2:00 BENEFITS REPORT

Ric:

Review Health Plan Summary Reports

Medical rates, utilization history

Dental rates, history

Benefit changes 2023:

Medical premium increase 0%; market average ~10%

Dental, premiums same, 0% increase

Provide HSA contributions: July '20 $750/$1500

July '21 $375/$750

Jan '22 $375/$750 (short plan year, change)

July '22 $375/$750

Jan '23 $500/$1000 (with addl $125 & $250)

Plus remaining fund balance? July '23 $375/$750 (stay on 6 months schedule)

Results of NFP Employee benefits survey; major issues follow-up

Holidays offered increased from 11 to 12 in '22 (Juneteenth);

Survey shows average at 13

Proposals

- Complete Jan '23 plan year enrollment, with focus on STAR plan participation
- Insurance policy revision, includes employee coverage on hire date; approval for Jan '23?
- As part of Comp & Benefits study, consider recommendations for benefit enhancements/reductions/changes
- Consider additional holiday; floating day or during Christmas

2:30 County-Wide New/Change Position Requests (pink/green report)

Chris:

Review department change request process

Summary, highlights for upcoming department presentations

-

Davis County

Benefits

Administrative Overview Presentation

October 2022

Current Plans

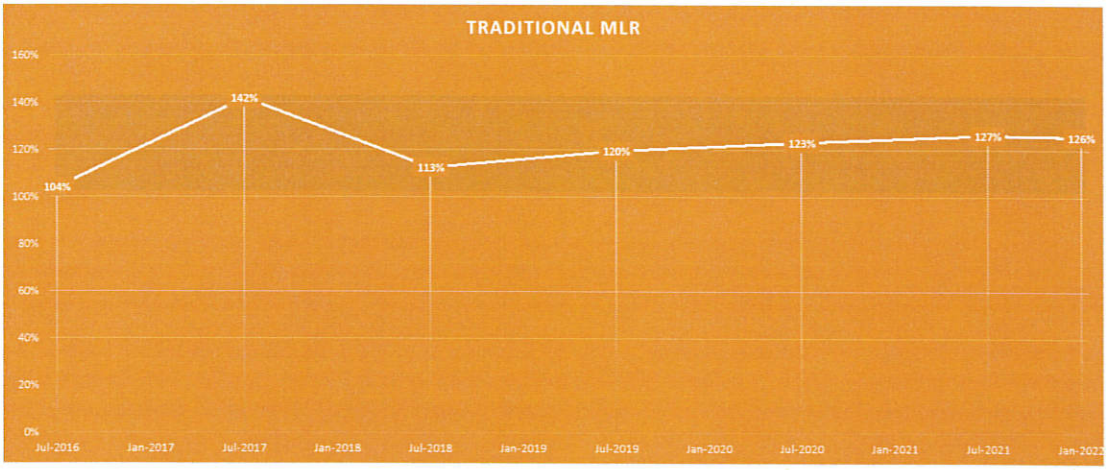
Experience by Plan

January 2022 through June 2022

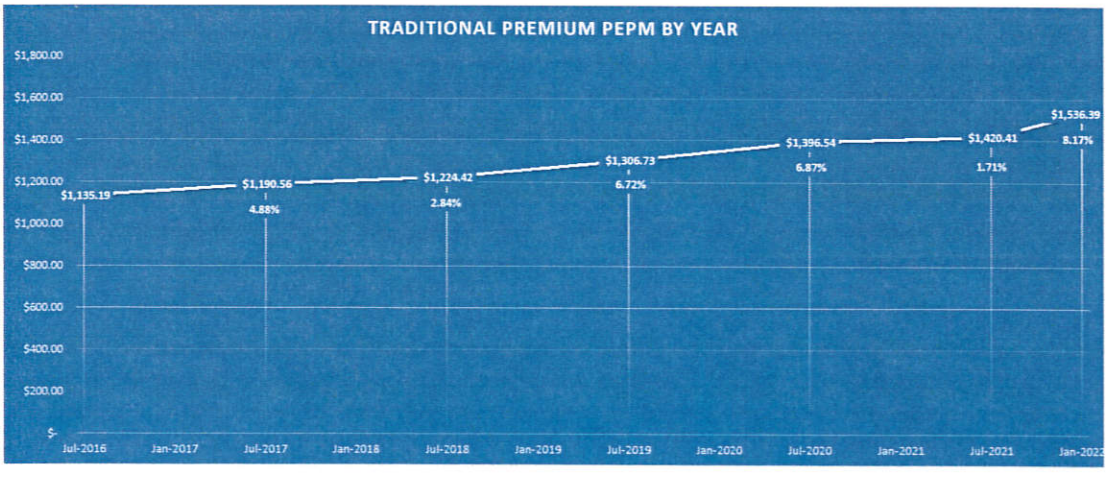
	Plan Design		Premium/Funding Monthly Rates		Plan Performance	
Summit & *Traditional*	Deductible	$1,250 / $2,500	Single	$711.16	Subscribers	239
	OOP Max	$3,000 / $6,000	Two-Party	$1,564.56	Premium/Funding	$2.20M
	Coinsurance	20% AD	Family	$2,133.48	Plan Expenses	$2.77M
	Office Visits	$15			Loss Ratio	126%
	Pharmacy	$10/25%/50%/20%				
Star HSA *HDHP* HSA Eligible	Deductible	$1,500 / $3,000	Single	$552.14	Subscribers	480
	OOP Max	$3,000 / $6,000	Two-Party	$1,214.68	Premium/Funding	$3.54M
	Coinsurance	20% AD	Family	$1,656.38	Plan Expenses	$2.19M
	Office Visits	20% AD			Loss Ratio	62%
	Pharmacy	$10 AD / 25% AD / 50% AD / 20% AD				

