

## 2020 - Blount County Recommendations –

|                                  |  | Alternate Options 2020                                      |   |                       |
|----------------------------------|--|---|---|-----------------------|
|                                  |  | Plan 1 - PPO  | Plan 2 - PPO  | Plan 3 - CDHP/H.S.A.* |
| <b>Benefits (Member Pays)</b>    |  | In-Network  | In-Network  | In-Network            |
| <b>Deductible</b>                |  |   |   |                       |
| <b>Individual</b>                |  | \$750   | \$1,500   | \$3,000               |
| <b>Family</b>                    |  | \$1,500   | \$3,000   | \$6,000               |
| <b>Coinsurance</b>               |  | 15%   | 15%   | 100%                  |
| <b>Out-of-Pocket Maximum</b>     |  |   |   |                       |
| <b>Individual</b>                |  | \$3,000   | \$4,500   | \$3,000               |
| <b>Family</b>                    |  | \$3,000 per person  | \$9,000   | \$6,000               |
| <b>Emergency Room</b>            |  | 15% after deductible, then \$150 copay (waived if admitted) | 15% after deductible, then \$150 copay (waived if admitted) | 0% after deductible   |
| <b>Routine Services</b>          |  |   |   |                       |
| <b>Primary Care Office Visit</b> |  | 15% after deductible  | \$25 copay  | 0% after deductible   |
| <b>Specialist Office Visit</b>   |  | 15% after deductible  | \$45 copay  | 0% after deductible   |
| <b>Prescription Drugs</b>        |  |   |   |                       |
| <b>RX Out-of-Pocket Maximum</b>  |  | \$2,000 per person  | \$2,000 per person  | included with medical |
| <b>Generic</b>                   |  | \$10 copay  | \$10 copay  | 0% after deductible   |
| <b>Preferred Brand</b>           |  | 30% coinsurance, up to a max copay of \$60                  | 30% coinsurance, up to a max copay of \$60                  | 0% after deductible   |
| <b>Non-Preferred Brand</b>       |  | 40% coinsurance, up to a max copay of \$100                 | 40% coinsurance, up to a max copay of \$100                 | 0% after deductible   |
| <b>Specialty</b>                 |  | 50% coinsurance, up to a max copay of \$200                 | 50% coinsurance, up to a max copay of \$200                 | 0% after deductible   |
| <b>Rates</b>                     |  |   |   |                       |
| <b>Employee Only</b>             |  | \$664.00  | \$612.62  | \$579.00              |
| <b>Employee + Spouse</b>         |  | \$1,524.00  | \$1,406.08  | \$1,330.00            |
| <b>Employee + Child(ren)</b>     |  | \$1,499.00  | \$1,383.02  | \$1,308.00            |
| <b>Family</b>                    |  | \$1,549.00  | \$1,429.15  | \$1,352.00            |

\*Whoever enrolls in the QDHP would not qualify for free coverage with the clinic as this would make the H.S.A. non-compliant.

# State Requirements

- State requires that one option meet or exceed the premium plan within a 5% actuarial variance
  - Your current Option 1 has met this requirement for the past 3 years (required 95%, last year we obtained 97.8%)
- AND the lowest cost option can not be lower in actuarial value than the lowest cost option the State provides
  - The State option is a \$2,000 Deductible / 70% Coinsurance / \$5,000 maximum Out-of-pocket
- State is requiring payroll contributions and total costs, along with benefit summaries
- Recommend flexibility within 3% to make necessary changes to plan to bring up to compliance should this plan not meet the requirements
  - 3% margins are built into the rate calculations



# Payroll Deduction Recommendation

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- It is recommended to apply the Blount County employee and employer contribution rate strategy to the 2<sup>nd</sup> plan option
  - Employees may “buy-up” or “buy-down” to options 1 or 3 based on the employer’s contribution of the 2<sup>nd</sup> plan
  - Blount County’s costs are neutral regardless of plan selection

# 2020 Monthly Payroll Deduction Scenario 1

- Current Payroll Deductions

|                     | <b>Plan 1<br/>(Current)</b> |
|---------------------|-----------------------------|
| Employee Only       | \$85                        |
| Employee Spouse     | \$200                       |
| Employee Child(ren) | \$175                       |
| Family              | \$225                       |

# 2020 Monthly Payroll Deduction Scenario

- Base employee payroll deductions for Blount County funding on Plan 2
  - Plan 1 a “buy-up”
  - Plan 3 a “buy-down”

|                     | <b>Plan 1<br/>(Current)</b> | <b>Plan 2</b> | <b>Plan 3<br/>(H.S.A.<br/>Compatible)</b> |
|---------------------|-----------------------------|---------------|---|
| Employee Only       | \$143                       | \$91          | \$58                                      |
| Employee Spouse     | \$328                       | \$210         | \$134                                     |
| Employee Child(ren) | \$323                       | \$207         | \$132                                     |
| Family              | \$334                       | \$214         | \$137                                     |

