FY2019 Employee Benefit Renewal
Summary of Recommendations

Line of Coverage	Recommended Carrier/Vendor	2019 EstimatedAnnual Expense	Summary and Renewal Impact
Medical/Rx	BlueCross BlueShield of Illinois	$4,755,541	5.7% decrease in expected claims exposure/expense, reduced number of enrollments and addition of Blue Advantage HMO plan selection and removal of Gold plan for non-union employees.
Dental	Delta Dental	$306,262	Administrative fee is guaranteed for two years through 12/31/19, 7.24% total expenditure decrease based on reduction in enrollment.
Vision	Eyemed	$37,878	Rate guarantee through 12/31/2022, 7.65% total expenditure decrease based on reduction in enrollment.
Life and AD&D	Dearborn National	$76,847	Two (2) year rate guarantee through 12/31/2019. 8.7% total expenditure decrease based on reduction in enrollment.
FSA	Discovery Benefits	$3,000	4th year of rate guarantee, 4.90 pppm, 45-50 participants, no change.
Wellness Pedometer Program	Virgin Pulse	$40,000	Expenses based on average enrollment of 142 and increased rewards in 2018
Wellness Biometric Screening	CHC Wellness	$39,000	$130 per screening expect 300 participants. Decreased participation in 2019 due to reduction in enrollment
Benefit Consulting	The Horton Group	$42,500	Selected through RFP process in spring 2018. 5 year agreement resulting in 15% decrease from current (50,000) starting in 2019 and 2020, and 10% decrease from current in years 2021, 2022 and 2023 (previously Board approved)
EAP	Metropolitan Family Services	$19,500	No change
Crisis Response	Trinity Services	$30,000	No change
Total Insurance Fund Total General Fund		$5,301,027 $49,500	6% decrease

Proposed Non-Union Employee
Medical Plan Premium Share Percentage
Starting 1/1/2019

HMO Illinois	**2019**	**2020**	**2021**
Employee	13%	15%	15%
Employee + Spouse	14%	17%	17%
Employee + Children	14%	17%	17%
Family	14%	17%	17%
HMO Blue Advantage			
Employee	10%	10%	10%
Employee + Spouse	10%	15%	15%
Employee + Children	10%	15%	15%
Family	10%	15%	15%
PPO Silver			
Employee	18%	25%	25%
Employee + Spouse	20%	30%	30%
Employee + Children	20%	30%	30%
Family	20%	30%	30%
HDHP/H.S.A.			
Employee	6%	8%	10%
Employee + Spouse	6%	8%	10%
Employee + Children	6%	8%	10%
Family	6%	8%	10%

The Horton Group's

Marketing Spreadsheet

Prepared for: Village of Orland Park

Renewal January 2019

Presented By:
Michael E. Wojcik
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Insurance / Risk Advisory / Employee Benefits

HORTON

Village of Orland Park
January 1, 2019

The following Medical markets were approached:	
Carrier	**Status**
Blue Cross Blue Shield	Incumbent
American Fidelity	Declined
Anthem	Quoted
Berkley	Declined
Berkshire Hathaway	Quoted
HCC	Quoted
HM	Quoted
Liberty Mutual	Declined
Optum	Declined
QBE	Declined
Reliance Standard	Declined
Sun Life	Quoted
Swiss Re	Declined
Symetra	Quoted
Voya	Declined

