

**GLENBROOK HIGH SCHOOLS**  
**Assistant Superintendent for Business/CSBO**  
**Regular Meeting – Monday, April 11, 2016**

**TO: Dr. Michael Riggle**

**FROM: Hillarie Siena**

**DATE: April 11, 2016**

**RE: Discussion/Action: Insurance Pre-renewal**

Per the attached insurance timeline, this packet contains data related to the annual health/dental insurance renewal. Representatives from HUB International will be in attendance to present the pre-renewal for discussion. On April 14, 2016, the District 225 Insurance Cost Containment Committee will meet to discuss insurance renewal data. The committee will also review preliminary rate increases and discuss strategies for continued cost containment. This packet also contains the District's internal analysis of projected cost increases based upon a plan year. Due to the large amount of data being presented, the following points provide a summary.

- 2016 Budget Projection – HUB International:
  - Provides claims/fee analysis based upon a 12-month experience window 2/1/15-1/31/16
  - Provides information relative to the Affordable Care Act, specifically Cadillac Tax projections
  - Provides a recommended rate increase for the plan year beginning 9/1/16
- Analysis of Calculated Premium – District 225:
  - Provides claims/fee analysis based upon the prior plan year 9/1/14-8/31/15
  - Provides a recommended rate increase for the plan year beginning 9/1/16
- Historical Analysis of Medical Insurance Fee Structure
  - Provides a comparison of fees based upon different methodologies
- Analysis of Stop Loss Shared Risk Design
  - Provides an analysis of a shared risk structure amongst the SSCRMP districts
- Shape Your Life Wellness Program
  - Provides a breakdown of program costs and services
- Cost Containment Committee:
  - Review preliminary insurance renewal
  - Discuss March 2016 survey results
  - Discuss pharmacy strategies for cost containment

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**RE: Discussion/Action: Insurance Timeline**

**AUGUST**

- Board of Education information packet. March 1<sup>st</sup> through June 30<sup>th</sup> quarterly claims report will be placed in the information packet.

**NOVEMBER**

- Finance Committee regularly scheduled meeting. Review plan year actual claims for full plan year ending August 31<sup>st</sup>. Review plan enrollment data for new plan year beginning September 1<sup>st</sup>. Discuss topics for first Cost Containment Committee meeting in December.
- Board of Education regularly scheduled meeting. Discuss items from November Finance Committee meeting. Discuss topics for first Cost Containment Committee meeting in December.

**FEBRUARY**

- Finance Committee regularly scheduled meeting. Review September 1<sup>st</sup> through November 30<sup>th</sup> quarterly claims report. Discuss items from December Cost Containment Committee meeting.
- Board of Education regularly scheduled meeting. Discuss items from February Finance Committee meeting.

**MARCH/APRIL**

- Meet with CBC to review claims, trend data and plan design, and obtain recommendation for calculated premium increases.

**APRIL**

- **Board of Education regularly scheduled meeting. Present renewal information with recommendations for plan changes.**
- **Present renewal information and recommended plan changes to the Cost Containment Committee.**

**MAY**

- Present renewal information and recommended plan changes to all staff.
- Begin open enrollment period.



# Glenbrook School District #225

2016 Budget Projection  
March 15, 2016



# 2016 Budget Projection Assumptions



Below are the assumptions used for the 2016 Budget Projection

	Medical		Prescription Drug		Medical		Prescription Drug	
	PPO & HSA		HMOI & BA HMO				Dental	
<b>Trend Assumptions</b>	7.4%	12.0%	5.0%	12.0%			4.5%	
<b>Current ISL Deductible (\$)</b>	\$250,000		\$125,000					
<b>Claim Lag (# of Months)</b>	1	0	1	0			1	
<b>Experience Period Weighting</b>								
2/1/2014 - 1/31/2015	0%	0%	10%	10%			11%	
2/1/2015 - 1/31/2016	100%	100%	90%	90%			89%	
<b>Margin</b>	0.0%	0.0%	0.0%	0.0%			0.0%	



# 2016 Budget Projection Per Employee Per Month (PEPM) Fixed Costs

PPO & HSA	2015	2016	Change
Medical	\$52.86	\$51.53	-2.5%
Network Access	\$5.86	\$5.11	-12.8%
Rx	(\$9.48)	(\$9.90)	4%
Individual Stop Loss	\$36.04	\$40.36	12%
PCORI	\$0.42	\$0.44	4%
Transitional Reinsurance Fee	\$8.71	\$5.35	-39%
<b>Total</b>	<b>\$94.41</b>	<b>\$92.89</b>	<b>-1.6%</b>

