

*ecomaine Finance Committee
Health Care Options -- Followup*

- * *Differences in Coverages under the High Deductible Program*
- * *Revisions from Last Week*
 - > *Additional Option*
 - > *Real Life Examples - changes in coverage*
- * *Implementation Results -- Experiences of Others*
- * *Wellness Program - Concept & Benefits*

Plan Differences - In Network Coverage

	<u>POS C Plan - A Co Pay Program</u>	<u>PPO 2500 Plan - A Deductible / Co Ins Program</u>
<i>Deductible - single</i>	<i>None</i>	<i>\$2,500</i>
<i>Deductible - family</i>	<i>None</i>	<i>\$5,000</i>
<i>Co Ins % - Employee</i>	<i>10%</i>	<i>20%</i>
<i>Maximum Out of Pocket - single</i>	<i>\$1,000</i>	<i>\$3,500</i>
<i>Maximum Out of Pocket - family</i>	<i>\$2,000</i>	<i>\$7,000</i>
<i>Provider of Distinction Benefits</i>	<i>Preferred Primary Care Physicians</i>	<i>Preferred Hospitals & Preferred Primary Care Physicians</i>
<i>Eye Exams</i>	<i>100% - Eye exam only</i>	<i>Not covered - under 5 years of age under preventative care</i>
<i>Oral Surgery</i>	<i>90% - Limited Benefits</i>	<i>Not Covered</i>

ecomaine Medical Options Overview

Option Summary

	<u><i>Cost / (Savings)</i></u>		
	<u><i>Employer</i></u>	<u><i>Employee</i></u>	<u><i>Combined</i></u>
<i>Offer the POS C Plan Only With Cost Shifting</i>	\$ (49,107)	\$ 49,107	\$ (0)
<i>Offer Both the POS C Plan and the PPO 500 Plans</i>	(14,146)	5,113	(9,033)
<i>Offer the POS C Plan & An Incentivized PPO 500 Plan</i>	(25,869)	(16,810)	(42,679)
<i>Offer An Incentivized PPO 500 Plan Only</i>	(51,737)	(33,620)	(85,357)
<i>Offer the PPO 2500 Plan Only - Fund 100% of OOPM</i>	(85,224)	(47,847)	(133,071)
 <i>Offer the PPO 2500 Plan Only - Fund Deductible Plus Coverage Change</i>			
<i>Funded FSA(\$625/\$1,250)/HRA(\$2,000/\$4,000), Utilization - 100%/50% Cost Sharing - 85%/15% POS C, 87.5%/12.5% PPO 2500</i>	(94,324)	(104,509)	(198,833)
<i>Funded FSA(\$625/\$1,250)/HRA(\$2,000/\$4,000), Utilization - 100%/50% Cost Sharing - 90%/10% POS C, 87.5%/12.5% PPO 2500</i>	(143,431)	(55,402)	(198,833)
<i>Funded FSA(\$625/\$1,250)/HRA(\$2,000/\$4,000), Utilization - 91%/14% Cost Sharing - 90%/10% POS C, 87.5%/12.5% PPO 2500</i>	\$ (231,147)	\$ (52,224)	\$ (283,371)

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Example of Moving To The PPO 2500 Plan on a Family of High Users of Medical Services

<u>POS C Plan</u>				<u>PPO 2500 Plan</u>				
<u>Employee</u>	<u>Employer</u>	<u>Total</u>	<u>Service</u>	<u>No</u>	<u>Unit Cost</u>	<u>Employee</u>	<u>Employer</u>	<u>Total</u>
\$ 2,770	\$ 15,697	\$ 18,467	Annual Premium			\$ 1,469	\$ 10,283	\$ 11,752
90		90	Office Visits - PCP	6	\$ 100	150		150
210		210	Office Visits - Specialist	14	250	490		490
-		-	Physical Exams Inc Lab	3	500	-		-
120		120	Oral Surgery	1	1,200	1,200		1,200
-		-	Eye Exams	3	100	300		300
-		-	Lab & X-Ray (Diagnostic)	2	1,000	2,000		2,000
1,200		1,200	Prescriptions - Spec Drugs	20	2,000	1,200		1,200
600		600	Emergency Visits	6	1,000	900		900
400		400	MRI's	4	1,500	3,600		3,600
300		300	Out Patient Surgery	3	7,000	1,400		1,400
2,000		2,000	In Patient Stay	2	75,000	-		-
<u>\$ 7,690</u>	<u>\$ 15,697</u>	<u>\$ 23,387</u>	<u>Net</u>		<u>230,600</u>	<u>\$ 12,709</u>	<u>\$ 10,283</u>	<u>\$ 22,992</u>
(Savings) / Cost - Funded FSA/HRA					\$ 5,250	\$ (231)	\$ (164)	\$ (395)

