



2024-2025

# Group Health Insurance Review

City of Elkhorn

# Background

- City is self-insured
- Claims and overall costs are continuing to rise each year, much faster than growth in levy and other revenues
  - Increase in health costs of \$295,557.19/year
  - Increase in levy revenues of \$169.953/year
- Historically high interest income has helped sustain budget
  - 2021 actual → \$17,457.23
  - 2022 actual → \$359,176.77
  - 2023 actual → \$1,114,076.35
  - 2024 budget → \$1,003,468.50
- City has also helped sustain budget by allocating less of revenues to capital funds and increasing borrowing for capital projects
- We relied on extra funds to mitigate increase in costs in 2024
  - Supplemental state aid of \$259,135.22
  - Interest income of \$1,003,468.50

# Background

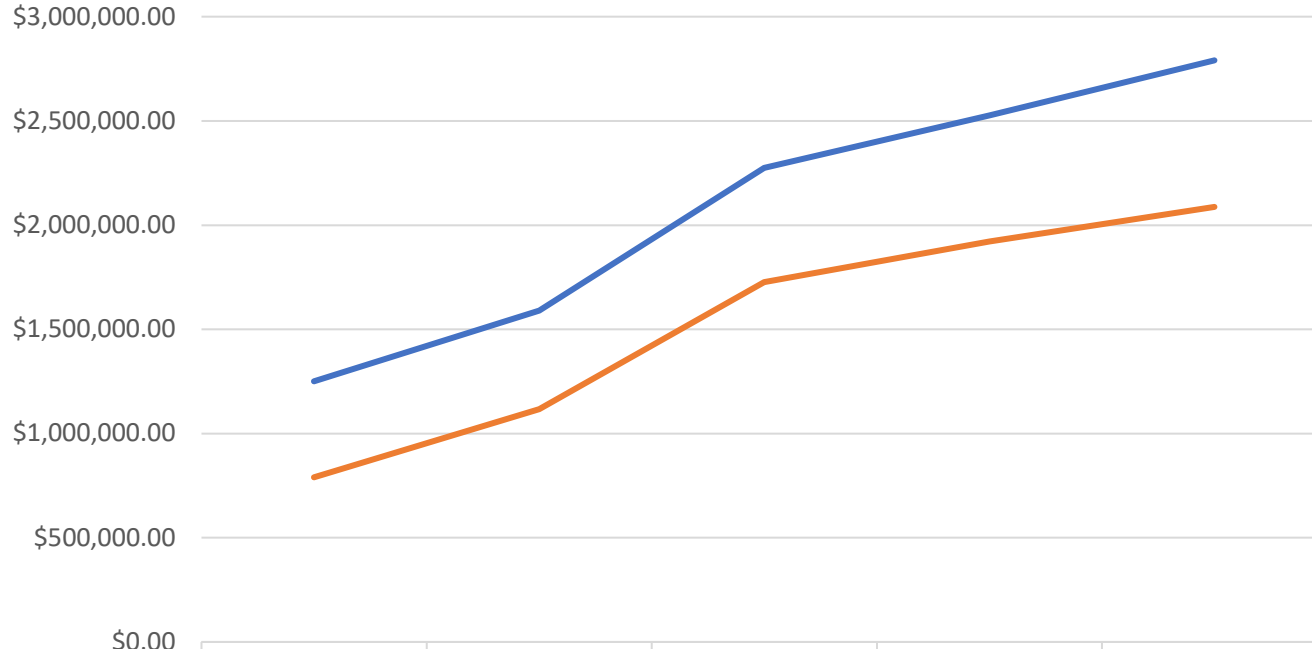
Health Insurance Fund Balance				
Year End	LGIP	Pooled Cash	Total	Change in Balance
2023	408,755.85	704,880.54	1,113,636.39	(122,875.97)
2022	395,527.46	840,984.90	1,236,512.36	(157,330.98)
2021	1,322,542.25	71,301.09	1,393,843.34	(72,460.24)
2020	1,442,902.38	23,401.20	1,466,303.58	(23,279.11)
2019	1,330,518.77	159,063.92	1,489,582.69	167,477.43
2018	1,272,936.34	49,168.92	1,322,105.26	124,716.29
2017	1,144,174.20	53,214.77	1,197,388.97	233,088.55
2016	930,087.12	34,213.30	964,300.42	7,220.65
2015	868,844.74	88,235.03	957,079.77	

# Background

- Cannot sustain increased costs, especially if/when interest rates return to historical norms
- Currently have 88 employees on the plan -
  - Family = 65
  - Employee Only = 23
- Our plan renewal is July 1, 2024
- Future considerations: Police contract will be renewing in 2025

(Calendar year)

