



HEALTH INSURANCE COMMITTEE REPORT

- Insurance Committee has met twice (March 12, 2022 and May 16, 2022)
- Brad Johnson, Health Insurance Consultant for Assured Partners, presented data at both meetings. Brad's role is to:
 - Serve as an objective outside expert to assist with discussions
 - Prepare and present relevant data to the Insurance Committee
 - Provide information on the health insurance trends and usable ideas
- March 14, 2022 Meeting
 - Overview of Health Plan Review Project
 - Analyze key factors of the County Health benefit and compare to other employers
 - Deductibles, Office Visit Co-pay, Prescription Co-pay, Out of Pocket Maximum, Employee's share of cost
 - Overall Lee County Benefit package was competitive and favorable when compared to other municipalities
 - Employees were asked what they liked about the program and what, if anything, they would like to change.
- May 16, 2022 Meeting
 - Review underlying health insurance cost drivers
 - Demographics: Age, gender, tenure on the health plan, geographic location
 - Actual claim usage
 - Lee County has the highest Medical/RX Loss Ratio (120.6%) in the QCIP pool of nine municipalities. The target loss ratio is 99%.
 - Will negatively impact bids
 - Overview of current annual health insurance costs
 - **IPBC Pool: \$1,935,105**
 - BCBS Plan with \$6,000 individual, \$12,700 family deductible
 - Employee share 25% of BCBS premium: \$484,000
 - **Envision: \$351,901**
 - 3rd Party vendor which manages deductible gap and FSA program
 - Gap between BCBS plan deductible (\$6,000/\$12,700) and Lee County employee plan deductible of \$500 (individual) and \$1,000 (family).
 - Administration Fee: \$11,256; Deductible Claims: \$340,645
 - Employees do not share in the cost
 - **Totals: \$2,287,006**
 - IPBC/BCBS Rate changes effective July 1, 2022
 - \$2,087,978 annually; 7.9% increase

- Effective for 18 months, until January 1, 2024 to align employee rate changes and IPBC rate change
- Next Steps
 1. Go out to bid (Consultant will prepare and distribute bid documents)
 2. Present bids to insurance Committee for review
 3. Consider any other viable plan options/modifications
 4. Forward recommendation to Finance Committee (August meeting)
 - In advance of September 1, 2022 deadline to notify IPBC of changes to plan.