Village of Orland Park
Health Review
January 1, 2019

Insurance / Risk Advisory / Employee Benefits
HORTON

Presented by: Michael Wojcik

Contract Specifics	CURRENT BCBS		% Change	RENEWAL BCBS		% Change
Reinsurance/Health Carrier	**BCBS**			**BCBS**		
Specific Deductible	$100,000			$100,000		
Specific Contract	24/12			24/12		
Specific Coverage	Medical & Rx			Medical & Rx		
Annual Maximum	Unlimited			Unlimited		
Lifetime Maximum	Unlimited			Unlimited		
Aggregate Contract	24/12			24/12		
Aggregate Coverage	Medical & Rx			Medical & Rx		
Aggregate Run-In-Limit	N/A			N/A		
Employee Census						
PPO Employees	203			203		
HMO Employees	106			106		
Total	**309**			**309**		
Fixed Costs						
PPO Administration	$60.16	203		$56.79	203	
BVA	$2.50			$2.50		
Virtual Visits	$0.45			$0.45		
HMO Administration	$60.16	106		$56.79	106	
Rx Rebate	($27.04)			($36.11)		
Net PPO Administration	$36.07			$23.63		
Net HMO Administration	$33.12			$20.68		
Net Monthly Admin Costs	**$10,832.93**			**$6,988.97**		**-35.5%**
PPO Specific Premium	$185.80	203		$215.37	203	
HMO Specific Premium	$88.10	106		$100.48	106	
Monthly Specific Costs	**$47,056.00**			**$54,370.99**		**15.5%**
Subtotal Monthly Costs (Admin + Spec)	**$57,888.93**			**$61,359.96**		**6.0%**
Annual Access Fee	2.51%			2.51%		
Annual Aggregate Premium	$20,427.20			$25,787.00		26.2%
Grand Total Annual Fixed Costs	**$715,094.36**			**$762,106.52**		**6.6%**
Capitation Fees						
HMO Cap Fee (Single)	$199.04	38		$172.18	38	
HMO Cap Fee (Family)	$564.74	68		$558.51	68	
HMO Managed Care Fee	$11.74	106		$11.10	106	
Total Monthly Capitation Costs	**$47,210.28**			**$45,698.12**		**-3.2%**
Total Annual Capitation Costs	**$566,523.36**			**$548,377.44**		**-3.2%**
Aggregate Liability	**120% Corridor**			**120% Corridor**		
PPO Aggregate Factor	$1,644.29	203		$1,564.07	203	
HMO Aggregate Factor	$760.18	106		$707.20	106	
Total Monthly Aggregate Liability:	**$414,369.95**			**$392,469.41**		**-5.3%**
Total Annual Aggregate Liability:	**$4,972,439.40**			**$4,709,632.92**		**-5.3%**
ACA Reserve/Premium Stabilization Fund	**$145,188.00**			**$145,188.00**		
PPACA Tax Stabilization Fund	**$15,106.44**			**$1,921.56**		
Additional Laser Liability	**N/A**			**N/A**		
Maximum Plan Exposure	**$6,414,351.56**			**$6,167,226.44**		**-3.9%**
Expected Plan Exposure	**$5,585,445.91**			**$5,382,130.63**		**-3.6%**

RECOMMENDED

WITHOUT LIBRARY EMPLOYEES

CURRENT BCBS		% Change	OPTION 1 BCBS		% Change	OPTION 2 BCBS		% Change
BCBS			**BCBS**			**BCBS**		
$100,000			$100,000			$100,000		
24/12			24/12			24/12		
Medical & Rx			Medical & Rx			Medical & Rx		
Unlimited			Unlimited			Unlimited		
Unlimited			Unlimited			Unlimited		
24/12			24/12			24/12		
Medical & Rx			Medical & Rx			Medical & Rx		
N/A			N/A			N/A		
178			178			178		
101			101			101		
279			**279**			**279**		
$60.16	178		$56.88	178		$56.88	178	
$2.50			$2.50			$2.50		
$0.45			$0.45			$0.45		
$60.16	101		$56.88	101		$56.88	101	
($27.04)			($36.08)			($36.08)		
$36.07			$23.75			$23.75		
$33.12			$20.80			$20.80		
$9,765.58			**$6,328.30**		**-35.2%**	**$6,328.30**		**-35.2%**
$185.80	178		$216.43	178	16.5%	$216.43	178	16.5%
$88.10	101		$99.95	101	13.5%	$99.95	101	13.5%
$41,970.50			**$48,619.49**		**15.8%**	**$48,619.49**		**15.8%**
$51,736.08			**$54,947.79**		**6.2%**	**$54,947.79**		**6.2%**
2.51%			2.51%			2.51%		
$20,427.20			$24,794.00		21.4%	$24,794.00		21.4%
$641,260.16			**$684,167.48**		**6.7%**	**$684,167.48**		**6.7%**
$199.04	34		$172.18	34		$172.18	34	
$564.74	67		$558.51	67		$558.51	67	
$11.74	101		$11.25	101		$11.25	101	
$45,790.68			**$44,410.54**		**-3.0%**	**$44,410.54**		**-3.0%**
$549,488.16			**$532,926.48**		**-3.0%**	**$532,926.48**		**-3.0%**
120% Corridor			**120% Corridor**			**120% Corridor**		
$1,644.29	178		$1,499.03	178		$1,499.03	178	
$760.18	101		$716.04	101		$716.04	101	
$369,461.80			**$339,147.38**		**-8.2%**	**$339,147.38**		**-8.2%**
$4,433,541.60			**$4,069,768.56**		**-8.2%**	**$4,069,768.56**		**-8.2%**
$145,188.00			**$145,188.00**			**$477,907.00**		
$15,106.44			**$1,921.56**			**$1,921.56**		
N/A			**N/A**			**N/A**		
$5,784,584.36			**$5,433,972.08**		**-6.1%**	**$5,766,691.08**		**-0.3%**
$5,045,512.98			**$4,755,541.66**		**-5.7%**	**$5,088,260.66**		**0.8%**