HMOI & BA HMO	2015	2016	Change
Medical	\$42.56	\$42.56	0%
Rx	(\$7.72)	(\$10.50)	36%
Individual Stop Loss	\$51.98	\$58.90	13%
Physician Service Fee	\$417.82	\$402.85	-4%
HMO Managed Care Fee	\$10.71	\$10.73	0%
PCORI	\$0.49	\$0.51	4%
Transitional Reinsurance Fee	\$10.14	\$6.23	-39%
<b>Total</b>	<b>\$525.98</b>	<b>\$511.28</b>	<b>-3%</b>

Dental	2015	2016	Change
Dental	\$3.45	\$3.61	5%
<b>Grand Total</b>	<b>\$623.84</b>	<b>\$607.78</b>	<b>-2.6%</b>

Notes:

HSA Rx Rebate went from (\$8.57) to (\$10.90). Catamaran has yet to produce a renewal for PPO Rx.





# 2016 Budget Projection Year over Year

- Glenbrook's total gross costs are expected to increase 11.3%
  - Medical PPO & HSA expected to increase 19.0%
  - Medical HMO expected to decrease 1.1%
  - Dental expected to increase 3.6%

	Current Enrollment	2015 HUB Projection	2015 HUB Re-Projection	2016 HUB Projection	Change	
					\$	%
<b>Gross Costs</b>						
Medical - PPO & HSA	508	\$7,723,056	\$9,122,361	\$9,188,269	\$1,465,213	19.0%
Medical - HMO	313	\$4,354,872	\$3,966,589	\$4,304,862	(\$50,010)	-1.1%
<u>Dental</u>	<u>674</u>	<u>\$726,120</u>	<u>\$782,975</u>	<u>\$751,951</u>	<u>\$25,831</u>	<u>3.6%</u>
Total	1,495	\$12,804,048	\$13,871,926	\$14,245,082	\$1,441,034	11.3%
<b>Employee Contributions</b>						
Medical - PPO & HSA	508	\$780,929	\$780,929	\$929,087	\$148,157	19.0%
Medical - HMO	313	\$466,857	\$466,857	\$461,495	(\$5,361)	-1.1%
<u>Dental</u>	<u>674</u>	<u>\$726,120</u>	<u>\$726,120</u>	<u>\$751,951</u>	<u>\$25,831</u>	<u>3.6%</u>
Total	1,495	\$1,973,906	\$1,973,906	\$2,142,533	\$168,627	8.5%
<b>Company Cost</b>						
Medical	821	\$10,830,142	\$11,841,164	\$12,102,549	\$1,272,407	11.7%
<u>Dental</u>	<u>674</u>	<u>\$0</u>	<u>\$56,855</u>	<u>\$0</u>	<u>\$0</u>	<u>0.0%</u>
Total	1495	\$10,830,142	\$11,898,020	\$12,102,549	\$1,272,407	11.7%

Notes:

Employee contributions based on maintaining the same cost share percentages



# 2016 Premium Equivalents and Employee Contributions Medical PPO & HSA

Based on the underwriting assumptions and fixed costs, we are projecting a 19.0% increase or \$1.465M in gross costs.

