

2013 Medical Plan Changes



General Facts

2

- The Center for Disease Control and Prevention estimates that just four modifiable health risks: tobacco, poor nutrition, lack of physical activity, and excessive alcohol consumption are responsible for much of the disease burden for chronic health conditions.
- An estimated 21% of insured Collin County employees and their spouses are estimated to be tobacco users.
- An estimated 39% of insured Collin County employees and their spouses are estimated to have a body mass index (BMI) of 30 or more. A BMI of 30 is considered obese. A BMI of 25 is considered overweight.
- The most prevalent health risks in the County population are:
 - Body Weight - 57%
 - Blood Pressure – 32%
 - Tobacco Usage – 21%

Tobacco Usage

3

- Tobacco use is responsible for one-in-five deaths annually.
- Cigarette smoking costs more than \$97 billion in lost productivity and \$96 billion in health care costs per year in the U.S.
- Smoking is the #1 cause of preventable disease and deaths worldwide.
- Smoking is the main cause of lung cancer and chronic obstructive pulmonary disease (COPD). It is also a cause of coronary heart disease, strokes, and other cancers and disorders.
- Smoking also causes insulin resistance in diabetics.

Tobacco Surcharge

4

- Addition of a smoking surcharge independent of the wellness program.
- Employees will be charged an additional tobacco surcharge unless they sign a certification indicating
 - they have not used any tobacco product in the last 30 days, or
 - they are participating in a smoking cessation program and are not using tobacco products other than as allowed under the smoking cessation program.
- The certification will need to contain a statement in which the employee agrees to complete a form notifying HR within 30 days of a change in smoking status.

Tobacco Surcharge Options

5

- What products will be considered subject to the tobacco surcharge?
 - All forms of tobacco including:
 - Cigarettes
 - Pipes
 - Cigars
 - Dip
 - Snuff
 - Cigarillos
 - Chewing tobacco
 - E-cigarettes, nicotine gum and nicotine patches would not be subject to the surcharge.
- Who will be assessed the surcharge? Options include:
 - Employee
 - Employee + spouse
 - Employee + spouse + children
- How can the employee avoid the surcharge?
 - Certify that each covered member of their family are non-smokers and have been smoke free for at least the last 30 days.
 - Certify that each covered member of their family are smokers but are participating in a smoking cessation program (proof of participation is required).

Tobacco Surcharge Options

6

- What if an individual indicates they, or a family member, are going to start using tobacco products when they have previously certified they do not use tobacco products?
 - They will be assessed the surcharge going forward.
- What if an individual who indicated they are tobacco free or was in a cessation program is later found to smoke?

Options include:

 - They will retroactively be assessed the surcharge.
 - They will retroactively be assessed the surcharge and subjected to an equal amount as a penalty.
 - They will not be eligible for a lump sum payment for wellness for the current year.
 - The employee will be considered to have falsified a county document.

Tobacco Surcharge Options

7

- **What if there is information indicating the employee has used tobacco but the employee denies tobacco use?**
 - The employee and/or dependent will be subject to a nicotine test (this can be done by urine, blood, hair or saliva) at the county's expense.
 - If the employee and/or dependent refuses to take the test it will be assumed they are smokers.
- **How much should be added as a surcharge? Options include:**
 - \$24/month/tobacco user (roughly equivalent to the cost of 1 pack of cigarettes per week*).
 - \$30/month/tobacco user (used by the state).
 - \$43/month/tobacco user (roughly equivalent to \$10/week).

Pre-employment Testing-Tobacco Usage Option

8

- Grandfather current employees (they will be subject to smoking surcharge).
- Pre-employment testing would only apply to positions reporting up through Commissioners' Court.
- Notify applicants for Commissioners' Court positions of our nicotine-free hiring policy.
- Ask applicants to self identify if they are tobacco users.
- Add nicotine (cotinine) test to pre-employment physicals.
 - Applicants will be tested after a conditional job offer has been made.
 - Testing will be part of the urine screen.
 - It takes longer to conduct the nicotine test. Currently test results are available in 1-3 days. With the nicotine test it will typically take about 2-4 days.
 - Nicotine testing will be on a pass/fail basis.
- Estimated Lab Cost
 - If added to current pre-employment urinalysis test-\$3.00.
 - ✦ 2012 - 44 Commissioners' Court employees (annualized as of 10/1/12) - \$132.
 - ✦ 2011 - 27 Commissioners' Court employees - \$81.

Pre-employment Testing-Tobacco Usage Option

9

- How long must an applicant wait before reapplying for another position after testing positive for smoking. Options include:
 - 1 year (the time we use for functional capacity tests)
 - After providing documentation that they have completed a tobacco cessation program
 - 60 days after completing a smoking cessation program (documentation must be provided showing completion of the program)
 - An applicant may not retest.
- How many times may an applicant reapply after failing the smoking test?
 - 1
 - 2 (for a total of 3)
 - 1 time per year
- What if a smoker wants to transfer from a position working for an elected official to a position that reports up through Commissioners' Court. Options include:
 - They must meet the same requirements as an external candidate
 - They will be treated the same as an individual who was hired before the Nicotine Free Hiring Policy.
 - They can be transferred but must go through a tobacco cessation program and agree to give up tobacco products.

Obesity Control

10

- More than 1/3 of adults in the U.S. are obese.
- An adult who has a body mass index (BMI) of 30 or higher is considered obese.
- 2/3 of adult men and women who are diagnosed with type 2 diabetes have a body mass index of 27 or greater.
- Obesity increases the risk of heart disease, stroke, high blood pressure, sleep apnea, and joint problems.
- 1 out of every 5 obese people are affected by metabolic syndrome which increases the risk for coronary artery disease, type 2 diabetes and stroke.
- In 2008 U.S. medical costs related to obesity for adults was estimated as high as \$147 billion.
- People who are obese average medical costs that are \$1429 higher per year than people with normal body weight.

Obesity Control Criteria

11

- Adapt the current wellness program to include physician review of body mass index measurements for covered employees and their covered spouses. The rest of the wellness program remains the same.
- Employees and their spouses will be expected to have their physician measure their body mass index in 2013 with the wellness criteria.

Emergency Room

12

- In 2011 the county averaged approximately 766 emergency room visits.
- The average employee portion of the visit was \$455.

Plan Changes

13

- Change the emergency room payment to a \$500 co-pay for all emergency room visits.
- Dental plan to pay for 2 cleanings per year at 100% with no deductible.

Rate Adjustment for Employee Coverage Advantage Plus Plan

14

- **Current Base Rate: \$50.**
- **Adjusted Rate: \$120.**
- **Rates may be modified higher or lower dependent upon the employee's completion of wellness criteria.**
 - Surcharge of \$25/month for employee if applicable for failure to complete wellness criteria.
 - Discount of \$25/month for employee if applicable for completion of wellness criteria.

Rate Adjustment for Employee Coverage Advantage Plan

15

- Current Base Rate: \$25.
- Adjusted Rate: \$95.
- Rate is slightly less than 16% to continue the differential between the two plans.
- Rates may be modified higher or lower dependent upon the employee's completion of wellness criteria.
 - Surcharge of \$25/month for employee if applicable for failure to complete wellness criteria.
 - Discount of \$25/month for employee if applicable for completion of wellness criteria.