

Richland County Finance and Personnel Committee

Agenda Item Cover

Agenda Item Name: Health Insurance Renewal

Department	Administration	Presented By:	Clinton Langreck
Date of Meeting:	01 Sep 2020	Action Needed:	Resolution
Disclosure:	Open Session	Authority:	Committee Structure (L)
Date submitted:	31 Aug 2020	Referred by:	

Recommendation and/or action language:

Motion to accept proposed Quartz 2021 renewal at 4.99% premium increase and recommend resolution to the Richland County Board for adoption.

Background: *(preferred one page or less with focus on options and decision points)*

The initial renewal proposal from Quartz a 6.46% (trend) increase for 2021 (18 Sep 2020). This proposal was based on current and expected experience, demographics, and our long-term partnership. Our insurance consultants with Wallace, Cooper and Elliot entered into negotiations with Quartz and arrived at a reduced renewal rate of 4.99% increase for 2021 (26 Sep 2020). This adjusted rate was based the argument of our group's improved experience, expected experience to run close to target Medical Loss Ratio in the coming year, and Quartz's commitment to continuing their partnership with Richland County. Wallace, Cooper and Elliot will be briefly addressing:

- Experience / Medical Loss Ratio
- Renewal Rate
- Plan Design – No Changes
- Questions

Proposed impacts to the County premium share, and employee share (pending proposed percentage increase) can be seen in attachment and is connected to the proposed amended budget.

Attachments and References:

Rate Calculations and Impacts	Proposed Rates Acceptance Form
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Financial Review:

(please check one)

<input checked="" type="checkbox"/>	In adopted budget	Fund Number	Proposed budgets by Department
<input type="checkbox"/>	Apportionment needed	Requested Fund Number	
<input type="checkbox"/>	Other funding Source		
<input type="checkbox"/>	No financial impact		

(summary of current and future impacts)

4.99% increase equates to a \$ 159,190.20 increase in 2021 operational expenditures.

Approval:

Department Head

Review:



Administrator, or Elected Office (if applicable)

2021 HEALTH INSURANCE RATES

86% OF THE LOWEST COST PLAN IS PAID BY THE COUNTY FOR MOST FULL-TIME EMPLOYEES

FULL-TIME EMPLOYEES WORKING 34+ HOURS PER WEEK							2020	2021	Increase
PLAN NAME	SINGLE			FAMILY					
	MAXIMUM EMPLOYER SHARE 86%	MINIMUM EMPLOYEE SHARE 14%	TOTAL PREMIUM	MAXIMUM EMPLOYER SHARE 86%	MINIMUM EMPLOYEE SHARE 14%	TOTAL PREMIUM			
86% County 14% Employee							\$ 627.53	\$ 658.86	\$ 31.33
							\$ 75.30	\$ 92.24	\$ 16.94
							\$ 552.23	\$ 566.62	\$ 14.39
Quartz Health Insurance	\$ 566.62	\$ 92.24	\$ 658.86	\$ 1,408.34	\$ 229.26	\$ 1,637.60	\$ 1,559.73	\$ 1,637.60	\$ 77.87
							\$ 187.17	\$ 229.26	\$ 42.09
							\$ 1,372.56	\$ 1,408.34	\$ 35.78
ADJ	GU	\$ 92.24		\$ 92.24	GF	\$ 137.02			
DED	SU	\$ 92.24		\$ 92.24	FU	\$ 137.02			

PART-TIME EMPLOYEES WORKING BETWEEN 25 HRS - 33.99 HRS PER WEEK									
PLAN NAME	SINGLE			FAMILY					
	MAXIMUM EMPLOYER SHARE 78%	MINIMUM EMPLOYEE SHARE 22%	TOTAL PREMIUM	MAXIMUM EMPLOYER SHARE 78%	MINIMUM EMPLOYEE SHARE 22%	TOTAL PREMIUM			
78% County 22% Employee									
Quartz Health Insurance	\$ 513.91	\$ 144.95	\$ 658.86	\$ 1,277.33	\$ 360.27	\$ 1,637.60			
ADJ	GU	\$ 144.95		\$ 144.95	GF	\$ 215.32			
DED	SU	\$ 144.95		\$ 144.95	FU	\$ 215.32			