	Enrollment	Monthly Premium Equivalents		Monthly Employee Contributions											
		2015		2015			2016 Status Quo			2016 Same %					
		2015	2016	\$	%	% Change	\$	%	%	\$	%	% Change			
<b>PPO</b>															
EE	177	\$870.00	\$1,035.06	\$43.50	5.0%	19.0%	4.2%	\$43.50	0.0%	0.0%	\$51.75	5.0%	19.0%	19.0%	19.0%
EE+1	72	\$1,740.00	\$2,070.11	\$208.80	12.0%	19.0%	10.1%	\$208.80	0.0%	0.0%	\$248.41	12.0%	19.0%	19.0%	19.0%
<u>Family</u>	<u>165</u>	<u>\$1,740.00</u>	<u>\$2,070.11</u>	<u>\$208.80</u>	<u>12.0%</u>	<u>19.0%</u>	<u>10.1%</u>	<u>\$208.80</u>	<u>0.0%</u>	<u>0.0%</u>	<u>\$248.41</u>	<u>12.0%</u>	<u>19.0%</u>	<u>19.0%</u>	<u>19.0%</u>
Total	414	\$6,796,440	\$8,085,856	\$686,221	10.1%	19.0%	8.5%	\$686,221	0.0%	0.0%	\$816,411	10.1%	19.0%	19.0%	19.0%
<b>HSA</b>															
EE	37	\$530.00	\$630.55	\$26.50	5.0%	19.0%	4.2%	\$26.50	0.0%	0.0%	\$31.53	5.0%	19.0%	19.0%	19.0%
EE+1	10	\$1,064.00	\$1,265.86	\$127.68	12.0%	19.0%	10.1%	\$127.68	0.0%	0.0%	\$151.90	12.0%	19.0%	19.0%	19.0%
<u>Family</u>	<u>43</u>	<u>\$1,064.00</u>	<u>\$1,265.86</u>	<u>\$127.68</u>	<u>12.0%</u>	<u>19.0%</u>	<u>10.1%</u>	<u>\$127.68</u>	<u>0.0%</u>	<u>0.0%</u>	<u>\$151.90</u>	<u>12.0%</u>	<u>19.0%</u>	<u>19.0%</u>	<u>19.0%</u>
Total	90	\$912,024	\$1,085,053	\$92,970	10.2%	19.0%	8.6%	\$92,970	0.0%	0.0%	\$110,609	10.2%	19.0%	19.0%	19.0%
<b>PPO - Medicare</b>															
EE	4	\$304.00	\$361.67	\$36.20	11.9%	19.0%	10.0%	\$36.20	0.0%	0.0%	\$43.07	11.9%	19.0%	19.0%	19.0%
<u>Family</u>	<u>0</u>	<u>\$588.00</u>	<u>\$699.55</u>	<u>\$174.00</u>	<u>29.6%</u>	<u>19.0%</u>	<u>24.9%</u>	<u>\$174.00</u>	<u>0.0%</u>	<u>0.0%</u>	<u>\$207.01</u>	<u>29.6%</u>	<u>19.0%</u>	<u>19.0%</u>	<u>19.0%</u>
Total	4	\$14,592	\$17,360	\$1,738	11.9%	19.0%	10.0%	\$1,738	0.0%	0.0%	\$2,067	11.9%	19.0%	19.0%	19.0%
<b>Grand Total</b>	<b>508</b>	<b>\$7,723,056</b>	<b>\$9,188,269</b>	<b>\$780,929</b>	<b>10.1%</b>	<b>19.0%</b>	<b>8.5%</b>	<b>\$780,929</b>	<b>0.0%</b>	<b>0.0%</b>	<b>\$929,087</b>	<b>10.1%</b>	<b>19.0%</b>	<b>19.0%</b>	<b>19.0%</b>



# 2016 Premium Equivalents and Employee Contributions and Medical HMOI & BA HMO

Based on the underwriting assumptions and fixed costs, we are projecting a 1.1% decrease or \$50k in gross cost savings.

	Enrollment	Monthly Premium Equivalents		Monthly Employee Contributions									
		2015		2015		2016 Status Quo		2016 Same %					
		2015	2016	\$	%	\$	%	\$	%	% Change			
<b>HMOI</b>													
EE	83	\$560.00	\$553.57	\$28.00	5.0%	\$28.00	5.1%	\$27.68	0.0%	\$27.68	5.0%	-1.1%	
EE+1	36	\$1,512.00	\$1,494.64	\$176.44	11.7%	\$176.44	11.8%	\$174.41	0.0%	\$174.41	11.7%	-1.1%	
Family	148	\$1,512.00	\$1,494.64	\$176.44	11.7%	\$176.44	11.8%	\$174.41	0.0%	\$174.41	11.7%	-1.1%	
Total	267	\$3,896,256	\$3,851,512	\$417,468	10.7%	\$417,468	10.8%	\$412,673	0.0%	\$412,673	10.7%	-1.1%	
<b>BA HMO</b>													
EE	14	\$448.00	\$442.86	\$22.40	5.0%	\$22.40	5.1%	\$22.14	0.0%	\$22.14	5.0%	-1.1%	
EE+1	14	\$868.00	\$858.03	\$104.16	12.0%	\$104.16	12.1%	\$102.96	0.0%	\$102.96	12.0%	-1.1%	
Family	17	\$1,138.00	\$1,124.93	\$136.56	12.0%	\$136.56	12.1%	\$134.99	0.0%	\$134.99	12.0%	-1.1%	
Total	45	\$453,240	\$448,035	\$49,120	10.8%	\$49,120	11.0%	\$48,556	0.0%	\$48,556	10.8%	-1.1%	
<b>BA HMO - Medicare</b>													
EE	1	\$448.00	\$442.86	\$22.40	5.0%	\$22.40	5.1%	\$22.14	0.0%	\$22.14	5.0%	-1.1%	
Family	0	\$1,138.00	\$1,124.93	\$136.56	12.0%	\$136.56	12.1%	\$134.99	0.0%	\$134.99	12.0%	-1.1%	
Total	1	\$5,376	\$5,314	\$269	5.0%	\$269	5.1%	\$266	0.0%	\$266	5.0%	-1.1%	
<b>Grand Total</b>	<b>313</b>	<b>\$4,354,872</b>	<b>\$4,304,862</b>	<b>\$466,857</b>	<b>10.7%</b>	<b>\$466,857</b>	<b>10.8%</b>	<b>\$461,495</b>	<b>0.0%</b>	<b>\$461,495</b>	<b>10.7%</b>	<b>-1.1%</b>	





