

# COLLIN COUNTY 2021 BENEFITS

**2021 Presentation for FY2022 Budget**

# Fiscal Year 2020 Benefit Costs

(does not include stop loss reimbursements)

Medical and Prescription	2019 Costs	2020 Costs
Total Claims Cost	\$27,706,407	\$27,023,441
Employees Pay	\$3,208,145 (12%)	\$3,307,479 (12%)
County Pays	\$24,498,262 (88%)	\$23,715,962 (88%)
Average # of Covered Subscribers	1,456	1,483

	2016	2017	2018	2019	2020
Employee Pays	14%	13%	11%	12%	12%
Employer Pays	86%	87%	89%	88%	88%

# COVID-19

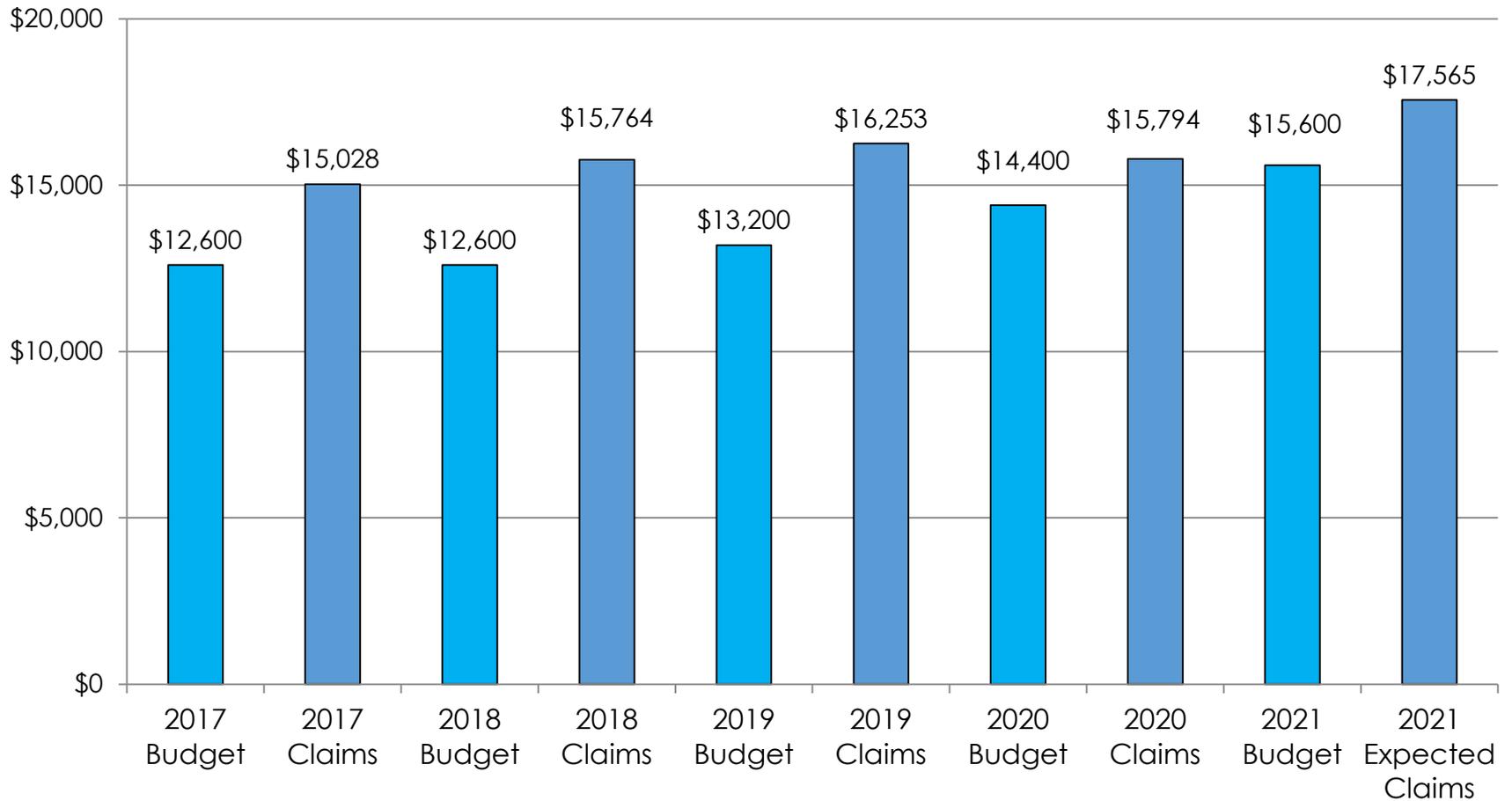
COVID-19 Claim Type	2020	2021	Total
Vaccines	\$17	\$84,706	\$84,723
Testing	\$137,247	\$83,088	\$220,335
Confirmed/Probable/Possible Diagnosis	\$2,118,682	\$450,646	\$2,569,328
Total	\$2,255,946	\$618,440	\$2,874,386

Case Type	Cases	ER Visits	Inpatient	ICU	Ventilator	Deaths
Confirmed/Probable/ Possible Cases	523	102	64	33	9	3

- Inpatient hospital admissions up almost 15%.
- 20% increase in anxiety claimants.

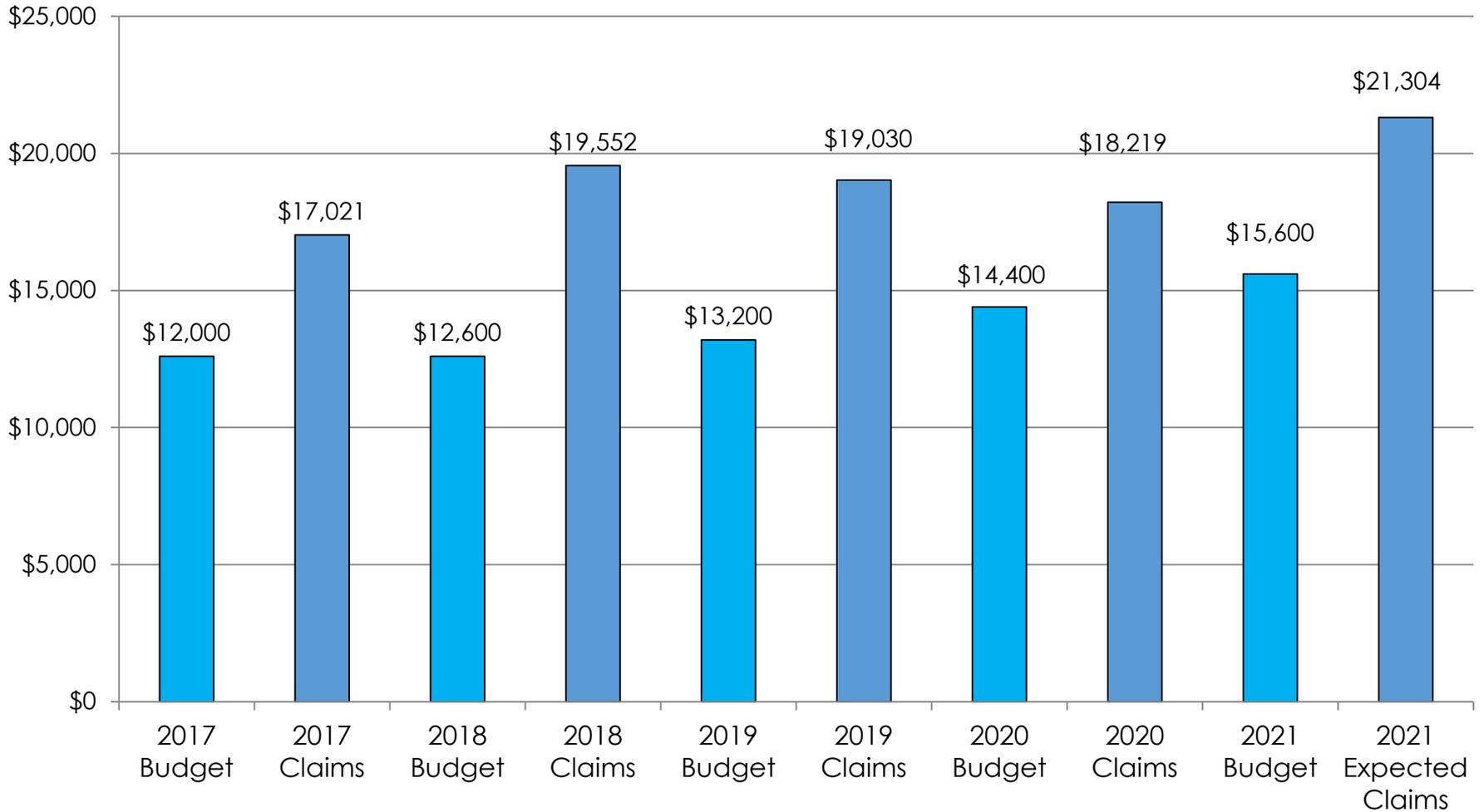
# Fiscal Year Budget vs. Claims Per Employee

(with stop loss reimbursements)

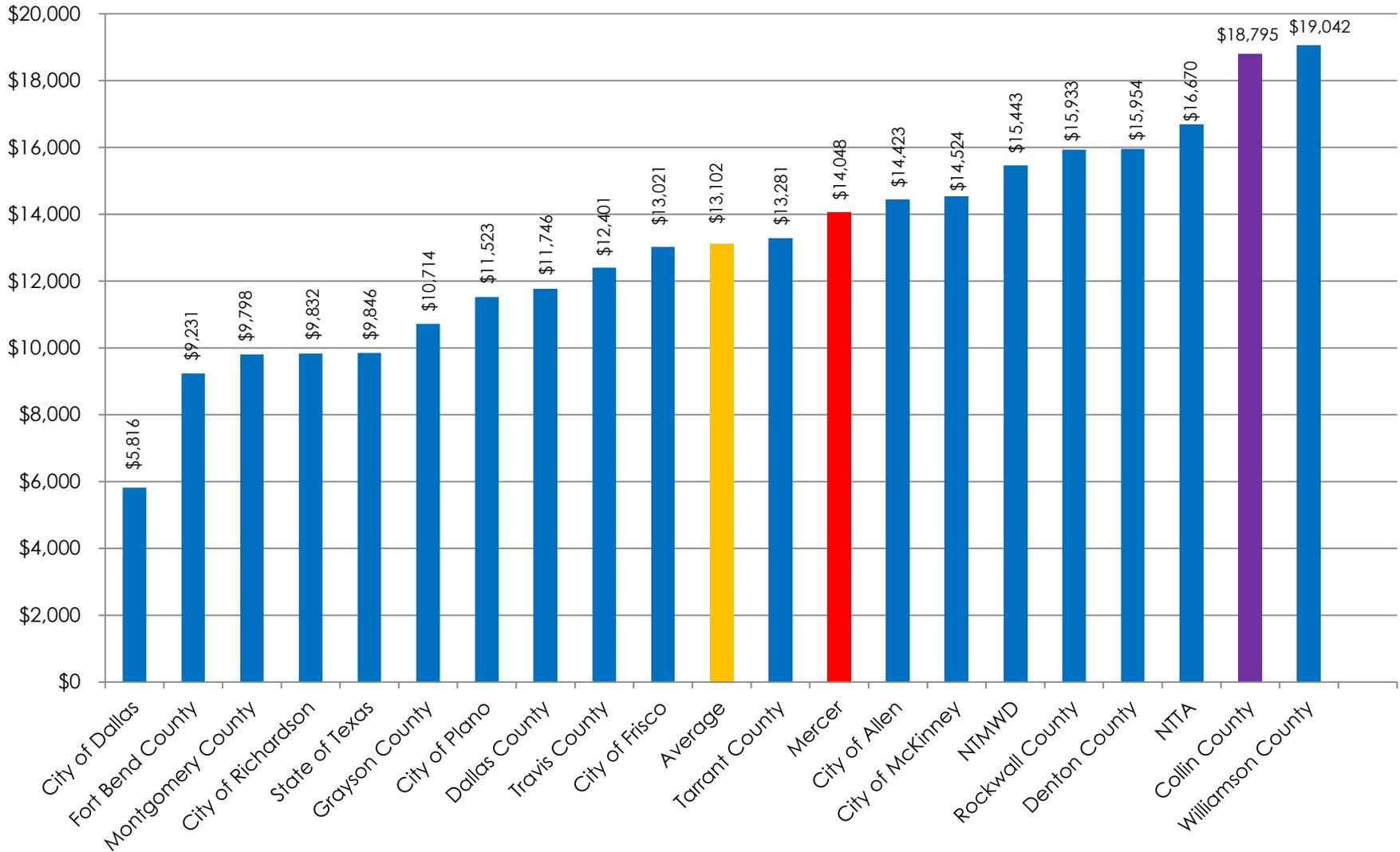


# Fiscal Year Budget vs. Claims Per Employee

(without stop loss reimbursements)