RECOMMENDED

Insurance / Risk Advisory / Employee Benefits
HORTON

VILLAGE OF ORLAND PARK
Health Benefit Review
January 1, 2019

Presented by: Michael Wojcik

	CURRENT BCBS				NON-UNION EMPLOYEES ONLY ALTERNATE PLAN OPTIONS BCBS				
Carriers:									
Type of Plan	**HMO I**	**GOLD**	**SILVER**	**HDHP**	**HMO I**	**BA HMO (NEW)**	**GOLD Eliminated - No Longer Available**	**SILVER**	**HDHP**
In Network Benefits									
Individual Deductible	$0	$200	$1,000	$3,500	$0	$0		$1,000	$3,500
Family Deductible	$0	$600	$3,000	$7,000	$0	$0		$3,000	$7,000
Co-Insurance	100%	90%	80%	100%	100%	100%		80%	100%
Medical Individual Out of Pocket Includes Ded	$1,500	$500	$1,500	$5,950	$1,500	$1,500		$1,500	$5,950
Rx Individual Out of Pocket	$3,000	$3,000	$3,000	Included in Medical	$3,000	$3,000		$3,000	Included in Medical
Medical Family Out of Pocket Includes Ded	$3,000	$1,500	$4,500	$11,900	$3,000	$3,000		$4,500	$11,900
Rx Family Out of Pocket	$6,000	$6,000	$6,000	Included in Medical After Ded,	$6,000	$6,000		$6,000	Included in Medical After Ded,
Emergency Room Co-pay	$150	$150	$150	$150 Co-pay	$150	$150		$150	$150 Co-pay
Hospital Co-pay	N/A	100% after Ded	80% after Ded	100% after Ded	N/A	N/A		80% after Ded	100% after Ded
Rx Co-pay	$10/15/25	$10/15/25	$10/30/50	After Ded, $0/20/40	$10/15/25	$10/15/25		$10/30/50	After Ded, $0/20/40
Rx Mail Order	$10/15/25	$10/15/25	2 x Retail	After Ded, $0/20/40	$10/15/25	$10/15/25		2 x Retail	After Ded, $0/20/40
Physician Office Visit Co-pay	$0	90% after Ded	$20	100% after Ded	$0	$0		$20	100% after Ded
Specialist Office Visit Co-pay	$0	90% after Ded	$40	100% after Ded	$0	$0		$40	100% after Ded
Preventative Services	100%	100%	100%	100%	100%	100%		100%	100%
Lifetime Maximum	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited		Unlimited	Unlimited
Out of Network Benefits									
Individual Deductible		$200	$1,000	$5,000				$1,000	$5,000
Family Deductible		$600	$3,000	$10,000				$3,000	$10,000
Co-Insurance		80%	60%	80%				60%	80%
Individual Out of Pocket Includes Ded		$5,000	$11,000	$10,000				$11,000	$10,000
Family Out of Pocket Includes Ded		$15,000	$33,000	$20,000				$33,000	$20,000
Emergency Co-pay		$150	$150	After Ded, $150 Co-pay				$150	After Ded, $150 Co-pay
Hospital Co-pay		80% after Ded	$300 Co-pay, then Ded and 60% Co-Insurance	80% after Ded				$300 Co-pay, then Ded and 60% Co-Insurance	80% after Ded
Physician Office Visit Services		80% after Ded	60% after Ded	80% after Ded				60% after Ded	80% after Ded
Preventative Services		80% after Ded	60% after Ded	80% after Ded				60% after Ded	80% after Ded
Lifetime Maximum		Unlimited	Unlimited	Unlimited				Unlimited	Unlimited

