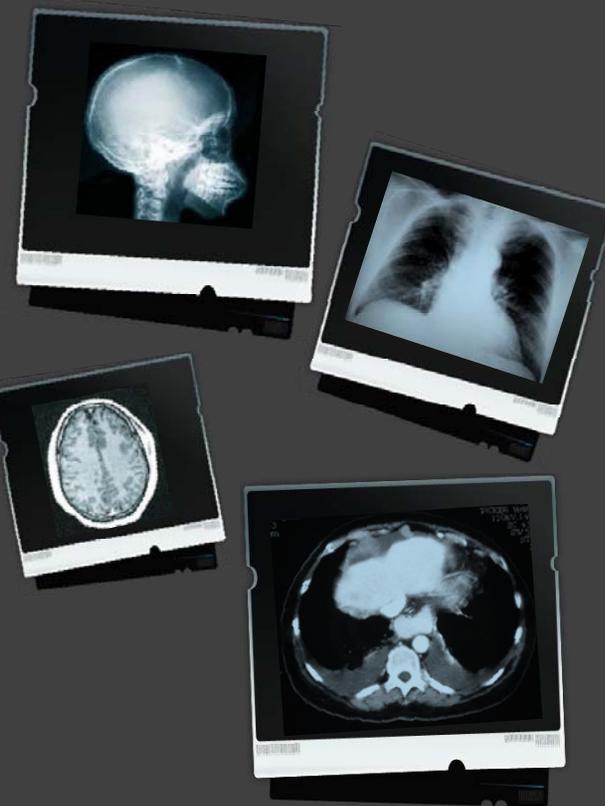


Collin County 2011 Benefits Presentation

A yellow form with a table and various input fields. The table has two columns labeled 'NAME' and 'DATE' and nine rows numbered 1 through 9. There are several empty boxes and lines for text entry on the form.

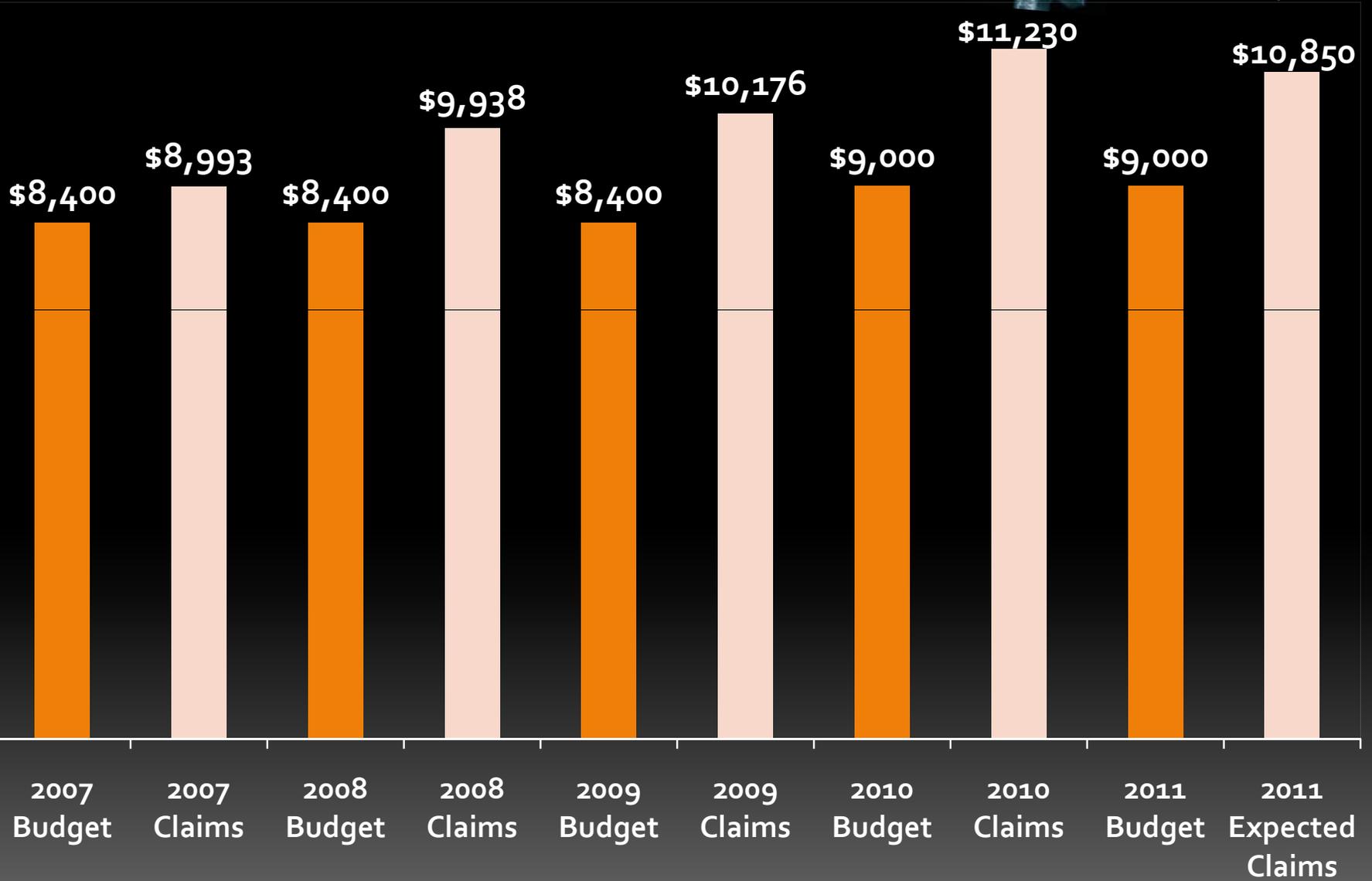
July 11, 2011
Commissioners'
Court

FY 2010 Benefit Costs

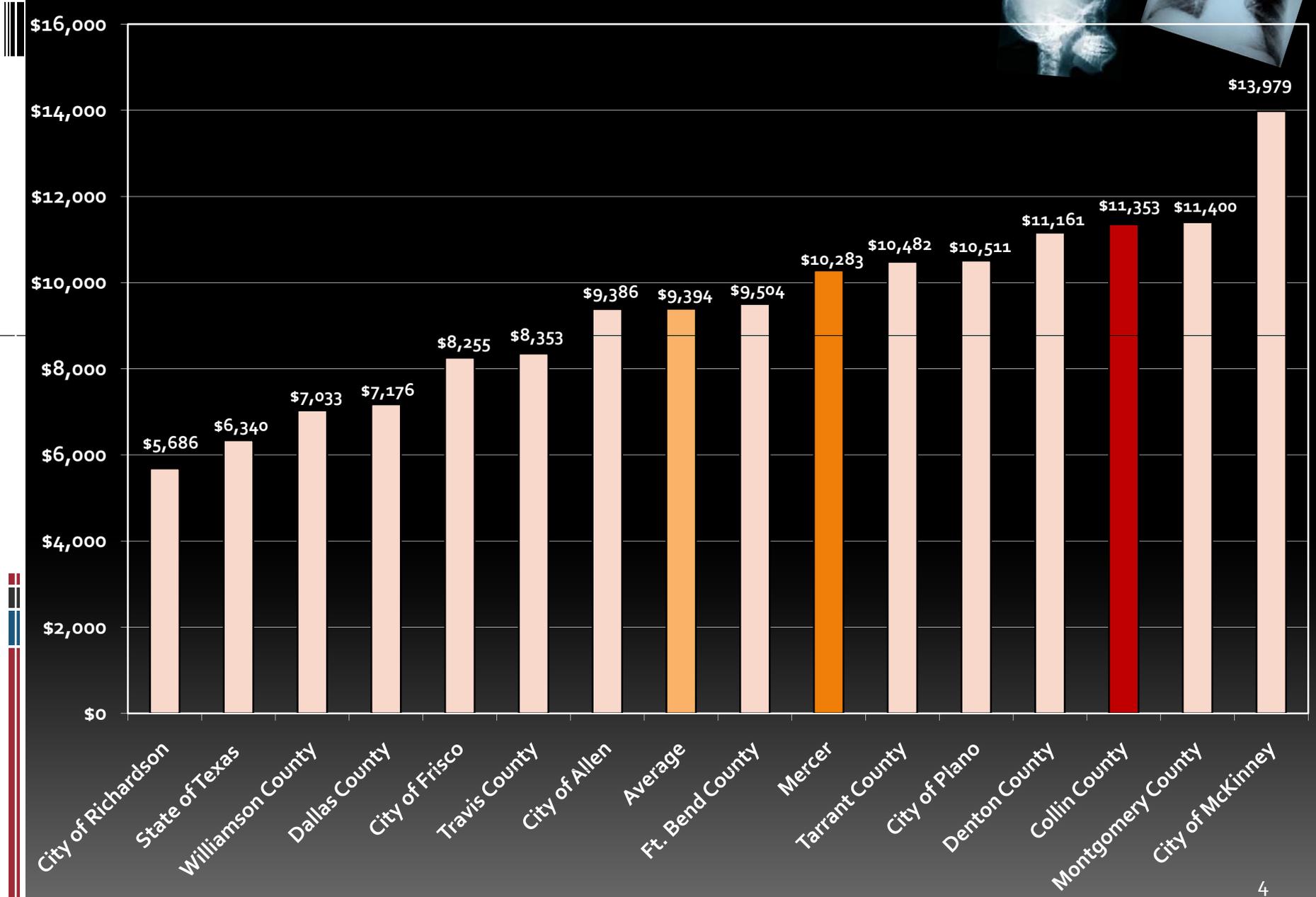


Medical and Prescription	Costs
Total Claims Cost	\$16,872,218
Employees Pay	\$2,252,324 (13%)
County Pays	\$14,619,894 (87%)

Budget vs. Claims per Employee



Estimated 2011 Average Employer Premium Cost Per Employee Premium Plan



Claims Information



- 98.1% of our members utilize their medical benefits.
- Total insured participation for 2010 averaged 3,166. For every insured employee we also cover an average of 1.15 dependents.
- High cost claims are claims over \$50,000 and almost 37.6% of our net paid per member cost was due to high cost claimants. The number of high cost claimants increased by 8.3%.
- 43 claims were over \$50,000 in 2010 (a total increase of 4 claims). 29 claims were between \$50,000 and \$100,000 (an increase of 8 claims). 14 claims were over \$100,000 (a decrease of 4 claims).
- There was a 5.3% increase last year in the cost of high cost claims. High cost claims are 58% higher than comparable public sector entities and 67% higher than the average of UHC's book of business.
- There was a 50% increase in the cost per hospital day, driven in large part by the 185 enrolled members (6%) who spent 251 days in the ICU.

Large Loss Claims Data

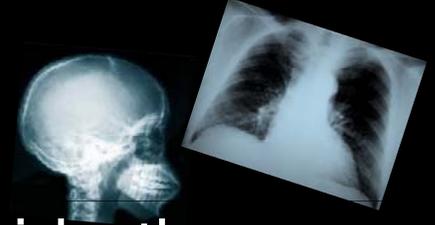
Condition	2010	2009	2008
Circulatory			
hardening of arteries	3	6	11
valve disorder	1	3	3
other circulatory	<u>5</u>	<u>3</u>	<u>6</u>
	9	12	20
Cancer			
breast	3	3	8
ovarian/uterine/cervical	2	2	3
lymphoma	2	2	7
other cancer	<u>2</u>	<u>6</u>	<u>2</u>
	9	13	20
Musculoskeletal			
disc disorder	9	5	6
arthritis	5	3	4
other	<u>1</u>	<u>1</u>	<u>2</u>
	15	9	12
Digestive			
pancreatitis	0	2	11
other	<u>0</u>	<u>1</u>	<u>2</u>
	0	3	13
Injury/Poisoning			
implant complications	5	3	2
fracture	<u>1</u>	<u>2</u>	<u>2</u>
	6	5	4

Top 5 Diagnosis Categories by Cost



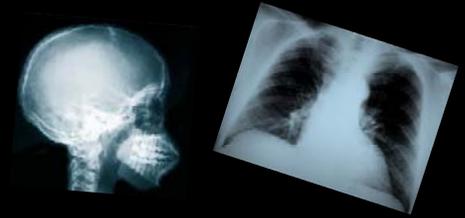
<u>Diagnosis</u>	<u>Claimants</u>	<u>Dollars</u>	<u>Cost/Claimant</u>
Musculoskeletal	981	\$2,777,959	\$2,832
Circulatory	754	\$1,541,372	\$2,044
Respiratory	1,437	\$1,279,064	\$890
Injury/Poisoning	515	\$1,255,590	\$2,438
Digestive	505	\$1,022,370	\$2,024

Top Diagnosis Categories



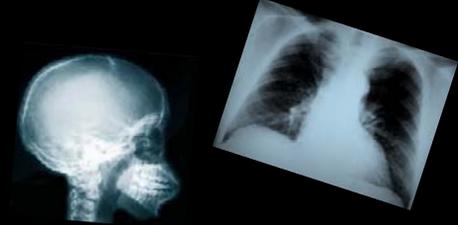
- Musculoskeletal claims decreased by 2.9%, but are still 39% higher than our peers and 53% are high cost claims.
- Circulatory System claims decreased by 54% but are still 15% higher than our peer group and 52.2% are high cost claims.
 - One of the major cost drivers is hardening of the arteries, where deposits of plaque build up causing narrowing or blocking of the arteries. While the number of claimants for this diagnosis decreased by 23% we are still 99% higher than the average book of business for claimants and our costs are 50% higher.
 - We also are 50% higher than the average number for UHC's book of business for the diagnosis of congestive heart failure and our costs for this diagnosis are 86% higher than UHC's book of business.
- Respiratory System claims increased by 29%, are 83% higher than our peer group.
- Injury and poisoning claims increased 4%, are 37% higher than our peer group and 41% are high cost claims.
- Digestive system claims decreased 26%, and we are only 15% higher than our peers.

Claims Summary



- High cost claimants continue to be a cost driver.
- Efforts to improve preventive care and screening utilizations have successfully increased the number of annual wellness exams over last year .
- Cholesterol screenings are up almost 16% over last year.
- Cancer screenings are up 10-15% and are significantly higher than other entities.
- The per member costs for all forms of cancer decreased from 9% to 4% as compared to the previous year. There were also decreases in diabetes costs with complications and an 87% decrease in the number of heart attacks per insured.