# 2016 Premium Equivalents and Employee Contributions Dental

Based on the underwriting assumptions and fixed costs, we are projecting a 3.6% increase or \$26k in gross cost.

	Enrollment	Monthly Premium Equivalents		Monthly Employee Contributions									
		% Change		2015		2016 Status Quo		2016 Same %					
		2015	2016	\$	%	\$	%	\$	%				
Dental PPO													
EE	291	\$50.00	\$51.78	3.6%	\$50.00	100.0%	\$50.00	96.6%	\$51.78	0.0%	\$51.78	100.0%	3.6%
Family	<u>383</u>	<u>\$120.00</u>	<u>\$124.27</u>	<u>3.6%</u>	<u>\$120.00</u>	<u>100.0%</u>	<u>\$120.00</u>	<u>96.6%</u>	<u>\$124.27</u>	<u>0.0%</u>	<u>\$124.27</u>	<u>100.0%</u>	<u>3.6%</u>
Total	674	\$726,120	\$751,951	3.6%	\$726,120	100.0%	\$726,120	96.6%	\$751,951	0.0%	\$751,951	100.0%	3.6%
Grand Total	674	\$726,120	\$751,951	3.6%	\$726,120	100.0%	\$726,120	96.6%	\$751,951	0.0%	\$751,951	100.0%	3.6%



# 2016 Budget Projection Medical/Rx Underwriting – PPO & HSA

Experience Period	2/1/2014 - 1/31/2015		2/1/2015 - 1/31/2016	
Coverage	Medical	Rx	Medical	Rx
Total Paid Claims	\$5,579,133	\$2,071,032	\$5,589,748	\$2,359,111
Total Large Claims	(\$588,308)		(\$548,347)	
Net Paid Claims	\$4,990,825	\$2,071,032	\$5,041,401	\$2,359,111
Composite Adjustments	0.999	1.000	0.993	0.992
Adjusted Paid Claims	\$4,987,882	\$2,071,837	\$5,005,876	\$2,340,574
Annual Trend Factor <sup>1</sup>	7.4%	12.0%	7.4%	12.0%
Mid Point Trend Factor <sup>2</sup>	<u>1.203</u>	<u>1.340</u>	<u>1.120</u>	<u>1.197</u>
Trended Adjusted Paid Claims	\$5,999,704	\$2,776,529	\$5,605,874	\$2,800,599
Add Claims up to ISL	\$500,000		\$250,000	
Total Claims	\$6,499,704	\$2,776,529	\$5,855,874	\$2,800,599
Average Participants	511	511	510	510
PEPY Claim Cost	\$12,726	\$5,431	\$11,478	\$5,494
<b>Total PEPY Claim Cost</b>	<b>\$18,157</b>		<b>\$16,972</b>	
<b>Weighting</b>	<b>0%</b>		<b>100%</b>	
Weighted Claim Cost			\$16,972	
Margin, Future Plan Changes and Mandated Changes			0.0%	
Total PEPY Fixed Costs			\$1,045	
HCR Related Fees			<u>\$69</u>	
Total PEPY Cost			\$18,087	
Current Participants			508	
<b>Total Annual Dollars</b>			<b>\$9,188,269</b>	

<sup>1</sup> Annual trend is the trend factor applied for exactly 1 year

<sup>2</sup> The mid point trend factor is calculated based on trending from the mid point of the experience period to the midpoint of the projection period. Factors are developed separately