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Example of Moving To The PPO 2500 Plan on a Family of Low Users of Medical Services

<u>POS C Plan</u>			<u>Service</u>	<u>No</u>	<u>Unit Cost</u>	<u>PPO 2500 Plan</u>		
<u>Employee</u>	<u>Employer</u>	<u>Total</u>				<u>Employee</u>	<u>Employer</u>	<u>Total</u>
\$ 2,770	\$ 15,697	\$ 18,467	Annual Premium			\$ 1,469	\$ 10,283	\$ 11,752
180		180	Office Visits - PCP	12	\$ 100	300		300
			- Physical Exams Inc Lab	3	500			-
			- Eye Exams	3	100	300		
80		80	Prescriptions - Tier 1	20	100	80		80
<u>\$ 3,030</u>	<u>\$ 15,697</u>	<u>\$ 18,727</u>	Net		4,700	<u>\$ 2,149</u>	<u>\$ 10,283</u>	<u>\$ 12,132</u>
(Savings) / Cost - Funded FSA/HRA					\$ 1,250	\$ (2,131)	\$ (4,164)	\$ (6,295)

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Example of Moving To The PPO 2500 Plan on a Single High User of Medical Services

<u>POS C Plan</u>			<u>Service</u>	<u>No</u>	<u>Unit Cost</u>	<u>PPO 2500 Plan</u>		
<u>Employee</u>	<u>Employer</u>	<u>Total</u>				<u>Employee</u>	<u>Employer</u>	<u>Total</u>
\$ 1,235	\$ 6,998	\$ 8,233	Annual Premium			\$ 655	\$ 4,584	\$ 5,239
30		30	Office Visits - PCP	2	\$ 100	50		50
105		105	Office Visits - Specialist	7	250	245		245
-		-	Physical Exams Inc Lab	1	500	-		-
120		120	Oral Surgery	1	1,200	1,200		1,200
-		-	Eye Exams	1	100	100		300
-		-	Lab & X-Ray (Diagnostic)	2	1,000	2,000		2,000
600		600	Prescriptions - Spec	10	2,000	600		600
300		300	Emergency Visits	3	1,000	450		450
200		200	MRI's	2	1,500	1,000		1,000
200		200	Out Patient Surgery	2	7,000	500		500
1,000		1,000	In Patient Stay	1	75,000	-		-
<u>\$ 3,790</u>	<u>\$ 6,998</u>	<u>\$ 10,788</u>	<u>Net</u>		<u>119,450</u>	<u>\$ 6,800</u>	<u>\$ 4,584</u>	<u>\$ 11,584</u>
			(Savings) / Cost - Funded FSA/HRA		\$ 2,625	\$ 385	\$ 211	\$ 596

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Example of Moving To The PPO 2500 Plan on a Single Low User of Medical Services

<u>POS C Plan</u>				<u>PPO 2500 Plan</u>				
<u>Employee</u>	<u>Employer</u>	<u>Total</u>	<u>Service</u>	<u>No</u>	<u>Unit Cost</u>	<u>Employee</u>	<u>Employer</u>	<u>Total</u>
\$ 1,235	\$ 6,998	\$ 8,233	Annual Premium			\$ 655	\$ 4,584	\$ 5,239
90		90	Office Visits - Specialist	6	\$ 100	150		150
			- Physical Exams Inc Lab	1	\$ 500	-		-
			- Eye Exams	1	100	100		
40		40	Emergency Visits	10	100	40		40
<u>\$ 1,365</u>	<u>\$ 6,998</u>	<u>\$ 8,363</u>	Net		2,100	<u>\$ 945</u>	<u>\$ 4,584</u>	<u>\$ 5,429</u>
(Savings) / Cost - Funded FSA/HRA					\$ 625	\$ (1,045)	\$ (1,789)	\$ (2,834)