



## COLUMBIA COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM REQUEST FORM

The Board of County Commissioners meets the 1st and 3rd Thursday of each month at 5:30 p.m. in the Columbia County School Board Administrative Complex Auditorium, 372 West Duval Street, Lake City, Florida 32055. All agenda items are due in the Board's office one week prior to the meeting date.

Today's Date: July 26, 2019

Meeting Date: August 1, 2019

Name: Ben Scott

Department: BCC Administration

Division Manager's Signature: \_\_\_\_\_

*Ben Scott*

### 1. Nature and purpose of agenda item:

Employee Health Insurance Renewal

### 2. Recommended Motion/Action:

Approve the negotiated renewal, funding \$9,404.52 per employee for FY 2020.

### 3. Fiscal impact on current budget.

This item is currently budgeted. The account number to be charged is Various

District No. 1 - Ronald Williams  
District No. 2 - Rusty DePratter  
District No. 3 - Bucky Nash  
District No. 4 - Everett Phillips  
District No. 5 - Tim Murphy



**BOARD OF COUNTY COMMISSIONERS • COLUMBIA COUNTY**

**MEMORANDUM**

TO: Commissioners

FR: Ben Scott, County Manager *Ben Scott*

DATE: 7/26/19

SUBJECT: Employee Health Insurance Renewal

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Please find attached for your review the health insurance renewal from Blue Cross Blue Shield. As you will note, the original BCBS calculation is a 13% increase and Gallagher's calculation is 9.2% increase. The negotiated renewal is an 8.5% increase or \$167,022 paid by the County.

I am requesting the Board approve the negotiated renewal, funding \$9,404.52 per employee for health insurance (\$9,153.12), life and disability insurance (\$215.40), and employee assistance program (\$36.00).

**BOARD MEETS FIRST AND THIRD THURSDAY AT 5:30 P.M.**

# Columbia County BOCC

## Medical Renewal Evaluation (Without Equilibrium Pricing Adjustment)

Experience Period #1	4/1/2017	to	4/1/2018	Member Months in Period #1	5,788	Current Employees	291
Experience Period #2	4/1/2018	to	4/1/2019	Member Months in Period #2	5,427	Current Members	430
Projection Period	10/1/2019	to	10/1/2020	Average Monthly Members in Period #1	482	Pooling Level	\$165,000
Months of Experience	24			Average Monthly Members in Period #2	452	Period #1 Detrended Pooling Level	\$145,926
						Period #2 Detrended Pooling Level	\$150,507

