



**Human Resources and
Development
COUNTY OF TULARE
AGENDA ITEM**

BOARD OF SUPERVISORS

KUYLER CROCKER
District One
PETE VANDER POEL
District Two
AMY SHUKLIAN
District Three
EDDIE VALERO
District Four
DENNIS TOWNSEND
District Five

AGENDA DATE: September 10, 2019 - **REVISED**

Public Hearing Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Published Notice Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Advertised Published Notice	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Meet & Confer Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Personnel Resolution attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
CONTACT PERSON: Rhonda Sjostrom PHONE: (559) 636-4900				

SUBJECT: Health Insurance Plan Renewal and Rates for 2020 Plan Year

REQUEST(S):

That the Board of Supervisors:

Approve the recommendations of the Human Resources and Development Department and the Health Plan Advisory Group to:

1. Renew the Anthem Blue Cross PPO plan offerings provided by the San Joaquin Valley Insurance Authority (SJVIA) with a 4.72% rate increase.
2. Renew the Kaiser Permanente plan rates with no increase for the Traditional HMO and Deductible HMO plans, and .97% for the Senior Advantage Plan.
3. Approve participation in the Delta Dental PPO Plan with no increase, and the DeltaCare HMO Plan with an increase of 4.07%.
4. Approve participation in the Vision Service Plan with a 2% increase.
5. Approve renewal from Anthem Blue Cross for Employee Assistance Program with an increase of 4% over the current rate.
6. Authorize Human Resources and Development staff to launch a two-year pilot program with 98point6 to provide Virtual Primary Care services to County health plan members and dependents.

SUMMARY:

Human Resources & Development (HRD) staff and the County's Health Plan Advisory Group (HPAG) have met (on July 24 and August 22) to review the health insurance

SUBJECT: Health Insurance Plan Renewal and Rates for 2020 Plan Year
DATE: September 10, 2019-REVISED

renewal proposals for the 2020 plan year (January 1 through December 31). The proposed renewals were reviewed by the County's benefit consultant team, Alliant Insurance Services, Inc. and adopted by the SJVIA at the August 23, 2019 board meeting.

Medical and Prescription Benefits

In 2019, the County offered four self-funded Anthem Blue Cross PPO plans through its participation in the SJVIA. The PPO plans, premium costs, and deductibles continue to provide employees with options to meet lifestyle and health needs. Tulare County has benefitted from the SJVIA by sharing fixed costs. It is expected that calendar year 2020 participation in the SJVIA will allow the County to control plan costs and provide competitive plan offerings. The Anthem Blue Cross PPO rates will increase by 4.72% which includes the following enhancements to the \$1000 Deductible Plan:

- Decreased Deductible from \$1,000 to \$750
- Decreased Out of Pocket Max from \$4,000 to \$3,500
- Decreased Co-Pay Office Visit (Primary) from \$45 to \$25
- Decreased Co-Pay Office Visit (Specialist) from \$45 to \$35
- Decreased Hospital Outpatient from \$1,000 to \$750

The County also offers three Kaiser Permanente HMO Plans provided by the SJVIA. There are approximately 200 employees and retirees enrolled who are in the geographical zones that Kaiser serves. The SJVIA Board elected to hold the Kaiser rates from 2019 rather than pass on the rate decreases requested by Kaiser. The net impact of that board action on the 2020 renewal is a zero (0%) increase to the Traditional HMO and the Deductible HMO plan over the current rates. The rates include a 3% surcharge for reserve stabilization. The Kaiser Permanente Senior Advantage rates increased by .97% for only two tiers (Subscriber with Medicare and Subscriber and Spouse with Medicare). All other tiers will experience a decrease up to -2.39%.

HRD and Alliant recommend renewal of the Anthem PPO and Kaiser HMO plans.

Dental and Vision Plans

The County currently offers two dental plans, Delta Dental PPO and DeltaCare USA HMO, and a vision plan with Vision Service Plan (VSP) through its participation with the SJVIA. There is no increase in the current rates for the Delta Dental PPO plan; however, the DeltaCare USA HMO Plan will receive an increase of 4.07% and is under a two-year rate guarantee.

There will be a 2% increase in the current rates for the Vision Services Plan (VSP), with a two-year rate guarantee.

The attached Exhibit identifies the 2020 plan year rates for the respective plans.

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Approval of the recommendations listed on page one will result in the adoption of these rates. For comparative purposes, the 2019 plan year rates have been identified. HRD Benefits Staff will begin the 2020 Open Enrollment period on September 26 at our Health & Wellness Fair. Enrollment will run through October 25, 2019.

Employee Assistance Program

Anthem Blue Cross offered a renewal of the Employee Assistance Program (EAP) services with an increase of 4% over the current rate of \$1.67 per employee per month effective January 1, 2020. The County has an ongoing, evergreen agreement with Anthem for EAP services, there is no new agreement to sign and the agreement continues unless we terminate within 30 days of the renewal date. HRD and Alliant recommend accepting the renewal at the current rate for an additional year.

