



Committee of the Whole Meeting - Final

October 11, 2023

6:30 PM

A. COW2023-052 2024 Benefits Presentation – Carol Sicard



CITY OF SMYRNA
GEORGIA

Deeply
Rooted To
Serve

2024 PLAN YEAR BENEFITS RENEWAL





Annual Enrollment: Summary of Recommendations

- Recommended: Renew with Pareto Captive (with Integrated Cost Management Platform) + Allied TPA
- VeracityRx (ProCare) – continue all existing programs
- Guardian Ancillary Lines – Renew with Guardian
- Continue Dependent Care & Health Flexible Spending Accounts with WEX
- Teladoc telemedicine benefit – add Behavioral Health Benefit



2024 Renewal Illustration Overview

Executive Summary:

The Pareto Captive provides the following:

- No new lasers
- Increase Rate cap of 30%

Under the Pareto Captive, you have reduced the additional liability from lasers from \$375,000 to \$50,000.

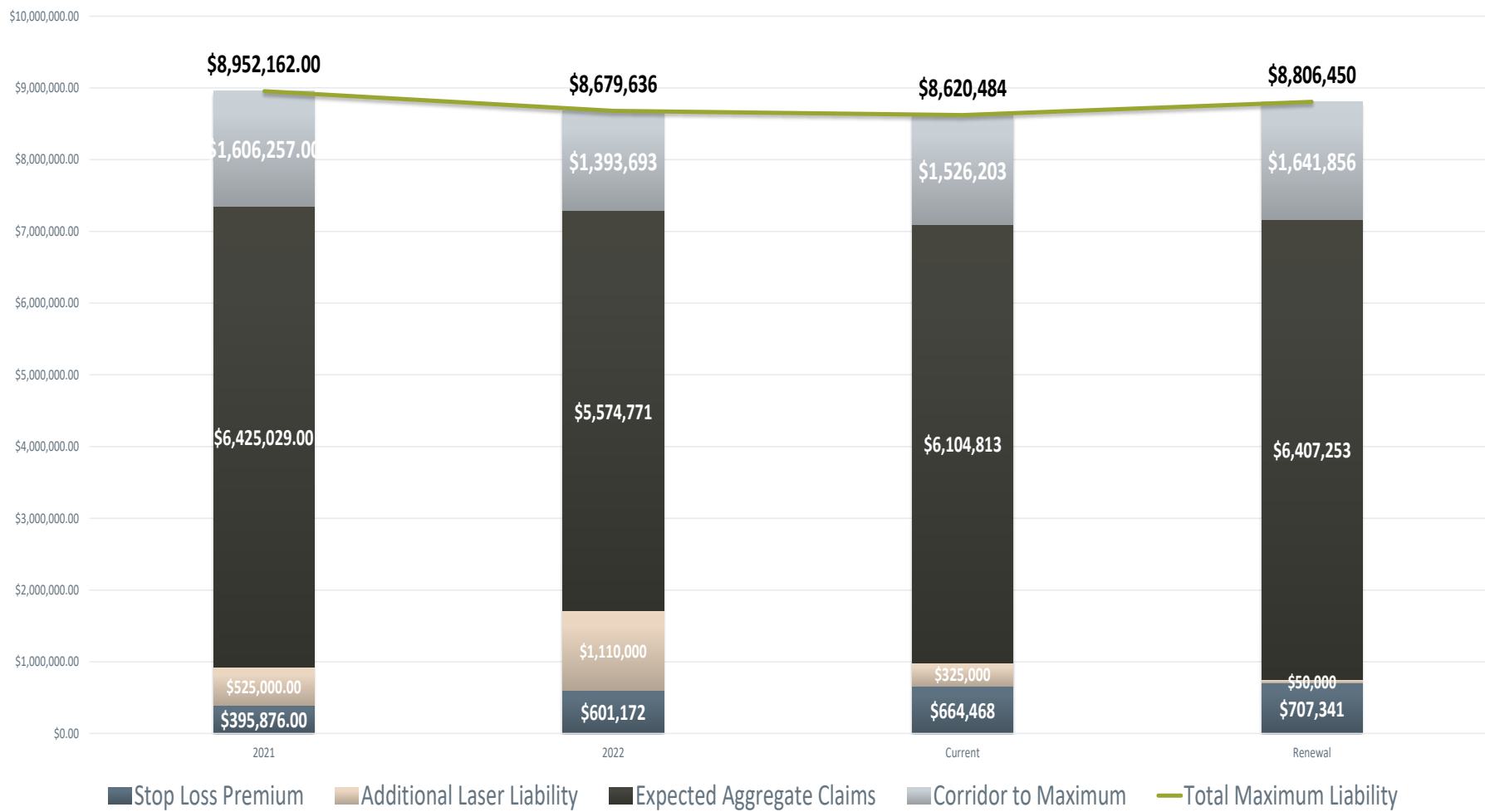
You will not have more than \$50,000 additional laser liability as long as you remain in the captive.