BCBSFL Projection					GBS's Projection				
04/01/17 - 04/01/18					04/01/17 - 04/01/18				
04/01/18 - 04/01/19					04/01/18 - 04/01/19				
	Annual	PMPM	Annual	PMPM	Annual	PMPM	Annual	PMPM	
1 Total Paid Claims	-	-	\$2,510,753	\$462.64	\$2,476,544	\$427.88	\$2,510,753	\$462.64	
2 Incurred Factor	-	-	0.98		0.98		0.98		
3 Total Incurred Claims	-	-	\$2,572,657	\$474.05	\$2,537,604	\$438.42	\$2,572,657	\$474.05	
4 Less Total Large Claimants	-	-	\$0	\$0.00	\$154,769	\$26.74	\$0	\$0.00	
Claimants in Period 1:	1								
Claimants in Period 2:	0								
5 Total Net Incurred Claims	-	-	\$2,572,657	\$474.05	\$2,382,834	\$411.69	\$2,572,657	\$474.05	
6 Annualize	-	-	1.00		1.00		1.00		
7 Annualized Net Incurred Claims	-	-	\$2,572,657	\$474.05	\$2,382,834	\$411.69	\$2,572,657	\$474.05	
8 Adjustment for Change in Size	-	-	0.950		0.891		0.950		
9 Adjustment for Change in Benefits	-	-	1.000		1.000		1.000		
10 Adjustment for Change in Location / Network	-	-	1.000		1.000		1.000		
11 Adjustment for Change in Demographics	-	-	1.000		1.000		1.000		
12 Adjusted Net Incurred Claims	-	-	\$2,444,663	\$474.05	\$2,123,060	\$411.69	\$2,444,663	\$474.05	
13 Annual Trend	-	-	10.7%		10.0%		10.0%		
14 Midpoint Months	-	-	18.0		30.0		18.0		
15 Projected Trend	-	-	16.4%		26.9%		15.4%		
16 Projected Net Incurred Claims	-	-	\$2,846,565	\$551.98	\$2,694,288	\$522.45	\$2,820,383	\$546.90	
17 Large Claims up to Pooling Level	-	-	\$0	\$0.00	\$165,000	\$32.00	\$0	\$0.00	
18 Projected Net Incurred Claims Under Pooling Level	-	-	\$2,846,565	\$551.98	\$2,859,288	\$554.45	\$2,820,383	\$546.90	
19 Weight Per Experience Period	0.0%		100.0%		20.0%		80.0%		
20 Weighted Projected Net Incurred Claims Under Pooling Level	\$2,846,565	\$551.98	27.1% of manual		\$2,828,164	\$548.41			
21 Manual Net Incurred Claims Under Pooling Level	\$2,240,177	\$434.40	-5.1% Change from last year		\$2,240,177	\$434.40			
22 Credibility	81.1%				81.1%				
23 Blended Net Incurred Claims Under Pooling Level	Annual	PMPM	-4.0% Impact of Manual		Annual	PMPM	-3.9% Impact of Manual		
	\$2,731,958	\$529.76			\$2,717,035	\$526.86			
24 Claims Experience Adjustment	\$0	\$0.00			\$0	\$0.00			
25 Adjusted Net Incurred Claims Under Pooling Level	\$2,731,958	\$529.76	77.7%		\$2,717,035	\$526.86	80.0%		
26 Pooling Charges	\$253,345	\$49.13	7.2%		\$186,796	\$36.22	5.5%		
27 Administration Charges	\$529,713	\$102.72	15.1%		\$492,463	\$95.49	14.5%		
28 Total Required Annual Premium (Formula)	\$3,515,016	\$681.60	100.0%		\$3,396,293	\$658.58	100.0%		
29 Underwriting Discretion	\$0	\$0.00	0.0%		\$0	\$0.00	0.0%		
30 GBS Adjustment for Equilibrium Pricing	\$0	\$0.00	0.0%		\$0	\$0.00	0.0%		
33 Final Annual Requested Premium	\$3,515,016	\$681.60			\$3,396,293	\$658.58			
34 Current Annual Premium	\$3,110,280	\$603.12			\$3,110,280	\$603.12			
35 Required Change from Current Annual Premium	13.0%	13.0%			9.2%	9.2%			

### Notes:

1. Detrended Pooling Level represents the threshold in which claims will hit the current pooling level after adjustments for trend, annualization change in size, benefits, location / network, and demographics are applied.

This analysis is for illustrative purposes only, and is not a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. Please see your policy or contact us for specific information or further details in this regard.

