



FY 2017 Recommended Budget Budget Question

Board Question #: 52

BUDGET QUESTION: What has been the change in health insurance costs for the Schools and County for the last few years? What has been the Anthem-proposed rate increase each year? What has been the actual rate increase implemented each year? What's the number of employees for County and Schools? What's the number of enrollees for County and Schools? What's the plan design for County and Schools? What are the contribution rates for County and Schools? What are the health insurance reserve amounts for County and Schools?

RESPONSE:

County's Response:

Please see Attachment A for the change in County health insurance monthly premium costs for the last few years. The columns labeled "County" represent the employer monthly premium costs while the columns labeled "EE" represent the employee monthly premium costs.

The proposed Anthem rate increases are as follows:

Anthem Proposed Rate Increase:

Plan Year 16/17: 8.3% Medical/Drug, 11.9% Dental

Plan Year 15/16: 1.4% Medical/Drug, -5.4% Dental

Plan Year 14/15: 4.3% Medical/Drug, 10% Dental

Plan Year 13/14: KC15 was discontinued. KC20 was maintained and KC30 introduced as standard plan. The renewal estimated an 11% increase in medical/drug before the plan changes. There was a 5.5% increase after the plan changes.

The total count for County employees hired (positions filled) as of 2/24/16 is 1,271. Of those, 878 are full-time employees. The number of employees enrolled in our health plans are noted Attachment B. As of 2/24/16, there are 792 contract holders enrolled in the County's health insurance and a total of 2,117 members (includes family members covered by the contract).

Our plan design is a PPO (Preferred Provider Organization). We offer two plans with this design: KC30, our standard plan and KC20, our premium plan. Attachment C shows a comparison of the plan specifications.

The County's health insurance reserve was \$3.5 million at the end of FY 2015. That \$3.5 million equates to three months of claim payments based on the previous three years' experiences plus total claims incurred but not reported (IBNR) as required by County policy.

FY 2017 Recommended Budget

Budget Question

Schools' Response: Please see Attachment D for a matrix showing the requested data back to FY 2008. Please see Attachment E for a comparison of the Schools' various plans.

Participation in Health Plans

Figures are taken from the monthly subscriber listings not actual enrollment

Plan Year	Basic Plan								Optional Plan								Combine	
	Key Care 30		Key Care 30		Key Care 30		Key Care 30		Key Care 20		Key Care 20		Key Care 20		Key Care 20			
	20890-023 Active		20890-024 Retiree Non-Medicare		20890-026 Retiree Medicare		20890-025 COBRA		20890-003 Active		20890-004 Retiree Non-Medicare		20890-006 Retiree Medicare		20890-005 COBRA		All Groups	
10/1/15 to 9/30/16	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members
Oct 15	253	626	13	16	33	33	1	1	504	1375	32	39	66	66	2	3	904	2159
Nov 15	254	625	23	26	48	48	1	1	506	1385	23	30	51	51	2	3	908	2169
Dec 15	254	624	22	25	49	49	1	1	504	1373	23	30	52	52	3	4	856	2158
Jan 16	250	613	23	27	49	49	0	0	499	1364	23	30	52	52	2	2	898	2137
Feb 16	247	607	25	30	49	49	0	0	492	1341	25	33	53	53	3	4	792	2117
Mar 16																	0	0
Apr 16																	0	0
May 16																	0	0
June 16																	0	0
July 16																	0	0
Aug 16																	0	0
Sept 16																	0	0

