



SPECIAL
BOARD MEETING AGENDA

Monday, December 5, 2022
Derby Recreation Center

12:00pm

PUBLIC FORUM

NEW BUSINESS

- A. Health/Dental Insurance Renewal (*action required*)
Derek Smith, Director of Administration

ADD ONS





MEMORANDUM

TO: DRC BOARD MEMBERS

FROM: Derek Smith, Director of Administration

DATE: December 3, 2022

RE: SPECIAL MEETING - HEALTH AND DENTAL INSURANCE RENEWAL

Health Insurance Plan

Bids for a renewal of the status quo United Health Care plan came in very well with a 3.2% increase. Some of this lower than anticipated increase is the result of our employee census that will skew younger this coming year due to some retirements and resignations of more senior employees.

Our broker bid with Blue Cross/Blue Shield directly for the DRC and received a renewal back for a 15.4% increase over our current rates. Staff did not view this as a workable option.

The Board has asked in the past that the DRC explore cooperative arrangements at the state level or other options from the traditional bid process. In that direction, we have been working with the Derby Chamber of Commerce on a program labeled Chamber Blue. Under this program, members of the Chamber of Commerce who chose to, submitted an employee census to BC/BS and a bid was put forth based on the collective census data of that larger group. This is a new concept for our community but has been implemented with other Chambers in the state. The bid put forth was 8.2% below our current rates and 11.0% below our proposed renewal with UHC. This would result in approximately \$54,702 in savings vs our current renewal bid with UHC. At the time of the November Board meeting the bid was only preliminary and subject to revision. We have recently been informed by IMA that upon review BC/BS is honoring the preliminary bid with no changes.

DENTAL

Staff will recommend continuing with Delta Dental for 2022. Delta has a strong coverage network and higher max benefits than the previous plan. The quoted rates are 1.8% increase over 2022 rates. BC/BS also submitted a bid that was a .7% increase over current rates. The net advantage was only about \$300 gross dollars in premiums so staff would like to continue with its incumbent Delta Dental.

SUMMARY

Currently fees for our broker are included in premium costs for UHC. BC/BS does not incorporate broker fees into premiums so we would need to work with IMA separately for their brokerage fee. We will be bringing an agreement with IMA to the Board at the regular December meeting.

The Chamber Blue bid at this point will result in significant savings outlined above for the DRC. Staff recommends approval of the Chamber Blue proposal for the 2023 year. Staff also recommends approval of the Delta Dental bid for the 2023 year. While the BC/BS dental bid was slightly lower resulting in a net \$300 savings, we believe the continuity of service for our employees has more value than that relatively modest savings.

The DRC intends to continue our relationship with Eye Med for employee eye benefits. This is a voluntary, entirely employee self-funded benefit to receive discounts and subsidy on eye hardware in exchange for payroll deduction of premiums. As there is no change in this program or direct costs for the DRC, staff is not requesting any action from the Board.

Attachments:

Attachment: Medical and Dental Plan Summaries

MEDICAL/RX RENEWAL

United Healthcare

In-Network Benefits		Buy-Up Current	Buy-Up Renewal	Mid Current	Mid Renewal	Base Current	Base Renewal		
Cost Sharing	Ded (single family)	\$1,000 \$2,000	\$1,000 \$2,000	\$1,500 \$3,000	\$1,500 \$3,000	\$2,500 \$5,000	\$2,500 \$5,000		
	Coins (plan pays member pays)	100% 0%	100% 0%	80% 20%	80% 20%	80% 20%	80% 20%		
	Total OOP (single family)	\$2,500 \$5,000	\$2,000 \$4,000	\$7,100 \$14,200	\$8,600 \$17,200	\$5,500 \$11,000	\$5,500 \$11,000		
Benefits	Office Visit (primary specialist)	\$25* \$50**	\$25* \$50**	\$30* \$60**	\$30* \$60**	\$0 \$100	\$0 \$100		
	Telehealth Visit	\$0	\$0	\$0	\$0	\$0	\$0		
	Preventive Care	\$0 most services	\$0 most services	\$0 most services	\$0 most services	\$0 most services	\$0 most services		
	Diagnostic Lab	\$40	\$40	\$40	\$40	Ded, Coins	Ded, Coins		
	Diagnostic X-Ray	\$40	\$40	\$40	\$40	Ded, Coins	Ded, Coins		
	Advanced Imaging	\$500	\$500	\$400	\$400	Ded, Coins	Ded, Coins		
	Urgent Care Facility	\$50	\$50	\$50	\$50	\$50	\$50		
	Emergency Room	\$500	\$500	\$700, then Ded, Coins	\$700, then Ded, Coins	\$250, then Ded, Coins	\$250, then Ded, Coins		
	Inpatient Hospital	Deductible	Deductible	Ded, Coins	Ded, Coins	Ded, Coins	Ded, Coins		
	Outpatient Facility	Deductible	Deductible	Ded, Coins	Ded, Coins	Ded, Coins	Ded, Coins		
	Inpatient MH/SUD	Deductible	Deductible	Ded, Coins	Ded, Coins	Ded, Coins	Ded, Coins		
	Prescription Drugs	Outpatient MH/SUD	\$25	\$25	\$30	\$30	\$0	\$0	
Spinal Manipulation		\$25	\$25	\$30	\$30	Ded, Coins	Ded, Coins		
Ded (single family)		No Ded	No Ded	No Ded	No Ded	No Ded	No Ded		
Tier 1		\$10	\$10	\$10	\$10	\$10	\$10		
Tier 2		\$40	\$40	\$40	\$40	\$40	\$40		
Tier 3		\$105	\$105	\$105	\$105	\$105	\$105		
Tier 4		\$250	\$250	\$250	\$250	\$250	\$250		
Non-Preferred Specialty Drugs		(\$500 Preferred Specialty)	(\$500 Preferred Specialty)	(\$500 Preferred Specialty)	(\$500 Preferred Specialty)	(\$500 Preferred Specialty)	(\$500 Preferred Specialty)		
Mail order		2.5x Retail Copay	3x Retail Copay	2.5x Retail Copay	3x Retail Copay	2.5x Retail Copay	3x Retail Copay		
Enrollment & Cost		Buy-Up Current	Buy-Up Renewal	Mid Current	Mid Renewal	Base Current	Base Renewal		
3	0	5 Employee Only	ACA Required	ACA Required	ACA Required	ACA Required	ACA Required		
2	0	2 Employee + Spouse	Age Rating	Age Rating	Age Rating	Age Rating	Age Rating		
1	0	2 Employee + Child(ren)							
2	4	6 Employee + Family							
8	4	15	Est. Total/Mo	\$ 13,749	\$ 13,598	\$ 8,136	\$ 8,406	\$ 18,390	\$ 19,540
			Compared to Current		-1.1%		+3.3%		+6.8%
			Compared to Renewal						
27			Est. Combined Total/Yr	Current		Renewal			
			Est. Annual Change from Current	\$483,296		\$498,526		\$15,230	
								+3.2%	

