



**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 22, 2020

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: Lupe Garza PHONE: (559) 636-4900				

SUBJECT: Health Insurance Plan Renewal and Rates for 2021 Plan Year

REQUEST(S):

That the Board of Supervisors:

1. Renew the Anthem Blue Cross PPO plan offerings provided by the San Joaquin Valley Insurance Authority.
2. Renew the Kaiser Permanente plans with an increase of 3.18% for the Traditional HMO plan, an increase of 3.05% for the \$1,000 Deductible HMO plan, and no increase for the Senior Advantage Plan.
3. Renew participation in the Delta Dental PPO and DeltaCare HMO Plans.
4. Renew participation in the Vision Service Plan.

SUMMARY:

Human Resources & Development (HRD) staff and the County's Health Plan Advisory Group (HPAG) met on July 11 and September 3, 2020 to review health insurance renewal proposals for the 2021 plan year (January 1 through December 31). The proposed renewals were reviewed by the County's benefit consultant, Alliant Insurance Services, Inc., and adopted by the San Joaquin Valley Insurance Authority (SJVIA) at its September 4, 2020 board meeting.

Medical and Prescription Benefits

The County offers four self-funded Anthem Blue Cross PPO plans through its participation in SJVIA. The PPO plans, premium costs, and deductibles continue to provide employees with options to meet individual lifestyle and health needs. Tulare

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County has benefitted financially from our membership in SJVIA by sharing our fixed costs with the County of Fresno and other former members. It is expected that 2021 plan year participation in SJVIA will continue to allow the County to control plan costs and provide competitive plan offerings.

On September 4, 2020, SJVIA Board approved a rate decrease of 4.11% for Tulare County Anthem Blue Cross PPO 2021 plans. The recommended rate decrease was primarily based upon a decline in plan utilization due to the COVID-19 pandemic. The temporary deferral of routine and scheduled elective medical procedures during the pandemic resulted in lower health plan costs in 2020, reflected in the 4.11% rate decrease. However, it is anticipated that plan utilization will rebound in subsequent years, and that PPO plan rates to revert to previous projections as a result. Therefore, to mitigate the impact of this temporary rate volatility on County employees, HRD staff and Alliant recommend maintaining 2020 PPO plan rates through 2021, and setting aside the 4.11% savings to offset future health plan increases for County employees. This fiscal strategy will ensure that the plan has sufficient balance to minimize the impacts of cost increases in coming years.

The County also offers three fully-insured Kaiser Permanente HMO Plans provided through SJVIA. There are approximately 200 employees and retirees enrolled who are in the geographic zones Kaiser serves. The premiums will increase by 3.18% and 3.05% for the Traditional and Deductible HMO Plans respectively. And there will be no increase to the Kaiser Sr. Advantage Plan. 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 and HRD and HPAG recommend renewal of these plans.

The attached Exhibit identifies the 2021 rates for the respective plans. 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 on the attached exhibit as well. HRD Benefits Staff will begin the 2021 Open Enrollment period on October 1 and will run through October 23, 2020.

Virtual Primary Care – 98point6

In 2020, the County implemented a two-year pilot program with 98point6, Virtual Primary Care. The two-year pilot program will terminate at the end of 2021. Members and dependents enrolled in the County's health plan can 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.

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

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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.

This two-year pilot program 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 Visalia Government Plaza, or be able to use 98point6 for on-demand, text-based primary care.

FISCAL IMPACT/FINANCING:

Overall, the cost of the County health plan for the 2021 plan year will decrease by \$1,104,727 or 3.2% in comparison to the cost of the 2020 plan year. Funding for the health plan is included in the County’s proposed Adopted Budget for Fiscal Year 2020/21.

The County will provide a minimum benefit amount of \$342.69 per pay period for over 2,400 participating employees. Employees contribute the full premium and costs of the respective plans that exceeds the benefit amount provided by the County. Participating retirees and Special Districts pay the entire cost of the selected plan.

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:



Lupe Garza
Human Resources Deputy Director

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

Attachment(s) Exhibit of Current Rates (2020) and Renewal Rates (2021)

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

IN THE MATTER OF HEALTH)
INSURANCE PLAN RENEWAL AND) Resolution No. _____
RATES FOR 2021 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 22, 2020,
BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

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

BY: _____
Deputy Clerk

* * * * *

That the Board of Supervisors:

1. Renewed the Anthem Blue Cross PPO plan offerings provided by the San Joaquin Valley Insurance Authority.
2. Renewed the Kaiser Permanente plans with an increase of 3.18% for the Traditional HMO plan, an increase of 3.05% for the \$1,000 Deductible HMO plan, and no increase for the Senior Advantage Plan.
3. Renewed participation in the Delta Dental PPO and DeltaCare HMO Plans.
4. Renewed participation in the Vision Service Plan.