Plan Year	Basic Plan								Optional Plan								Combine	
	Key Care 30		Key Care 30		Key Care 30		Key Care 30		Key Care 20		Key Care 20		Key Care 20		Key Care 20			
	20890-023 Active		20890-024 Retiree Non-Medicare		20890-026 Retiree Medicare		20890-025 COBRA		20890-003 Active		20890-004 Retiree Non-Medicare		20890-006 Retiree Medicare		20890-005 COBRA		All Groups	
10/1/14 to 9/30/15	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members
Oct 14	269	653	1	1	1	1	2	3	484	1310	37	48	83	83	1	2	878	2101
Nov 14	271	656	1	1	1	1	2	3	484	1311	35	46	83	83	2	3	879	2104
Dec 14	271	659	1	1	1	1	3	4	478	1302	37	47	84	84	3	4	794	2102
Jan 15	265	646	1	1	3	3	4	5	483	1318	35	45	87	87	3	4	881	2109
Feb 15	266	641	1	1	3	3	3	3	485	1319	36	46	87	87	3	4	794	2104
Mar 15	269	653	2	2	4	4	2	3	489	1327	37	47	88	88	2	3	801	2127
Apr 15	269	656	3	3	4	4	1	1	487	1319	37	47	87	87	2	3	799	2120
May 15	268	657	2	2	4	4	2	2	486	1319	39	49	88	88	3	6	800	2127
June 15	266	648	2	2	6	6	2	2	490	1343	40	50	88	88	3	6	803	2145
July 15	264	645	4	4	8	8	1	1	485	1337	40	50	88	88	3	6	797	2139
Aug 15	263	647	4	4	8	8	1	1	491	1351	40	49	88	88	2	3	801	2151
Sept 15	262	641	5	5	9	9	1	1	490	1343	40	49	88	88	2	3	800	2139

Plan Year	Basic Plan								Optional Plan								Combine	
	Key Care 30		Key Care 30		Key Care 30		Key Care 30		Key Care 20		Key Care 20		Key Care 20		Key Care 20			
	20890-023 Active		20890-024 Retiree				20890-025 COBRA		20890-003 Active		20890-004 Retiree				20890-005 COBRA		All Groups	
10/1/13 to 9/30/14	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members
Oct 13	295	728	0	0			2	3	441	1193	110	115			2	2	850	2041
Nov 13	295	731	0	0			2	3	450	1215	110	116			2	2	859	2067
Dec 13	283	701	0	0			2	3	454	1236	107	113			2	2	848	2055
Jan 14	284	698	0	0			2	3	453	1234	110	117			2	2	851	2054
Feb 14	283	691	0	0			3	4	457	1240	114	123			2	2	859	2060
Mar 14	284	697	0	0			5	6	465	1244	114	125			2	2	870	2074
Apr 14	284	697	0	0			3	4	459	1238	114	125			2	2	862	2066
May 14	282	689	0	0			2	3	456	1237	115	126			1	1	856	2056
June 14	282	690	0	0			2	3	454	1229	115	126			1	1	854	2049
July 14	283	691	0	0			2	3	462	1253	114	125			2	3	863	2075
Aug 14	280	688	1	1			2	3	457	1248	115	126			2	3	857	2069
Sept 14	281	687	5	5			2	3	457	1250	116	127			2	3	863	2075

Plan Year	Basic Plan								Optional Plan								Combine	
	Key Care 20		Key Care 20		Key Care 20		Key Care 20		Key Care 15		Key Care 15		Key Care 15					
	20890-003 Active		20890-004 Retiree				20890-005 COBRA		20890-013 Active		20890-014 Retiree		20890-015 COBRA		All Groups			
10/1/12 to 9/30/13	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members	Contract Holders	Total Members
Oct 12	627	1640	104	109			4	8	100	273	8	8			0	0	843	2038
Nov 12	615	1616	103	108			3	4	100	275	8	8			0	0	829	2011
Dec 12	618	1621	102	107			3	4	100	275	9	9			0	0	832	2016
Jan 13	637	1665	102	107			2	2	100	275	9	9			0	0	850	2058
Feb 13	639	1665	99	104			2	2	101	275	9	9			0	0	850	2055
Mar 13	635	1659	100	105			3	3	100	274	9	9			0	0	847	2050
Apr 13	636	1666	101	106			4	4	98	268	9	9			0	0	848	2053
May 13	634	1660	101	106			4	4	97	267	9	9			0	0	845	2046
June 13	632	1655	101	106			3	3	97	267	9	9			0	0	842	2040
July 13	633	1667	99	105			2	2	96	266	9	9			1	1	840	2050
Aug 13	633	1658	96	102			3	4	96	268	9	9			1	1	838	2042
Sept 13	633	1658	96	102			3	4	96	268	9	9			1	1	838	2042