# 2020 Average Employer Premium Cost Per Employee Premium Plan



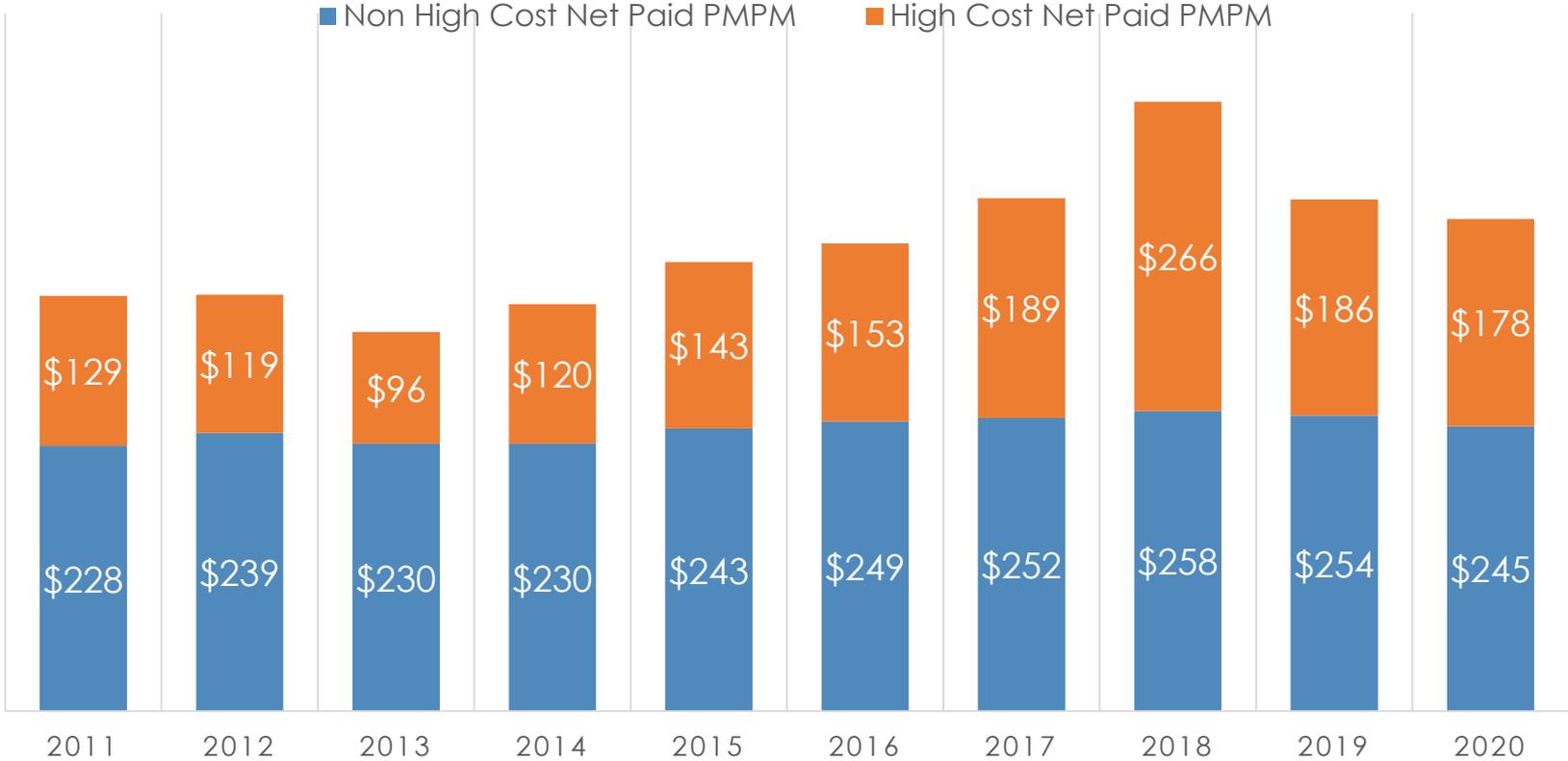
# 2020 Claims Information

- Utilization of medical benefits was 97%.
- We insured an average of 3,611 members, an increase of 3%. For every insured employee, we also cover an average of 1.42 dependents.
- Excluding catastrophic cases, medical net payments decreased by 4%.
- Catastrophic cases are those that exceed \$50,000. 42% of our claims cost was due to high cost claimants, which is the same as the prior year.
- 65 claims were over \$50,000 in 2020.
  - 38 claims were between \$50,000 and \$100,000 (decrease of 2).
  - 27 claims were over \$100,000 (increase of 2). Of those claims, 7 were over \$200,000 (decrease of 1).

# Catastrophic Cases Details

- There were 65 Catastrophic Cases in 2020.
  - 51% were employees.
  - 35% have had a diagnosis of diabetes.
  - 25% had no prior health indicators.
  - 43% were ongoing catastrophic cases.

# Medical Net Paid PMPM Historical Trend



- High Cost Net Paid PMPM is 38% higher than 10 years ago
- Non High Cost Net Paid PMPM is 7.5% higher than 10 years ago

# Diabetes

- 14% of insured adults had a diabetes diagnosis.
  - 180 insured have multiple risk factors including hypertension, high cholesterol, and heart disease.
- 26% of medical paid was for adults with diabetes.
  - Claims paid for diabetes with complications have increased 31%.
- 31% of pharmacy paid was for adults with diabetes.
- 36% of adults with diabetes have hypertension.



## Nurse Liaison

- Engaged in 894 individual sessions and 37 group sessions.
- Focus for 2020 was engaging specialty mental health professionals for law enforcement and weight loss.
- Provided COVID 19 information and assistance.
- In 2021, the Nurse Liaison will focus on Adult Diabetes.

# Top Diagnosis Categories by Cost

<u>Diagnosis</u>	<u>Claimants</u>	<u>Dollars</u>	<u>Cost/Claimant</u>	<u>Catastrophic Dollars %</u>
Cancer	350 	\$2,456,924 	\$7,020 	77% 
Musculoskeletal System	1030 	\$2,085,569 	\$2,025 	38% 
Nervous System & Sense Organs	996 	\$1,894,908 	\$1,903 	66% 
Digestive System	424 	\$1,639,683 	\$3,867 	52% 
Infectious & Parasitic Diseases	1,908 	\$1,471,988 	\$771 	46% 

# Top Diagnosis Categories

- Cancer claimants decreased by 7%; however the cost of cancer claims increased by 8%. Our number of claimants is 11% lower than our peers, but our cost per claim is 23% higher. 77% of cancer claim dollars were for high cost claims.
- Musculoskeletal claimants decreased by 11% and the cost of claims decreased by 7%. Our number of claimants is 5% higher than our peers and our cost per claim is 7% higher. 38% of musculoskeletal claim dollars were for high cost claims.
- Nervous System claimants decreased by 18%, but the cost of claims increased by 49%. Our number of claimants is 1% higher than our peers and our cost per claim is 105% higher. 66% of nervous system claim dollars were for high cost claims.
- Digestive System claimants decreased by 17% and the cost of claims decreased by 20%. Our number of claimants is 10% less than our peers, but our cost per claim is 41% higher. 52% of digestive claim dollars were for high cost claims.
- Infectious and Parasitic Diseases claimants increased by 46% and the cost of claims increased by 331%. Our number of claimants is 39% more than our peers and our cost per claim is 170% higher. 46% of infectious and parasitic disease claim dollars were for high cost claims.

# Major Cost Drivers

- Cancer is the highest cost driver and spend increased 8% from last year.
- Catastrophic cases (those over \$50,000) net paid PMPM decreased 4%. Net paid is 18% higher than the norm.
  - Cancer: 16 members; claims totaled over \$2.1 million (28% of total Catastrophic claims cost)
  - Musculoskeletal: 9 members; claims totaled almost \$850,000 (11% of total Catastrophic claims cost)
  - Nervous System: 8 members; claims totaled over \$1.1 million (15% of total Catastrophic claims cost)
  - Digestive System: 9 members; claims totaled almost \$1.3 million (16% of total Catastrophic claims cost)
  - Infectious & Parasitic Disease: 5 members; claims totaled over \$650,000 (9% of total Catastrophic claims cost)
- Those with more than \$50,000 in medical net payments represent 2% of claimants and 42% of medical costs, which remained the same as 2019.
- Net paid per ER visit increased 6% and is 61% higher than the norm.

# Calendar Year Stop Loss

	2016	2017	2018	2019	2020
Stop Loss Fee	\$1,990,645	\$1,853,947	\$2,838,935	\$4,217,908	\$3,507,705
Stop Loss Reimbursement	\$2,208,293	\$4,100,743	\$5,183,448	\$3,959,561	\$3,655,140
Carrier Impact	-11%	-121%	-83%	6%	-4%

# Pharmacy

- Total pharmacy costs were \$7,869,091 for the year; 26% of total costs.
  - Total pharmacy cost increased 31%.
- Top 15 drugs cost Collin County \$3,359,811 and comprise 47% of the county's pharmacy costs.
- Over the last five years:
  - Specialty drug payments increased 115%.
  - Non-specialty drug payments increased 2%.
  - Plan paid per prescription increased 48%.

# Pharmacy

	2016	2017	2018	2019	2020
Total Spend	\$5,450,909	\$6,133,097	\$5,511,478	\$6,004,285	\$7,869,091
Change in Total Spend	-9%	13%	-10%	9%	31%
Employee Pays	\$508,519 (9%)	\$507,947 (8%)	\$582,468 (11%)	\$592,451 (10%)	\$686,379 (9%)
Employer Pays	\$4,942,390 (91%)	\$5,625,150 (92%)	\$4,929,010 (89%)	\$5,411,834 (90%)	\$7,182,712 (91%)

