

City of Coral Gables

Insurance Advisory Committee

March 2014

City of Coral Gables

Insurance Advisory Committee

Humana Renewal Information

City of Coral Gables

Humana renewal July 1, 2014

- Initial renewal presentation from Humana was 11.29 which included updating for HCR, however there was a plan modification to the Gated HMO that was unacceptable.
- Enrollment has gone down in each of the last 3 years
 - 2011 – 818 members
 - 2012 – 755 members
 - 2013 – 707 members
 - 2014 – 697 members (current employee count 447)
- Medical loss ratio:
 - o 2011 74.05%
 - o 2012 92.2%
 - o 2013 108.32%
 - o 2014 94.26%
- 2014 – Pooled claimants are \$450K, \$223K, \$170K. 10 claimants at +\$50K.

Began negotiations with Humana:

- Received a reduction in the retention costs from Humana. This is their cost to operate the program, and these costs include the new fees for Health Care Reform.
- Current trend levels being offered by Humana is 8.4%.
- Revised renewal is 7.03%, however with current plan design for Gated HMO (plus HCR modifications).
- The recommendation is that the Insurance Advisory Committee affirms the acceptance of the 2014 renewal offer from Humana.

City of Coral Gables
 Humana Paid Claim Experience

Gated HMO

<u>Month</u>	<u>Employees</u>	<u>Premium</u>	<u>Paid Claims</u>		<u>Total Claims</u>
			<u>Medical</u>	<u>Rx</u>	
July 2011	437	\$ 300,607	\$ 189,528	\$ 44,627	\$ 234,155
August	434	298,328	295,688	41,747	337,435
September	433	298,792	305,157	30,808	335,965
October	433	297,961	235,167	39,106	274,273
November	432	295,662	228,072	35,616	263,688
December	427	294,181	222,202	30,014	252,216
January 2012	427	294,181	107,938	44,079	152,017
February	424	290,753	274,173	42,691	316,864
March	423	290,035	203,719	38,012	241,731
April	425	290,560	406,500	42,506	449,006
May	424	288,527	179,203	50,897	230,100
June	423	288,354	351,522	38,781	390,303
Total		\$ 3,527,941	\$ 2,998,869	\$ 478,884	\$ 3,477,753

Gated HMO (cont'd)

<u>Month</u>	<u>Employees</u>	<u>Premium</u>	<u>Paid Claims</u>		<u>Total Claims</u>
			<u>Medical</u>	<u>Rx</u>	
July 2012	419	\$ 308,431	\$ 184,656	\$ 35,154	\$ 219,810
August	419	306,425	267,245	40,183	307,428
September	417	304,241	205,171	30,145	235,316
October	414	302,391	762,614	29,481	792,095
November	417	302,391	174,588	41,032	215,620
December	417	303,266	152,090	28,545	180,635
January 2013	418	303,798	143,967	30,338	174,305
February	413	300,307	165,615	38,904	204,519
March	412	298,392	249,772	33,350	283,122
April	413	299,610	164,193	45,098	209,291
May	413	298,636	192,951	33,298	226,249
June	414	299,245	262,037	25,201	287,238
Total		\$ 3,627,133	\$ 2,924,899	\$ 410,729	\$ 3,335,628

Gated HMO (cont'd)

<u>Month</u>	<u>Employees</u>	<u>Premium</u>	<u>Paid Claims</u>		<u>Rx</u>	<u>Total Claims</u>
			<u>Medical</u>			
July 2013	415	\$ 329,055	\$ 414,719	\$	45,327	\$ 460,046
August	413	325,729	322,140		37,667	359,807
September	410	324,916	206,766		38,158	244,924
October	406	320,464	168,931		46,131	215,062
November	406	318,939	125,920		46,128	172,048
December	407	319,785	199,008		30,845	229,853
January 2014	411	323,135	224,567		27,042	251,609
February						-
March						-
April						-
May						-
June						-
Total		\$ 2,262,023	\$ 1,662,051	\$ 271,298		\$ 1,933,349

Open Access HMO

<u>Month</u>	<u>Employees</u>	<u>Premium</u>	<u>Paid Claims</u>		<u>Total Claims</u>
			<u>Medical</u>	<u>Rx</u>	
July 2011	28	\$ 24,305	\$ 2,419	\$ 2,401	\$ 4,820
August	28	24,305	12,733	2,214	14,947
September	28	24,305	13,370	2,868	16,238
October	29	25,428	10,171	2,727	12,898
November	29	25,428	8,695	2,235	10,930
December	29	24,955	16,183	1,925	18,108
January 2012	28	24,305	12,950	1,394	14,344
February	28	24,305	26,931	3,085	30,016
March	27	22,983	127,294	1,780	129,074
April	26	22,333	28,405	2,845	31,250
May	26	22,333	33,968	1,520	35,488
June	26	22,333	16,765	2,206	18,971
Total		\$ 287,318	\$ 309,884	\$ 27,200	\$ 337,084

Open Access HMO (cont'd)

