,056	\$14,763,840
Insurance Expense			\$327,266 +	\$230,298 +	\$48,484 +	\$0 +	\$0 =	\$606,048
Administrative Expense			\$670,706 +	\$471,978 +	\$99,364 +	\$44,816 +	\$15,896 =	\$1,302,760
TOTAL EXPENSE:			\$997,972	\$702,276	\$147,848	\$982,651	\$298,953	\$1,908,809
REQUIRED PREMIUM:			\$7,811,088 +	\$887,812 +	\$6,975,202 +	\$982,651 +	\$298,953 =	\$16,955,705
EXISTING PREMIUM:			\$7,084,828 +	\$1,386,159 +	\$5,085,370 +	\$981,024 +	\$308,286 =	\$14,845,667
NET CHANGE:			10%	-36%	37%	0%	-3%	14%

LARGE CLAIMANT INFORMATION

Based upon industry standard, we would expect a total of 3- 4 claimants over \$100,000 in any given plan year.

Plan Year	Claimants over \$100K	Total Paid
2006 / 2007	2	\$679,539
2007 / 2008	10	\$1,838,994
2008 / 2009	10	\$2,975,133*
2009 / 2010 YTD	7	\$1,252,165

*One claim was over \$1 million

RECOMMENDED PLAN CHANGES

- ⊙ Add \$50 Rx Deductible
- ⊙ Move Retail Rx to 30% Co-Insurance vs. Co-pay and add a Specialty Pharmacy Co-pay of \$125
- ⊙ Add separate Out of Pocket Maximum of \$1,250 for Rx
- ⊙ Remove Deductible Carry Over
- ⊙ Remove Out of network charges applying to Out of Pocket Maximums
- ⊙ Make Out of Pocket Maximum and Deductible to Match Plan Year

RECOMMENDED CHANGES CONT'D

- ⊙ Raise EPO Plan Out of Pocket Maximum to \$3,500 Individual and \$6,000 Family
- ⊙ Raise High Plan Out of Pocket Maximum to \$3,500 Individual and \$6,000 Family
- ⊙ Replace High Plan With New Core PPO Plan
- ⊙ Opt out of Mental Health Parity
- ⊙ Create Equity in rates between plans
- ⊙ Create Equity among Rate Tiers (i.e. employee vs. employee and spouse)

PLAN CHANGES DUE TO NEW FEDERAL LEGISLATION 2010 -2011

- ⊙ Removal of Pre-Existing Condition for children up age 19
- ⊙ Coverage for Married or Unmarried children up to age 26
- ⊙ Removal of Life Time Maximum Limit
- ⊙ Removal of Preventative Care Annual Maximum

Williamson County
November 1, 2010

Core PPO Plan

Deductible PPO Plan

EPO Plan

Plan Design Changes											
November 1, 2010 Effective Date											
		PPO High Plan	11/1/2010		Current	11/1/2010		Current	11/1/2010		
Benefits (In / Out of Network)		Plan Design	Plan Design		Plan Design	Plan Design		Plan Design	Plan Design		
		In Netwk/Out of Netwk	In Netwk/Out of Netwk		In Netwk/Out of Netwk	In Netwk/Out of Netwk		In Network	In Network		
Individual Deductible		\$750 / \$1,500	No Deductible		\$1,250 / \$2,500	No Change		\$300	No Change		
Family Deductible		\$2,250 / \$4,500	No Deductible		\$3,750 / \$7,500	No Change		\$900	No Change		
Coinsurance (eligible expenses)		10% / 40%	See Below		20% / 40%	No Change		10%	No Change		
Individual Out of Pocket		\$2,500 / \$10,000	\$3,500 (1)		\$3,000 (1)	No Change (1)		\$1,500	\$3,500		
Family Out of Pocket		\$7,500 / \$30,000	\$6,000 (1)		\$9,000 (1)	No Change (1)		\$4,500	\$6,000		
Hospital Services (eligible expenses)											
Deductible		\$750 / \$1,500	No Deductible		\$1,250 / \$2,500	No Change		\$150	\$300		
Coinsurance		10% / 40%	10% / 50%		20% / 40%	No Change		10%	10%		
Inpatient		deductible & coinsurance	10% / 50%		deductible & coinsurance	No Change		deductible & coinsurance	deductible & coinsurance		
Outpatient Surgery		deductible & coinsurance	10% / 50%		deductible & coinsurance	No Change		deductible & coinsurance	deductible & coinsurance		
Outpatient Diagnostic & Therapeutic Services		deductible & coinsurance	30% / 50%		deductible & coinsurance	No Change		deductible & coinsurance	deductible & coinsurance		
Emergency Room		\$225 copayment	30%		\$225 copayment	No Change		\$225 copayment	No Change		
Physician Services (eligible expenses)											
Physician Office Visits - Primary		\$25 copayment	30% / 50%		\$25 copayment	No Change		\$25 copayment	No Change		
Physician Office Visits - Specialist		\$40 copayment	30% / 50%		\$40 copayment	No Change		\$40 copayment	No Change		
Other Services (eligible expenses)											
Preventive Care - In Network only		No Copayment \$400 max	Covered at 100%		No Copayment \$400 max	Covered at 100%		\$25 PCP / \$40 Specialist	Covered at 100%		
Urgent Care Facility		\$40 copayment	30%		\$40 copayment	No Change		\$40 copayment	No Change		
Outpatient Diagnostic Services: Lab / Xray (in network only)		100% (deductible waived)	Covered at 100%		100% (deductible waived)	Covered at 100%		100% (deductible waived)	Covered at 100%		
Prescription Drug Copays											
Deductible		N/A	\$50		N/A	\$50		N/A	\$50		
Retail Pharmacy (30 days)		\$10/\$30/\$50	30% / 30% (2)		\$10/\$30/\$50	30% / 30% (2)		\$10/\$30/\$50	30% / 30% (2)		
Mail Order Pharmacy (90 days)		\$20/\$60/\$100	\$20 / \$70		\$20/\$60/\$100	\$20 / \$70		\$20/\$60/\$100	\$20 / \$70		
Specialty Drugs			\$125			\$125			\$125		

