

Project I.M.P.A.C.T. Involving Members by Promoting Advantageous Conversations & Trust



Presented by

Richland County Human Resource Services Department

Committee Meeting #2

Today's Agenda



Welcome

Human Resource Services Department

Presentation

Human Resource Services Department

ABCs of Benefits

Benefit Comparison: RCG vs. PEBA

Committee Discussion

Committee Members

Laying the Ground Work



The ABC's of Health Insurance: Common Terminology



Current Insurance Options

Currently there are three (3) insurance options through Cigna for active employees. Under 65 retirees have two (2) options (Buy-Up and Standard Plans).

Buy Up Plan

Employee
Employee + Spouse
Employee + Child(ren)
Family

Standard Plan

Employee
Employee + Spouse
Employee + Child(ren)
Family

Choice Plan

Employee
Employee + Spouse
Employee + Child(ren)
Family



Current Insurance Options

Currently there is one (1) insurance option through Humana for retirees 65 & older (this also includes retirees under age 65 retired due to disability):

Medicare Advantage

Retiree

Retiree & Spouse

Common Terminology



- ❖ **In-Network** – refers to providers or health care facilities that are part of a health plan’s network of providers with which it has negotiated a discount.
- ❖ You save money when you stay in-network! Network providers agree to give lower rates to the insurance company’s customers. This is a key part of how health insurance works to help keep your costs low.



Common Terminology

❖ **Out-of-Network** – a physician, hospital or other healthcare provider does not have a contract with your health insurance plan provider.

If you use an out-of-network provider, health care services could cost more since the provider doesn't have a pre-negotiated rate with your health plan.

You choose an out-of-network doctor:

Doctor charges \$15,000.

Your plan will cover \$10,000.

Doctor bills you for the \$5,000 difference.

You choose an in-network doctor:

Doctor charges \$15,000.

Your plan will cover \$10,000, the contracted rate.

Doctor is not allowed to bill you for the difference.



Common Terminology

- ❖ **Deductible** – a deductible is how much you must pay out of your pocket for care until your health plan kicks in to share a percentage of the costs.

Deductibles under our Current Plans:

Buy Up Plan	\$ 500 individual policy / \$ 1,000 family policy in-network
Standard Plan	\$1,000 individual policy / \$ 2,000 family policy in-network
Choice Plan	\$3,000 Individual policy / \$ 6,000 for family policy in-network \$6,000 individual policy / \$12,000 for family policy out-of-network
Humana	\$ 350 per year for some combined in-and out-of-network



Common Terminology

- ❖ **Out-of-Pocket Maximum** – the most you would pay for covered medical expenses in a plan year. This amount includes money you spend on deductibles, co-pays, and co-insurance. Once you reach your annual out-of-pocket maximum, your health plan will pay your covered medical and prescription costs for the rest of the plan year.

Out-of-Pocket Maximum under our Current Plans:

Buy Up Plan	\$ 4,000 individual policy	\$ 8,000 family policy in-network
Standard Plan	\$ 5,500 individual policy	\$11,000 family policy in-network
Choice Plan	\$ 6,000 individual policy	\$12,000 for family policy in-network
	\$12,000 individual policy	\$24,000 for family policy out-of-network
Humana	\$ 2,000 out-of-pocket limit for Medicare-covered services	



Common Terminology

Once you meet your deductible and your plan kicks in, you start sharing your costs with your plan. For example, **your health plan may pay 80% of your medical costs and you may pay 20%**. This is called, Co-Insurance.

- ❖ **Co-Insurance** – the fixed amount for a covered service before receiving the service.

Co-Insurance under our Current Plans:

Buy Up Plan Co-Insurance

Plan pays 80% / You pay 20% in-network

Standard Plan Co-Insurance

Plan pays 70% / You pay 30% in-network

Choice Plan Co-Insurance

Deductible then 100% in-network

Deductible then 70% out-of-network



Common Terminology

- ❖ **Co-Payment** – the fixed amount for a covered service before receiving the service.

A Co-Payment is a flat fee that you pay on the spot each time you go to the doctor or fill a prescription. For example, if you hurt your back and go see your doctor, or you need a refill of your child's asthma medicine, the amount you pay for that visit or medicine is your co-pay.

All medical and prescription co-pays and benefit deductibles contribute towards your out-of-pocket maximum.



Example:

Here's an example: You have a plan with a \$3,000 annual deductible and 20% co-insurance with a \$6,350 out-of-pocket maximum. You haven't had any medical expenses all year, but then you need surgery and a few days in the hospital. That hospital bill might be \$150,000.

