

2019-2020 Medical Plan Recommendations

2018-2019 Plan year

September 1, 2018-August 31, 2019


- **Plan changes implemented for 2018-2019**
 - Zero premium increase for all three medical plans
 - New pharmacy, dental, vision, long term disability providers
 - Added Critical Illness Policy
- **Plan data as of February 2019**
 - High-Deductible Plan (HDP) expenditures are 2% > revenue
 - Basic Plan expenditures are 6% > than revenue
 - Core Plan expenditures are 75% > revenue
- **Stop Loss increased from \$175,000 to \$225,000**
 - Five claimants with claims over \$175,000
 - Zero claimants with claims over \$225,000

Projected Plan Performance

	Plan Performance 2017-2018	Plan Performance 2018-2019	Projected Plan Performance 2019-2020
Net Medical Claims	\$8,179,297	\$7,816,058	\$8,285,021
Net Rx Claims	<u>\$1,544,430</u>	<u>\$1,940,683</u>	<u>\$2,057,124</u>
Total Net Claims	\$9,723,727	\$9,756,741	\$10,342,145
Administration Costs	\$2,930,912	\$3,158,718	\$3,316,654
Total Net Expenditures	\$12,654,639	\$12,915,459	\$13,658,799
Premiums	\$11,728,326	\$12,434,760	\$13,263,744
Loss	(\$926,313)	(\$480,699)	(\$395,055)
Excess Revenue From Worker's Compensation and Unemployment	<u>\$671,414</u>	<u>\$375,000</u>	<u>\$375,000</u>
Total Plan Year Balance Gain/(Loss)	(\$254,899)	(\$105,699)	(\$20,055)
Starting Fund Balance	\$1,857,898	\$1,602,999	\$1,497,300
Projected Ending Fund Balance	\$1,602,999	\$1,497,300	\$1,477,245

Proposed Premiums: High Deductible Plan

Premiums include District Contribution & PHA Incentive

HDP with PHA	Number of Employees in each coverage level	2018-2019 Monthly Premium	Employee Monthly Premium with \$325 District Contribution and PHA Incentive	2019-2020 Proposed premium	Proposed Premium with \$325 District Contribution and PHA Incentive	2019-2020 Monthly Increase
Employee	438	\$450.00	\$100.00	\$450.00	\$100.00 	\$ 0
Employee + Spouse	29	\$858.00	\$483.00	\$944.00	\$569.00	\$86.00
Employee + Child(ren)	147	\$774.00	\$424.00	\$851.00	\$501.00	\$77.00
Employee + Family	114	\$1,098.00	\$723.00	\$1,208.00	\$833.00	\$110.00
Total Number of Employees	728 (60%)					

PHA (Physical Health Assessment) Incentive

\$25.00 – Employee Only/Employee & Children

\$50.00 – Employee & Spouse/Employee & Family

Proposed Premiums: Basic Plan

Premiums include District Contribution & PHA Incentive

Basic Plan with PHA	Number of Employees in each coverage level	2018-2019 Monthly Premium	Employee Monthly Premium with \$325 District Contribution and PHA Incentive	2019-2020 Proposed premium	Proposed Premium with \$325 District Contribution and PHA Incentive	2019-2020 Monthly Increase
Employee	292	\$565.00	\$215.00	\$622.00	\$272.00	\$57.00
Employee + Spouse	17	\$1,107.00	\$732.00	\$1,218.00	\$843.00	\$111.00
Employee + Child(ren)	76	\$973.00	\$623.00	\$1,070.00	\$720.00	\$97.00
Employee + Family	66	\$1,394.00	\$1,019.00	\$1,533.00	\$1,158.00	\$139.00
Total Number of Employees	451 (37%)					

PHA Incentive

\$25.00 – Employee Only/Employee & Children

\$50.00 – Employee & Spouse/Employee & Family

Proposed Premiums: Core Plan

Premiums include District Contribution & PHA Incentive

Core Plan with PHA	Number of Employees in each coverage level	2018-2019 Monthly Premium	Employee Monthly Premium with \$325 District Contribution + PHA Incentive	2019-2020 Proposed premium	Proposed Premium with \$325 District Contribution and PHA Incentive	2019-2020 Monthly Increase
Employee	31	\$831.00	\$481.00	\$914.00	\$564.00	\$83.00
Employee + Spouse	0	\$1,747.00	\$1,372.00	\$1,922.00	\$1,547.00	\$175.00
Employee + Child(ren)	4	\$1,455.00	\$1,105.00	\$1,601.00	\$1,251.00	\$146.00
Employee + Family	3	\$2,073.00	\$1,698.00	\$2,280.00	\$1,905.00	\$207.00
Total Number of Employees	38 (3%)					

PHA Incentive

\$25.00 – Employee Only/Employee & Children

\$50.00 – Employee & Spouse/Employee & Family

2019-2020

Recommendations

1. Continue to align benefits and premiums to meet or exceed those of TRS-Care and remain competitive.
2. Increase our plan fund balance to build three months of plan reserves.
3. Zero premium increase for the “Employee Only” coverage in the **High Deductible** plan.
4. Increase all other coverage levels for the **High Deductible** plan.
5. Increase premiums for all coverage levels for **Basic** and **Core** plans.

Surrounding District Contributions

School District	2018-2019 District Contribution
Northwest ISD	\$325.00
Decatur ISD	\$396.00
Lewisville ISD	\$326.00 to \$393.00
Mesquite ISD	\$266.00 to \$297.00
Irving ISD	\$341.00
Allen	\$340.00
Frisco ISD	\$325.00
Garland ISD	\$325.00
Coppell ISD	\$311.00
McKinney ISD	\$306.00
Carroll ISD	\$290.00
Fort Worth ISD	\$290.00
Grapevine-Colleyville ISD	\$285.00
Plano ISD	\$285.00
Carrollton-Farmers Branch ISD	\$278.00
Keller ISD	\$275.00
Birdville ISD	\$260.00
Denton ISD	\$260.00
Ferris ISD	\$250.00
Lake Dallas ISD	\$245.00
Eagle Mountain Saginaw ISD	\$225.00
Hurst-Euless Bedford ISD	\$225.00

District Contribution

District Contribution	\$25 Increase in District Contribution	Budget Impact
\$325	\$350	\$500,000

2019-2020 Proposed Salary Increase

Raise Scenarios	Budget Increase
.5%	\$749,563.00
1%	\$1,499,126.00
1.5%	\$2,248,689.00
2%	\$2,998,252.00
2.5%	\$3,747,815.00
3%	\$4,497,378.00

Questions