Major Cost Drivers

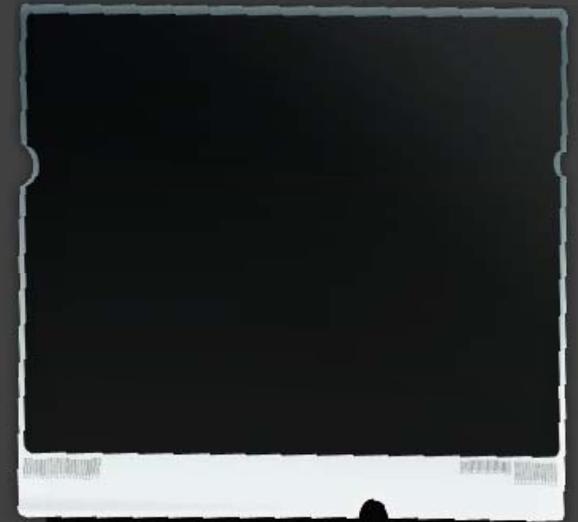
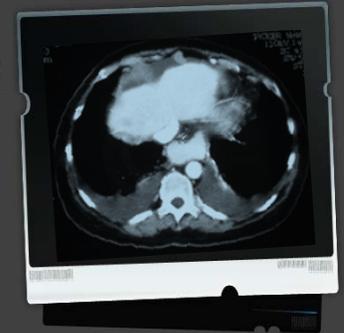


- **8.4%** of our insured population is diabetic. The average is approximately **5%** of the insured population. Our average claims costs for a diabetic are **\$6,058** more per year than for a non-diabetic on our plan.
- **17%** of our current insurance spend is related to diabetes. This is a decrease of **2.9%** as compared to the previous year.
- **52%** of our subscribers have chronic medical conditions and account for **79%** of our total medical spend. The typical public sector entity has **40%** of their insureds with chronic medical conditions accounting for **61%** of their total spend. Our demographic factors are statistically similar to our comparables.

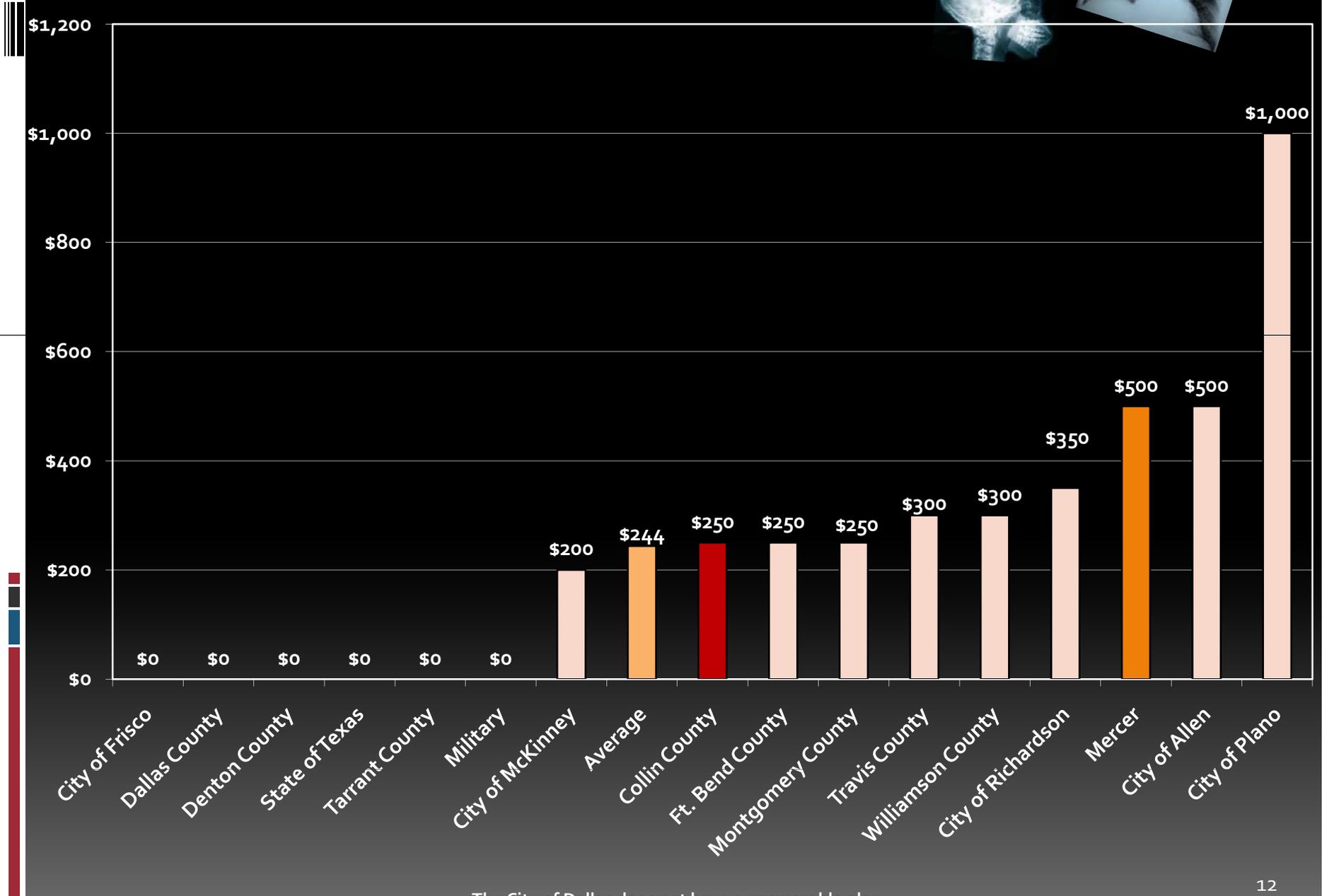
Medical Plan Benefit Comparisons

Form with a table for data entry:

	NAME	DATE
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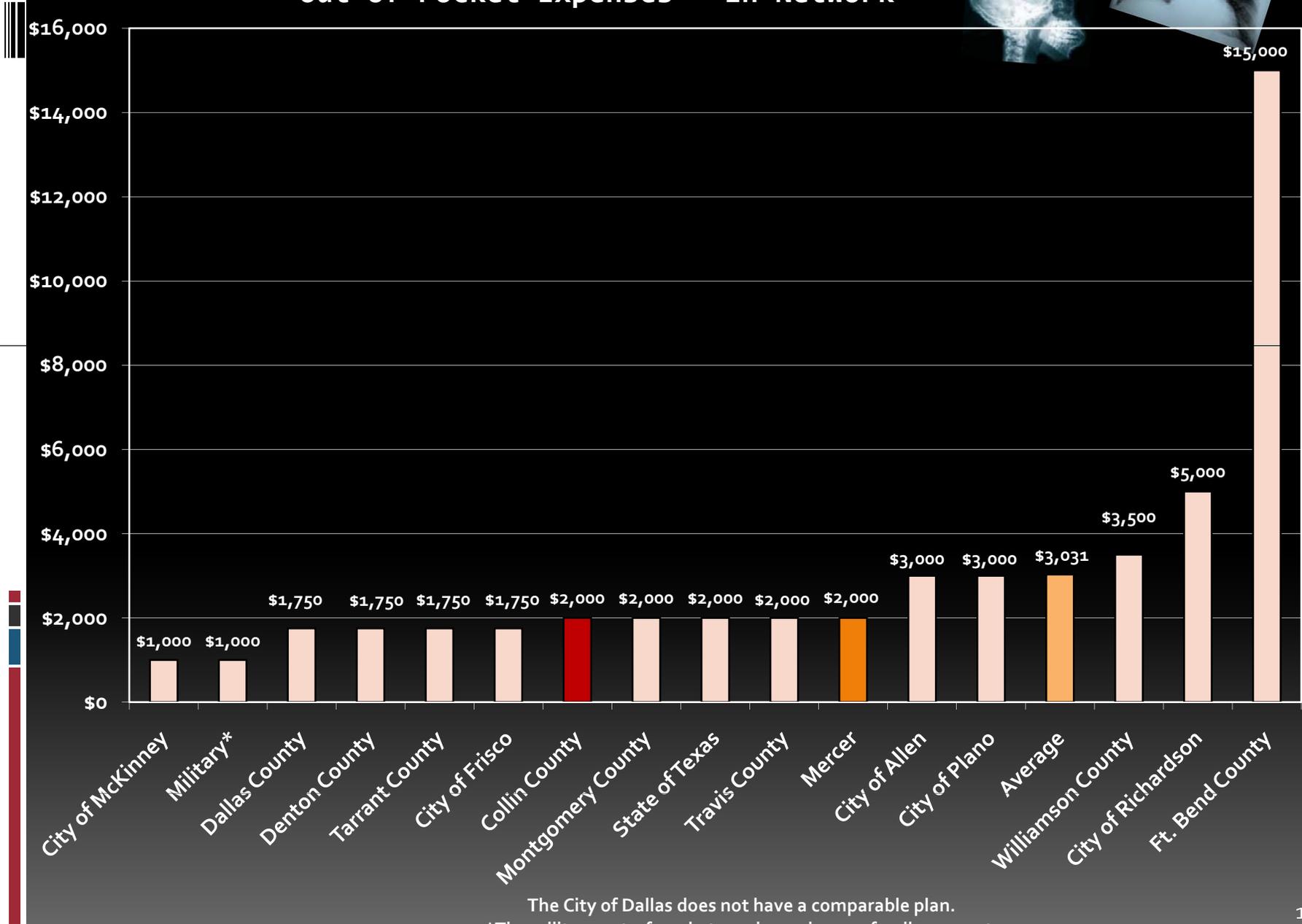
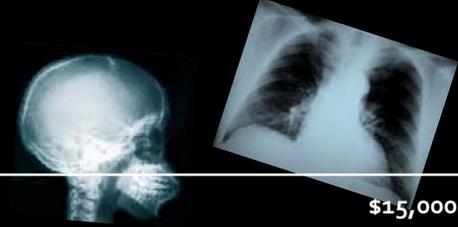


Premium Medical Plan Deductibles



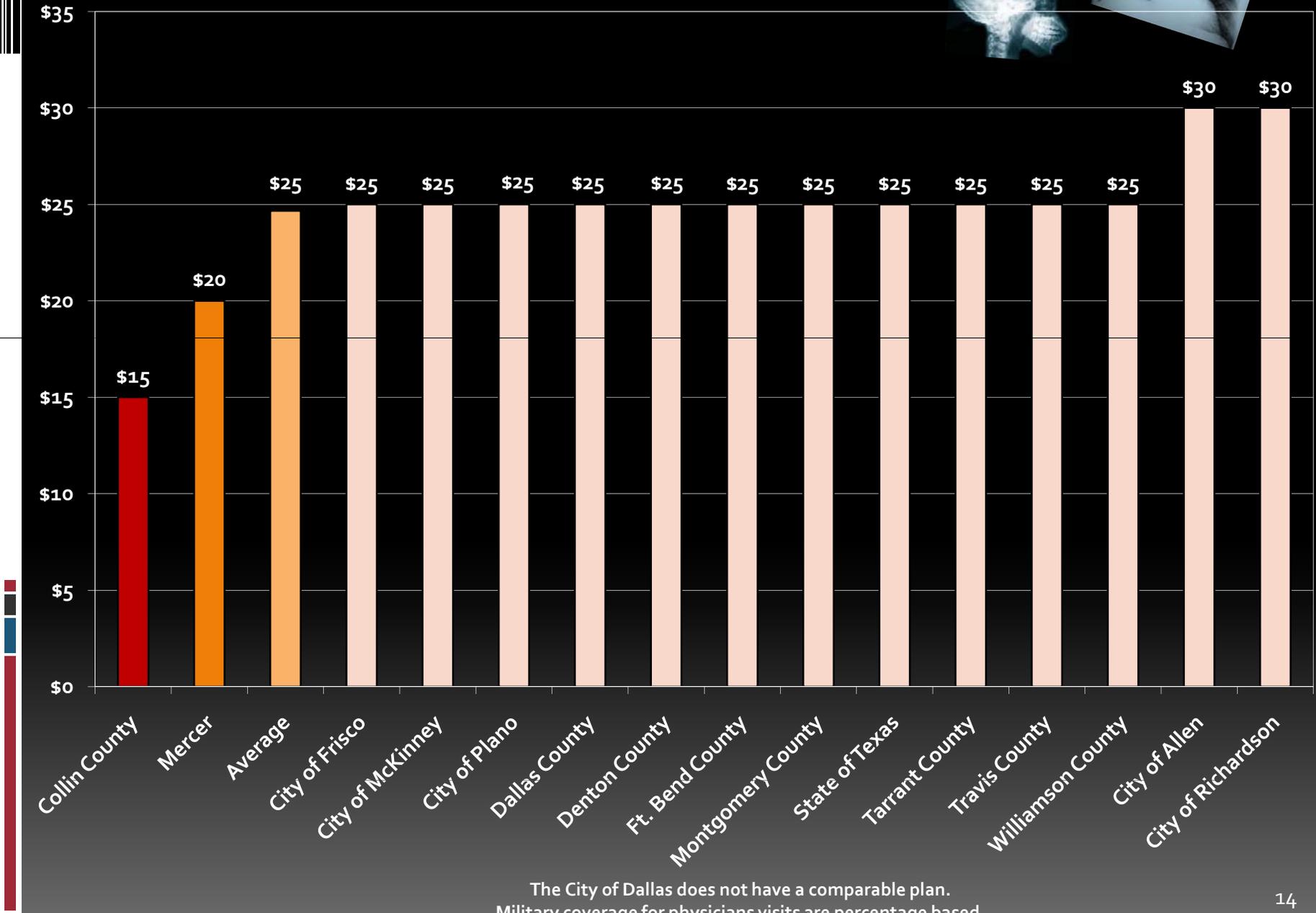
The City of Dallas does not have a comparable plan.