4

Traditional MLR



Traditional Premium PEPM by Year



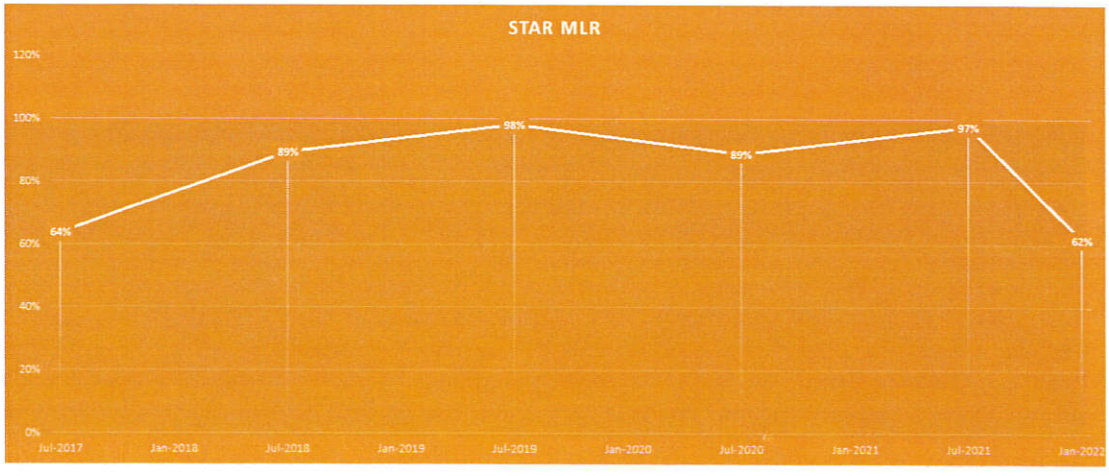
Traditional Annual Plan Expenses

Historical Plan Expenses - PEPM

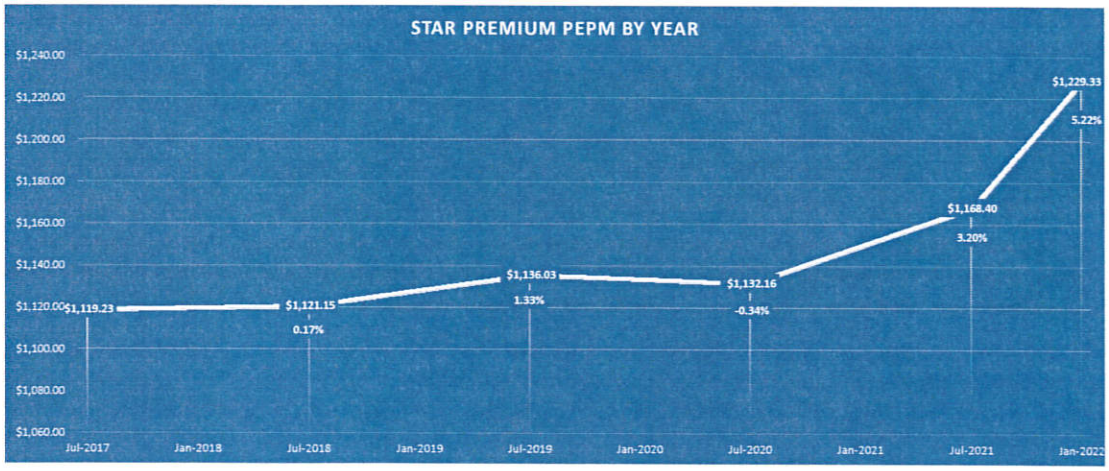


	Jul 20 - Jun 21	Jul 21 - Dec 21	Jan 22 - Jun 22
Subscribers	281	253	239
Expenses	$5.81M	$2.73M	$2.77M
