



Employee Benefits

Ongoing 2025 Renewal Planning

May 2, 2024



Benefit & Rate Change Options

Kaiser – currently \$0 ded, \$20 PCP copay, with no coinsurance

Option	Benefit Change	Percentage Change
Option 1	Off the Shelf Plan: \$250 Ded, \$2500 OOP Max, \$15 copay, 20% coinsurance	-6.3% from current 2024 rates
Option 2	Custom Plan: \$200 Ded, \$2,000 OOP Max, \$20 copay, 10% coinsurance	-5.6% from current 2024 rates
Option 3	Off the Shelf Plan: \$500 Ded, \$3,000 OOP Max, \$20 copay, 10% coinsurance	-9.7% from current 2024 rates

Regence – currently \$300 ded, \$ 2300 OOP, \$20 PCP copay

Option	Benefit Change	Percentage Change
Option 1	\$400 Ded, \$2500 OOP Max	-2.0% from current 2024 rates
Option 2	\$400 Ded, \$2500 OOP Max, \$25 PCP copay	-2.2% from current 2024 rates
Option 3	\$400 Ded, \$2500 OOP Max, \$30 PCP copay	-2.3% from current 2024 rates
Option 4	\$500 Ded, \$2600 OOP Max	-3.0% from current 2024 rates
Option 5	\$500 Ded, \$2600 OOP Max, \$25 PCP copay	-3.2% from current 2024 rates
Option 6	\$500 Ded, \$2600 OOP Max, \$30 PCP copay	-3.3% from current 2024 rates

Benefit & Rate Comparisons 1 (lower ded)

(no rx change)

Benefits		Current Kaiser HMO Current/Renewal		2024 Kaiser Opt 1 Ded Plan A 250/15/20/2500		Current Regence PPO Including VSP Vision Current/Renewal		2024 Regence Option 2: \$25/\$35 copay, \$400 Ded \$2500 OOP
		2023	2024	2024 - Option 1		2023	2024	2024 - Option 2
Deductible								
Individual		\$0		\$250		\$300		\$400
Family		\$0		\$750		\$900		\$1,200
Out of Pocket Maximums								
Individual		\$1,500		\$2,500		\$2,300		\$2,500
Family		\$3,000		\$7,500		\$6,900		\$7,500
Office Visits								
Preventive Care Office Visits		0%		0%		\$0		\$0
Primary Care		\$20		\$15		\$20		\$25
Specialty Care		\$20		\$25		\$20		\$25
Urgent Care		\$40		\$35		\$20		\$35
Test (outpatient)								
Simple X-ray and Lab		\$20 per department visit		\$15 per department visit		20%		20%
CT, MRI, PET Scans		\$20 per department visit		\$100 per department visit		20%		20%
Hospital Services								
Ambulance		\$75		20% coinsurance after ded		20%		20%
Emergency Department		\$100		20% coinsurance after ded		\$250, 20%		\$250, 20%
Inpatient Hospitalization		\$200 per day up to \$1,000 per admission		20% coinsurance after ded		20%		20%
Outpatient Services (other)								
Outpatient surgery visit		\$50		20% coinsurance after ded		20%		20%
Durable medical equipment		20%		20% coinsurance after ded		20%		20%
Alternative Care								
Acupuncture Services		\$20 12 visits		\$15 12 visits		\$20 Unlimited visits		\$20 Unlimited visits
Chiropractic Services		\$20 12 visits		\$15 12 visits		\$20 Unlimited visits		\$20 Unlimited visits
Massage Therapy		\$20 Medically Necessary Only		\$20 Medically Necessary Only		\$20 Unlimited visits		\$20 Unlimited visits
Prescription Drug								
Generic		\$15		\$15		\$10		\$10
Preferred Brand		\$30		\$30		\$30		\$30
Specialty Drugs		By Tier		By Tier		By Tier		By Tier
	Kaiser Enrollmen	2023	2024	2024 - Option 1	Regence Enrollmen	2023	2024	2024 - Option 2
EE only	82	\$731.10	\$862.83	\$808.47	120	\$874.97	\$956.55	\$935.51
EE + Spouse	56	\$1,462.28	\$1,725.74	\$1,617.02	98	\$1,838.61	\$2,010.08	\$1,965.86
EE + Child(ren)	29	\$1,316.13	\$1,553.26	\$1,455.41	26	\$1,576.05	\$1,723.03	\$1,685.12
EE + Family	89	\$2,193.75	\$2,588.99	\$2,425.89	190	\$2,539.20	\$2,776.01	\$2,714.94
	256				434			
Total Annual Cost		\$4,502,993	\$5,314,298	\$4,979,505		\$9,703,266	\$10,608,174	\$10,374,794
\$ Change from Renewal			\$811,305	\$476,512			\$904,908	-\$233,380
% Change from Renewal			18.0%	-6.3%			9.3%	-2.2%