Premium Medical Plan Out of Pocket Expenses - In Network



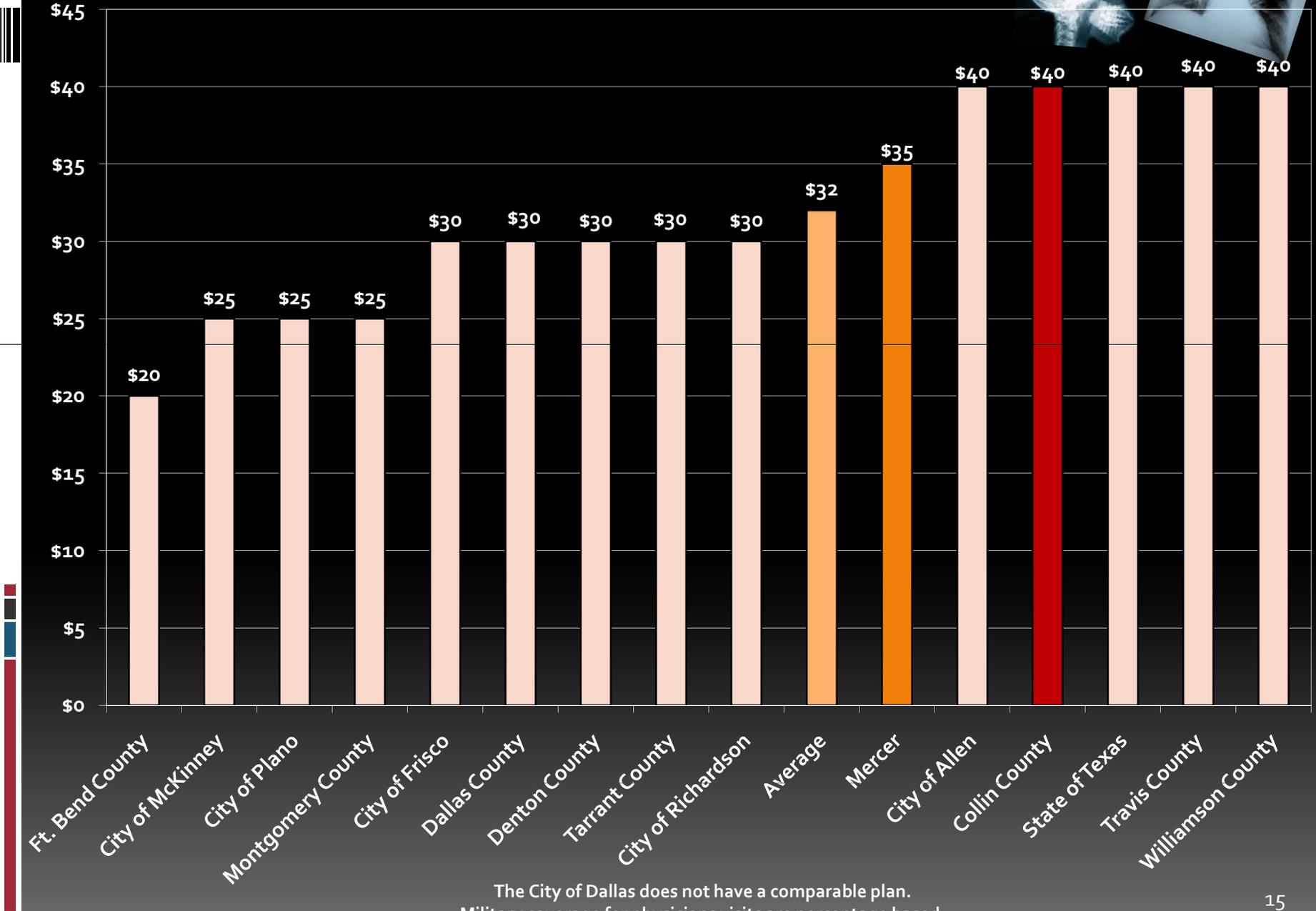
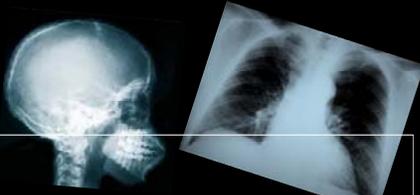
The City of Dallas does not have a comparable plan.
*The military out-of-pocket maximum is a per family amount.

Premium Medical Plan Physician Co-Pay



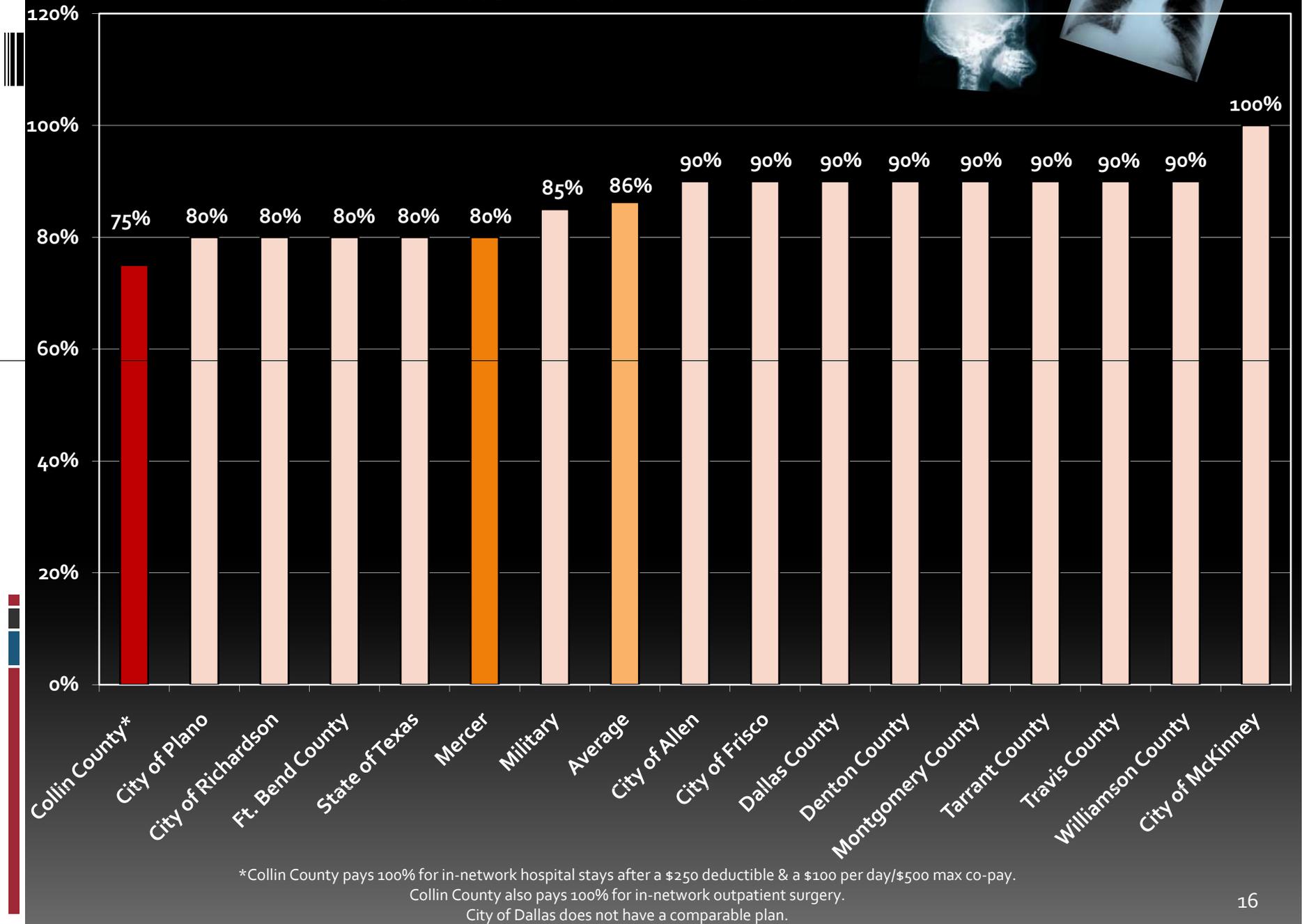
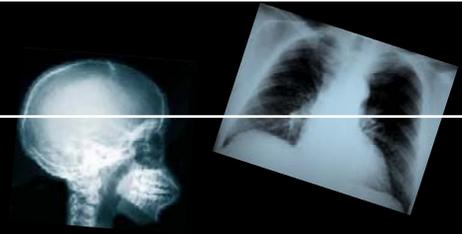
The City of Dallas does not have a comparable plan.
Military coverage for physicians visits are percentage based.

Premium Medical Plan Specialist Co-Pay



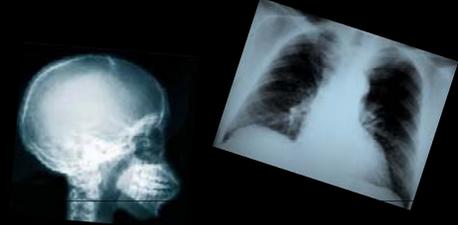
The City of Dallas does not have a comparable plan.
Military coverage for physicians visits are percentage based.

Premium Medical Plan Services % Paid - In Network



*Collin County pays 100% for in-network hospital stays after a \$250 deductible & a \$100 per day/\$500 max co-pay.
Collin County also pays 100% for in-network outpatient surgery.
City of Dallas does not have a comparable plan.

Medical Plan Benefit Comparison Summary



- **Deductibles:**
 - Our deductible is in line with the average. There are still public sector plans with no deductible but private sector averages a higher deductible
- **Out of Pocket Expenses:**
 - Our out of pocket is in line with most entities. The average for this benefit level is skewed based on an extremely high out of pocket maximum in Ft. Bend.
- **Physician Co-Pay:**
 - The low physician co-pay for primary care physicians is meant to encourage use of primary physicians. A specialist office visit costs on average 30% more than a primary physician office visit.
- **Specialist Co-Pay:**
 - We have the largest differential between our physician co-pay and our specialist co-pay. This encourages members to see their primary care physician first.
- **Percent of Services Paid:**
 - Lowest percentage (75%)
 - In-patient hospital stays and outpatient surgery are covered at 100% after applicable co-pay and deductible.

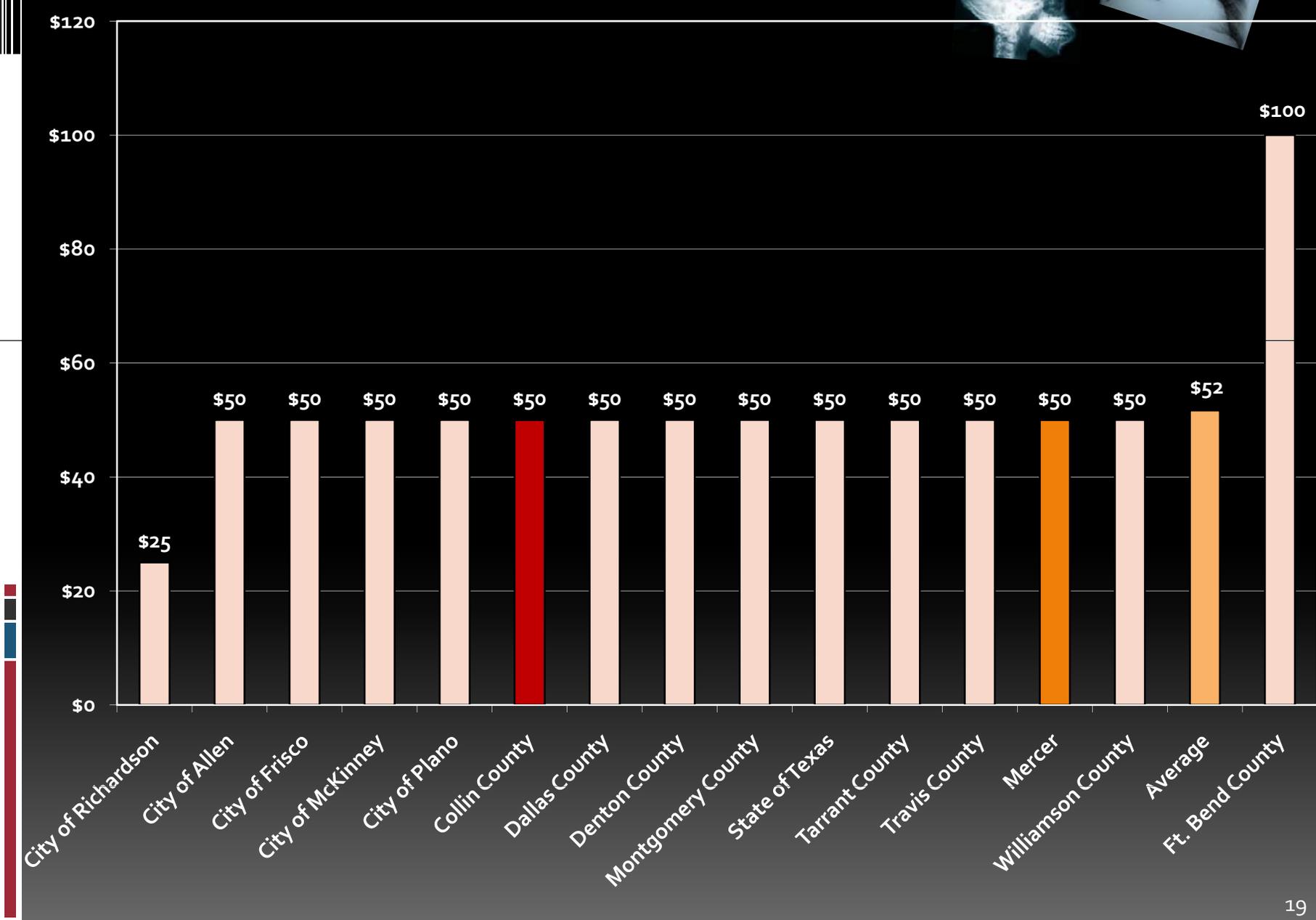
Dental Plan Benefit Comparisons

The form is a yellowish document with a header section containing several empty boxes for text entry. Below the header is a table with two columns: 'NAME' and 'DATE'. The table has 9 rows, numbered 1 through 9. To the left of the table are four empty boxes, and to the right are two empty boxes. The form is tilted slightly to the right.