Loss Ratio	123%	127%	126%

STAR MLR



STAR Premium PEPM by Year



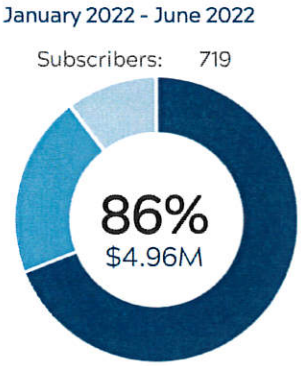
STAR Annual Plan Expenses

Historical Plan Expenses - PEPM



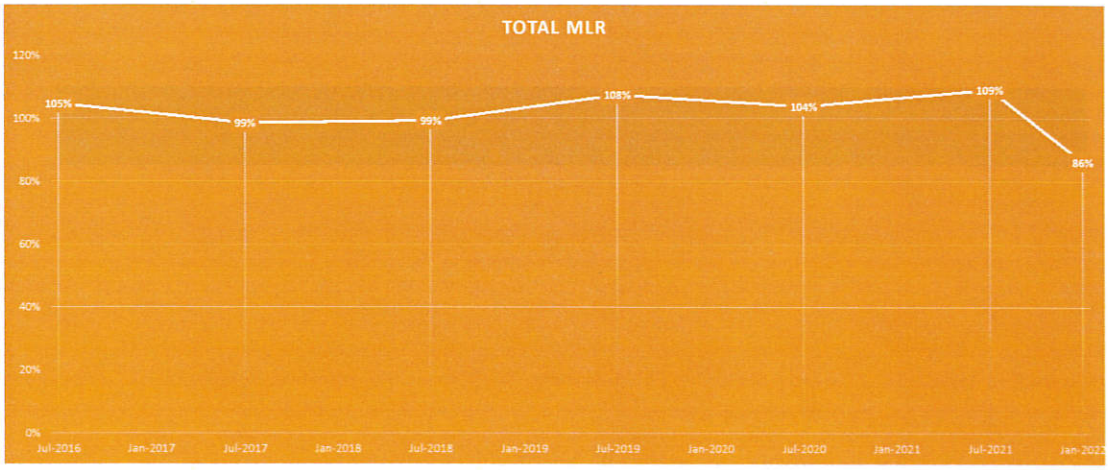
	Jul 20 - Jun 21	Jul 21 - Dec 21	Jan 22 - Jun 22
Subscribers	447	452	480
Expenses	$5.40M	$3.09M	$2.19M
Loss Ratio	89%	97%	62%