Village of Orland Park
2019 Proposed - Premium Equivalents

	Current Enrollment	Renewal Enrollment	2018 Fully Insured "Expected" Equivalents	2019 Fully Insured "Expected" Equivalents
				Gold PPO Plan
EE Only	11	11	$938.26	$876.91
Employee + Spouse	16	16	$1,998.46	$1,867.78
Employee + Child(ren)	2	2	$1,917.80	$1,792.40
Family	5	5	$2,967.16	$2,773.14
	34	34	$731,611	$683,772
				Silver PPO Plan
EE Only	16	16	$825.00	$771.05
Employee + Spouse	6	6	$1,579.00	$1,475.75
Employee + Child(ren)	4	4	$1,514.78	$1,415.73
Family	16	16	$2,296.12	$2,145.98
	42	42	$785,652	$734,279
			H.S.A. $3,500 Ded	H.S.A. $3,500 Ded
EE Only	25	25	$705.26	$659.14
Employee + Spouse	13	13	$1,438.44	$1,344.38
Employee + Child(ren)	5	5	$1,375.96	$1,285.99
Family	59	59	$2,135.66	$1,996.01
	102	102	$2,030,580	$1,897,800
				HMO Illinois
EE Only	34	34	$645.50	$603.29
Employee + Spouse	17	17	$1,276.62	$1,193.14
Employee + Child(ren)	15	15	$1,225.12	$1,145.01
Family	35	35	$1,895.48	$1,771.54
	101	101	$1,540,418	$1,439,691
				BA HMO $0 Ded $0/$0 OV Co-pay
EE Only				$585.19
Employee + Spouse				$1,157.35
Employee + Child(ren)				$1,110.66
Family				$1,718.39
	0	0	$0	$0
Total	279	279	$5,088,261	$4,755,542
Percentage Decrease				-6.54%

* Assumes funding for PPACA Tax Stabilization Fund and ACA Reserve/Premium Stabilization Fund ($145,188)

Village of Orland Park
January 1, 2019

The following Dental markets were approached:	
Carrier	**Status**
BCBS Dental	Pending
Delta Dental	Incumbent
Guardian	Declined
Lincoln	Declined
MetLife	Pending
Mutual of Omaha	Declined
Principal	Declined
The Standard	Declined
UNUM	Declined

The following Vision markets were approached:	
Carrier	**Status**
EyeMed	Incumbent
Guardian - VSP	Quoted

Insurance / Risk Advisory / Employee Benefits
HORTON

Village of Orland Park
Dental Review
January 1, 2019

Total Employees

4 Tier	EE	EE + Spouse	EE + C	Fam	Total
	100	81	20	140	341

With Library Employees Removed

4 Tier	EE	EE + Spouse	EE + C	Fam	Total
	85	73	19	133	310

Benefits Presented by: Mike Wojcik

Carriers:	CURRENT DELTA DENTAL	RENEWAL DELTA DENTAL	Recommended - Library Removed RENEWAL DELTA DENTAL
Type of Plan	**PPO**	**PPO**	**PPO**
In Network Benefits			
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
Out of Network Benefits			
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
Dental Funding Factors (Includes Admin Fee)			
Employee	$34.47	$34.47	$34.47
Employee + Spouse	$68.94	$68.94	$68.94
Employee + Children	$85.36	$85.36	$85.36
Family	$119.83	$119.83	$119.83
Monthly Funding (Estimated Claim Liab)	**$27,514.54**	**$27,514.54**	**$25,521.80**
Annual Funding (Estimated Claim Liab)	**$330,174.48**	**$330,174.48**	**$306,261.60**
Percentage Change from Current		**0.00%**	**-7.24%**
Monthly Fixed Costs	**$4.39**	**$4.39**	**$4.39**
Annual Fixed Costs	**$17,963.88**	**$17,963.88**	**$16,330.80**
Percentage Change from Current		**0.00%**	**-9.09%**
Administration Rate Guarantee		**Until 12/31/19**	**Until 12/31/19**

For rates to be valid for the Standard quote, the coverage must be sold with another Standard line of coverage.

