

Insurance Proposal

Joe Jaynes

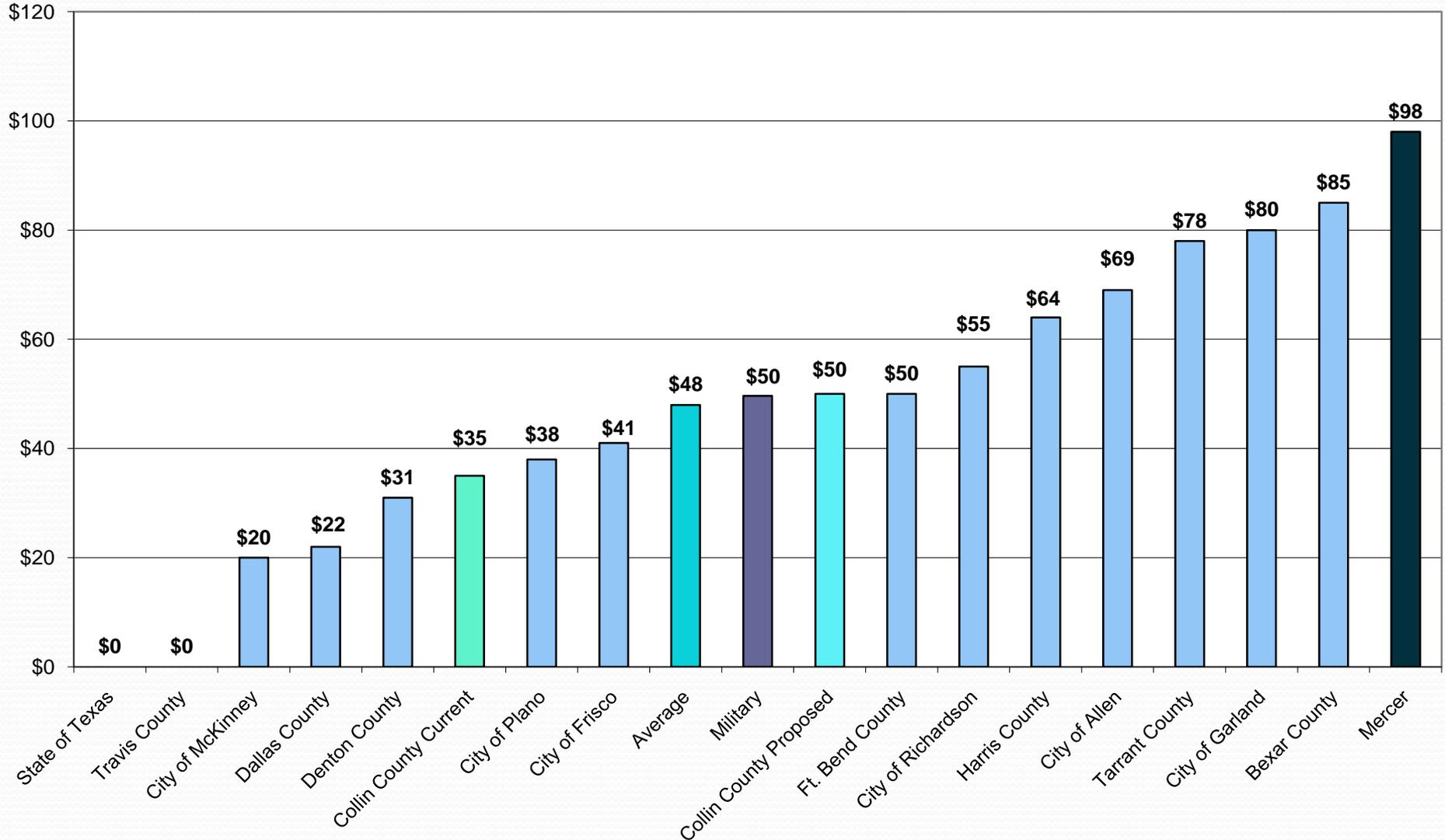
Medical Plan Considerations

- Add a \$250 deductible to the premier plan and increase the deductible by \$250 for the standard plan for estimated savings of \$425,000
- Eliminate out of network benefits for an estimated savings of \$500,000
- Eliminate any plan payments if the employee or dependent is covered under another health plan for an estimated savings of \$300,000.
- Increase specialty physician copay for the premier plan by \$10 for an estimated savings of \$400,000