Total January 2022 - June 2022

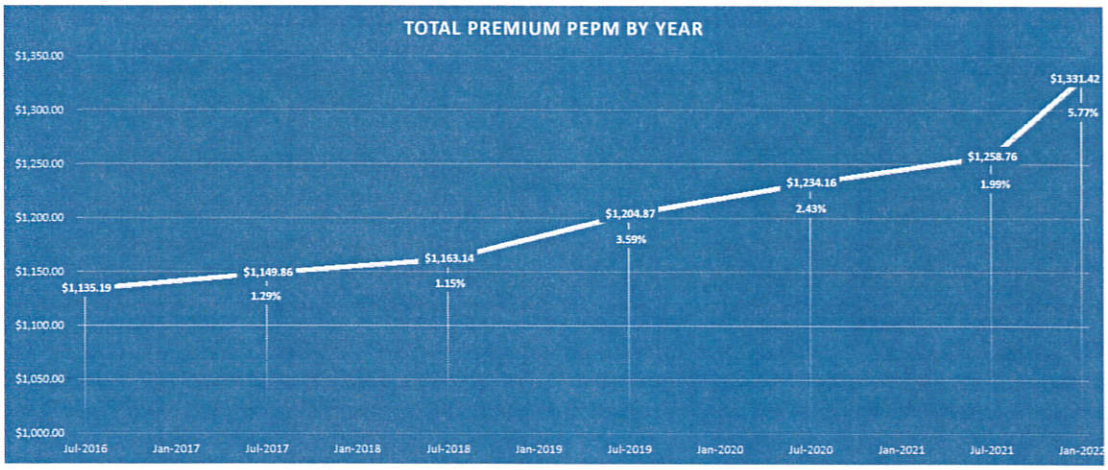


	Total	PEPM
Premium/Funding	$5.74M	$1,331
Medical Claims	$3.42M	$793
Pharmacy Claims	$1.02M	$237
Admin & Taxes	$515K	$119
Other Carrier Fees	$0K	$0
Total Plan Expenses	$4.96M	$1,149
Est Surplus/(Deficit)	$785K	$182

Total MLR



Total Premium PEPM by Year



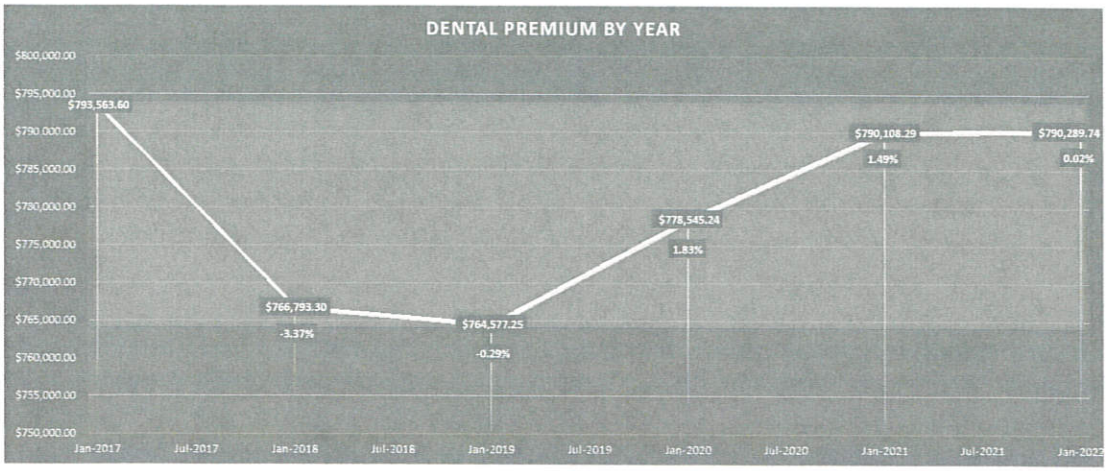
Total Annual Plan Expenses

Historical Plan Expenses - PEPM



	Jul 20 - Jun 21	Jul 21 - Dec 21	Jan 22 - Jun 22
Subscribers	728	705	719
Expenses	$11.21M	$5.82M	$4.96M
Loss Ratio	104%	109%	86%