Benefit & Rate Comparisons 1 A

(with rx change)

Includes Rx Carve Out - moving to RxBenefits Optum Rx

Benefits		Current Kaiser HMO Current/Renewal		2024 Kaiser Opt 1 Ded Plan A 250/15/20/2500		Current Regence PPO Including VSP Vision Current/Renewal		2024 Regence Option 2: \$25/\$35 copay, \$400 Ded \$2500 OOP
		2023	2024	2024 - Option 1		2023	2024	2024 - Option 2
Deductible								
Individual		\$0		\$250		\$300		\$400
Family		\$0		\$750		\$900		\$1,200
Out of Pocket Maximums								
Individual		\$1,500		\$2,500		\$2,300		\$2,500
Family		\$3,000		\$7,500		\$6,900		\$7,500
Office Visits								
Preventive Care Office Visits		0%		0%		\$0		\$0
Primary Care		\$20		\$15		\$20		\$25
Specialty Care		\$20		\$25		\$20		\$25
Urgent Care		\$40		\$35		\$20		\$35
Test (outpatient)								
Simple X-ray and Lab		\$20 per department visit		\$15 per department visit		20%		20%
CT, MRI, PET Scans		\$20 per department visit		\$100 per department visit		20%		20%
Hospital Services								
Ambulance		\$75		20% coinsurance after ded		20%		20%
Emergency Department		\$100		20% coinsurance after ded		\$250, 20%		\$250, 20%
Inpatient Hospitalization		\$200 per day up to \$1,000 per admission		20% coinsurance after ded		20%		20%
Outpatient Services (other)								
Outpatient surgery visit		\$50		20% coinsurance after ded		20%		20%
Durable medical equipment		20%		20% coinsurance after ded		20%		20%
Alternative Care								
Acupuncture Services		\$20 12 visits		\$15 12 visits		\$20 Unlimited visits		\$20 Unlimited visits
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Massage Therapy		\$20 Medically Necessary Only		\$20 Medically Necessary Only		\$20 Unlimited visits		\$20 Unlimited visits
Prescription Drug								
Generic		\$15		\$15		\$10		\$10
Preferred Brand		\$30		\$30		\$30		\$30
Specialty Drugs		By Tier		By Tier		By Tier		By Tier
	Kaiser Enrollment	2023	2024	2024 - Option 1	Regence Enrollment	2023	2024	2024 - Option 2
EE only	82	\$731.10	\$862.83	\$808.47	120	\$874.97	\$936.66	\$916.05
EE + Spouse	56	\$1,462.28	\$1,725.74	\$1,617.02	98	\$1,838.61	\$1,968.23	\$1,924.93
EE + Child(ren)	29	\$1,316.13	\$1,553.26	\$1,455.41	26	\$1,576.05	\$1,687.16	\$1,650.04
EE + Family	89	\$2,193.75	\$2,588.99	\$2,425.89	190	\$2,539.20	\$2,718.21	\$2,658.41
	256				434			
Total Annual Cost		\$4,502,993	\$5,314,298	\$4,979,505		\$9,703,266	\$10,387,346	\$10,158,824
\$ Change from Renewal			\$811,305	\$476,512			\$684,080	-\$228,522
% Change from Renewal			18.0%	-6.3%			7.1%	-2.2%

