City of Henderson
Self Funded Capitated Stop Loss Modeling (Sub Account)
For Plan Year 2015

	Sun Life Option 1 $175,000 Paid $5 Million Unlimited	Sun Life Option 1 $200,000 Paid $5 Million Unlimited	Sun Life Option 2 $225,000 Paid $5 Million Unlimited	Sun Life Option 3 $250,000 Paid $5 Million Unlimited
Enrollment				
Single	278	278	278	278
Family	898	898	898	898
Total Enrollment	**1,176**	**1,176**	**1,176**	**1,176**
Rates				
Single	$26.57	$24.45	$22.02	$18.64
Family	$73.21	$67.36	$60.65	$51.36
Illustrative ISL Premium	**$877,548**	**$807,437**	**$727,023**	**$615,638**
Rates ($500K Stop-Loss Level)				
Single	$6.80	$6.80	$6.80	$6.80
Family	$18.75	$18.75	$18.75	$18.75
Estimated ISL Premium (actual)	**$224,735**	**$224,735**	**$224,735**	**$224,735**
Premium Savings $ transferred into Sub Account	**$652,814**	**$582,702**	**$502,288**	**$390,904**
Expected Claims	2.00	1.75	1.50	1.25
Expected Net Claims paid from Sub Account	**$650,000**	**$525,000**	**$412,500**	**$312,500**
Difference	**$2,814**	**$57,702**	**$89,788**	**$78,404**

City of Henderson
Large Claim Summary
For Plan Years 2011 through 2014

	PY 2011	PY 2012	PY 2013	PY 2014
1)	$343,246	$339,133	$273,845	$602,511
2)	$133,048	$170,175	$186,423	$362,359
3)	$132,662	$161,891	$164,146	$277,351
4)	$131,623	$152,584	$156,553	$192,398
5)	$130,774	$152,193	$156,438	$185,888
6)	$116,717	$123,723	$156,428	$177,189
7)	$113,870	$106,685	$124,673	$165,166
8)	$109,274		$122,012	$113,054
9)	$101,766		$120,310	$104,643
10)	$100,305		$113,879	$101,487
11)			$103,440	
Large Claims > $175,000 < $500,000	**$168,246**	**$164,133**	**$110,268**	**$645,185**
Large Claims between $175,000 to $350,000	**$168,246**	**$164,133**	**$110,268**	**$482,826**

SELF-FUNDED HEALTH INSURANCE FUND (FUND 6051)
AS OF APRIL 30, 2015 CASH BASIS - UNAUDITED

	Estimated Year Ended 12/31/14	% of Total Rev	YTD 2014 APRIL	% of Total Rev	Estimated YTD 2015 APRIL	% of Total Rev	Increase/(Decrease) 2014/2015	% Change 2014/2015	
Cash Beginning of Year	$ 5,916,345		$ 5,916,345		$ 5,601,904		$ (314,441)	-5.31%	
Revenue:									
Premiums - HPN	$ 968,154	6.57%	$ 312,074	6.48%	$ 326,581	6.28%	$ 14,507	4.65%	1
Premiums - Self Funded	12,580,280	85.38%	4,130,045	85.70%	4,464,017	85.91%	333,972	8.09%	2
Premiums - Retirees	1,111,487	7.54%	357,239	7.41%	384,520	7.40%	27,281	7.64%	3
Interest Income	59,188	0.40%	19,641	0.41%	21,137	0.41%	1,496	7.62%	7
Misc-Performance Guarantee	15,524	0.11%	-	0.00%	-	0.00%	-	#DIV/0!	
Total Revenue	**$ 14,734,633**	**100.0%**	**$ 4,818,999**	**100.0%**	**$ 5,196,255**	**100.0%**	**$ 377,256**	**7.8%**	
Expenses:									
Administrative Costs:									
Salaries, wages & benefits	137,640	0.93%	36,142	0.75%	44,000	0.85%	7,858	21.74%	9
Consulting	90,385	0.61%	22,596	0.47%	23,250	0.45%	654	2.89%	
Claims Adjudication	605,837	4.11%	215,627	4.47%	237,366	4.57%	21,739	10.08%	11
VSP Service Fee	26,824	0.18%	8,207	0.17%	8,418	0.16%	211	2.57%	
Actuarial/Professional Costs	76,274	0.52%	12,201	0.25%	16,406	0.32%	4,205	34.46%	8
Transitional Reinsurance Fee	-	0.00%	-	0.00%	143,955	2.77%	143,955	#DIV/0!	
Miscellaneous Costs	21,628	0.15%	7,038	0.15%	5,769	0.11%	(1,269)	-18.03%	10
Administrative fee-GF	24,379	0.17%	8,180	0.17%	8,076	0.16%	(104)	-1.27%	
Total Administrative Costs	**982,967**	**6.67%**	**309,991**	**6.43%**	**487,240**	**9.38%**	**177,249**	**57.18%**	
Fixed Premiums:									
Specific Stop-Loss Premium	731,896	4.97%	240,680	4.99%	295,103	5.68%	54,423	22.61%	4
Life Insurance	100,639	0.68%	32,994	0.68%	34,380	0.66%	1,386	4.20%	
AD&D	24,003	0.16%	7,866	0.16%	8,173	0.16%	307	3.90%	
HPN Premiums	717,110	4.87%	239,786	4.98%	270,381	5.20%	30,595	12.76%	5
Long Term Disability	180,600	1.23%	59,254	1.23%	76,302	1.47%	17,048	28.77%	12
Dental	295,131	2.00%	87,736	1.82%	8,575	0.17%	(79,161)	-90.23%	6
Total Fixed Premiums	**2,049,379**	**13.91%**	**668,316**	**13.87%**	**692,914**	**13.33%**	**24,598**	**3.68%**	
Claims Paid:									
Medical-Net (1)	8,557,636	58.08%	2,228,127	46.24%	1,972,761	37.97%	(255,366)	-11.46%	
Prescriptions	2,657,578	18.04%	786,005	16.31%	987,772	19.01%	201,767	25.67%	
Dental: Sierra/Loomis	631,858	4.29%	232,761	4.83%	251,670	4.84%	18,909	8.12%	
Delta Dental	-	0.00%	-	0.00%	79,482	1.53%	79,482	#DIV/0!	
Vision	169,656	1.15%	55,621	1.15%	62,826	1.21%	7,205	12.95%	
Total Claims	**12,016,728**	**81.6%**	**3,302,514**	**68.5%**	**3,354,511**	**64.6%**	**$ 51,997**	**1.6%**	
Total Expenses	**$ 15,049,074**	**102.1%**	**$ 4,280,821**	**88.8%**	**$ 4,534,665**	**87.3%**	**$ 253,844**	**5.9%**	
Cash Basis Income (Loss)	(314,441)		538,178		661,590		123,412	22.93%	
Ending Cash Balance	**$5,601,904**		**$6,454,523**		**$6,263,494**		**(191,029)**	**-2.96%**	

(1) Medical Claims-Net	8,557,636	2,228,127	1,972,761	(255,366)
Stop loss claims payments received	334,747	72,563	350,570	278,007
Medical Claims-Gross	8,892,383	2,300,690	2,323,331	22,641
(2) Prescription Claims-Net	2,657,578	786,005	987,772	201,767
Prescription Rebates	155,467	39,457	162,912	123,455
Stop loss claims payments received		-	-	-
Prescription Claims-Gross	2,813,045	825,462	1,150,684	325,222

Comments:

1. $25 or 2.8% rate increase in 2015 for City and 21.4% for employees
2. $25 or 2.8% rate increase in 2015 for City and 21.4% for employees
3. 5% rate increase for retirees and more retirees in 2015
4. New contract effective January 1, 2015 with higher premiums - up 20% and increase in members
5. 8% rate increase and two more subscribers in 2015 (see 1. above)
6. Self funded claims as of 1/1/15 are under Claims Paid: Delta Dental. These are administrative fees.
7. Estimate
8. Increase in EAP costs - up 30% this year from $2.70 to $3.50 per member
9. Increase in salaries
10. Decrease due to benefit plan membership association dues paid in January and December of CY2014 (December payment was for 2015)
11. Increase due to Sierra invoice related to adjudication negotiations for $22,084
12. Changed vendor from Principal to Cigna and rate increased 22% or four cents per $100 of coverage

Retiree Insurance Subsidy

	YTD	MTD
	01/01/15 to 4/30/15	4/1/15 to 4/30/15
Beginning Balance	$ 527,952	$ 635,972
Additions--Contributions	183,560	61,490
Interest	1,000	250
Deletions--Payments	(21,000)	(6,200)
Ending Balance	$ 691,512	$ 691,512

# of Retirees Receiving Subsidy 16

2015 Plan Year - Paid Claims Analysis
City of Henderson
Claims Paid thru 3/31/2015

MONTH	YEAR	EES*	Med/Dent/Rx TOTAL AMOUNT PAID	Stop Loss Reimb.
Jan	2014	1,190	$1,004,771	162,736
Feb	2014	1,199	$795,095	187,834
Mar	2014	1,199	$1,155,562	0
Apr	2014	1,197	$775,771	0

EES* number represents medical lives

GRAND TOTAL - 2015 YTD -	$3,731,199
2015 STOP LOSS REIMBURSEMENTS	-$350,570
TOTAL NET - 2015 YTD	$3,380,629
GRAND TOTAL YEAR 2014	$12,961,661
2014 STOP LOSS REIMBURSEMENTS	-$660,547
TOTAL NET - 2014	$12,301,114

Paid Summary

2/1/15 -4/30/15

MONTH	YEAR	CATEGORY	TOTAL AMOUNT PAID	Stop Loss Reimb.
FEBRUARY	2015	DENTAL	$61,308	
FEBRUARY	2015	MEDICAL	$478,121	
FEBRUARY	2015	PRESCRIPTION	$255,626	
FEBRUARY	**2015**		**$795,055**	**187,834**
MARCH	2015	DENTAL	$66,124	
MARCH	2015	MEDICAL	$770,733	
MARCH	2015	PRESCRIPTION	$318,705	
MARCH	**2015**		**$1,155,562**	
APRIL	2015	DENTAL	$58,254	
APRIL	2015	MEDICAL	$443,096	
APRIL	2015	PRESCRIPTION	$274,421	
APRIL	**2015**		**$775,771**	
ROLLING THREE MONTHS			**$2,726,388**	**187,834**

Paid Summary

2/1/14 -4/30/14

MONTH	YEAR	CATEGORY	PAID	Reimb.
FEBRUARY	2014	DENTAL	$52,065	
FEBRUARY	2014	MEDICAL	$440,526	
FEBRUARY	2014	PRESCRIPTION	$211,709	
FEBRUARY	2014		**$704,300**	
MARCH	2014	DENTAL	$78,877	
MARCH	2014	MEDICAL	$577,116	
MARCH	2014	PRESCRIPTION	$311,881	
MARCH	2014		**$967,874**	
MARCH	2014	DENTAL	$50,940	
MARCH	2014	MEDICAL	$661,189	
MARCH	2014	PRESCRIPTION	$122,408	
MARCH	2014		**$834,537**	
ROLLING THREE MONTHS			**$2,506,711**	**0**