Claims and Total Costs 2019-2023

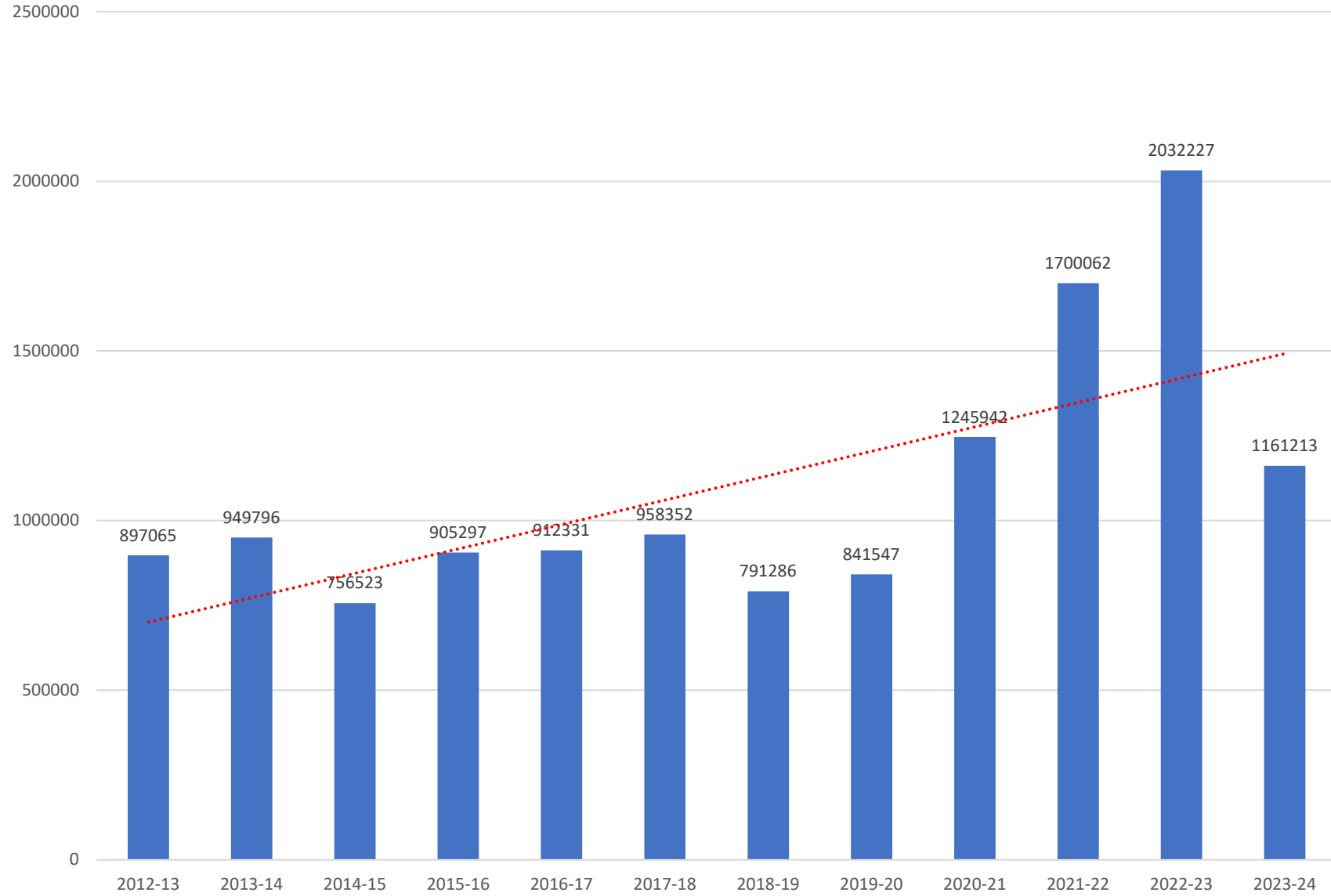


	2019	2020	2021	2022	2023
Claims	\$790,126.39	\$1,116,861.36	\$1,727,389.89	\$1,921,800.93	\$2,087,554.78
Total	\$1,250,186.15	\$1,590,716.22	\$2,275,768.97	\$2,527,607.03	\$2,791,558.88

		Employee premiums	Claims	HRA	Dental	Total	Total Cost Increase	% Increase	Levy Increase	FT Employees	Cost/FT Employee	% Increase	Notes
(Actual)	2019	\$372,383.02	\$790,126.39	\$39,866.33	\$47,810.41	\$1,250,186.15				48	\$26,045.54		FT employee counts based on Incode count in November
(Actual)	2020	\$390,638.63	\$1,116,861.36	\$40,833.14	\$42,383.09	\$1,590,716.22	\$340,530.07	27.24%	\$29,378.00	54	\$29,457.71	13.10%	FT employee counts based on Incode count in November
(Actual)	2021	\$439,742.07	\$1,727,389.89	\$53,533.03	\$55,103.98	\$2,275,768.97	\$685,052.75	43.07%	\$1,395,507.00	61	\$37,307.69	26.65%	FT employee counts based on Incode count in November
(Actual)	2022	\$490,608.41	\$1,921,800.93	\$51,086.26	\$64,111.43	\$2,527,607.03	\$251,838.06	11.07%	\$56,651.00	68	\$37,170.69	-0.37%	FT employee counts based on Incode count in November
(Actual)	2023	\$579,223.08	\$2,087,554.78	\$56,103.88	\$68,677.14	\$2,791,558.88	\$263,951.85	10.44%	\$320,280.00	82	\$34,043.40	-8.41%	FT employee counts based on Incode count in November
(Budgeted)	2024	\$725,775.89	\$2,286,664.65	\$70,000.00	\$80,000.00	\$3,162,440.54	\$370,881.66	13.29%	\$132,930.70	88	\$35,936.82	5.56%	FT employee counts based on Incode count in January

(Plan year)

### City of Elkhorn Paid Claims 2012-2024



# Current Plan Details

Plan Features	In Network	Out of Network
<b>Calendar Year Deductible</b>	\$1,000 for single \$2,000 for family	\$1,000 for single \$2,000 for family
<b>Co-Insurance</b> <small>Applied to inpatient &amp; outpatient surgical</small>	80% (plan pays) /20% (employee pays)  1 <sup>st</sup> \$5000 after deductible	60% (plan pays) /40% (employee pays)  1 <sup>st</sup> \$5,000 after deductible
<b>Out-of-Pocket Maximum</b>	\$2,000 for single \$4,000 for family	\$3,000 for single \$6,000 for family
<b>Preventative Care</b>	\$0	Not covered
<b>Office Visit</b>	\$30 copay	\$60 copay + 40% coinsurance
<b>Chiropractic Care</b>	\$30 copay up to \$650 annual max	\$60 copay / 40% coinsurance up to \$650 annual max
<b>Lab and X-ray</b>	0% coinsurance after deductible	40% coinsurance after deductible
<b>Urgent Care Visit</b>	\$50 copay	\$100 copay + 40% coinsurance
<b>Emergency Room Care</b>	\$100 copay (copay waived if admitted for life-threatening illness or injury)	\$200 copay + 40% coinsurance
<b>Generic Drugs</b>	Retail: 1-30 day supply- \$15 copay Mail order: 1-90 day supply - \$15 copay	Not covered
<b>Preferred Brand Drugs</b>	Retail: 1-30 day supply- \$30 copay Mail order: 1-90 day supply- \$30 copay	Not covered
<b>Non-Preferred Drugs</b>	Retail: 1-30 day supply - \$60 copay Mail order: 1-90 day supply- \$60 copay	Not covered
<b>Specialty Drugs</b>	20% coinsurance	40% coinsurance

