

2015 Insurance Planning

Medical
Dental

2014 Valley Transit

Type of Coverage	\$500 Deductible Plan		\$1,000 Deductible Plan		\$1,500/\$3,000 Deductible Plan	
	Network	Non-Network	Network	Non-Network	Network	Non-Network
Annual Deductible	\$500 pppy \$1,000 per Family	\$1,000 pppy \$2,000 per Family	\$1,000 pppy \$2,000 per Family	\$2,000 pppy \$4,000 per Family	\$1,500 Single \$3,000 Family	\$2,500 Single \$5,000 Family
Out-of-Pocket Maximum	\$1,000 pppy \$2,000 per Family	\$2,100 pppy \$4,000 per Family	\$2,000 pppy \$4,000 Per Family	\$5,000 pppy \$10,000 Per Family	\$3,000 Single \$6,000 Family	\$5,000 Single \$10,000 Family
HRA			\$500 Single (Max. Cap. \$2,000) \$1,000 Family (Max. Cap. \$4,000)			
HSA					\$500 Single \$1,000 Family	
Employee Contribution /Mo.	10% of Cobra Rate \$57.10 Single \$151.44 Family		5% of Cobra Rate \$26.20 Single \$71.08 Family		0%	

2014 Non-Union, Police and Fire

Types of Coverage	\$1,000 Deductible Plan		\$1,500/\$3,000 Deductible Plan	
	Network	Non-Network	Network	Non-Network
Annual Deductible	\$1,000 pppy \$2,000 per Family	\$2,000 pppy \$4,000 per Family	\$1,500 Single \$3,000 Family	\$2,500 Single \$5,000 Family
Out-of-Pocket Max	\$3,000 pppy \$6,000 per Family	\$6,000 pppy \$12,000 per Family	\$3,000 Single \$6,000 Family	\$5,000 Single \$10,000 Family
HRA	\$250 Single (Max. cap. \$2,000) \$500 Family (Max. cap. \$4,000)			
HSA			\$500 Single \$1,000 Family	
Employee Contribution/Mo.	15% of Cobra Rate \$75.75 Single \$204.67 Family		0%	

Plan Design Differences

- ▶ The out-of-pocket maximums are different between the Valley Transit plan and the Non-represented plan as a result of a Health Care Reform Mandate
- ▶ HCR Mandate required OOP maximums to include procedure and office visit copays in 2014
- ▶ HCR Mandate required OOP maximums to include Rx copays in 2015

2015-2016 Valley Transit

Type of Coverage	\$500 Deductible Plan		\$1,000 Deductible Plan		\$1,500/\$3,000 Deductible Plan	
	Network	Non-Network	Network	Non-Network	Network	Non-Network
Annual Deductible	\$500 pppy \$1,000 per Family	\$1,000 pppy \$2,000 per Family	\$1,000 pppy \$2,000 per Family	\$2,000 pppy \$4,000 per Family	\$1,500 Single \$3,000 Family	\$2,500 Single \$5,000 Family
Out-of-Pocket Maximum	\$1,000 pppy \$2,000 per Family	\$2,100 pppy \$4,000 per Family	\$2,000 pppy \$4,000 Per Family	\$5,000 pppy \$10,000 Per Family	\$3,000 Single \$6,000 Family	\$5,000 Single \$10,000 Family
HRA			\$500 Single (Max. Cap. \$2,000) \$1,000 Family (Max. Cap. \$4,000)			
HSA					\$500 Single \$1,000 Family	
Employee Contribution	15% of Cobra Rate-2015 20% of Cobra Rate-2016 12/31/16 Plan Eliminated		10% of Cobra Rate-2015 15% of Cobra Rate-2016		5% of Cobra Rate-2015 10% of Cobra Rate-2016	

2015 Non-Union, Police and Fire

Types of Coverage	\$1,000 Deductible Plan		\$1,500/\$3,000 Deductible Plan	
	Network	Non-Network	Network	Non-Network
Annual Deductible	\$1,000 pppy \$2,000 per Family	\$2,000 pppy \$4,000 per Family	\$1,500 Single \$3,000 Family	\$2,500 Single \$5,000 Family
Out-of-Pocket Max	\$3,100 pppy \$6,200 per Family	\$6,200 pppy \$12,400 per Family	\$3,000 Single \$6,000 Family	\$5,000 Single \$10,000 Family
HRA	\$125 Single (Max. cap. \$2,000) \$250 Family (Max. cap. \$4,000).			
HSA			\$500 Single \$1,000 Family	
Employee Contribution	15% of Cobra Rate		0%	