City Of Henderson Claims Analysis
1/1/14 - 12/31/14
2014 Plan Year - Paid Claim Basis

Month	Year	Med Ees	Dent Ees	Medical	Dental	Rx	Totals	Stop Loss Reimb.	Adjusted Total	Avg Cost Med/Rx PEPM	Avg Cost Dent PEPM
Jan	2014	1,128	969	624,654	49,100	179,462	853,216	-$69,396	783,820	$651	$51
Feb	2014	1,127	969	440,526	52,065	211,709	704,300	$0	704,300	$579	$54
Mar	2014	1,137	973	577,116	78,877	311,881	967,874	$0	967,874	$782	$81
Apr	2014	1,157	983	661,189	50,940	122,408	834,537	$0	834,537	$677	$52
May	2014	1,161	985	508,281	39,864	247,902	796,047	$0	796,047	$651	$40
June	2014	1,163	983	526,580	51,547	336,857	914,984	$0	914,984	$742	$52
July	2014	1,163	983	728,389	57,550	232,841	1,018,780	$0	1,018,780	$827	$59
Aug	2014	1,171	1,015	998,652	47,279	255,770	1,301,702	-$97,681	1,204,020	$988	$47
Sept	2014	1,159	1,026	894,221	71,971	249,220	1,215,412	-$820	1,214,592	$986	$70
Oct	2014	1,153	1,022	957,633	59,509	205,844	1,222,986	-$175,796	1,047,190	$857	$58
Nov	2014	1,145	1,015	1,157,716	57,473	233,568	1,448,757	-$180,110	1,268,647	$1,058	$57
Dec	2014	1,145	1,012	1,418,342	34,751	229,973	1,683,066	-$136,744	1,546,322	$1,320	$34
Grand Totals 2014		13,809	11,935	9,493,299	650,926	2,817,436	12,961,661	-$660,547	12,301,114	$844	$55

City Of Henderson Claims Analysis
1/1/15 - 12/31/15
2015 Plan Year - Paid Claim Basis

Month	Year	Med Ees	Dent Ees	Medical	Dental	Rx	Totals	Stop Loss Reimb.	Adjusted Total	Avg Cost Med/Rx PEPM	Avg Cost Dent PEPM
Jan	2015	1,190	998	637,928	65,420	301,931	1,005,279	-$162,736	842,543	$653	$66
Feb	2015	1,199	998	478,121	61,308	255,626	795,055	-$187,834	607,221	$455	$61
Mar	2015	1,199	998	770,732	66,124	318,704	1,155,560	$0	1,155,560	$909	$66
Apr	2015	1,197	996	443,096	58,254	274,421	775,771	$0	775,771	$599	$58
May	2015										
June	2015										
July	2015										
Aug	2015										
Sept	2015										
Oct	2015										
Nov	2015										
Dec	2015										
Grand Totals 2015		4,785	3,990	2,329,877	251,106	1,150,682	3,731,665	-$350,570	3,381,095	$654	$63

City of Henderson
Large Claim Summary - Claims over $40,000 - Medical Only
Paid: 1/1/2015 thru 4/30/2015

2015 TOTALS	Total Members	Total Paid	PMPY TOTAL
# of claimants > $40,000 - < $100,000	2	$110,285	$55,143
# of claimants > $100,000 - < $175,000	0		
# of claimants > $175,000 - < $500,000	0		
# of claimants > $500,000	0		
GRAND TOTAL	2	$110,285	$55,143

Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS™

CITY OF HENDERSON

Q1 2015 Claims Report

Shawn Adkins | May 2015

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Disclaimers

This analysis is for illustrative purposes only, and is not a proposal for coverage or a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. See your policy or contact us for specific information or further details in this regard.

These reports are presented on an accrual basis, not on a cash basis, and will therefore vary somewhat from the LOOMIS CO financial statements. Using an accrual basis provides a more accurate reflection of the actual claim activity as reported by the various vendors. It eliminates the inconsistencies that arise depending on when claim payments and certain fixed costs are actually paid by the City of Henderson.

The Rx data reflected in these reports are based on data provided by Express Scripts and may vary somewhat from the financial statements presented from LOOMIS CO. This is due to the difference in the claim paid date, as shown by Express Scripts, and the actual cash payment from the City of Henderson to fund the claims.

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City of Henderson

Financial Reporting Package - 1/1/2015 - 12/31/2015

1. GBS Estimated Plan Status Report - All Benefits
2. GBS Estimated Medical Plan Status Report by Segment - Active versus Retiree
3. Monthly Claim Summary - Medical & Rx
4. Large Claim Summary
5. Large Claim Analysis
6. Historical Claims & Enrollment Analysis - All Benefits
7. Historical Claims & Enrollment Analysis - Medical & Rx
8. Medical Cost Analysis
9. Monthly Claim Report - Dental (Loomis)
10. Historical Claims & Enrollment Analysis - Dental (Loomis)
11. Monthly Claim Report - Dental (Delta)
12. Historical Claims & Enrollment Analysis - Dental (Delta)
13. Monthly Claim Report - Vision
14. Historical Claims & Enrollment Analysis - Vision

City of Henderson
GBS Estimated Accrual Plan Status Report - All Benefits
January 1, 2015 through December 31, 2015

Data Through March 31, 2015	Medical & Rx	Dental (Loomis)	Dental (Delta)	Vision	Grand Totals
Average Enrollees	**1,174**	**993**	**310**	**1,262**	
Total Projected Revenues [1]	**$3,626,258**	**$183,607**	**$92,491**	**$54,021**	**$3,956,377**
Plan Costs					
Claims Information [2]					
Paid Claims [3]	$1,923,972	$192,854	$60,859	$49,694	$2,227,379
Rx Claims	$844,202				$844,202
Less Est. Rx Rebates & Recoveries	($40,000)				($40,000)
Less Claims Over $500K Stop Loss Level	$0				$0
Total Net Claims	**$2,728,174**	**$192,854**	**$60,859**	**$49,694**	**$3,031,581**
Fixed Expenses					
Administration Fees - Medical	$48,815	$6,377	$6,713	$6,331	$68,236
PPO Network Access Fee	$36,805				$36,805
Utilization Management	$16,342				$16,342
Specific Stop Loss Premium	$56,131				$56,131
Transitional Reinsurance Fee	$38,742				$38,742
Consulting	$23,275				$23,275
Total Fixed Expenses	**$220,110**	**$6,377**	**$6,713**	**$6,331**	**$239,531**
Total Costs:	**$2,948,284**	**$199,231**	**$67,572**	**$56,025**	**$3,271,112**
Plan Status (Revenues minus Total Costs):	**$677,974**	**($15,624)**	**$24,919**	**($2,004)**	**$685,265**
Other Plan Statistics:					
Total Cost Ratio:	81.3%	108.5%	73.1%	103.7%	82.7%
Total Cost/Ee/Month:	$837.11	$66.86	$72.58	$14.80	

(1) Based on monthly enrollments from The Loomis Company and projected funding rates provided by the City.

(2) Medical and Dental claims were provided by The Loomis Company and Delta Dental, Rx claims were provided by Express Scripts, and Vision claims were provided by VSP.

(3) Medical paid claims include Large Case Management.

City of Henderson
GBS Estimated Accrual Medical Plan Status Report - Active versus Retiree
January 1, 2015 through December 31, 2015

Data Through March 31, 2015	Medical & Rx Only			
	Active	Pre-65 Retiree	Post-65 Retiree	Grand Totals
Average Enrollees	**1,072**	**101**	**1**	**1,174**
Total Projected Revenues	**$3,369,898**	**$254,964**	**$1,395**	**$3,626,258**
Plan Costs				
Claims Information				
Paid Claims	$1,717,393	$207,809	($1,230)	$1,923,972
Rx Claims	$733,932	$104,512	$5,758	$844,202
Rx Rebates & Recoveries	($34,775)	($4,952)	($273)	($40,000)
Less Claims Over $500K Stop Loss Level	$0	$0	$0	$0
Total Net Claims	**$2,416,550**	**$307,369**	**$4,255**	**$2,728,174**
Fixed Expenses				
Administration Fees - Medical	$44,588	$4,186	$42	$48,815
PPO Network Access Fee	$33,618	$3,156	$31	$36,805
Utilization Management	$14,927	$1,401	$14	$16,342
Specific Stop Loss Premium	$52,002	$4,109	$20	$56,131
Transitional Reinsurance Fee	$35,387	$3,322	$33	$38,742
Consulting	$21,259	$1,996	$20	$23,275
Total Fixed Expenses	**$201,780**	**$18,170**	**$160**	**$220,110**
Total Costs:	**$2,618,330**	**$325,539**	**$4,415**	**$2,948,284**
Plan Status (Revenues minus Total Costs):	**$751,568**	**($70,575)**	**($3,020)**	**$677,974**
Other Plan Statistics:				
Total Cost Ratio:	77.7%	127.7%	316.5%	81.3%
Total Cost/Ee/Month:	$813.90	$1,077.94	$1,471.63	$837.11
Rx as a Percentage of Net Claims	29.9%	33.5%	127.2%	30.5%

City of Henderson
Monthly Claim Summary - Medical & Rx
January 1, 2015 through December 31, 2015

Month	A Medical Paid Claims [1]	B Rx Paid Claims	C Claim Dollars Exceeding Stop Loss	D Rx Rebates	E Net Medical & Rx Paid Claims	F Actual YTD Medical & Rx Paid Claims	G "Projected" YTD Paid Claims Current Year	H % of Actual YTD Paid Claims vs. Projected YTD Paid Claims	I Actual Net YTD Paid Claims Prior Year	J # of Employees Enrolled Medical
January	$640,715	$272,116	$0	$0	$912,831	$912,831	$1,028,922	88.7%	$898,837	1,172
February	482,188	266,273	0	0	748,461	1,661,292	2,059,600	80.7%	1,579,339	1,174
March	801,068	305,813	0	(40,000)	1,066,882	2,728,174	3,092,034	88.2%	2,443,519	1,176
April										
May										
June										
July										
August										
September										
October										
November										
December										
TOTAL	**$1,923,972**	**$844,202**	**$0**	**($40,000)**	**$2,728,174**		**$3,092,034**	**88.2%**		**3,522**

2015 ***"Projected"*** Medical & Rx Claims/EE/Mo. = **$877.92**
2015 ***Actual*** YTD Medical & Rx Claims/EE/Mo. = **$774.61**