# 2016 Budget Projection Medical/Rx Underwriting - HMO

Experience Period	2/1/2014 - 1/31/2015		2/1/2015 - 1/31/2016	
Coverage	Medical	Rx	Medical	Rx
Total Paid Claims	\$2,008,012	\$532,736	\$1,376,987	\$642,677
Total Large Claims	<del>(\$582,722)</del>		\$0	
Net Paid Claims	\$1,425,289	\$532,736	\$1,376,987	\$642,677
Composite Adjustments	1.081	1.080	0.990	0.995
Adjusted Paid Claims	\$1,540,893	\$575,467	\$1,363,826	\$639,328
Annual Trend Factor <sup>1</sup>	5.0%	12.0%	5.0%	12.0%
Mid Point Trend Factor <sup>2</sup>	<u>1.134</u>	<u>1.340</u>	<u>1.080</u>	<u>1.197</u>
Trended Adjusted Paid Claims	\$1,747,879	\$771,200	\$1,473,359	\$764,984
Add Claims up to ISL	\$125,000		\$0	
Total Claims	\$1,872,879	\$771,200	\$1,473,359	\$764,984
Average Participants	301	300	304	305
PEPY Claim Cost	\$6,231	\$2,568	\$4,849	\$2,507
<b>Total PEPY Claim Cost</b>	<b>\$8,799</b>	<b>\$8,799</b>	<b>\$7,356</b>	<b>\$7,356</b>
<b>Weighting</b>	<b>10%</b>	<b>10%</b>	<b>90%</b>	<b>90%</b>
Weighted Claim Cost			\$7,500	
Margin, Future Plan Changes and Mandated Changes			0.0%	
Total PEPY Fixed Costs			\$6,172	
HCR Related Fees			<del>\$81</del>	
Total PEPY Cost			\$13,754	
Current Participants			313	
<b>Total Annual Dollars</b>			<b>\$4,304,862</b>	

<sup>1</sup> Annual trend is the trend factor applied for exactly 1 year

<sup>2</sup> The mid point trend factor is calculated based on trending from the mid point of the experience period to the midpoint of the projection period. Factors are developed separately



# 2016 Budget Projection

## Dental Underwriting

Dental Experience Period	2/1/2014 - 1/31/2015	2/1/2015 - 1/31/2016
Total Paid Claims	\$688,459	\$665,882
Composite Adjustments	1.000	1.000
Adjusted Paid Claims	\$688,459	\$665,882
Annual Trend Factor <sup>1</sup>	4.5%	4.5%
Mid Point Trend Factor <sup>2</sup>	1.120	1.072
Trended Adjusted Paid Claims	\$771,368	\$713,945
Average Participants	672	672
<b>PEPY Claim Cost</b>	<b>\$1,148</b>	<b>\$1,063</b>
<b>Weighting</b>	<b>11%</b>	<b>89%</b>
Weighted Claim Cost	\$1,072	\$1,072
Margin, Future Plan Changes and Mandated Changes	0.0%	0.0%
Total PEPY Fixed Costs	\$43	\$43
Total PEPY Cost	\$1,116	\$1,116
Current Participants	674	674
<b>Total Annual Dollars</b>	<b>\$751,951</b>	<b>\$751,951</b>