Dental Premium



2023 Benefit Update

- Benefits Highlights
  - Medical insurance - 0% increase
  - Dental and Vision also 0% increase
  - URS rates changed
    - Tier 1
      - Public 18.47% to 17.97%
      - Public Safety no changes
    - Tier 2
      - Public 16.69% to 16.19%
      - Public Safety 28.10% to 28.42% (includes .32% pickup)
  - Medicare Supplement rates increase 5.9%
  - Added Juneteenth holiday, to 12 total
    - Market average at 13 paid holidays

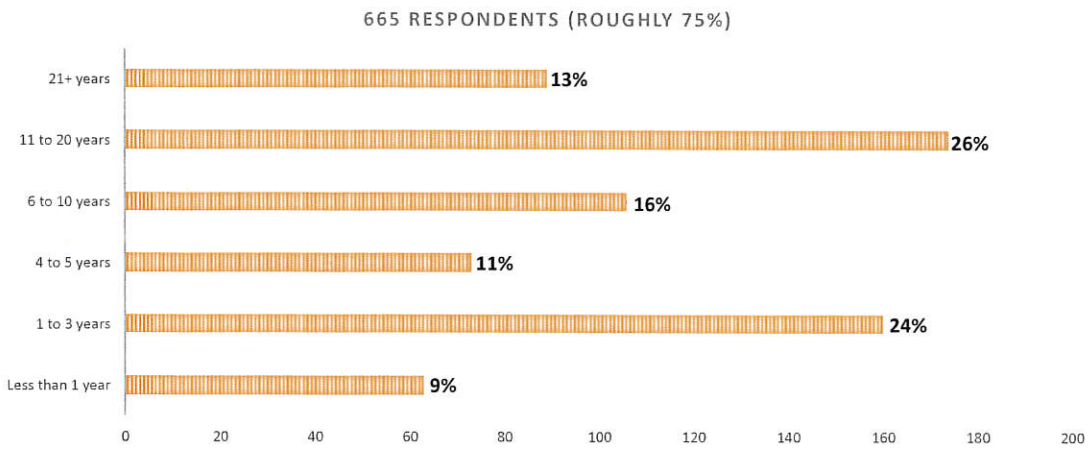
PEHP – Plan Changes

- Insurance Policy #150 proposed change, to allow new hires insurance coverage on first day of employment. Current practice is 1st day of month following.
  - Change recommended for recruiting benefit. Typical practice and competitive with other employers.
  - This and other changes to policy approved by DC Legal
  - Budget neutral, no cost increase
  - Ready for Budget Committee and Commission approval
- Insurance coverage to become available for Domestic Partners; PEHP standard plan change (per plan eligibility certification)

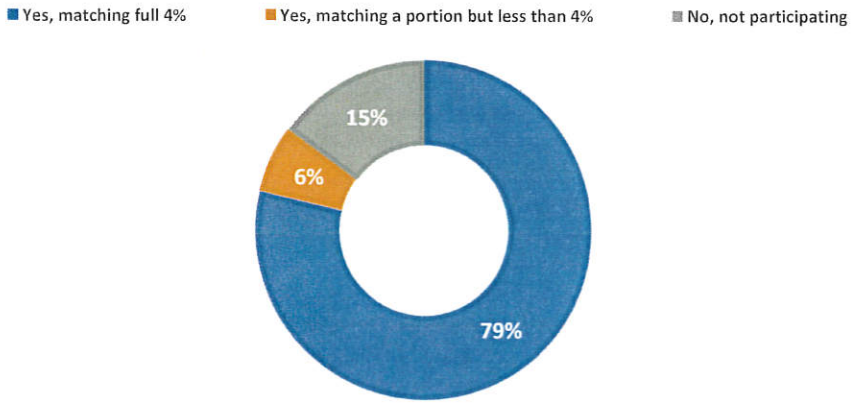
HSA Contributions

- Annual employer HSA contribution amounts at $750/$1500
- To be paid in January & July; normally $375/$750
- January '23 contribution to be increased to $500/$1000
  - One-time incentive amounts of $125/$250, to be paid from existing Health Assessment account (program sunset years ago)
  - Incentivize employees to move to STAR/HSA plan (219 currently eligible in Traditional plan)
- Health Assessment account at $122,800; cost of incentives roughly $94,500; remaining $28,300 still to be considered for similar distribution in the future