2015 ***Rx Claim*** Cost/Ee/Month: **$239.69**

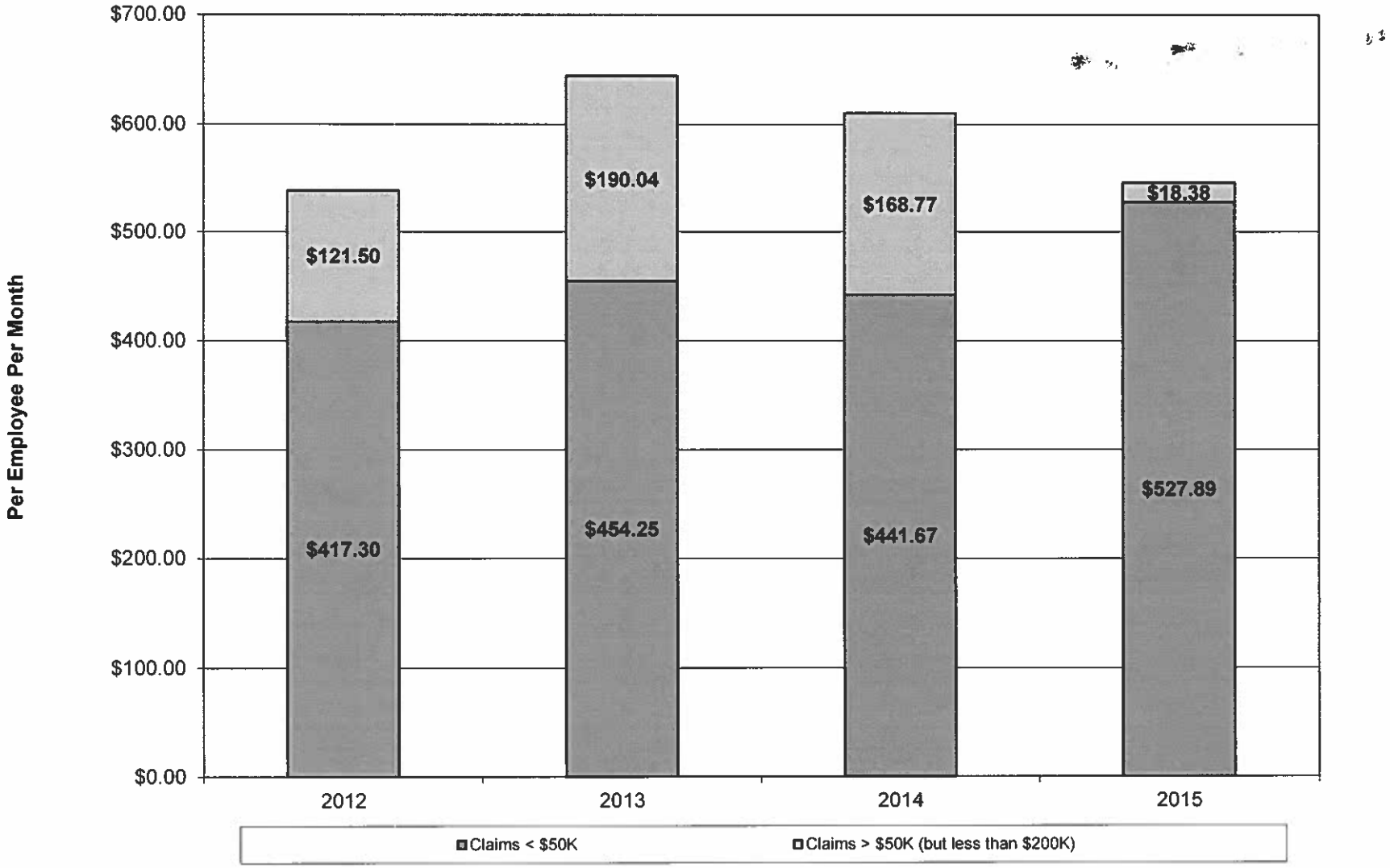
[1] Medical paid claims include Large Case Management.

City of Henderson
Large Claim Summary
For Plan Years 2012 through 2015

Claimants with Plan Year Claims over $50,000:

	1/1/12 thru 12/31/12	1/1/13 thru 12/31/13	1/1/14 thru 12/31/14	1/1/15 thru 3/31/15
1)	$339,133	$273,845	$602,511	$64,730 [redacted]
2)	$170,175	$186,423	$362,359	
3)	$161,891	$164,146	$277,351	
4)	$152,584	$156,553	$192,398	
5)	$152,193	$156,438	$185,888	
6)	$123,723	$156,428	$177,189	
7)	$106,685	$124,673	$165,166	
8)	$78,501	$122,012	$113,054	
9)	$77,023	$120,310	$104,643	
10)	$71,695	$113,879	$101,487	
11)	$66,353	$103,440	$97,721	
12)	$66,314	$94,971	$89,322	
13)	$62,182	$94,923	$87,684	
14)	$59,923	$90,761	$87,256	
15)	$55,459	$80,717	$87,114	
16)	$50,919	$76,430	$80,690	
17)	$50,057	$70,070	$71,952	
18)		$64,863	$67,916	
19)		$63,914	$65,435	
20)		$61,808	$60,797	
21)		$58,596	$52,601	
22)		$58,596		
23)		$55,695		
24)		$52,752		
25)		$51,607		
26)		$51,236		
Plan Year Total Large Claims	**$1,844,810**	**$2,705,086**	**$3,130,534**	**$64,730**
Plan Year Total Net Claims	**$7,196,920**	**$11,092,854**	**$11,274,939**	**$2,768,174**
Net Large Claims as a % of Total Net Claims	**23.7%**	**23.7%**	**22.1%**	**2.3%**
# of claimants > $50,000	**17**	**26**	**21**	**1**
# of claimants > $200,000	**1**	**1**	**3**	**0**
# of claimants > $500,000	**0**	**0**	**1**	**0**
Normative # of claimants > $100,000	**5 to 6**	**6 to 7**	**7 to 8**	**7 to 8**
Normative # of claimants > $200,000	**2 to 3**	**2 to 3**	**3 to 4**	**3 to 4**
Normative # of claimants > $500,000	**2**	**2**	**2**	**2**
# of claimants > $200,000	**1**	**1**	**3**	**0**
Claim Dollars > $200,000	**$139,133**	**$73,845**	**$642,221**	**$0**

City of Henderson
Large Claim Analysis - Medical Only



City of Henderson
Self-Funded Medical, Rx, Dental & Vision Benefits
Historical Claims & Enrollment Analysis

Net Medical Paid Claims	Average Enrollment	% Change from Prior Yr	Total Net Paid Claims for Year	% Change from Prior Yr	Claim Cost per Ee / Mo.	% Change from Prior Yr
2010	1,135	0.7%	$6,418,863	18.3%	$471.14	17.6%
2011	1,141	0.5%	$6,605,422	2.9%	$482.46	2.4%
2012	1,170	2.5%	$7,477,327	13.2%	$532.61	10.4%
2013	1,154	(1.4%)	$8,800,778	17.7%	$635.62	19.3%
2014	1,169	1.3%	$8,894,795	1.1%	$634.26	(0.2%)
2015	**1,174**	**0.5%**	**$1,923,972**		**$546.27**	**(13.9%)**

Rx Paid Claims (excludes Rx Rebates)	Average Enrollment	% Change from Prior Yr	Total Net Paid Claims for Year	% Change from Prior Yr	Claim Cost per Ee / Mo.	% Change from Prior Yr
2010	1,135	0.7%	$2,021,110	18.5%	$148.35	17.8%
2011	1,141	0.5%	$2,205,189	9.1%	$161.07	8.6%
2012	1,170	2.5%	$2,522,887	14.4%	$179.71	11.6%
2013	1,154	(1.4%)	$2,676,390	6.1%	$193.30	7.6%
2014	1,169	1.3%	$2,914,494	8.9%	$207.82	7.5%
2015	**1,174**	**0.5%**	**$844,202**		**$239.69**	**15.3%**

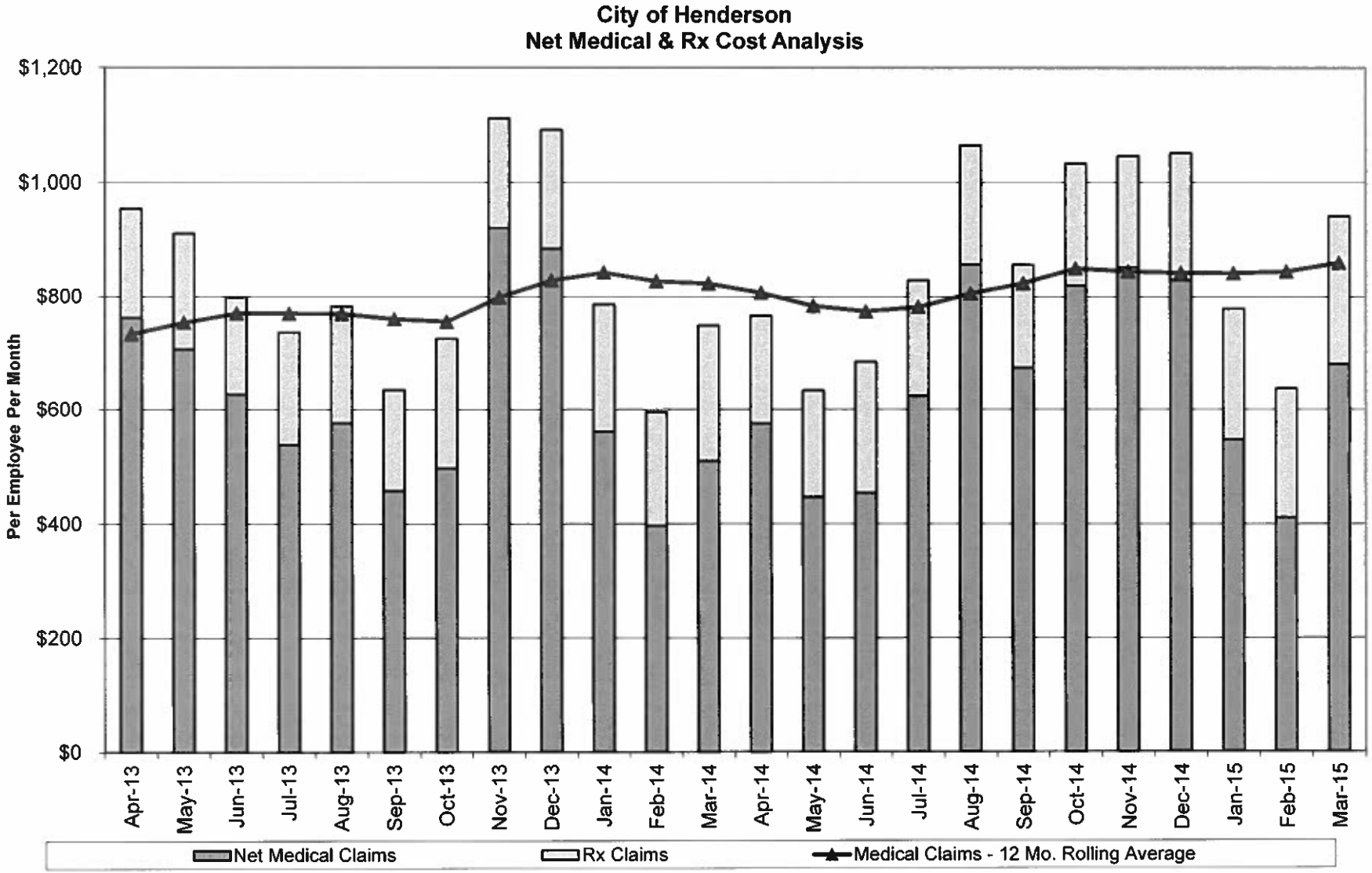
Total Medical & Rx	Average Enrollment	% Change from Prior Yr	Total Net Paid Claims for Year	% Change from Prior Yr	Claim Cost per Ee / Mo.	% Change from Prior Yr
2010	1,135	0.7%	$8,439,974	18.4%	$619.49	17.6%
2011	1,141	0.5%	$8,810,611	4.4%	$643.53	3.9%
2012	1,170	2.5%	$10,000,214	13.5%	$712.32	10.7%
2013	1,154	(1.4%)	$11,477,168	14.8%	$828.92	16.4%
2014	1,169	1.3%	$11,809,289	2.9%	$842.08	1.6%
2015	**1,174**	**0.5%**	**$2,768,174**		**$785.97**	**(6.7%)**