<sup>1</sup> Annual trend is the trend factor applied for exactly 1 year

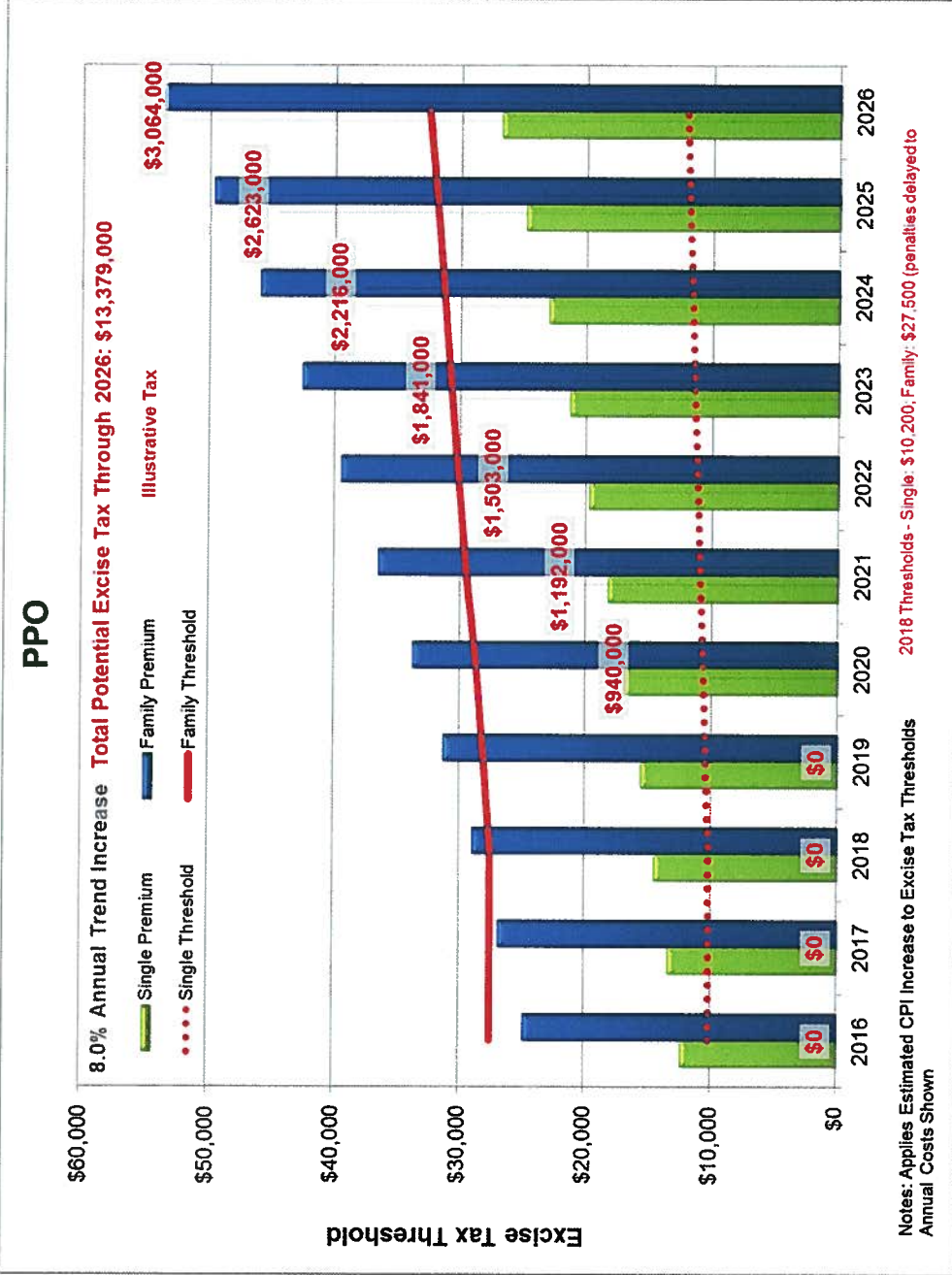
<sup>2</sup> The mid point trend factor is calculated based on trending from the mid point of the experience period to the midpoint of the projection period. Factors are developed





# Cadillac Tax Analysis – PPO

Based on 8% trend, Glenbrook's PPO plan is estimated to exceed Cadillac thresholds in 2020 resulting in Excise Tax liability of \$940K.



Note: in Dec 2015 the Excise Tax effective date was delayed to 2020; in addition the tax has been changed from a non-deductible to a deductible business expense for federal tax purposes

