

Human Resources / Insurance Committee Meeting

Blount County Courthouse

June 21, 2016 at 5:00 pm

Agenda

- A. Roll Call**
- B. Emergency Announcement**
- C. Input on Items on the Agenda**
- D. Approval of May 17, 2016 Minutes**
- E. Revenue and Expenditures**
- F. Discussion and Possible Action on Recommendations from CBIZ**
 - 1. Carriers for 2017**
 - 2. 2017 Plan Design**
 - 3. Tobacco Cessation Program and Policy**
 - 4. Voluntary Biometric Screenings**
 - 5. Proton Pump Inhibitors (PPIs)**
 - 6. Disease Management**
- G. Input on Items not on the Agenda**
- H. Adjournment**

Blount County Government
Human Resources/Insurance Committee Minutes

Tuesday May 17, 2016 5:00 pm
Room 430 Blount County Courthouse

Members Present: Commissioners Tom Stinnett, Rick Carver, Mike Lewis, Mike Caylor, Register of Deeds Phyllis Crisp, Interim Highway Superintendent Jeff Headrick

Members Absent: Mayor Ed Mitchell, Commissioner Grady Caskey, Human Resource Insurance Committee Member David Murrell, Sheriff James Berrong

Others Present: Human Resources Director Jenny Morgan,
Human Resources Specialist Jodie King
CBIZ Representative Cole Harris

Input on Items on the Agenda

None at this time

Approval of Minutes

Motion was made by Rick Carver to approve January 19th and April 19th 2016 minutes and second by Jeff Headrick. All in favor, motion passed.

Monthly Revenue/Expenditures

Jenny Morgan introduced Deena Finley, Accounting Manager. She discussed how the revenue was being calculated when deducted from payroll/GL and that the accounting website only shows when a transaction has been posted. Jenny discussed with the committee the revenue and expenditures spreadsheet.

Benefits Updates and Presentation

Cole Harris with CBIZ discussed a PowerPoint presentation with the committee regarding several different items such as year to date comparison, 2017 benefits and a wellness plan.

Input on items not on the Agenda

None at this time

Motion was made to adjourn at 5:55 PM

Blount County
Employee Summary Report
Reporting Period: 07/01/15 thru 06/30/16

Membership

Month	Total	Members	Subscriber Coverage Types			
			EE Only	EE + SP	EE + CH	Family
07/31/2015	1,846	3,894	936	213	203	494
08/31/2015	1,847	3,886	943	211	201	492
09/30/2015	1,894	3,996	962	218	207	507
10/31/2015	1,895	4,010	958	220	209	508
11/30/2015	1,891	4,006	952	221	210	508
12/31/2015	1,887	3,993	954	219	206	508
01/31/2016	1,746	3,749	841	245	200	460
02/28/2016	1,751	3,770	839	245	203	464
03/31/2016	1,747	3,756	836	244	204	463
04/30/2016	1,735	3,728	830	244	202	459
05/31/2016	1,736	3,721	837	240	198	461
06/30/2016						

BLOUNT COUNTY
 FUND 264 - HEALTH FUND
 FISCAL YEAR-TO-DATE
 APRIL 30, 2016

C.C. Object	Account Title	Estimated Revenue	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
43101	SELF-INSURANCE PREMIUMS	10,007,073.00	375,813.77	543,737.50	742,331.72	742,562.50	747,762.50	746,000.00
43102	OTHER EMPLOYEE BENEFITS	9,747,768.00	569,983.11	469,107.41	650,133.63	616,108.34	647,345.67	646,441.50
44110	INTEREST EARNED	10,000.00		784.46	734.80	698.59	353.91	356.56
44160	RETIRES INSURANCE PMTS	1,676,711.00	(107,452.13)	176,849.29	132,921.70	136,757.50	128,675.00	133,254.00
44161	COBRA INSURANCE PAYMENTS	40,000.00	1,809.00	4,204.17	4,590.00	7,065.24	7,904.67	459.00
44990	OTHER LOCAL REVENUES - LOA				10,000.00			
	TOTAL	21,481,552.00	840,133.75	1,194,682.83	1,530,711.85	1,513,192.17	1,532,041.75	1,526,511.06

C.C. Object	Account Title	Estimated Expenditures	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
500207	EMPLOYEE INSURANCE - HEALTH	862,000.00	95,027.61	47,292.62	48,399.38	44,802.55	48,496.77	
500312	CONTRACTS W/PRIVATE AGCY	340,000.00	26,626.00	25,830.34	26,841.00	27,051.00	30,582.00	23,385.00
500325	FISCAL AGENT CHARGES	699,316.00	83,623.86	37,406.54	53,531.04	51,304.94	52,239.48	275,097.00
500507	MEDICAL CLAIMS	19,330,236.00	1,520,516.84	1,382,244.11	1,826,967.83	1,470,598.95	1,645,120.62	1,588,020.41
	HUMANIA REIMBURSEMENTS							
500530	FINES, ASSESSMENTS, AND PENALTIES	250,000.00		104.72			41,758.50	
	TOTAL	21,481,552.00	1,525,794.31	1,492,773.61	1,955,843.97	1,593,757.44	1,818,197.37	1,886,502.41
	Net Position		(685,660.56)	(298,090.78)	(425,132.12)	(80,565.27)	(286,155.62)	(359,991.35)