Dental Paid Claims	Average Enrollment	% Change from Prior Yr	Total Net Paid Claims for Year	% Change from Prior Yr	Claim Cost per Ee / Mo.	% Change from Prior Yr
2010	1,213	0.5%	$816,155	9.5%	$56.09	8.9%
2011	1,210	(0.2%)	$738,959	(9.5%)	$50.91	(9.2%)
2012	1,090	(9.9%)	$828,948	12.2%	$63.37	24.5%
2013	983	(9.8%)	$640,711	(22.7%)	$54.31	(14.3%)
2014	1,008	2.5%	$651,721	1.7%	$53.90	(0.7%)
2015	**993**	**(1.4%)**	**$192,854**		**$64.72**	**20.1%**

Vision Paid Claims	Average Enrollment	% Change from Prior Yr	Total Net Paid Claims for Year	% Change from Prior Yr	Claim Cost per Ee / Mo.	% Change from Prior Yr
2010	1,210	0.6%	$139,106	1.6%	$9.58	1.0%
2011	1,208	(0.2%)	$158,505	13.9%	$10.94	14.1%
2012	1,235	2.2%	$169,710	7.1%	$11.46	4.7%
2013	1,235	(0.0%)	$168,225	(0.9%)	$11.36	(0.9%)
2014	1,257	1.8%	$176,041	4.6%	$11.67	2.8%
2015	**1,262**	**0.4%**	**$49,694**		**$13.13**	**12.4%**

City of Henderson
Medical & Rx Paid Claims
Historical Claims & Enrollment Analysis

Month	Net Medical Claims Paid By Month	Rx Claims Paid By Month	Total Claims Paid By Month	Rolling 12 Months	EE Enrollment Per Month	Rolling 12 Months	Rolling Claims Per EE/Month
Dec-09	**$572,472**	**$158,763**	**$731,235**	**$7,129,581**	**1,132**	**13,535**	**$526.75**
Dec-10	**$637,715**	**$150,247**	**$787,962**	**$8,439,974**	**1,132**	**13,624**	**$619.49**
Dec-11	**$742,409**	**$177,965**	**$920,374**	**$8,810,611**	**1,150**	**13,691**	**$643.53**
Dec-12	**$644,752**	**$212,768**	**$857,520**	**$10,000,214**	**1,177**	**14,039**	**$712.32**
Jan-13	$514,814	$217,941	$732,755	$9,877,414	1,175	14,052	$702.92
Feb-13	$717,036	$201,570	$918,606	$10,005,136	1,173	14,069	$711.15
Mar-13	$719,008	$218,699	$937,707	$9,950,726	1,173	14,084	$706.53
Apr-13	$894,487	$224,896	$1,119,383	$10,330,407	1,174	14,088	$733.28
May-13	$813,918	$234,065	$1,047,984	$10,599,653	1,151	14,066	$753.57
Jun-13	$721,255	$197,052	$918,307	$10,817,911	1,150	14,045	$770.23
Jul-13	$617,333	$227,944	$845,277	$10,798,592	1,148	14,024	$770.01
Aug-13	$660,735	$238,440	$899,175	$10,770,672	1,148	13,999	$769.39
Sep-13	$520,505	$202,799	$723,304	$10,615,326	1,139	13,963	$760.25
Oct-13	$564,713	$260,644	$825,357	$10,520,582	1,137	13,923	$755.63
Nov-13	$1,049,573	$217,657	$1,267,229	$11,092,605	1,140	13,885	$798.89
Dec-13	**$1,007,400**	**$234,683**	**$1,242,083**	**$11,477,168**	**1,138**	13,846	**$828.92**
Jan-14	$641,045	$257,792	$898,837	$11,643,250	1,142	13,813	$842.92
Feb-14	$453,214	$227,287	$680,502	$11,405,146	1,143	13,783	$827.48
Mar-14	$589,273	$274,907	$864,180	$11,331,618	1,155	13,765	$823.22
Apr-14	$676,470	$223,501	$899,972	$11,112,206	1,175	13,766	$807.22
May-14	$526,316	$221,022	$747,338	$10,811,561	1,179	13,794	$783.79
Jun-14	$532,091	$272,606	$804,696	$10,697,950	1,174	13,818	$774.20
Jul-14	$732,745	$240,374	$973,119	$10,825,792	1,174	13,844	$781.98
Aug-14	$1,007,367	$243,676	$1,251,043	$11,177,660	1,175	13,871	$805.83
Sep-14	$798,018	$214,487	$1,012,505	$11,466,862	1,182	13,914	$824.12
Oct-14	$967,931	$251,901	$1,219,832	$11,861,338	1,181	13,958	$849.79
Nov-14	$998,758	$226,858	$1,225,616	$11,819,724	1,172	13,990	$844.87
Dec-14	**$971,567**	**$260,081**	**$1,231,648**	**$11,809,289**	**1,172**	**14,024**	**$842.08**
Jan-15	$640,715	$272,116	$912,831	$11,823,283	1,172	14,054	$841.28
Feb-15	$482,188	$266,273	$748,461	$11,891,242	1,174	14,085	$844.25
Mar-15	$801,068	$305,813	$1,106,882	$12,133,944	1,176	14,106	$860.20


City of Henderson
Net Medical & Rx Cost Analysis
$1,200
$1,000
$800
$600
$400
$200
$0
Per Employee Per Month
Apr-13
May-13
Jun-13
Jul-13
Aug-13
Sep-13
Oct-13
Nov-13
Dec-13
Jan-14
Feb-14
Mar-14
Apr-14
May-14
Jun-14
Jul-14
Aug-14
Sep-14
Oct-14
Nov-14
Dec-14
Jan-15
Feb-15
Mar-15
Net Medical Claims
Rx Claims
Medical Claims - 12 Mo. Rolling Average

City of Henderson
Monthly Claim Report - Dental (Loomis)
January 1, 2015 through December 31, 2015

Month	A Total Paid Claims	B Actual Year to Date Dental Paid Claims	C "Projected" YTD Paid Claims Current Year	D % of Actual YTD Paid Claims vs. Projected YTD Paid Claims	E Actual YTD Paid Claims Prior Year	F # of Employees Enrolled Dental
January	$65,421	$65,421	$57,649	113.5%	$49,100	989
February	61,308	126,729	115,472	109.7%	101,166	992
March	66,124	192,854	173,704	111.0%	180,926	999
April						
May						
June						
July						
August						
September						
October						
November						
December						
TOTAL	**$192,854**		**$173,704**	**111.0%**		**2,980**

2015 ***"Projected"*** Claims/EE = **$58.29**

2015 **Actual** Claims/EE = **$64.72**

City of Henderson
Dental Paid Claims (Loomis)
Historical Claims & Enrollment Analysis

Month	Claims Paid By Month	Rolling 12 Months	EE Enrollment Per Month	Moving 12 Months	Rolling Claims Per EE/Month
Dec-09	**$54,708**	**$745,305**	**1,210**	**14,475**	**$51.49**
Dec-10	**$88,226**	**$816,155**	**1,209**	**14,551**	**$56.09**
Dec-11	**$45,437**	**$738,959**	**1,222**	**14,515**	**$50.91**
Dec-12	**$86,344**	**$828,948**	**1,046**	**13,081**	**$63.37**
Jan-13	$24,665	$777,344	1,007	12,864	$60.43
Feb-13	$42,897	$743,391	1,008	12,654	$58.75
Mar-13	$75,145	$738,951	1,007	12,440	$59.40
Apr-13	$67,315	$708,192	1,002	12,393	$57.14
May-13	$55,469	$717,390	981	12,321	$58.23
Jun-13	$46,428	$701,319	979	12,251	$57.25
Jul-13	$59,354	$685,733	968	12,179	$56.30
Aug-13	$49,487	$678,573	975	12,110	$56.03
Sep-13	$49,138	$675,805	967	12,033	$56.16
Oct-13	$56,551	$659,232	967	11,954	$55.15
Nov-13	$53,142	$665,936	969	11,876	$56.07
Dec-13	**$61,119**	**$640,711**	**968**	**11,798**	**$54.31**
Jan-14	$49,100	$665,146	987	11,778	$56.47
Feb-14	$52,066	$674,314	988	11,758	$57.35
Mar-14	$79,760	$678,930	992	11,743	$57.82
Apr-14	$50,940	$662,554	1,010	11,751	$56.38
May-14	$39,864	$646,949	1,013	11,783	$54.91
Jun-14	$51,457	$651,979	1,008	11,812	$55.20
Jul-14	$57,550	$650,175	1,008	11,852	$54.86
Aug-14	$47,279	$647,967	1,015	11,892	$54.49
Sep-14	$71,971	$670,800	1,024	11,949	$56.14
Oct-14	$59,510	$673,758	1,020	12,002	$56.14
Nov-14	$57,473	$678,089	1,013	12,046	$56.29
Dec-14	**$34,751**	**$651,721**	**1,013**	**12,091**	**$53.90**
Jan-15	$65,421	$668,042	989	12,093	$55.24
Feb-15	$61,308	$677,285	992	12,097	$55.99
Mar-15	$66,124	$663,649	999	12,104	$54.83

