



Blount County Government HR/Insurance Committee

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Presented by:

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Topics –Employee Benefit Planning

- 2018 Carriers
- Additional Products
- Medical Plan Design
- Tobacco Rates



2018 Carriers

- Allegiance (medical / FSA)
 - Employers Health / CVS Pharmacy
 - Under Humana \$98.56 Per Employee Per Month Cost
 - 1st full year under Employers Health / CVS - \$85.81 Per Employee Per Month Cost
- Delta Dental of Tennessee (dental)
- Superior Vision (vision)
- Dearborn (life, STD, LTD)
- Colonial (critical illness, accident, cancer, whole life)



Flexible Spending Account (FSA)

- **Current carrier: Ameriflex**
 - Administrative cost for the 2017 Flexible Spending Account is covered by Colonial, as Ameriflex is their preferred vendor
 - \$4.00 per employee per month
 - Blount County members have encountered several service issues with this vendor, and therefore a change is recommended
- **Suggested carrier for 2018: Allegiance**
 - Colonial has agreed to contribute the same dollar amount that they are paying for the FSA in 2017 towards the cost of administration by Allegiance
 - \$5.25 per employee per month
 - Cost difference (\$1.25 per employee per month) would be charged to Blount County Government.
 - \$373.75 per month (based on 299 enrollees)
 - \$4,485 per year



Dental Plan – Delta Dental of TN

The county pays 100% of employee only dental premiums

- Current fully insured arrangement - \$472K Costs to the County
- **Requested renewal – 5% increase**
 - Without rate cap, renewal would have exceeded 15% due to claims
- Reviewed self-funded arrangement as an alternative
 - 2016 dental claims were high, therefore, the self-funded plan cost would be higher than the fully insured plan cost
- Recommended change to a \$5 per pay-period cost in premium for employee only coverage
 - Mitigates the risk of double coverage



Additional Products



Legal Shield

- Voluntary Product - no costs to the county; pricing may look as follows:
 - Individual Legal Plan: \$14.95
 - Family Legal Plan: \$15.95
- Small Monthly fee gives members access to an attorney on any matter without worrying about high hourly costs. Example of services:
 - Estate Planning (Will, Living Will, Power of Attorney)
 - Family Law (Divorce, Child Support, Child Custody)
 - Traffic Issues (moving violations, accidents)
 - Real Estate (Purchase, Refinance, Foreclosure, Landlord/Tenant)
 - Consumer Finance (Collections, Warranties, Guarantees and Other Contracts)



Convenient Care

- **Telemedicine**

- Voluntary product at \$10 rate per month per enrolled employee (covers employee and family members)
- Access to a doctor 24 hours a day by phone or video for treatment of minor illnesses / injuries (skin conditions, upper respiratory infections, urinary tract infections, bronchitis, allergies, pink eye, sinusitis, earaches, strep throat, sore throat, minor strains & sprains)
- Prescriptions sent to your local pharmacy - includes Generic Drugs (if on their the list) - at no cost to the member



Convenient Care

- **Optional Buy-Up CVS/Walgreens Walk-in Clinics**
 - \$15 Employee Cost / \$30 Family Premium
 - \$30 Copay for CVS/Walgreens walk-in clinics
 - Includes all of the benefits under the telemedicine/pharmacy
- **Blount County paid option:**
 - \$14.00 for the Employee / \$28.00 for Family



Antibiotics	Headache/Migraine	Sore Throat/Strep
Amoxicillin AMOXICILLIN CAP 500 MG	Naproxen NAPROXEN TAB 500 MG	See antibiotics
Cephalexin CEPHALEXIN CAP 500 MG		UTI
Bactrim (Sulfa) BACTRIM 400-80 MG SULFAMETHOXAZOLE/TRIMETHO PRIM DS TAB 800-160 MG SULFAMETHOXAZOLE/TRIMETHO PRIM TAB 400-80 MG	Nausea/Vomiting Meclizine MECLIZINE HCL 12.5 TAB	Bactrim BACTRIM 400-80 MG SULFAMETHOXAZOLE/TRIMETHO PRIM DS TAB 800-160 MG SULFAMETHOXAZOLE/TRIMETHO PRIM TAB 400-80 MG
Cipro CIPROFLOXACIN HCL TAB 500 MG	Pain Management Tramadol TRAMADOL HCL TAB 50 MG	Cipro CIPROFLOXACIN HCL TAB 500 MG
Bronchitis and Asthma	Norco HYDROCODONE/ACETAMINOPHEN TAB 7.5-325 MG	Rash
Prednisone PREDNISONE TAB 10 MG PREDNISONE TAB 20 MG PREDNISONE TAB 5 MG	Flexeril CYCLOBENZAPRINE HCL TAB 10 MG CYCLOBENZAPRINE HCL TAB 5 MG	Hydrocortisone cream/ointment HYDROCORTISONE CREAM 1% HYDROCORTISONE CREAM 2.5% HYDROCORTISONE OINTMENT .5% HYDROCORTISONE OINTMENT 1%
Prednisolone (liquid for kids) PREDNISOLONE 15 MG/5ML SYR	Poison Ivy Hydrocortisone cream/ointment HYDROCORTISONE CREAM 1% HYDROCORTISONE CREAM 2.5% HYDROCORTISONE OINTMENT .5% HYDROCORTISONE OINTMENT 1% HYDROCORTISONE OINTMENT 2.5%	Triamcinolone cream/ointment TRIAMCINOLONE ACETONIDE OINTMENT .1%
Ear Infection		
Amoxicillin AMOXICILLIN CAP 500 MG		
Fever	Prednisone PREDNISONE TAB 10 MG PREDNISONE TAB 20 MG	
Ibuprofen 400-800mg Rx IBUPROFEN 400MG TAB IBUPROFEN 600MG TAB IBUPROFEN 800MG TAB	Triamcinolone cream/ointment TRIAMCINOLONE ACETONIDE OINTMENT .1%	