# Top 15 Prescriptions by Net Paid

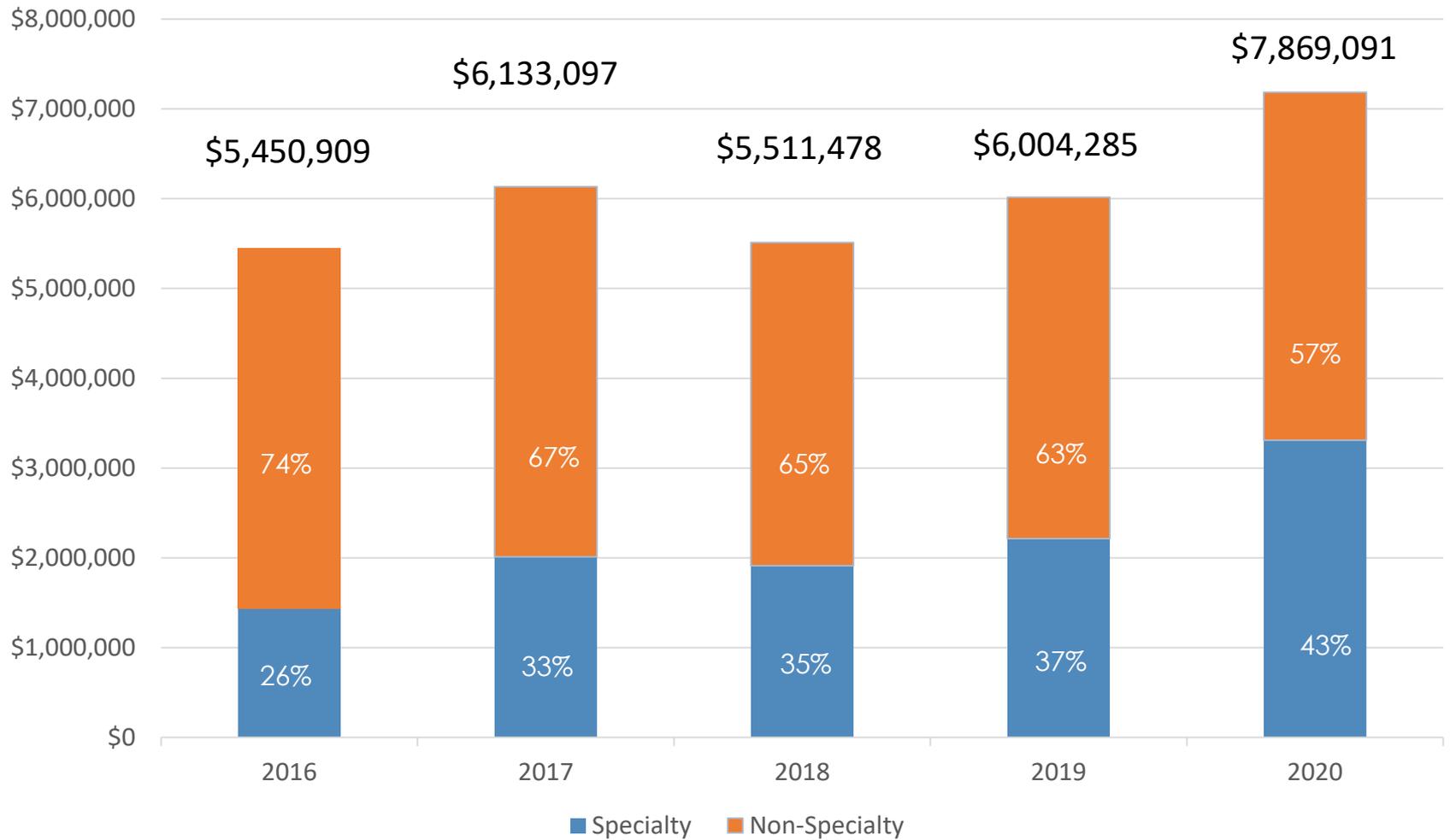
Name of Prescription	Used to Treat	Tier	Members Using Prescription	Number of Prescriptions	Annual Cost of Prescription	Cost per Prescription
TAKHZYRO*	Blood Disorders	2	1	15	\$721,238	\$48,083
FIRAZYR*	Blood Disorders	2	1	14	\$489,332	\$34,952
HUMIRA PEN*	Inflammatory Conditions	2	8	68	\$385,143	\$5,664
STELARA*	Inflammatory Conditions	2	4	14	\$242,138	\$17,296
AUBAGIO*	Multiple Sclerosis	3	3	26	\$205,916	\$7,920
SPRYCEL*	Oncology	3	1	12	\$178,517	\$14,876
OZEMPIC	Diabetes	2	34	190	\$168,183	\$885
JARDIANCE	Diabetes	2	40	222	\$159,144	\$717
TRULICITY	Diabetes	2	22	182	\$151,424	\$832
OTEZLA*	Inflammatory Conditions	2	6	37	\$143,532	\$3,879
NERLYNX*	Oncology	2	1	7	\$118,429	\$16,918
VICTOZA	Diabetes	2	18	118	\$110,130	\$933
DUPIXENT*	Inflammatory Conditions	3	4	32	\$97,968	\$3,061
TECFIDERA*	Multiple Sclerosis	2	1	11	\$94,658	\$8,605
HUMALOG KWIKPEN	Diabetes	2	16	76	\$94,059	\$1,238

\*Specialty Medications

# Specialty Pharmacy

- Specialty drugs are generally defined as having one or more of the following characteristics:
  - Complex to manufacture, requiring special handling and administration.
  - Costly both in total, and on a per patient basis (typically >\$600 per dose).
  - Taken by a relatively small portion of population who have rare and complex medical conditions.
  - Requires ongoing clinical support.
- The Mercer survey reported for 2020 that spending on specialty drugs continues to drive up total spending on pharmacy benefits. In 2020, annual average specialty drug cost per employee increased 11.4%.
- Specialty drug costs for our plan increased from \$623 per member to \$917 per member.
  - The Top 5 specialty conditions represent 46% of total plan paid and 1% of total prescriptions.
  - Specialty plan paid per prescription is 13% higher than peer.
- Employees contributed 1% of specialty drug costs in 2020.