City of Henderson
Monthly Claim Report - Dental (Delta)
January 1, 2015 through December 31, 2015

Month	A Total Paid Claims	B Actual Year to Date Dental Paid Claims	C "Projected" YTD Paid Claims Current Year	D % of Actual YTD Paid Claims vs. Projected YTD Paid Claims	E # of Employees Enrolled Dental
January	$12,360	$12,360	$28,397	43.5%	311
February	24,004	36,363	56,886	63.9%	312
March	24,496	60,859	85,010	71.6%	308
April					
May					
June					
July					
August					
September					
October					
November					
December					
TOTAL	**$60,859**		**$85,010**	**71.6%**	**931**

2015 ***"Projected"*** Claims/EE = **$91.31**

2015 **Actual** Claims/EE = **$65.37**

City of Henderson
Dental Paid Claims (Delta)
Historical Claims & Enrollment Analysis

Month	Claims Paid By Month	Rolling 12 Months	EE Enrollment Per Month	Moving 12 Months	Rolling Claims Per EE/Month
Jan-15	$12,360	$12,360	311	311	$39.74
Feb-15	$24,004	$36,363	312	623	$58.37
Mar-15	$24,496	$60,859	308	931	$65.37

City of Henderson
Monthly Claim Report - Vision
January 1, 2015 through December 31, 2015

Month	A Vision Paid Claims	B YTD Paid Claims	C YTD "Projected" Paid Claims	D Percent of Projected	E YTD Paid Claims Prior Year	F # of Employees Enrolled
January	$14,816	$14,816	$15,460	95.8%	$14,918	1,260
February	18,816	33,632	30,945	108.7%	31,275	1,262
March	16,062	49,694	46,454	107.0%	46,237	1,264
April						
May						
June						
July						
August						
September						
October						
November						
December						
TOTAL	**$49,694**		**$46,454**	**107.0%**		**3,786**

2015 ***"Projected"*** Claims/EE = **$12.27**

2015 **Actual** Claims/EE = **$13.13**

City of Henderson
Vision Paid Claims
Historical Claims & Enrollment Analysis

Month	Claims Paid By Month	Rolling 12 Months	EE Enrollment Per Month	Rolling 12 Months	Rolling Claims Per EE/Month
Dec-09	**$9,662**	**$136,976**	**1,208**	**14,434**	**$9.49**
Dec-10	**$10,687**	**$139,106**	**1,207**	**14,516**	**$9.58**
Dec-11	**$14,524**	**$158,505**	**1,221**	**14,493**	**$10.94**
Dec-12	**$15,722**	**$169,710**	**1,246**	**14,815**	**$11.46**
Jan-13	$16,450	$170,093	1,253	14,844	$11.46
Feb-13	$12,321	$167,462	1,250	14,876	$11.26
Mar-13	$15,248	$293,558	1,251	25,966	$11.31
Apr-13	$13,653	$278,270	1,252	24,734	$11.25
May-13	$12,684	$263,872	1,226	23,498	$11.23
Jun-13	$13,569	$249,205	1,228	22,263	$11.19
Jul-13	$15,012	$237,416	1,226	21,030	$11.29
Aug-13	$16,313	$224,600	1,234	19,792	$11.35
Sep-13	$17,176	$208,644	1,222	18,551	$11.25
Oct-13	$13,000	$195,481	1,221	17,306	$11.30
Nov-13	$11,582	$183,947	1,224	16,060	$11.45
Dec-13	**$11,217**	**$168,225**	**1,227**	**14,814**	**$11.36**
Jan-14	$14,918	$166,693	1,230	14,791	$11.27
Feb-14	$16,357	$170,729	1,231	14,772	$11.56
Mar-14	$14,962	$170,443	1,243	14,764	$11.54
Apr-14	$14,941	$171,731	1,263	14,775	$11.62
May-14	$14,738	$173,785	1,267	14,816	$11.73
Jun-14	$14,205	$174,421	1,262	14,850	$11.75
Jul-14	$16,991	$176,400	1,262	14,886	$11.85
Aug-14	$15,517	$175,604	1,263	14,915	$11.77
Sep-14	$16,361	$174,789	1,270	14,963	$11.68
Oct-14	$11,444	$173,233	1,269	15,011	$11.54
Nov-14	$12,475	$174,126	1,260	15,047	$11.57
Dec-14	**$13,132**	**$176,041**	**1,260**	**15,080**	**$11.67**
Jan-15	$14,816	$175,939	1,260	15,110	$11.64
Feb-15	$18,816	$178,398	1,262	15,141	$11.78
Mar-15	$16,062	$179,498	1,264	15,162	$11.84

FOURTH~~THIRD~~ AMENDMENT TO
CITY OF HENDERSON
SELF-INSURANCE HEALTH PLAN COMMITTEE
BY-LAWS

This Fourth~~Third~~ Amendment to the Self-Insurance Committee Bylaws does hereby supersede and replace all prior amendments or versions of the operating bylaws for the Committee effective upon the approval of the Committee and the City Manager.

PURPOSE OF COMMITTEE: The Self-Insurance Committee ("the Committee") was established to administer the City of Henderson Employee Self-Funded Health Insurance Plan ("the Plan") adopted by the City Council and made effective July 1, 1992.

GUIDING PRINCIPALS:

1. Committee members ("members") will act as fiduciaries for the Plan and always work in the best interests of the beneficiaries (employees and their families) of this Plan.
2. Members acknowledge their obligation to continued education and training in the issues associated with these complex benefit plans and will participate in annual training that will complement their ability to act in the best interest of all participants in the Plan. The cost of such training is an appropriate and important expense that will be borne by the Plan and paid from its resources.
3. Open communication and dialogue among the members is critical to effective decision-making. Each member is obligated to understand the fundamental nuances of these plans and is empowered to ask for clarification and understanding before voting on any issue before the Committee. Members commit to active listening and respectful, robust debate to facilitate the overall effectiveness of the Plan.

MEMBERSHIP:

The Committee shall consist of eight voting (8) members. Two (2) members shall represent the interests of the membership of the Henderson Police Officers Association (HPOA). One (1) member shall represent the interests of the membership of the Henderson Police Supervisors Association (HPSA) and one member shall represent the interests of the membership of the Henderson Fire Employee Union. The Executive Board of each union shall appoint their representative and communicate to the Committee Chairperson, in writing, the names of the appointed representatives. The remaining four (4) members shall be appointed by the Chairperson~~City Manager~~ from employees or retirees who are enrolled in the Self-Insured Health Plan, one of which shall be the Director of Human Resources.

Members, other than the Director of Human Resources, shall serve until replaced by their respective Executive Board or, in the case of non-union members of the Committee, until resignation or replacement by the Chairperson.~~for a term of four (4) years and may be appointed to additional terms. Upon approval of these by-laws, two (2) members will serve an initial term of two (2) years; three (3) members will serve an initial term of three (3) years; and two (2) members shall serve an initial term of four (4) years in order to create a staggered schedule for term expiration.~~

Any non-union member of the Committee except the Director of Human Resources may be removed by the Chairpersonupon the recommendation of the Committee at large upon the occurrence of three (3) unexcused absences in any calendar year or unexcused absences from two (2) consecutive Committee meetings. Excused absences may be granted by the Chairperson with five (5) calendar days noticedays' notice prior to a scheduled Committee meeting. Unexcused absences can be appealed by the member and excused by a majority vote of those members present.

A member may resign upon thirty (30) days written notice to the Committee Chairman or shall automatically lose their ability to serve on the Committee due to termination of employment or voluntarily ceasing to participate in the Self-Insurance Health Plan.

The ChairpersonCity Manager and each public safety labor group may appoint one (1) alternate per regular member. Alternateive members are not voting members and gGrounds for seating of an alternate may be personal or family illness, vacation, training or work assignment that makes the attendance by a regular member at Committee meetings impossible. For public safety union members, alternatesives may be seated only through written communication to the Chairperson by the Executive Board. For non-union members, alternatesives may be seated upon declaration by the Chairperson.

The Director of Human Resources shall serve as the permanent Chairperson of the Committee.

OFFICERS AND DUTIES:

The Chairperson shall be a permanent appointment. Elections shall be held annually at the first regular meeting of the calendar year, or as soon as feasible thereafter, for the position of Committee Vice-Chairperson. The newly elected Vice-Chairperson shall take office at the next meeting following their election.

The Vice-Chairperson will serve for a one (1) year term and may be re-elected to additional terms.

The Chairperson shall preside at all Committee meetings, be responsible for calling and setting meeting dates and times, review and approve the agenda for meetings, and present all reports concerning the financial condition and status of the insurance program to the City Manager and City Council.

The Vice-Chairperson shall act as Chairperson and perform those duties in the absence of the Chairperson.

The City Manager and/or City Attorney shall name a staff person from the City Attorney's Office to act as legal counsel and the Director of Human Resources shall name a staff person from the Human Resources Department to act as Recording Secretary to the Committee.

Recording Secretary shall maintain the minutes of Committee meetings as directed by the Chairperson and in compliance with Nevada Revised Statutes (NRS) Chapter 241, concerning open meetings of public agencies.

The Chairperson, at their discretion, may designate additional city staff to provide support services to the Committee.

MEETING REQUIREMENTS: Committee meetings will be held at least quarterly or on a more frequent basis at the discretion of the Committee Chairperson.

Special meetings may be called upon by the Chairperson or the written request of two (2) or more Committee members submitted to the Chairperson.

All meetings will be held at the Henderson City Hall, 240 Water Street, Henderson, Nevada 89015 or such other appropriate location as specified by the Chairperson and noticed in accordance with NRS Chapter 241.

All meetings shall be properly noticed and posted in accordance with NRS Chapter 241 and all Committee members shall be individually notified of all meetings either by facsimile, email, telephone or by United States Postal Delivery.

The presence of five (5) members of the Committee shall constitute a quorum to conduct business.

Motions and resolutions require a majority vote of the members present, including the Chairperson. All agenda items shall be acted on by motion. A second to the motion, however, will not be required. The Chairperson can make motions and also vote. A motion that receives an equal number of votes will be considered tabled and may be re-opened for discussion at a later date.

In accordance with NRS Chapter 241, the Committee will utilize a prepared agenda. Any items which will be discussed during the meeting must be submitted to the Recording Secretary for inclusion in the agenda for the official meeting at least seven (7) calendar days prior to the meeting date. Appropriate backup materials should be submitted with the item if available.

APPEALS PROCESS:
Any employee or covered dependent who has a claim for benefits denied may appeal an adverse determination to the Plan Administrator in according with the Appeal process set forth in the current Summary Plan Description, as adopted by the City.

The decision of the Committee concerning an appeal of a claim is final.

The claim review meeting shall be a closed door meeting as permitted by NRS 241.030.