Rx Change Considerations

When carving out Rx Services	Impact
Expected Savings using OptumRx	<ul style="list-style-type: none"> 9.3% savings on pharmacy spend; or about \$287,540 annually When factored into the overall costs, this would lower the premium by 2.25%
There is more transparency and improved contracts	<ul style="list-style-type: none"> Plan would receive 100% of rebates RxBenefits gets better pricing due to volume of membership
Formulary Change	Disruption to members <ul style="list-style-type: none"> Specific brand drug may not be covered in treatment class, forcing members to change to a different brand Certain drugs may be covered on a higher cost tier
Care is no longer integrated	Regence and RxBenefits would be separate and treatment for members would not align.
Accumulators are not integrated	A file would need to be set up between Regence and RxBenefits to make sure the deductible and out of pocket max is accumulating properly between the medical expenses and the pharmacy expenses.
Continue to integrate	Impact
No changes	Davidson is involved with negotiations to deliver savings on the pharmacy program without impacting the member.

Contribution and Plan Change Modeling

City of Vancouver Costs

Assuming no increase in 2025	Regence PPO	Regence HSA	Kaiser HMO	Kaiser HSA	Total Cost
Using Current CoV Costs	\$8,940,335	\$2,104,903	\$3,247,819	\$515,057	\$14,808,114
10/20% EE Contribution + Plan Change Cost	\$8,787,059	\$2,016,206	\$3,284,023	\$521,892	\$14,609,179
5/10% EE Contribution + Plan Change Cost	\$8,787,059	\$2,197,656	\$3,284,023	\$569,742	\$14,838,479
Difference if all 10/20	-\$153,276	-\$88,697	\$36,204	\$6,835	(\$198,935)
Difference if HSA is 5/10	-\$153,276	\$92,753	\$36,204	\$54,684	\$30,364

Assuming +10% to all Lines of Coverage	Regence PPO	Regence HSA	Kaiser HMO	Kaiser HSA	Total
Est 2025 CoV Costs assuming +10%	\$9,834,369	\$2,315,393	\$3,572,601	\$566,563	\$16,288,926
10/20% EE Contribution Option Cost	\$9,665,765	\$2,217,826	\$3,612,425	\$574,081	\$16,070,097
5/10% EE Contribution Option Cost	\$9,665,765	\$2,417,421	\$3,612,425	\$626,716	\$16,322,326
Difference if all 10/20	-\$168,604	-\$97,567	\$39,824	\$7,518	(\$218,828)
Difference if HSA is 5/10	-\$168,604	\$102,028	\$39,824	\$60,153	\$33,401

Contribution and Plan Change Modeling

City of Vancouver Costs

Assuming no increase in 2025	Regence PPO	Regence HSA	Kaiser HMO	Kaiser HSA	Total
Using Current CoV Costs	\$8,940,335	\$2,104,903	\$3,247,819	\$515,057	\$14,808,114
10/20% EE Contribution Change <i>Only</i>	\$8,984,711	\$2,016,206	\$3,504,821	\$521,892	\$15,027,630
5/10% EE Contribution Change <i>Only</i>	\$8,984,711	\$2,197,656	\$3,504,821	\$569,742	\$15,256,929
Difference if all 10/20	\$44,376	-\$88,697	\$257,002	\$6,835	\$219,516
Difference if HSA is 5/10	\$44,376	\$92,753	\$257,002	\$54,684	\$448,815

Assuming +10% to all Lines of Coverage	Regence PPO	Regence HSA	Kaiser HMO	Kaiser HSA	Total
Est 2025 CoV Costs assuming +10%	\$9,834,369	\$2,315,393	\$3,572,601	\$566,563	\$16,288,926
10/20% EE Contribution Change <i>Only</i>	\$9,883,182	\$2,217,826	\$3,855,303	\$574,081	\$16,530,393
5/10% EE Contribution Change <i>Only</i>	\$9,883,182	\$2,417,421	\$3,855,303	\$626,716	\$16,782,622
Difference if all 10/20	\$48,813	-\$97,567	\$282,703	\$7,518	\$241,467
Difference if HSA is 5/10	\$48,813	\$102,028	\$282,703	\$60,153	\$493,697