HRA Details	
<b>Employer Annual Contribution</b> (prorated for mid-year enrollments)	\$500 for Single \$1,000 for Family
<b>Annual Carryover of Unused Funds</b>	100%
<b>Maximum Accumulation</b>	\$4000

FSA Details	
<b>Healthcare FSA</b>	\$2,200 max contribution \$640 rollover
<b>Dependent Care FSA</b>	\$2,500 max contribution

Costs					
		City Portion		Employee Portion	
		Single (23 EE's)	Family (65 EE's)	Single	Family
<b>Monthly Premiums (total expected cost)</b>	<b>Single \$1,041.51</b> <b>Family \$3,159.90</b>	\$287,456.76	\$2,464,722	0	0
<b>HRA</b>	<b>\$500 single</b> <b>\$1,000 family</b>	\$11,500	\$65,000	0	0

**Total City Expected Cost** **\$2,828,678.76**

# Modify Current Plan

Option 1



# Possible Changes to Existing Self-Insured Plan- Implement all or some

## 1. **Maintain our current self-insured plan and add a monthly premium**

- Add a premium for all employees, or, no cost to employees but add premiums for spouse/dependents
  - Have rates for employee + spouse, employee + children, full family, or per dependent
  - Premium could be based on percentage of specific premium or total expected cost (perhaps 5%)

## 2. **Increase deductibles and co-pays**

- Could increase deductibles, co-pays, and out-of-pocket max on current plan.

## 3. **Add a second plan option**

- Add a second (high deductible) plan that is low cost, or has no premium, in addition to our current plan. Current plan would have a premium for employees but better benefits.

## 4. **Remove or reduce HRA reimbursement**

- Single employees currently receive \$500/yr., and employees w/ families receive \$1,000.
- If HRA benefits are reduced, the City could increase the amount employees are able to contribute to FSA accounts through payroll deductions. The IRS max is \$3,200. City currently allows up to \$2,200.

## 5. **Add opt-out incentive**

- Pay employees a flat amount per paycheck to opt-out of the City's insurance (such as \$30 single, \$50 EE + spouse or child, \$80 for family).

## 6. **Consider working with another broker to potentially save costs**

- Negotiate reduced commission and/or find broker that provides more resources and options

# Estimated Cost Savings

## Adding a Premium

	Total Expected Cost per EE
Single	1124.89
Family	4278.34

Monthly Premiums	5% of Total Expected Cost	EE Cost Per Pay Period	2.5% of Total Expected Cost	EE Cost Per Pay Period
Employee Only	0	0	0	0
Employee + Spouse	157.67	72.77	78.84	36.39
Employee + Child(ren)	157.67	72.77	78.84	36.39
Employee + Family	213.92	98.73	106.96	49.37

Estimated Premium Savings					
		5% Premium		2.5% Premium	
Coverage	# of Employees	Overall Savings per Month	Overall Savings per Year	Overall Savings per Month	Overall Savings per Year
Single	23	0	0	0	0
Family	43	9,198	110,381	4,599	55,191
EE + Spouse	12	1,892.07	22,705	946.04	11,352
EE + Children	10	1,576.73	18,921	788.36	9,460
			152,006.71		76,003.36

## HRA only for Employees Option

Estimated HRA Savings (HRA for employees only)					
Single	500	EE Count	88		44,000
				Savings	\$32,500

Or

## Reduce HRA

Estimated HRA Savings (Reducing HRA contribution to half)					
Family	500	EEs on Family	65		32,500
Single	250	EEs on Single	23		5,750
				Savings	38,250

Or

## Remove HRA

Estimated HRA Savings (Removing HRA)					
Family	1000	EEs on Family	65		65,000
Single	500	EEs on Single	23		11,500
				Savings	76,500

### Opt-Out Incentive

\$30 per paycheck period for Single

\$50 per paycheck period for Employee + Spouse

\$50 per paycheck period for Employee + Children

\$80 per paycheck period for Family

# Pros/Cons of Possible Changes to Existing Self-Insured Plan

## Pros

- Remaining on same plan means employees do not have to change networks/providers
- Remaining self-insured allows us to keep flexibility with plan design
- Employees seem happy with current plan

## Cons

- Adding a premium and/or removing the HRA may upset employees who are used to the current benefits
- If a premium is applied for each dependent on the plan, employees with several dependents may feel disgruntled
- Currently having a \$0 premium is a great selling point for recruitment.
- The City assumes the risk if claims exceed projections or if there is a catastrophic event

# Enroll in State Health Plan

Wisconsin Public Employer's Group Program(WPE)

Option 2

# State Health Plan (WPE)

- City chooses program option
- Employee then has a few plan options they can select from
  - Dean Health Plan, MercyCare Health Plan, Quartz Central, Access
- Each plan has a limited network and there is a difference in cost
- City pays 88% of the premium based off of the lowest cost carrier
- Employers may join on the 1<sup>st</sup> of each quarter
- The enrollment process can take **up to** four months and involves:
  1. Underwriting for large employers only (50+ WRS-eligible employees): 4-6 weeks
  2. Selecting Program Option: 2 weeks
  3. Enrolling employees: 4 weeks
  4. Processing enrollment: 2 weeks
- Must achieve 65% participation rate of all eligible employees to join