County of Spotsylvania October 1, 2015 – September 30, 2016

	OPTIONAL PLAN KEYCARE 20 (patient liability)	BASIC PLAN KEYCARE 30 (patient liability)
CALENDAR YEAR DEDUCTIBLE (January 1 through December 31)	\$0 individual / \$0 family	\$500 individual / \$1,000 family
OUTPATIENT OFFICE VISITS <ul style="list-style-type: none"> ▾ Primary Care Physician (PCP) ▾ Specialist 	\$20 copayment \$40 copayment	DEDUCTIBLE DOES NOT APPLY \$30 copayment \$50 copayment
PREVENTIVE CARE and WELL BABY CARE	\$0 copayment	DEDUCTIBLE DOES NOT APPLY \$0 copayment
ANNUAL VISION EXAM	\$15 co-payment (30 out of network allowance)	DEDUCTIBLE DOES NOT APPLY \$15 co-payment (30 out of network allowance)
DIAGNOSTIC TESTS	20% coinsurance	SUBJECT TO DEDUCTIBLE 20% coinsurance
THERAPIES: Physical, speech, occupational Physical and occupational therapy have a combined 30 visit limit per calendar year. Speech therapy has a 30 visit limit per calendar year.	FACILITY: \$40 copayment + 20% coinsurance PROFESSIONAL: \$20/\$40 copayment	FACILITY and PROFESSIONAL: SUBJECT TO DEDUCTIBLE 20% coinsurance
OUTPATIENT SURGERY	FACILITY: \$100 copayment + 20% coinsurance PROFESSIONAL: \$20/\$40 copayment	FACILITY and PROFESSIONAL: SUBJECT TO DEDUCTIBLE 20% coinsurance
MATERNITY CARE	FACILITY: \$400 copayment + 20% coinsurance PROFESSIONAL (global bill): 20% coinsurance	FACILITY and PROFESSIONAL: SUBJECT TO DEDUCTIBLE 20% coinsurance
MENTAL HEALTH and SUBSTANCE ABUSE OFFICE VISITS	\$20 copayment	DEDUCTIBLE DOES NOT APPLY \$30 copayment
INPATIENT HOSPITAL SERVICES	FACILITY: \$400 copayment + 20% coinsurance PROFESSIONAL: 20% coinsurance	FACILITY and PROFESSIONAL: SUBJECT TO DEDUCTIBLE 20% coinsurance NO CO-PAY APPLIES
SKILLED NURSING FACILITY 100 day per stay limit	FACILITY and PROFESSIONAL: 20% coinsurance	FACILITY and PROFESSIONAL: SUBJECT TO DEDUCTIBLE 20% coinsurance
DURABLE MEDICAL EQUIPMENT	20% coinsurance	SUBJECT TO DEDUCTIBLE 20% coinsurance
AMBULANCE SERVICES	20% coinsurance	SUBJECT TO DEDUCTIBLE 20% coinsurance
EMERGENCY ROOM	FACILITY: \$100 copayment + 20% coinsurance PROFESSIONAL: \$20/\$40 copayment	FACILITY and PROFESSIONAL: SUBJECT TO DEDUCTIBLE 20% coinsurance NO CO-PAY APPLIES
COMBINED MEDICAL and PRESCRIPTION DRUG CALENDAR YEAR OUT-OF-POCKET (in-network)	\$3,000 individual / \$6,000 family COPAYMENTS, and COINSURANCE ACCUMULATE TO ANNUAL OUT-OF-POCKET	\$3,500 individual / \$7,000 family DEDUCTIBLE, COPAYMENTS, and COINSURANCE ACCUMULATE TO ANNUAL OUT-OF-POCKET
COMBINED MEDICAL and PRESCRIPTION DRUG CALENDAR YEAR OUT-OF-POCKET (out-of-network) CALENDAR YEAR DEDUCTIBLE COINSURANCE OUT-OF-POCKET	\$500 individual / \$1,000 family 30% coinsurance \$4,500 individual / \$9,000 family	\$1,500 individual / \$3,000 family 40% coinsurance \$5,250 individual / \$10,500 family
PRESCRIPTION DRUGS Retail (30 day supply) Mail Order (90 day supply)	Tier 1 \$10 / Tier 2 \$20 / Tier 3 \$35 Tier 1 \$10 / Tier 2 \$40 / Tier 3 \$105	Tier 1 \$10 / Tier 2 \$30 / Tier 3 \$50 Tier 1 \$10 / Tier 2 \$60 / Tier 3 \$150