<u>Month</u>	<u>Employees</u>	<u>Premium</u>	<u>Paid Claims</u>		<u>Rx</u>	<u>Total Claims</u>
			<u>Medical</u>			
July 2012	27	\$ 25,434	\$ 1,291	\$	2,090	\$ 3,381
August	28	26,153	5,505		1,512	7,017
September	29	28,114	22,645		2,054	24,699
October	29	27,395	23,501		4,630	28,131
November	29	27,395	16,700		10,904	27,604
December	29	27,395	11,163		8,289	19,452
January 2013	29	27,020	34,256		6,435	40,691
February	28	27,020	15,109		1,992	17,101
March	28	26,301	24,681		5,298	29,979
April	29	27,020	31,210		6,977	38,187
May	29	27,020	36,756		11,689	48,445
June	28	27,020	23,928		7,180	31,108
Total		\$ 323,287	\$ 246,745	\$	69,050	\$ 315,795

Open Access HMO (cont'd)

<u>Month</u>	<u>Employees</u>	<u>Premium</u>	<u>Paid Claims</u>		<u>Rx</u>	<u>Total Claims</u>
			<u>Medical</u>			
July 2013	27	\$ 26,336	\$ 16,388	\$	1,860	\$ 18,248
August	27	27,121	17,434		6,682	24,116
September	27	26,549	12,563		6,359	18,922
October	26	24,953	15,974		6,422	22,396
November	26	24,953	45,427		5,403	50,830
December	26	24,953	22,104		6,251	28,355
January 2014	24	22,000	26,819		1,996	28,815
February					-	-
March					-	-
April					-	-
May					-	-
June					-	-
Total		\$ 176,865	\$ 156,709	\$	34,973	\$ 191,682

NPOS

<u>Month</u>	<u>Employees</u>	<u>Premium</u>	<u>Paid Claims</u>		<u>Total Claims</u>
			<u>Medical</u>	<u>Rx</u>	
July 2011	16	\$ 14,540	\$ 1,056	\$ 1,148	\$ 2,204
August	16	14,000	772	945	1,717
September	16	14,418	9,407	1,170	10,577
October	16	14,418	2,156	543	2,699
November	16	14,418	3,073	553	3,626
December	15	13,677	1,996	655	2,651
January 2012	15	13,677	2,194	1,134	3,328
February	16	14,837	14,007	643	14,650
March	16	14,837	34,310	1,308	35,618
April	16	14,837	40,493	1,435	41,928
May	16	14,418	827	1,266	2,093
June	16	14,418	8,322	897	9,219
Total		\$ 172,495	\$ 118,613	\$ 11,697	\$ 130,310

NPOS (cont'd)

<u>Month</u>	<u>Employees</u>	<u>Premium</u>	<u>Paid Claims</u>		<u>Total Claims</u>
			<u>Medical</u>	<u>Rx</u>	
July 2012	14	\$ 15,040	\$ 868	\$ 1,912	\$ 2,780
August	15	13,776	357	653	1,010
September	15	14,583	9,702	1,404	11,106
October	16	15,391	2,481	1,367	3,848
November	16	15,391	8,727	971	9,698
December	16	15,391	4,160	1,460	5,620
January 2013	16	15,391	2,452	1,047	3,499
February	16	15,391	2,155	2,449	4,604
March	16	15,771	7,955	1,125	9,080
April	15	14,375	49,511	1,541	51,052
May	16	15,183	3,054	1,235	4,289
June	16	15,183	5,844	2,184	8,028
Total		\$ 180,866	\$ 97,266	\$ 17,348	\$ 114,614

NPOS (cont'd)

<u>Month</u>	<u>Employees</u>	<u>Premium</u>	<u>Paid Claims</u>		<u>Total Claims</u>
			<u>Medical</u>	<u>Rx</u>	
July 2013	17	\$ 17,683	\$ 1,572	1,531	\$ 3,103
August	17	17,683	6,852	1,017	7,869
September	17	17,683	53,159	1,138	54,297
October	17	17,683	25,305	3,288	28,593
November	17	17,683	6,700	1,803	8,503
December	17	17,683	2,258	1,649	3,907
January 2014	16	16,303	8,845	785	9,630
Total		\$ 122,401	\$ 104,691	\$ 11,211	\$ 115,902

City of Coral Gables

2014 plan designs

	<u>HMO</u> Gated	<u>HMO</u> Open Access	<u>POS</u> <u>in</u>	<u>POS</u> <u>out</u>
Deductible	\$0	\$0	\$500	\$1,500
PCP Copay	\$20	\$30	\$30	60% after ded
Specialist Copay	\$30	\$45	\$45	60% after ded
Hospital Deductible	\$500 day/3 day max	\$250 day/1 day max	\$500 copay	60% after ded
Outpatient Facility	\$300 copay	\$250 copay	\$250 copay	60% after ded
Emergency Room Copay	\$100	\$150	\$150	\$100
Urgent Care	\$30	\$75	\$75	60% after ded
Coinsurance	100%	100%	90%	60%
Out of Pocket Limit	Ind. Fam. \$1,500 \$3,000	\$1,000 \$2,000	\$2,000 \$4,000	\$6,000 \$12,000
Maximum Out of Pocket (includes Rx)	Ind. Fam. \$6,250 \$12,500	\$3,500 \$7,000	\$4,500 \$9,000	
Rx Copay	Level 1 Level 2 Level 3 Level 4 Mail Order	\$15 \$30 \$55 25% 2.5 x copay for 90 day supply for Levels 1,2,3	\$15 \$35 \$55 25% 2.5 x copay for 90 day supply for Levels 1,2,3	
Participating Rx Max Out of Pocket	N/A	\$2,500	\$2,500	