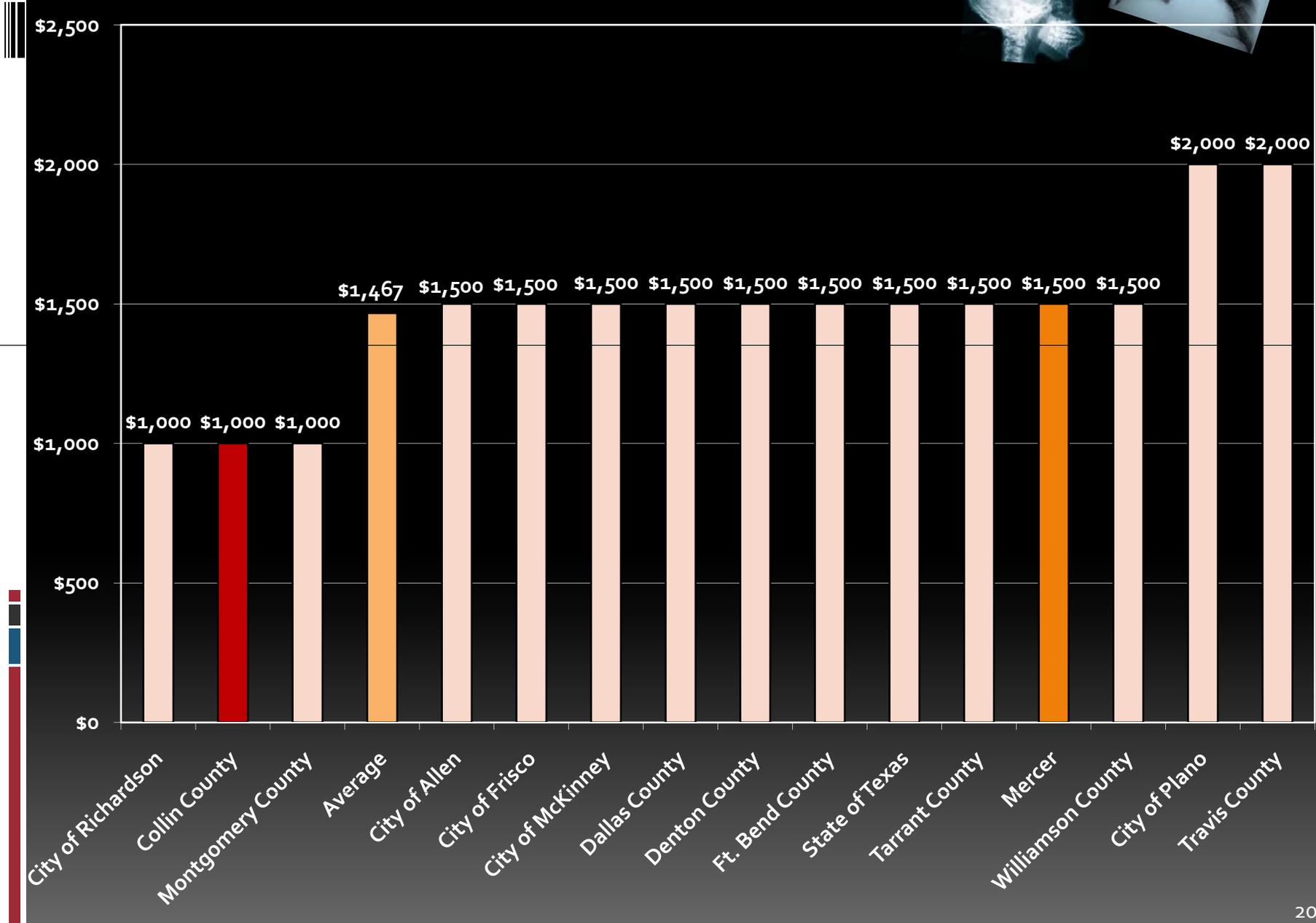
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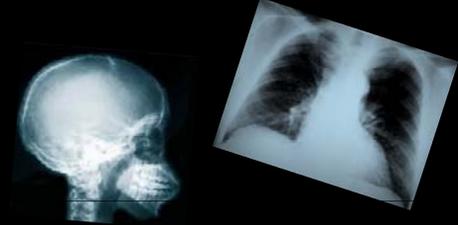
Dental Plan Deductibles



Dental Plan Maximums



Dental Plan Benefit Comparison Summary



- Our dental deductible (\$50) is consistent with our counterparts
- Our dental plan maximum (\$1,000) is lower than the majority of our counterparts
 - In 2010 only 221 members reached the \$1,000 plan year maximum .

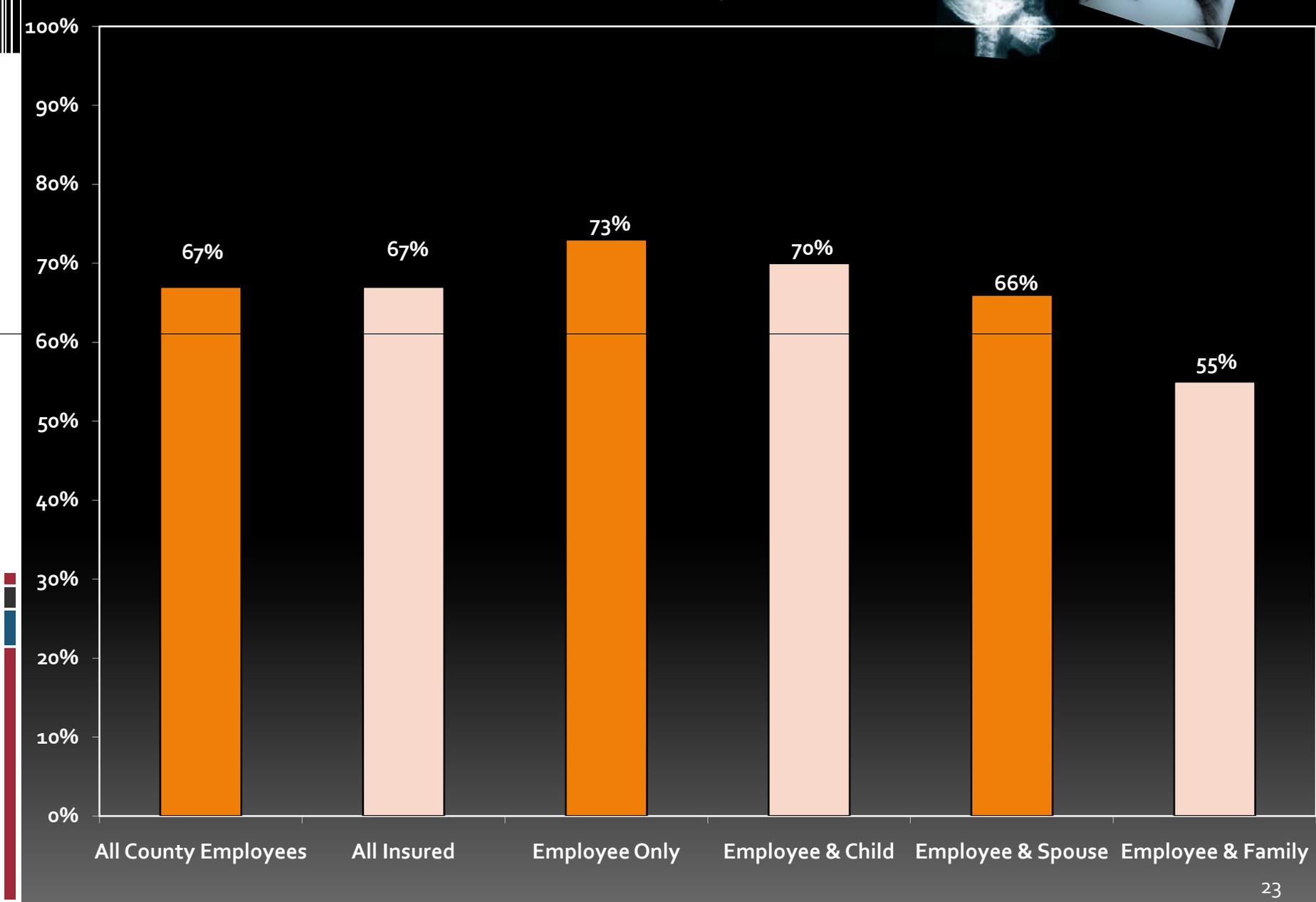
Medical Plan Employee Premium Comparisons

Form with a table for data entry:

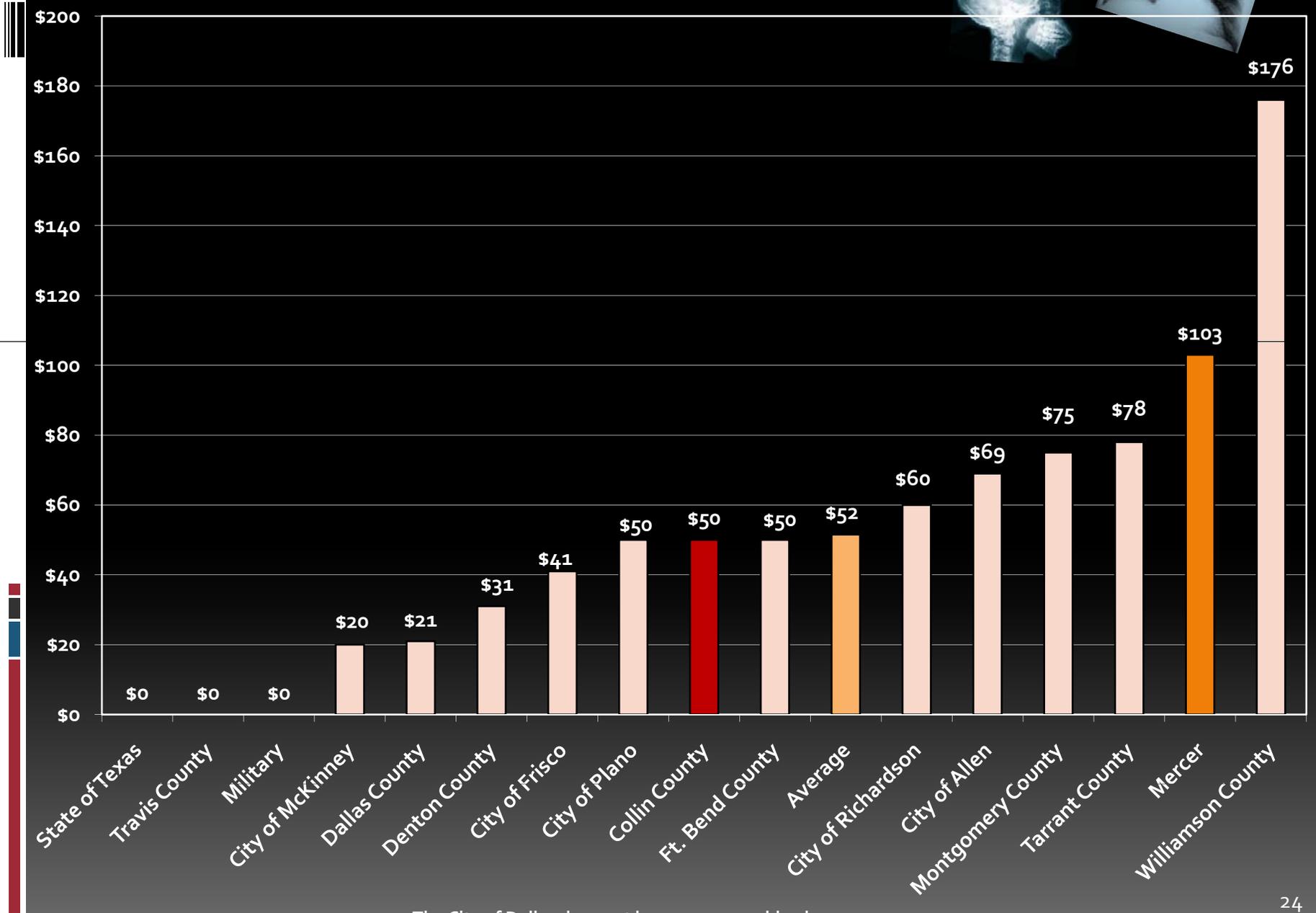
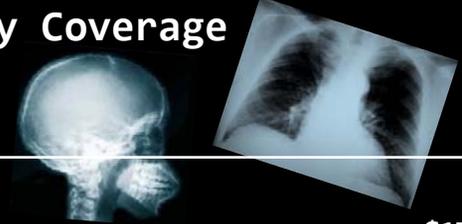
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Percentage of Employees with Salaries Under \$50,000