# Cadillac Tax Analysis – HSA

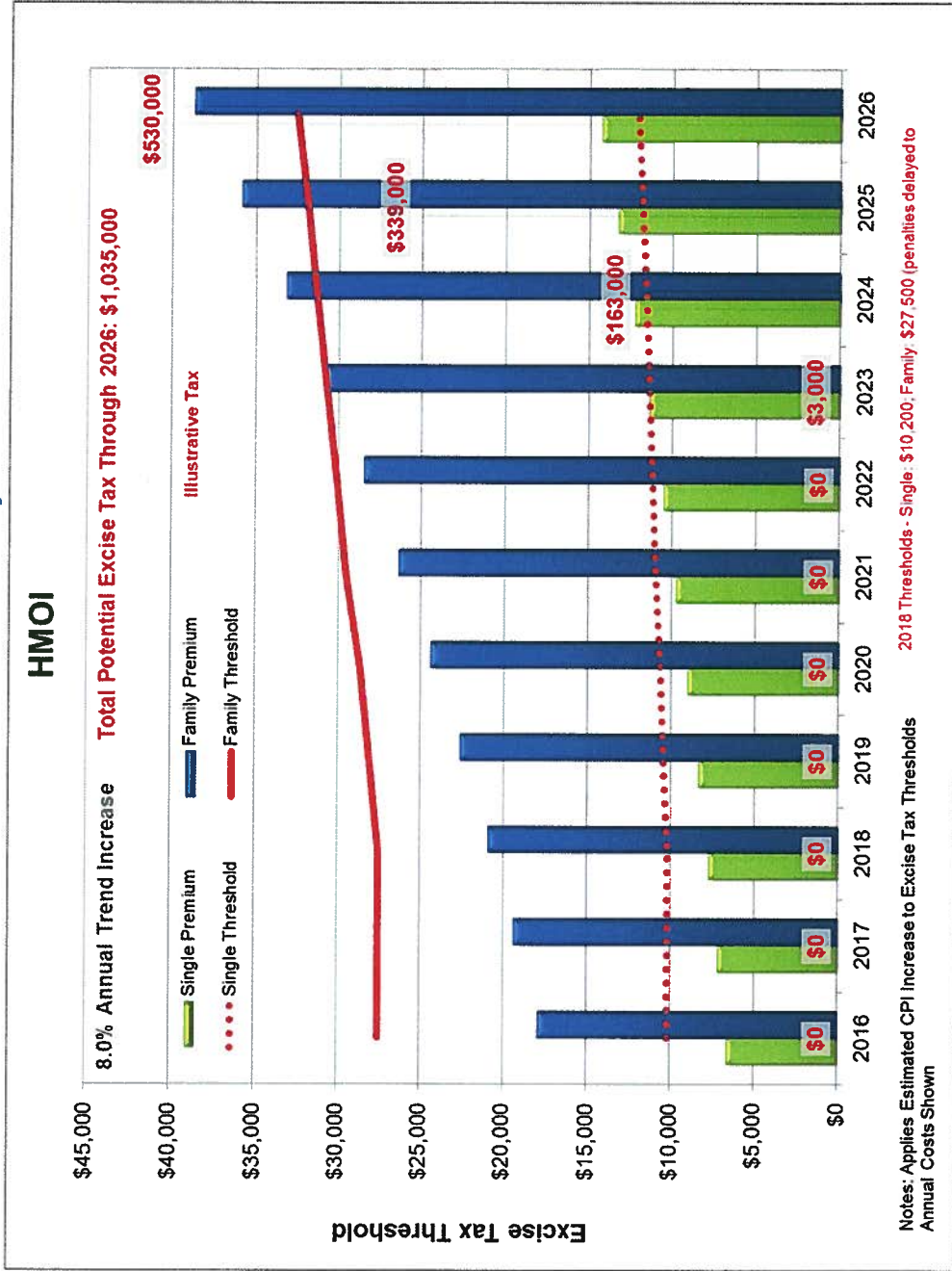
Based on 8% trend, Glenbrook's HSA plan is estimated to exceed Cadillac thresholds in 2021 resulting in Excise Tax liability of \$2K.



Note: in Dec 2015 the Excise Tax effective date was delayed to 2020; in addition the tax has been changed from a non-deductible to a deductible business expense for federal tax purposes

# Cadillac Tax Analysis – HMOI

Based on 8% trend, Glenbrook's HMOI plan is estimated to exceed Cadillac thresholds in 2023 resulting in Excise Tax liability of \$3K.



Note: in Dec 2015 the Excise Tax effective date was delayed to 2020; in addition the tax has been changed from a non-deductible to a deductible business expense for federal tax purposes

# Cadillac Tax Analysis – BA HMO

Based on 8% trend, Glenbrook’s BA HMO plan is estimated to not exceed Cadillac thresholds in 2026 resulting in no Excise Tax liability.



Note: in Dec 2015 the Excise Tax effective date was delayed to 2020; in addition the tax has been changed from a non-deductible to a deductible business expense for federal tax purposes





*All projections prepared by HUB International are considered estimates, are based upon current information and are subject to change based on future developments. Therefore, any projection may change depending on multiple factors. Further, Health Care Reform estimates have been prepared based on current guidance and regulations and are subject to change as additional guidance is released. Lastly, our recommendations should not be regarded as tax or legal advice.*

**Glenbrook Analysis by Plan Year for Renewal Presentation  
Aggregate Report 09/01/2014 - 08/31/2015 HUB/CBC**

PPO Plans			
Paid Claims	5,452,054	5,452,054	
Fees	321,771	321,771	
Stop Loss	205,415	205,415	
Rx	2,242,634	2,242,634	
Total	8,221,874	8,221,874	
HMOI			
Paid Claims	2,412,610	2,412,610	
Fees	192,933	192,933	
Stop Loss	135,230	135,230	
Rx	523,172	523,172	
Total	3,263,945	3,263,944	
	1		
HMO-BA			
Paid Claims	374,401	374,401	
Fees	27,583	27,583	
Stop Loss	19,340	19,340	
Rx	62,449	62,449	
Total	483,773	483,771	
DENTAL			
Paid Claims	716,835	716,835	
Prior Year	688,998	12,686,427	4.04%
		12,686,427	
		11,969,592	