*For persons under age 19, \$0 office visit copay applies

**Designated Network copay same as Primary OVC

\$0 Virtual Visits are covered when services are delivered through a Designated Virtual Network provider

Rates and provisions are determined by the underwriting carrier. While MA has endeavored to provide an accurate and clear summary, each carrier's formal proposal prevails over any representations shown in this summary.



MEDICAL/RX MARKETING RESULTS

BCBSKS CHAMBER BLUE

Chamber Blue Rates do not include IMA Commissions

In-Network Benefits		United Healthcare			Chamber Blue Plans				
		Current Buy-Up	Current Mid	Current Base	CB2	CB3	CB4		
Cost Sharing	Ded (single family)	\$1,000 \$2,000	\$1,500 \$3,000	\$2,500 \$5,000	\$1,000 \$2,000	\$1,500 \$3,000	\$3,000 \$6,000		
	Coins (plan pays member pays)	100% 0%	80% 20%	80% 20%	80% 20%	80% 20%	100% 0%		
Total OOP (single family)		\$2,500 \$5,000	\$7,100 \$14,200	\$5,500 \$11,000	\$5,000 \$10,000	\$5,000 \$10,000	\$6,350 \$12,700		
Benefits	Office Visit (primary specialist)	\$25* \$50**	\$30* \$60**	\$0 \$100	\$25 \$50	\$25 \$50	Deductible		
	Telehealth Visit	\$0	\$0	\$0	\$25	\$25	Deductible		
	Preventive Care	\$0 most services	\$0 most services	\$0 most services	\$0 most services	\$0 most services	\$0 most services		
	Diagnostic Lab	\$40	\$40	Ded, Coins	100% up to \$300, then Ded, Coins.	100% up to \$300, then Ded, Coins.	Deductible		
	Diagnostic X-Ray	\$40	\$40	Ded, Coins			Deductible		
	Advanced Imaging	\$500	\$400	Ded, Coins			Deductible		
	Urgent Care Facility	\$50	\$50	\$50	\$25	\$25	Deductible		
	Emergency Room	\$500	\$700, then Ded, Coins	\$250, then Ded, Coins	\$250, then Ded, Coins	\$250, then Ded, Coins	Deductible		
	Inpatient Hospital	Deductible	Ded, Coins	Ded, Coins	Ded, Coins	Ded, Coins	Deductible		
	Outpatient Facility	Deductible	Ded, Coins	Ded, Coins	Ded, Coins	Ded, Coins	Deductible		
	Inpatient MH/SUD	Deductible	Ded, Coins	Ded, Coins	Ded, Coins	Ded, Coins	Deductible		
	Outpatient MH/SUD	\$25	\$30	\$0	\$25	\$25	Deductible		
Spinal Manipulation	\$25	\$30	Ded, Coins	\$50	\$50	Deductible			
Prescription Drugs	Tier 1	\$10	\$10	\$10	\$15	\$15	\$15 after Deductible		
	Tier 2	\$40	\$40	\$40	\$50	\$50	\$50 after Deductible		
	Tier 3	\$105	\$105	\$105	\$75	\$75	\$75 after Deductible		
	Tier 4	\$250	\$250	\$250	\$150	\$150	\$150 after Deductible		
	Non-Preferred Specialty Drugs	(\$500 Preferred Specialty)	(\$500 Preferred Specialty)	(\$500 Preferred Specialty)	\$150	\$150	\$150 after Deductible		
Mail order	2.5x Retail Copay	2.5x Retail Copay	2.5x Retail Copay	2.5x Retail	2.5x Retail	2.5x Retail			
Enrollment & Cost		Current Buy-Up	Current Mid	Current Base	CB2	CB3	CB4		
3	0	5 Employee Only			\$ 658.40	\$ 641.58	\$ 593.37		
2	0	2 Employee + Spouse	ACA Required	ACA Required	ACA Required	1,391.05	1,354.88	1,180.47	
1	0	2 Employee + Child(ren)	Age Rating	Age Rating	Age Rating	1,312.24	1,278.16	1,251.23	
2	4	6 Employee + Family				2,044.89	1,991.46	1,838.33	
8	4	15	Est. Total/Mo	\$ 13,749	\$ 8,136	\$ 18,390	\$ 10,159	\$ 7,966	\$ 18,860
		Compared to Current							
		Compared to Renewal							
		Current							
		Renewal							
		Chamber Blue Plans							
27		Est. Combined Total/Yr	\$483,296		\$498,526	\$443,825			
		Est. Annual Change from Current			\$15,230	-\$39,472			
					+3.2%	-8.2%			
		Est. Annual Change from Renewal				-\$54,702			
						-11.0%			

