

**Village of Orland Park
Health Review - Blue Cross Alternatives
January 1, 2013
Full Enrollment Included**



Presented by: Michael Wojcik

Renegotiated 10/4/12

Recommended

Contract Specifics	CURRENT	RENEWAL	% Change	Alternate 3 Carrier	% Change
Reinsurance/Health Carrier	Aetna	Aetna		Blue Cross / PPO & HMOI	
Specific Deductible	\$100,000	\$100,000		\$100,000	
Specific Contract	PAID	PAID		12/12 - HMO & 15/12 PPO	
Specific Coverage	Medical & Rx	Medical & Rx		Medical & Rx	
Aggregate Contract	PAID	PAID		12/12	
Aggregate Coverage	Medical & Rx	Medical & Rx		Medical & Rx	
Annual Maximum	\$1,000,000	\$1,000,000		Unlimited	
Lifetime Maximum	Unlimited	Unlimited		Unlimited	
Aggregate Run-In-Limit	N/A	N/A		N/A	
Specific Run-In-Limit	N/A	N/A		N/A	
Employee Census					
PPO Employees	169	169		169	
H.S.A. Employees	0	0		0	
HMO Employees	112	112		112	
Total	281	281		281	
Fixed Costs					
PPO Administration 169	\$30.42	\$30.42		\$49.55	
HMO Administration 112	\$32.74	\$32.74		\$49.55	
H.S.A. Administration 0	\$30.42	\$30.42		\$49.55	
Rx Rebate				(\$10.94)	
Monthly Admin Costs	\$8,807.86	\$8,807.86	0.0%	\$10,849.41	23.2%
PPO Specific Premium 169	\$133.09	\$143.65		\$135.93	166
HMO Specific Premium 112	\$133.09	\$143.65		\$46.63	115
H.S.A. Specific Premium 0	\$133.09	\$143.65			
Monthly Specific Costs	\$37,398.29	\$40,365.65	7.9%	\$27,926.83	-25.3%
Subtotal Monthly Costs (Admin + Spec)	\$46,206.15	\$49,173.51	6.4%	\$38,776.24	-16.1%
Annual Access Fee	0.0%	0.0%		2.51%	
Aggregate Premium 281	\$13.20	\$15.81		\$0.00	
Monthly Aggregate Premium	\$3,709.20	\$4,442.61		\$0.00	
Annual Aggregate Premium	\$44,510.40	\$53,311.32	19.8%	\$55,718.00	25.2%
Annual Administration Fee	n/a	n/a		n/a	
Grand Total Annual Fixed Costs	\$598,984.20	\$643,393.44	7.4%	\$521,032.88	-13.0%
Capitation Fees					
HMO Cap Fee (Single) 41	\$0.00	\$0.00		\$195.19	44
HMO Cap Fee (Family) 74	\$0.00	\$0.00		\$534.46	71
HMO Managed Care Fee 115				\$9.37	115
Total Monthly Capitation Costs	\$0.00	\$0.00		\$47,612.57	
Total Annual Capitation Costs	\$0.00	\$0.00		\$571,350.84	
Aggregate Liability	120% Corridor	120% Corridor		120% Corridor	
PPO Aggregate Factor 169	\$1,675.66	\$1,841.10		\$1,366.66	166
HMO Aggregate Factor 112	\$1,675.66	\$1,841.10		\$590.82	115
H.S.A. Aggregate Factor	\$1,675.66	\$1,841.10			
Total Monthly Aggregate Liability:	\$470,860.46	\$517,349.10		\$294,809.86	
Total Annual Aggregate Liability:	\$5,650,325.52	\$6,208,189.20	9.9%	\$3,537,718.32	-37.4%
Estimated Run In Liability				\$1,202,106.00	**
PPACA Tax Stabilization Fund				\$64,815.00	
Maximum Plan Exposure	\$6,249,309.72	\$6,851,582.64	9.6%	\$5,897,023.04	-5.6%
Expected Plan Exposure	\$5,307,400.46	\$5,816,677.50	9.6%	\$5,307,285.40	0.0%

**Includes estimated run-out claims, run-out administration and large claim liability.



Village of Orland Park
 Dental Review
 January 1, 2013
 Full Enrollment Included

	3 Tier	<u>EE</u>	<u>EE + 1 Dep</u>	<u>Fam</u>	<u>Total</u>
		63	86	141	290
4 Tier		<u>EE + Spouse</u>	<u>EE + C</u>	<u>Fam</u>	<u>Total</u>
		63	17	141	290