**Columbia County Board of County Commissioners**

Medical Cost Comparison

Effective Date of Coverage: October 1, 2019

**Medical Insurance: Florida Blue-Negotiated Renewal**

Carrier		Florida Blue										Florida Blue-Negotiated Renewal									
Plan		Current										Proposed									
Plan Name		BlueChoice 0317 Plan A		BlueOptions 03359 Plan C		BlueOptions 03160/61 Plan D/E		BlueOptions 05192/93 Plan F/G		BlueCare 60 Plan H		BlueChoice 0317 Plan A		BlueOptions 03359 Plan C		BlueOptions 03160/61 Plan D/E		BlueOptions 05192/93 Plan F/G		BlueCare 60 Plan H	
Plan Type		PPO		PPO		PPO HSA		PPO HSA		HMO		PPO		PPO		PPO HSA		PPO HSA		HMO	
In Network Benefits	Deductible (Single/Family)	Calendar Year (CYD) \$1,000 / \$2,000		Calendar Year (CYD) \$1,500 / \$4,500		Calendar Year (CYD) \$1,350 / \$2,700		Calendar Year (CYD) \$2,500 / \$5,000		Calendar Year (CYD) \$500 / \$1,000		Calendar Year (CYD) \$1,000 / \$2,000		Calendar Year (CYD) \$1,500 / \$4,500		Calendar Year (CYD) \$1,350 / \$2,700		Calendar Year (CYD) \$2,500 / \$5,000		Calendar Year (CYD) \$500 / \$1,000	
	DED Type	Embedded		Embedded		Aggregate		Aggregate		Embedded		Embedded		Embedded		Aggregate		Aggregate		Embedded	
	Coinsurance	20%		20%		20%		20%		10%		20%		20%		20%		20%		10%	
	Max OOP (S/F)	\$2,000 / \$6,000		\$3,000 / \$6,000		\$5,000 / \$5,000		\$5,800 / \$11,600		\$3,500 / \$7,000		\$2,000 / \$6,000		\$3,000 / \$6,000		\$5,000 / \$5,000		\$5,800 / \$11,600		\$3,500 / \$7,000	
	PCP Visit	\$20		\$25		20% after CYD		20% after CYD		\$25		\$20		\$25		20% after CYD		20% after CYD		\$25	
	Specialist	20% after CYD		20% after CYD		20% after CYD		20% after CYD		\$45		20% after CYD		20% after CYD		20% after CYD		20% after CYD		\$45	
	Preventive Care	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0	
	Urgent Care	\$20		20% after CYD		20% after CYD		20% after CYD		\$45		\$20		20% after CYD		20% after CYD		20% after CYD		\$45	
	Inpatient Hospital	\$150 + 20% after CYD		Opt 1 - 20% after CYD Opt 2 - 25% after CYD		Opt 1 - 20% after CYD Opt 2 - 25% after CYD		Opt 1 - 20% after CYD Opt 2 - 25% after CYD		\$350/Day, \$1,625 Max		\$150 + 20% after CYD		Opt 1 - 20% after CYD Opt 2 - 25% after CYD		Opt 1 - 20% after CYD Opt 2 - 25% after CYD		Opt 1 - 20% after CYD Opt 2 - 25% after CYD		\$350/Day, \$1,625 Max	
	Outpatient Surgical	20% after CYD		Opt 1 - 20% after CYD Opt 2 - 25% after CYD		Opt 1 - 20% after CYD Opt 2 - 25% after CYD		Opt 1 - 20% after CYD Opt 2 - 25% after CYD		\$275		20% after CYD		Opt 1 - 20% after CYD Opt 2 - 25% after CYD		Opt 1 - 20% after CYD Opt 2 - 25% after CYD		Opt 1 - 20% after CYD Opt 2 - 25% after CYD		\$275	
	Routine Lab & X-Ray	Lab - 20% X-Ray - 20% after CYD		Lab - \$0 X-Ray - 20% after CYD		Lab - CYD X-Ray - 20% after CYD		Lab - CYD X-Ray - 20% after CYD		Lab - \$0 X-Ray - \$45		Lab - 20% X-Ray - 20% after CYD		Lab - \$0 X-Ray - 20% after CYD		Lab - CYD X-Ray - 20% after CYD		Lab - CYD X-Ray - 20% after CYD		Lab - \$0 X-Ray - \$45	
	Complex Imaging	20% after CYD		20% after CYD		20% after CYD		20% after CYD		\$80		20% after CYD		20% after CYD		20% after CYD		20% after CYD		\$80	
Emergency Room	\$50 + 20% after CYD		\$200		20% after CYD		20% after CYD		\$100		\$50 + 20% after CYD		\$200		20% after CYD		20% after CYD		\$100		
Rx	Deductible	In-Network Ded		N/A		In-Network Ded		In-Network Ded		N/A		In-Network Ded		N/A		In-Network Ded		In-Network Ded		N/A	
	Retail (in-network)	40%		\$15 / \$30 / \$50		\$15 / \$30 / \$50		\$10 / \$30 / \$50		\$10 / \$50 / \$80		40%		\$15 / \$30 / \$50		\$15 / \$30 / \$50		\$10 / \$30 / \$50		\$10 / \$50 / \$80	
	Mail Order	\$20 / \$50 (all brand)		\$40 / \$75 / \$125		\$40 / \$75 / \$125		\$25 / \$75 / \$125		\$25 / \$125 / \$200		\$20 / \$50 (all brand)		\$40 / \$75 / \$125		\$40 / \$75 / \$125		\$25 / \$75 / \$125		\$25 / \$125 / \$200	
OON	Deductible	Combined with In-Network		\$3,000 / \$9,000		\$2,500 / \$5,000		\$5,000 / \$10,000		N/A		Combined with In-Network		\$3,000 / \$9,000		\$2,500 / \$5,000		\$5,000 / \$10,000		N/A	
	Coinsurance	40%		40%		40%		40%		N/A		40%		40%		40%		40%		N/A	
	Maximum OOP	Combined with In-Network		\$5,000 / \$10,000		\$10,000 / \$10,000		\$11,600 / \$23,200		N/A		Combined with In-Network		\$5,000 / \$10,000		\$10,000 / \$10,000		\$11,600 / \$23,200		N/A	
	Emergency Room	\$50 + 20% after CYD		\$200		20% after CYD		20% after CYD		\$100		\$50 + 20% after CYD		\$200		20% after CYD		20% after CYD		\$100	
Number of Employees																					
Rates	Employee Only	11	\$943.32	12	\$892.18	10	\$735.42	130	\$562.54	49	\$832.38	11	\$1,023.50	12	\$968.02	10	\$797.94	130	\$610.36	49	\$903.14
	Employee+Family	5	\$1,708.06	27	\$1,614.80	13	\$1,331.70	24	\$1,018.64	10	\$1,507.20	5	\$1,853.26	27	\$1,752.06	13	\$1,444.90	24	\$1,105.22	10	\$1,635.32
	Monthly Plan Cost	\$18,916.82		\$54,305.76		\$24,666.30		\$97,577.56		\$55,858.62		\$20,524.80		\$58,921.86		\$26,763.10		\$105,872.08		\$60,607.06	
Percent change by plan												8.50%		8.50%		8.50%		8.50%		8.50%	
Cost	Total Annual Cost	\$3,015,901										\$3,272,267									
	Annual \$ Difference	N/A										\$256,366									
	Annual % Difference	N/A										8.50%									
Notes												This renewal includes \$35,000 in Wellness funds.									