Analysis of Calculated Premium			
Claims (incl ACA costs)	8,239,065		
Stop Loss	359,985		
Rx	2,828,255		
Fees	542,287		
Total Costs	11,969,592	11,969,592	
Less: Current Prem	12,077,928		
Current Surplus	(108,336)		
Projected Increase	1,415,203		
Projected Premium Shortfall	1,306,867		
Total Projected Cost	13,493,131		
Current Premium	12,077,928		12% Projected increase - Plan Year
Projected Cost - PPO Plans	9,188,269		
Current Premium - PPO Plans	7,723,056		19% Broker recommended
PPO Shortfall	1,465,213		
Projected Cost - HMO Plans	4,304,862		
Current Premium - HMO Plans	4,354,872		-1% Broker recommended
HMO Shortfall	(50,010)		
Total Projected Cost	13,493,131		

**Recommended Rate Increase FY17**

12.00% PPO Plans  
0.00% HMO Plans  
4.00% Dental

Historical Analysis of Medical Insurance Fee Structure  
 Current Fee Structure is Percent of Claims @ 5.30%

Plan Year	Enrollment	Claims	PEPM Rate	Current		Current		Difference
				% Rate	PEPM Fee	% Claims Fee	Claims Fee	
2012/13	512	\$ 4,409,922	\$ 53.85	5.30%	\$ 330,854	\$ 233,726	\$ 97,129	
2013/14	505	\$ 5,075,338	\$ 49.79	4.90%	\$ 301,727	\$ 248,692	\$ 53,036	
2014/15	514	\$ 5,950,854	\$ 49.79	4.90%	\$ 307,105	\$ 291,592	\$ 15,513	
2015/16 (Annualized)	507	\$ 4,932,510	\$ 50.81	5.00%	\$ 309,128	\$ 246,626	\$ 62,503	
2016/17 (Projected)	508	\$ 6,282,958	\$ 50.81	5.00%	\$ 309,738	\$ 314,148	\$ (4,410)	
							<u>\$ 223,770</u>	Cost Avoidance Under Current Structure



Shape Your Life Wellness Program  
Update April 2016

Program Cost Data	107,443	No increase since 2012
HPN Worldwide (TPA Services)	55,924	
Wellness Screenings (548 screens)*	11,935	
Flu Shots (390 flu shots)	11,715	
Wellness Coordinators (2 per building)	11,745	
Experience Life Magazine Subscription	10,000	
Raffle Prizes, LNL Materials, SYL Apparel	2,375	
Opening Day Staff Breakfast	3,112	
Wellness Screenings Post-screen Breakfast	214,249	Budget \$220,000
<b>Total Program Expenses</b>	<b>116,750</b>	
Premium Rebate (467 x \$250) (81 individuals did not qualify)	330,999	
<b>Total Program Cost</b>	<b>330,999</b>	

*Wellness Screenings (548 screens)	43,735	65.5% of 836 eligible employees
Additional Reflex Tests <sup>1</sup>	12,189	
<b>Total Cost of Wellness Screenings</b>	<b>55,924</b>	

<sup>1</sup>CBC, HA1C, HSCR, PSA, TSH, T4(f) and/or T4



Cost Containment Committee Options  
 Plan Year 9/1/2015-8/31/2016

A	<p><b>Current Focus of Cost Containment Committee</b></p> <p>Spousal coverage survey - March 2016</p> <p>Rx: Specialty Drug Tier (4th tier)</p> <p>Rx: HDPPPO Rx copay after deductible is met</p> <p>Rx: Expand Prior Authorization, Step Therapy &amp; Quantity Limits</p> <p>Rx: Discount card program - <i>Implemented February 1, 2016</i></p>
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B	<p>Implemented 9/1/15 or 10/1/15</p> <p>Rx: dropped co-pay for generic tier to zero</p> <p>Rx: moved from National Formulary to Value Formulary category (10/1)</p> <p>Board contribution into Health Savings Accounts increased to \$1,000/\$1,600</p> <p>Wellness rebate eligibility expanded criteria</p> <p>Mandatory e-learning lesson on district insurance plans</p>
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C	<p><b>Deferred Items</b></p> <p>Contribution Amounts in Proportion to Base Salary</p> <p>Explore compensation bands</p> <p>Greater Employee Participation in Premium Cost Sharing</p> <p>Establish cap on total claims, with shared cost on excess over cap</p> <p>Establish cap on % increase, with shared cost on excess over cap</p>
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