Benefits Presented by: Mike Wojcik

Recommended
 4-Tier Option

Carriers:	CURRENT Delta Dental	RENEWAL Delta Dental	OPTION Blue Cross			
Type of Plan	PPO	PPO	PPO			
<u>In Network Benefits</u>						
Individual Deductible	\$25	\$25	\$25			
Family Deductible	\$75	\$75	\$75			
Preventative Co-Insurance	100%	100%	100%			
Deductible Waived on Preventative	Yes	Yes	Yes			
Basic Co-Insurance	100%	100%	100%			
Major Co-Insurance	80%	80%	80%			
Orthodontia Co-Insurance	50%	50%	50%			
Deductible Waived on Ortho	Yes	Yes	Yes			
Endodontics Co-Insurance	100%	100%	100%			
Periodontics Co-Insurance	100%	100%	100%			
Surgical Periodontics Co-Insurance	100%	100%	100%			
Annual Maximum	\$1,500	\$1,500	\$1,500			
Orthodontia Lifetime Maximum	\$1,200	\$1,200	\$1,200			
<u>Out of Network Benefits</u>						
Individual Deductible	\$50	\$50	\$50			
Family Deductible	\$150	\$150	\$150			
Preventative Co-Insurance	100%	100%	100%			
Deductible Waived on Preventative	Yes	Yes	Yes			
Basic Co-Insurance	100%	100%	100%			
Major Co-Insurance	80%	80%	80%			
Orthodontia Co-Insurance	50%	50%	50%			
Deductible Waived on Ortho	Yes	Yes	Yes			
Endodontics Co-Insurance	100%	100%	100%			
Periodontics Co-Insurance	100%	100%	100%			
Surgical Periodontics Co-Insurance	100%	100%	100%			
Annual Maximum	\$1,000	\$1,000	\$1,000			
Orthodontia Lifetime Maximum	\$1,000	\$1,000	\$1,000			
<u>Dental Funding Factors (Includes Admin Fee)</u>						
	3 Tier	4 tier	3 Tier			
Employee	\$28.53	\$29.25	\$29.25			
Employee + 1 Dependent / EE + S	\$57.08	\$58.50	\$58.52			
/ EE + C		\$72.43				
Employee + 2 or more Dependents / Family	\$98.72	\$101.68	\$101.21			
<u>Monthly Funding (Estimated Claim Liab)</u>						
	\$20,625.79	\$21,447.44	\$21,146.08			
<u>Annual Funding (Estimated Claim Liab)</u>						
	\$247,509.48	\$257,369.28	\$253,752.96			
<u>Percentage Change from Current</u>						
Claims Funding	\$247,509.48	\$257,369.28	\$253,752.96			
<u>Monthly Fixed Costs</u>						
	\$3.81	\$3.96	\$4.76			
<u>Annual Fixed Costs</u>						
	\$13,258.80	\$13,780.80	\$16,564.80			
<u>Percentage Change from Current</u>						
		3.94%	24.93%			
<u>Rate Guarantee</u>						
		2 Years	1 Year			

* Blue Cross Dental Funding Factors are estimated.

**Village of Orland Park
Vision Rates/Benefits Review
January 1, 2013
Full Enrollment Included**



Benefits Presented by: Mike Wojcik

	3 Tier	4 Tier
EE	62	62
EE + 1 Dep	84	67
EE + 2+ Dep	139	17
Total	285	139
		285

**Recommended
4-Tier Option**

Carriers:	CURRENT EyeMed	RENEWAL EyeMed	VSP ¹
	12/12/12	12/12/12	12/12/12
Copayment Exam	\$10	\$10	\$10
Copayment Materials	\$25 (Select Plan)	\$25 (Select Plan)	\$25 (VSP Choice Network)
<u>In Network Benefits</u>			
Examination	Covered in Full*	Covered in Full*	Covered in Full*
Basic Lenses	Covered in Full*	Covered in Full*	Covered in Full*
Single	Covered in Full*	Covered in Full*	Covered in Full*
Bifocal	Covered in Full*	Covered in Full*	Covered in Full*
Trifocal	Covered in Full*	Covered in Full*	Covered in Full*
Lenticular	Covered in Full*	Covered in Full*	Covered in Full*
Tinted/Photochromic	N/A	N/A	\$70 Single / \$82 multi-focal copayment
Frames	Covered up to \$130 Plan Allowance	Covered up to \$130 Plan Allowance	Covered up to \$130 (\$50 Wholesale)**
Elective Contact Lenses	Prof Fees & Materials up to \$130.00	Prof Fees & Materials up to \$130.00	Prof Services & Materials up to \$130.00
Necessary Contact Lenses	Covered in Full subject to copayment	Covered in Full subject to copayment	Covered in Full subject to copayment
<u>Out of Network Benefits</u>			
Examination	Up to \$30.00	Up to \$30.00	Up to \$45.00
Basic Lenses	Up to \$25.00	Up to \$25.00	Up to \$30.00
Single	Up to \$40.00	Up to \$40.00	Up to \$50.00
Bifocal	Up to \$60.00	Up to \$60.00	Up to \$65.00
Trifocal	Up to \$65.00	Up to \$65.00	Up to \$70.00
Frames	Up to \$104.00	Up to \$104.00	Up to \$105.00
Elective Contact Lenses	Up to \$200.00	Up to \$200.00	Up to \$210.00
Necessary Contact Lenses			
<u>Medical Premium</u>			
	3 Tier	4 Tier	3 Tier
Employee	\$4.81	\$4.81	\$4.45
Employee + 1 Dep / EE + Sp	\$9.14	\$9.14	\$8.20
/ EE + C		\$9.62	
Family	\$13.42	\$14.14	\$13.49
Total Monthly Premium	\$2,931.36	\$3,039.60	\$2,839.81
Total Annual Premium	\$35,176.32	\$36,475.20	\$34,077.72
Percent Change from Current			-3.12%
Rate Guarantee	TIL 2015	TIL 2015	4 Years

