



Employee Benefits

Ongoing 2025 Renewal Planning

July 25, 2024



Total Cost Summary - Preliminary

Medical/Rx/Vision/Dental

| | | Carrier/Administrator | Estimated 2024 Annual Cost | Estimated 2025 Annual Cost | Net Change (\$/%) | |
|--------------------------------------|---------------|-----------------------|----------------------------|----------------------------|--------------------|--------------|
| Med/Rx/Vision - PPO | Self-Funded | Regence | \$10,540,498 | \$11,541,845 | \$1,001,347 | 9.50% |
| Med/Rx/Vision - HDHP | Self-Funded | Regence | \$2,638,880 | \$2,889,574 | \$250,694 | 9.50% |
| Vision | Self-Funded | VSP | \$150,772 | \$178,665 | \$27,893 | 18.50% |
| Med/Rx/Vision - HMO | Fully Insured | Kaiser | \$5,009,872 | \$5,254,185 | \$244,313 | 4.88% |
| Med/Rx/Vision - HDHP | Fully Insured | Kaiser | \$650,432 | \$679,259 | \$28,827 | 4.43% |
| Dental - PPO | Self-Funded | Delta Dental of WA | \$999,795 | \$992,796 | -\$6,999 | -0.70% |
| Dental - HMO | Fully Insured | Kaiser | \$17,929 | \$17,571 | -\$358 | -2.00% |
| <i>Total -- Med/Rx/Vision/Dental</i> | | | <i>\$20,008,178</i> | <i>\$21,553,896</i> | <i>\$1,545,717</i> | <i>7.73%</i> |

Assumptions Include:

Estimated Stop loss renewal = +50% (Rate Cap) with same lasered claimants

Regence ASO renewal = 0.00%

Updated pharmacy terms and rebates = \$200,000 savings to the pharmacy plan

No change to ASO VSP renewal, in rate guarantee until January 2026

Estimated Delta Dental ASO renewal = +5%

Using claims data through June 2024

HSA Funding is not included and should be budgeted separately

*COV currently contributes \$1,600 and \$3,200 to the HSA account

Regence PPO w/VSP

| | | 2024 Employee Contributions | | | 2025 Employee Contributions | | | Option 1 | | | |
|-------------------------------|------------|-----------------------------|--------------------|--------------------|--|--------------------|--------------------|--------------------|--------------------|--------------|-------------|
| | | | | | Same as current % w/out one-time extra 2024 CoV contribution | | | EE's -EE | 10% | EE's -Dep's | 20% |
| Enrollment | | Rates | ER Pays | EE Pays | Rates | ER Pays | EE Pays | ER Pays | EE Pays | EE \$ Change | EE % Change |
| As-Is Renewal | | | | | Renewal | | | Over Renewal | | | |
| Employee | 150 | \$956.55 | \$852.33 | \$104.22 | \$1,048.62 | \$871.01 | \$177.61 | \$943.76 | \$104.86 | -\$72.75 | -41.0% |
| Employee & Spouse | 94 | \$2,010.08 | \$1,695.10 | \$314.98 | \$2,203.56 | \$1,734.32 | \$469.24 | \$1,867.71 | \$335.85 | -\$133.39 | -28.4% |
| Employee & Child(ren) | 34 | \$1,723.03 | \$1,465.42 | \$257.61 | \$1,888.88 | \$1,499.04 | \$389.84 | \$1,615.96 | \$272.91 | -\$116.93 | -30.0% |
| Employee & Family | 179 | \$2,776.01 | \$2,308.04 | \$467.97 | \$3,043.21 | \$2,362.16 | \$681.05 | \$2,539.43 | \$503.78 | -\$177.27 | -26.0% |
| Total Monthly | 457 | \$887,919 | \$750,152 | \$137,766 | \$973,384 | \$767,471 | \$205,913 | \$826,629 | \$146,755 | | |
| Total Annualized | | \$10,655,026 | \$9,001,828 | \$1,653,198 | \$11,680,607 | \$9,209,656 | \$2,470,951 | \$9,919,549 | \$1,761,058 | | |
| Change over current % | | | | | 9.6% | 2.3% | 49.5% | 10.19% | 6.52% | | |
| Change over current \$ | | | | | \$1,025,581 | \$207,828 | \$817,753 | \$917,721 | \$107,860 | | |