Special Notes

December 2015 Increase in Fiscal Agent Charges was due to Humana Runout Medical -18 months charge for 1/1/2016 through 6/30/2017 (\$15,283.17 per mth)

Account Title	Explanations of Account Title
43101 - SELF-INSURANCE PREMIUMS	Employee Only Medical Premiums and Employer for Employee Only Medical Premiums (\$25.00 and \$425.00 monthly; eff. 1/1/16 \$85 and \$425 monthly)
43102 - OTHER EMPLOYEE BENEFITS	Employee Dependent Medical Premiums and Employer for Dependent Medical Premiums (\$150, \$100, \$125 and \$550 monthly; eff. 1/1/16 \$200, \$175, \$225 & \$550 monthly)
44110 - INTEREST EARNED	Interest Earned
44160 - RETIRES INSURANCE PMTS	Retiree Premiums
44161 - COBRA INSURANCE PAYMENTS	Cobra Premiums
44990 - OTHER LOCAL REVENUES - LOA	Received from CIGNA to assist with costs of transitioning to new vendor
500207 - EMPLOYEE INSURANCE - HEALTH	Storpass Carrier Premiums
500312 - CONTRACTS W/PRIVATE AGCY	ETMG Clinic and CONCERN EAP (BMH)
500325 - FISCAL AGENT CHARGES	2015 - Humana Admin Fees and Open Enrollment System; 2016 - Allegiance Admin Fees
500507 - MEDICAL CLAIMS	Medical Claims and Pharmacy Claims
500530 - FINES, ASSESSMENTS, AND PENALTIES	ACA Fees and PCORI Fees (IRS)

BLOUNT COUNTY
 FUND 264 - HEALTH FUND
 FISCAL YEAR-TO-DATE
 APRIL 30, 2016

C.C. Object	Account Title	Estimated Revenue	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	ADI	Fiscal Year to Date	Calendar Year to Date (2016)
43101	SELF-INSURANCE PREMIUMS	10,007,073.00	779,702.50	779,702.50	757,995.93	768,405.06	765,765.00	765,765.00		7,749,778.98	3,851,570.99
43102	OTHER EMPLOYEE BENEFITS	9,747,768.00	621,125.08	621,125.08	689,506.65	639,051.05	628,870.68	628,870.68		6,798,778.20	3,199,678.54
44110	INTEREST EARNED	10,000.00	421.76	628.47	623.80	708.01	1,010.75	1,010.75		6,321.11	3,392.79
44160	RETIRES INSURANCE PMTS	1,676,711.00	130,133.68	135,842.28	135,750.41	131,697.66	134,403.98	134,403.98		1,268,833.37	667,828.01
44161	COBRA INSURANCE PAYMENTS	40,000.00	1,800.00	4,899.44	3,641.40	2,080.80	4,709.80	4,709.80		43,163.52	17,131.44
44990	OTHER LOCAL REVENUES - LOA						15,000.00	15,000.00		25,000.00	15,000.00
	TOTAL	21,481,552.00	1,533,183.02	1,542,197.77	1,587,518.19	1,541,942.58	1,549,760.21	1,549,760.21		15,891,875.18	7,754,601.77
C.C. Object	Account Title	Estimated Expenditures	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16		Fiscal Year to Date	Calendar Year to Date (2016)
500207	EMPLOYEE INSURANCE - HEALTH	862,000.00	46,453.31	46,425.25	43,378.16	45,078.34	45,028.81	45,028.81		510,382.80	226,363.87
500312	CONTRACTS W/PRIVATE AGCY	340,000.00	39,358.00	25,010.00	25,898.67	25,699.33	25,396.00	25,396.00		301,677.34	141,362.00
500325	FISCAL AGENT CHARGES	699,316.00	39,358.00	39,314.00	36,674.00	41,369.10	45,100.00	45,100.00	(198,681.17)	556,336.79	3,133.93
500507	MEDICAL CLAIMS	19,330,236.00	1,283,769.75	1,027,291.73	1,261,217.58	1,415,274.12	2,013,673.50	2,013,673.50		16,234,695.44	7,001,226.68
500530	HUMANIA REIMBURSEMENTS	250,000.00			(18,029.09)	(16,487.20)	(10,737.38)	(10,737.38)		(45,253.67)	(45,253.67)
	TOTAL	21,481,552.00	1,408,935.06	1,138,040.98	1,349,139.32	1,510,933.69	2,118,460.93	2,118,460.93		17,599,701.92	7,525,513.98
	Net Position		124,243.96	404,156.79	238,378.87	31,008.89	(588,700.72)	(588,700.72)		(1,707,826.74)	229,087.79



Blount County Government HR/Insurance Committee 06/21/2016

Presented by:

Cole Harris, RHU

Vice President of Sales & Marketing

CBIZ Benefits & Insurance Services of Tennessee, Inc.

