

HEALTH INSURANCE ADHOC COMMITTEE

DATE: Thursday, March 12, 2020

TIME: 10:30 AM

LOCATION: Courthouse
Room 114
400 Market St.

Wisconsin Rapids, WI

1. Call meeting to order
2. Declaration of quorum
3. Public comments
4. Health Insurance Presentation from Human Resources
5. Discuss timeline for recommendations
6. Future agenda items
7. Set date for next meeting
8. Adjourn

Wood County's Health Fund

History

In 2011, the Wood County Executive Committee made the decision to change the way that the County budgets for health insurance and adopted the model that we use today: all budgeted part and full-time positions pay a flat rate per FTE for health insurance as determined annually by the committee.

Prior to 2011, departments paid differing rates which were dependent on what each employee was expected to elect in the upcoming year. With budgets being set in July/August and open enrollment not occurring until October/November, this made it increasingly difficult for departments to absorb additional costs when there were staffing changes or employees experienced qualifying events (such as marriage or birth of children) that caused an increase in the department's health insurance charges.

In 2011, the total healthcare budget/spend was \$10,004,968 and in 2020 we are projecting it to be \$12,753,851. Over the last nine years, we have experienced a 27.5% increase in health insurance costs.

The attached chart shows the Health Fund and checking account beginning and ending balances each year, total expenses and revenues, total claims, and all plan design changes and premiums from 2014 to 2020.

Our health insurance enrollment numbers are fairly unchanged year to year. Total employee headcount has fluctuated between 580 to 590 health insurance eligible FTE's and employee enrollments in health insurance have ranged from 500 to 510 over the years.

