

Maywood-Melrose Park-Broadview SD #89

Preparing for PPACA (Patient Protection Affordable Care Act)

REQUIREMENT	DESCRIPTION	EFFECTIVE DATE FOR THE DISTRICT	ESTIMATED COST TO THE DISTRICT BASED ON CURRENT ELIGIBILITY
Summary of Benefits Coverage (SBC) distribution	Must be distributed in connection with all Medical/Rx, EAP plans to all employees	4/1/2013	NONE
Transitional Reinsurance Fee	In order to stabilize increased premiums in the first three years of state insurance exchanges (2014,2015,2016), the reinsurance program will be funded with payments reinsurance fee will buy protection	4/1/2014	\$62,685 Based on 995 members
Patient Centered Outcomes Research Institute (PCORI) fee	Fee assessed to support the Institute by advancing the relevance of evidence-based medicine through the dissemination of research findings	7/1/2014	7/1/2014: \$1 per covered life = \$995 7/1/2015: \$2 per covered life = \$1,990
Employer-Shared Responsibility "Play or Pay"	Employers with 50+ full-time employees must provide Medical coverage that provides 1) Minimum Essential Coverage and 2) Is Affordable and provides "Minimum Value". An Employee is counted as Full-Time if he/she averages 30 hours per week {including those that work less than 30 hours per week}.	4/1/2014	Penalty up to \$3,000 per number of lives IF the District does not comply with the required 30 hour ruling: Example of Liability to the District: 100 employees x \$3,000 = \$300,000
Cadillac Tax	Employers who provide health plans that are too rich "Cadillac plans" must pay a non-deductible 40% excise tax on the value of health plan coverage that exceeds \$10,200 for single coverage / \$27,500 for family coverage.	1/1/2018	TBD - See provided Cadillac tax exhibits

Maywood-Melrose Park-Broadview SD #89
Recommended BlueCross BlueShield of IL Plan Changes effective 4/1/2013

	CURRENT PPO/Rx PLAN	RENEWAL PPO/Rx PLAN	REVISED RENEWAL PPO/Rx PLAN	SCENARIO #1 2013 PLAN CHANGES		SCENARIO #2 2013 PLAN CHANGES		INDUSTRY STANDARD
Projected Enrollment	497	484	484					
Single		274	274					
Family		210	210					
Illinois Access Fee	1.75%	2.51%	2.51%					
Administration Fee <i>{per employee per month}</i>	\$52.64	\$53.85	\$52.64					
Prescription Drug Rebate Credit <i>{per employee per month}</i>	(\$11.94)	(\$13.77)	(\$13.77)					
Individual Stop Loss - \$130,000 <i>{per employee per month}</i>	\$68.13	\$75.02	\$72.77					
Aggregate Stop Loss - 135% <i>{annual fee payable at renewal}</i>	\$14,733	\$23,601	\$22,421					
Total Fixed Costs <i>{per employee per month}</i>	\$111.30	\$119.16	\$115.50					
Projected Average Claim Value <i>{per employee per month}</i>	\$921.63	\$1,010.67	\$1,010.67					
Projected Aggregate Limit <i>{per employee per month}</i>	\$1,244.20	\$1,364.41	\$1,364.41					
Total Projected Costs <i>{per employee per month}</i>	\$1,032.93	\$1,129.83	\$1,126.17					
In/Out of Network Deductible - Single	\$300			\$400	-0.75%	\$500	-1.60%	\$500
In/Out of Network Deductible - Family	\$600			\$800	-\$44,025 savings	\$1,000	-\$93,920 savings	\$1,000
In-Network Out of Pocket Maximum - Single / Family	\$600 / \$1200			\$800 / \$1600	-0.50%	\$1000 / \$2000	-0.75%	\$1,000/\$2,000
Out of Network Out of Pocket Maximum - Single / Family	\$1000 / \$2000			\$1600 / \$3200	-\$29,350 savings	\$3000 / \$7000	-\$44,025 savings	\$3,000/\$7,000
In-Network Primary Care Physician Office Visit	\$0 copay 90% after deductible			\$20 Copay {Surgeries, Therapies and certain diagnostics performed in a Physicians office may be subject to deductible and/or coinsurance}	-0.1%	\$20 Copay {Surgeries, Therapies and certain diagnostics performed in a Physicians office may be subject to deductible and/or coinsurance}	-0.1%	\$20 Copay
In-Network Specialist Physician Office Visit	\$0 copay 90% after deductible			\$40 Copay {Surgeries, Therapies and certain diagnostics performed in a Physicians office may be subject to deductible and/or coinsurance}	-\$5,870 savings	\$40 Copay {Surgeries, Therapies and certain diagnostics performed in a Physicians office may be subject to deductible and/or coinsurance}	-\$5,870 savings	\$40 Copay
Emergency Room Copay	\$0 Copay			\$100 Copay	-0.6% -\$35,220 savings	\$150 Copay	-1.0% -\$58,700 savings	\$150 copay
Prescription Drugs Retail								
Generic	\$10 Copay			no change		no change		\$10 copay
Formulary Brand	\$20 Copay			no change		no change		\$30 Copay
Non-Formulary Brand	\$50 copay 1x Retail			no change		no change		\$50 Copay 2x Retail
Prescription Drugs Mail Order	(\$10/\$20/\$50)			2x Retail (\$20/\$40/\$100)	-0.1% -\$5,870 savings	2x Retail (\$20/\$40/\$100)	-0.1% -\$5,870 savings	(\$20/\$40/\$100)
TOTAL PREMIUM	\$5,919,947	\$6,601,114	\$6,579,834	\$6,459,499		\$6,371,449		
% Change from Current		11.5%	11.1%	9.1%		7.6%		
% Addition for Healthcare Reform / CBC Consulting Fee		2.0%	2.0%	2.0%		2.0%		
TOTAL % Change from Current		13.5%	13.1%	11.1%		9.6%		
Change from Current		\$681,167	\$659,887	\$539,552		\$451,502		

NOTE: BCBSIL revised renewal provides a Fixed Cost Reduction of **(\$21,257)**