District No. 1 - Ronald Williams
District No. 2 - Rusty DePratter
District No. 3 - Bucky Nash
District No. 4 - Everett Phillips
District No. 5 - Scarlet Parnell Frisina

Memo

Date: August 4, 2016

To: Ben Scott, County Manager

From: Scott Ward, Assistant County Manager

RE: Insurance Renewals Update

The Insurance Committee met on July 28, 2016 to review the annual health and ancillary insurance renewals presented by Arthur J. Gallagher & Company. Renewals were presented with the following changes:

- Health insurance premiums increase 4% with no proposed changes to the current plans
- Dental insurance premiums increase 11.9% with no proposed changes to the current plans
- Vision insurance premiums remain unchanged with no proposed changes to the current plans
- Basic Life with AD&D premiums decreased 17.65% with no changes to the current plan; however, the provider will change to The Standard Life Insurance Co.
- Supplemental Life with AD&D premiums will go to an age banded rate with a reduction in premiums for employees less than 55 years of age; however an increase for employees who are over 60 years of age. The guaranteed minimum coverage will increase to $150,000 for employees, $30,000 for spouses and $10,000 for children and will open during open enrollment.
- Short Term Disability plan benefit will increase from $100 per week to $250 per week with an increase in premiums

Blue Cross and Blue Shield is providing $25,000 for wellness to offset the cost increase for health insurance. We propose using the wellness dollars to offset the overall increase to health and ancillary premiums provided by the Board. The additional cost to the County equals $351.40 per employee, in order to cover the individual costs of Plan D, Basic Life and AD&D coverage, and the Short Term Disability change. Additional increases will be funded by the employees for other plans. I have attached a summary of the changes in the plans.

After discussing the changes, the Insurance Committee recommended the Board approve the renewal offered by Blue Cross Blue Shield, and the proposed changes to the Ancillary plans.

	PROPOSED 2017	CURRENT 2016
County Budget	$ 7,001.40	$ 6,650.00
Life & Disability	$ (215.40)	$ (123.60)
Amount Available for Health Insurance	$ 6,786.00	$ 6,526.40

Blue Cross Proposed Plans

Individual Plans

	Plan A	Plan C	Plan D	Plan F
Annual Premiums	$ 8,704.32	$ 8,232.36	$ 6,786.00	$ 5,191.20
County's Portion	$ 6,786.00	$ 6,786.00	$ 6,786.00	$ 6,786.00
Employee's Portion of Annual Premium	$ 1,918.32	$ 1,446.36	$ -	$ (1,594.80)
Amount Deducted Per 24 Pay Periods	$ 79.93	$ 60.27	$ -	$ (66.45)
Current Amount of Deduction	$ 76.80	$ 57.89	$ -	$ (63.95)
Increase Per Pay Period	$ 3.13	$ 2.38	$ -	$ (2.50)

Family Plans

	Plan A	Plan C	Plan D	Plan F
Annual Premiums	$ 15,761.04	$ 14,900.40	$ 12,288.24	$ 9,400.32
County's Portion	$ 6,786.00	$ 6,786.00	$ 6,786.00	$ 6,786.00
Employee's Portion of Annual Premium	$ 8,975.04	$ 8,114.40	$ 5,502.24	$ 2,614.32
Amount Deducted Per 24 Pay Periods	$ 373.96	$ 338.10	$ 229.26	$ 108.93
Current Amount of Deduction	$ 359.52	$ 325.04	$ 220.38	$ 104.68
Increase Per Pay Period	$ 14.44	$ 13.06	$ 8.88	$ 4.25