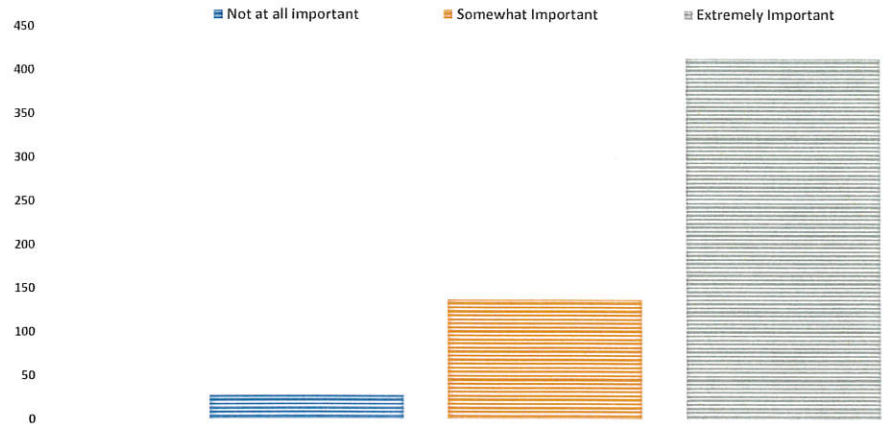
NFP – Employee Benefits Survey Summary



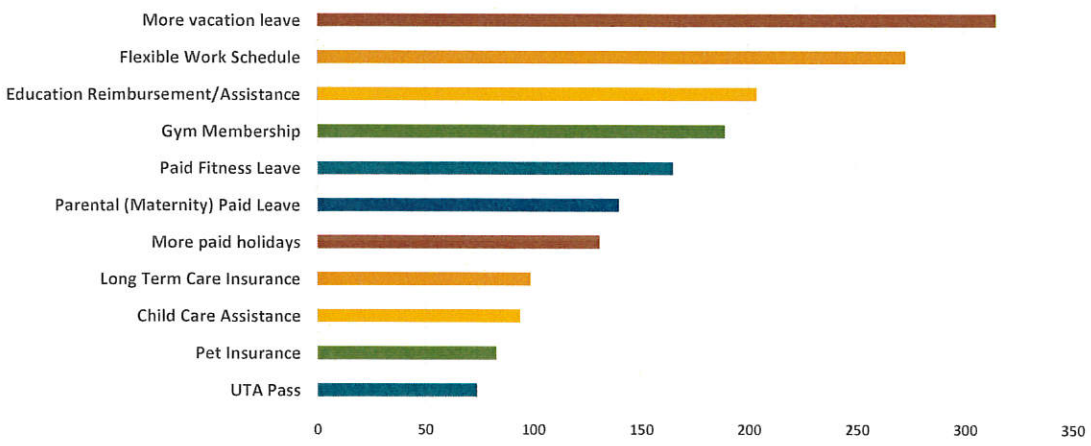
Participating in 4% 401k Match



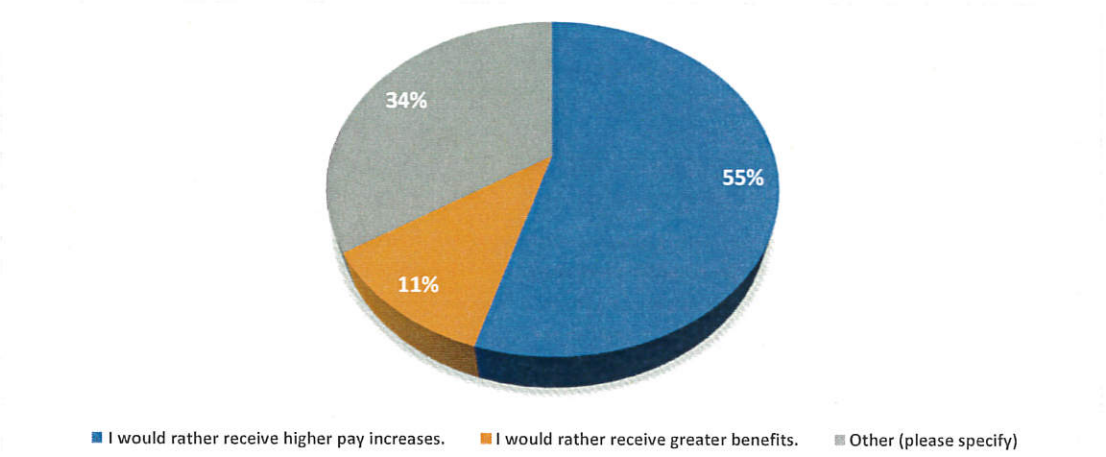
Importance of 401k Match



Additional Benefits Desired (Change or Add)

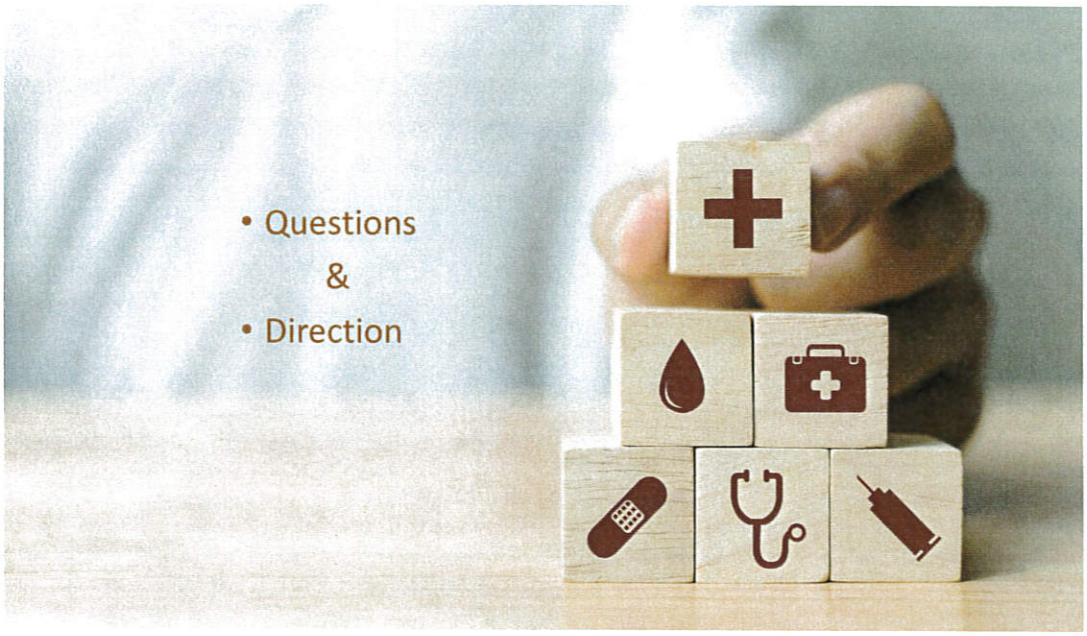


Priority – Pay or Benefits



Written Comments

- We received a total of 66 pages of written comments. These can be forwarded to you for review.
- Results of survey question responses were mostly positive, satisfied, agree, above average, etc.
- However, the majority of written comments were negative and pointed out problems and dis-satisfaction.
  - majority of written comments are related to needing higher pay and better benefits


• Questions
&
• Direction

HR Recommendations

Options

1. 3% COLA (*Comp study vendor's preliminary recommendation; includes private sector*)
2. 5.5% market adjustment (*public entities' 2022-2023 increases, consistent with previous practices*)
3. 6.8% average of market adjustment (*5.5%*) & COLA (*8.1%-CPI, inflation, SS, unempl.*)

Estimated 3% merit increase already included in 2023 budget projections

Davis COUNTY