**San Joaquin Valley Insurance Authority
County of Tulare Health Plan Rates
January 1, 2021 - December 31, 2021**

EXHIBIT

Monthly Rates

<u>Health Plan</u>	2020				2021			
	<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	\$ 972.83	\$ 1,944.62	\$ 1,775.14	\$ 2,948.21	\$ 972.83	\$ 1,944.62	\$ 1,775.14	\$ 2,948.21
Anthem BC \$500 DED PPO	\$ 732.56	\$ 1,465.84	\$ 1,342.53	\$ 2,311.99	\$ 732.56	\$ 1,465.84	\$ 1,342.53	\$ 2,311.99
Anthem BC \$750 DED PPO	\$ 643.49	\$ 1,286.08	\$ 1,180.06	\$ 1,960.52	\$ 643.49	\$ 1,286.08	\$ 1,180.06	\$ 1,960.52
Anthem BC \$2500 DED PPO	\$ 609.88	\$ 1,218.78	\$ 1,118.32	\$ 1,857.98	\$ 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	\$ 834.00	\$ 1,657.25	\$ 1,500.83	\$ 2,480.51
Kaiser Permanente DHMO	\$ 622.70	\$ 1,234.64	\$ 1,118.38	\$ 1,846.59	\$ 641.70	\$ 1,272.65	\$ 1,152.77	\$ 1,903.61
Delta Dental PPO	\$ 35.43	\$ 61.42	\$ 69.60	\$ 103.32	\$ 35.43	\$ 61.42	\$ 69.60	\$ 103.32
DeltaCare HMO	\$ 27.38	\$ 47.51	\$ 47.83	\$ 68.95	\$ 27.38	\$ 47.51	\$ 47.83	\$ 68.95
VSP Vision	\$ 4.96	\$ 8.36	\$ 8.85	\$ 13.19	\$ 4.96	\$ 8.36	\$ 8.85	\$ 13.19

BiWeekly Rates (24 Pay Periods)

<u>Health Plan</u>	2020				2021			
	<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	\$ 486.41	\$ 972.31	\$ 887.57	\$ 1,474.11	\$ 486.41	\$ 972.31	\$ 887.57	\$ 1,474.11
Anthem BC \$500 DED PPO	\$ 366.28	\$ 732.92	\$ 671.27	\$ 1,155.99	\$ 366.28	\$ 732.92	\$ 671.27	\$ 1,155.99
Anthem BC \$750 DED PPO	\$ 321.75	\$ 643.04	\$ 590.03	\$ 980.26	\$ 321.75	\$ 643.04	\$ 590.03	\$ 980.26
Anthem BC \$2500 DED PPO	\$ 304.94	\$ 609.39	\$ 559.16	\$ 928.99	\$ 304.94	\$ 609.39	\$ 559.16	\$ 928.99
Kaiser Permanente HMO	\$ 404.15	\$ 802.91	\$ 727.15	\$ 1,201.68	\$ 417.00	\$ 828.63	\$ 750.42	\$ 1,240.26
Kaiser Permanente DHMO	\$ 311.35	\$ 617.32	\$ 559.19	\$ 923.30	\$ 320.85	\$ 636.33	\$ 576.39	\$ 951.81
Delta Dental PPO	\$ 17.72	\$ 30.71	\$ 34.80	\$ 51.66	\$ 17.72	\$ 30.71	\$ 34.80	\$ 51.66
DeltaCare HMO	\$ 13.69	\$ 23.76	\$ 23.92	\$ 34.48	\$ 13.69	\$ 23.76	\$ 23.92	\$ 34.48
VSP Vision	\$ 2.48	\$ 4.18	\$ 4.43	\$ 6.60	\$ 2.48	\$ 4.18	\$ 4.43	\$ 6.60

Monthly Rates

Kaiser Permanente Senior Advantage Plan
Subscriber with Medicare
Subscriber with Medicare + Spouse with Medicare

	2020	2021
\$	321.17	321.17
\$	631.17	631.17