Office: 865-251-5149; Fax: 865-251-5143





Topics

Requested Items for Vote

- Carrier Selection
 - All vendors excluding HM Stop-Loss
 - Preliminary increase of 15%
- Plan Design
- Tobacco Cessation
- Voluntary Biometric Screenings
- Proton Pump Inhibitor
- Disease Management



2016 Timeline

- May – Initial review of 2016-2017 recommendations
- June – Begin Approval Process
- July – Required Final Approval
- August – County Commission Approval
- September – Communications / Kronos build-out
- October – Open Enrollment Meetings
- January 2017 – Renewal Date



Carriers Recap



Carrier Recommendations

No rate increases for 2017

- Allegiance – Medical Third Party Administrator
- Blount Memorial – OnSite Clinic Contract
- CVS Caremark – Pharmacy Benefit Manager
- Delta Dental - Dental
- Superior Vision - Vision
- Dearborn Life – Disability / Life
- Colonial – Worksite Products



2017 Plan Recommendations



2017 Recommendations

	Plan 1	Plan 2
Deductible	\$750 / \$1,500	\$625 / \$1,250
Coinsurance	90%/80%/50%	90%/80%/50%
Out-of-pocket Max	\$4,000 Per Covered Person	\$4,000 Per Covered Person
Emergency Room	\$50 Copay	\$50 Copay
Prescription	\$10 – Generic 30% to a max of \$60 – Preferred Brand 40% to a max of \$100 – Non-Preferred Brand 50% to a max of \$200 – Specialty	\$10 – Generic 30% to a max of \$60 – Preferred Brand 40% to a max of \$100 – Non-Preferred Brand 50% to a max of \$200 – Specialty



Tobacco Cessation



2017 Recommendations

- Install a tobacco policy
 - Communication Campaign as soon as possible for upcoming changes
 - Tobacco / Non-Tobacco rates
 - Tobacco cessation drugs – Estimated Increase: \$2,400 - \$10,000
 - Chantix, Nicorette, etc..
 - Tobacco Quit Classes – Estimated Costs: \$15,000
 - CBIZ will bid out administrator
 - Tobacco HR policy for discrepancies



Discount Parameters

Tobacco/Non-Tobacco Rates

- Be a non-tobacco user
- Agree to become a non-tobacco user
- If a tobacco user, but wants to stop
 - Enroll in a tobacco cessation course
 - Complete the course
 - Non-Completion will lead to tobacco rates either retro-active Tobacco rate or the next month

2018 Biometric/Tobacco Discount

- Same as above, but add the completion of biometrics



Voluntary Biometric Screenings



2017 Recommendations

- Voluntary Biometric Screenings in early 2017 for 2018 Rates
 - Completion by beginning of Second Quarter 2017
 - Employees hired after screening will have opportunity from once a quarter screening at a central location
 - Average cost between \$50-\$60 per screening
 - Generally a finger prick with a blood panel report, Height/Weight, questionnaire
 - Results discussed with employee by the nurse on site
 - CBIZ will bid out vendors
 - This is completely confidential – the employees will be the only ones who know specific information about their health; the only information that is provided to the County is the overall results



Proton Pump Inhibitor



2017 Recommendations

- Remove pre-authorization for Proton Pump Inhibitors (PPI drugs)
 - Nexium, Prevacid, Prilosec, Omeprazole, Dexilant, etc...
 - Typical use for Acid Reflux and Indigestion
 - Previously administered incorrectly by Humana, cost prohibitive to administer as written
 - Supposed to be a pre-authorization only for Barrett's Esophagus disease and Stage 3 Cancer
 - Pre-Authorization was previously not being administered
 - Estimated 2016 expenditures: \$10,000
 - Currently, CBIZ is administering Pre-Authorization
 - Cost prohibitive for CVS Caremark to administer
 - Need to either Allow for PPI's or decline PPI's altogether in 2017



Disease Management



2017 Recommendations

- **Disease Management Program Highlights**
 - Advanced predictive modeling identified individuals with chronic conditions
 - Provides one-on-one education to members
 - Nurse health coaches use motivational interviewing techniques to empower individuals to self-manage their conditions
 - Wellness and disease management consultants assist with developing a plan for optimal engagement
 - Disease management nurses utilize clinically proven tools to change the behavior of members with chronic conditions
 - Cost-effective program resulting in higher productivity and lower costs



2017 Recommendations

- Include Disease Management
 - Disease Management = \$2.75 Per Employee Per Month (\$57,651 per year)
- Current Population

Conditions	Number of Members with DM Condition
Asthma	52
Coronary Artery Disease	45
COPD	21
Chronic Pain	208
Diabetes	134
Hyperlipidemia	175
Hypertension	176
Other (Congestive Heart and Kidney Failure)	10
Summary	822





2017 Recommendations

- Include Disease Management
 - Disease Management = \$2.75 Per Employee Per Month (\$57,651 per year)
- Estimated ROI

Participation Level	Total # of <u>Unique</u> Members Estimated to Participate in DM Program	% of Eligible Population Estimated to Participate (Total Plan Members)	Estimated Annual Savings (Rounded)
5%	44	1.2%	\$166,000
15%	126	3.4%	\$482,000
25%	208	5.6%	\$804,000



Thank you!