¹Please note that the Choice network is included - not the Signature which was in the prior plan

* After applicable copayment.

**20% Discount on amounts exceeding retail allowance

**Village of Orland Park
Life Review
January 1, 2013
Full Enrollment Included**



Presented by: Mike Wojcik

		Recommended				
Carriers:		CURRENT Dearborn National	RENEWAL Dearborn National	OPTION UNUM*	OPTION Aetna	OPTION Lincoln
<u>BENEFIT AMOUNT</u>						
	Class 1:	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
	Class 2:	2 X Salary to a max of \$150,000	2 X Salary to a max of \$150,000	2 X Salary to a max of \$150,000	2 X Salary to a max of \$150,000	2 X Salary to a max of \$150,000
<u>Reduction Clauses</u>						
	% Benefit Amount Reduces to at Age 65			n/a		65%
	% Benefit Amount Reduces to at Age 70	None	None	65%	None	40%
	% Benefit Amount Reduces to at Age 75			50%		25%
	% Benefit Amount Reduces to at Age 80					
<u>Dependent Benefit Amount</u>						
	Spouse	\$2,000	\$2,000	\$2,000	not quoted	not quoted
	Child 14 days to 6 months	\$1,000	\$1,000	\$1,000	not quoted	not quoted
	Child 6 months and older	\$1,000	\$1,000	\$1,000	not quoted	not quoted
<u>Volumes</u>						
	Life/ADD Volume	\$39,023,000	\$39,023,000	\$39,023,000	\$39,023,000	\$39,023,000
	Number of Dependent Units	232	232	232	not quoted	not quoted
<u>Rates</u>						
	Employee Life per \$1,000	\$0.140	\$0.140	\$0.170	\$0.175	\$0.140
	Employee AD&D per \$1000	\$0.020	\$0.020	\$0.020	\$0.020	\$0.020
	Combined Life/ADD Rate/\$1,000	\$0.160	\$0.160	\$0.190	\$0.195	\$0.160
	Dependent Rate per Unit	\$0.500	\$0.500	\$1.500	not quoted	not quoted
	Life/ADD Monthly Premium	6,243.68	6,243.68	7,414.37	7,609.49	6,243.68
	Life/ADD Annual Premium	74,924.16	74,924.16	88,972.44	91,313.82	74,924.16
	Dependent Life Annual Premium	<u>1,392.00</u>	<u>1,392.00</u>	<u>4,176.00</u>	<u>not quoted</u>	<u>not quoted</u>
	Total Annual Premium	\$76,316.16	\$76,316.16	\$93,148.44	\$91,313.82	\$74,924.16
	Percentage Change		0.00%	22.06%	19.65%	-1.82%
	Rate Guarantee		2 Years	2 Years	3 Years	2 Years

*Class 1 - Elected Officials
Class 2 - All Other Employees*

* UNUM requires package sale with one other qualifying line.

**Village of Orland Park
Short Term Disability Review - ASO
January 1, 2013**



**EE
263**

Presented by: Mike Wojcik

	Recommended					
	ASO	ASO	ASO	ASO	ASO	ASO
	Current Guardian	Renewal Guardian	Option UNUM	Option Lincoln*	Option Dearborn	Option Aetna
Benefit:	70% to \$2,500	70% to \$2,500	75% to \$1,200	75%	75%	60%
Elimination Period:	1 day Accident 8 days Illness	1 day Accident 8 days Illness	7 day Accident 7 days Illness	8 day Accident 8 days Illness	1 day Accident 8 days Illness	8 day Accidents 8 days Illness
Duration	52 Weeks	52 Weeks	26 Weeks	26 Weeks	52 Weeks	26 Weeks
Rate/PEPM	\$0.75	\$0.75	\$3.15	\$2.22	\$4.01	\$3.36
Total Monthly Premium	\$197.25	\$197.25	\$828.45	\$583.86	\$1,054.63	\$883.68
Total Annual Premium	\$2,367.00	\$2,367.00	\$9,941.40	\$7,006.32	\$12,655.56	\$10,604.16
Rate Guarantee	Til 2013	Til 2014	320.00% 2 Years	196.00% 1 Year	434.67% 1 Year	348.00% 1 Year

* Lincoln requires the program must be written with a fully insured LTD program with Lincoln.