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017*
										Attachment D
Adopted FTEs	3296.63	3329.3046	3197.3129	3054.3296	3026.0963	3026.9964	3010.4714	3018.4714	3079.0964	3137.0964
Number of employees/ retirees enrolled as of October 1 of each year	2,530	2,530	2,432	2,310	2,952	3,065	2,990	3,113	3,286	N/A
Health Carrier Underwriting Analysis Rate Adjustment	0.60%	4.90%	10.70%	7.60%	3.50%	17.30%	9.30%	-1.00%	1.60%	11.80%
Actual Health Rate Adopted	0.6% paid by employer & employee	4.9% paid by employer & employee	10.7% paid by employer & employee	7.5% to 9% paid by the employer due to incorporated separate dental rate 0% paid by the employee	3.8% to 4.9% paid by the employer due to employer picked up employee 3.5% share 0% paid by the employee	18.7% to 25.1% paid by the employer due to employer picked up employee 15.3% share 2% paid by the employee	4.3% to 17.4% paid by the employer due to employer contribution rates equalized amongst plans (49.6%) to 38.9% paid by the employee due to the employer contribution rate equalized and new mid-level plan implemented and employees buy up	2% paid by employer 1% paid by the employee	No increase	11.8% paid by employer 5% paid by the employee
Employer Contribution Rates range due to multiple plans and tiers	65% to 91%	65% to 91%	65% to 91%	65% to 91%	66% to 91%	71% to 93%	68% to 97%	68% to 97%	68% to 97%	69% to 97%
Actual Health Insurance Cost	\$16,597,026	\$18,178,871	\$19,755,875	\$21,072,178	\$20,824,207	\$28,243,275	\$29,019,005	\$28,996,511	N/A	N/A
OPEB Trust Fund as of 6/30 each year	\$0	\$0	\$0	\$0	\$1,389,946.02	\$1,532,606.99	\$1,727,336.09	\$2,793,281.18	N/A	N/A
Health Insurance Reserve as of 6/30 each year after IBNR projections	\$0	\$0	\$0	\$417,391	(\$1,433,601)	\$27,053	\$9,231,437	\$10,885,061	Projected \$3,342,114	N/A