Columbia County BOCC Medical Coverage - Renewal

Carrier Name	Florida Blue - Negotiated Renewal							
Effective Date	October 1, 2016							
Plan Name & Type	BlueChoice 0317		BlueOptions 03359		BlueOptions 03160/03161		BlueOptions 05192/05193	
Network Access	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Calendar Year Deductible (CYD)								
Individual	$1,000	Combined w/ In-Network	$1,500	$4,500	$1,300	$2,500	$2,500	$5,000
Family	$2,000	Combined w/ In-Network	$3,000	$9,000	$2,600	$5,000	$5,000	$10,000
Coinsurance (member pays)	20%	40%	20%	40%	20%	40%	20%	40%
Annual Out of Pocket								
Includes	CYD, Copay, Coins & Rx		CYD, Copay, Coins & Rx		CYD, Copay, Coins & Rx		CYD, Copay, Coins & Rx	
Individual	$2,000	Combined w/ In-Network	$3,000	$6,000	$5,000	$5,000	$5,800	$11,600
Family	$6,000	Combined w/ In-Network	$5,000	$10,000	$10,000	$10,000	$11,600	$23,200
Professional Services								
PCP Office Visit	$20	40% after CYD	$25	40% after CYD	20% after CYD	40% after CYD	20% after CYD	40% after CYD
Specialists Office Visit	20% after CYD	40% after CYD	20% after CYD	40% after CYD	20% after CYD	40% after CYD	20% after CYD	40% after CYD
Preventative Care Visits	$0	40% (No CYD)	$0	40% (No CYD)	$0	40% (No CYD)	$0	40% (No CYD)
Hospital / Facility Services								
In-Patient Hospitalization	$150 PAD + 20% after CYD	40% after CYD	Option 1 - 20% after CYD Option 2 - 25% after CYD	40% after CYD	Option 1 - 20% after CYD Option 2 - 25% after CYD	40% after CYD	Option 1 - 20% after CYD Option 2 - 25% after CYD	40% after CYD
Out-Patient Hospital	20% after CYD	40% after CYD	Option 1 - 20% after CYD Option 2 - 25% after CYD	40% after CYD	Option 1 - 20% after CYD Option 2 - 25% after CYD	40% after CYD	Option 1 - 20% after CYD Option 2 - 25% after CYD	40% after CYD
Surgical Facility	20% after CYD	40% after CYD	20% after CYD	40% after CYD	20% after CYD	40% after CYD	20% after CYD	40% after CYD
Urgent Care Center	$20	40% after CYD	20% after CYD	40% after CYD	20% after CYD	40% after CYD	20% after CYD	40% after CYD
Emergency Care (waived if admitted)	20% after CYD		$200		20% after CYD		20% after CYD	
In-Patient Mental Health / Substance Abuse	$0	40%	$0	40%	20% after CYD	40% after CYD	20% after CYD	40% after CYD
Out-Patient Mental Health / Substance Abuse	$0	40%	$0	40%	20% after CYD	40% after CYD	20% after CYD	40% after CYD
Diagnostic Services								
Laboratory	20%	40%	$0	40% after CYD	CYD	40% after CYD	CYD	40% after CYD
X-Ray	20% after CYD	40% after CYD	20% after CYD	40% after CYD	20% after CYD	40% after CYD	20% after CYD	40% after CYD
MRI, MRA, CT & PET Scans	20% after CYD	40% after CYD	20% after CYD	40% after CYD	20% after CYD	40% after CYD	20% after CYD	40% after CYD
Pharmacy	After In-Network CYD				After In-Network CYD		After In-Network CYD	
Tier 1	40%		$15		$15		$10	
Tier 2	40%	50%	$30	50%	$30	50%	$30	50%
Tier 3	40%		$50		$50		$50	
Mail Order Drugs	$20 / $50 (No CYD)	50%	$40 / $75 / $125	50%	$40 / $75 / $125	50%	$15 / $50 / $80	50%
Mix								
Employee	19		72		76		49	
Family	14		28		23		15	
Rates								
Per Person Enrolled	$725.36		$686.03		$565.50		$432.60	
Family	$1,313.42		$1,241.70		$1,024.02		$783.36	
Monthly Total	**$32,169.72**		**$84,161.76**		**$66,530.46**		**$32,947.80**	
Annual Total	**$386,036.64**		**$1,009,941.12**		**$798,365.52**		**$395,373.60**	
% Over / Under Current Each Plan	--		--		--		--	
Combined Monthly Total	**$215,809.74**							
Combined Annual Total	**$2,589,716.88**							
Other Fees / Credits	**-$25,000.00**							
Annual Total Cost	**$2,564,716.88**							
% Over / Under Current Rates	**3.0%**							
Annual Premium Increase / Decrease	**$74,612.24**							

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Columbia County BOCC Dental Coverage - Current and Renewal