Every effort to insure the privacy and anonymity of the claimant will be made. The Committee will not be told the identity of the claimant to preserve its impartiality.

AMENDMENTS: Amendments to the by-laws of the Self-Insurance Health Plan Committee shall require a two-thirds (2/3) vote of the entire Committee membership.

Approved by the Committee: May 198, 2015~~October 8, 2008~~

SELF-INSURANCE HEALTH PLAN COMMITTEE

By: _____
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Committee Secretary

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City Manager

Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS™

City of Henderson
Plan Design Discussion

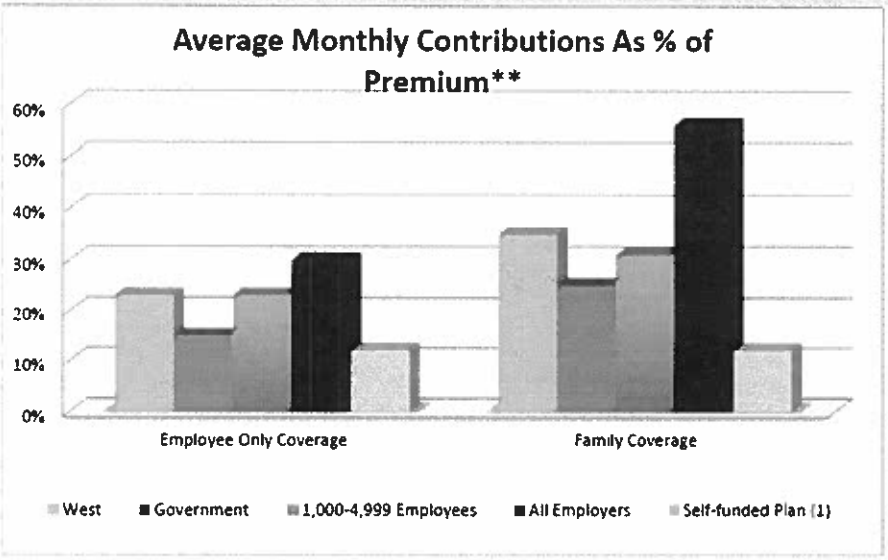
May 19, 2015

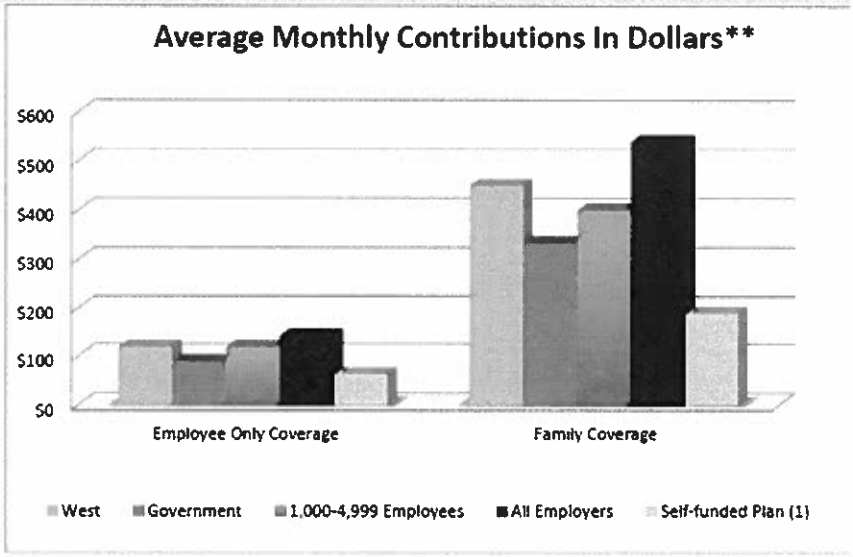
Spousal coverage restrictions

- Three leading strategies
  - Spousal surcharge assessed if spouse has access to affordable insurance
    - Range from $100 to $300 per month
  - Not allow the spouse to enroll if the spouse has access to affordable insurance
    - UPS model
  - Increasing contributions all spouses (regardless of coverage)
    - Perceived as more equitable between all classes of employees
    - Average contribution is between 25% and 56%
      - City is at 12%
- Dependent eligibility audit
  - Eliminate non-eligible spouses
    - Stop loss risk

Benchmark - contributions

Category	Employee Only Coverage			Family Coverage		
	No Contribution Required (% of Employers)	Average Monthly Contribution (% of Premium)**	Average Monthly Contribution (in Dollars)**	No Contribution Required (% of Employers)	Average Monthly Contribution (% of Premium)**	Average Monthly Contribution (in Dollars)**
West	18%	23%	$119	7%	35%	$450
Government	27%	15%	$89	5%	25%	$334
1,000-4,999 Employees	5%	23%	$119	1%	31%	$401
All Employers	35%	30%	$143	18%	56%	$540
Self-funded Plan [1]	**N/A**	**12%**	**$64**	**N/A**	**12%**	**$190**





*2013 Mercer National Survey of Employer-Sponsored Plans.

**Among plans requiring a contribution

[1] Based on total benefit offering (Medical, Dental, Vision, LTD, Life, and EAP)

Plan Design Options

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Plan design options

	Est. % Impact (Plan Savings)	Estimated Annual Cost [1] (Mature Costs)	Estimated Annual Cost [1] (Immature Costs)
Deductible (current - $300 single / $600 family):			
$500 (single) / $1,000 (family)	1.51%	$168,565	$151,006
$750 (single) / $1,500 (family)	3.20%	$357,223	$320,013
$1,500 (single) / $3,000 (family)	7.41%	$827,195	$741,029
Co-Insurance (current - 90% in-network)			
80% in-network	2.60%	$290,244	$260,010
Office Visit (current - $15 PCP / $25 SCP)			
$20 PCP / $30 SCP	0.30%	$33,490	$30,001
$25 PCP / $35 SCP	0.60%	$66,979	$60,002
$30 PCP / $40 SCP	0.90%	$100,469	$90,004
Maximum Out-of-Pocket (current - $1,500 single / $3,000 family)			
$2,000 (single) / $4,000 (family)	1.65%	$184,193	$165,006
$2,500 (single) / $5,000 (family)	3.15%	$351,642	$315,012
$3,000 (single) / $6,000 (family)	4.20%	$468,856	$420,016
Rx (current - $5 Generic / $20 Brand / $40 Non-Preferred Brand)			
$5 Gen / $25 Brand / $45 NP Brand	1.86%	$51,909	$46,502
$5 Gen / $30 Brand / $60 NP Brand	3.70%	$103,260	$92,504
$9 Gen / 20% Brand ($30 min - $60 max) / 30% NP Brand ($80 min - $160 max)	15.61%	$435,645	$390,265

[1] Represents mature costs (note: cost modeling will show a slighly lower figure due to first year immaturity of benefit).

ESI: "Adopt Advantage Plus UM" package

Estimated Savings for additional/new programs						
Package Name	Estimated Member Impact	Estimated Plan Cost Savings	Estimated Rebate Impact	Estimated Program Cost	Estimated Net Plan Cost Savings	Estimated Net Plan Cost Savings PMPM
Advantage Plus UM Package	602	$327,920	($60,000)	($47,472)	$220,448	$5.15

Estimated Member Impact = Members who will be impacted by implementing the additional programs

Estimated Plan Cost Savings = Additional savings for new programs

Note: Savings does not include additional DQM savings

Estimated Rebate Impact = Impact for new programs

Source: ESI page 19 (April presentation)

ESI: "Adopt Advantage Plus UM" package

BETTER DECISIONS | HEALTHIER OUTCOMES℠

Express Scripts trend management solutions will save City of Henderson an additional $0.3M with recommended Advantage Plus Package.

Source: ESI page 18 (April presentation)

ESI: "Adopt Advantage Plus UM" package

	MEMBER IMPACT	INCREMENTAL SAVINGS
Advantage Plus Package • Limited • Advantage • Advantage Plus	602	$0.3M
STEP THERAPY Examples * • Tetracyclines • Statin - Cholesterol • Long Acting Opioid	35 46 8	$82,846 $40,324 $16,001

Source: ESI page 20 (April presentation)

ESI: "Mandatory Generic" program

- Change prescribing policy to make members pay for the additional cost of a brand drug when a generic is available
- ESI would expect an additional increase of 1% to 2% generic utilization
- Each 1% of savings translates into 2% savings in cost (source: ESI)
- Assuming a mid-point of 1.5% additional generic utilization
  - Plan savings of approximately $90,000

ESI: 5 tier drug card

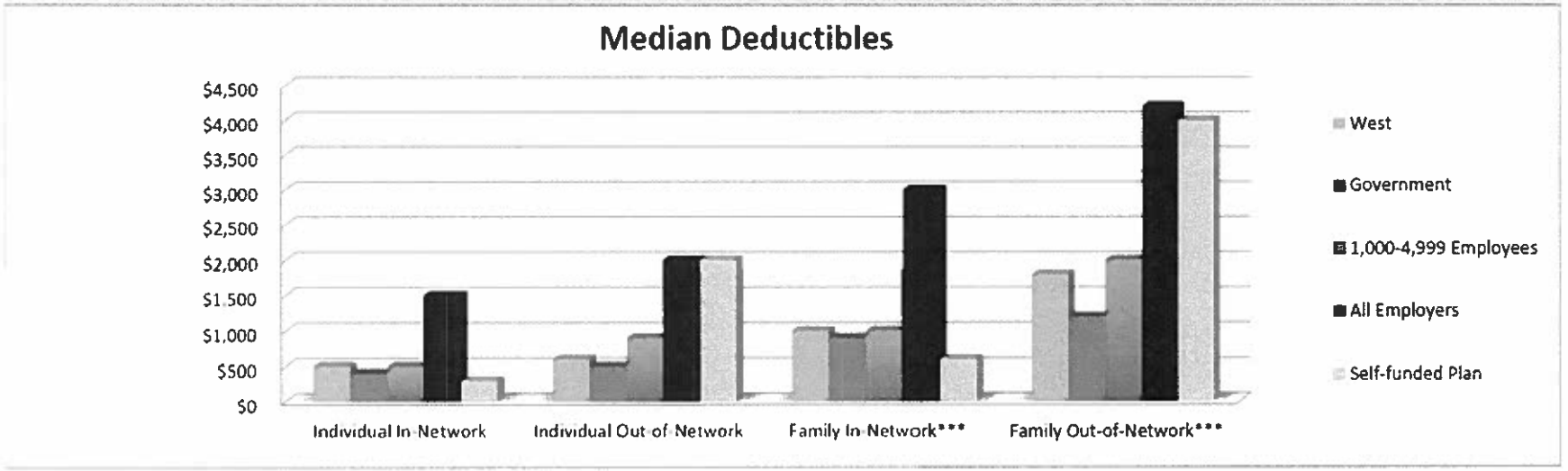
- Emerging plan design to address rising cost of specialty drugs
  - Attempts to steer members to the best drug for the condition
  - There are often multiple specialty drugs to treat the same condition
- Shouldn't be structured such that the member avoids taking medications
  - Possible design (modeled from current plan design)
    - Generic $5
    - Preferred Brand $20
    - Non-Preferred Brand $40