# Program/Plan Options

## 204A: Program Option Comparison

Use the chart below to compare the different Program Options:

Benefits for	"Traditional" Program Option 2*/12 ET-2128	"Deductible" Program Option 4*/14 ET-2158	"Local" Program Option 6*/16 ET-2168	"HDHP" Program Option 7*/17 ET-2169
Premiums <sup>1</sup>	\$\$\$	\$\$	\$\$	\$
Deductible <sup>2</sup>	No deductible	\$500 Individual \$1,000 Family  (Not affected by prescription drug copays)	\$250 Individual \$500 Family  (Not affected by prescription drug copays)	\$1,600 Individual \$3,200 Family  (Affected by prescription drug paid full cost)
Office Visit Copay <sup>3</sup>	None	None	\$15 Primary Care \$25 Specialty Care	\$15 Primary Care \$25 Specialty Care
Coinsurance <sup>4</sup>	None (except 20% for DME <sup>6</sup> , adult hearing aids and adult cochlear implants)	After deductible, None (except 20% for DME <sup>6</sup> , adult hearing aids, and adult cochlear implants)	After deductible, 10% (except for office visit copays)	After deductible, 10% (except for office visit and prescription drug copays)
Annual out-of-pocket limit (OOPL): <sup>5</sup>	None (except \$500/person for DME <sup>6</sup> and adult cochlear implants)	After deductible, None (except \$500/person for DME <sup>6</sup> and adult cochlear implants)	\$1,250 Individual \$2,500 Family  (Does not include prescription drug copays)	\$2,500 Individual \$5,000 Family  (Does include prescription drug)

\*Program Options 2, 4, 6, and 7 offer employees the option to enroll in Uniform Dental Benefits

1. Premium: Monthly payment from employer to ETF; Includes both employer's and employees' share of premium
2. Deductible: Annual dollar amount that each individual or family must pay before health plan pays for any medical expenses
3. Copay: A set dollar amount for office visits, but not services like lab and x-ray
4. Coinsurance: The percentage of medical expenses that a patient pays after meeting a deductible
5. Out-of-Pocket-Limit (OOPL): The maximum amount an individual or family would pay in a year through deductible, copays, and coinsurance
6. Durable Medical Equipment (DME): Items that can withstand repeated use, such as wheelchairs or crutches

## 204B: Uniform Benefits and Pharmacy Benefits

All Program Options and all health plans have Uniform Benefits—they cover the same medical services and procedures with the same deductible, copayment, and coinsurance. Additionally, all Program Options and health plans have the same prescription drug coverage with no deductibles and the copayments and coinsurance outlined in the table below:

Prescription Drug Benefits	Copayment/Coinsurance (For detail including prescription drug out-of-pocket limits, visit <a href="http://etf.wi.gov">etf.wi.gov</a> )	
	Level 1	\$5 or less
	Level 2	20% (\$50 max)
	Level 3	40% (\$150 max)
	Level 4	\$50

Plan Options	Major Health Systems
<b>Dean Health Plan*</b> <i>Limited service area</i>	SSM Health Hospitals and Clinics (Dean Medical Group, Fond du Lac Regional and Monroe Clinics) Prairie Ridge Health Hospital & Clinics Fort HealthCare Hospital & Clinics Sauk Prairie Healthcare Hospital & Clinics Southwest Health Hospital & Clinics
<b>MercyCare Health Plan</b>	Mercyhealth Hospital and Trauma Center–Janesville, WI Mercyhealth Hospital and Medical Center–Walworth, WI Mercyhealth Hospital and Medical Center–Harvard, IL Javon Bea Hospital's–Riverside & Rockton, IL Fort HealthCare, WI Watertown HealthCare, WI
<b>Quartz Central</b>	Aurora Healthcare Gundersen Health System ProHealth Medical Group UnityPoint Health – Meriter Hospital Clinics UW Health Hospitals & Speciality Clinics
<b>Access Plan - Dean</b>	Nationwide access, higher premium

# Monthly Premiums

Cheapest option is MercyCare HDHP  
 Single = \$39.08 to \$259.24 per paycheck  
 Family = \$95.64 to \$646.04 per paycheck

	"Traditional" Program						"Deductible" Program					
	Single			Family			Single			Family		
	Max Employer Share	Min Employee Share	Total Premium	Max Employer Share	Min Employee Share	Total Premium	Max Employer Share	Min Employee Share	Total Premium	Max Employer Share	Min Employee Share	Total Premium
<b>Dean Health Plan</b>	761.45	250.17	<b>1011.62</b>	1870.81	620.95	<b>2491.76</b>	711.71	231.69	<b>943.4</b>	1746.47	574.75	<b>2321.22</b>
<b>MercyCare Health Plan</b>	761.45	103.83	<b>865.28</b>	1870.81	255.11	<b>2125.92</b>	711.71	97.05	<b>808.76</b>	1746.47	238.15	<b>1984.62</b>
<b>Quartz Central</b>	761.45	561.69	<b>1323.14</b>	1870.81	1399.75	<b>3270.56</b>	711.71	518.29	<b>1230</b>	1746.47	1291.25	<b>3037.72</b>
<b>Access Plan - Dean</b>	761.45	495.57	<b>1257.02</b>	1870.81	1234.47	<b>3105.28</b>	711.71	457.47	<b>1169.18</b>	1746.47	1139.21	<b>2885.68</b>