You will pay the first \$3,000 of your hospital bill as your deductible. Then, your co-insurance kicks in. The health plan pays 80% of your covered medical expenses. You'll be responsible for payment of 20% of those expenses until the remaining \$3,350 of your annual \$6,350 out-of-pocket maximum is met. Then, the plan covers 100% of your remaining eligible medical expenses for that calendar year.



Other Common Terminology

- ❖ **Explanation of Benefits (EOB)** – a statement from your health insurance plan describing what costs it will cover for medical care or products received.
- ❖ **Primary Care Physicians (PCP)** – a medical doctor who's trained to prevent, diagnose, and treat a broad array of illnesses and injuries to the general public.
- ❖ **Specialty Prescriptions** – used to treat complex or chronic conditions.

Other Common Terminology



- ❖ **Step Therapy** – when an insurance company requires a patient to try certain medications before agreeing to cover a particular medication that the patient’s doctor prescribed.
- ❖ **Value Prescription Drug Plan** – aligns prescription drug prices to their clinical benefits.



Let's Compare:

2020-2021 Premiums *without* Wellness Incentive Applied for Active Employees at **RCG**

Coverage Tier	Buy Up Plan		Standard Plan		Choice Plan	
	ER Per Month	EE Per Month	ER Per Month	EE Per Month	ER Per Month	EE Per Month
Employee Only	\$822.83	\$178.00	\$809.42	\$50.00	\$709.76	\$0.00
Employee & Spouse	\$1,761.83	\$478.00	\$1,553.35	\$370.00	\$1,411.40	\$177.00
Employee & Child(ren)	\$1,378.53	\$229.00	\$1,277.41	\$103.00	\$1,087.01	\$53.00
Employee & Family	\$2,003.77	\$697.00	\$1,753.17	\$566.00	\$1,615.28	\$300.00



PEBA Monthly Premiums

Coverage Tier	Standard Plan	Savings Plan	TRICARE Supplement
Employee Only	\$97.68	\$9.70	\$62.50
Employee & Spouse	\$253.36	\$77.40	\$121.50
Employee & Children	\$143.86	\$20.48	\$121.50
Employee & Family	\$306.56	\$113.00	\$162.50



PEBA Plan Information

	Standard Plan	Savings Plan
Annual Deductible	You pay up to \$490 per individual or \$9870 per family	You pay up to \$3,600 per individual or \$7,200 per family
Coinsurance	In network, you pay 20% up to \$2,800 per individual or \$5,600 per family	In network, you pay 20% up to \$2,400 per individual or \$4,800 per family
Office Visits	You pay \$14 copayment plus the remaining allowed amount until you meet your deductible. Then, you pay the copayment plus your coinsurance.	You pay the full allowed amount until you meet your deductible. Then, you pay your coinsurance.
Blue CareOnDemand	You pay a \$14 copayment plus the remaining allowed amount until you meet your deductible. Then, you pay the copayment plus your coinsurance.	You pay the full allowed amount until you meet your deductible. Then you pay your coinsurance.
Outpatient facility/emergency care	You pay a \$105 copayment (outpatient services) or \$175 copayment (emergency care) plus the remaining allowed amount until you meet your deductible. Then, you pay the copayment plus your coinsurance.	You pay the full allowed amount until you meet your deductible. Then, you pay your coinsurance.
Inpatient hospitalization	You pay the full allowed amount until you meet your deductible. Then, you pay your coinsurance	You pay the full allowed amount until you meet your deductible. Then, you pay your coinsurance.
Prescription drugs	Tier 1 (generic): \$9/\$22 Tier 2 (preferred brand): \$52/\$105 Tier 3 (non-preferred brand): \$70/\$175 You pay up to \$3,000 in prescription drug copayments. Then, you pay nothing.	You pay the full allowed amount until you meet your deductible. Then, you pay your coinsurance.
Tax-favored accounts	Medical Spending Account	Health Savings Account Limited-use Medical Spending Account



2020-2021 Health Insurance Retiree Rates

Monthly rates for Early Retirees who retired before January 1, 2010 OR who retired after January 2010 and who have at least 25 years of service

25+ Years	BUY UP PLAN			STANDARD PLAN		
	Retiree Monthly Premium*	County Monthly Premium	Total Monthly Premium	Retiree Monthly Premium	County Monthly Premium	Total Monthly Premium
Retiree Only	\$218.00	\$1,296.47	\$1,514.47	\$50.00	\$1,250.54	\$1,300.54
Retiree & Child(ren)	\$640.45	\$1,792.10	\$2,432.55	\$428.54	\$1,660.36	\$2,088.90
Retiree & Spouse	\$1,079.69	\$2,309.63	\$3,389.32	\$822.06	\$2,088.45	\$2,910.51
Retiree & Family	\$1,401.42	\$2,685.42	\$4,086.84	\$1,110.39	\$2,399.09	\$3,509.48

2021-2022 Health Insurance Retiree Rates continued...