    Need to establish these copays first to model savings
    - Preferred Specialty $40
    - Non-Preferred Specialty $80

    Illustratively would expect 1% to 2% savings ($30K to 60K)
- This plan design complements other care management strategies
  - Pre-authorization (in place today)
  - Specialty step therapy (in place today)
  - Eventually genetic testing (still emerging)
  - Bio-similars (still emerging)

Benchmarking - deductible

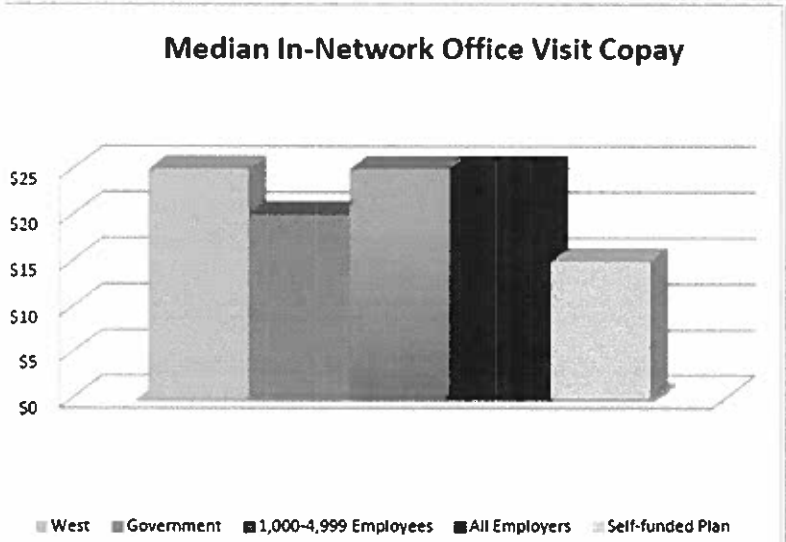
Category	Median Deductible Amounts**			
	Individual In-Network	Individual Out-of-Network	Family In-Network***	Family Out-of-Network***
West	$500	$600	$1,000	$1,800
Government	$400	$500	$900	$1,200
1,000-4,999 Employees	$500	$900	$1,000	$2,000
All Employers	$1,500	$2,000	$3,000	$4,200
Self-funded Plan	**$300**	**$2,000**	**$600**	**$4,000**

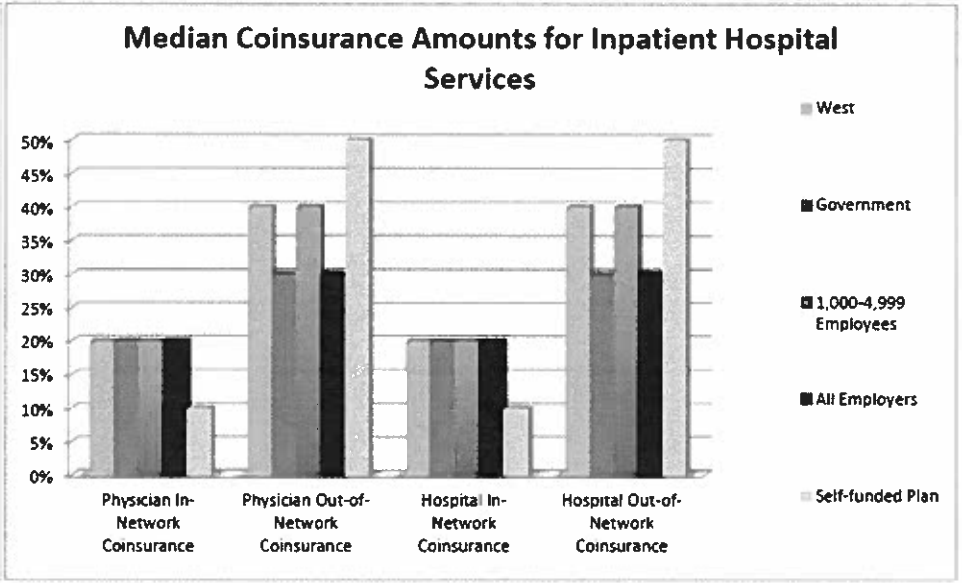


*2013 Mercer National Survey of Employer-Sponsored Plans.
**Based on PPO plans with deductibles that are a fixed amount.
***Based on plans with a predetermined family deductible amount

Benchmarking – office visit / co-insurance

Category	Median Copay/Coinsurance Amount For Physician Office Visits**			Median Coinsurance Amounts For Inpatient Hospital Services***	
	In-Network Copay ($)	Physician In-Network Coinsurance	Physician Out-of-Network Coinsurance	Hospital In-Network Coinsurance	Hospital Out-of-Network Coinsurance
West	$25	20%	40%	20%	40%
Government	$20	20%	30%	20%	30%
1,000-4,999 Employees	$25	20%	40%	20%	40%
All Employers	$25	20%	30%	20%	30%
Self-funded Plan	**$15**	**10%**	**50%**	**10%**	**50%**





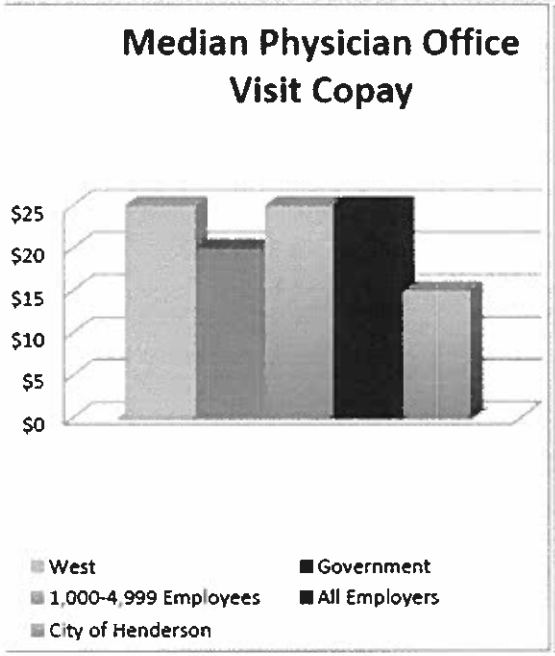
*2013 Mercer National Survey of Employer-Sponsored Plans.

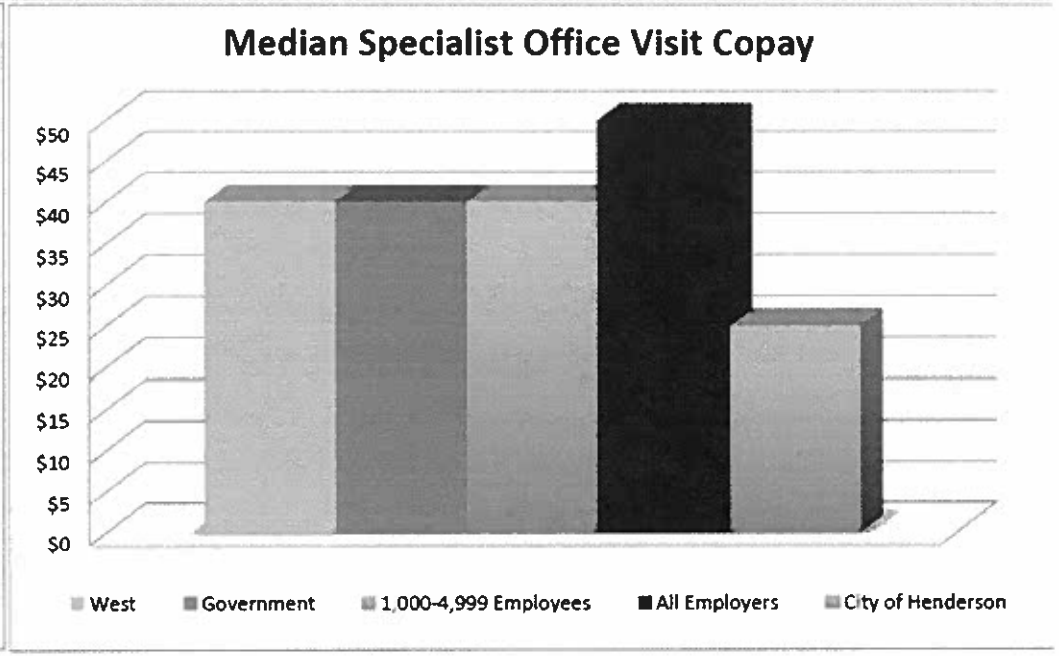
**Among employers requiring copay/coinsurance

***Among employers requiring coinsurance

Benchmarking – PCP versus SCP

Category	Physician Office Visit Copayments	Specialist Office Visit Copayments	
	Median Physician Office Visit Copay**	Percentage of Employers with Higher Copay for Specialist Visit	Median Specialist Office Visit Copay**
West	$25	32%	$40
Government	$20	37%	$40
1,000-4,999 Employees	$25	48%	$40
All Employers	$25	47%	$50
City of Henderson	$15		$25



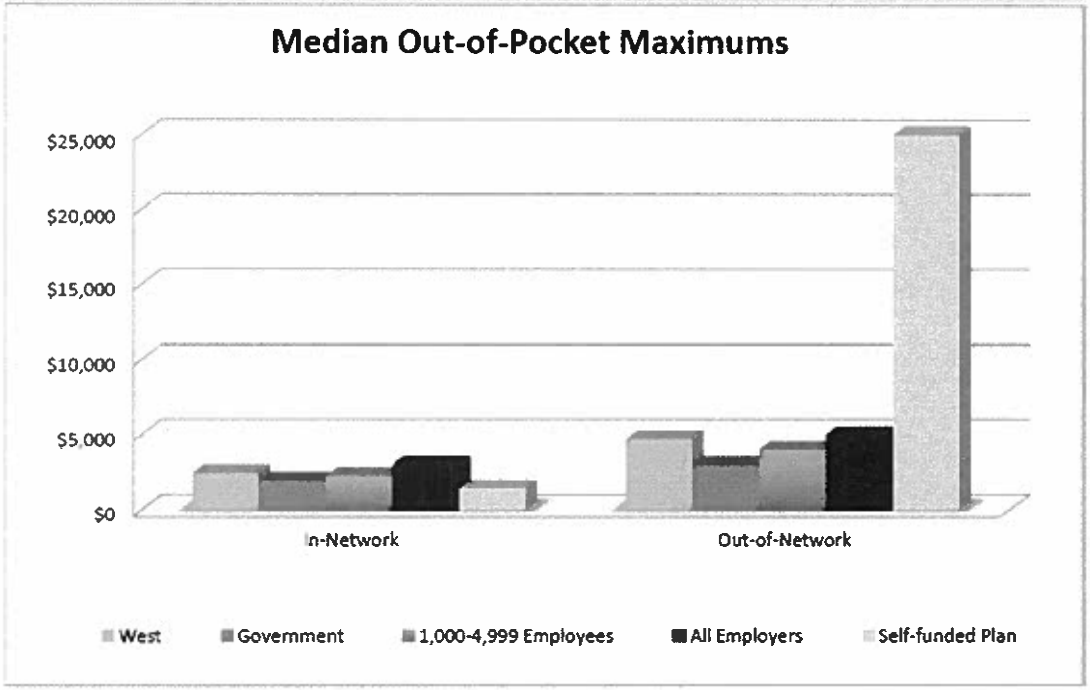


*2013 Mercer National Survey of Employer-Sponsored Plans.

