



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Consent

F.14.

12/17/2019

Subject:

Group Health Insurance Stop Loss (Excess Insurance) placement

Fiscal Impact:

FY 19-20 Fiscal Impact: Selection of the recommended carrier option will result in a premium rate of \$5.68 as a result of a 1% reduction to the current premium rate of \$5.71 per member per month (projected 2020 cost of \$252,874). There is a specific deductible change to \$1,000,000 with potential for additional claims cost towards the aggregating deductible of \$65,0000 if claims exceed the \$1,000,000 specific deducted. The Plan's fixed costs are comprised of premium + aggregating deductible. For this renewal those costs are projected at \$317,874 for 2020. This is a 43% reduction in fixed costs of \$560,709 for premium + aggregating deductible in 2019. Actual claims experience will determine the ultimate costs to the group health plan. Adequate funds have been budgeted in Fund 5051/Cost Ctr389420/Acct#5450002 to cover this expense.

Dept/Office:

Human Resources

Requested Action:

That the Board of County Commissioners approve the renewal of Stop Loss Insurance with Symetra Financial for the self-insured group health insurance program and authorize the Human Resources Director to execute all documents necessary to bind this coverage effective 1/1/2020.

Summary Explanation and Background:

Stop Loss coverage for a self-funded health plan provides a limit of financial exposure for the benefit plan when any individual member incurs a catastrophic claim. After successfully self-funding this exposure for several years, change in federal law through the Affordable Care Act (ACA) changed the financial landscape for employer's coverage on catastrophic claims effective January 1, 2014 the County began purchasing Stop Loss coverage with a high deductible through Symetra Financial. Stop Loss contracts are renewed each year.

The Office of Human Resources, along with the County's Benefits Consultants Robinson Bush, have reviewed the 2020 renewal options provided by Symetra Financial, all involving various combination of deductibles and premiums. The proposed renewal contract is based on claims incurred any time prior to December 31, 2020

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and paid January 1, 2020 through December 31, 2020 (Paid basis). This is advantageous to the county in that the contract basis allows eligible claims incurred at any time prior to December 31, 2020 to be counted toward the Stop Loss deductible for claims paid in 2020 for any individual member ("run-in" claims). RobinsonBush, Inc., the County's Benefit Consultant, and the office of Human Resources/Employee Benefits recommend the following 2020 renewal proposal:

Symetra		
Medical Only	Current	Proposed Renewal
Annual Max	Unlimited	Unlimited
Lifetime Max	Unlimited	Unlimited
Claims Basis	Paid	Paid
Specific Deductible	\$600,000	\$1,000,000
Aggregate Deductible	\$306,500	\$65,000
Composite Rate	\$5.71	\$5.68
Monthly Premium	\$21,184	\$21,073
Total Annual Premium	\$254,209	\$252,874
% Increase		-1%
Total Premium + Agg	\$560,709	\$317,874
% Increase		-43%

The proposal provides a reduction of -1% renewal in the premium rates with a specific deductible of \$1,000,000 and aggregating deductible of \$65,000. The aggregating deductible will not be paid if there are not claims that exceed the individual deductible. Based on an analysis using the Group Health plans historic plans, historic large loss activity, market conditions and the County's adverse loss trend, this renewal scenario provides the lowest projected cost the County.

Clerk to the Board Instructions:



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December 18, 2019

M E M O R A N D U M

TO: Jerry Visco, Human Resources Director

RE: Item F.14, Group Health Insurance Stop Loss (Excess Insurance) Placement

The Board of County Commissioners, in regular session on December 17, 2018, approved renewal of Stop Loss Insurance with Symetra Financial for that self-insured group health insurance program; and authorized the Human Resources Director to execute all documents necessary to bind this coverage effective 1/1/2020.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Rowe

Tammy Rowe, Deputy Clerk

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cc: Budget
Finance

Brevard County Government 2020 Stop Loss Analysis

Prepared by:



Tuesday, December 03, 2019

Brevard County Government 2020 Stop Loss RFP Analysis

At the request of Brevard County Government, RobinsonBush developed and released a Request for Proposals inviting qualified firms to submit a proposal for Stop Loss Insurance effective January 1, 2020. The following summarizes the vendors solicited and their response:

Vendor	Response
Cigna	Decline to quote - 25% of medical enrollment is HFHP members; cannot control medical management & claims payment
HCC	Decline to quote - not competitive
HM Insurance	Decline to quote
SunLife	Decline to quote - not competitive
Symetra	Proposal submitted 11/21/2019
Unum	Decline to quote - not competitive
Voya	Decline to quote - best rate would be 100% above current

**Brevard County Government
2020 Stop Loss Premium Comparison**

Symetra									
Medical Only	Current	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6	Option 7	Option 8
Annual Max	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Lifetime Max	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Claims Basis	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid
Specific Deductible	\$600,000	\$600,000	\$625,000	\$600,000	\$600,000	\$750,000	\$750,000	\$1,000,000	\$1,000,000
Aggregate Deductible	\$306,500	\$306,500	\$306,500	\$0	\$320,000	\$0	\$165,000	\$0	\$65,000
Composite Rate	\$5.71	\$7.60	\$6.91	\$14.48	\$7.30	\$10.82	\$7.12	\$7.14	\$5.68
Monthly Premium	\$21,184	\$28,196	\$25,636	\$53,721	\$27,083	\$40,142	\$26,415	\$26,489	\$21,073
Total Annual Premium	\$254,209	\$338,352	\$307,633	\$644,650	\$324,996	\$481,706	\$316,982	\$317,873	\$252,874
% Increase		33%	21%	154%	28%	89%	25%	25%	-1%
Total Premium + Agg	\$560,709	\$644,852	\$614,133	\$644,650	\$644,996	\$481,706	\$481,982	\$317,873	\$317,874
% Increase		15%	10%	15%	15%	-14%	-14%	-43%	-43%