Employee Count	
EMP	222
FAM	135
Total Employee Count	357

	RECOMMENDED		
	Current	Renewal - ICM	CHANGE
TPA	Allied	Allied	
Stop Loss Carrier	HCC	HCC	
Network	Aetna ASA	Aetna ASA	
Specific Deductible	\$225,000	\$225,000	
Aggregating Specific Deductible	n/a	n/a	
Specific Contract Basis	24/12	24/12	
Aggregate Max Annual Reimbursement	\$1,000,000	\$1,000,000	
Lasers	\$1,000,000	\$275,000	-\$725,000.00
Total Fixed & Variable Costs			
Admin Fixed Costs	\$389,453	\$416,742	\$27,289
Stop Loss Premiums	\$664,468	\$707,341	\$42,873
Captive Capital Contribution	\$66,447	\$71,396	\$4,949
Additional Laser Liability	\$325,000	\$50,000	-\$275,000
Max Aggregate Claims Liability	\$7,631,016	\$8,009,066	\$378,050
Expected Aggregate Claims Liability	\$6,104,813	\$6,407,253	\$302,440
Total Maximum Liability	\$9,076,383	\$9,254,545	\$178,162
% Change from Current		1.96%	

Historical Stop Loss Renewals

3 Year Stop Loss At-a-Glance



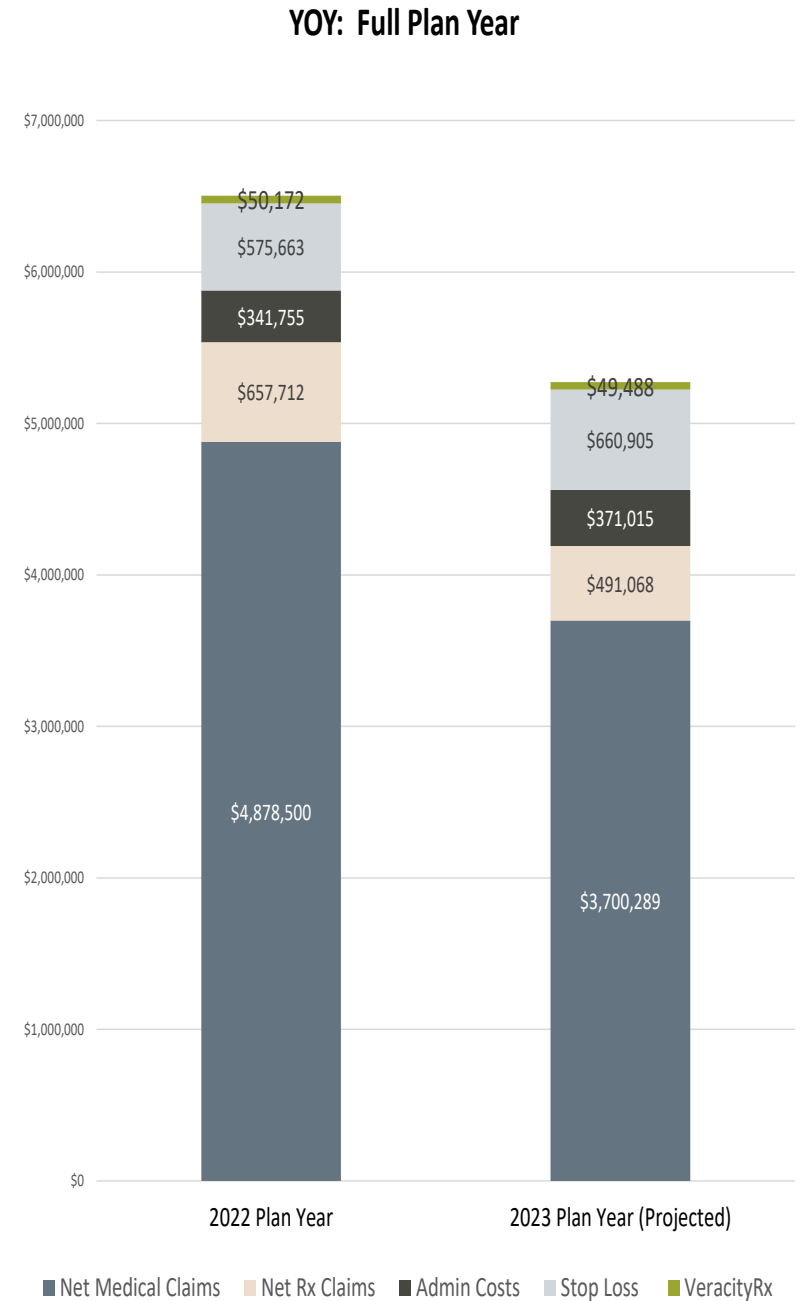
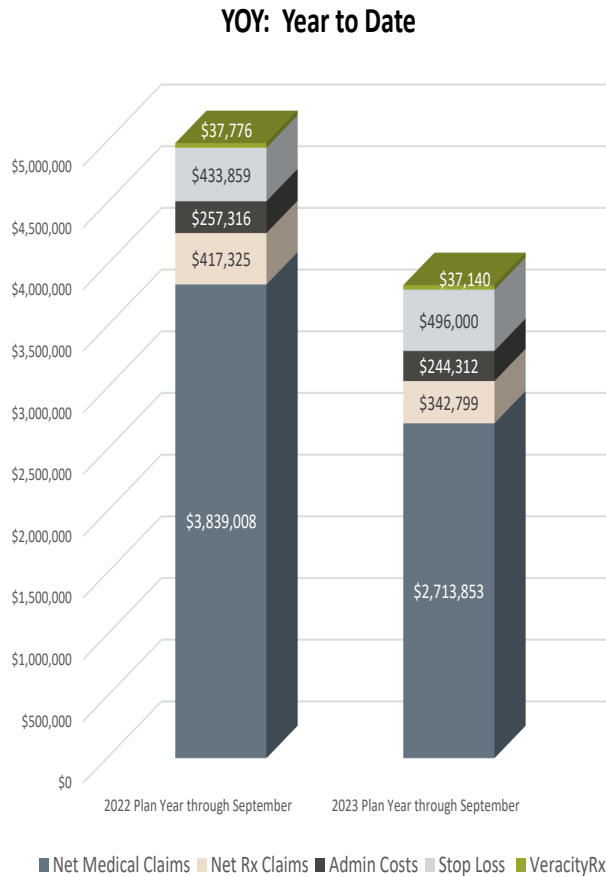
*Excludes medical administration fixed costs & captive capital contribution

Year Over Year Comparison

	Net Medical Claims	Net Rx Claims	Admin Costs	Stop Loss	VeracityRx	Total Costs
2022 Plan Year through September	\$3,839,008	\$417,325	\$257,316	\$433,859	\$37,776	\$4,985,284
2023 Plan Year through September	\$2,713,853	\$342,799	\$244,312	\$496,000	\$37,140	\$3,834,104
	Net Medical Claims	Net Rx Claims	Admin Costs	Stop Loss	VeracityRx	Total Costs
2022 Plan Year	\$4,878,500	\$657,712	\$341,755	\$575,663	\$50,172	\$6,503,802
2023 Plan Year (Projected)	\$3,700,289	\$491,068	\$371,015	\$660,905	\$49,488	\$5,272,765