Medical Plan Premiums

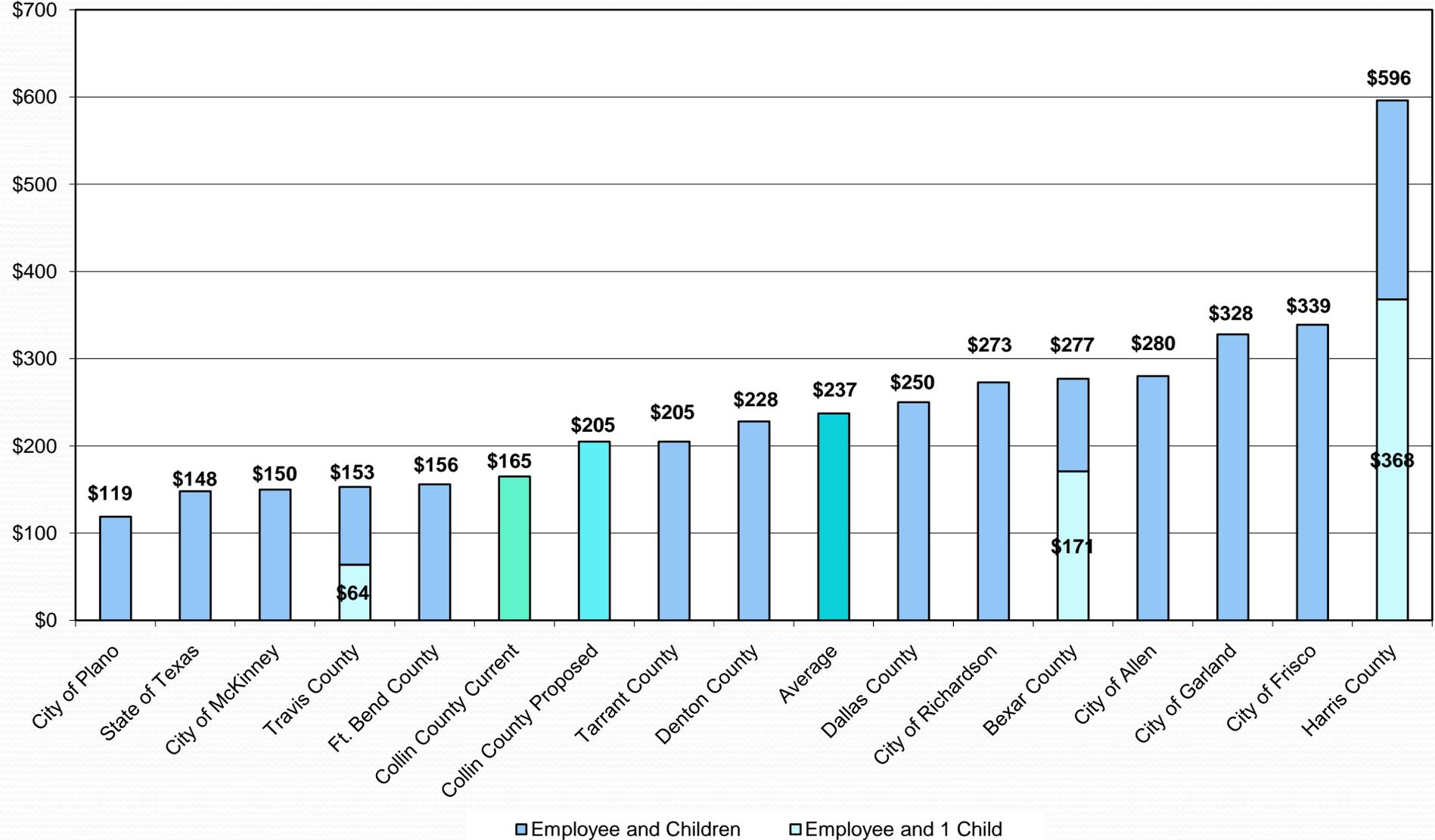
	Regular Plan		Premium Plan	
	Now	Proposed	Now	Proposed
Employee	\$10	\$ 20	\$ 35	\$ 50
Employee /Child	\$110	\$145	\$165	\$205
Employee/Spouse	\$135	\$185	\$213	\$250
Employee/Family	\$200	\$245	\$290	\$330

