



# SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

## Agenda Item Summary

Meeting Date: August 18, 2021

Agenda Section: Discussion/ Possible Action

Agenda Item Title: Approve Stop-Loss Provider for District Health Plan

From: Tony Kingman, Chief Financial Officer

Additional Presenters if Applicable:

Description: The District utilizes as Self-Insured Health Plan for its employees and transfers a portion of the overall risk to a stop-loss provider. Once total claims exceed either a specific amount for an insured individual, or an aggregate amount for the entire pool, the stop-loss provision kicks in to limit the District's overall risk exposure. There were five respondents to the RFP for Stop-Loss Provider. Respondents were evaluated on the amount of risk that was being transferred, as well as the total cost on a per employee basis.

Historical Data: This stop-loss plan is separate and apart from the plan design, pharmacy benefit manager, and plan administration.

Recommendation: Approval of Cigna as the stop-loss provider for the 2021-2022 Health Plan year.

Funding Budget Code and Amount:



# BENEFITS | DESIGNED WITH PURPOSE

SWBC MEDICAL SELF FUNDED RECOMMENDATIONS | August 18, 2021

Health Plan Effective Date: November 1, 2021 – November 1, 2022

## RFP SUMMARY:

### District Published RFP:

May 28, 2021

### Proposal Due:

June 25, 2021

### Proposal Responses:

- Aetna (incumbent)
- Cigna
- Humana
- United Healthcare
- Blue Cross Blue Shield of Texas
- Healthcare Highways

## SWBC RECOMMENDATIONS:

- **CIGNA: Medical Carrier**
  - Most competitive administrative fees (3 year rate guarantee)
  - Most competitive stop loss premiums
  - 100% network match
  - Wellness allowance included
  - Service allowance
- **HEB: PBM**
  - Renew Rx agreement (no changes)

# Medical Plan Modifications | Effective 11/1/2021 – 11/1/2022

Open Access Plus In-Network	Option 1	Option 2	Option 3
Plan Offering	Triple Option	Triple Option	Triple Option
Plan Name	Option 1 (14488801)	Option 2 (14488851)	Option 3 (14488893)
Medical Management Model	Preferred Care	Preferred Care	Preferred Care
Funding	ASO	ASO	ASO
<b>CIGNA MEDICAL BENEFITS</b>			
Collective Deductible / OOP	NO	NO	NO
Combined Medical/Pharmacy Ded/OOP	Combined Ded & OOP	Combined Ded & OOP	Combined Ded & OOP
Variable Coinsurance Applies	NO	NO	NO
Plan Deductible Order of Applicability	Copay, Plan Ded., Coinsurance	Copay, Plan Ded., Coinsurance	Copay, Plan Ded., Coinsurance
<b>IN-NETWORK</b>			
Office Copay - PCP / SPC	<b>\$45 / \$85</b>	<b>\$35 / \$80</b>	<b>\$30 / \$75</b>
Inpatient Deductible - Per Admit / Per Day	NA	NA	NA
Outpatient Facility Copay	None	None	None
Emergency Room / Urgent Care Copay	<b>\$500 / \$100</b>	<b>\$500 / \$100</b>	<b>\$500 / \$100</b>
Advanced Radiology Imaging - Office & Outpatient	No copay	No copay	No copay
Deductible - Individual / Family	<b>\$6,000 / \$12,000</b>	<b>\$5,000 / \$10,000</b>	\$3,000 / \$6,000
Out-of-Pocket - Individual / Family	\$7,150 / \$14,300	\$6,350 / \$12,700	\$6,000 / \$12,000
Out-of-Pocket Max Deductibles	Ded Accumulates	Ded Accumulates	Ded Accumulates
Out-of-Pocket Max Copays	All Copays Accumulate	All Copays Accumulate	All Copays Accumulate
Coinsurance	<b>80%</b>	80%	80%
<b>OUT-OF-NETWORK</b>			
Deductible - Individual / Family	\$12,000 / \$24,000	\$10,000 / 20,000	\$6,000 / \$12,000
Out-of-Pocket - Individual / Family	\$14,300 / \$28,600	\$12,700 / \$25,400	\$12,000 / \$24,000
Out-of-Pocket - Family - Individual Amount	\$14,300	\$12,700	\$12,000
Out-of-Pocket Max Deductibles	Ded Accumulates	Ded Accumulates	Ded Accumulates
Out-of-Pocket Max Copays	All Copays Accumulate	All Copays Accumulate	All Copays Accumulate
Coinsurance	60%	60%	60%
Maximum Reimbursable Charge	Option 2	Option 2	Option 2
Inpatient Deductible - Per Admit / Per Day	NA	NA	NA
Outpatient Facility Deductible	None	None	None
MRC Fee Schedule % (Professional & Facility/ Ancillary)	110%	110%	110%
<b>PHARMACY BENEFITS (G/B/NPB/4th TIER)</b>			
Pharmacy Network	National	National	National
Formulary/PDL	Standard	Standard	Standard
Retail Copay	<b>\$0/\$50/\$100/\$80</b>	<b>\$0/\$50/\$100/\$100</b>	\$0/\$50/\$100/\$100
Retail Copay (90 Days)	\$0/\$150/\$300	\$0/\$150/\$300	\$0/\$150/\$300
Home Delivery Drug Copay	\$0/\$125/\$250/\$80	\$0/\$125/\$250/\$100	\$0/\$125/\$250/\$100
Deductible & Out-of-Pocket Max	Combined With Medical	Combined With Medical	Combined With Medical
<b>OTHER</b>			
Mental Health/Substance Use Disorder (Y/N)	Yes	Yes	Yes