*For persons under age 19, \$0 office visit copay applies

**Designated Network copay same as Primary OVC

\$0 Virtual Visits are covered when services are delivered through a Designated Virtual Network provider

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DENTAL RENEWAL

		Delta Dental of Kansas	
		Current	Renewal
Cost Sharing	Ded (single family)	\$50 \$150	
	◦ Ded applies to	II, III	
	Max Benefits/year	\$1,500	
In-Network Benefits	◦ Preventive applies to Max	Yes	
	Network	PPO & Premier	
	I - Diagnostic & Preventive (Plan Pays)	Plan pays 100%	
	◦ Frequency of Exams/Cleanings	2x per Year / Unlimited	
	II - Basic (Plan Pays)	80% 20%	
		(RS4K 100% 0%)	
	III - Major (Plan Pays)	50% 50%	
		(RS4K 100% 0%)	
	Periodontics	Type II	
	Endodontics	Type II	
	Dental Implants	Type III	
Misc	Waiting Periods	None	
	Dependent Child Age Limit	26	
	Non-Contrib/Contrib/Voluntary	Employer Sponsored	
Enrollment & Cost		Current	1-Yr Renewal
5	Employee Only	\$ 33.33	\$ 33.93
7	Employee + Spouse	65.99	67.18
4	Employee + Child(ren)	66.04	67.22
12	Employee + Family	112.16	114.17
28	Est. Total/Mo	\$ 2,239	\$ 2,279
	Est. Total/Yr	26,864	27,346
	Est. Annual Change from Current		\$ 482 +1.8%

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DENTAL MARKETING RESULTS

		Delta Dental of Kansas		BCBSKS	
		Current	Renewal	Option 1	Option 2
Cost Sharing	Ded (single family)	\$50 \$150		\$25 \$75	\$0 \$0
	• Ded applies to	II, III		II, III	N/A
	Max Benefits/year	\$1,500		\$1,500	N/A
	• Preventive applies to Max Network	Yes		Yes	Yes
	Network	PPO & Premier		Blue Choice	Blue Choice
In-Network Benefits	I - Diagnostic & Preventive (Plan Pays)	Plan pays 100%		Plan pays 100%	Plan pays 100%
	• Frequency of Exams/Cleanings	2x per Year / Unlimited		Unlimited	Unlimited
	II - Basic (Plan Pays)	80% 20% (RS4K 100% 0%)		80% 20%	50% 50%
	III - Major (Plan Pays)	50% 50% (RS4K 100% 0%)		50% 50%	50% 50%
	Periodontics	Type II		Type II - Non- Surgical Type III - Surgical	Type I
	Endodontics Dental Implants	Type II Type III		Type II Type III	Type I Type III
Misc	Waiting Periods	None		None	None
	Dependent Child Age Limit	26		26	26
	Non-Contrib/Contrib/Voluntary	Employer Sponsored		Employer Sponsored	Employer Sponsored
Enrollment & Cost		Current	1-Yr Renewal	Option 1	Option 2
5	Employee Only	\$ 33.33	\$ 33.93	\$ 35.10	\$ 39.65
7	Employee + Spouse	65.99	67.18	74.32	84.10
4	Employee + Child(ren)	66.04	67.22	68.27	78.01
12	Employee + Family	112.16	114.17	107.09	122.45
28	Est. Total/Mo	\$ 2,239	\$ 2,279	\$ 2,254	\$ 2,568
	Est. Total/Yr	26,864	27,346	27,047	30,821
	Est. Annual Change from Current		\$ 482 +1.8%	\$ 183 +0.7%	\$ 3,957 +14.7%
	Est. Annual Change from Renewal			\$ (299) -1.1%	\$ 3,475 +12.7%

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