**Among employers requiring an office visit copay

Benchmarking – out of pocket maximum

Category	Median Out-of-Pocket Maximum**	
	In-Network	Out-of-Network
West	$2,500	$4,700
Government	$2,000	$3,000
1,000-4,999 Employees	$2,300	$4,000
All Employers	$3,000	$5,000
Self-funded Plan	**$1,500**	**$25,000**

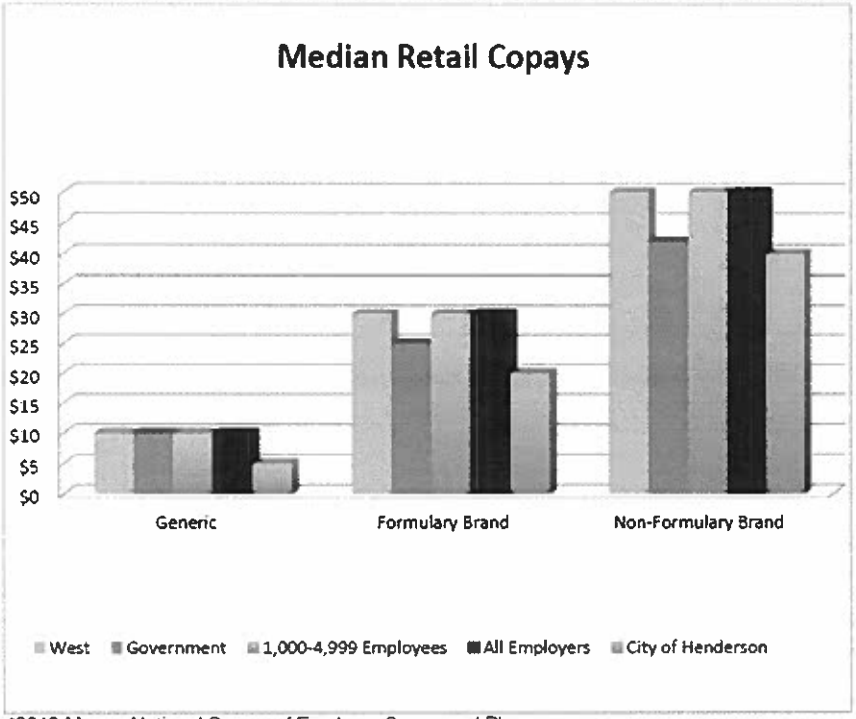


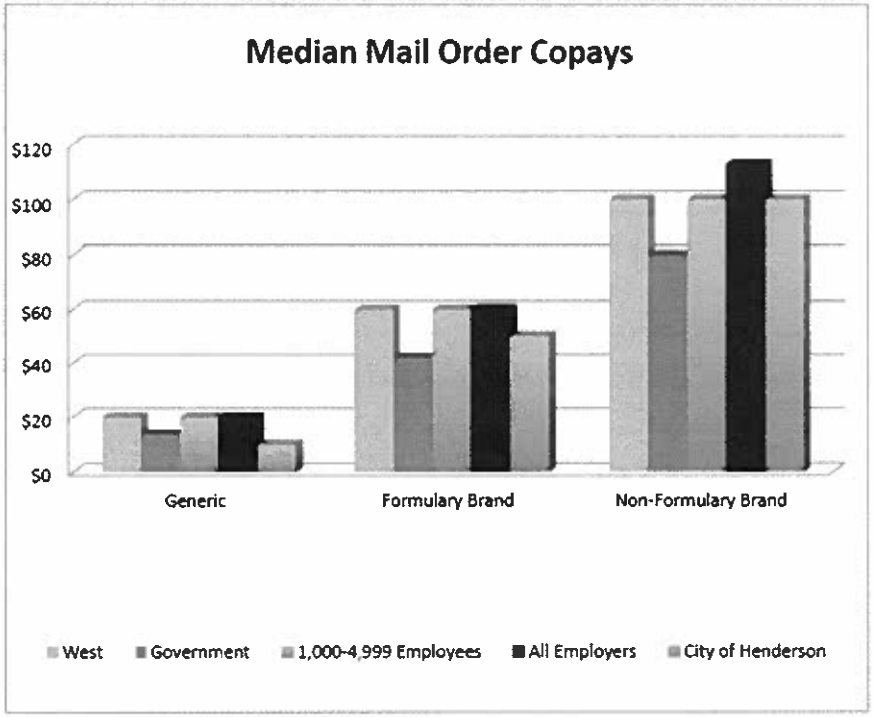
*2013 Mercer National Survey of Employer-Sponsored Plans.

**Based on PPOs with out-of-pocket maximums that are a fixed amount

Benchmarking – Rx

Category	Median Retail Copays			Median Mail Order Copays		
	Generic	Formulary Brand	Non-Formulary Brand	Generic	Formulary Brand	Non-Formulary Brand
West	$10	$30	$50	$20	$60	$100
Government	$10	$25	$42	$14	$42	$80
1,000-4,999 Employees	$10	$30	$50	$20	$60	$100
All Employers	$10	$30	$50	$20	$60	$113
City of Henderson	**$5**	**$20**	**$40**	**$10**	**$50**	**$100**





*2013 Mercer National Survey of Employer-Sponsored Plans.

New Plan Design Offering

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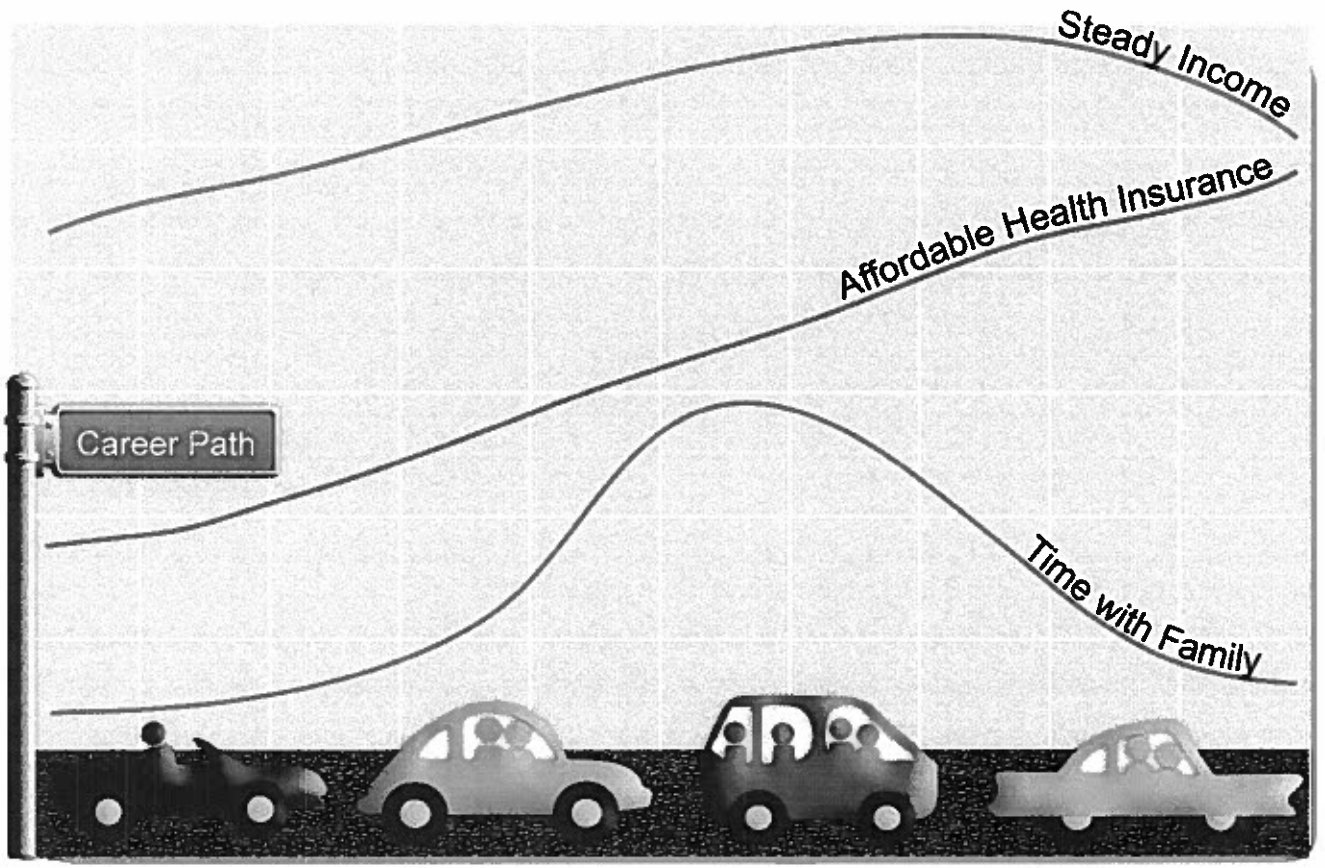
Planning for a new workforce



Entry - Level
- Career Growth
- Income
- Recognition

Mid - Career
- Income
- Time off/flex time
- Career growth

Established
- Time off/flex time
- Health & wellbeing
- Savings & income protection

Pre - Retiree
- Health & wellbeing
- Savings
- Career accomplishment

Aligning benefits multi-generations

- Should the City explore introducing a new HSA eligible plan design?
  - New employees to the City may have previously been covered under an HSA
  - It's an excellent tax favored savings vehicle
- Potentially position the plan so that it is actuarially the same value as the self funded plan
  - Minimum deductible is $1,300 and would recommend the following:
    - 90% co-insurance
    - $2,000 maximum out-of-pocket
    - Preventive Rx
      - Allows for coverage of preventive Rx at minimal cost sharing (without being subject to deductible)
  - Use an employer funded HSA contribution to bring parity between the current self funded plan (traditional plan design) and the new plan
    - Plan selection then is agnostic – no adverse selection or reason to vary contributions
      - Employee makes the selection based on their need