Contribution and Plan Change Modeling

Employee Costs – Regence PPO

		2024 Employee Contributions			10/20% EE Contributions			
Enrollment		Rates	ER Pays	EE Pays	ER Pays	EE Pays	EE \$ Change	EE % Change
As-Is Renewal								
Employee	120	\$956.55	\$852.33	\$104.22	\$860.90	\$95.66	-\$8.57	-8.2%
Employee & Spouse	98	\$2,010.08	\$1,695.10	\$314.98	\$1,703.72	\$306.36	-\$8.62	-2.7%
Employee & Child(ren)	26	\$1,723.03	\$1,465.42	\$257.61	\$1,474.08	\$248.95	-\$8.66	-3.4%
Employee & Family	190	\$2,776.01	\$2,308.04	\$467.97	\$2,316.46	\$459.55	-\$8.42	-1.8%
Total Monthly	434	\$884,015	\$745,028	\$138,987	\$748,726	\$135,289		
Total Annualized		\$10,608,174	\$8,940,335	\$1,667,839	\$8,984,711	\$1,623,464		
Change %					0.50%	-2.66%		
Change \$					\$44,376	-\$44,376		
\$400 Deductible w/\$25 copay								
Employee	120	\$935.51			\$841.96	\$93.55	-\$10.67	-10.2%
Employee & Spouse	98	\$1,965.86			\$1,666.24	\$299.62	-\$15.36	-4.9%
Employee & Child(ren)	26	\$1,685.12			\$1,441.65	\$243.47	-\$14.14	-5.5%
Employee & Family	190	\$2,714.94			\$2,265.50	\$449.44	-\$18.53	-4.0%
Total Monthly	434	\$864,567			\$732,255	\$132,312		
Total Annualized		\$10,374,806			\$8,787,059	\$1,587,748		
Change %					-1.71%	-4.80%		
Change \$					-\$153,276	-\$80,092		

Contribution and Plan Change Modeling

Employee Costs – Kaiser HMO

		2024 Employee Contributions			10/20% EE Contributions			
Enrollment		Rates	ER Pays	EE Pays	ER Pays	EE Pays	EE \$ Change	EE % Change
As-Is Renewal								
Employee	53	\$862.83	\$714.54	\$148.29	\$776.55	\$86.28	-\$62.01	-41.8%
Employee & Spouse	45	\$1,725.74	\$1,358.87	\$366.87	\$1,466.88	\$258.87	-\$108.01	-29.4%
Employee & Child(ren)	19	\$1,553.26	\$1,230.07	\$323.19	\$1,328.89	\$224.37	-\$98.82	-30.6%
Employee & Family	74	\$2,588.99	\$2,003.52	\$585.47	\$2,157.48	\$431.52	-\$153.96	-26.3%
Total Monthly	191	\$344,485	\$270,652	\$73,834	\$292,068	\$52,417		
Total Annualized		\$4,133,826	\$3,247,819	\$886,007	\$3,504,821	\$629,005		
Change %					7.91%	-29.01%		
Change \$					\$257,002	-\$257,002		
\$250 Deductible Option #1								
Employee	53	\$808.47			\$727.62	\$80.85	-\$67.44	-45.5%
Employee & Spouse	45	\$1,617.02			\$1,374.46	\$242.56	-\$124.31	-33.9%
Employee & Child(ren)	19	\$1,455.41			\$1,245.18	\$210.24	-\$112.96	-35.0%
Employee & Family	74	\$2,425.89			\$2,021.56	\$404.33	-\$181.14	-30.9%
Total Monthly	191	\$322,783			\$273,669	\$49,115		
Total Annualized		\$3,873,402			\$3,284,023	\$589,379		
Change %					1.11%	-33.48%		
Change \$					\$36,204	-\$296,628		