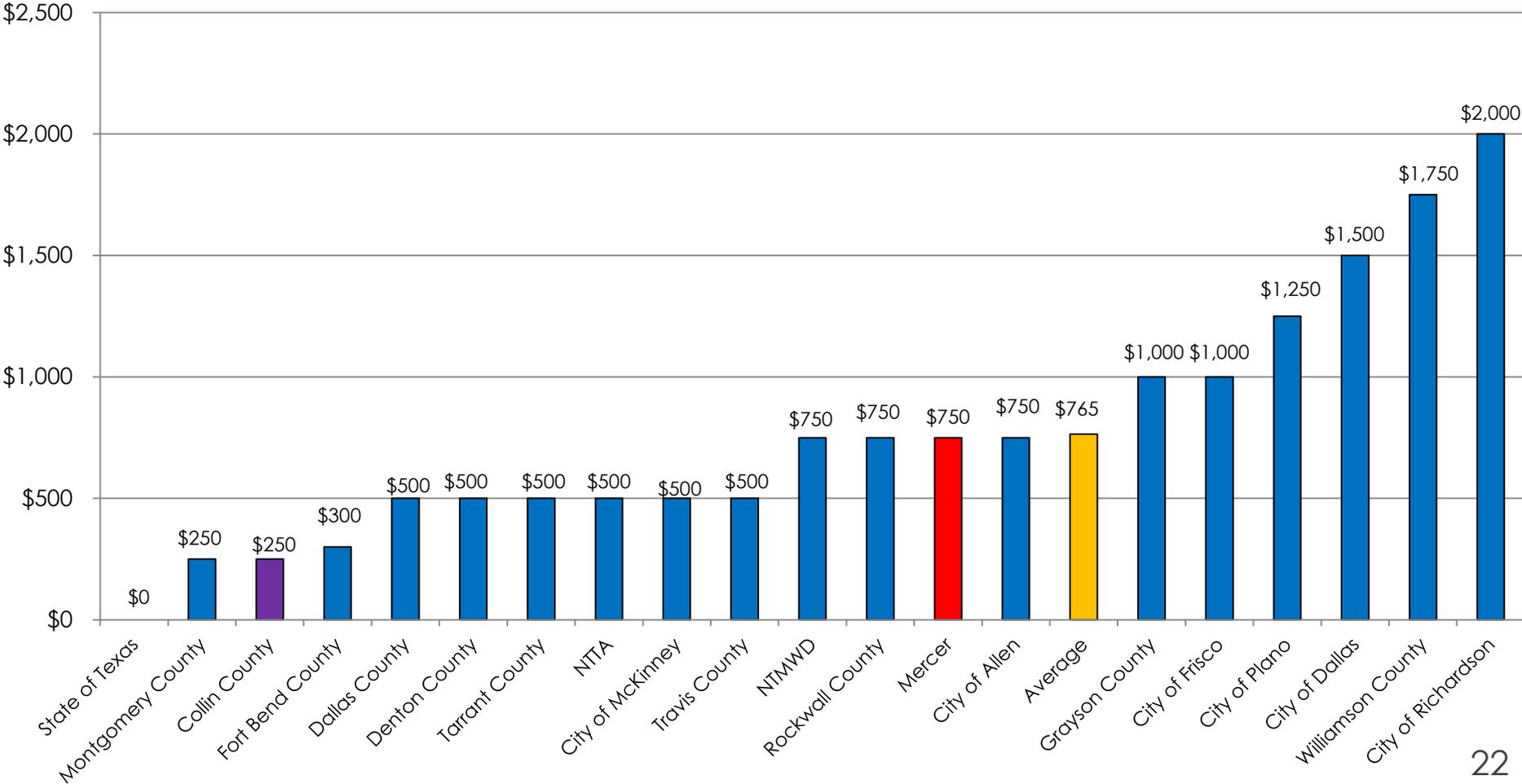
## TOTAL PHARMACY COST



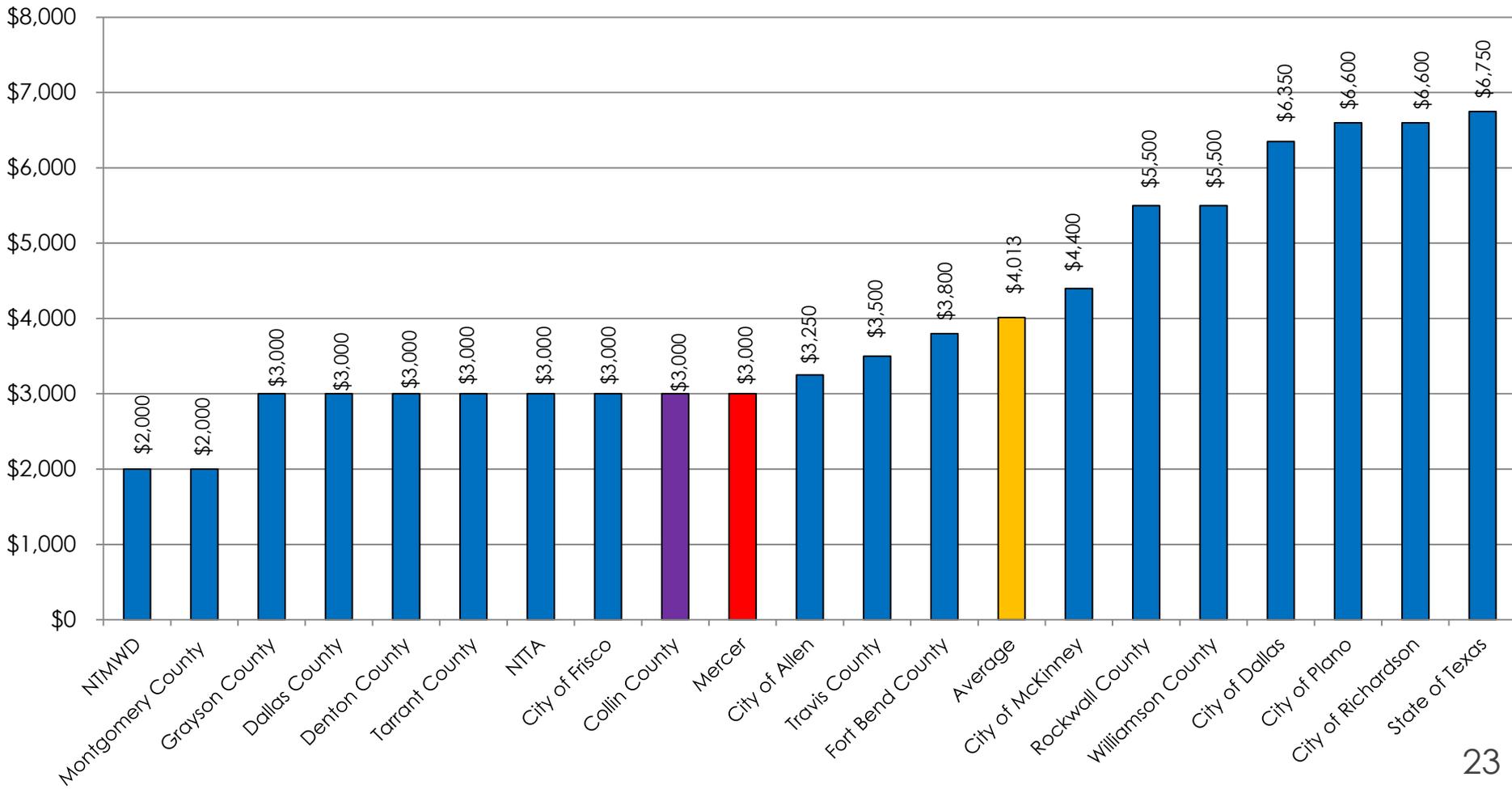


MEDICAL AND DENTAL  
BENEFIT  
COMPARISONS

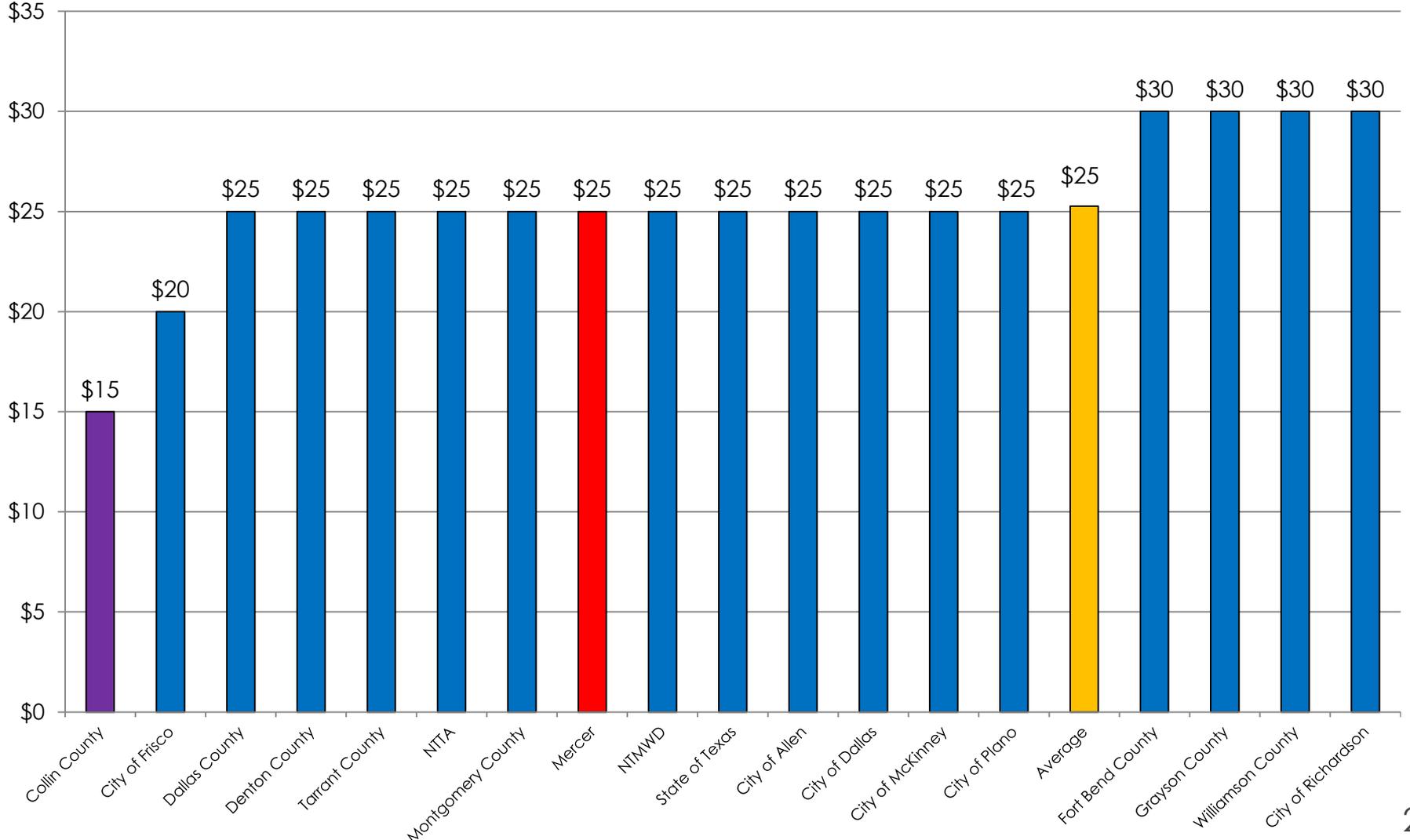
# Premium Medical Plan Deductibles



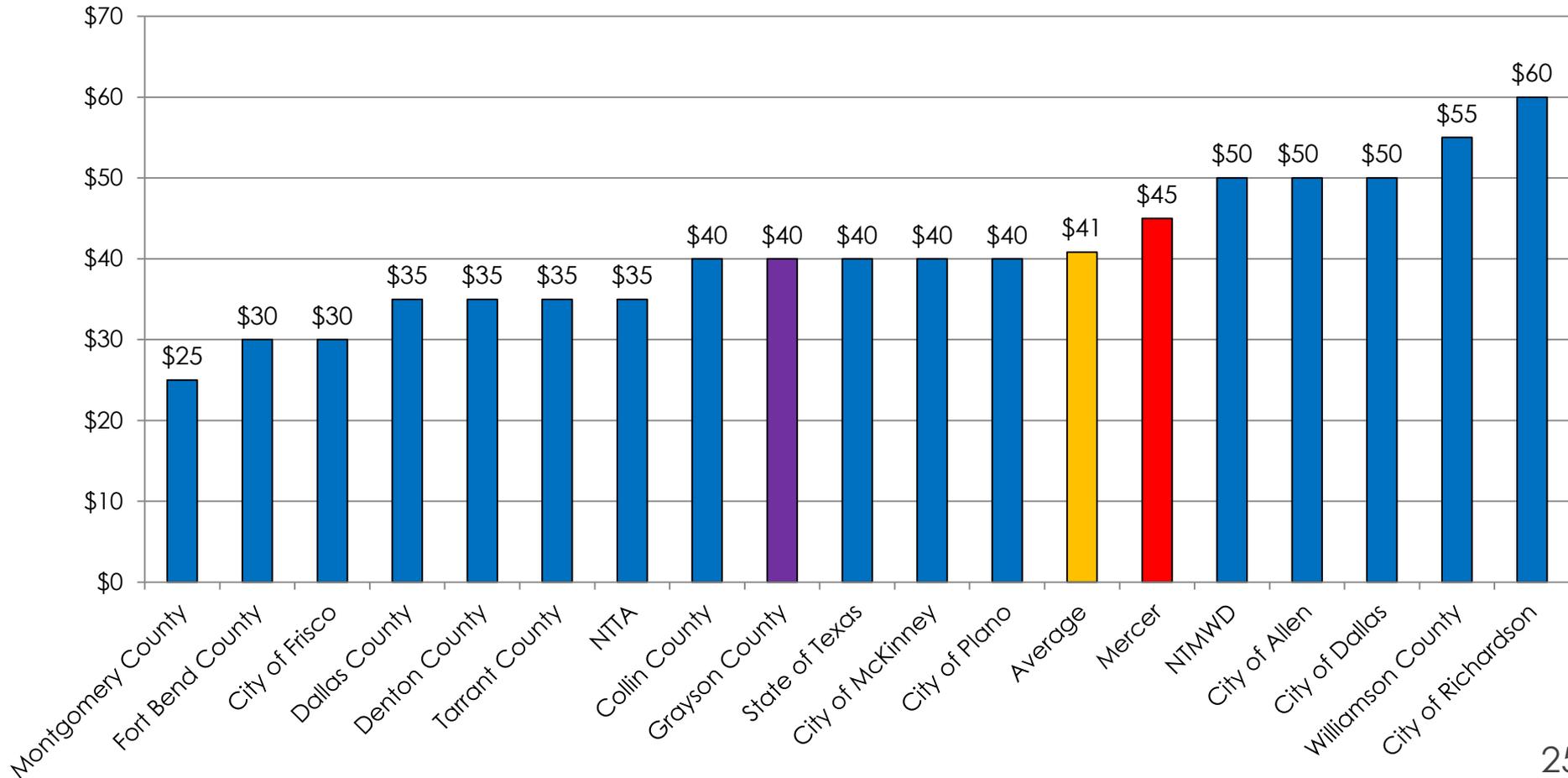
# Premium Medical Plan Out-of-Pocket Expenses -In-Network



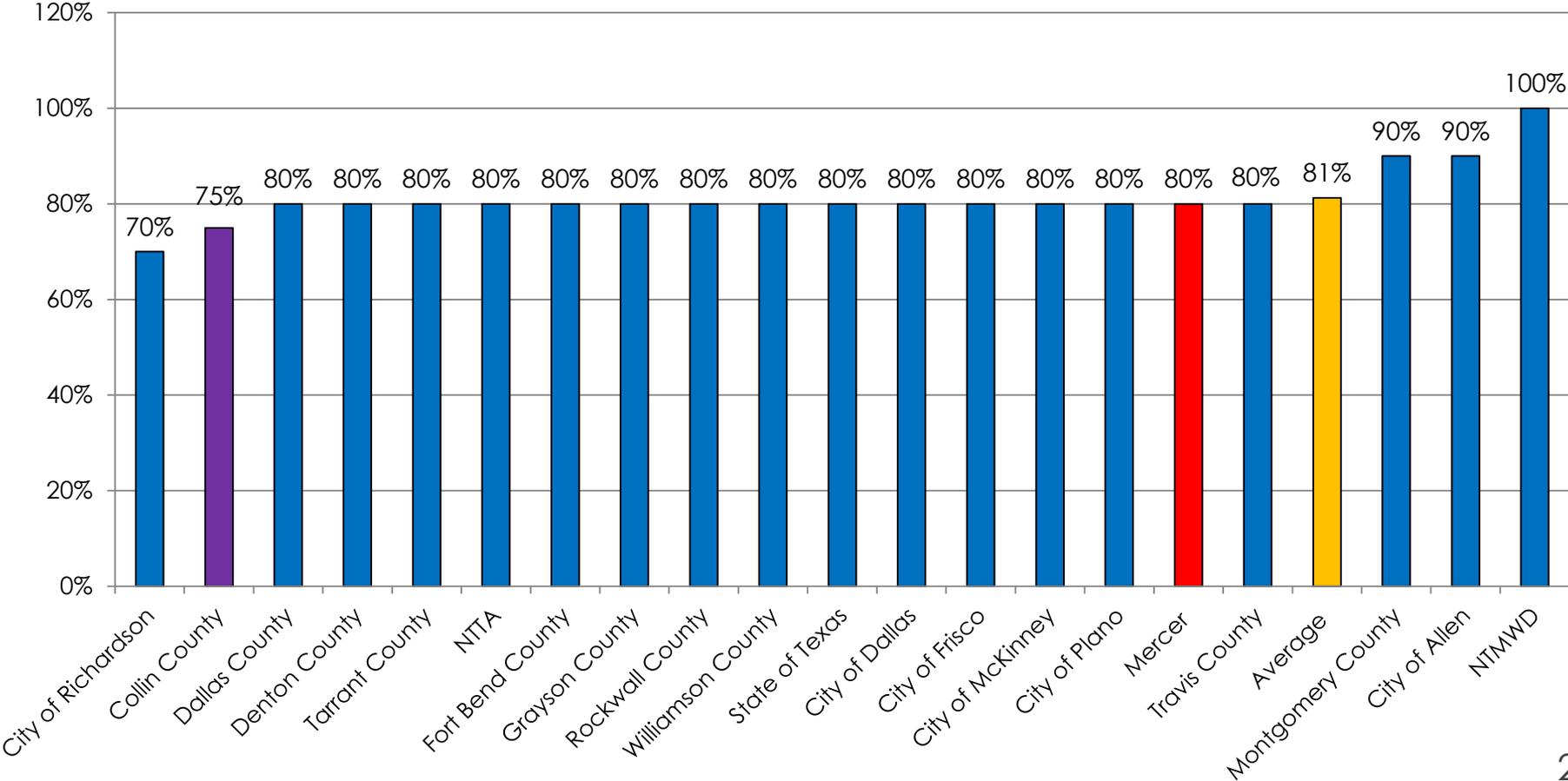
# Premium Medical Plan Primary Care Physician Co-Pay



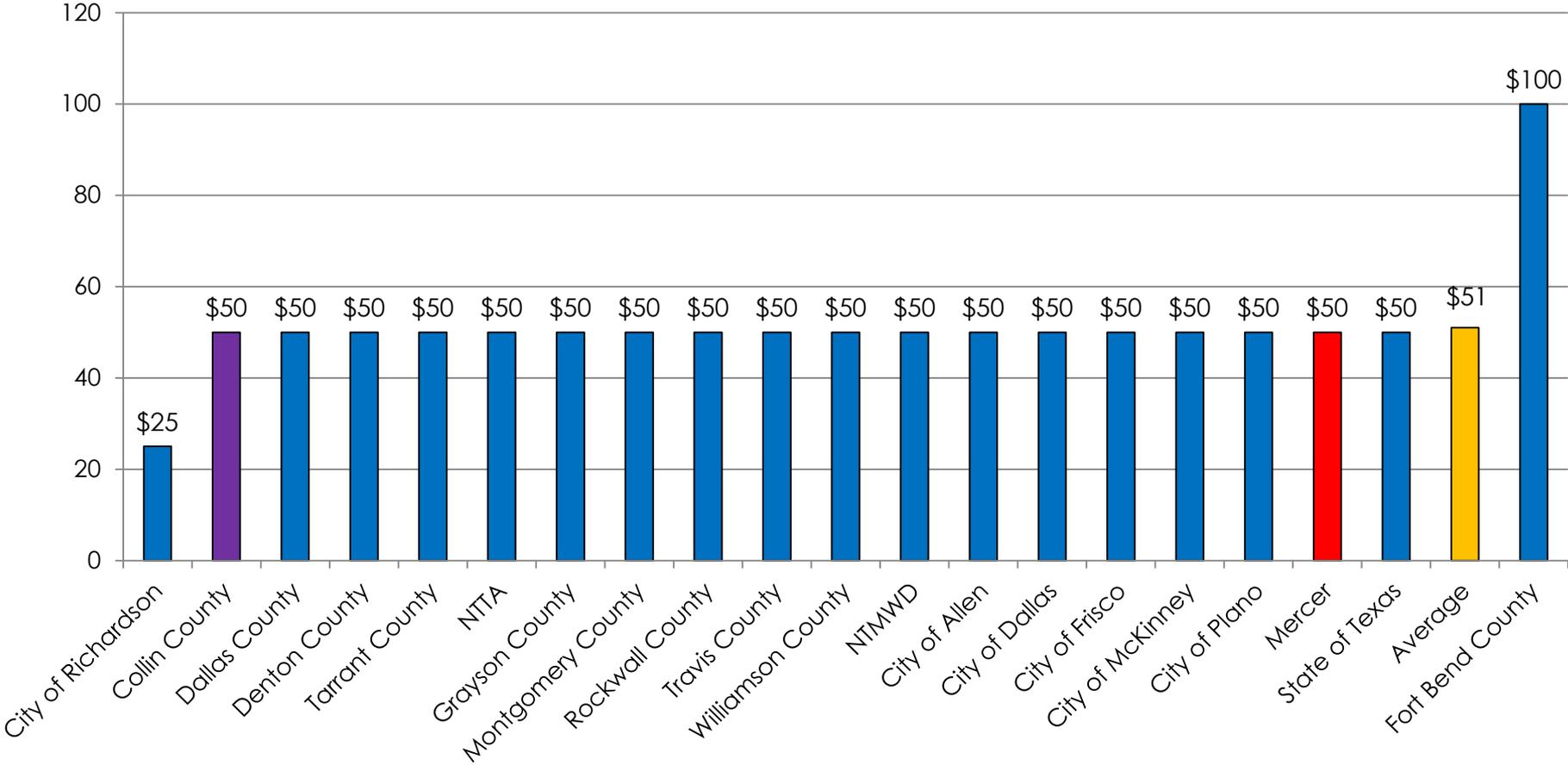
# Premium Medical Plan Specialist Co-Pay