New Virtual Primary Care – 98point6

HRD, with the support from the County Administrative Office, is requesting authority to begin a two-year pilot program with a new vendor, 98point6. Our health insurance consultant, Alliant Employee Benefits, identified this service. This new service was also demonstrated to the Health Plan Advisory Group. 98point6 offers on-demand, text-based primary care delivered by board-certified physicians via the ease of a mobile app. Members of this service can get diagnosis and treatment or simply consult on a health issue from anywhere any time of day—no appointments necessary and available 24-hours, 7 days a week. All primary care questions can be answered, such as sleep, heart, wellness, mental health, dermatology, cough, cold, asthma, flu and much more. In addition to episodic care, services include diagnosis and treatment, electronic prescriptions, electronic lab/test orders, referrals, follow-up, and reminders.

To access care, a member logs into the app, where an “automated assistant” gathers details about your symptoms or health questions, the doctor assesses your symptoms, diagnose health issues or answer questions via secure in-app messaging (with photo and video capabilities, if required), and when the visit is complete, a personalized care plan is available in the app. Any prescriptions and lab orders will be called in to your preferred pharmacy or lab center.

Members and dependents enrolled in the County’s health plan would be able to access this service up to 35 visits per year with no out of pocket cost; no copays are required for the visits (if enrolled in the \$2500 High Deductible Health Plan, there is a \$5 copay for the visits). After the 35 visits, members will have a \$5 copay per visit. Visits are also available via a Web-Platform, Messaging, Audio, and Video.

In recommending the County pilot a two-year program, it is consistent with HRD’s goal to provide multiple access channels for primary care services. Employees can make an appointment to see their primary physician in their office, can visit an Urgent Care Center, access Anthem’s LiveHealth Online via their mobile-app or computer, visit the LiveHealth Online Kiosk currently at HRD, or now be able to use, 98point6 for on-demand, text-based primary care.

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FISCAL IMPACT/FINANCING:

Funding of the health plan is included in the County's proposed Final Budget for Fiscal Year 2019-2020. In addition, employees contribute the full premium and costs of the respective plans that exceeds the benefit amount provided by the County. Participating retirees pay the entire cost of the selected plan. Special Districts also pay the full cost of the plan. The County's cost of paying for employees' minimum benefit amount will increase by approximately \$1,002,288 based on the rate changes and health plan design enhancement. The County will provide a minimum benefit amount for over 2,400 insured employees of \$342.69 per pay period. Additionally, the County has negotiated to increase the benefit contributions for several bargaining units by \$100 per pay period for those enrolled in County health plans for 2020 and 2021. This includes Employee + Spouse, Employee + Child(ren), and Employee + Family. Based on the current enrollment in these plans, the County's increased cost is estimated at \$1,200,000. The cost for the new virtual primary care is \$1 per employee per month for an estimated cost of \$34,884 per year, or \$69,768 for the two-year pilot. The combination of health plan design changes, enhanced contribution by the County, and the pilot program results in a \$4.5 million investment for employees and dependents over the next two fiscal years.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

The County's strategic plan includes the Organizational Performance Initiative to provide a qualified, productive and competitively compensated County workforce. Approval of the recommendation is consistent with this Initiative by ensuring that the health benefit package offered to employees is competitively priced.

ADMINISTRATIVE SIGN-OFF:



Rhonda Sjostrom
Human Resources Director

cc: County Administrative Office
Alliant Employee Benefits
San Joaquin Valley Insurance Authority
County Counsel
County Auditor

Attachment(s) Exhibit of Current Rates (2019) and Renewal Rates (2020)

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF TULARE, STATE OF CALIFORNIA**

**IN THE MATTER OF HEALTH)
INSURANCE PLAN RENEWAL AND) Resolution No. _____
RATES FOR 2020 PLAN YEAR) Agreement No. _____**

UPON MOTION OF SUPERVISOR _____, SECONDED BY
SUPERVISOR _____, THE FOLLOWING WAS ADOPTED BY THE
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD SEPTEMBER 10, 2019,
BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: JASON T. BRITT
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY: _____
Deputy Clerk

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Approved the recommendations of the Human Resources & Development Department and the Health Plan Advisory Group to:

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6. Authorize Human Resources and Development staff to launch a two-year pilot program with 98point6 to provide Virtual Primary Care services to County health plan members and dependents.