	BUY UP PLAN			STANDARD PLAN		
Coverage Tier	Retiree Monthly Premium*	County Monthly Premium	Total Monthly Premium	Retiree Monthly Premium*	County Monthly Premium	Total Monthly Premium
20-24 Years						
Retiree Only	\$501.69	\$1,012.78	\$1,514.47	\$304.19	\$996.35	\$1,300.54
Retiree & Child(ren)	\$989.95	\$1,442.60	\$2,432.55	\$741.70	\$1,347.20	\$2,088.90
Retiree & Spouse	\$1,497.49	\$1,891.83	\$3,389.32	\$1,196.42	\$1,714.09	\$2,910.51
Retiree & Family	\$1,869.30	\$2,217.54	\$4,086.84	\$1,529.62	\$1,979.86	\$3,509.48

2021-2022 Health Insurance Retiree Rates continued...



	BUY UP PLAN			STANDARD PLAN		
Coverage Tier	Retiree Monthly Premium*	County Monthly Premium	Total Monthly Premium	Retiree Monthly Premium*	County Monthly Premium	Total Monthly Premium
15-19 Years						
Retiree Only	\$785.39	\$729.08	\$1,514.47	\$558.38	\$742.16	\$1,300.54
Retiree & Child(ren)	\$1,339.45	\$1,093.10	\$2,432.55	\$1,054.86	\$1,034.04	\$2,088.90
Retiree & Spouse	\$1,915.31	\$1,474.01	\$3,389.32	\$1,570.77	\$1,339.74	\$2,910.51
Retiree & Family	\$2,337.20	\$1,749.64	\$4,086.84	\$1,948.86	\$1,560.62	\$3,509.48

2021-2022 Health Insurance Retiree Rates continued...



	BUY UP PLAN			STANDARD PLAN		
Coverage Tier	Retiree Monthly Premium	County Monthly Premium	Total Monthly Premium	Retiree Monthly Premium*	County Monthly Premium	Total Monthly Premium
10-14 Years						
Retiree Only	\$1,069.08	\$445.39	\$1,514.47	\$812.57	\$487.97	\$1,300.54
Retiree & Child(ren)	\$1,688.95	\$743.60	\$2,432.55	\$1,368.02	\$720.88	\$2,088.90
Retiree & Spouse	\$2,333.12	\$1,056.20	\$3,389.32	\$1,945.13	\$965.38	\$2,910.51
Retiree & Family	\$2,805.08	\$1,281.76	\$4,086.84	\$2,368.09	\$1,141.39	\$3,509.48

2021-2022 Health Insurance Retiree Rates continued...



Coverage Tier	BUY UP PLAN			STANDARD PLAN		
	Retiree Monthly Premium*	County Monthly Premium	Total Monthly Premium	Retiree Monthly Premium	County Monthly Premium	Total Monthly Premium
0-9 Years						
Retiree Only	\$1,184.77	\$329.70	\$1,514.47	\$1,016.76	\$283.78	\$1,300.54
Retiree & Child(ren)	\$1,870.45	\$562.10	\$2,432.55	\$1,631.18	\$457.72	\$2,088.90
Retiree & Spouse	\$2,582.93	\$806.39	\$3,389.32	\$2,269.49	\$641.02	\$2,910.51
Retiree & Family	\$3,104.97	\$981.87	\$4,086.84	\$2,737.33	\$772.15	\$3,509.48



2021 Medicare Retiree Rates

Medicare retirees who retired before January 1, 2010
OR who retired after January 1, 2010 and who have at least 25 years of service

25+ Years 100 %	Total Monthly Premium	Monthly Premium - County Portion	Monthly Premium - Retiree Portion
Retiree Only	\$149.63	\$149.63	\$0.00
Retiree & Spouse (65 & older)	\$299.26	\$209.73	\$89.53



2021 Medicare Retiree Rates continued...

Coverage Tier	Total Monthly Premium	Monthly Premium - County Portion	Monthly Premium - Retiree Portion
20-24 Years 75%			
Retiree Only	\$149.63	\$112.22	\$37.41
Retiree & Spouse (65 & older)	\$299.26	\$158.60	\$140.66
15-19 Years 50%			
Retiree Only	\$149.63	\$74.82	\$74.82
Retiree & Spouse (65 & older)	\$299.26	\$107.47	\$191.79
10-14 Years 25 %			
Retiree Only	\$149.63	\$37.41	\$112.22
Retiree & Spouse (65 & older)	\$299.26	\$56.34	\$242.92
1-9 Years 0%			
Retiree Only	\$149.63	\$0.00	\$149.63
Retiree & Spouse (65 & older)	\$299.26	\$0.00	\$299.26