Regence HDHP w/VSP

| | | 2024 Employee Contributions | | | 2025 Employee Contributions | | | Option 1 | | | |
|-------------------------------|------------|-----------------------------|--------------------|------------------|--|--------------------|------------------|--------------------|------------------|--------------|-------------|
| | | | | | Same as current % w/out one-time extra 2024 CoV contribution | | | EE's -EE | 10% | EE's -Dep's | 20% |
| Enrollment | | Rates | ER Pays | EE Pays | Rates | ER Pays | EE Pays | ER Pays | EE Pays | EE \$ Change | EE % Change |
| As-Is Renewal | | | | | Renewal | | | Over Renewal | | | |
| Employee | 40 | \$758.88 | \$696.91 | \$61.97 | \$831.92 | \$686.35 | \$145.57 | \$748.73 | \$83.19 | -\$62.38 | -42.9% |
| Employee & Spouse | 27 | \$1,593.99 | \$1,463.71 | \$130.28 | \$1,747.42 | \$1,441.62 | \$305.80 | \$1,481.13 | \$266.29 | -\$39.51 | -12.9% |
| Employee & Child(ren) | 16 | \$1,366.28 | \$1,254.67 | \$111.61 | \$1,497.79 | \$1,235.73 | \$262.06 | \$1,281.42 | \$216.37 | -\$45.69 | -17.4% |
| Employee & Family | 58 | \$2,201.27 | \$2,021.36 | \$179.91 | \$2,413.15 | \$1,990.85 | \$422.30 | \$2,013.71 | \$399.44 | -\$22.86 | -5.4% |
| Total Monthly | 141 | \$222,927 | \$204,710 | \$18,217 | \$244,385 | \$201,619 | \$42,766 | \$207,238 | \$37,147 | | |
| Total Annualized | | \$2,675,125 | \$2,456,522 | \$218,603 | \$2,932,614 | \$2,419,425 | \$513,189 | \$2,486,853 | \$445,761 | | |
| Change over current % | | | | | 9.6% | -1.5% | 134.8% | 1.23% | 103.91% | | |
| Change over current \$ | | | | | \$257,489 | -\$37,097 | \$294,586 | \$30,331 | \$227,158 | | |

Kaiser HMO

| | | 2024 Employee Contributions | | | 2025 Employee Contributions | | | Option 1 | | | |
|-------------------------------|------------|-----------------------------|--------------------|------------------|--|--------------------|--------------------|--------------------|------------------|--------------|-------------|
| | | | | | Same as current % w/out one-time extra 2024 CoV contribution | | | EE's -EE | 10% | EE's -Dep's | 20% |
| Enrollment | | Rates | ER Pays | EE Pays | Rates | ER Pays | EE Pays | ER Pays | EE Pays | EE \$ Change | EE % Change |
| As-Is Renewal | | | | | Renewal | | | Over Renewal | | | |
| Employee | 53 | \$862.83 | \$714.54 | \$148.29 | \$904.90 | \$716.65 | \$188.25 | \$814.41 | \$90.49 | -\$97.76 | -51.9% |
| Employee & Spouse | 45 | \$1,725.74 | \$1,358.87 | \$366.87 | \$1,809.90 | \$1,363.08 | \$446.82 | \$1,538.41 | \$271.49 | -\$175.33 | -39.2% |
| Employee & Child(ren) | 19 | \$1,553.26 | \$1,230.07 | \$323.19 | \$1,629.01 | \$1,233.85 | \$395.16 | \$1,393.70 | \$235.31 | -\$159.85 | -40.5% |
| Employee & Family | 74 | \$2,588.99 | \$2,003.52 | \$585.47 | \$2,715.25 | \$2,009.83 | \$705.42 | \$2,262.69 | \$452.56 | -\$252.86 | -35.8% |
| Total Monthly | 191 | \$344,485 | \$270,652 | \$73,834 | \$361,285 | \$271,492 | \$89,793 | \$306,312 | \$54,973 | | |
| Total Annualized | | \$4,133,826 | \$3,247,819 | \$886,007 | \$4,335,419 | \$3,257,899 | \$1,077,519 | \$3,675,738 | \$659,681 | | |
| Change over current % | | | | | 4.9% | 0.3% | 21.6% | 13.18% | -25.54% | | |
| Change over current \$ | | | | | \$201,593 | \$10,080 | \$191,512 | \$427,919 | -\$226,326 | | |