	"Local" Program						"HDHP" Program					
	Single			Family			Single			Family		
	Max Employer Share	Max Employee Share	Total Premium	Max Employer Share	Max Employee Share	Total Premium	Max Employer Share	Max Employee Share	Total Premium	Max Employer Share	Max Employee Share	Total Premium
<b>Dean Health Plan</b>	724.15	236.31	<b>960.46</b>	1777.56	586.3	<b>2363.86</b>	620.93	203.19	<b>824.12</b>	1519.51	503.51	<b>2023.02</b>
<b>MercyCare Health Plan</b>	724.15	98.75	<b>822.9</b>	1777.56	242.4	<b>2019.96</b>	620.93	84.67	<b>705.6</b>	1519.51	207.21	<b>1726.72</b>
<b>Quartz Central</b>	724.15	529.13	<b>1253.28</b>	1777.56	1318.36	<b>3095.92</b>	620.93	455.53	<b>1076.46</b>	1519.51	1134.35	<b>2653.86</b>
<b>Access Plan - Dean</b>	724.15	466.99	<b>1191.14</b>	1777.56	1163.02	<b>2940.58</b>	620.93	402.01	<b>1022.94</b>	1519.51	1000.57	<b>2520.08</b>

# Pros/Cons

## Pros

- Risk is spread across the state group
- Cost certainty – fixed premiums for the year
- Uniform benefits – all plans offer the same medical benefits (e.g., deductibles) even though the networks of providers are different
- Well Wisconsin Program is included - wellness incentive of \$150 after completing 3 tasks
- Can still offer a HRA (or an HSA) with the high deductible plan

## Cons

- Risk is spread across the state group (state pool is higher risk)
  - Per brokers - other municipalities are looking at leaving the State insurance and the population is mostly municipalities that have plans that are not performing well.  
More expensive groups.
- High surcharge possible for the first two years (depends on outcome of underwriting, but another municipality said this was over \$400k for their 1<sup>st</sup> two years)
  - Underwriting compares the claims experience of the employer's members over the last 2-3 years to currently insured employees. If the risk is higher, the increased risk is off-set by a surcharge rate of up to 80% of the average cost of the local health plans.
- ETF can be slow in processing life event changes (adding/removing dependents due to marriage, divorce, birth, etc)
- If employee encounters any issues, they must contact ETF or the carrier themselves. The City would not have access to any information. Cannot assist with member ID numbers, requesting new cards, etc.
- Higher premiums – rates for local employee's increased by over 14% last year
- Less control over plan design/cost
- Health plans have limited provider networks



# Enroll in a Fully-Insured Plan

Option 3

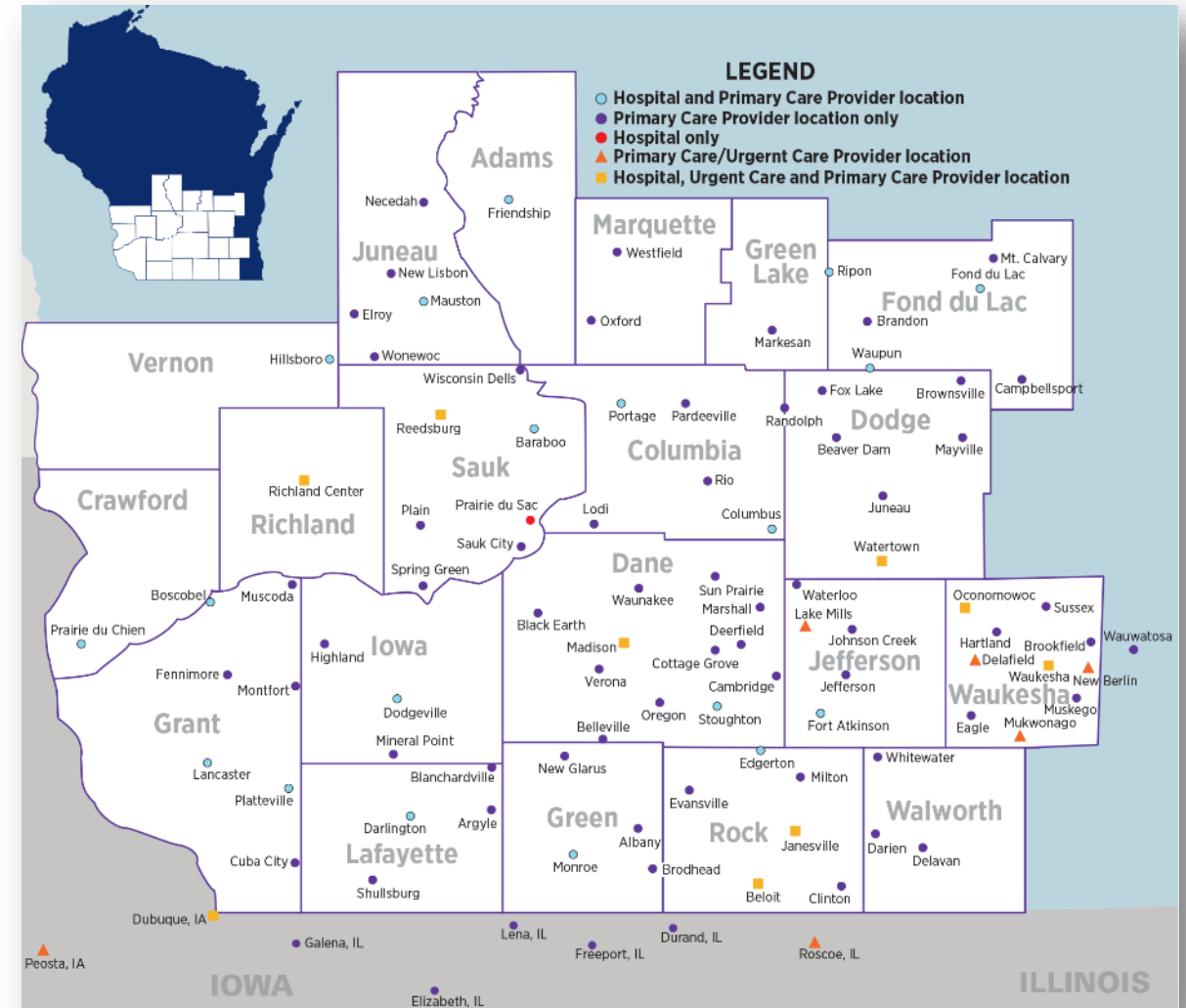
Dean Health Plan Quote

# Dean Health Plan HMO Network

## Health Maintenance Organization (HMO)

This network is for businesses that want the most comprehensive network of hospitals, clinics and physicians in our IDN