Carrier Name	Humana		Humana	
Effective Date	**October 1, 2015**		**October 1, 2016**	
Plan Name & Type	**PPO - Traditional Preferred**		**PPO - Traditional Preferred**	
Network Access	**In-Network**	**Out-of-Network**	**In-Network**	**Out-of-Network**
Benefit Maximum / Calendar Year	$1,250		$1,250	
Individual Deductible	$50		$50	
Family Deductible	$150		$150	
Dental Description				
Preventative Services	No charge	No charge	No charge	No charge
Basic Services	20% after CYD	20% after CYD	20% after CYD	20% after CYD
Major Services	50% after CYD	50% after CYD	50% after CYD	50% after CYD
Procedures				
Routine Office Visits	No charge	No charge	No charge	No charge
Teeth Cleaning	No charge	No charge	No charge	No charge
Full Mouth / Panoramic x-rays	No charge	No charge	No charge	No charge
Amalgam Fillings	20% after CYD	20% after CYD	20% after CYD	20% after CYD
Extraction - simple per tooth	20% after CYD	20% after CYD	20% after CYD	20% after CYD
Endodontics	20% after CYD	20% after CYD	20% after CYD	20% after CYD
Periodontal scaling	20% after CYD	20% after CYD	20% after CYD	20% after CYD
Full or partial dentures	50% after CYD	50% after CYD	50% after CYD	50% after CYD
Crowns	50% after CYD	50% after CYD	50% after CYD	50% after CYD
Orthodontia				
Benefit	50%	50%	50%	50%
Lifetime Maximum	$1,000		$1,000	
Rate Guarantee	**12 months**		**12 months**	
Rates				
Employee	$25.81		$28.88	
Employee + One	$51.22		$57.32	
Family	$93.54		$104.67	
% Over / Under Current Rates	**-**		**11.90%**	

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Columbia County BOCC Vision Coverage - Current Renewal

Carrier Name	Humana		Humana	
Effective Date	**October 1, 2015**		**October 1, 2016**	
Plan Name & Type	**Humana Vision Care**		**Humana Vision Care**	
Network Access	**In-Network**	**Out-of-Network**	**In-Network**	**Out-of-Network**
Eye Exam Copay				–
Eye Exam	$10	Reimbursed up to $35	$10	Reimbursed up to $35
Frequency	**12 Months**		**12 Months**	
Materials Copay				
Lenses				
Single Vision	$15	Reimbursed up to $25	$15	Reimbursed up to $25
Bifocals	$15	Reimbursed up to $40	$15	Reimbursed up to $40
Trifocals	$15	Reimbursed up to $60	$15	Reimbursed up to $60
Frequency	**12 Months**		**12 Months**	
Frames				
Selected Frames	$50 wholesale allowance	Reimbursed up to $45	$50 wholesale allowance	Reimbursed up to $45
Frequency	**24 Months**		**24 Months**	
Contacts Copay	**In lieu of any other eyewear benefits**		**In lieu of any other eyewear benefits**	
Elective	$150 allowance	Reimbursed up to $150	$150 allowance	Reimbursed up to $150
Medically Necessary Contacts	No charge	Reimbursed up to $210	No charge	Reimbursed up to $210
Frequency	**12 Months**		**12 Months**	
Rate Guarantee	**12 Months**		**12 Months**	
Rates				
Employee	$6.36		$6.36	
Employee + Spouse	$12.71		$12.71	
Employee + Child(ren)	$12.07		$12.07	
Family	$18.98		$18.98	
% Over / Under Current Rates			**0.00%**	

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Columbia County BOCC Basic Life with AD&D Coverage - Current, Renewal Alternate

Carrier Name	Florida Combined Life - Current	Florida Combined Life - Renewal	The Standard
Effective Date	**October 1, 2015**	**October 1, 2016**	**October 1, 2016**
Class Description	All FT EE's	All FT EE's	All FT EE's
Basic Life with Accidental Death & Dismemberment Benefit	$15,000	$15,000	$15,000
Maximum Benefit	$15,000	$15,000	$15,000
Guarantee Issue	$15,000	$15,000	$15,000
Reduction Formula			
At Age 65	65%	65%	65%
At Age 70	50%	50%	50%
At Age 75	25%	25%	35%
Rate Guarantee	**12 Months**	**12 Months**	**24 Months**
Premium			
Active Employee Volume	$5,030,250	$5,030,250	$5,030,250
Life Rate Per $1,000	$0.290	$0.290	$0.230
AD & D Rate	$0.050	$0.050	$0.050
Monthly Total	**$1,710.29**	**$1,710.29**	**$1,408.47**
Annual Total	**$20,523.42**	**$20,523.42**	**$16,901.64**
% Over / Under Current Rates	**--**	**0.00%**	**-17.65%**
Annual Premium Increase / Decrease	**--**	**$0.00**	**-$3,621.78**
Notes			