Top 10 Cost Claimants Medical Payments by TPA
Brevard County Government
Service and Paid Dates: 01/01/2019 - 09/30/2019

Case #	Relationship	Status	Age	Diagnosis	YTD	CIGNA									
						Paid Month									
						201901	201902	201903	201904	201905	201906	201907	201908	201909	
1	Dependent	Active	0	Perinatal intestinal perforation; Other chronic respiratory diseases originating in the perinatal period	\$937,146	\$87,413	\$210,214	\$71,094	\$24,691	\$2,217	\$450,638	\$1,445	\$1,890	\$1,543	
2	Dependent	Active	0	Intestinal adhesions (bands), with partial obstruction	\$389,847	\$0	\$0	\$19,783	\$1,526	\$14,480	\$15,529	\$317,734	\$19,781	\$1,013	
3	Subscriber	Retired	63	Malignant neoplasm of colon	\$331,204	\$30,090	\$44,789	\$40,482	\$64,952	\$23,469	\$46,987	\$23,434	\$40,006	\$16,995	
4	Dependent	Active	1	Atrioventricular septal defect	\$311,353	\$16,304	\$274,650	\$2,410	\$687	\$6,670	\$1,289	\$2,669	\$1,019	\$756	
5	Subscriber	Active	38	Unspecified injury at C6 level of cervical spinal cord, initial encounter	\$300,340	\$41	\$0	\$90	\$0	\$0	\$7,043	\$29,410	\$252,320	\$11,400	
6	Spouse	Active	68	Secondary and unspecified malignant neoplasm of axilla and upper limb lymph nodes & Malignant Melanoma	\$295,853	\$2,573	\$0	\$2,509	\$20,953	\$1,302	\$306	\$6,795	\$185,476	\$75,939	
7	Subscriber	Active	58	Secondary and unspecified malignant neoplasm of axilla and upper limb lymph nodes	\$245,721	\$59	\$3,214	\$44,912	\$44,895	\$498	\$116	\$11,770	\$140,077	\$178	
8	Subscriber	Active	50	Benign neoplasm of pituitary gland	\$205,305	\$65	\$0	\$3,471	\$2,562	\$15,338	\$625	\$82,357	\$94,253	\$6,633	
9	Dependent	Active	0	Respiratory distress syndrome of newborn	\$195,855	\$0	\$0	\$0	\$0	\$0	\$0	\$14,794	\$81,585	\$99,475	
10	Spouse	Active	42	Arthropathic psoriasis, unspecified	\$190,153	\$93	\$3,513	\$3,530	\$300	\$86,466	\$3,624	\$81,357	\$7,475	\$3,796	
Total Top 10 Cost Claimants for CIGNA					\$3,302,775	\$136,638	\$547,280	\$188,281	\$160,566	\$150,439	\$506,157	\$571,766	\$823,919	\$217,729	

Case #	Relationship	Status	Age	Diagnosis	YTD	HFHP									
						Paid Month									
						201901	201902	201903	201904	201905	201906	201907	201908	201909	
1	Spouse	Active	53	Arteriovenous Malformation Of Cerebral Vessels	\$204,365	\$27	\$39,587	\$1,207	\$487	\$109,621	\$0	\$3,326	\$823	\$73	
2	Spouse	Active	56	Malignant neoplasm of right kidney, except renal pelvis	\$196,619	\$16,569	\$72,130	\$15,790	\$14,210	\$14,122	\$4,186	\$48,087	\$3,889	\$7,637	
3	Spouse	Active	59	Malignant Neoplasm Of Central Portion Of Left Female Breast	\$186,341	\$4,575	\$43,247	\$22,931	\$29,088	\$57,357	\$14,236	\$14,021	\$822	\$64	
4	Spouse	Active	61	Chronic migraine without aura	\$110,965	\$106	\$35,449	\$1,161	\$464	\$34,349	\$1,700	\$147	\$35,861	\$1,727	
5	Subscriber	Retired	64	Hypertensive Heart And Chronic Kidney Disease With Heart Failure And Stage 1 Through Stage 4 Chronic Kidney Disease, Or Unspecified Chronic Kidney Disease	\$106,009	\$95	\$142	\$87,990	\$5,291	\$736	\$182	\$645	\$1,560	\$9,369	
6	Dependent	Active	25	Defects In The Complement System	\$97,505	\$2,074	\$2,084	\$559	\$66,794	\$389	\$2,836	\$1,219	\$2,323	\$19,226	
7	Spouse	Active	48	Sepsis, unspecified organism & Malignant neoplasm of upper-outer quadrant of left female breast & Secondary malignant neoplasm of liver and intrahepatic bile duct	\$96,112	\$0	\$0	\$0	\$0	\$0	\$0	\$27,245	\$43,931	\$24,936	
8	Dependent	Active	18	Common Variable Immunodeficiency, Unspecified	\$68,881	\$6,228	\$3,156	\$7,708	\$6,833	\$6,740	\$6,630	\$11,694	\$6,630	\$13,261	
9	Subscriber	Active	49	Hallux Valgus (Acquired), Right Foot	\$68,107	\$11,362	\$335	-\$198	\$1,065	\$7,137	\$2,019	\$384	\$13,293	\$32,711	
10	Spouse	Active	60	Spinal Stenosis, Lumbar Region With Neurogenic Claudication	\$64,026	\$0	\$0	\$427	\$336	\$465	\$6,144	\$56,284	\$159	\$211	
Total Top 10 Cost Claimants for HFHP					\$1,198,930	\$41,036	\$196,129	\$137,574	\$124,568	\$280,131	\$37,934	\$163,053	\$109,290	\$109,215	