

Meeting Date
9/28/15



AGENDA	
Section	Consent
Item No.	II A

AGENDA REPORT

BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

SUBJECT:	Medicare Advantage and Medicare Supplement Health Plan Options effective 1/1/16
DEPT/OFFICE:	Human Resources / Employee Benefits

Requested Action:

That the Board accept the recommendations of the Employee Benefits Insurance Advisory Committee and offer the fully insured Medicare Advantage programs offered through Health First Health Plans, Florida Health Care Plans and Medicare Supplement Plans offered by CIGNA to all Medicare eligible retirees and their dependents eligible for retiree health insurance coverage through the Board of County Commissioners employee benefits program.

Summary Explanation & Background:

At the Board of County Commissioner’s Healthcare Workshop on January 22, 2015, the Board directed staff to implement a Medicare program consisting of Medicare Supplement and Medicare Advantage Plan options along with a comprehensive pharmacy benefit plan as the only County sponsored plans available to Medicare eligible retirees. The Office of Human Resource / Employee Benefits drafted a Request for Proposals designed to identify those options in the group health insurance commercial marketplace.

RFP #P-3-16-03 generated proposals from Cigna, Health First Health Plans (HFHP) and Florida Health Care Plans (FHCP), resulting in six Medicare Advantage Plan options (3 different premium options from both HFHP and FHCP) as well as two Medicare Supplement options and a comprehensive pharmacy benefit plan from Cigna. After evaluation of the proposals by the EBIAC at their 9/14/16 meeting, the committee voted unanimously to recommend to the Board of County Commissioner that all the carrier options received in response to this RFP be made available to Medicare eligible retiree in 2016.

A component of the RFP attempted to solicit proposals for a Retiree / Medicare Advocate to provide education and enrollment assistance to retirees in this complex area of medical coverage. As the RFP did not produce a proposal for a requested Retiree/Medicare Advocate, the EBIAC through a unanimous vote, recommended that The Office of Human Resources reach out to SHINE (Serving Health Insurance Needs of Elders), an independent volunteer group funded by the Florida Department of Elder Affairs that provides counseling and information related to retiree health insurance options. SHINE will be asked to make its unbiased counseling services available to County retirees and assist them in navigating through the process of electing the most appropriate coverage for that retiree. SHINE has the flexibility to provide assistance in identifying the best plan options for County retiree’s even it that option is available through the commercial market place and not part of the County’s plan offerings.

Another key component of these proposals is the comprehensive pharmacy benefits plan offered by CIGNA in response to the RFP’s requirement for an Employer Group Waiver Program (EGWP). This pharmacy benefit plan (referred to as an “egg-whip”) is designed to meet or exceed Florida Statutory requirements under FL St 112.08.01 for Medicare eligible retiree “coverage” that must be basically the same as the coverage provided to active employees. The EGWP plan design (with its extensive drug formulary, co-pays lower than those found in the County’s current pharmacy plan, and no deductibles or gaps in coverage generally referred to as “Doughnut Holes” requiring significant out of pocket spending for medication), when coupled with a Medicare Supplement “F” or “N” plan will be comparable coverage that meets statutory requirements for retiree health insurance provided by public employers.

The premium for just the EGWP plan will be \$221/month. This will be added to the premiums listed on the attached exhibits for Medicare Supplement Plans "F" or "N" to develop a complete monthly premium. Medicare eligible retirees will have the flexibility to either enroll in the EGWP or decline coverage if, after consulting with a SHINE counselor or through their own efforts, a retiree determines that purchasing a commercially available Medicare "D" pharmacy plan is a better match for their needs.

Having met statutory requirements for providing comparable coverage, additional lower cost plan options can be made available to Medicare eligible retirees through HFHP and FHCP Medicare Advantage Plans. These additional options will allow retirees who choose to elect them the opportunity to significantly lower their monthly premium costs while maintaining an appropriate level of coverage for themselves and their eligible dependents.