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# Columbia County Insurance Renewal

	2020	2019	CHANGE
County Budget	\$ 9,404.52	\$ 8,830.56	\$ 573.96
Life & Disability	\$ 215.40	\$ 215.40	\$ -
EAP	\$ 36.00	\$ 36.00	\$ -
Amount Available for Health Insurance	<u>\$ 9,153.12</u>	<u>\$ 8,579.16</u>	<u>\$ 573.96</u>

## Blue Cross Proposed Plans

### Individual Plans

	BlueChoice 0317 Plan A	BlueOptions 03559 Plan C	BlueCare 60	BlueOptions 03160/61 Plan D	BlueOptions 05192/93 Plan F
Annual Premiums	\$ 12,282.00	\$ 11,616.24	\$ 10,837.68	<b>Not Offered</b>	\$ 7,324.32
County's Portion	\$ 9,153.12	\$ 9,153.12	\$ 9,153.12		\$ 9,153.12
Employee's Portion of Annual Premium	\$ 3,128.88	\$ 2,463.12	\$ 1,684.56		\$ (1,828.80)
Amount Deducted Per 24 Pay Periods	\$ 130.37	\$ 102.63	\$ 70.19		\$ (76.20)
Current Amount of Deduction	\$ 114.20	\$ 88.63	\$ 58.73		\$ (76.20)
Increase Per Pay Period	\$ 16.18	\$ 14.01	\$ 11.47		\$ -
Annual Increase	\$ 388.20	\$ 336.12	\$ 275.16		\$ -