Village of Orland Park
Life Review
January 1, 2019

Insurance / Risk Advisory / Employee Benefits
HORTON

Presented by: Mike Wojcik

	Toal Employees	Library Removed
	EE	EE
	321	289

Carriers:	CURRENT DEARBORN	RENEWAL DEARBORN	OPTION HARTFORD	Recommended - Library Removed RENEWAL DEARBORN
BENEFIT AMOUNT				
Class 1:	$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
Reduction Clauses				
% Benefit Amount Reduces to at Age 65			65%	
% Benefit Amount Reduces to at Age 70	None	None	n/a	None
% Benefit Amount Reduces to at Age 75			n/a	
% Benefit Amount Reduces to at Age 80			40%	
Dependent Benefit Amount				
Spouse	$5,000	$5,000	$5,000	$5,000
Child 14 days to 6 months	$3,000	$3,000	$3,000	$3,000
Child 6 months and older	$3,000	$3,000	$3,000	$3,000
Travel Assistance Benefit	Included	Included	Included	Included
Volumes				
Life/ADD Volume	$42,176,000	$42,176,000	$42,176,000	$38,548,897
Number of Dependent Units	236	236	236	211
Rates				
Employee Life per $1,000	$0.138	$0.138	$0.143	$0.138
Employee AD&D per $1000	$0.020	$0.020	$0.025	$0.020
Combined Life/ADD Rate/$1,000	**$0.158**	**$0.158**	**$0.168**	**$0.158**
Dependent Rate per Unit	**$1.370**	**$1.370**	**$1.659**	**$1.370**
Life/ADD Monthly Premium	6,663.81	6,663.81	7,085.57	6,090.73
Life/ADD Annual Premium	**79,965.70**	**79,965.70**	**85,026.82**	**73,088.71**
Dependent Life Monthly Premium	**323.32**	**323.32**	**391.52**	**289.07**
Dependent Life Annual Premium	**3,879.84**	**3,879.84**	**4,698.29**	**3,468.84**
Total Annual Premium	**$84,168.86**	**$84,168.86**	**$90,116.63**	**$76,846.62**
Percentage Change		**0.00%**	**7.07%**	**-8.70%**
Rate Guarantee		**Until 12/31/19**	**Until 12/31/20**	**Until 12/31/19**

Class 1 - Elected Officials
Class 2 - All Other Employees

Village of Orland Park
Vision Rates/Benefits Review
January 1, 2019

	Total Employees
EE	99
EE + Sp	75
EE + C	20
Family	139
Total	333

	Library Removed
EE	84
EE + Sp	67
EE + C	19
Family	132
Total	302

Benefits Presented by: Mike Wojcik

Carriers:	CURRENT EYEMED	RENEWAL EYEMED	OPTION VSP	Recommended - Library Removed RENEWAL EYEMED
	12/12/12	12/12/12	12/12/12	12/12/12
Copayment Exam	$10	$10	$10	$10
Copayment Materials	$25	$25	$25	$25
	(Select Plan)	(Select Plan)	(Choice Plan)	(Select Plan)
In Network Benefits				
Examination	Covered in Full*	Covered in Full*	Covered in Full*	Covered in Full*
Basic Lenses				
Single	Covered in Full*	Covered in Full*	Covered in Full*	Covered in Full*
Bifocal	Covered in Full*	Covered in Full*	Covered in Full*	Covered in Full*
Trifocal	Covered in Full*	Covered in Full*	Covered in Full*	Covered in Full*
Lenticular	Covered in Full*	Covered in Full*	Covered in Full*	Covered in Full*
Frames	Covered up to $130 Plan Allowance	Covered up to $130 Plan Allowance	Covered up to $130 Plan Allowance	Covered up to $130 Plan Allowance
Elective Contact Lenses	Prof Fees & Materials up to $130.00	Prof Fees & Materials up to $130.00	Prof Fees & Materials up to $130.00	Prof Fees & 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	Covered in Full subject to copayment
Out of Network Benefits				
Examination	Up to $30.00	Up to $30.00	Up to $45.00	Up to $30.00
Basic Lenses				
Single	Up to $25.00	Up to $25.00	Up to $30.00	Up to $25.00
Bifocal	Up to $40.00	Up to $40.00	Up to $50.00	Up to $40.00
Trifocal	Up to $60.00	Up to $60.00	Up to $65.00	Up to $60.00
Frames	Up to $65.00	Up to $65.00	Up to $70.00	Up to $65.00
Elective Contact Lenses	Up to $104.00	Up to $104.00	Up to $105.10	Up to $104.00
Necessary Contact Lenses	Up to $200.00	Up to $200.00	Up to $210.00	Up to $200.00
Medical Premium	**4 Tier**	**4 Tier**	**4 Tier**	**4 Tier**
Employee	**$4.95**	**$4.95**	**$4.98**	**$4.95**
EE + Sp	**$9.41**	**$9.41**	**$8.96**	**$9.41**
EE + C	**$9.91**	**$9.91**	**$9.12**	**$9.91**
Family	**$14.56**	**$14.56**	**$14.70**	**$14.56**
Total Monthly Premium	**$3,417.84**	**$3,417.84**	**$3,390.72**	**$3,156.48**
Total Annual Premium	**$41,014.08**	**$41,014.08**	**$40,688.64**	**$37,877.76**
Percent Change from Current		**0.00%**	**-0.79%**	**-7.65%**
Rate Guarantee		**Until 12/31/22**	**Until 12/31/22**	**Until 12/31/22**

**** After applicable copayment.***