Projected Savings for 2023:

\$1,231,037





Allied Advocate

City of Smyrna

Allied Advocate

1/1/2023-9/30/2023

2023									
Claim No.	Provider	DOS	Total Charge	Allowable	Payment Amount	Savings	Payment method	AA Service	AA Fees
40502492-01	BUCKHEAD HOME TRAINING	1/1/2023	\$122,842.90	\$122,842.90	\$4,457.65	96.4%	Medicare	DCMS	\$7,598.43
40340754-01	EMORY UNIVERSITY HOSPITAL MAIN	1/9/2023	\$4,864.20	\$3,502.22	\$1,428.14	70.6%	Medicare	INFUSION	\$518.52
40055285-01	COBB HOSPITAL	1/18/2023	\$43,699.00	\$28,587.81	\$28,587.81	34.6%	PPO	INFUSION	\$0.00
40502453-01	BUCKHEAD HOME TRAINING	2/1/2023	\$108,360.00	\$108,360.00	\$3,898.72	96.4%	Medicare	DCMS	\$6,865.32
40696025-01	EMORY UNIVERSITY HOSPITAL MAIN	2/7/2023	\$5,211.20	\$3,752.06	\$1,428.14	72.6%	Medicare	OUTPATIENT	\$580.98
40370430-01	COBB HOSPITAL	2/15/2023	\$43,581.70	\$28,500.22	\$28,500.22	34.6%	PPO	INFUSION	\$0.00
40359320-01	EMORY UNIVERSITY HOSPITAL MIDTOWN	2/22/2023	\$2,171.32	\$1,563.36	\$1,563.36	28.0%	PPO	INFUSION	\$0.00
40275327-01	HEMOPHILIA OF GEORGIA	3/7/2023	\$7,706.40	\$972.00	\$972.00	87.4%	PPO	INFUSION	\$0.00
40536656-01	EMORY UNIVERSITY HOSPITAL MAIN	3/7/2023	\$4,864.20	\$3,502.22	\$1,428.14	70.6%	Medicare	OUTPATIENT	\$518.52
40559011-01	COBB HOSPITAL	3/15/2023	\$43,695.10	\$28,585.27	\$4,622.56	89.4%	Medicare	OUTPATIENT	\$3,500.00
41015477-01	BUCKHEAD HOME TRAINING	4/1/2023	\$116,100.00	\$33,600.00	\$4,177.20	96.4%	Medicare	DCMS	\$7,355.70
41017924-01	COBB HOSPITAL	4/12/2023	\$44,238.50	\$28,888.06	\$28,888.06	34.7%	Medicare	INFUSION	\$3,500.00
41030746-01	BUCKHEAD HOME TRAINING	5/1/2023	\$122,842.90	\$122,842.90	\$4,460.50	96.4%	Medicare	DCMS	\$0.00
41017837-01	EJIEKE MD, NONYELUM	5/9/2023	\$6,560.00	\$6,235.99	\$1,165.10	82.2%	Medicare	INFUSION	\$1,267.73
41231180-01	COBB HOSPITAL	5/10/2023	\$44,708.50	\$29,240.56	\$4,614.19	89.7%	Medicare	INFUSION	\$3,500.00
41153744-01	EMORY UNIVERSITY HOSPITAL MIDTOWN	5/24/2023	\$21,069.16	\$15,169.80	\$8,246.37	60.9%	Medicare	OUTPATIENT	\$1,730.86
41270485-01	BUCKHEAD HOME TRAINING	6/1/2023	\$116,100.00	\$116,100.00	\$4,177.20	96.4%	Medicare	DCMS	\$0.00
41723107-01	COBB HOSPITAL	6/7/2023	\$44,600.10	\$29,159.16	\$4,753.44	89.3%	Medicare	OUTPATIENT	\$3,500.00
41336036-01	EMORY UNIVERSITY	6/8/2023	\$4,420.20	\$3,182.54	\$1,431.72	67.6%	Medicare	INFUSION	\$437.71
41579159-01	BUCKHEAD HOME TRAINING	7/1/2023	\$119,970.00	\$119,970.00	\$4,316.44	96.4%	Medicare	DCMS	\$0.00
41723131-01	COBB HOSPITAL	7/5/2023	\$44,656.60	\$29,196.01	\$4,837.77	89.2%	Medicare	OUTPATIENT	\$3,500.00
41640640-01	EMORY UNIVERSITY	7/11/2023	\$6,056.84	\$4,360.92	\$2,089.19	65.5%	Medicare	OUTPATIENT	\$567.93
41845509-01	BUCKHEAD HOME TRAINING	8/1/2023	\$119,970.00	\$119,970.00	\$4,316.44	96.4%	Medicare	DCMS	\$0.00
41888025-01	EMORY UNIVERSITY	8/8/2023	\$6,453.84	\$1,807.08	\$1,807.08	72.0%	PPO	OUTPATIENT	\$0.00
41908744-01	CHEUVRONT FNP, JOY	9/5/2023	\$3,822.58	\$1,666.59	\$1,666.59	56.4%	PPO	INFUSION	\$0.00
2023 Totals			\$1,208,565.24	\$991,557.67	\$157,834.03	86.9%			\$44,941.70