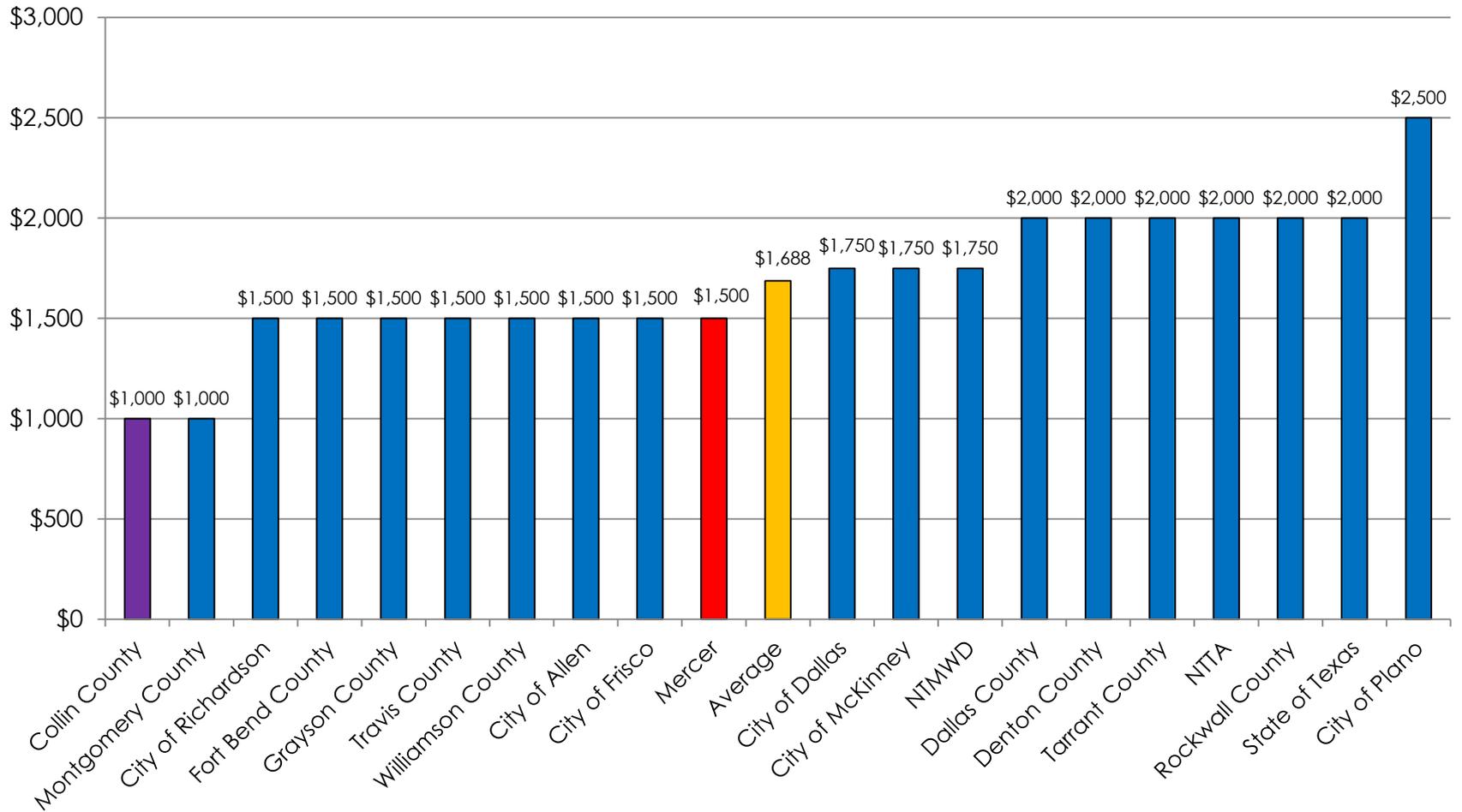
# Premium Medical Plan Co-Insurance % Paid – In-Network