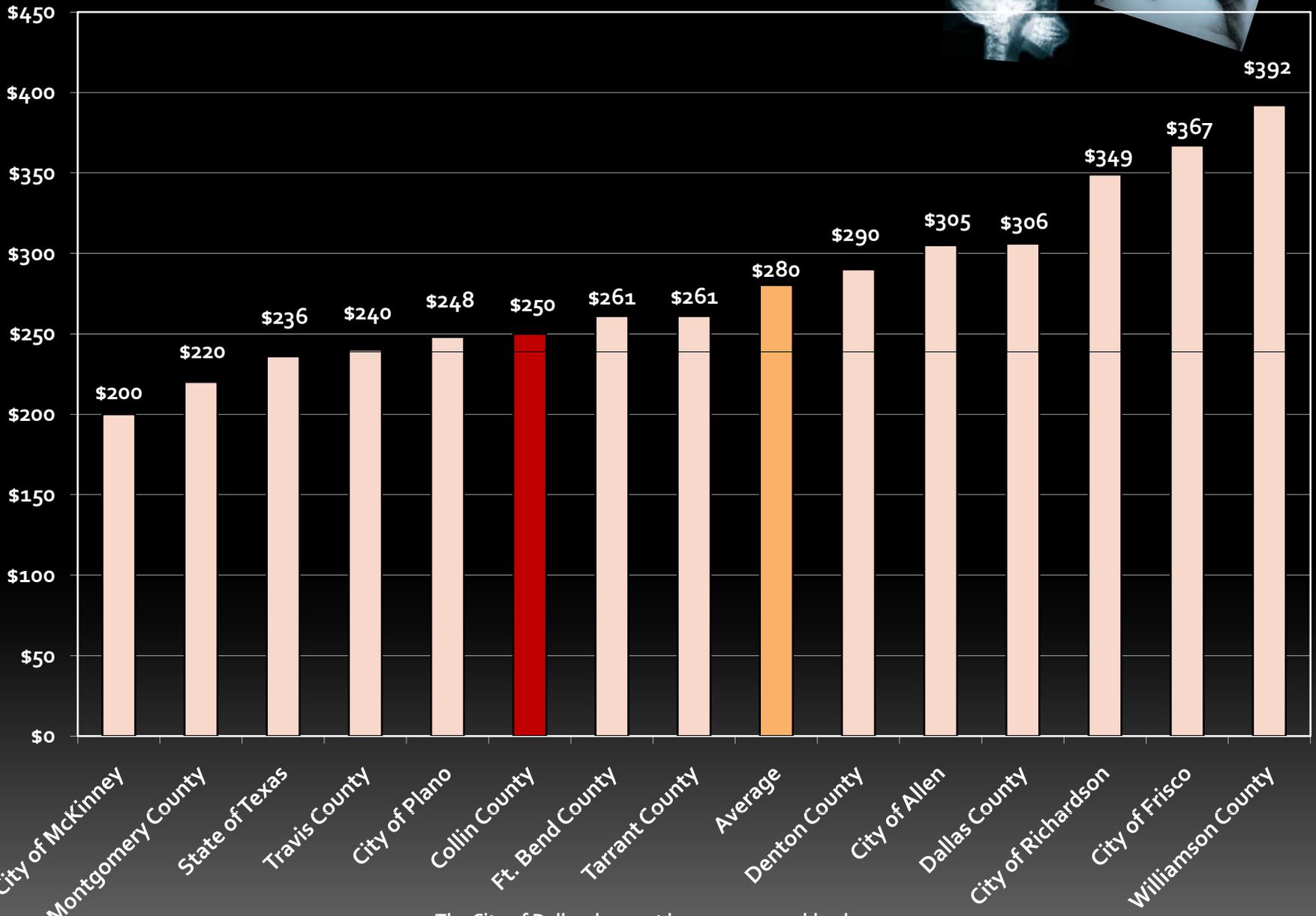


Premium Medical Plan - Comparison of Employee Only Coverage Employee Cost/Month



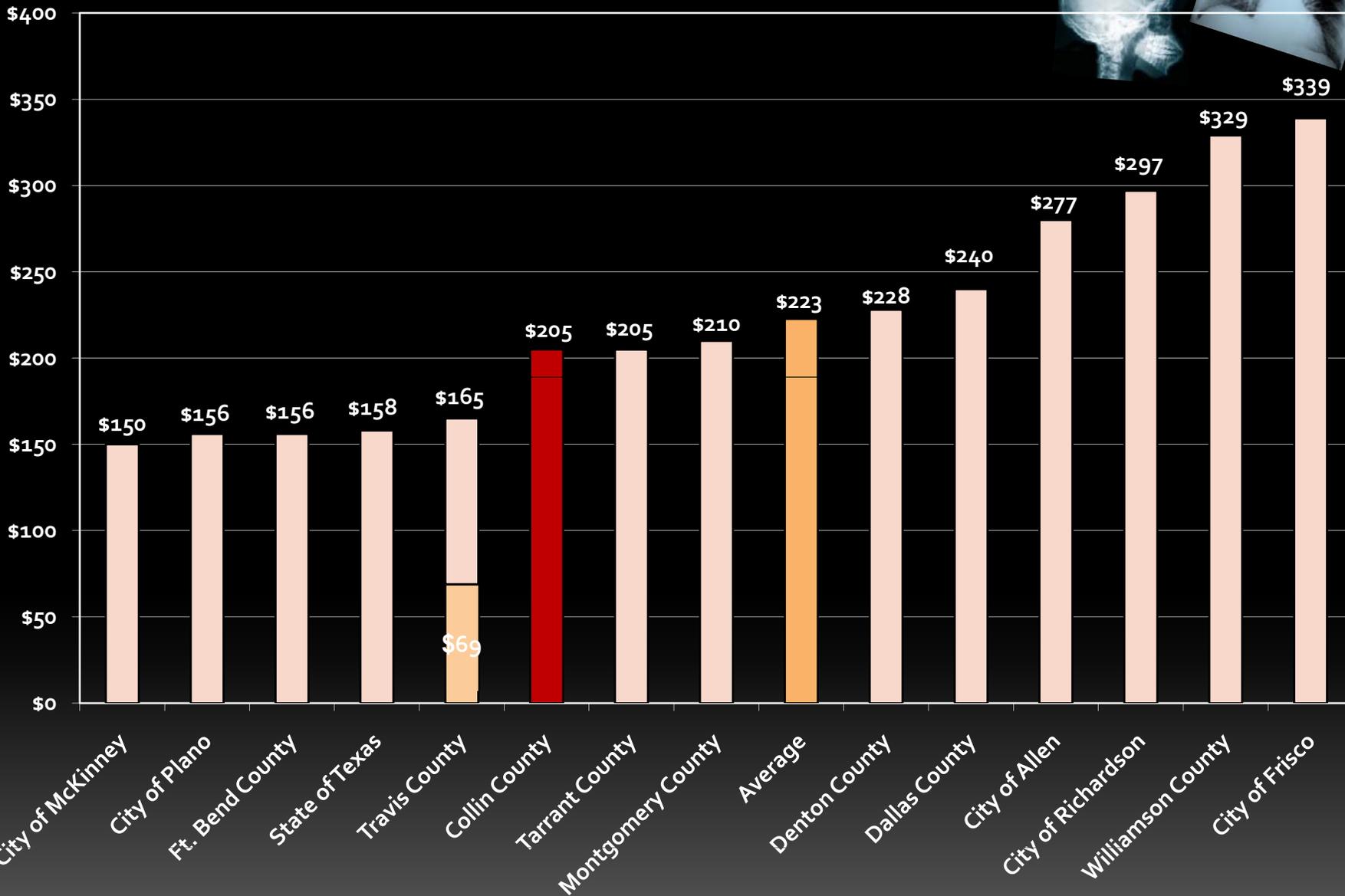
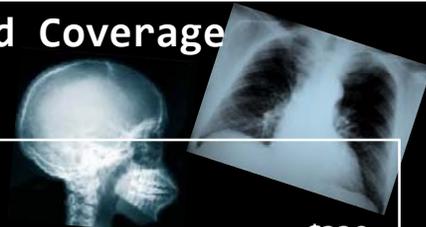
The City of Dallas does not have a comparable plan.

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



The City of Dallas does not have a comparable plan.

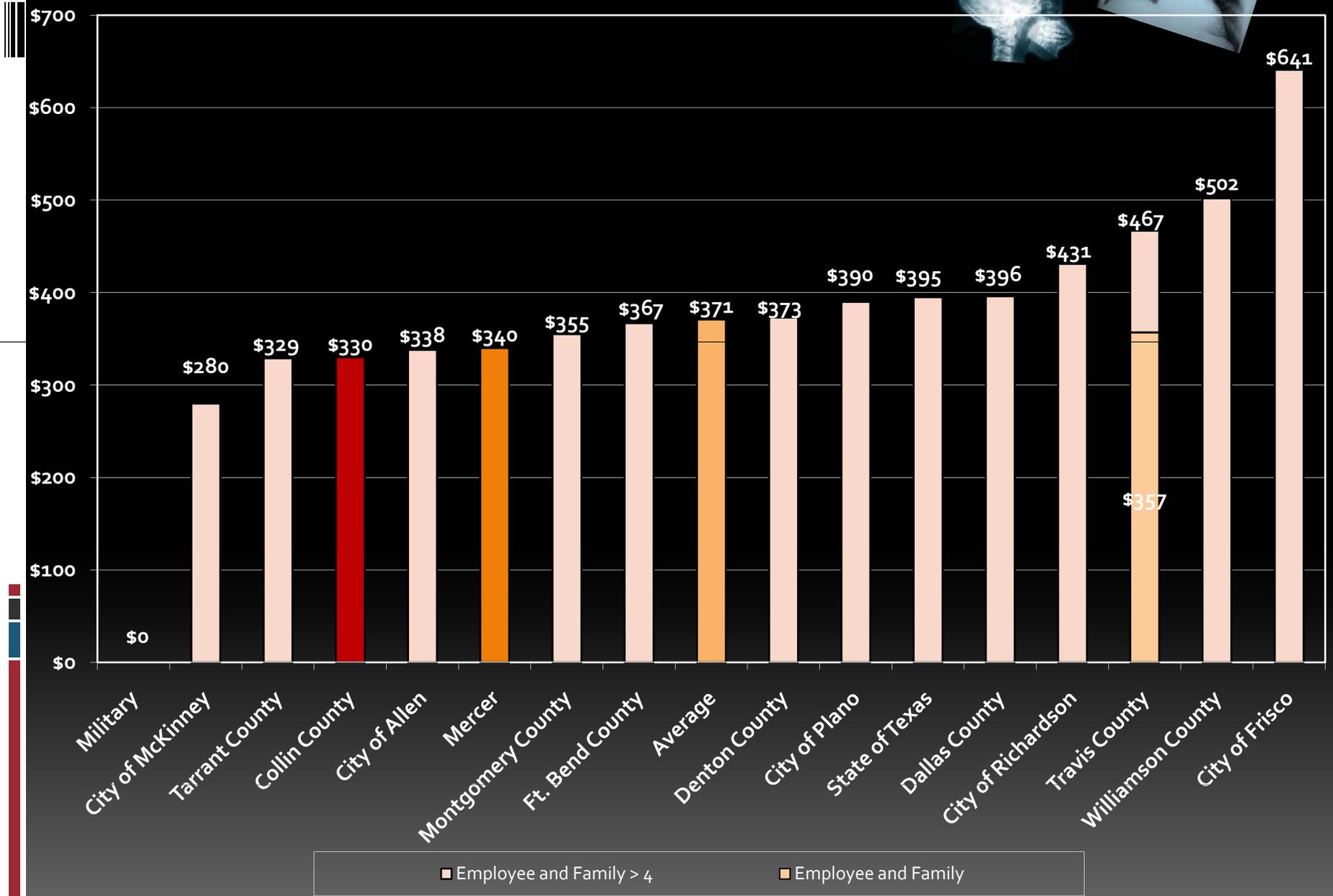
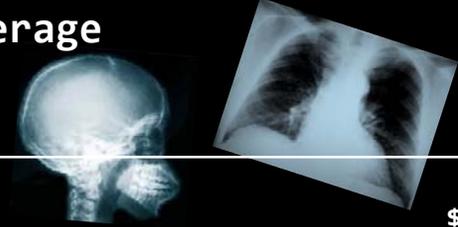
Premium Medical Plan - Comparison of Employee & Child Coverage Employee Cost/Month



■ Employee and Children ■ Employee and 1 Child

The City of Dallas does not have a comparable plan.

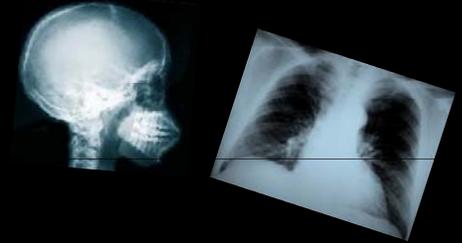
Premium Medical Plan - Comparison of Family Coverage Employee Cost/Month



Employee and Family > 4
 Employee and Family

The City of Dallas does not have a comparable plan.

Medical Plan Employee Premium Comparison Summary



- Employee only premiums are at the average
- Employee/spouse and employee/child premiums are just slightly lower than average
- Employee/family premiums are in the lowest quartile .
Premiums are slightly lower than private sector but almost 12% lower than the average of entities surveyed.

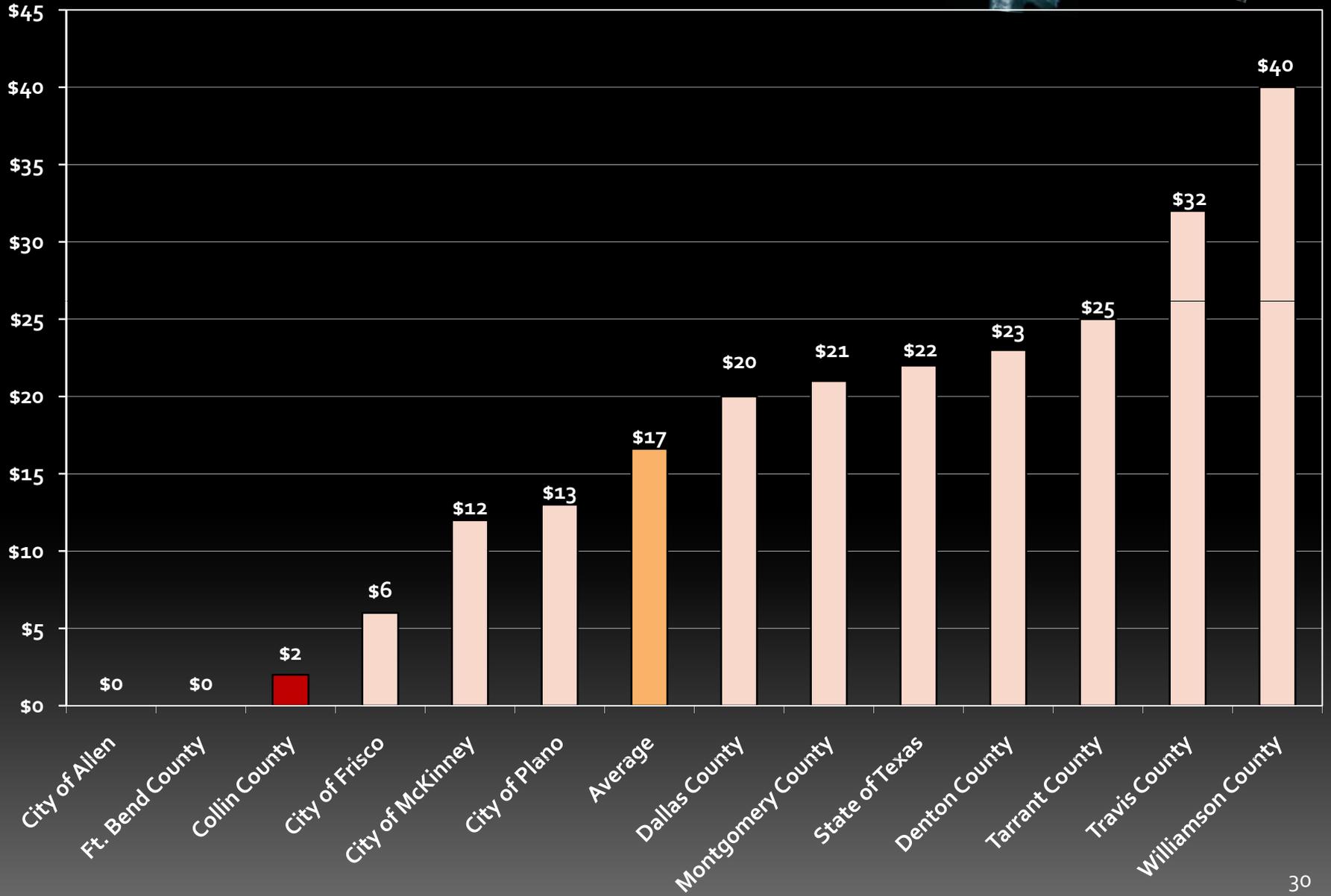
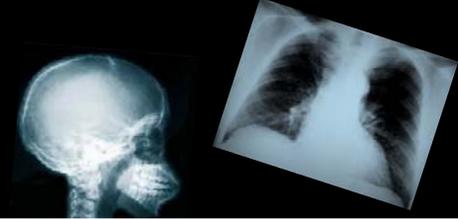
Dental Plan Employee Premium Comparisons

A yellow file folder is shown, tilted. It features a grid of boxes at the top and a table with columns labeled 'NAME' and 'DATE'. The table has 9 rows, numbered 1 through 9. The folder also has several colored tabs (orange, red) on the left side.