### Family Plans

	BlueChoice 0317 Plan A	BlueOptions 03559 Plan C	BlueCare 60	BlueOptions 03160/61 Plan D	BlueOptions 05192/93 Plan F
Annual Premiums	\$ 22,239.12	\$ 21,024.72	\$ 19,623.84	<b>Not Offered</b>	\$ 13,262.64
County's Portion	\$ 9,153.12	\$ 9,153.12	\$ 9,153.12		\$ 9,153.12
Employee's Portion of Annual Premium	\$ 13,086.00	\$ 11,871.60	\$ 10,470.72		\$ 4,109.52
Amount Deducted Per 24 Pay Periods	\$ 545.25	\$ 494.65	\$ 436.28		\$ 171.23
Current Amount of Deduction	\$ 496.57	\$ 449.94	\$ 396.14		\$ 151.86
Increase Per Pay Period	\$ 48.68	\$ 44.72	\$ 40.14		\$ 19.37
Annual Increase	\$ 1,168.44	\$ 1,073.16	\$ 963.48		\$ 465.00

# Blue Cross Blue Shield Renewal

## Current Premium and Enrollment

Current Premium and Enrollment												
	BlueChoice 317		BlueOptions 03359		BlueOptions 03160/61		BlueOptions 05192/93		BlueCare 60		HIP	
Employee	11	\$943.32	12	\$892.18	10	\$735.42	130	\$562.54	49	\$832.38	34	\$575.74
Family	5	\$1,708.06	27	\$1,614.80	13	\$1,331.70	24	\$1,018.64	10	\$1,507.20		N/A
Monthly Cost by Plan	\$18,916.82		\$54,305.76		\$24,666.30		\$97,577.56		\$55,858.62		\$19,575.16	
Total Annual Cost	\$3,250,802.64											

## Current Contribution Information

Monthly Contribution Per Employee			Annual Contribution Per Employee		Total Annual Contribution for Group (Including HIP)	
\$714.93			\$8,579.16		\$2,731,437.48	

## Current Payroll Deductions

Employee	\$114.20	\$88.63	\$10.25	-\$76.20	\$58.73	\$0.00
Family	\$496.57	\$449.94	\$308.39	\$151.86	\$396.14	N/A

## Renewal Premium and Current Enrollment

	BlueChoice 317		BlueOptions 03359		BlueOptions 05192/93		BlueCare 60		HIP	
Employee	11	\$1,023.50	12	\$968.02	140	\$610.36	49	\$903.14	34	\$575.74
Family	5	\$1,853.26	27	\$1,752.06	37	\$1,105.22	10	\$1,635.32		N/A
Monthly Cost by Plan	\$20,524.80		\$58,921.86		\$126,343.54		\$60,607.06		\$19,575.16	
Total Annual Cost	\$3,431,669.04									

## County Contribution

Monthly Contribution Per Employee			Total Annual Contribution for Group (Including HIP)	
\$762.76			\$2,898,459.84	
Annual Contribution Per Employee			Increase over current	
\$9,153.12			\$167,022.36	

## Payroll Deductions

	BlueChoice 317	BlueOptions 03359	BlueOptions 05192/93	BlueCare 60	HIP
Employee	\$130.37	\$102.63	-\$76.20	\$70.19	\$0.00
Family	\$545.25	\$494.65	\$171.23	\$436.28	N/A

## Payroll Deduction Change

Employee	\$16.18	\$14.01	\$0.00	\$11.47	\$0.00
Family	\$48.69	\$44.72	\$19.38	\$40.14	N/A