*The information contained in this document, entitled "Allied Advocate Activity," is a snapshot of data that may change and/or evolve based on additional claim processing and/or negotiation activity. As such, the data presented is fluid and subject to change beyond this snapshot in time. Note 2019-2020 savings data may incorporate additional claims associated with the claim identifier's date of service.

Executive Summary:

Year To Date, the
Allied Advocate
program has saved
the plan **\$788,782.**



Plan Design

Plan Design: Tier Structure:	High Option	Middle Option	Low Option HDHP
Deductible	In-Network	In-Network	In-Network
Individual	\$500	\$1,000	\$3,000
Family	\$1,500	\$3,000	\$6,000
Coinsurance	80%	80%	100%
Out-of-pocket Maximum			
Individual	\$2,500	\$3,000	\$3,500
Family	\$7,500	\$9,000	\$7,000
Office Visits			
Preventive Care	100%	100%	100%
Primary Care	\$25 copay	\$30 copay	100% after deductible
Specialist	\$35 copay	\$40 copay	100% after deductible
Diagnostics			
Lab (Outpatient)	100%, deductible waived	100%, deductible waived	100% after deductible
X-Ray (Outpatient)	100%, deductible waived	100%, deductible waived	100% after deductible
Major Diagnostics (MRI, CAT, PET)	\$250 copay; \$0 with Kisx Card	\$250 copay; \$0 with KisxCard	100% after deductible
Immediate Medical Care			
Emergency Room	\$250 copay	\$250 copay	100% after deductible
Urgent Care	\$25 copay	\$30 copay	100% after deductible
InPatient Hospital			
Facility	80% after deductible	80% after deductible	100% after deductible
Physician/Surgeon	80% after deductible	80% after deductible	100% after deductible
OutPatient Hospital			
Hospital	80% after deductible	80% after deductible	100% after deductible
Freestanding Facility	80% after deductible	80% after deductible	100% after deductible
Physician/Surgeon	80% after deductible	80% after deductible	100% after deductible
Retail Prescription Drugs	Select Pharmacy Non-Select Pharmacy	Select Pharmacy Non-Select Pharmacy	
Rx OOP Max	\$3,000 ind / \$6,000 fam		N/A
Rx Deductible	N/A		Medical Deductible applied before Copays:
Type 1: Generics	\$15 copay	\$40 copay	\$15 copay \$40 copay
Type 2: Preferred Brand	\$40 copay	\$65 copay	\$40 copay \$65 copay
Type 3: Non-Preferred Brand	\$70 copay	\$95 copay	\$70 copay \$95 copay
Tier 4: International Formulary	50% of cost (Does not apply to OOM)		50% of cost (Does not apply to OOM)