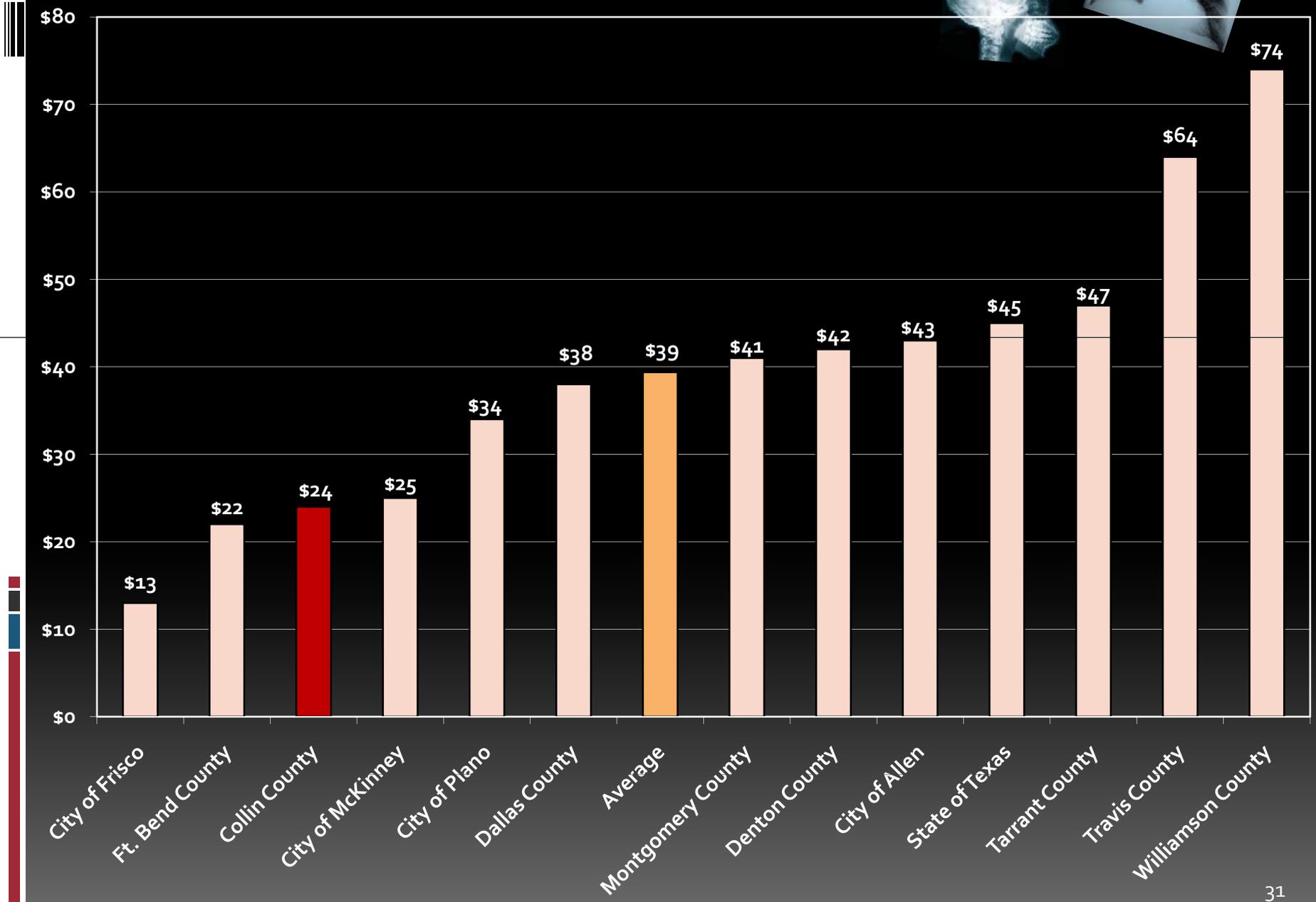
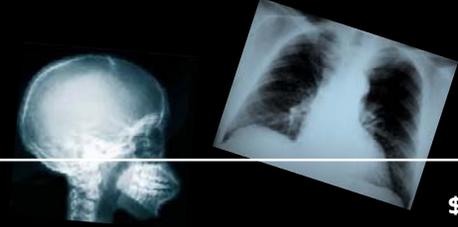
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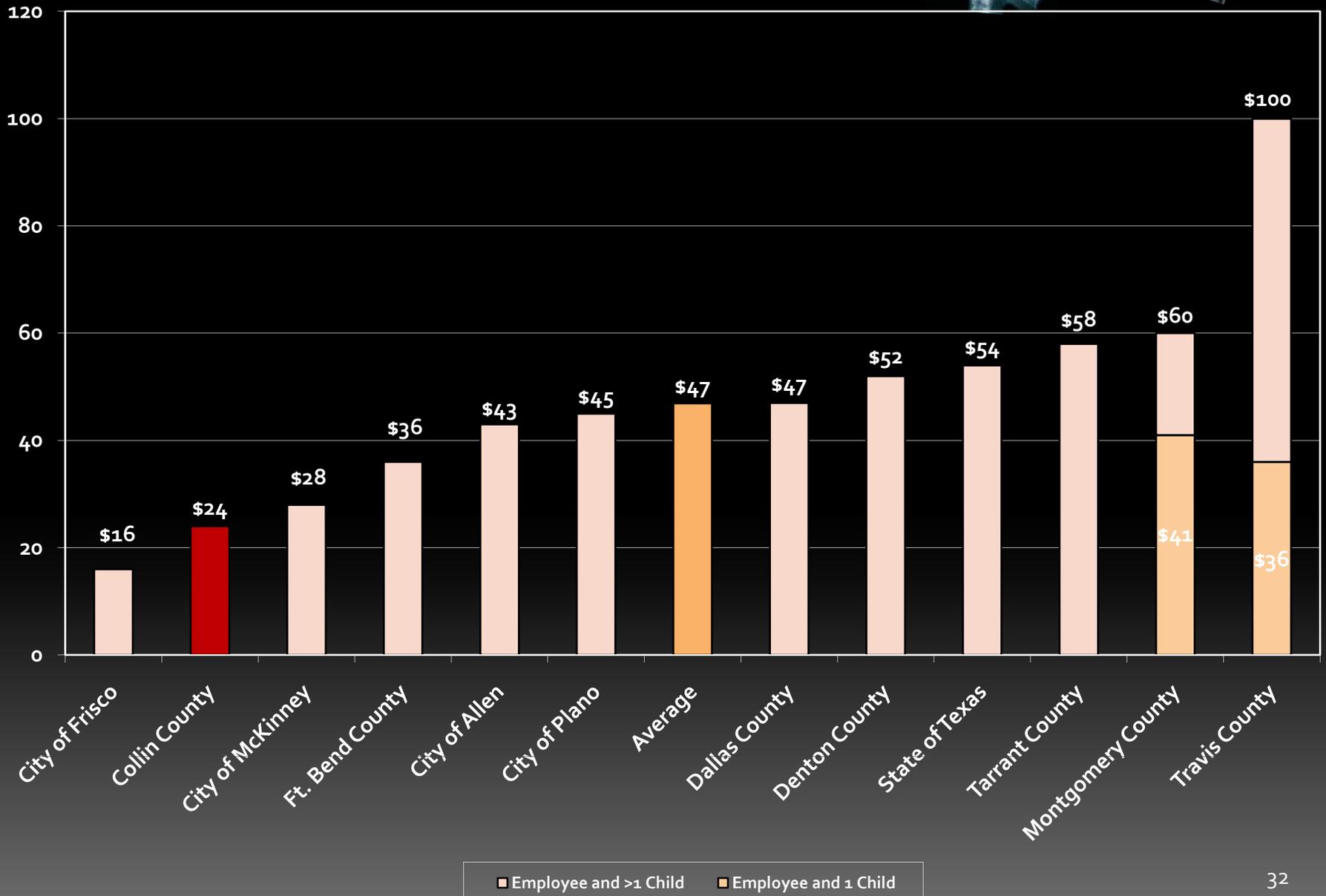
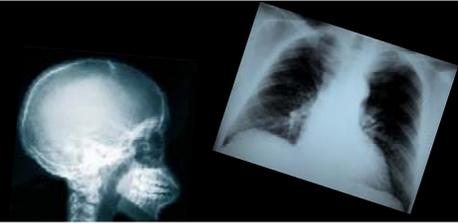
Dental Plan - Employee Coverage Employee Cost/Month



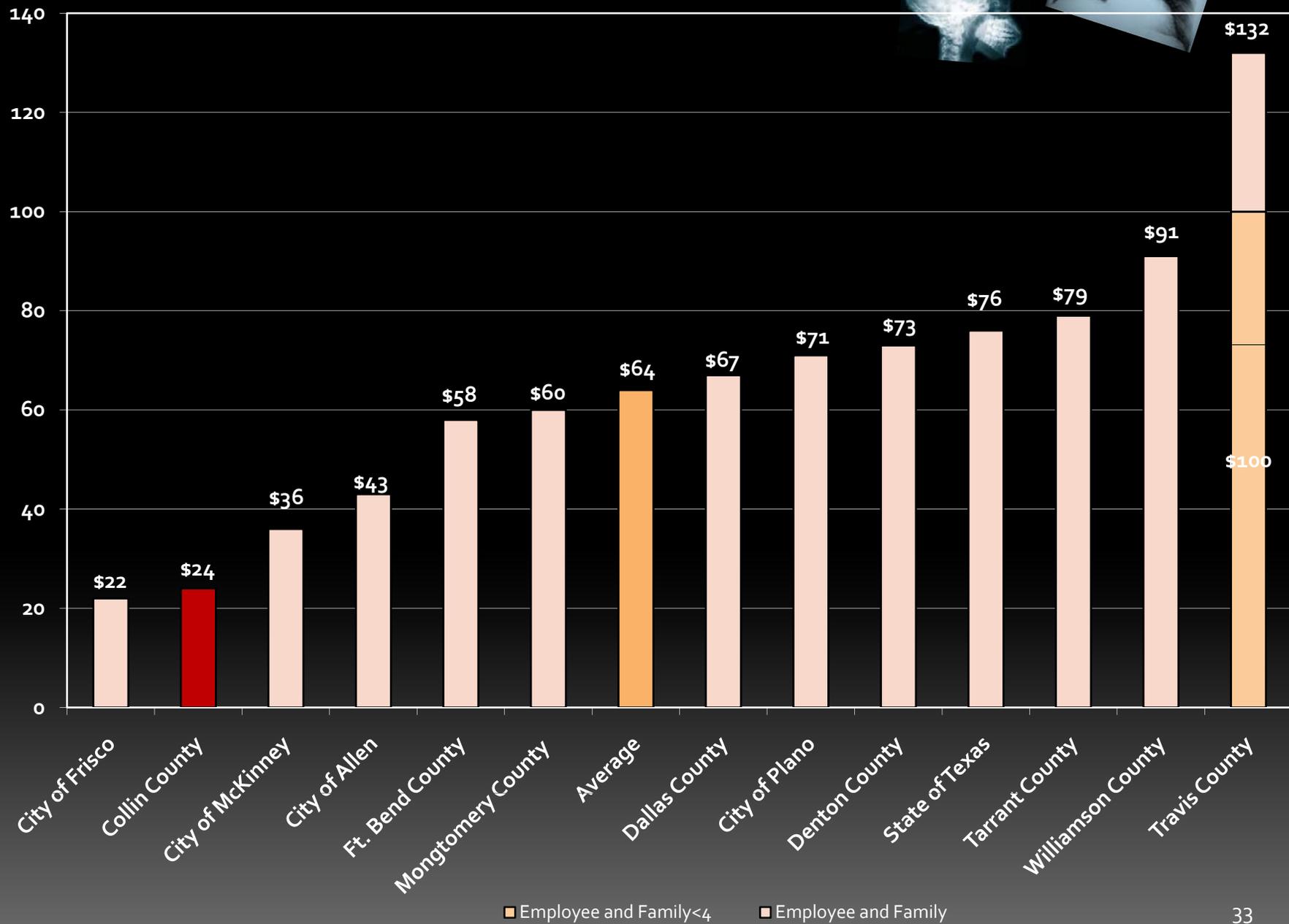
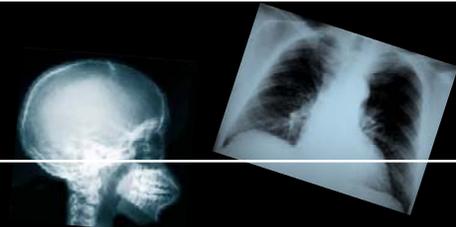
Dental Plan - Employee & Spouse Coverage Employee Cost/Month



Dental Plan - Employee & Child(ren) Employee Cost/Month



Dental Plan - Employee & Family Employee Cost/Month



Dental Plan Employee Premium Comparison Summary



- Collin County has a 2 tier premium design while a majority of plans have a 4 tier premium design
- Both premium tiers (employee only and employee & family) are in the lowest quartile for premium payment

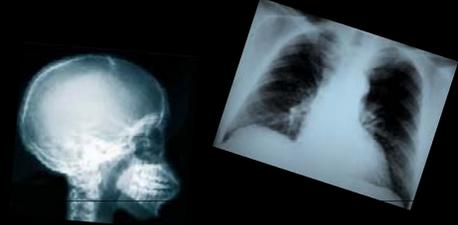
Medical Plan Premium and Enrollment Information

The form is a yellow document with a table in the center. The table has two columns: 'NAME' and 'DATE'. The rows are numbered 1 through 9. To the left of the table are four colored tabs: grey, orange, red, and blue. To the right of the table are several empty boxes and lines for additional information.