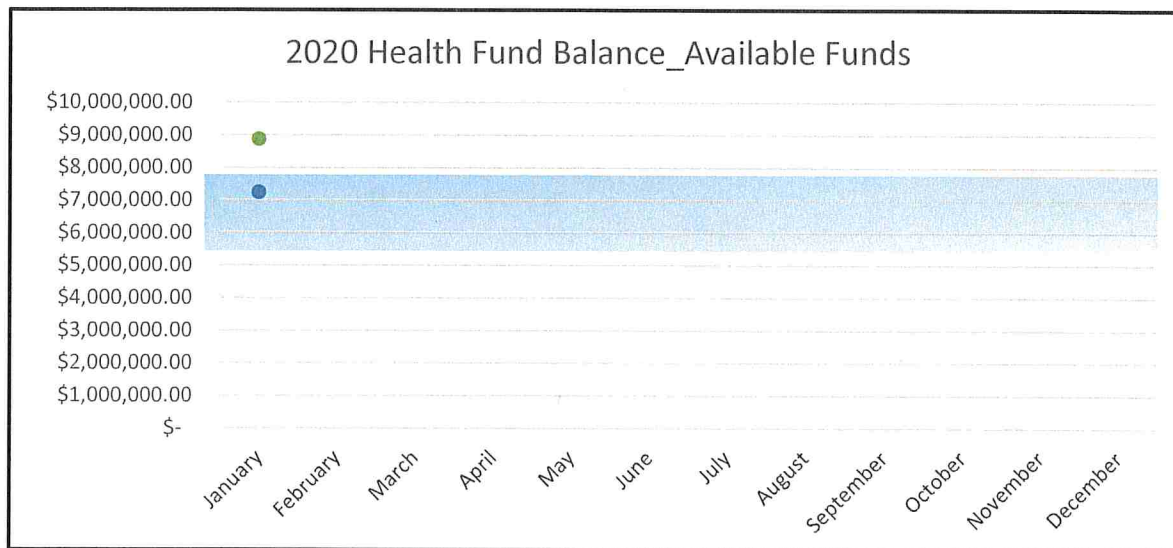
2020 Health Insurance Budget

| Revenues | | | Expenses | | |
|--------------------------|----------------|---------------------|------------------------|--|---------------------|
| Employee Premiums | Health (10%) | \$1,557,076 | Admin Fees | (Horton, WoodTrust, COBRA, Anthem, OPEB) | \$220,000 |
| Department Premiums | \$17,620 x 580 | \$10,219,600 | Claims | | \$10,279,825 |
| Employee Premiums | Vision | \$31,200 | Stop Loss Premium | | \$2,000,000 |
| Investment Income | | \$500 | Vision Premium | | \$30,000 |
| Investment Income | | \$45,000 | Wellness Program | | \$190,126 |
| Health Fund Interest | | \$475 | WPS Run-Out Admin Fees | | \$33,900 |
| Stop Loss Reimbursements | | \$900,000 | | | |
| Total Revenues: | | \$12,753,851 | Total Expenses: | | \$12,753,851 |

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|------------------------------|---|--|---|---|---|--|
| Health Reserve Beginning Balance | \$ 8,544,912.94 | \$ 7,508,321.85 | \$ 6,475,167.82 | \$ 5,775,962.50 | \$ 5,394,373.40 | \$ 6,321,744.80 | \$ 8,173,200.57 |
| Health Reserve End Balance | \$ 7,508,321.85 | \$ 6,475,167.82 | \$ 5,775,978.10 | \$ 5,394,373.40 | \$ 6,321,744.80 | \$ 8,173,200.57 | |
| Health Reserve Beginning Balance-Checking Acct. | \$ 2,469,942.77 | \$ 1,352,288.16 | \$ 1,045,417.27 | \$ 292,432.43 | \$ 868,928.01 | \$ 1,718,399.72 | \$ 3,455,187.58 |
| Health Reserve End Balance-Checking Acct. | \$ 1,352,288.20 | \$ 1,045,417.27 | \$ 292,448.03 | \$ 868,928.01 | \$ 1,718,399.72 | \$ 3,455,187.58 | |
| Expenses (Claims/Stop Loss/TPA/EAP) | \$ 11,213,098.63 | \$ 10,979,883.34 | \$ 11,406,181.00 | \$ 12,281,809.51 | \$ 12,531,863.67 | \$ 12,036,078.21 | |
| Deposits (Premiums/Stop Loss Reimbursement/Checking Interest) | \$ 10,095,444.02 | \$ 10,673,012.45 | \$ 10,653,211.76 | \$ 12,858,305.09 | \$ 13,381,335.38 | \$ 13,772,866.07 | |
| Difference | \$ (1,117,654.61) | \$ (306,870.89) | \$ (752,969.24) | \$ 576,495.58 | \$ 849,471.71 | \$ 1,736,787.86 | |
| Claims Only | \$ 9,486,215.77 | \$ 9,016,135.77 | \$ 9,388,536.05 | \$ 10,213,103.70 | \$ 10,345,797.03 | \$ 9,656,626.64 | |
| Total Healthcare Budget | | \$ 9,879,749.00 | \$ 10,591,957.00 | \$ 10,900,069.00 | \$ 11,962,896.00 | \$ 13,587,439.00 | \$ 12,753,851.00 |
| | | | | | | | |
| Plan Design Changes | | Removed vision from health plan | 3% premium increase Increased co-pay and deductible Eliminated Extended Plus plan and Employee +1 option | 9% premium increase Increased co-pay and deductible Added prescription deductible | 10% premium increase | 7.5% premium increase | 5% decrease overall Possible 10.3% premium increase depending on plan selection Added HDHP |
| Deductible | Single-\$100 Family-\$300 | Single-\$100 Family-\$300 | Single-\$250 Family-\$750 | Single-\$500 Family-\$1,500 | Single-\$500 Family-\$1,500 | Single-\$500 Family-\$1,500 | Single-\$500 Family-\$1,500 |
| Full-Time Premiums (Bi-Weekly) | | Single-\$30.87/\$39.80/\$46.12 EE+1-\$61.88/\$79.77/\$94.16 Family-\$78.44/\$99.92/\$120.11 | Single-\$31.80/\$40.99 Family-\$72.81/\$92.75 | Single-\$34.66/\$44.68 Family-\$79.36/\$101.10 | Single-\$38.13/\$49.15 Family-\$87.30/\$111.21 | Single-\$40.99/\$52.83 Family-\$93.84/\$119.55 | Single-\$45.21/\$36.17 Family-\$103.71/\$82.97 |
| Average Total Members | 1248 | 1317 | 1321 | 1331 | 1336 | 1345 | |
| Average Employees Enrolled | | | 483 | 498 | 480 | 481 | 478 |
| Average COBRA/Retiree Enrolled | | | ? | ? | ? | 23 | 23 |
| Total Enrolled | | | ? | ? | ? | 504 | 501 |