Premium Medical Plan – Comparison of Employee Only Coverage Employee Cost/Month



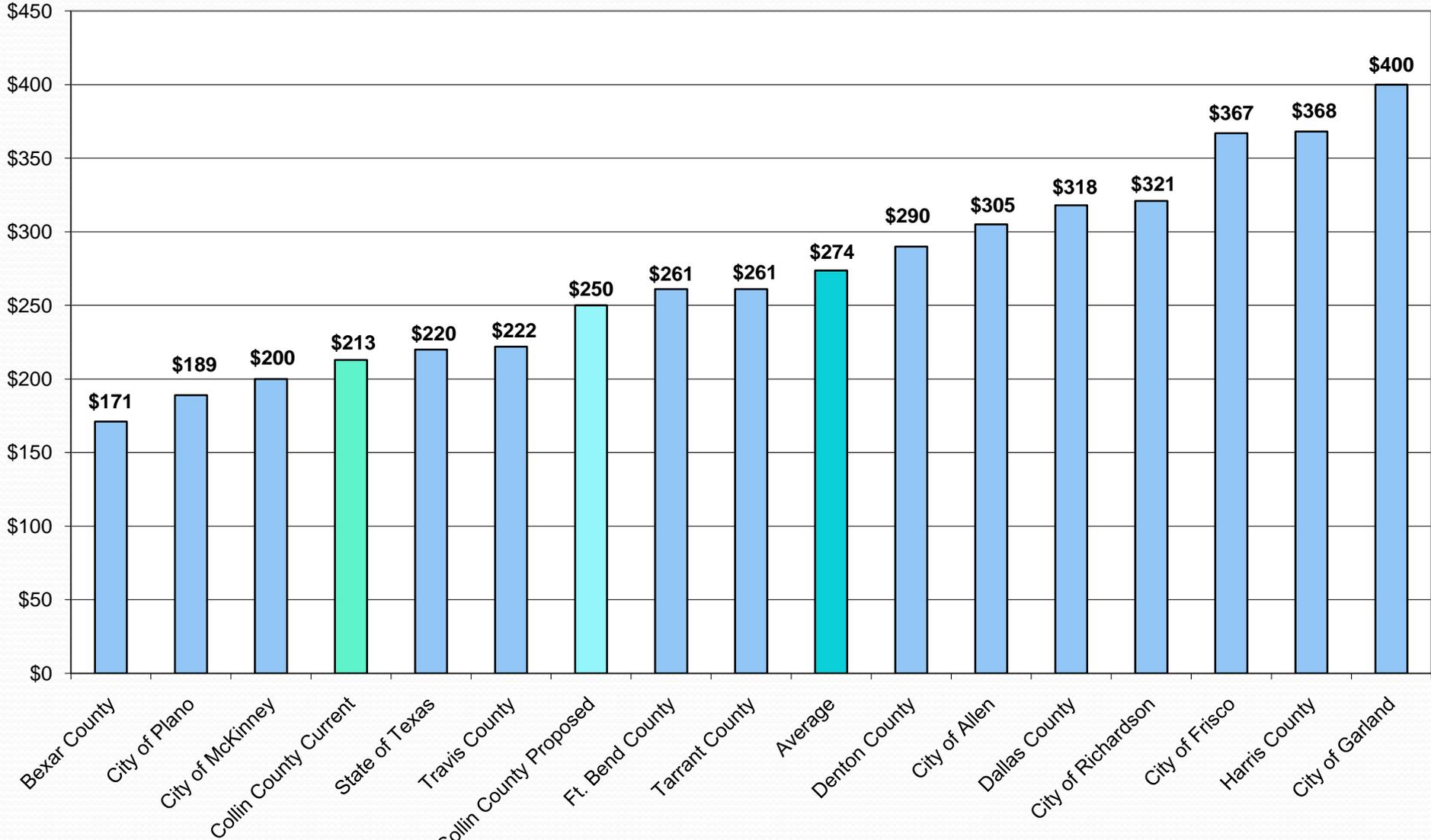
The City of Dallas does not have a comparable plan.