- 20 Counties
- 31 Hospitals
- 180 Primary Care locations with many owned by SSM Health Medical Group
- 600+ Specialty Care Clinics with services like women's health, pediatric medicine, heart and vascular health, orthopedic medicine and much more



# HMO Rate Sheet

## Non-Guarantee Issue

### HMO Plans

Plan 1 - 1  
**HMO**  
 \$30 OV Copay  
 \$1,000 Ded  
 20% Coins  
 \$2,000/\$4,000 Limit  
 \$15/\$30/\$60/30% Rx

<u>Enrollment</u>	<u>Subscribers</u>	<u>Members</u>	
Subscriber Only	22	22	\$982.37
Subscriber + Family	65	222	\$2,554.17
Subtotal Active	87	244	
<u>Medicare Eligible Enrollment</u>			
Subscriber Only, Medicare	0	0	\$933.26
Subscriber + One, 2 w/ Medicare	0	0	\$1,866.51
Subscriber + One, 1 w/ Medicare	0	0	\$1,915.63
Subscriber + Family, 1 w/ Medicare	0	0	\$2,554.17
Subscriber + Family, 2 or more w/ Medicare	0	0	\$2,505.06
Subtotal Medicare Eligible	0	0	
<b>Group Totals</b>	87	244	
<b>Monthly Premium</b>			\$187,633
<b>Annual Premium</b>			<b>\$2,251,598</b>
Annual Premium due to ACA taxes and fees			\$844
Percent of Premium due to ACA fees & taxes			0.03%
Medical code:			8507110
Pharmacy Code:			
Plan Type:			

# Point of Service (POS)

## Point of Service (POS) Highlights

- Offers the benefits of an HMO, with the option to see out-of-network providers
- When you receive care from a **Dean** network provider, you will enjoy lower out-of-pocket costs than when going out-of-network



## Same Benefits of Managed Care

- High-quality Health Care
- Wellness and Preventive Programs
- Lower Out-of-Pocket Costs
- Paperless When Using Dean Network Providers

# POS Rate Sheet

## Non-Guarantee Issue

### POS Plans

Plan 2 - 1  
**POS**  
 \$30 OV Copay  
 \$1,000 Ded  
 20% Coins  
 \$2,000/\$4,000 Limit  
 \$15/\$30/\$60/30% Rx

<u>Enrollment</u>	<u>Subscribers</u>	<u>Members</u>	
Subscriber Only	22	22	\$1,070.50
Subscriber + Family	65	222	\$2,783.29
Subtotal Active	87	244	
<u>Medicare Eligible Enrollment</u>			
Subscriber Only, Medicare	0	0	\$1,016.97
Subscriber + One, 2 w/ Medicare	0	0	\$2,033.94
Subscriber + One, 1 w/ Medicare	0	0	\$2,087.47
Subscriber + Family, 1 w/ Medicare	0	0	\$2,783.29
Subscriber + Family, 2 or more w/ Medicare	0	0	\$2,729.76
Subtotal Medicare Eligible	0	0	
<b>Group Totals</b>	87	244	
Monthly Premium			\$204,465
Annual Premium			<b>\$2,453,578</b>
Annual Premium due to ACA taxes and fees			\$644
Percent of Premium due to ACA fees & taxes			0.03%
Medical code:			8507101
Pharmacy Code:			
Plan Type:			