(1) Out of Network charges will not apply to the Out of Pocket Maximum; Out of Network charges will never be paid at 100%

(2) There is a separate \$1,250 Prescription Out of Pocket Maximum

WILLIAMSON COUNTY RATE STRUCTURE

PPO Core Plan

	Census	Rate	County Contribution	Monthly EE Cost	Monthly Increase to EE
Employee	274	\$524.00	\$436.00	\$88.00	\$40.18
EE + Spouse	108	\$991.00	\$743.00	\$248.00	\$79.72
EE + Child(ren)	128	\$836.00	\$618.00	\$218.00	\$60.23
EE/Family	235	\$1,200.00	\$876.00	\$324.00	\$113.64
	745				

PPO Deductible Plan

Employee	72	\$460.00	\$436.00	\$24.00	\$5.80
EE + Spouse	13	\$867.00	\$743.00	\$124.00	\$13.80
EE + Child(ren)	15	\$731.00	\$618.00	\$113.00	\$12.83
EE/Family	21	\$1,047.00	\$876.00	\$171.00	\$20.73
	121				

EPO

Employee	238	\$631.00	\$436.00	\$195.00	\$120.73
EE + Spouse	64	\$1,194.00	\$743.00	\$451.00	\$162.27
EE + Child(ren)	72	\$1,005.00	\$618.00	\$387.00	\$116.31
EE/Family	149	\$1,442.00	\$876.00	\$566.00	\$205.09
	523				

ADDITIONAL TOPICS



HEALTH CARE CLINIC SERVICES

- ⦿ Primary Care visits at no cost to employee at time of service.
- ⦿ All Lab work done in clinic at no cost to employee.
- ⦿ Prescription Drugs dispensed through the clinic at no cost to employee.
- ⦿ Wellness and disease management performed through clinic.
- ⦿ Annual Health Risk Assessment performed by clinic personnel:
 - ⦿ Blood work – 30 different tests
 - ⦿ Height & Weight
 - ⦿ Blood Pressure Checks
 - ⦿ Each participant receives Risk Assessment
 - ⦿ Doctor will call high risk and medium risk members for visit to clinic to discuss Risk Assessment

HEALTH CARE CLINIC SERVICES CONT'

- ⦿ Office Visits will be for 20-30 minutes with doctor
- ⦿ Same day appointments in most cases
- ⦿ No waiting in office
- ⦿ Office staffed by MD and two nurses (minimum staffing levels)
- ⦿ Flexible hours determined by the County
- ⦿ Clinic charges a flat hourly rate for time (\$3,462 per day) only billed when clinic is open.
 - ⦿ Staff Time
 - ⦿ Risk Assessment
 - ⦿ Supplies and prescriptions are a pass through cost paid monthly
- ⦿ Ability to provide wellness visits to offset new laws.
- ⦿ Approximate annual cost is \$1 million