	NAME	DATE
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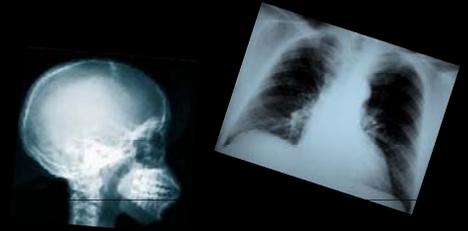
2011 Active Employee Monthly Insurance Plan Rates and Enrollment



Medical Coverage Type	Medical Coverage Level	Advantage Premium Discount EE Cost	Advantage Standard Premium EE Cost	Advantage Premium Surcharge EE Cost	Advantage Plus Premium Discount EE Cost	Advantage Plus Standard Premium EE Cost	Advantage Plus Premium Surcharge EE Cost
Full Time Employee	EE Only	\$ 0 (74)	\$ 25 (15)	\$ 50 (27)	\$ 25 (379)	\$ 50 (19)	\$ 75 (70)
	EE & Child (ren)	\$120 (39)	\$ 145 (1)	\$ 170 (9)	\$ 180 (167)	\$ 205 (5)	\$ 230 (23)
	EE & Spouse	\$160 (19)	\$185 (3)	\$ 210 (14)	\$ 225 (141)	\$ 250 (4)	\$ 275 (40)
	EE & Family	\$220 (59)	\$245 (10)	\$ 270 (21)	\$ 305 (208)	\$ 330 (14)	\$ 355 (59)
Part Time Employee	EE Only	\$ 750	\$ 775	\$ 800	\$ 775	\$ 800	\$ 825
	EE & Child (ren)	\$ 870	\$ 895	\$ 920	\$ 930	\$ 955	\$ 980
	EE & Spouse	\$ 910	\$ 935	\$ 960 (1)	\$ 975	\$ 1,000	\$ 1,025
	EE & Family	\$ 970	\$ 995	\$ 1,020	\$ 1,055	\$ 1,080 (1)	\$ 1,105

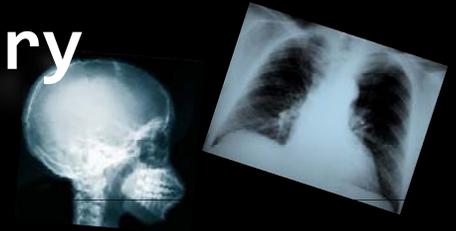
Collin County's budgeted insurance contribution is \$750 per employee per month.

Advantage Plan Premium History for Full-Time Employees



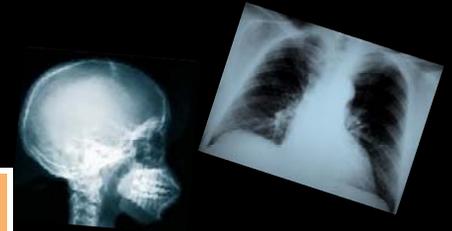
Plan	Medical Coverage Level	2011	2010	2009	2008	2007	2006
Advantage Premium Discount	EE Only	\$ 0	\$ 0	\$ 0			
	EE & Child (ren)	\$120	\$ 85	\$ 90			
	EE & Spouse	\$160	\$110	\$115			
	EE & Family	\$220	\$175	\$180			
Advantage Standard Premium	EE Only	\$ 25	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10
	EE & Child (ren)	\$ 145	\$110	\$110	\$110	\$110	\$110
	EE & Spouse	\$185	\$135	\$135	\$135	\$135	\$135
	EE & Family	\$245	\$200	\$200	\$200	\$200	\$200
Advantage Premium Surcharge	EE Only	\$ 50					
	EE & Child (ren)	\$ 170					
	EE & Spouse	\$ 210					
	EE & Family	\$ 270					

Advantage Plus Plan Premium History for Full-Time Employees



Plan	Medical Coverage Level	2011	2010	2009	2008	2007	2006
Advantage Plus Premium Discount	EE Only	\$ 25	\$ 10	\$ 15			
	EE & Child (ren)	\$ 180	\$ 140	\$ 145			
	EE & Spouse	\$ 225	\$ 188	\$ 193			
	EE & Family	\$ 305	\$ 265	\$ 270			
Advantage Plus Standard Premium	EE Only	\$ 50	\$ 35	\$ 35	\$ 30	\$ 30	\$ 30
	EE & Child (ren)	\$ 205	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165
	EE & Spouse	\$ 250	\$ 213	\$ 213	\$ 195	\$ 195	\$ 195
	EE & Family	\$ 330	\$ 290	\$ 290	\$ 290	\$ 290	\$ 290
Advantage Plus Premium Surcharge	EE Only	\$ 75					
	EE & Child (ren)	\$ 230					
	EE & Spouse	\$ 275					
	EE & Family	\$ 355					

Plan Demographics*



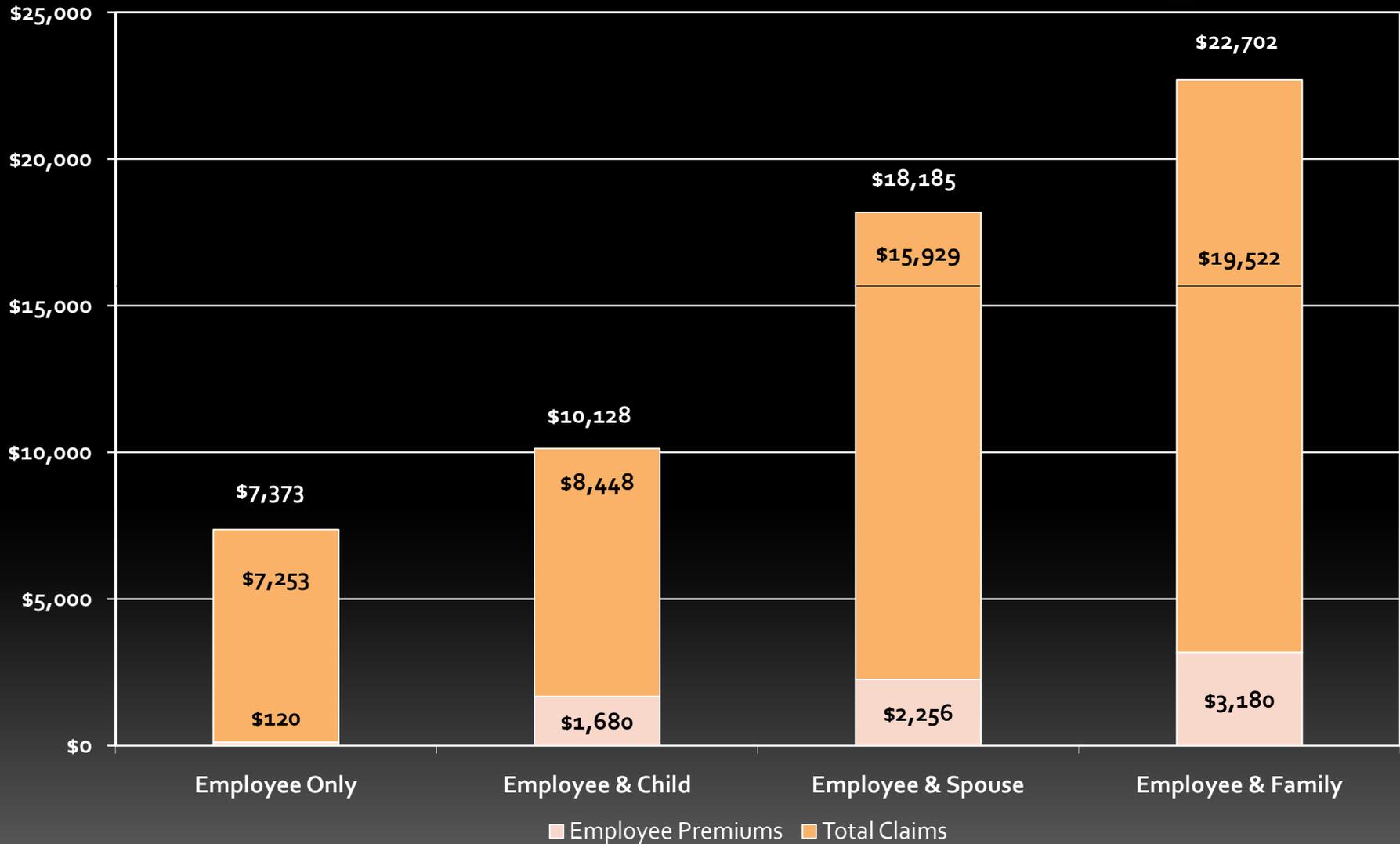
	Advantage Medical Plan	Advantage Plus Medical Plan
Total Enrolled	291	1,129
Gender		
Male	180 (62%)	546 (48%)
Female	111 (38%)	583 (52%)
Salary Level		
Under \$50,000	199 (68%)	749 (66%)
Over \$50,000	92 (32%)	380 (34%)
Age		
30 and younger	56 (19%)	124 (11%)
31 – 40	98 (34%)	268 (24%)
41 – 50	77 (26%)	308 (27%)
51 – 60	44 (15%)	291 (26%)
61 and over	16 (6%)	138 (12%)

*As of May 2011

Employee Contribution Percentage Survey

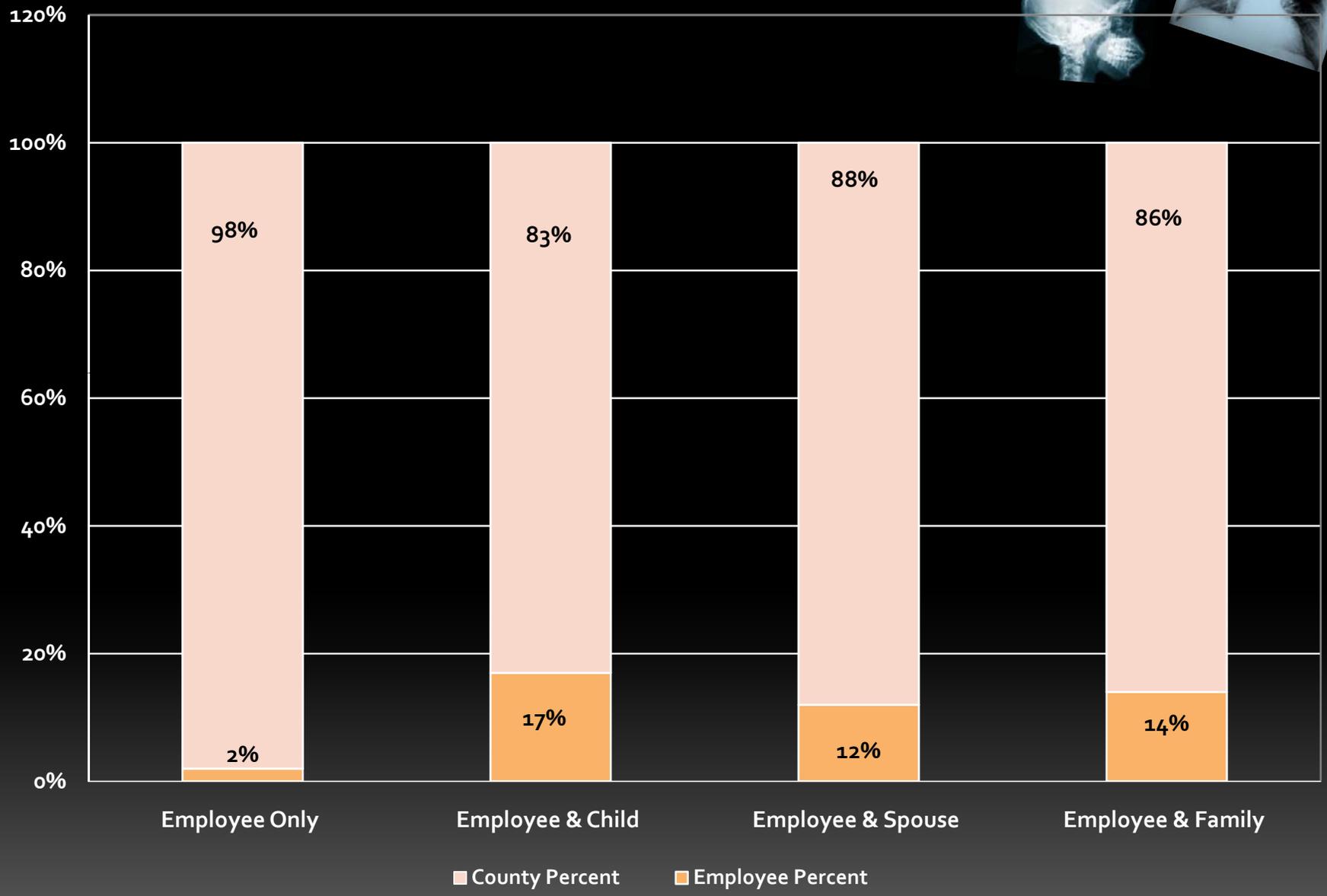
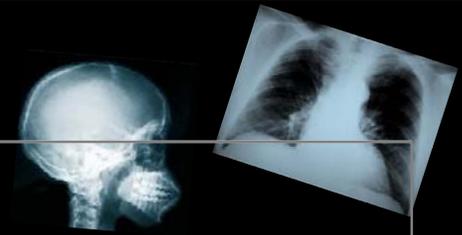
	% Paid by Employee for Employee Coverage	% Paid by Employee for Employee & Spouse Coverage	% Paid by Employee for Employee & Child Coverage	% Paid by Employee for Family Coverage
City				
Allen	5%	31%	32%	23%
Frisco	8%	32%	36%	43%
McKinney	7%	17%	15%	16%
Plano	14%	22%	25%	25%
Richardson	11%	42%	39%	48%
Average	9%	29%	29%	31%
County				
Collin	3%	16%	14%	19%
Dallas	4%	30%	30%	30%
Denton	4%	20%	20%	20%
Ft. Bend	6%	26%	20%	35%
Montgomery	10%	23%	22%	32%
Tarrant	15%	23%	25%	24%
Williamson	28%	45%	43%	52%
Average	10%	26%	25%	30%
Private Sector	23%			30%

Employee Premium Contribution vs. Average Claims Advantage Plus Plan- Premium Discount



2010 employee contribution amounts and medical claims data from UHC

Employee Premium Contribution % vs. Total % Advantage Plus Plan- Premium Discount



2010 employee contribution amounts and medical claims data from UHC

Additional Information

A yellow folder tab with a grid for tracking patient information. The grid has two columns: 'NAME' and 'DATE'. The rows are numbered 1 through 9. There are also several empty boxes and lines for additional information.