# H.S.A. Vendor – Health Equity

- \$2.50 Per Applicant Per Month
  - Paid by either participant or County
- Payroll Deduction from employee to flow to vendor
- Rolls over year-to-year
- Maximum 2020 Contribution

|               | 2020 Maximum Contribution |
|---------------|---------------------------|
| Employee Only | \$3,550                   |
| Family        | \$7,100                   |

- *H.S.A. catch-up contribution over age 55+: \$1,000*

# Benchmark – 2019 Rates

| Knox County                     |                        |                        | Rutherford County    |                    | City of Maryville   | City of Knoxville  |                 | City of Knoxville  |                 |                    |          |
|---------------------------------|------------------------|------------------------|----------------------|--------------------|---------------------|--------------------|-----------------|--------------------|-----------------|--------------------|----------|
| Network S                       | Network S              | Network S              | OAP HRA              | OAP                | UHC Options PPO     | Network S          | Network P       | Network S          | Network P       |                    |          |
| \$2000 / \$4000                 | \$1500 / \$3000        | \$500 / \$1000         | \$2000 / \$4000      | \$1250 / \$2500    | \$500 / \$1000      | \$1000 / \$2000    | \$1000 / \$2000 | \$500 / \$1000     | \$500 / \$1000  |                    |          |
| 20%                             | 20%                    | 20%                    | 10%                  | 20%                | 20%                 | 20%                | 20%             | 20%                | 20%             |                    |          |
| \$4000 / \$8000                 | \$4000 / \$8000        | \$3000 / \$6000        | \$5000 / \$10000     | \$4000 / \$8000    | \$5000 / \$10000    | \$2500 / \$5000    | \$2500 / \$5000 | \$2500 / \$5000    | \$2500 / \$5000 |                    |          |
| Ded & Coins                     | Ded & Coins            | Ded & Coins            | Ded & Coins          | Ded & Coins        | Ded & Coins         | Ded & Coins        | Ded & Coins     | Ded & Coins        | Ded & Coins     |                    |          |
| \$35                            | \$35                   | \$30                   | Ded & Coins          | \$30               | \$15                | Ded & Coins        | Ded & Coins     | Ded & Coins        | Ded & Coins     |                    |          |
| \$45                            | \$45                   | \$40                   | Ded & Coins          | \$50               | \$30                | Ded & Coins        | Ded & Coins     | Ded & Coins        | Ded & Coins     |                    |          |
| Ded & Coins                     | \$200 + Ded & Coins    | \$150 + Ded & Coins    | Ded & Coins          | \$300              |                     |                    |                 |                    |                 |                    |          |
|                                 | Max applies to Medical | Max applies to Medical |                      |                    |                     |                    |                 |                    |                 |                    |          |
| Applies to Medical              | \$100 / \$200          | \$100 / \$200          | Applies to Medical   |                    |                     |                    |                 |                    |                 |                    |          |
| Ded & Coins (\$0 Preventive Rx) | \$4 after ded          | \$4 after ded          | 70% after deductible | \$5                | \$10                | \$5                | \$5             | \$5                | \$5             |                    |          |
| Ded & Coins                     | \$40 after ded         | \$40 after ded         | 60% after deductible | \$30               | \$35                | \$10/\$20          | \$10/\$20       | \$10/\$20          | \$10/\$20       |                    |          |
| Ded & Coins                     | \$60 after ded         | \$60 after ded         | 50% after deductible | \$60               | \$55                | \$40               | \$40            | \$40               | \$40            |                    |          |
| Ded & Coins                     | Coins Up to \$300 Max  | Coins Up to \$300 Max  |                      |                    | 20% up to \$120 Max | \$80               | \$80            | \$80               | \$80            |                    |          |
| Monthly                         | Monthly                | Monthly                | Monthly County       | Board of Education | Monthly County      | Board of Education | Monthly         | Monthly            | Monthly         | Monthly            |          |
| \$32.50                         | \$78.00                | \$158.17               | \$25.00              | \$30.00            | \$89.86             | \$107.84           | \$57.33         | \$62.24            | \$64.24         | \$97.80            | \$103.00 |
| \$184.17                        | \$273.00               | \$548.17               | \$74.91              | \$89.89            | \$270.19            | \$324.23           | \$116.91        | \$284.54           | \$302.94        | \$366.36           | \$392.14 |
| \$160.33                        | \$227.50               | \$474.50               | \$60.17              | \$72.21            | \$240.99            | \$289.19           |                 | \$202.74           | \$217.38        | \$267.86           | \$288.34 |
| \$260.00                        | \$381.33               | \$667.33               | \$107.70             | \$129.24           | \$363.59            | \$436.30           |                 | \$346.78           | \$370.80        | \$453.50           | \$487.12 |
|                                 |                        |                        | HRA: \$750 / \$1500  |                    |                     |                    |                 | HRA: \$480 / \$960 |                 | HRA: \$480 / \$960 |          |