# Dental Plan Deductibles



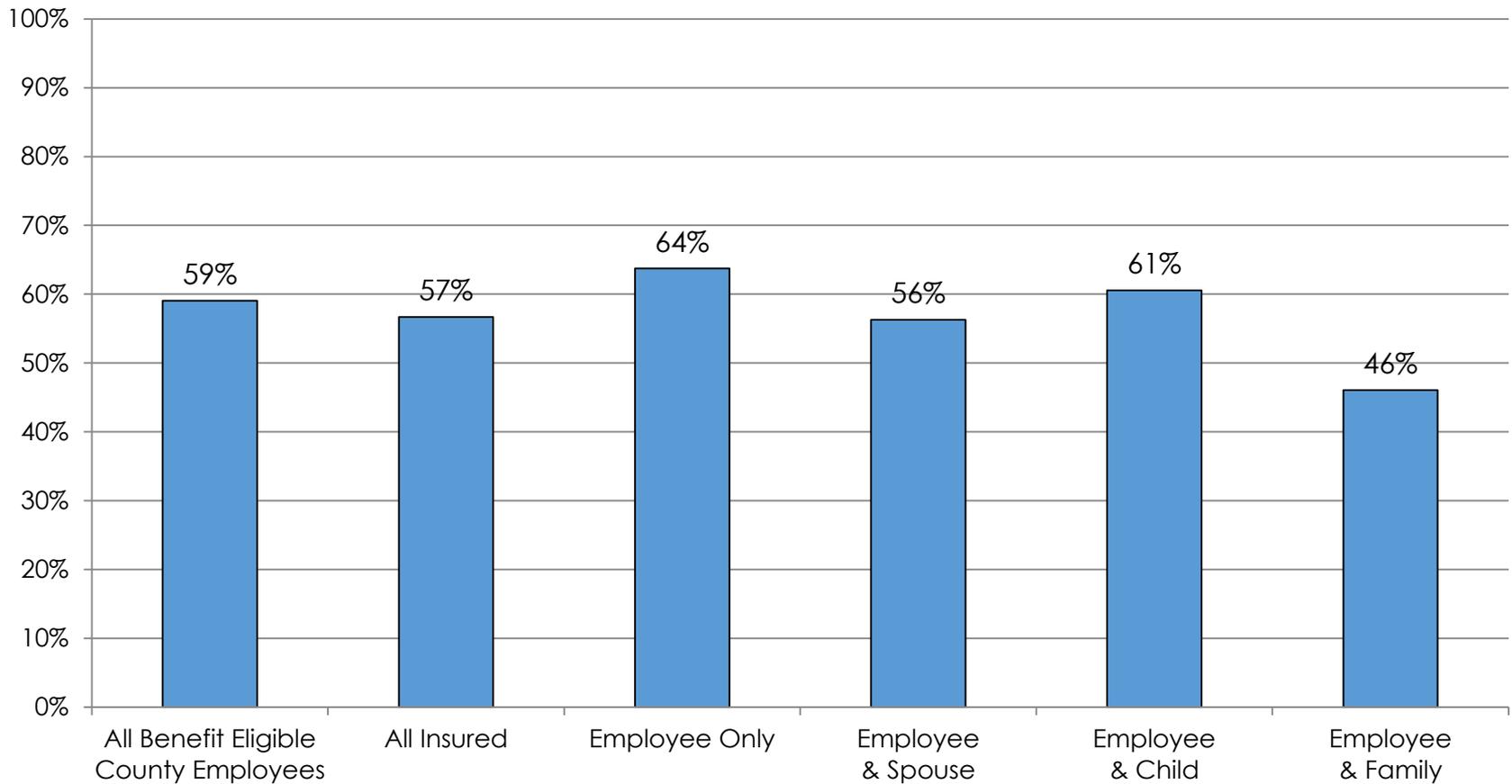
# Dental Plan Maximums



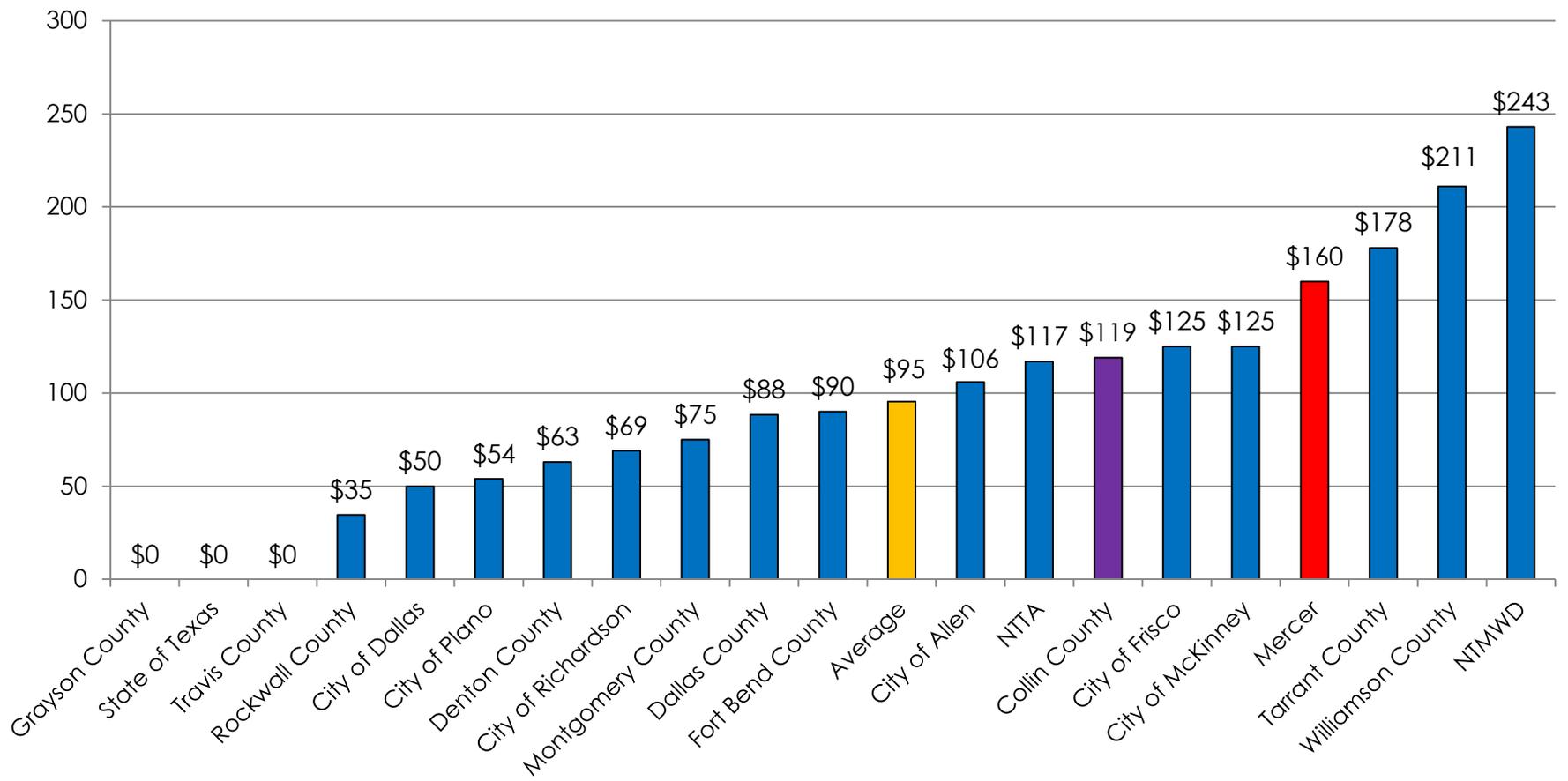


MEDICAL AND DENTAL  
EMPLOYEE PREMIUM COMPARISONS

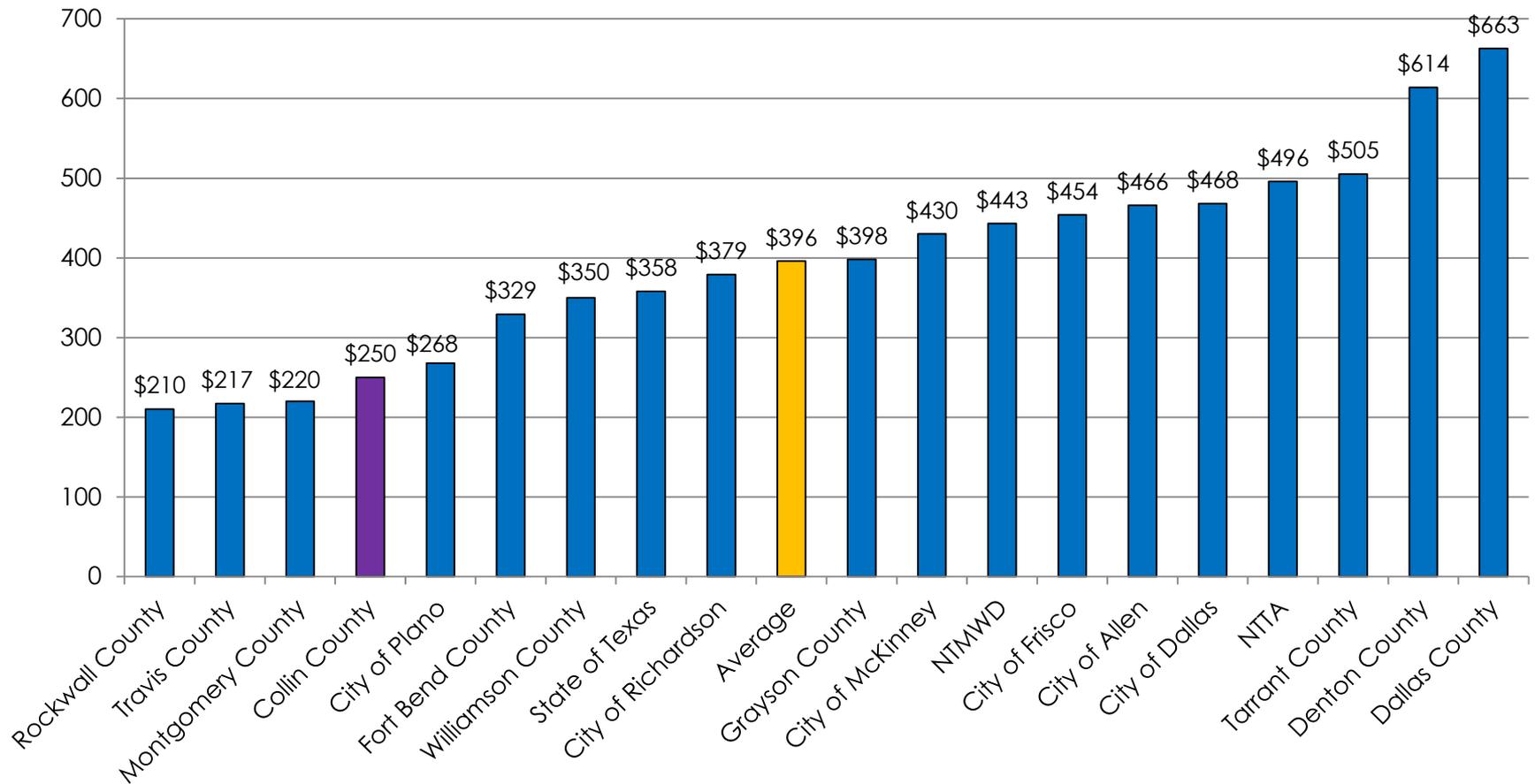
# Percentage of Employees with Salaries Under \$60,000



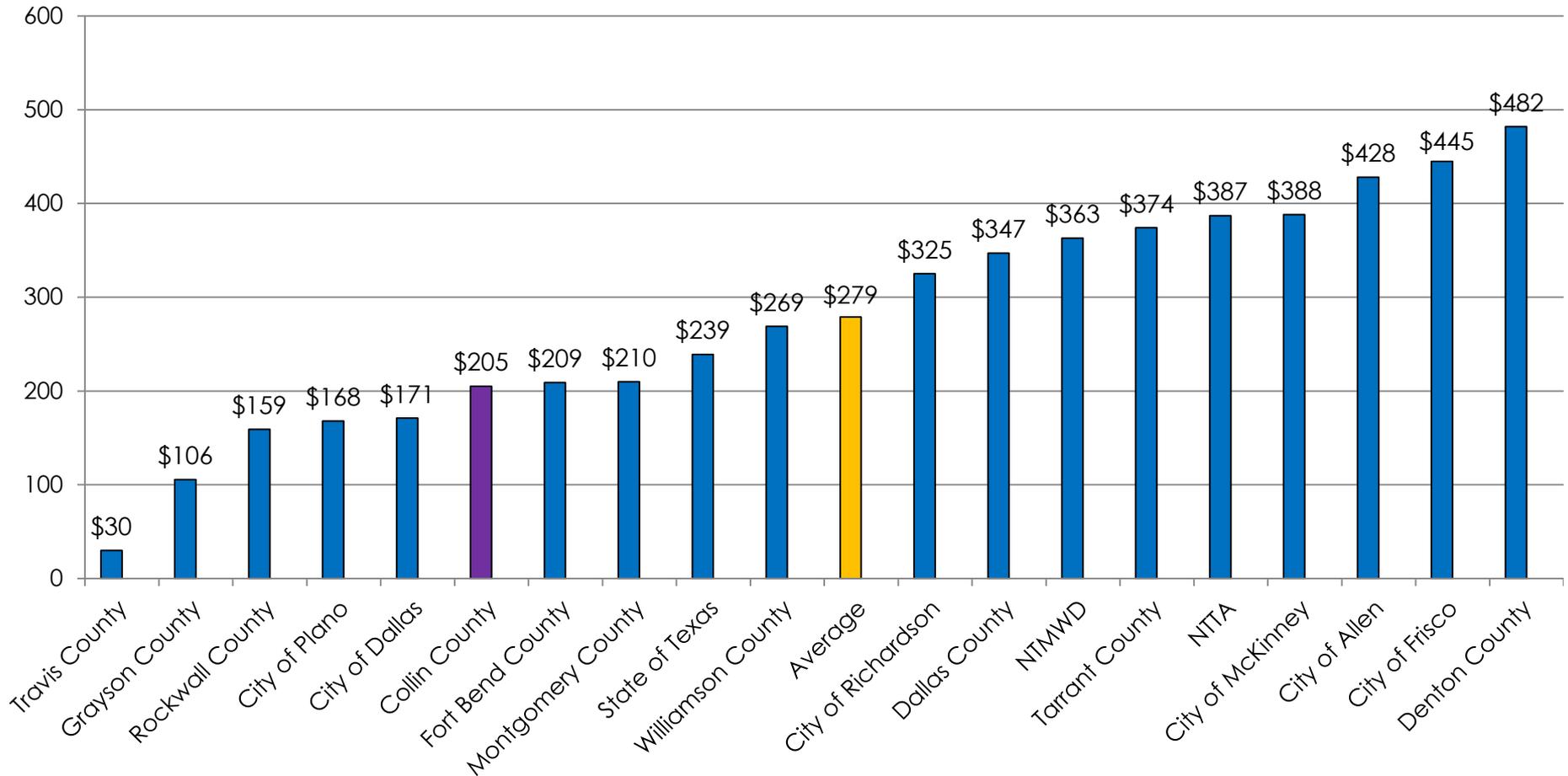
# Premium Medical Plan Employee Only Coverage Cost/Month



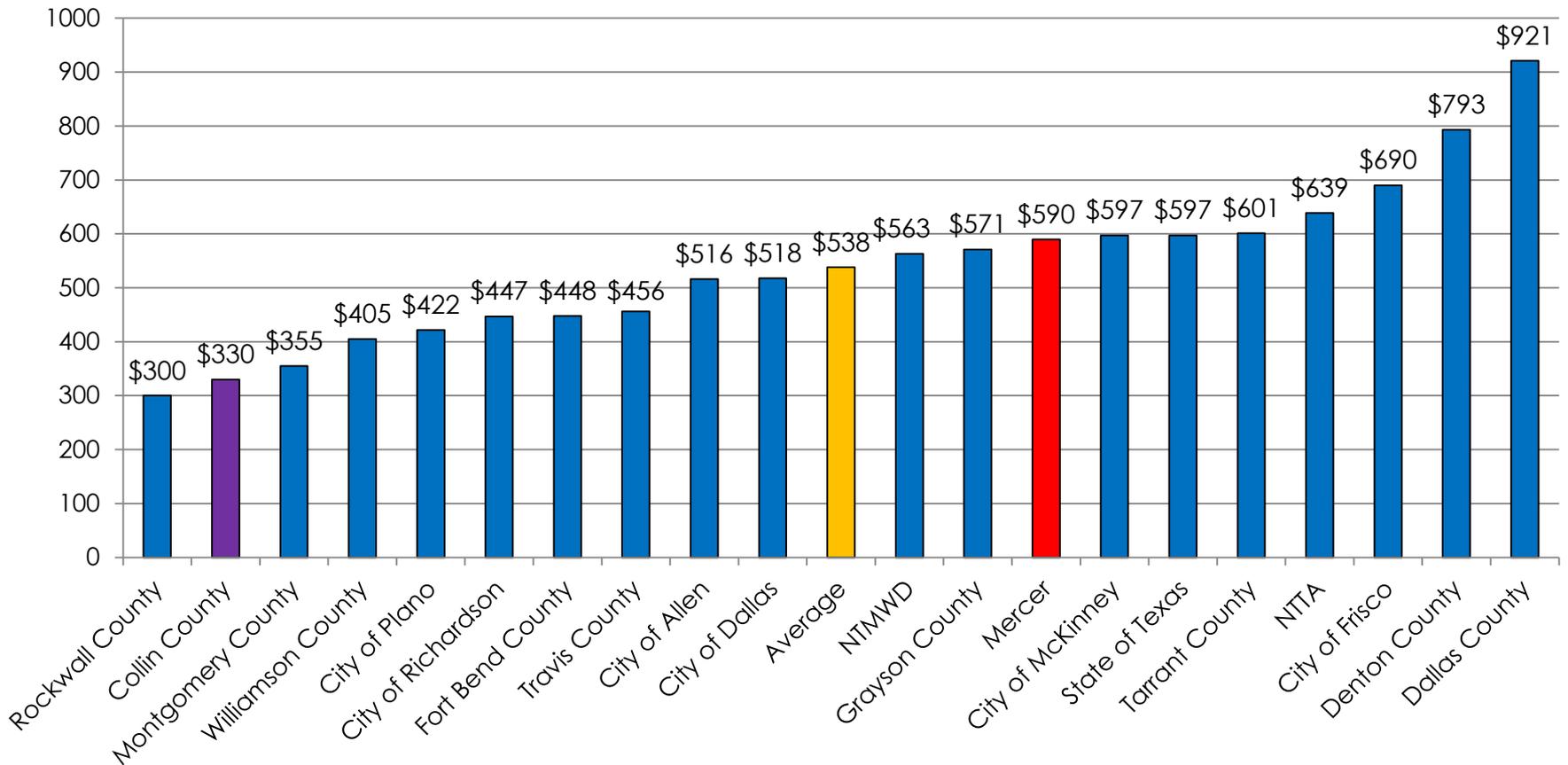
# Premium Medical Plan Employee & Spouse Coverage Cost/Month