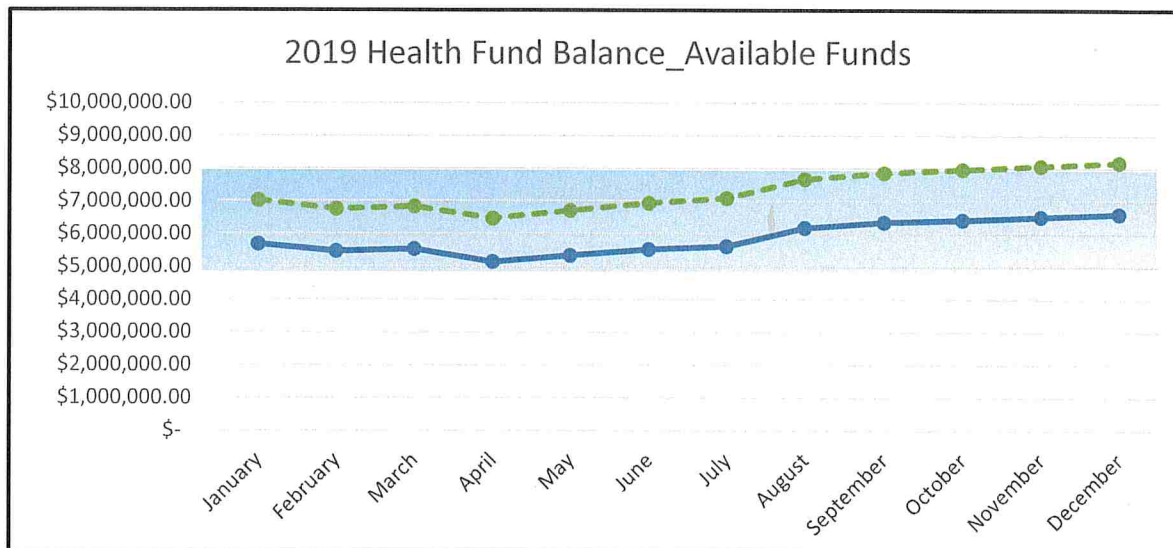
Health Fund Reserve Fund Balance

| Months | 2020 | | 2019 | |
|-----------|-----------------|-----------------|-----------------|-----------------|
| | Total | Available | Total | Available |
| January | \$ 8,859,244.13 | \$ 7,228,926.49 | \$ 7,021,371.56 | \$ 5,685,137.45 |
| February | | | \$ 6,755,901.70 | \$ 5,469,001.54 |
| March | | | \$ 6,834,145.97 | \$ 5,529,400.66 |
| April | | | \$ 6,472,162.23 | \$ 5,141,045.93 |
| May | | | \$ 6,701,880.37 | \$ 5,329,290.53 |
| June | | | \$ 6,935,298.36 | \$ 5,526,859.63 |
| July | | | \$ 7,088,744.49 | \$ 5,617,057.79 |
| August | | | \$ 7,670,878.32 | \$ 6,182,575.07 |
| September | | | \$ 7,858,325.78 | \$ 6,358,024.31 |
| October | | | \$ 7,964,236.62 | \$ 6,416,974.66 |
| November | | | \$ 8,073,695.68 | \$ 6,514,699.74 |
| December | | | \$ 8,173,200.57 | \$ 6,603,418.96 |



2020 Total Balance - Dashed Line

2020 Available Funds - Solid Line



2019 Total Balance - Dashed Line

2019 Available Funds - Solid Line

For further information on HR activities, please contact the HR department.