Proposed Rx Changes	
Rx Plan	Copay
Generic Rx's	\$0
Brand	
Tier 1 - Formulary Brand	\$50
Tier 2 - Non-Formulary	\$100
Specialty Drugs	
Specialty Generic	\$100
Specialty Preferred Brand	\$200
Specialty Non-Preferred Brand	\$300
Mail Order	2.5X

# Proposal Summary | Effective 11/1/2021

	AETNA Current	AETNA Renewal	CIGNA Proposal	HUMANA Proposal	UHC Proposal	BCBS Proposal	HC HWYS Proposal (Incomplete)
Renewal Period	11/1/2020	11/1/2021	11/1/2021	11/1/2021	11/1/2021	11/1/2021	11/1/2021
Policy Period Length (months)	12	12	12	12	12	12	12
Employees Covered Under Stop Loss	1,076	1,064	1,016	1,043	1,047	1,043	1,064
Lasers?	No	No	No	No	Yes	No	No
<b>Administrative Services Fee</b>	<b><u>\$485,879</u></b>	<b><u>\$480,460</u></b>	<b><u>\$238,597</u></b>	<b><u>\$423,166</u></b>	<b><u>\$493,640</u></b>	<b><u>\$595,136</u></b>	<b><u>\$495,909</u></b>
Estimated Enrollment	1,076	1,064	1,016	1,043	1,047	1,043	1,064
Admin. Services Fee (Composite Fee)	\$37.63	\$37.63	\$19.57	\$33.81	\$39.29	\$47.55	\$38.84
<b>Individual Stop Loss Premium</b>	<b><u>\$711,709 (est.)</u></b>	<b><u>\$805,150 (est.)</u></b>	<b><u>\$869,046 (est.)</u></b>	<b><u>\$764,477 (est.)</u></b>	<b><u>\$843,170 (est.)</u></b>	<b><u>\$914,920 (est.)</u></b>	<b><u>N/A</u></b>
Individual Stop Loss Level	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	–
Composite Rate	\$55.12	\$63.06	\$71.28	\$61.08	\$67.11	\$73.10	–
<b>Aggregate Stop Loss Premium</b>	<b><u>\$50,228</u></b>	<b><u>\$56,818</u></b>	<b><u>\$49,621</u></b>	<b><u>\$59,326</u></b>	<b><u>\$93,979</u></b>	<b><u>\$19,775</u></b>	<b><u>N/A</u></b>
Aggregate Stop Loss Percentage	115%	115%	115%	115%	115%	125%	–
Composite Rate	\$3.89	\$4.45	\$4.07	\$4.74	\$7.48	\$1.58	–
<b>ADMIN FEE &amp; ISL/AGG PREMIUM TOTAL</b>	<b><u>\$1,247,816</u></b>	<b><u>\$1,342,428</u></b>	<b><u>\$1,157,265</u></b>	<b><u>\$1,246,969</u></b>	<b><u>\$1,531,300</u></b>	<b><u>\$1,529,831</u></b>	<b><u>N/A</u></b>
<b>Estimated Annual Claims</b>	<b><u>\$6,923,285</u></b>	<b><u>\$8,483,825</u></b>	<b><u>\$6,247,476</u></b>	<b><u>\$7,905,231</u></b>	<b><u>\$8,313,724</u></b>	<b><u>\$8,231,773</u></b>	<b><u>N/A</u></b>
Composite Rate	\$536.19	\$664.46	\$512.42	\$631.61	\$661.71	\$657.70	–