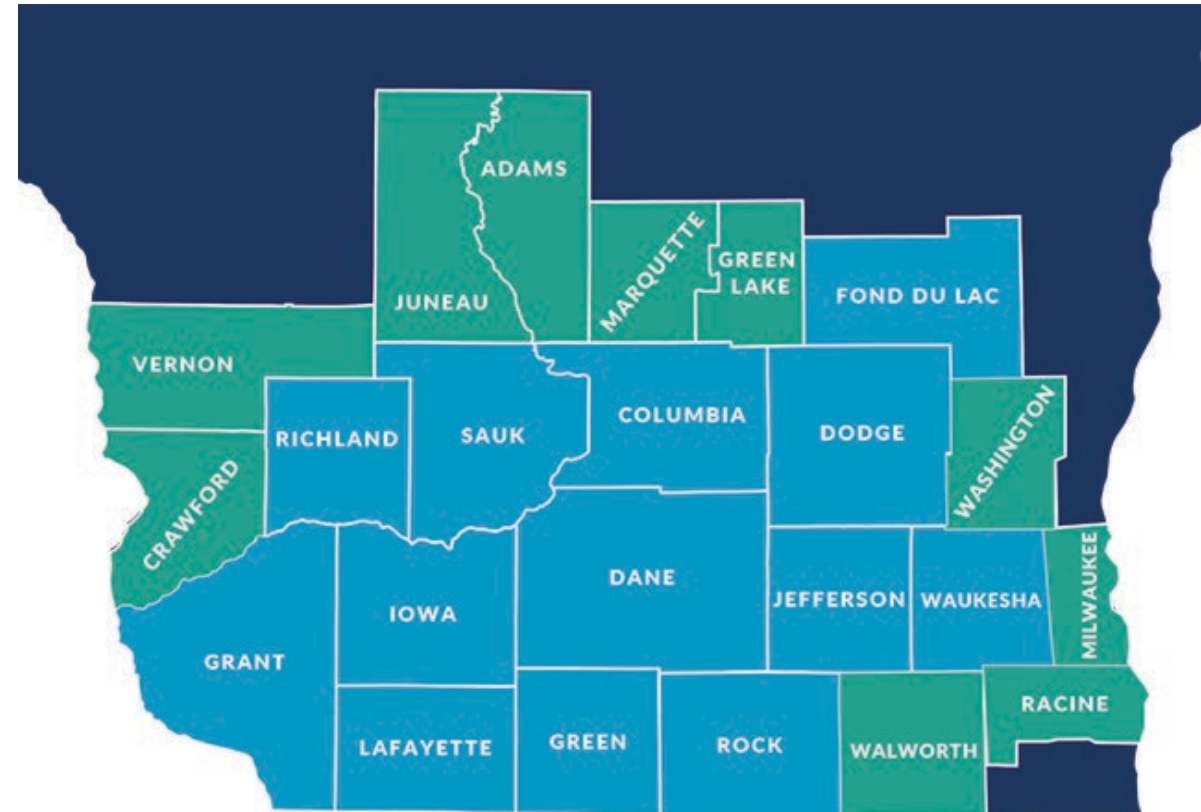
# PPO

## Preferred Provider Organization (PPO)

Choose this plan if you're looking to give employees living OUTSIDE the Dean service area access to a larger footprint of providers in their communities

- Members residing in **LIGHT BLUE** areas are not eligible for the PPO product
- Members residing in **GREEN** areas may be eligible for the PPO product based on resident zip code
- Members residing outside the colored areas and out-of-state are eligible for the PPO product

*\*Limitations apply*



# PPO Rate Sheet

## Non-Guarantee Issue

### PPO Plans

Plan 3 - 1

**PPO**

\$30 OV Copay

\$1,000 Ded

20% Coins

\$2,000/\$4,000 Limit

\$15/\$30/\$60/30% Rx

#### Enrollment

Subscriber Only  
Subscriber + Family  
Subtotal Active

#### Subscribers

19  
58  

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77

#### Members

19  
194  

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213

\$1,319.09  
\$3,429.65

#### Medicare Eligible Enrollment

Subscriber Only, Medicare  
Subscriber + One, 2 w/ Medicare  
Subscriber + One, 1 w/ Medicare  
Subscriber + Family, 1 w/ Medicare  
Subscriber + Family, 2 or more w/ Medicare  
Subtotal Medicare Eligible

0  
0  
0  
0  
0  

---

0

0  
0  
0  
0  
0  

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0

\$1,253.14  
\$2,506.28  
\$2,572.23  
\$3,429.65  
\$3,363.69

#### Group Totals

77

213

Monthly Premium

\$223,982

Annual Premium

**\$2,687,789**

Annual Premium due to ACA taxes and fees

\$562

Percent of Premium due to ACA fees & taxes

0.02%

Medical code:

8507106

Pharmacy Code:



# Quote from Dean Health Care

Current Total	Dean Total	Savings
\$3,102,734.00	\$2,916,693.00	\$186,041.00

- Approximately 6% savings in the first year
- Some employees are not eligible for the PPO plan, so would need to choose between HMO or POS plans.
- For this plan to perform well over time – we would need around 20 of our PPO eligible employees to elect the HMO plan.
- Dean will only cover claims incurred after the 7/1/24 effective date. The City will be required to fund claims and pay administrative fees for claims incurred prior to 7/1.
- Rates are subject to underwriting review and can change based on actual demographics, eligibility status and health risk assessment.

# UHC & Group Health Trust Quotes

## City of Elkhorn

### Monthly Premium: Current/ Renewal/Optional Plans

	Current	Renewal Alt 1	Renewal Alt 2	Renewal Alt 3
Carrier	Consociate Health	United Healthcare	United Healthcare	Group Health Trust
Network	Health EOS	Choice Plus	Choice Plus	UHC Choice Plus
Plan Name	PPO	DWCP Rx H9	DWFE Rx OI	PPO
Plan Type	Traditional	Traditional	HDHP	Traditional
Metal Level	N/A	N/A	N/A	N/A
Deductible †	\$1,000/ \$2,000	\$1,000/ \$2,000	\$2,000/ \$4,000	\$1,000/ \$2,000
Max. Out-of-Pocket (MOoP) †	\$2,000/ \$4,000	\$3,500/ \$7,000	\$3,500/ \$6,850	\$2,000/ \$4,000
Family Ded./ MOoP Accumulator	Embedded	Embedded	Embedded	Embedded
Coinsurance †	80%	100%	100%	80%
Monthly Premium	\$ 233,549.64	\$ 195,376.50	\$ 156,961.80	\$ 275,286.00
Increase from Current	--	-16.3%	-32.8%	17.9%

† In-network benefits shown

### Monthly Premium Detail

	Current	Renewal Alt 1	Renewal Alt 2	Renewal Alt 3
Carrier	Consociate Health	United Healthcare	United Healthcare	Group Health Trust
Plan Name	PPO	DWCP Rx H9	DWFE Rx OI	PPO
Employee	\$ 1,041.51	\$ 836.55	\$ 672.07	\$ 1,375.00
# Enrolled	24	24	24	24
Premium Subtotal	\$ 24,996.24	\$ 20,077.20	\$ 16,129.68	\$ 33,000.00
Family	\$ 3,159.90	\$ 2,656.05	\$ 2,133.82	\$ 3,671.00
# Enrolled	66	66	66	66
Premium Subtotal	\$ 208,553.40	\$ 175,299.30	\$ 140,832.12	\$ 242,286.00
Monthly Billing Fee	\$ -	\$ -	\$ -	\$ -
Monthly Premium	\$ 233,549.64	\$ 195,376.50	\$ 156,961.80	\$ 275,286.00
Annual Premium	\$ 2,802,595.68	\$ 2,344,518.00	\$ 1,883,541.60	\$ 3,303,432.00
Increase from Current	--	-16.3%	-32.8%	17.9%

Note: Additional Expense: Estimate run out claims of \$140,000/month for 3 months, Total: \$420,000

Current Annual Costs: \$2,802,596

UHC Costs: \$2,344,518

Total Savings: \$ 458,077

Adding a HSA plan can contribute to additional savings for the plan.