# Premium Medical Plan Employee & Child(ren) Coverage Cost/Month

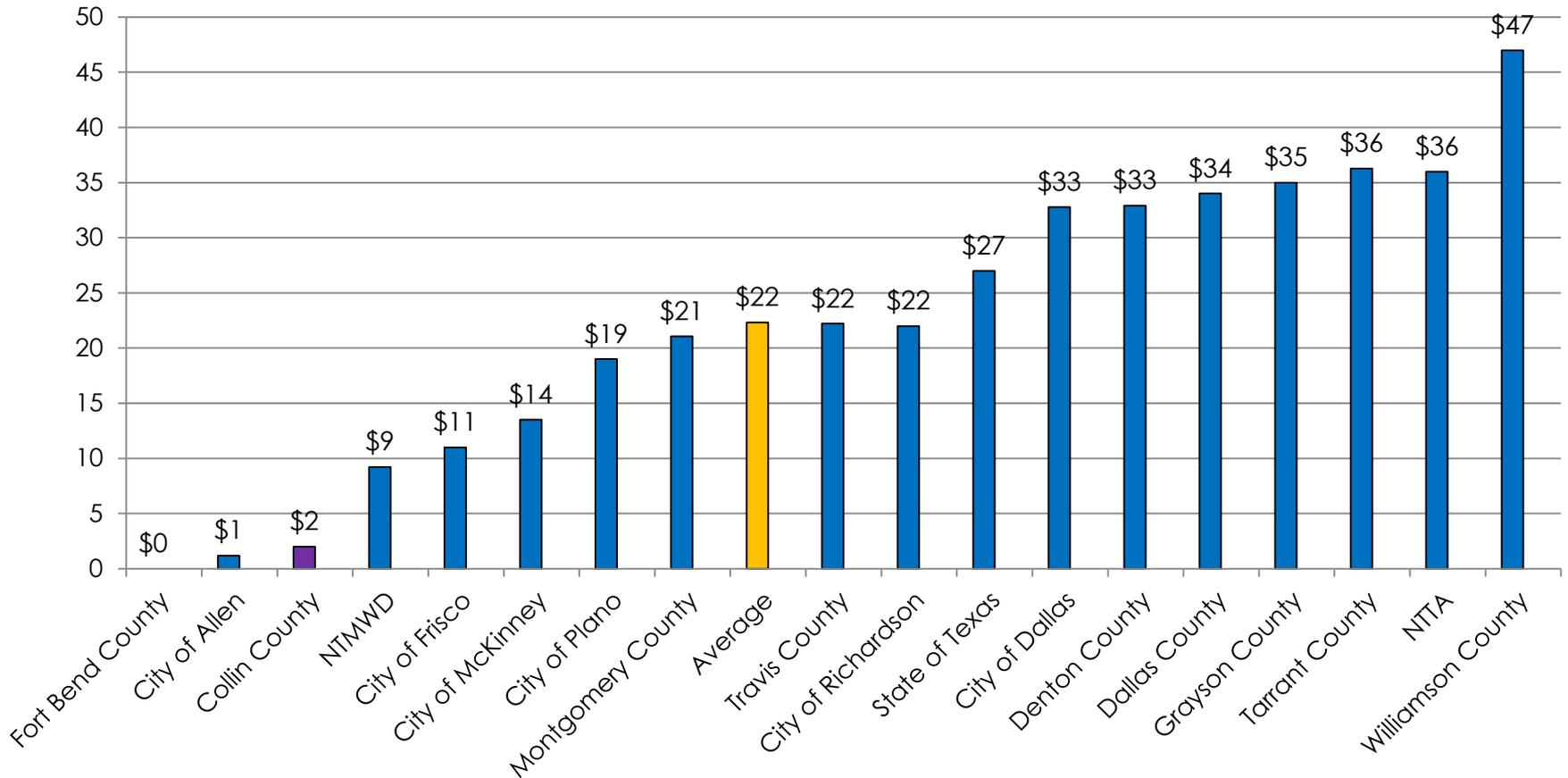


# Premium Medical Plan Employee & Family Coverage Cost/Month



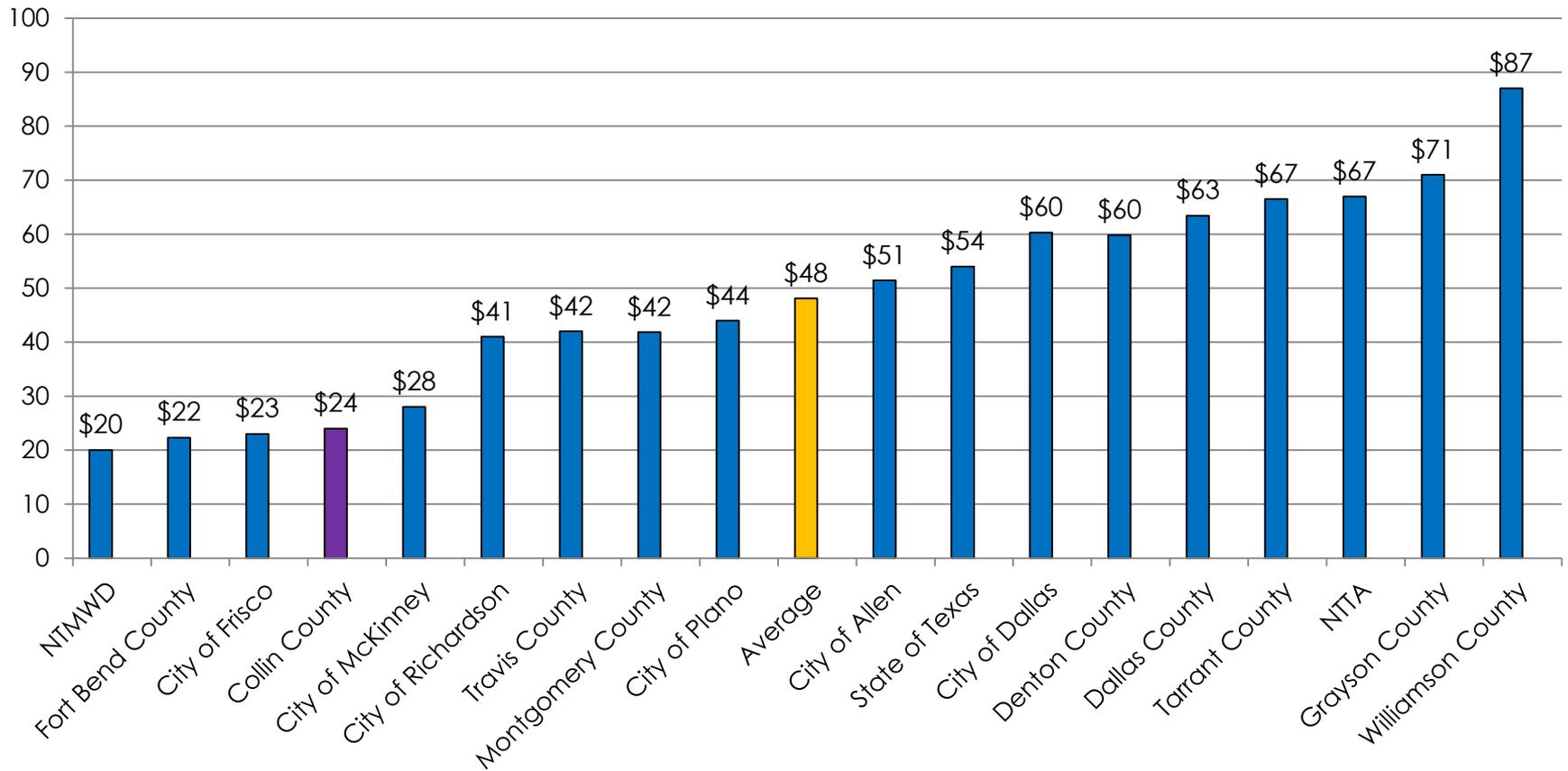
# Dental Plan

## Employee Only Coverage Cost/Month



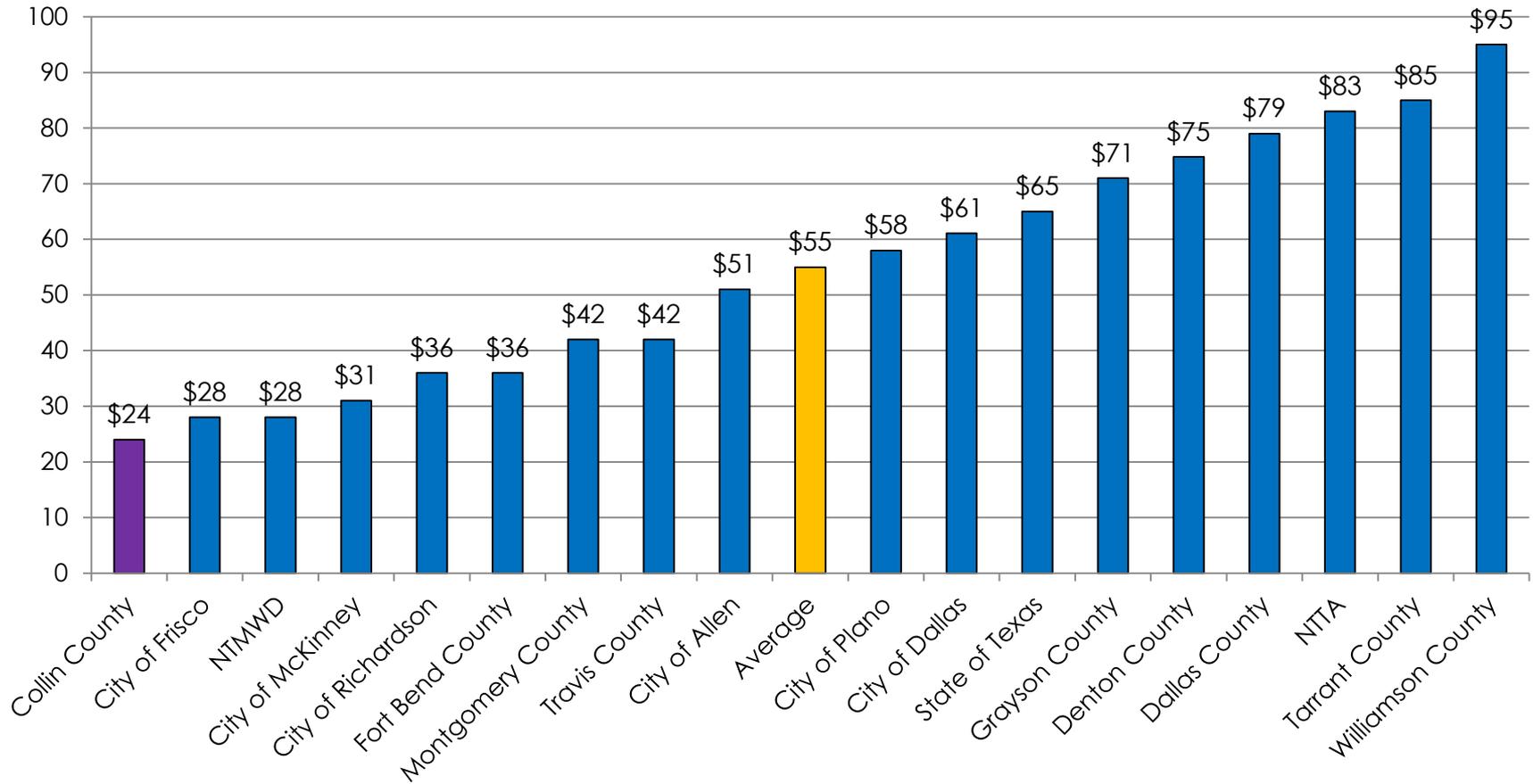
# Dental Plan

## Employee & Spouse Coverage Cost/Month



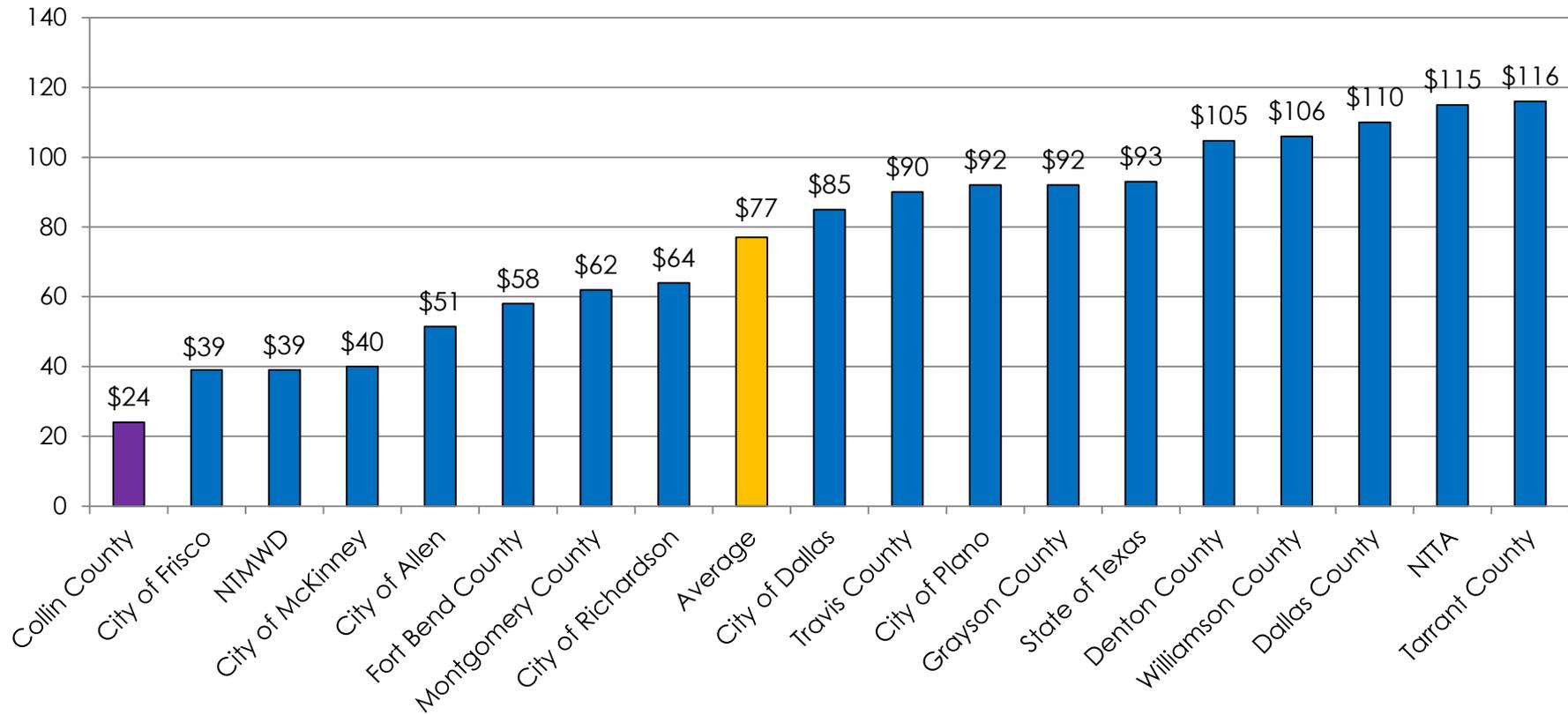
# Dental Plan

## Employee & Child(ren) Coverage Cost/Month



# Dental Plan

## Employee & Family Coverage Cost/Month





MEDICAL PLAN PREMIUM  
AND  
ENROLLMENT INFORMATION

# 2020 Active Full Time Employee Monthly Insurance Plan Rates and Enrollment\*

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
EE Only	\$65 (111)	\$90 (111)	\$90 (5)	\$94 (211)	\$119 (25)	\$144 (75)
EE & Spouse	\$160 (35)	\$185 (11)	\$210 (11)	\$225 (94)	\$250 (11)	\$275 (51)
EE & Child(ren)	\$120 (64)	\$145 (20)	\$170 (26)	\$180 (135)	\$205 (8)	\$230 (31)
EE & Family	\$220 (89)	\$245 (14)	\$270 (51)	\$305 (186)	\$330 (22)	\$355 (96)
Total	299	156	93	626	66	253

\*As of December 2020

# Advantage Plan Premium History for Full Time Employees

Plan	Medical Coverage Level	2013	2014	2015	2016	2017	2018	2019	2020	2021
Advantage Premium Discount (Wellness Physical)	EE Only	\$82	\$65	\$65	\$65	\$65	\$65	\$65	\$65	\$65
	EE & Spouse	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160
	EE & Child(ren)	\$120	\$120	\$120	\$120	\$120	\$120	\$120	\$120	\$120
	EE & Family	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220
Advantage Standard Premium (New Hire)	EE Only	\$107	\$90	\$90	\$90	\$90	\$90	\$90	\$90	\$90
	EE & Spouse	\$185	\$185	\$185	\$185	\$185	\$185	\$185	\$185	\$185
	EE & Child(ren)	\$145	\$145	\$145	\$145	\$145	\$145	\$145	\$145	\$145
	EE & Family	\$245	\$245	\$245	\$245	\$245	\$245	\$245	\$245	\$245
Advantage Premium Surcharge (No Wellness Physical)	EE Only	\$132	\$90	\$90	\$90	\$90	\$90	\$90	\$90	\$90
	EE & Spouse	\$210	\$210	\$210	\$210	\$210	\$210	\$210	\$210	\$210
	EE & Child(ren)	\$170	\$170	\$170	\$170	\$170	\$170	\$170	\$170	\$170
	EE & Family	\$270	\$270	\$270	\$270	\$270	\$270	\$270	\$270	\$270

# Advantage Plus Plan Premium History for Full Time Employees

Plan	Medical Coverage Level	2013	2014	2015	2016	2017	2018	2019	2020	2021
Advantage Plus Premium Discount (Wellness Physical)	EE Only	\$94	\$94	\$94	\$94	\$94	\$94	\$94	\$94	\$94
	EE & Spouse	\$225	\$225	\$225	\$225	\$225	\$225	\$225	\$225	\$225
	EE & Child(ren)	\$180	\$180	\$180	\$180	\$180	\$180	\$180	\$180	\$180
	EE & Family	\$305	\$305	\$305	\$305	\$305	\$305	\$305	\$305	\$305
Advantage Plus Standard Premium (New Hire)	EE Only	\$119	\$119	\$119	\$119	\$119	\$119	\$119	\$119	\$119
	EE & Spouse	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250
	EE & Child(ren)	\$205	\$205	\$205	\$205	\$205	\$205	\$205	\$205	\$205
	EE & Family	\$330	\$330	\$330	\$330	\$330	\$330	\$330	\$330	\$330
Advantage Plus Premium Surcharge (No Wellness Physical)	EE Only	\$144	\$144	\$144	\$144	\$144	\$144	\$144	\$144	\$144
	EE & Spouse	\$275	\$275	\$275	\$275	\$275	\$275	\$275	\$275	\$275
	EE & Child(ren)	\$230	\$230	\$230	\$230	\$230	\$230	\$230	\$230	\$230
	EE & Family	\$355	\$355	\$355	\$355	\$355	\$355	\$355	\$355	\$355



# ADDITIONAL INFORMATION

# Plan Demographics\*

	Advantage Medical Plan	Advantage Plus Medical Plan	Total
Total Enrolled	558	945	1503
Gender			
Male	270 (36%)	481 (64%)	751 (50%)
Female	288 (38%)	464 (62%)	752 (50%)
Salary Level			
Under \$60,000	372 (44%)	480 (56%)	852 (57%)
Over \$60,000	186 (29%)	465 (71%)	651 (43%)
Age			
30 and younger	150 (60%)	100 (40%)	250 (17%)
	162 (47%)	180 (53%)	342 (23%)
	133 (31%)	296 (69%)	429 (29%)
	88 (26%)	253 (74%)	341 (23%)
	25 (18%)	116 (82%)	141 (9%)

\*As of December 2020

# 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
<b>City</b>				
City of Allen	14%	27%	30%	22%
City of Dallas	9%	39%	16%	33%
City of Frisco	12%	23%	26%	28%
City of McKinney	16%	25%	25%	23%
City of Plano	10%	18%	16%	20%
City of Richardson	7%	28%	25%	31%
<b>Average</b>	<b>11%</b>	<b>27%</b>	<b>23%</b>	<b>26%</b>
<b>County</b>				