*Specialty Drugs are not covered. The VeracityRx Specialty Team assists in offsetting financial responsibility with required documentation



Employee Contributions

Recommended: No change to employee contributions

Plan	Tier	Non-Smoker	Smoker	Non-Smoker with Wellness Credit	Smoker with Wellness Credit
		Employee Per Pay Period	Employee Per Pay Period	Employee Per Pay Period	Employee Per Pay Period
High Option	Employee	\$126.94	\$150.02	\$78.48	\$101.56
	Employee + One	\$249.74	\$272.82	\$185.12	\$208.20
	Family	\$361.83	\$384.90	\$287.98	\$311.06
Middle Option	Employee	\$113.46	\$136.54	\$65.00	\$88.07
	Employee + One	\$225.48	\$248.55	\$160.86	\$183.94
	Family	\$324.08	\$347.15	\$250.23	\$273.31
Low Option HDHP	Employee	\$94.01	\$117.08	\$45.54	\$68.62
	Employee + One	\$182.33	\$205.41	\$117.72	\$140.79
	Family	\$247.33	\$270.41	\$173.49	\$196.56

Ancillary Lines

Renewal Summary



Dental

6 % Increase:

- 80% loss ratio over the past 12 months.



Vision

0 % Increase:



Basic Life/ADD Voluntary Life

28 % Increase:

- Original Renewal increase of 59%.
- 249% loss ratio.



STD & LTD

14 % Increase STD

- 67% loss ratio.
- 18 paid claims.

4 % Increase LTD:

- System Error reduced rate from originally sold rate of \$.40 to \$.308. Guardian to hold rate of \$.308.
- 1 active claim.



Voluntary Benefits

Voluntary Critical Illness will remain flat with 0% Increase.

Ancillary Lines

Rate Summary

Dental Plan		Current	Renewal
Monthly Rates			
EO	158	\$31.34	\$33.22
EE+1	60	\$61.97	\$65.69
FAM	71	\$108.57	\$115.08
Total Monthly Premium		\$16,378.39	\$17,360.84
Total Annual Premium		\$196,540.68	\$208,330.08
Change			6%
2 year rate guarantee			
Vision		Current	Renewal
Monthly Rates			
EO	123	\$8.33	\$8.33
EE+1	52	\$16.16	\$16.16
FAM	45	\$23.73	\$23.73
Total Monthly Premium		\$2,932.76	\$2,932.76
Total Annual Premium		\$35,193.12	\$35,193.12
Change			0%
2 year rate guarantee			

Basic Life		Guardian Current	Guardian Renewal
Basic Life		0.342	0.445
ADD		0.020	0.020
Monthly Rates			
Basic Life	\$ 36,995,905.00	\$12,652.60	\$16,463.18
ADD	\$ 36,995,905.00	\$739.92	\$739.92
Total Monthly Premium		\$13,392.52	\$17,203.10
Total Annual Premium		\$160,710.21	\$206,437.15
28%			
1 year rate guarantee			
STD		Guardian Current	Guardian Renewal
60% up to \$700		0.324	0.370
Monthly Rates			
STD	\$ 211,360.00	\$6,848.06	\$7,820.32
Total Monthly Premium		\$6,848.06	\$7,820.32
Total Annual Premium		\$82,176.77	\$93,843.84
14%			
2 year rate guarantee			
LTD		Guardian Current	Guardian Renewal
60% up to \$4000 / \$5000		0.308	0.320
Monthly Rates			
LTD	\$ 1,700,706.00	\$5,238.17	\$5,442.26
Total Monthly Premium		\$5,238.17	\$5,442.26
Total Annual Premium		\$62,858.09	\$65,307.11
4%			
1 year rate guarantee			

Recommended: Renew with Guardian



Questions?