* Rates are as of the FY17 School Board Approved Budget

Spotsylvania County Public Schools Benefit Plan Options -- October 1, 2015 – September 30, 2016			
BENEFITS	KEYCARE EXPANDED (patient liability)	KEYCARE 200 (patient liability)	KEYCARE 500 (patient liability)
PLAN YEAR DEDUCTIBLE	\$100 individual / \$200 family	\$200 individual / \$400 family	\$500 individual / \$1,000 family
OUTPATIENT OFFICE VISITS Primary Care Physician (PCP) Specialist	NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$15 copayment \$25 copayment	NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$20 copayment \$40 copayment	NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$25 copayment \$40 copayment
PREVENTIVE CARE and WELL BABY CARE	NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$0 copayment	NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$0 copayment	NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$0 copayment
AUTISM SPECTRUM DISORDER Diagnosis and Treatment Applied Behavioral Analysis	Member cost shares will be dependent on services rendered 20% coinsurance	Member cost shares will be dependent on services rendered 20% coinsurance	Member cost shares will be dependent on services rendered 20% coinsurance
AMBULANCE SERVICES	AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance	AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance	AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance
DIAGNOSTIC TESTS	NOT SUBJECT TO PLAN YEAR DEDUCTIBLE 10% coinsurance	AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance	AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance
EMERGENCY ROOM	FACILITY: NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$100 copayment PROFESSIONAL: NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$15 / \$25 copayment	FACILITY and PROFESSIONAL: AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance	FACILITY: AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance PROFESSIONAL: NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$25 / \$40 copayment
INPATIENT HOSPITAL SERVICES	FACILITY: NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$200 copayment PROFESSIONAL: NOT SUBJECT TO PLAN YEAR DEDUCTIBLE 0% coinsurance	FACILITY and PROFESSIONAL: AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance	FACILITY: AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance PROFESSIONAL: NOT SUBJECT TO PLAN YEAR DEDUCTIBLE 0% coinsurance
MATERNITY CARE	FACILITY: NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$200 copayment PROFESSIONAL (global bill): NOT SUBJECT TO PLAN YEAR DEDUCTIBLE 0% coinsurance	FACILITY and PROFESSIONAL (global bill): AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance	FACILITY: AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance PROFESSIONAL (global bill): NOT SUBJECT TO PLAN YEAR DEDUCTIBLE 0% coinsurance
MEDICAL EQUIPMENT - DURABLE	AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance	AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance	AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance
MENTAL HEALTH and SUBSTANCE ABUSE OFFICE VISITS	NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$0 copayment	NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$0 copayment	NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$0 copayment
SURGERY - OUTPATIENT	FACILITY: NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$100 copayment PROFESSIONAL: NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$15 / \$25 copayment	FACILITY and PROFESSIONAL: AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance	FACILITY: AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance PROFESSIONAL: NOT SUBJECT TO PLAN YEAR DEDUCTIBLE \$25 / \$40 copayment
SKILLED NURSING FACILITY 180 day per stay limit	FACILITY and PROFESSIONAL NOT SUBJECT TO PLAN YEAR DEDUCTIBLE 0% coinsurance	FACILITY and PROFESSIONAL: AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance	FACILITY and PROFESSIONAL: NOT SUBJECT TO PLAN YEAR DEDUCTIBLE 0% coinsurance
THERAPIES (physical, occupational, and speech)	AFTER PLAN YEAR DEDUCTIBLE 10% coinsurance	AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance	AFTER PLAN YEAR DEDUCTIBLE 20% coinsurance
PRESCRIPTION DRUGS Retail (30 day supply) Mail Order (90 day supply)	Tier 1 \$10 / Tier 2 \$20 / Tier 3 \$35 Tier 1 \$20 / Tier 2 \$40 / Tier 3 \$70	Tier 1 \$10 / Tier 2 \$20 / Tier 3 \$35 Tier 1 \$20 / Tier 2 \$40 / Tier 3 \$70	Tier 1 \$10 / Tier 2 \$20 / Tier 3 \$35 Tier 1 \$20 / Tier 2 \$40 / Tier 3 \$70
OUT-OF-POCKET (in-network) COMBINED MEDICAL and PRESCRIPTION DRUG	\$1,000 individual / \$2,000 family	\$2,000 individual / \$4,000 family	\$3,000 individual / \$6,000 family
OUT OF NETWORK BENEFITS: PLAN YEAR DEDUCTIBLE COINSURANCE OUT-OF-POCKET	\$200 individual / \$400 family Varies (25% - 45%) \$2,000 individual / \$4,000 family	\$300 individual / \$600 family 40% \$2,750 individual / \$5,500 family	\$1,000 individual / \$2,000 family 30% \$6,000 individual / \$12,000 family
VISION EXAM - ANNUAL	\$25 co-pay (\$50 out of network allowance)	\$40 co-payment (\$50 out of network allowance)	\$40 co-payment (\$50 out of network allowance)
DENTAL PLAN Maximum plan will pay	\$1,500	\$1,500	\$1,500