

Commissioners mull health & dental insurance cost share rates

In late March, Levy Court directed staff to incorporate costs associated with the Delaware Valley Health Trust (Aetna) employee & retiree health insurance proposals into the proposed FY2019 budget, which would replace current insurer - Highmark Blue Cross Blue Shield Delaware. Commissioners followed up on April 3, 2018 by considering more than a dozen cost share scenarios before settling on one at the final budget drafting meeting.

In the current fiscal year (2018), employees/retirees pay \$60 per month for an EPO/modified HRA 100% in-network option (High Plan) and \$30 for a 90% in-network option (Low plan). Retirees over age 65 pay \$0 for a Medicare supplement offered by the County. The current dependent cost share ranges from 25%-29%, which was the result of maintaining the FY2017 premiums for FY2018.

For the FY2019 budget, Commissioners ultimately agreed to adjust the employee and dependent cost share percentages to a 7% employee/20% dependent format. Therefore, employees and retirees with dependent coverage will see overall health insurance premium reductions beginning June 1, if the proposal is officially adopted at the April 10, 2018 Levy Court business meeting.

FY2019 (July 1, 2018 – June 30, 2019)	Employee/Retiree	Employee & Spouse	Employee & Child(ren)	Employee & Family
<i>PPO 100%/Modified HRA – High DVHT – Aetna 7% employee & 20% dependents</i>	Employee pays \$74.72/month +14.72/mo.	Employee pays \$352.24/month (-\$64.66/mo.)	Employee pays \$202.80/month (-\$21.92/mo.)	Employee pays \$458.98/month (-\$95.20/mo.)
<i>PPO 90%/Modified HRA – Low DVHT - Aetna 7% employee & 20% dependents</i>	Employee pays \$72.02/month +42.02/mo.	Employee pays \$339.56/month (-\$33.32/mo.)	Employee pays \$195.50/month (-\$14.56/mo.)	Employee pays \$442.46/month (-\$62.32/mo.)
<i>PPO Medicare – (retirees 65+) DVHT – Aetna \$0 retiree & 20% dependent</i>	\$0.00/month	Retiree pays \$136.96/month (-\$2.85/mo.)		
DENTAL INSURANCE – (July 1, 2018 – June 30, 2019)	Employee/ Retiree only	Family coverage – employee & spouse &/or children		
Delta Dental of Delaware	\$3.10/month	Employee pays \$45.10/month		

Commissioners also reviewed expenditures for the self-insured dental insurance program and achieved consensus for budgeting purposes to increase the family premium by \$7 per month and retaining the current dental program network – Delta Dental of Delaware.

DVIT (Delaware Valley Insurance Trusts – parent organization for DVHT) made an informative presentation to Levy Court in December about the self-insured non-profit cooperative controlled by member jurisdictions and its utilization of the Aetna medical network. A major feature of the DVHT program is an exceptional wellness benefits program, which includes cash rewards for annual biometric screenings, colonoscopy, mammograms, well women exams, certain health education classes, and healthcare consumerism. In addition, reimbursements are offered for gym membership fees, race registration fees, weight watchers program, bike helmets, etc.

According to DVIT, 99.45% of the providers currently used by County employees are in the Aetna network and they have nearly 20 years of experience managing the seamless transition from

one health provider network to another.

As a self-insured pool, the Trust develops the annual premiums for each type plan offered by a member jurisdiction based upon that employee group's claims history. An attractive feature of the DVHT shared risk pool is the Rate Stabilization Fund, which is the difference between premiums paid by the 140+ member public entities and the actual costs for claims and administration. The Stabilization Fund can be used to mitigate any premium increases the following year. According to DVIT, while health insurance expenses have increased 224% since 1999, the Health Trust's cumulative increase (net of the RSF) is 69.4% - averaging only 2-4% increases each year.

Rate stability is a very beneficial feature of the DVHT shared risk pool, since unpredictable health insurance premium spikes may be avoided in the future. In order to benefit from the advantages of a shared risk insurance cooperative, it will be necessary for the County to remain in the program for an extended period of time (well in excess of the minimum 2 years).

Under DVHT, like now, Levy Court would retain full control over health insurance plan designs (PPO, HMO, EPO, HRA, HDHP, copays, deductibles, cost share, etc.) offered and the monthly rate charged to employees/retirees.

The next step in the process will be formal action by Levy Court to select the Delaware Valley Health Trust, which is expected to happen on April 10, 2018 along with approval of employee and dependent cost share premiums. In addition, employee/retiree information meetings will be scheduled during open enrollment in early May. Employees/retirees will also need to complete new enrollment forms with a May 18, 2018 submission deadline. This earlier than usual deadline is necessary to allow DVIT and Aetna to complete the enrollment process and mail new health insurance cards to participants.

If the cost share proposals are adopted as presented, the new premium rates will be deducted beginning on June 1, 2018 (one month in advance of the effective date).

If you have questions or concerns, please contact the Personnel Office for more information.

The December 5, 2017 DVIT presentation is available on the County website in the Employee Portal under the "Resources" tab.

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