2015 Recommendations–Non-Represented Employee Plans

- ▶ Change the out-of-pocket limits for Rx due to HCR mandate
- ▶ Decrease funding to HRA
- ▶ Maintain the current funding level in the HSA plan
- ▶ Maintain current employee premium percentage

2016 Non-Union, Police and Fire

Types of Coverage	\$1,000 Deductible Plan		\$1,500/\$3,000 Deductible Plan	
	Network	Non-Network	Network	Non-Network
Annual Deductible	\$1,000 pppy \$2,000 per Family	\$2,000 pppy \$4,000 per Family	\$1,500 Single \$3,000 Family	\$2,500 Single \$5,000 Family
Out-of-Pocket Max.	\$3,100 pppy \$6,200 per Family	\$6,200 pppy \$12,400 per Family	\$3,000 Single \$6,000 Family	\$5,000 Single \$10,000 Family
HRA	\$0 Single (Max. cap. \$2,000) \$0 Family (Max. cap. \$4,000) 2017-Eliminate Administration of HRA			
HSA	\$500 Single \$1,000 Family			
Employee Contribution	Defined Contribution-Based on HSA plan premium			5%

Beyond 2016

- ▶ Goal is to have two consistent plan designs for ALL City Employees.
- ▶ Consistent premium sharing for ALL City Employees.
- ▶ \$1000/\$2000 Deductible Plan will be a Defined Contribution Plan–Premium based off the lowest cost plan (High Deductible Plan)
- ▶ Incorporate Biometric Plan Design and Wellness Incentives for Premium Contributions
- ▶ Reduce Funding for HSA
- ▶ Continue to Monitor Rx Spending

Beyond 2016

- ▶ As the market adjusts to Health Care Reform, the City will closely monitor product approaches–Accountable Care Organization (ACO), smaller networks, alternative reimbursement models, etc...

Long-Term Recommendations/Considerations

- ▶ Maintain a traditional (non-HSA) type plan (HRA)
- ▶ Eliminate funding to the HRA and phase out accounts
- ▶ Create a defined contribution pricing strategy
- ▶ Create a pricing strategy that incorporates and encourages wellness-Health risk assessments, etc...
- ▶ Phase down HSA funding
- ▶ Monitor strategies based on HCR and Market

2014 Dental

	Non Union, Police & Fire	Valley Transit
Individual Annual Maximum	\$1,500	\$5,000
Deductible	\$50 Individual \$150 Family	\$0
Diagnostic & Preventative Services	100%	80%
Basic Services	80%	80%
Major Services	50%	80%
Orthodontic Services	50% Individual Lifetime Max. \$2,500	60% Individual Lifetime Max. \$2,000
Special Plan Provisions	Evidence Based Integrated Care Plan and CheckUp Plus	None
Employee Premium Share/Mo.	\$10 Single \$20 Family	\$5 Single (\$10-2015) \$10 Family (\$20-2015)

2015–2016 Dental

- ▶ Recommend no changes to the Dental Plan design
- ▶ Recommend no additional employee premium participation
- ▶ Beyond 2016–strive to move Valley Transit employees to the Non–Union Plan design