With this savings, employee contributions could stay at \$0 cost for the employee.

\*Potential 9% increase annually

# United Healthcare Map

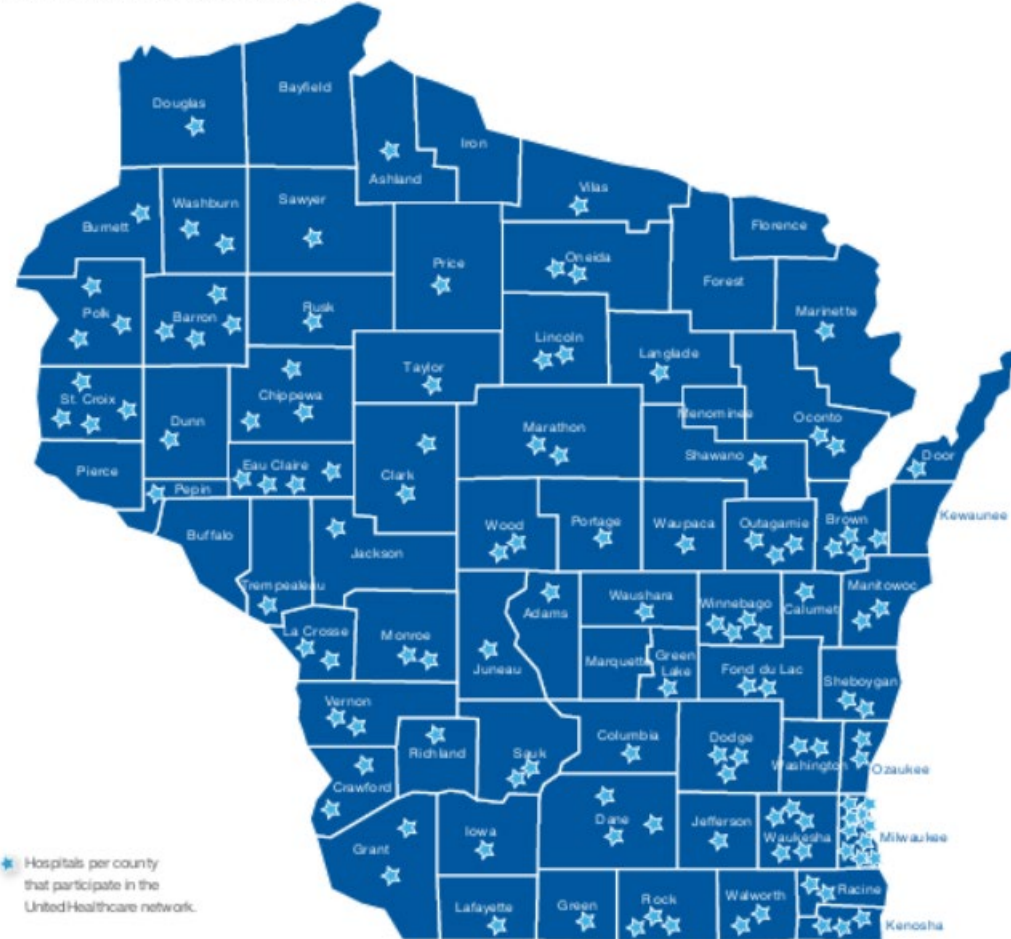
Provide your employees with access to local doctors and hospitals they may already know and trust.

Moving to UHC will give your employees a broad network.

They will get Nationwide coverage.

The City will also get \$8,800 wellness credit to help promote a wellness program. (for first year)

UHC gives employees \$300 & eligible spouse \$300 in VISA card. HSA plan would get HSA dollars.



CONTINUED

# Pros/Cons of Fully-Insured Options

## Pros

- Insurance company assumes all the financial risk
- Cost certainty – fixed premiums for the year
- Some additional benefits available including wellness programs, weight loss support, tobacco cessation, Teladoc, etc.

## Cons

- Less control – limited customization to plans
- Higher premiums
- Rate hikes – premiums are very likely to increase over time
- The City would need to cover a claims run-out period with Consociate (which would cost approx. \$420,000 (\$140k/month for 3 months))

Other Municipalities

Municipality	Monthly Premium				Deductible		OOPM		Co-Insurance
	Single	EE + Spouse	EE + Child(ren)	Family	Single	Family	Single	Family	
*Lake Geneva	\$85.29	\$170.20	\$170.20	\$231.23	\$5,000	\$10,000	\$7,350	\$14,700	80/20
Delavan (ETF)	\$97.05-\$457.47			\$119.08-\$569.61	\$500	\$1,000	\$9,450	\$18,900	\$0 after deductible
Whitewater (ETF)	\$105.84-\$161.47			\$259.01-\$398.08	\$1,600	\$3,200	\$2,500	\$5,000	90/10
Burlington	\$158.93			\$399.32	\$500	\$1,000	\$1,500	\$3,000	90/10
East Troy (plan 1)	\$174.92			Rate dependent on age	\$1,500	\$3,000	\$5,500	\$11,000	80/20
East Troy (plan 2)	\$158.63			Rate dependent on age	\$3,200	\$6,400	\$6,500	\$13,000	\$0 after deductible (subject to copays)
Janesville (plan 1)	\$111.92			\$236.80	\$600	\$1,200	\$1,500	\$3,000	85/15
Janesville (plan 2)	\$111.92			\$236.80	\$780	\$1,560	\$3,675	\$7,350	80/20
<b>Average</b>	<b>\$125.56</b>			<b>\$247.04</b>	<b>\$1,710</b>	<b>\$3,420</b>	<b>\$4,746.88</b>	<b>\$9,493.75</b>	

**\*Lake Geneva has a “Difference Card” funded by the City. This covers employee costs after the first \$1,000 (single) or \$2,000 (family).**