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Columbia County BOCC Supplemental Life with AD&D - Current, Renewal & Alternate

Carrier Name	Florida Combined Life - Current			Florida Combined Life - Renewal			The Standard - Option 1			The Standard - Option 2		
Effective Date	**October 1, 2015**			**October 1, 2016**			**October 1, 2016**			**October 1, 2016**		
Insured	**Employees**	**Spouse**	**Child(ren)**	**Employees**	**Spouse**	**Child(ren)**	**Employees**	**Spouse**	**Child(ren)**	**Employees**	**Spouse**	**Child(ren)**
Supplemental Life Benefit	Up to $100,000 in $10,000 increments	$2,000	$1,000	Up to $100,000 in $10,000 increments	$2,000	$1,000	Up to $300,000 in $10,000 increments	$2,000	$1,000	Up to $300,000 in $10,000 increments	Up to $150,000 in $5,000 increments	$5,000 or $10,000
Guarantee Issue	$100,000	$2,000	$1,000	$100,000	$2,000	$1,000	$150,000	$2,000	$1,000	$150,000	$30,000	$10,000
Increments of Coverage	$10,000	N/A	N/A	$10,000	N/A	N/A	$10,000	N/A	N/A	$10,000	$5,000	$5,000
Accidental Death & Dismemberment	Same as Supplemental Benefit			Same as Supplemental Benefit			Same as Supplemental Benefit			Same as Supplemental Benefit		
Age Reduction Formula												
At Age 65	65%			65%			65%			65%		
At Age 70	50%		N / A	50%		N / A	50%		N / A	50%		N / A
At Age 75	25%			25%			25%			25%		
Rate Guarantee	**12 Months**			**12 Months**			**12 Months**			**12 Months**		
Premium - per $1000	**Employee**	**Spouse**	**Child(ren)**	**Employee**	**Spouse**	**Child(ren)**	**Employee**	**Spouse**	**Child(ren)**	**Employee**	**Spouse**	**Child(ren)**
< 29							$0.090			$0.090	$0.090	
30 - 34							$0.100			$0.100	$0.100	
35 - 39							$0.110			$0.110	$0.110	
40 - 44							$0.170			$0.170	$0.170	
45 - 49							$0.240			$0.240	$0.240	
50 - 54	$0.530	$1.24 (total monthly fee for spouse and child)		$0.530	$1.24 (total monthly fee for spouse and child)		$0.400	$1.24 (total monthly fee for spouse and child)		$0.400	$0.400	$0.100
55 - 59							$0.530			$0.530	$0.530	
60 - 64							$0.890			$0.890	$0.890	
65 - 69							$1.590			$1.590	$1.590	
70 - 74							$3.490			$3.490	$3.490	
75 +							$12.220			$12.220	$12.220	
AD & D Rate (per $1,000)	**$0.050**			**$0.050**			**$0.050**			**$0.050**	**$0.050**	**$0.050**

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Columbia County BOCC STD - Current, Renewal Alternates

Carrier Name	Florida Combined Life - Current	Florida Combined Life - Renewal	The Standard - Option 1	The Standard - Option 2
Effective Date	**October 1, 2015**	**October 1, 2016**	**October 1, 2016**	**October 1, 2016**
Class Description	All FT EE's	All FT EE's	All FT EE's	All FT EE's
STD Weekly Benefit	$100	$100	60% of Predisability Earnings	60% of Predisability Earnings
Maximum Weekly Benefit	$100	$100	$250	$500
Minimum Weekly Benefit	$100	$100	$15	$15
Benefits Begin				
Accident	Day 1	Day 1	Day 1	Day 1
Sickness	Day 8	Day 8	Day 8	Day 8
Maximum Benefit Period	26 Weeks	26 Weeks	180 Days	180 Days
Rate Guarantee	**12 Months**	**12 Months**	**24 Months**	**24 Months**
Premium	**Employee**	**Employee**	**Employee**	**Employee**
Per $10 of Benefit	$0.520	$0.520	$0.550	$0.550

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