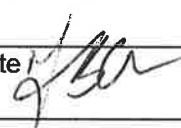
In addition, The EBIAC further recommends that the Board authorize the Age 65-69 Medicare Supplement Age Band be used for premiums to all Medicare eligible retiree that elect either the Medicare Supplement Plan "F" or Plan "N" option in 2016. This would be a one-time opportunity to establish the Medicare Age of Issuance Band for current retirees, future retirees will be placed in the appropriate Age of Issuance Band based on their actual age at retirement. Dependent premiums would remain based on the appropriate age band for the dependent at the time they first enroll in either of these options.

Fiscal Impact:

Analysis by the County's Benefits Consultants has determined that the recommendations made by the EBIAC and outlined in the Report will produce an estimated reduction in group health plan expenses of \$1.2 million in 2016.

Clerk to the Board instruction:

Exhibits Attached: Medicare Advantage and Medicare Supplement premiums

		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	PR	<input type="checkbox"/>
Contract /Agreement (if attached): Reviewed by County Attorney						Department Director / Extension	
County Manager	Assistant County Manager						
Stockton Whitten	Frank Abbate 						
						Jerry Visco, Dir Human Resources / 5-5446	



Tammy Etheridge, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
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September 29, 2015

MEMORANDUM

TO: Jerry Visco, Human Resources Director

RE: Item II.A., Medical Advantage and Medicare Supplement Health Plan Options Effective January 1, 2016

The Board of County Commissioners, in special session on September 28, 2015, accepted the recommendations of the Employee Benefits Insurance Advisory Committee to offer the fully-insured Medicare Advantage programs offered through Health First Health Plans, Florida Health Care Plans, and Medicare Supplement Plans offered by CIGNA to all Medicare eligible retirees and their dependents eligible for retiree health insurance coverage through the Board of County Commissioners employee benefits program.

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Etheridge, Deputy Clerk

cc: Assistant County Manager Abbate
Finance

	<i>OPTION B1</i>	<i>OPTION B2</i>	<i>OPTION B3</i>
Health First Health Plans Medicare Advantage	Health First Medicare Advantage (MAP) Classic HMO/POS	Health First Medicare Advantage (MAP) Group Plus A HMO	Health First Medicare Advantage (MAP) \$0.00 premium
Retiree Medicare Eligible (ME)	87.00	154.00	0.00
Retiree + Spouse ME	174.00	308.00	0.00
Retiree + Spouse ME + Child (HRA)	404.00	538.00	230.00
Retiree + Spouse ME + Child (EPO)	341.00	475.00	167.00
Retiree + Spouse ME + Child (PPO)	435.00	569.00	261.00

	<i>Option C1</i>	<i>Option C2</i>	<i>Option C3</i>
Florida Health Care Plans Medicare Advantage	Florida Health Care Value Premium HMO	Florida Health Care Value Premium POS	Florida Health Care Value Premium \$0.00
Retiree Medicare Eligible (ME)	17.00	77.00	0.00
Retiree + Spouse ME	34.00	154.00	0.00
Retiree + Spouse ME + Child (HRA)	264.00	384.00	230.00
Retiree + Spouse ME + Child (EPO)	201.00	321.00	167.00
Retiree + Spouse ME + Child (PPO)	295.00	415.00	261.00

Cigna Medicare Supplements**

RETIREE CATEGORY	Plan F				Plan N					
	Age Band				Age Band					
	Under 65	65-69	70-74	75-79	80+	Under 65	65-69	70-74	75-79	80+
Retiree Medicare Eligible (ME)	471.00	208.00	243.00	273.00	305.00	354.00	156.00	188.00	214.00	242.00
Retiree + Spouse ME	942.00	416.00	486.00	546.00	610.00	708.00	312.00	376.00	428.00	484.00
Retiree + Spouse ME + Child (HRA)	1,172.00	645.00	715.00	776.00	841.00	936.00	541.00	604.00	657.00	715.00
Retiree + Spouse ME + Child (EPO)	1,109.00	582.00	652.00	713.00	778.00	873.00	478.00	541.00	594.00	652.00
Retiree + Spouse ME + Child (PPO)	1,203.00	676.00	746.00	807.00	872.00	967.00	572.00	635.00	688.00	746.00

**** ADD: \$221/month for each Medicare eligible member to include EGWP Pharmacy Plan**

Non-Medicare Eligible spouses will be offered single retiree or retiree + child rates from the Non-Medicare Eligible premiums previously approved by the Board.