2010

Non-Union	Single/Family	\$1,000	\$500	\$250	\$1,000	\$500	\$250
	Employee Premium % of Premium	\$423.17/\$1095.54 0%	\$447.05/\$1154.32 (4.5%)/(3.5%)	\$468.19/\$1207.34 \$50/\$100 (10.7%)/(8.3%)	\$414.03/\$1086.40 \$0 0%	\$437.93/\$1145.20 \$10/\$25 (2.3%)/(2.2%)	\$459.07/\$1198.22 \$40/\$75 (8.7%)/(6.3%)
Police/Fire	Single/Family	\$423.17/\$1095.54	\$447.05/\$1154.32	\$468.19/\$1207.34	\$414.03/\$1086.40	\$437.93/\$1145.20	\$459.07/\$1198.22
	Employee Premium % of Premium	\$0 0%	\$20/\$40 (4.5%)/(3.5%)	\$50/\$100 (10.7%)/(8.3%)	\$0 0%	\$10/\$25 (2.3%)/(2.2%)	\$40/\$75 (8.7%)/(6.3%)
Valley Transit	Single/Family	\$423.17/\$1095.54	\$447.05/\$1154.32	\$468.19/\$1207.34	\$414.03/\$1086.40	\$437.93/\$1145.20	\$459.07/\$1198.22
	Employee Premium % of Premium	\$0 0%	\$20/\$40 (4.5%)/(3.5%)	\$50/\$100 (10.7%)/(8.3%)	\$0 0%	\$10/\$25 (2.3%)/(2.2%)	\$40/\$75 (8.7%)/(6.3%)
Teamsters	Single/Family	\$423.17/\$1095.54	\$447.05/\$1154.32	\$468.19/\$1207.34	\$414.03/\$1086.40	\$437.93/\$1145.20	\$459.07/\$1198.22
	Employee Premium % of Premium	\$0 0%	\$20/\$40 (4.5%)/(3.5%)	\$50/\$100 (10.7%)/(8.3%)	\$0 0%	\$10/\$25 (2.3%)/(2.2%)	\$40/\$75 (8.7%)/(6.3%)
AFSCME	Single/Family	\$423.17/\$1095.54	\$447.05/\$1154.32	\$468.19/\$1207.34	\$414.03/\$1086.40	\$437.93/\$1145.20	\$459.07/\$1198.22
	Employee Premium % of Premium	\$0 0%	\$20/\$40 (4.5%)/(3.5%)	\$50/\$100 (10.7%)/(8.3%)	\$0 0%	\$10/\$25 (2.3%)/(2.2%)	\$40/\$75 (8.7%)/(6.3%)

2009

DENTAL

2014

2013

2012

	Single	Family	Single	Family	Single	Family
Non-Union	\$46.62	\$118.41	\$46.62	\$118.41	\$46.62	\$118.41
COBRA Rate	\$10.00	\$20.00	\$10.00	\$20.00	\$10	\$20
Employee premium % of premium	21.50%	16.70%	21.50%	16.70%	21.50%	16.70%
Police/Fire	Non-Union		\$43.17	\$110.61	\$43.17	\$110.61
			\$0	\$0	\$0	\$0
			0%	0%	0%	0%
Valley Transit	\$49.51	\$126.21	\$49.51	\$126.21	\$49.51	\$126.21
COBRA Rate	\$5.00	\$10.00	\$0	\$0	\$0	\$0
Employee premium % of premium	10.10%	7.90%	0%	0%	0%	0%
Teamsters	Non-Union		Non-Union		Non-Union	
AFSCME	Non-Union		Non-Union		Non-Union	

	2011			2010			2009		
	Single	Family		Single	Family		Single	Family	
Non-Union									
COBRA Rate	\$34.23	\$100.67		\$44.15	\$112.15		\$41.90	\$106.05	
Employee premium	\$10	\$20		\$0	\$0		\$0	\$0	
% of premium	29.2%	19.8%		0%	0%		0%	0%	
Police/Fire									
COBRA Rate	\$40.30	\$102.74		\$40.30	\$102.74		\$38.27	\$97.17	
Employee premium	\$0	\$0		\$0	\$0		\$0	\$0	
% of premium	0%	0%		0%	0%		0%	0%	
Police Supervisors									
COBRA Rate	\$41.79	\$110.80		\$41.79	\$110.80		\$39.67	\$104.78	
Employee premium	\$0	\$0		\$0	\$0		\$0	\$0	
% of premium	0%	0%		0%	0%		0%	0%	
Valley Transit									
COBRA Rate	\$46.17	\$117.19		\$46.17	\$117.19		\$43.80	\$110.80	
Employee premium	\$0	\$0		\$0	\$0		\$0	\$0	
% of premium	0%	0%		0%	0%		0%	0%	
Teamsters									
COBRA Rate	\$46.17	\$117.19		\$46.17	\$117.19		\$43.80	\$110.80	
Employee premium	\$0	\$0		\$0	\$0		\$0	\$0	
% of premium	0%	0%		0%	0%		0%	0%	
AFSCME-Water									
COBRA Rate	\$38.79	\$98.59		\$38.79	\$98.59		\$36.84	\$93.26	
Employee premium	\$0	\$0		\$0	\$0		\$0	\$0	
% of premium	0%	0%		0%	0%		0%	0%	
AFSCME-Waste Water									
COBRA Rate	\$46.17	\$117.19		\$46.17	\$117.19		\$43.80	\$110.80	
Employee premium	\$0	\$0		\$0	\$0		\$0	\$0	
% of premium	0%	0%		0%	0%		0%	0%	