Premium Medical Plan - Comparison of Employee & Child Coverage Employee Cost/Month



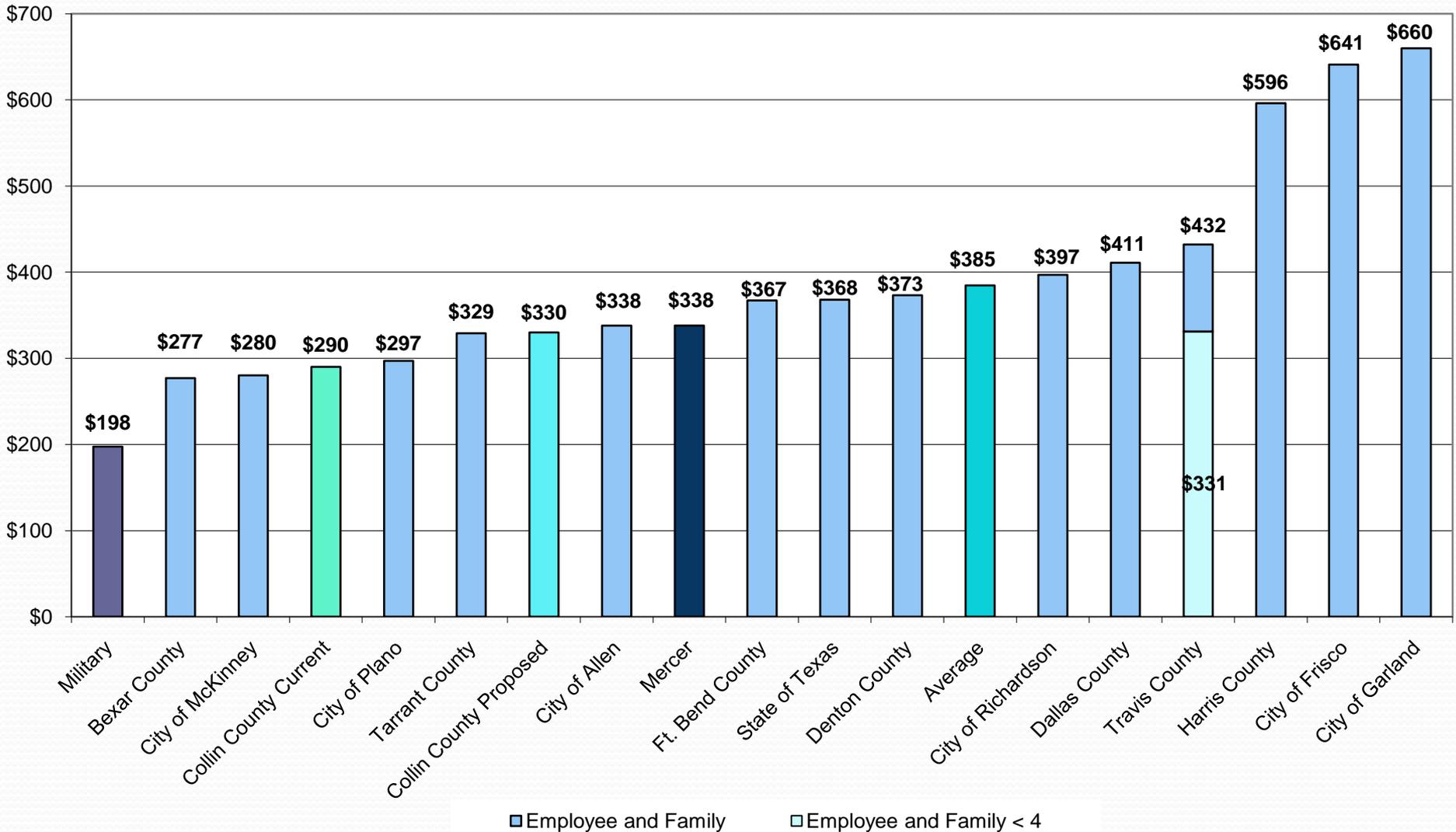
The City of Dallas does not have a comparable plan.

Premium Medical Plan - Comparison of Employee & Spouse Coverage Employee Cost/Month



The City of Dallas does not have a comparable plan.

Premium Medical Plan - Comparison of Family Coverage Employee Cost/Month



The City of Dallas does not have a comparable plan.

Retiree Medical

- Consider other types of retiree medical plans such as a medigap plan
 - Medigap plans are generally less costly than continuing coverage through the county plan
 - The unfunded liability will be reduced with a less expensive medigap insurance plan
 - Currently other public entities such as Ft. Bend County and the City of Dallas and the City of Plano utilize medigap plans for retiree coverage
- Rates for 20 year retirees will increase to be equal to the employee increases while other plans are being researched.

Summary

- Savings based on medical changes are expected to average \$1.625 million
- Medical premium increases more closely align Collin County to the averages and save approximately \$375,000
- Research into retiree insurance options may yield a more cost effective approach to retiree coverage which would also reduce the unfunded liability for retiree medical
- Total expected savings with changes is \$2 million plus the potential decrease in the retiree medical unfunded liability