Kaiser HSA

| | | 2024 Employee Contributions | | | 2025 Employee Contributions | | | Option 1 | | | |
|-------------------------------|-----------|-----------------------------|------------------|------------------|--|------------------|------------------|------------------|-----------------|--------------|-------------|
| | | | | | Same as current % w/out one-time extra 2024 CoV contribution | | | EE's -EE | 10% | EE's -Dep's | 20% |
| Enrollment | | Rates | ER Pays | EE Pays | Rates | ER Pays | EE Pays | ER Pays | EE Pays | EE \$ Change | EE % Change |
| As-Is Renewal | | | | | | | | Over Renewal | | | |
| Employee | 8 | \$594.43 | \$495.74 | \$98.69 | \$620.78 | \$497.06 | \$123.72 | \$558.70 | \$62.08 | -\$61.64 | -49.8% |
| Employee & Spouse | 12 | \$1,188.39 | \$991.07 | \$197.32 | \$1,241.06 | \$993.70 | \$247.36 | \$1,054.93 | \$186.13 | -\$61.23 | -24.8% |
| Employee & Child(ren) | 2 | \$1,070.93 | \$893.20 | \$177.73 | \$1,118.39 | \$895.58 | \$222.81 | \$956.79 | \$161.60 | -\$61.21 | -27.5% |
| Employee & Family | 17 | \$1,782.82 | \$1,486.84 | \$295.98 | \$1,861.83 | \$1,490.79 | \$371.04 | \$1,551.54 | \$310.29 | -\$60.75 | -16.4% |
| Total Monthly | 39 | \$51,466 | \$42,921 | \$8,544 | \$53,747 | \$43,035 | \$10,711 | \$45,419 | \$8,328 | | |
| Total Annualized | | \$617,591 | \$515,057 | \$102,534 | \$644,962 | \$516,426 | \$128,537 | \$545,022 | \$99,940 | | |
| Change over current % | | | | | 4.4% | 0.3% | 25.4% | 5.82% | -2.53% | | |
| Change over current \$ | | | | | \$27,371 | \$1,368 | \$26,003 | \$29,965 | -\$2,594 | | |

PPO Plan Change Considerations

| Change from Current: \$300/\$900 Ded; \$20 Copay;\$2,300/\$6,900 OOP Max | Estimated Savings |
|---|-------------------|
| Copay \$25 | 0.22% |
| Copay \$30 | 0.33% |
| Deductible \$400/\$1,200 | 1.00% |
| Deductible \$500/\$1,500 | 1.30% |
| Deductible \$750/\$2,250 | 1.80% |
| OOP Max \$2,600/\$7,800 | 1.20% |
| OOP Max \$3,000/\$9,000 | 3.16% |
| OOP Max \$4,000/\$12,000 | 4.53% |
| OOP Max \$5,000/\$15,000 | 5.85% |

PPO Plan Change Considerations

| Change from Current: \$30 Copay for Specialty Drug | Estimated Savings (currently impacts 33 members) |
|---|---|
| Copay \$250 | 1.90% |
| Copay \$100 | 0.90% |

| Change from Current: Unlimited visits for Alternative Care | Estimated Savings |
|--|---|
| 12 Visits on Chiro and Acupuncture (same as CoV Kaiser plan and Regence BoB benchmark) | 0.02% <i>*Very few members use more than 12 visits per year.</i> |

Deductible and Out of Pocket Met in 2023

| Deductible PPO Actives (total-817) | Members |
|------------------------------------|---------|
| Less than \$150 | 425 |
| \$150-\$249 | 44 |
| \$250-\$299 | 22 |
| \$300 | 326 |

| Deductible <u>Police</u> PPO (total – 521) | Members |
|--|---------|
| Less than \$150 | 302 |
| \$150-\$249 | 37 |
| \$250-\$299 | 11 |
| \$300 | 171 |

| OOP Max PPO Actives (total-817) | Members |
|---------------------------------|---------|
| Less than \$150 | 669 |
| \$1,150-\$1,999 | 64 |
| \$2,000-\$2,299 | 13 |
| \$2,300 | 71 |

| OOP Max <u>Police</u> PPO Actives (total-521) | Members |
|---|---------|
| Less than \$150 | 455 |
| \$1,150-\$1,999 | 32 |
| \$2,000-\$2,299 | 5 |
| \$2,300 | 29 |