**San Joaquin Valley Insurance Authority
County of Tulare Health Plan Rates
January 1, 2020 - December 31, 2020**

EXHIBIT

Monthly Rates

<u>Health Plan</u>	2019				2020			
	<u>EE ONLY</u>	<u>EE + SP</u>	<u>EE + CH</u>	<u>EE + FAM</u>	<u>EE ONLY</u>	<u>EE + SP</u>	<u>EE + CH</u>	<u>EE + FAM</u>
Anthem BC \$0 DED PPO	\$ 928.98	\$ 1,856.97	\$ 1,695.13	\$ 2,815.33	\$ 972.83	\$ 1,944.62	\$ 1,775.14	\$ 2,948.21
Anthem BC \$500 DED PPO	\$ 699.54	\$ 1,399.77	\$ 1,282.02	\$ 2,207.78	\$ 732.56	\$ 1,465.84	\$ 1,342.53	\$ 2,311.99
Anthem BC \$1000 DED PPO*	\$ 614.49	\$ 1,228.11	\$ 1,126.87	\$ 1,872.15	\$ 643.49	\$ 1,286.08	\$ 1,180.06	\$ 1,960.52
Anthem BC \$2500 DED PPO	\$ 582.39	\$ 1,163.85	\$ 1,067.91	\$ 1,774.24	\$ 609.88	\$ 1,218.78	\$ 1,118.32	\$ 1,857.98
Kaiser Permanente HMO	\$ 808.29	\$ 1,605.82	\$ 1,454.29	\$ 2,403.36	\$ 808.29	\$ 1,605.82	\$ 1,454.29	\$ 2,403.36
Kaiser Permanente DHMO	\$ 622.70	\$ 1,234.64	\$ 1,118.38	\$ 1,846.59	\$ 622.70	\$ 1,234.64	\$ 1,118.38	\$ 1,846.59
Delta Dental PPO	\$ 35.43	\$ 61.42	\$ 69.60	\$ 103.32	\$ 35.43	\$ 61.42	\$ 69.60	\$ 103.32
DeltaCare HMO	\$ 26.38	\$ 45.27	\$ 45.58	\$ 65.70	\$ 27.38	\$ 47.51	\$ 47.83	\$ 68.95
VSP Vision	\$ 4.86	\$ 8.20	\$ 8.68	\$ 12.93	\$ 4.96	\$ 8.36	\$ 8.85	\$ 13.19

*Effective 1/1/2020 PPO \$750 Deductible

BiWeekly Rates (24 Pay Periods)

<u>Health Plan</u>	2019				2020			
	<u>EE ONLY</u>	<u>EE + SP</u>	<u>EE + CH</u>	<u>EE + FAM</u>	<u>EE ONLY</u>	<u>EE + SP</u>	<u>EE + CH</u>	<u>EE + FAM</u>
Anthem BC \$0 DED PPO	\$ 464.49	\$ 928.49	\$ 847.57	\$ 1,407.67	\$ 486.41	\$ 972.31	\$ 887.57	\$ 1,474.11
Anthem BC \$500 DED PPO	\$ 349.77	\$ 699.89	\$ 641.01	\$ 1,103.89	\$ 366.28	\$ 732.92	\$ 671.27	\$ 1,155.99
Anthem BC \$1000 DED PPO*	\$ 307.25	\$ 614.06	\$ 563.44	\$ 936.08	\$ 321.75	\$ 643.04	\$ 590.03	\$ 980.26
Anthem BC \$2500 DED PPO	\$ 291.20	\$ 581.93	\$ 533.96	\$ 887.12	\$ 304.94	\$ 609.39	\$ 559.16	\$ 928.99
Kaiser Permanente HMO	\$ 404.15	\$ 802.91	\$ 727.15	\$ 1,201.68	\$ 404.15	\$ 802.91	\$ 727.15	\$ 1,201.68
Kaiser Permanente DHMO	\$ 311.35	\$ 617.32	\$ 559.19	\$ 923.30	\$ 311.35	\$ 617.32	\$ 559.19	\$ 923.30
Delta Dental PPO	\$ 17.72	\$ 30.71	\$ 34.80	\$ 51.66	\$ 17.72	\$ 30.71	\$ 34.80	\$ 51.66
DeltaCare HMO	\$ 13.19	\$ 22.63	\$ 22.79	\$ 32.85	\$ 13.69	\$ 23.76	\$ 23.92	\$ 34.48
VSP Vision	\$ 2.43	\$ 4.10	\$ 4.34	\$ 6.47	\$ 2.48	\$ 4.18	\$ 4.43	\$ 6.60

*Effective 1/1/2020 PPO \$750 Deductible

Monthly Rates

	2019	2020
Kaiser Permanente Senior Advantage Plan		
Subscriber with Medicare	\$ 318.20	\$ 321.17
Subscriber with Medicare + Spouse Non-Medicare	\$ 1,092.49	\$ 1,071.97
Subscriber Non-Medicare + Spouse with Medicare	\$ 1,092.49	\$ 1,071.55
Subscriber with Medicare + Spouse with Medicare	\$ 625.62	\$ 631.17
Subscriber with Medicare + Child Non-Medicare	\$ 945.37	\$ 929.31
Subscriber with Medicare + Children Non-Medicare	\$ 945.37	\$ 929.31
Subscriber with Medicare + Spouse with Medicare + Child Non-Medicare	\$ 1,399.93	\$ 1,381.97
Subscriber with Medicare + Spouse Non-Medicare + Child Non-Medicare	\$ 1,866.80	\$ 1,822.77
Subscriber Non-Medicare + Spouse with Medicare + Child Non-Medicare	\$ 1,866.80	\$ 1,822.35
Subscriber with Medicare + Spouse with Medicare + Children Non-Medicare	\$ 1,399.93	\$ 1,381.97
Subscriber with Medicare + Spouse Non-Medicare + Children Non-Medicare	\$ 1,866.80	\$ 1,822.77
Subscriber Non-Medicare + Spouse with Medicare + Children Non-Medicare	\$ 1,866.80	\$ 1,822.35