City of Coral Gables

2012 Plan Designs

	<u>HMO</u> Gated	<u>HMO</u> Open Access	<u>POS</u> In	<u>POS</u> out
Deductible	\$0	\$0	\$500	\$1,500
PCP Copay	\$20	\$30	\$30	70% after ded
Specialist Copay	\$30	\$45	\$45	70% after ded
Hospital Deductible	\$500 day/3 day max	\$250 day/1 day max	\$500 copay	70% after ded
Outpatient Facility	\$300 copay	\$150 copay	\$300 copay	70% after ded
Emergency Room Copay	\$100	\$150	\$150	\$150
Urgent Care	\$30	\$45	\$45	70% after ded
Coinsurance	100%	100%	90%	70%
Out of Pocket Limit	\$1,500 \$3,000	N/A N/A	\$2,000 \$6,000	\$6,000 \$18,000
Rx Copay	Level 1 Level 2 Level 3 Level 4 Mail Order	\$15 \$30 \$55 25% 3.0 x copay for 90 day supply for Levels 1,2,3	\$15 \$35 \$55 25% 3.0 x copay for 90 day supply for Levels 1,2,3	

City of Coral Gables

Humana

July 1, 2014 Renewal Premiums

<u>HMO</u>	<u>Participants</u>	<u>HMO 75/03 Current</u>	<u>HCR Plans Gated HMO Renewal</u>	<u>% Change</u>
Employee Only	312	\$ 665.24	\$ 712.01	7.03%
Employee & Spouse	26	1,149.53	1,230.34	7.03%
Employee & Child(ren)	30	1,040.44	1,113.58	7.03%
Family	<u>36</u> 404	1,353.76	1,448.93	7.03%
<u>OA HMO 08</u>	<u>Participants</u>	<u>OA HMO 08 Current</u>	<u>OA HMO Renewal</u>	
Employee Only	19	\$ 784.63	\$ 839.79	7.03%
Employee & Spouse	3	1,355.84	1,451.16	7.03%
Employee & Child(ren)	1	1,187.07	1,270.52	7.03%
Family	<u>3</u> 26	1,596.72	1,708.97	7.03%
<u>NPOS</u>	<u>Participants</u>	<u>NPOS Current</u>	<u>NPOS Renewal</u>	
Employee Only	13	\$ 881.67	\$ 943.65	7.03%
Employee & Spouse	2	1,523.53	1,630.63	7.03%
Employee & Child(ren)	1	1,379.64	1,476.62	7.03%
Family	<u>1</u> 17	1,794.20	1,920.33	7.03%
Total Participants -	447			

City of Coral Gables

Insurance Advisory Committee

Florida Combined Renewal Information



Florida Combined Life

An Independent Licensee of the Blue Cross and Blue Shield Association

January 30, 2014

Maria A. Millian
City of Coral Gables
2801 Salzedo Street, Suite 200
Coral Gables, FL, 33134

RE: Group Policy Number:
26550
159L92

Renewal Date: July 01, 2014

Dear Maria A. Millian :

Thank you for choosing Florida Combined Life Insurance Company, Inc. for your group Dental Insurance benefits. We value you as a customer and appreciate your business.

Your Group Dental Insurance Plan is about to renew. We have completed our annual review of your coverage with FCL, taking into account a variety of factors that affect rate development. After careful consideration and analysis, we have established your renewal rates for the next plan year. Your current and renewal rates are shown below. The renewal rates will take effect on your renewal date and are guaranteed for the following 12 months, subject to the terms and conditions of your group contract.

BlueDental Care PS220 26550

	Current Rates	New Rates
Employee	\$13.14	\$13.14
Employee + Spouse	\$27.01	\$27.01
Employee + Child(ren)	\$21.82	\$21.82
Family	\$38.22	\$38.22

BlueDental Choice Plus Voluntary 159L92

	Current Rates	New Rates
Employee	\$47.88	\$47.88
Employee + Spouse	\$97.59	\$97.59
Employee + Child(ren)	\$86.86	\$86.86
Family	\$119.01	\$119.01

We look forward to continuing our relationship well into the future. Should you have any questions regarding this letter please contact your local Blue Cross and Blue Shield sales representative or telephone our office at 1-800-772-8244 ext. 7145.

Sincerely,

Tracy Seamann

Group Dental Underwriting

cc: Agency: Robert J. Shafer & Associates, Inc.