	NAME	DATE
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Prior Year Plan Changes



- Addition of a \$250 deductible to the premium plan and an additional \$250 deductible to the base plan.
- Elimination of most out of network benefits
- Eliminated emergency room accident benefit
- New diabetes program with reduced costs
- Implemented rate changes (slides 37 and 38)

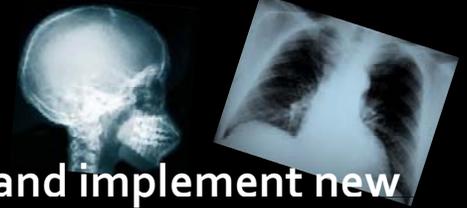
Special Programs



Human Resources has partnered with UnitedHealthcare to develop and implement new programs and informational presentations for county employees.

- **Diabetes Plan Design Changes:** Reductions to office visit co-payments and prescription drug co-payments were approved last year. These changes were implemented as of January 2011 and are designed to encourage diabetics and pre-diabetics to stay in compliance with their diabetes treatments.
- **Diabetes Prevention and Control Alliance:** The alliance is a proactive approach designed to provide Collin County employees living with pre-diabetes and diabetes with new ways to seek care and improve their well-being through new provider avenues.
 - **Pre- Diabetic Program:** For those with pre-diabetes, the goal is to reduce conversion to full-blown diabetes through lifestyle management and weight loss through a 16 week program provided by the YMCA.
 - **Diabetic Program:** For those already living with diabetes, the goal is to reduce serious health complications like heart attack and stroke through medication management and ongoing monitoring of biometric measurements like blood pressure and cholesterol. This program is provided through local pharmacies.

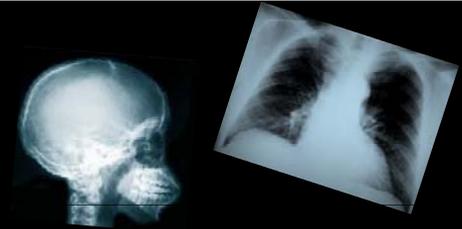
Special Programs continued



Human Resources has partnered with UnitedHealthcare to develop and implement new programs and informational presentations for county employees.

- **Treatment Cost Estimator Presentations:** This is a new feature available through the myuhc.com website that lists the costs for treatments at various facilities in the UHC network. Our UHC rep has held 8 meetings for roughly 325 employees to explain this new cost saving feature. The presentations have been very well received.
- **Half Tab Program:** This is a prescription drug cost saving program . Certain pills are designed to be split in half to allow a 30 month supply to last 60 days. This results in a savings to both the employee and Collin County. Employees who attended the Treatment Cost Estimator Presentations were .
- **New Call Center:** By November Collin County will transition to a new Public Sector Service Model and Health Advisors call center program. Health Advisors is an enhanced level of customer service that allows UHC's customer care professionals to take ownership of each member's situation and stay involved, following up as necessary until all of the member's concerns have been addressed. This was an added benefit provided at no cost to Collin County.

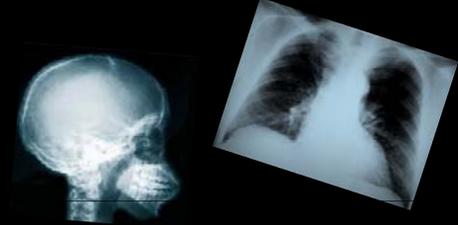
Wellness Discount Program Information



Wellness Discount Program Requirements:

- **Employees must complete the following:**
 - **annual physical (including well man/well woman exams),**
 - **health risk assessment**
 - **cholesterol test (the doctor must certify that total and HDL cholesterol levels are either at acceptable levels or that the individual is receiving treatment for elevated levels)**
- **An employee who participates in the program receives a \$25.00 monthly reduction in insurance premiums and a \$200 lump sum payment for completing the requirements.**
- **If they don't participate, insurance premiums increase by \$25.00 per month.**
- **Exams may be done at the employee's physician of choice or at the Collin County Employee Clinic. The clinic performed 455 wellness exams in 2010.**

Wellness Discount Program



Efforts to increase annual preventive care through the wellness discount program are working and the recommendation is to continue the incentive and premium differential.

2010 Wellness Discount Enrollment:

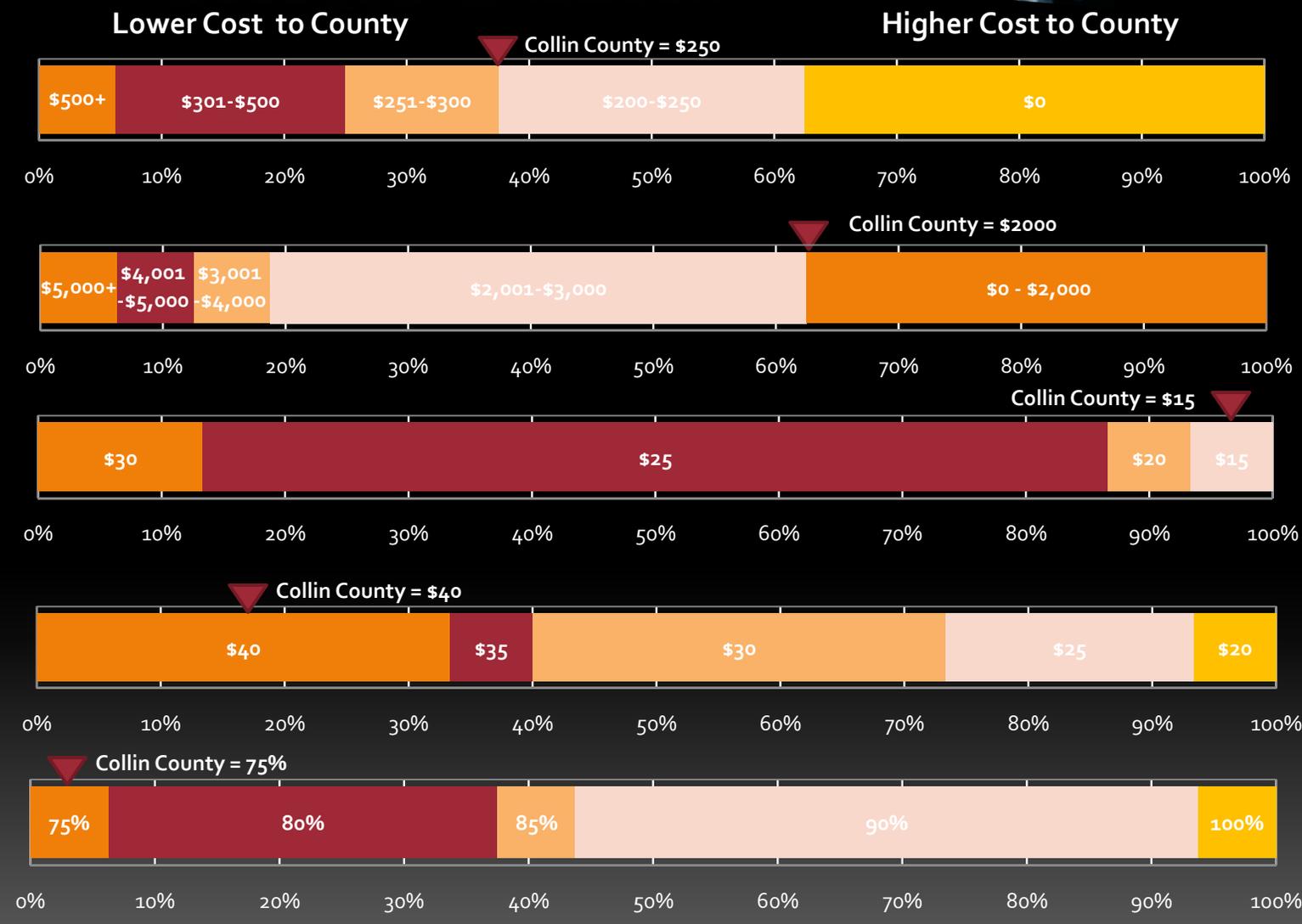
- 1,083 employees and 427 spouses participated in the discount program
- This is a participation increase over the previous year of 441 employees and 188 spouses

The same program is requested to be continued for 2012.

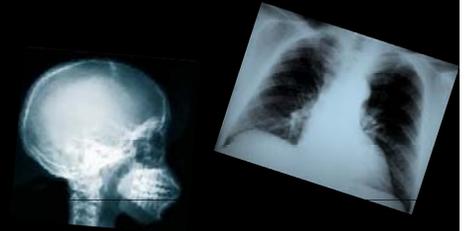
2011 Medical Plan Benefit Summary



- In-Network Individual Deductible
- In-Network Individual OOP Max
- PCP Co-Pay
- Specialist Co-Pay
- In-Network Services % Paid



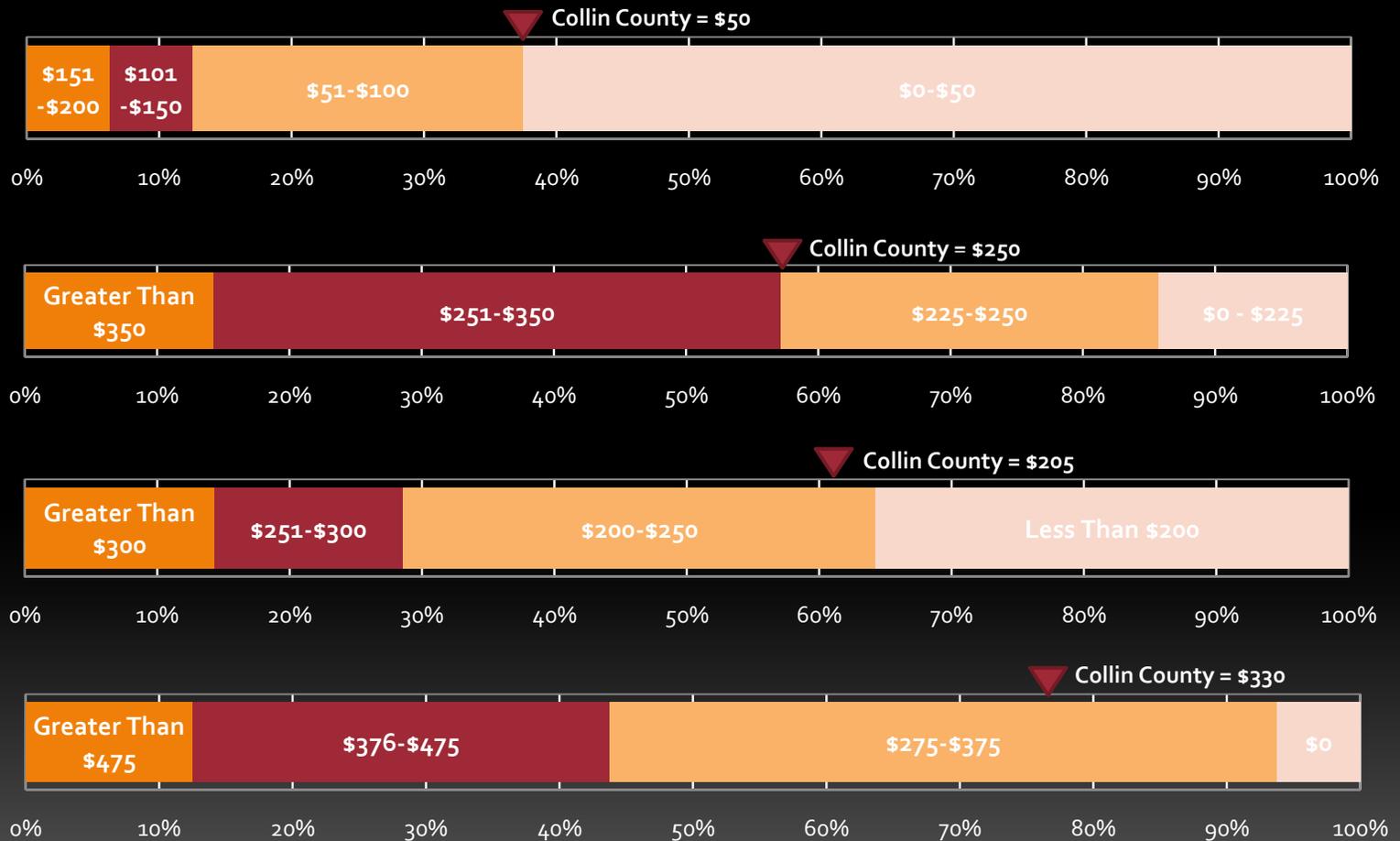
2011 Medical Plan Premium Summary



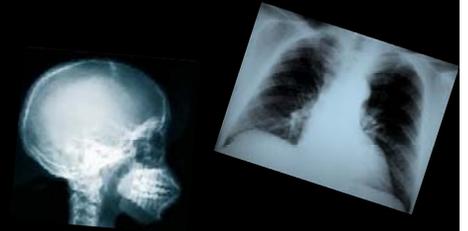
Lower Cost to County

Higher Cost to County

- Employee Only Premium
- Employee and Spouse Premium
- Employee and Child Premium
- Employee and Family Premium



Discussion Items



- Fund balance – the fund balance is expected to drop to approximately \$3.2 million. This is after the movement of \$1.2 million of GASB funds which were transferred.
- Part time employees currently pay premiums based on the budgeted rate plus employee premium. This overcharges for employee coverage and undercharges for dependent coverage. An option to consider would be to use the actuarial cost of the benefit.