Collin County	9%	11%	10%	13%
Dallas County	10%	36%	23%	38%
Denton County	5%	27%	27%	27%
Fort Bend County	10%	29%	20%	34%
Grayson County	0%	25%	10%	29%
Montgomery County	7%	17%	16%	25%
Rockwall County	3%	10%	10%	11%
State of Texas	0%	25%	20%	31%
Tarrant County	17%	23%	23%	23%
Travis County	0%	14%	3%	19%
Williamson County	27%	18%	15%	14%
NTMWD	25%	25%	24%	24%
NTTA	12%	24%	24%	24%
<b>Average</b>	<b>10%</b>	<b>22%</b>	<b>17%</b>	<b>24%</b>
Private	25%			

# Changes in Benefits

- 2020 Changes

- Pharmacy:

- 90-day retail option.
    - Third month discount moved from mail order to retail.
    - \$10 mailing fee added for mail order (effective 3/1/2020).

- 2021 Changes

- Pharmacy:

- Removed third month discount from retail.

- Mental Health Services:

- Outpatient Mental Health Services reduced to a \$15 co-pay for in and out of network.
    - Sanvello and Talkspace are available to UnitedHealthcare Members.

# Retiree Insurance

- Employers are required to report employer contributions to retiree benefits on their CAFR as a liability due to GASB rules.
- Retiree costs decreased from 2019 to 2020 by an average of 95%.
- Collin County charges the actuarial cost for all retirees that elected coverage after 05/31/2010.
  - Retiree insurance costs are based on retirees claim experience only.

Monthly Premium	Employee Only	Employee/ Spouse	Employee/ Child(ren)	Employee/ Family
2020	\$924.46	\$1,847.86	\$1,667.62	\$2,178.74
2019	\$18,124.66	\$36,249.18	\$32,624.12	\$42,593.00
2018	\$7,208.87	\$14,417.68	\$12,975.85	\$16,940.86

- In 2020, there were 5 new enrollments in retiree medical coverage.
  - A total of six retirees were enrolled in medical insurance as of 12/1/2020.

# Affordable Care Act

- Collin County's Advantage plan meets affordability and coverage requirements; must re-evaluate annually.
  - A plan is considered affordable if employee costs are less than \$105 a month. The Advantage plan is currently \$90 a month.
  - Minimum coverage requires a plan to cover 60% of health care costs. The Advantage plan covers 80% of health care costs.
- In-network deductibles, in-network co-pays, and prescription costs apply to annual out-of-pocket expense limits.
- Additional Fees
  - PCORI – \$2.66 per covered member fee for 2020. Payment will be made in July 2021 for \$7,330.96. The Secure Act extended the fee for 10 years and is set to go through 2029.
- 1094/1095 IRS Tax Forms
  - Subject to penalties of up to \$270 per return with a maximum penalty of \$3,275,500.

# Wellness

- To receive the \$200 wellness payment and the \$25 monthly insurance discount, eligible employee's must complete:
  - Annual physical
  - Cholesterol screening
  - Well man/woman examination
  - Physician-identified body mass index (BMI) information
  - The UHC online health assessment (Rally)
- Our wellness program is currently ACA and HIPAA compliant as it is participatory, not contingent upon achieving a particular health status, and incentives are below the maximum allowable threshold.
- Per UnitedHealthcare, Collin County had one of the highest wellness utilization of their book of business.

# 2020 BMI Statistics\*

Category	BMI	Employee		Spouse		Total	
		Counts	% of Total	Counts	% of Total	Counts	% of Total
Underweight	Below 18.5	3	0.3%	3	0.6%	6	0.4%
Normal	18.5 - 24.9	192	17%	75	15%	267	17%
Overweight	25.0 - 29.9	343	31%	170	35%	513	32%
Obese	30+	576	52%	243	49%	819	51%
Total		1114		491		1605	

\*Numbers are based on members who participate in the wellness discount program

# Collin County, Texas, and U.S. BMI Comparison

Category	BMI	U.S. 2019	Texas 2019	Collin County 2020	Difference U.S.	Difference Texas
Underweight	Below 18.5	2%	2%	0.4%	-1.6%	-1.6%
Normal	18.5 - 24.9	31%	28%	17%	-14%	-11%
Overweight	25.0 - 29.9	35%	36%	32%	-3%	-4%
Obese	30+	32%	34%	51%	19%	17%



# CHANGES FOR CONSIDERATIONS



# Medical Plan Design Considerations

- Change co-pay from \$500 to \$600 for emergency room visits.
- Add outpatient hospital surgeries co-pay of \$250 for Advantage and Advantage Plus plans.
- Health Incentives.