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Medical Plan Design



Morbid Obesity

- Morbid Obesity
 - 19 members with morbid obesity claims diagnosis
 - Total Paid Claims for the 19 members equals \$574,468.84
- Barinet
 - No Per Employee Cost
 - Network for Bariatric Surgery
 - Data shows .5% utilization of the benefit
 - Post surgery has lead to declines in prescriptions associated with diabetes, hypertension, and hyperlipidemia by 76%, 51%, and 59% respectively



Morbid Obesity (continued)

- Separate deductible for the procedure
 - Recommend \$2,500 - \$10,000 (no maximum) for employee's cost
 - Does not apply to member medical deductible/out-of-pocket expenses
- Procedures Covered (Average Costs)
 - Gastric Bypass (\$28,750)
 - Gastric Sleeve (\$19,500)
 - Gastric Band (\$18,950)
 - Laparoscopic Duodenal Switch (\$27,950)
- Coverage for 12 months post surgery for complications
 - Cardiopulmonary, Thromboembolic, Bleeding, Infection, Leak, Perforation, Obstruction, Stenosis, Band Slip, Band Port Site Problems



Plan Design Changes

- Single coinsurance tier at 85%
 - Administrative burden due to providers with multiple locations in and outside of Blount County
 - Allegiance agrees to hold current ASO rates for one year if Blount County moves to 1 in-network coinsurance strategy
 - Based on 2016 utilization, cost savings of \$73,000
- Emergency Room
 - Increase from \$50 to \$250 copay
 - \$318,921.68 in allowable expenses which were non-emergent in nature
 - Headache (#3), Fever, UTI (#9), Nausea (#7), Constipation, Upper Respiratory
 - 971 total claims



Plan Design Changes (continued)

- 1 Plan Design
 - In 2017, both plan designs met State standards
 - State will vote on 2018 plans typically in June or July, but we anticipate the one plan will more than meet the standards
 - \$750 Deductible Plan for the single option
- Reduced Out-Of-Pocket
 - Reduction from \$4,000 down to \$3,000
 - 55 Members maxed out \$4,000 (1.5%)
 - 83 Members met \$3,000+ of their Out-of-pocket (2.2%)
 - Estimated total difference at \$70,000



Tobacco Surcharge



Tobacco Surcharge

- Implementation of approved policy effective 1/1/2018
- Tobacco/Non-Tobacco Rate Structure
 - \$10 Surcharge (per pay period) for Tobacco users
- Retirees will receive the Non-Tobacco Rate
- Communication
 - Open Enrollment Messaging (benefit booklets, benefits/health fair, etc.)
 - Approved Tobacco Policy

Tobacco Cessation Vendor Options

Vendors	Interactive Health	Blount Discount Pharmacy	Blount Memorial Hospital
Format:	Telephonic Only	Group Class and Telephonic Combo	Group Class only
Program Details:	<ul style="list-style-type: none"> 8 sessions, telephonic Books and other materials mailed to home Price includes unlimited coaching throughout the year after the course is completed 	<ul style="list-style-type: none"> 3 on-site group sessions <ul style="list-style-type: none"> Bi-weekly; held at pharmacy 3 Follow-up calls with individual Includes assistance with obtaining prescription for cessation RX and NRT 	<ul style="list-style-type: none"> Onsite classes at County location(s) 1 kick-off class and 8 sessions (2 hours each) 6-16 participants per class
Pricing:	\$300 per participant	\$150 per participant	\$35 per participant plus \$90/hour
Annual Cost Estimates: *50 participants	\$15,000	\$7,500	Too many variables to estimate at this time
Annual Cost Estimates: *25 participants	\$7,500	\$3,750	Too many variables to estimate at this time



Thank you!