PART-TIME EMPLOYEES - WORKING BETWEEN 17.50 - 24.99 HOURS PER WEEK						
68% County 32% Employee	SINGLE			FAMILY		
	MAXIMUM EMPLOYER SHARE 68%	MINIMUM EMPLOYEE SHARE 32%	TOTAL PREMIUM	MAXIMUM EMPLOYER SHARE 68%	MINIMUM EMPLOYEE SHARE 32%	TOTAL TOTAL PREMIUM
Quartz Health Insurance	\$ 448.02	\$ 210.84	\$ 658.86	\$ 1,113.57	\$ 524.03	\$ 1,637.60

ADJ	GU	\$ 210.84	\$ 210.84	GF	\$ 313.20
DED	SU	\$ 210.84	\$ 210.84	FU	\$ 313.20

IF A FULL-TIME EMPLOYEE DROPS DOWN TO CALL-IN STATUS & THEY WORKED ENOUGH HOURS TO BE CONSIDERED FULL-TIME ACCORDING TO OUR ACA REPORT - THEY MUST BE TREATED AS FULL-TIME EMPLOYEES FOR A "SINGLE" HEALTH INSURANCE PLAN DURING OUR ONE YEAR STABILITY PERIOD.						
	SINGLE			FAMILY		
	MAXIMUM EMPLOYER SHARE 86%	MINIMUM EMPLOYEE SHARE 14%	TOTAL PREMIUM	MAXIMUM EMPLOYER SHARE 25%	MINIMUM EMPLOYEE SHARE 75%	TOTAL PREMIUM
Quartz Health Insurance	\$ 566.62	\$ 92.24	\$ 658.86	\$ 409.40	\$ 1,228.20	\$ 1,637.60

ADJ	GU	\$ 92.24	\$ 92.24	GF	\$ 1,135.96
DED	SU	\$ 92.24	\$ 92.24	FU	\$ 1,135.96

RETIREE CONVERTED SICK LOCAL MEDICARE ANNUITANT Need copy of Medicare Card to get this rate			
PLAN NAME	SINGLE	MEDICARE 1	MEDICARE 2
Quartz Health Insurance	\$ 527.09	\$ 1,054.18	\$ 1,185.94



FINAL RATES
ACCEPTANCE FORM

The final rates offered to:
by Quartz, effective RICHLAND COUNTY
01/01/2021 are:

Renewal Offering?	YES
	<u>HMO1-1</u>
Single	\$658.86
Family	\$1,637.60
Medicare Single	\$527.09
Medicare Family	\$1,054.18
Medicare Split	\$1,185.94

We accept the following plan(s):

☐

SBC Tracking IDs:
SOB Tracking IDs:

DFCLHEISBC
DFCLHEISOB

Please review the above final adjusted rates. If these rates are acceptable to you, please execute the Acceptance Certification provided below. If your group has any changes within 60 days of the effective date that we determine will affect the rates listed above, we reserve the right to adjust the listed rates. Premium rate discrepancies must be reported to Quartz within 60 days of the renewal date.

Please keep a copy of this certification form for your records, and return the signed original to your Sales Representative or Agent.

RICHLAND COUNTY understands that Quartz, in its sole discretion, may provide summary health information for our use: 1) request, on behalf of RICHLAND COUNTY, that RICHLAND COUNTY receives this summary health information for the purposes of 1) modifying, amending, or terminating the group health plan; or, 2) obtaining premium bids from health plans for providing health insurance coverage under the group health plan. I certify that I am authorized to sign on behalf of RICHLAND COUNTY

Acceptance Certification

As an authorized representative of this Employer, I have reviewed the above, and the notice form, and accept the quoted rates on behalf of RICHLAND COUNTY. I further attest and certify that all the statements included herein are true and correct to the best of my knowledge.

RICHLAND COUNTY

Printed Name of Group Representative

Date

Signature of Group Representative

Position/Title of Group Representative

Please send the completed form to:

Ron Sebrank
Quartz
840 Carolina Street
Sauk City, WI 53583

8/25/2020

1:39 PM