Contribution and Plan Change Modeling

Employee Costs – Regence HSA

		2024 Employee Contributions			10/20% EE Contributions				5/10% EE Contributions			
Enrollment		Rates	ER Pays	EE Pays	ER Pays	EE Pays	EE \$ Change	EE % Change	ER Pays	EE Pays	EE \$ Change	EE % Change
As-Is Renewal												
Employee	35	\$758.88	\$671.41	\$87.47	\$682.99	\$75.89	-\$11.58	-13.2%	\$720.94	\$37.94	-\$49.53	-56.6%
Employee & Spouse	22	\$1,593.99	\$1,410.27	\$183.72	\$1,351.08	\$242.91	\$59.19	32.2%	\$1,472.54	\$121.46	-\$62.27	-33.9%
Employee & Child(ren)	13	\$1,366.28	\$1,208.85	\$157.43	\$1,168.91	\$197.37	\$39.94	25.4%	\$1,267.60	\$98.68	-\$58.75	-37.3%
Employee & Family	54	\$2,201.27	\$1,947.56	\$253.71	\$1,836.90	\$364.37	\$110.66	43.6%	\$2,019.09	\$182.18	-\$71.53	-28.2%
Total Monthly	124	\$198,259	\$175,409	\$22,850	\$168,017	\$30,242			\$183,138	\$15,121		
Total Annualized		\$2,379,106	\$2,104,903	\$274,203	\$2,016,206	\$362,900			\$2,197,656	\$181,450		
Change %					-4.21%	32.35%			4.41%	-33.83%		
Change \$					-\$88,697	\$88,697			\$92,753	-\$92,753		

Employee Costs – Kaiser HSA

		2024 Employee Contributions			10/20% EE Contributions				5/10% EE Contributions			
Enrollment		Rates	ER Pays	EE Pays	ER Pays	EE Pays	EE \$ Change	EE % Change	ER Pays	EE Pays	EE \$ Change	EE % Change
As-Is Renewal												
Employee	8	\$594.43	\$495.74	\$98.69	\$534.99	\$59.44	-\$39.25	-39.8%	\$564.71	\$29.72	-\$68.97	-69.9%
Employee & Spouse	12	\$1,188.39	\$991.07	\$197.32	\$1,010.16	\$178.24	-\$19.09	-9.7%	\$1,099.27	\$89.12	-\$108.20	-54.8%
Employee & Child(ren)	2	\$1,070.93	\$893.20	\$177.73	\$916.19	\$154.74	-\$22.99	-12.9%	\$993.56	\$77.37	-\$100.36	-56.5%
Employee & Family	17	\$1,782.82	\$1,486.84	\$295.98	\$1,485.70	\$297.12	\$1.14	0.4%	\$1,634.26	\$148.56	-\$147.42	-49.8%
Total Monthly	39	\$51,466	\$42,921	\$8,544	\$43,491	\$7,975			\$47,478	\$3,987		
Total Annualized		\$617,591	\$515,057	\$102,534	\$521,892	\$95,699			\$569,742	\$47,849		
Change %					1.33%	-6.67%			10.62%	-53.33%		
Change \$					\$6,835	-\$6,835			\$54,684	-\$54,684		

Cost Containment Considerations

Regence Point Solution	Program Details	Estimated Cost
Omada	Voluntary Cardiometabolic Program for Prevention, Diabetes and Hypertension (<i>includes mental health support in all programs</i>)	Billed as a claim per participant per month Expected cost = \$55,219 Annually \$150 enrollment fee; \$20 monthly fee; \$57-\$99 per enrolled member fee • ~7% participate <i>Expected ROI = \$129,474 Annually (2.3x)</i>
Livongo Diabetes Management	Voluntary Members receive a free meter and supplies plus coaching and live support	Billed as a claim per participant per month Expected cost = \$4,020 (\$67 PPM x 5) • ~10% participate <i>Expected ROI = \$10,020</i>
Livongo Diabetes Prevention	Voluntary Members receive a scale and live classes and support	The most CoV would pay for one person engaged in program for one year = \$1,200; 10% participate = \$6,000
Livongo Weight Management	Voluntary Members receive a scale and live classes and support	The most CoV would pay for one person engaged in program for one year = \$1,200; 10% participate = \$6,000
Livongo Hypertension Management	Voluntary Members receive a blood pressure monitor and cuff and support	Billed as a claim per participant per month = \$39 10% participate = \$6,000

- *There is no bundled option available for Livongo. It is standalone products.*
- *Livongo is lower cost but if offering multiple products, members would have to sign up separately.*
- *Omada is higher cost but there are discounts for continued participants and bundled pricing for those enrolled in multiple programs.*
- *Omada has a proactive coaching model and Livongo has a reactive coaching model.*

Wellness Platform - Proposals



- Implementation Fee \$0
- Administration Fee \$4.85 PEPM
 - Applies to eligible employees only. Spouses are included for free



- Implementation Fee \$5,000
- Ingnite – Employees Only \$4.05 PEPM
- Engage – Employees Only \$4.90 PEPM