<b>Projected Annual Aggregate Deductible</b>	<b><u>\$7,961,797</u></b>	<b><u>\$9,756,412</u></b>	<b><u>\$7,184,597</u></b>	<b><u>\$9,091,122</u></b>	<b><u>\$9,560,827</u></b>	<b><u>\$10,289,779</u></b>	<b><u>N/A</u></b>
Composite Rate	\$616.62	\$764.13	\$589.29	\$726.36	\$769.97	\$822.13	–
<b>Est. Annual Min. Aggregate Deductible (90%)</b>	<b><u>\$7,165,618</u></b>	<b><u>\$8,780,771</u></b>	<b><u>\$6,466,137</u></b>	<b><u>\$8,182,010</u></b>	<b><u>\$9,082,786</u></b>	<b><u>\$9,260,801</u></b>	<b><u>N/A</u></b>
<b>TOTAL EXPECTED</b>	<b><u>\$8,171,101</u></b>	<b><u>\$9,826,253</u></b>	<b><u>\$7,404,740</u></b>	<b><u>\$9,152,200</u></b>	<b><u>\$9,845,025</u></b>	<b><u>\$9,761,604</u></b>	<b><u>N/A</u></b>
<b>TOTAL ESTIMATED MAX. LIABILITY</b>	<b><u>\$9,209,613</u></b>	<b><u>\$11,098,839</u></b>	<b><u>\$8,341,861</u></b>	<b><u>\$10,338,091</u></b>	<b><u>\$11,092,127</u></b>	<b><u>\$11,819,610</u></b>	<b><u>N/A</u></b>

# Wellness Services | Effective 11/1/2021

## ABOUT OUR PROGRAM

Through our custom workplace wellness solution, SWBC works with your organization to implement a strategic plan with targeted initiatives to drive measurable health outcomes and behavior changes that can lower health care costs and increase productivity.

WELLNESS SERVICES	
Dedicated Wellness Program Manager & Communications Manager	Included
Employee Needs and Interest Survey	Included
Health Culture Audit	Included
Health Risk Assessment	Included
Custom Communication Strategy and branded collateral	Included
Branded Wellness Program	Included
Wellness Committee Development & Participation	Included
Implementation Plan	Included
Carrier Program Communication	Included
Custom Monthly Wellness Newsletter	Included
Employer education webinars	Included
1:1 health coaching for high-risk plan participants	Included
Custom employee education resources and lunch and learns	Included
Custom Wellness Challenges	Included
Health fair development and participation	Included
On-site immunization clinics, biometric screenings and preventive care clinics management	Included
Targeted disease management programs	Included
Local and National Wellness Recognition	Included
Monthly Plan Analysis	Included
Aggregate data reporting	Included
<b>TOTAL COST</b>	<b>INCLUDED IN CIGNA PROPOSAL</b>