
City of Clearwater

Meeting Agenda

Date: April 23, 2021 9:00AM
Location: [Zoom](#)

Items

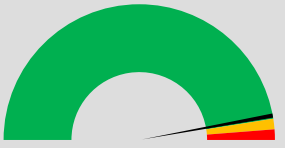
- Claims Experience Review
 - Medical Claims Experience
 - Medical Plan Utilization
 - Covid-19 Reporting
 - Motivate Me Utilization
 - Renewal Timeline
 - Open Discussion
-

Date	Total Plan Funding	Administration & Network Fees	Stop Loss Fees (\$250k/\$350k)	Medical Claims	Pharmacy Claims	Actual Paid Claims ¹	Total Plan Cost	Reserve Account	Total EEs	Claims/EE/ Month
January-21	\$ 1,716,871	\$ 80,220	\$ 128,438	\$ 862,194	\$ 320,747	\$ 1,182,942	\$ 1,391,600	\$ 325,272	1,653	\$ 715.63
February-21	\$ 1,716,661	\$ 79,977	\$ 128,050	\$ 1,104,690	\$ 497,894	\$ 1,602,584	\$ 1,810,611	\$ (93,950)	1,648	\$ 972.44
March-21	\$ 1,715,120	\$ 79,929	\$ 127,972	\$ 1,340,012	\$ 345,348	\$ 1,685,360	\$ 1,893,260	\$ (178,141)	1,647	\$ 1,023.29
April-21										
May-21										
June-21										
July-21										
August-21										
September-21										
October-21										
November-21										
December-21										
								Pharmacy Rebates ²	\$ 1,075,894	
Annual Total	\$ 5,148,652	\$ 240,126	\$ 384,460	\$ 3,306,896	\$ 1,163,989	\$ 4,470,885	\$ 5,095,471	\$ 1,129,074	4,948	\$ 903.57

¹ Actual claims only include claims up to the stop loss limit

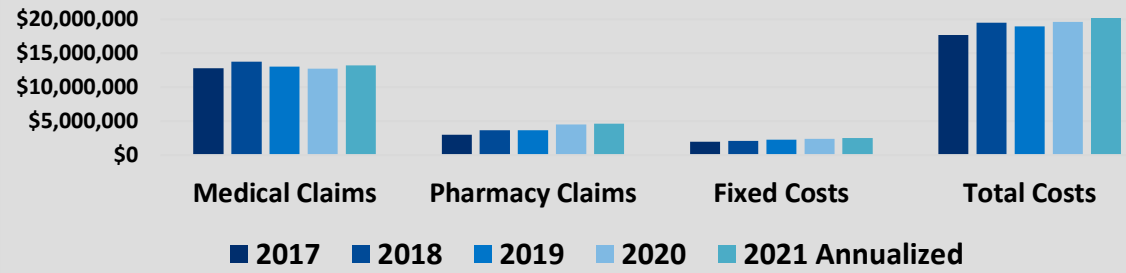
² Pharmacy Rebates paid to City of Clearwater in 2021. Rebates are included in Annual Reserve Account Total

³ Plan Cost to Funding Ratio calculation includes prorated pharmacy rebate amounts



Plan Cost to Funding Ratio³
94%

Annual Total Costs

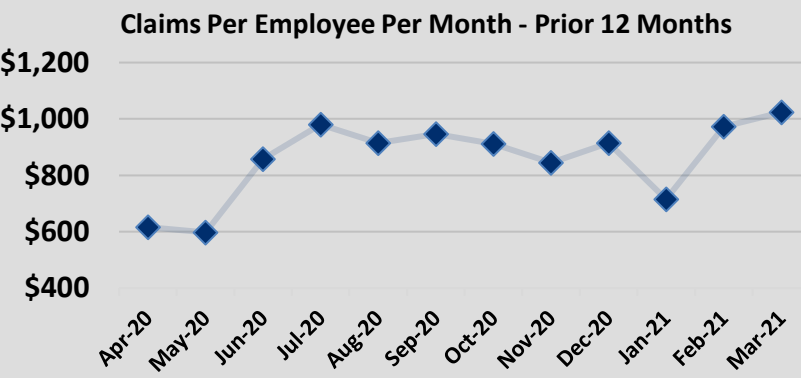


■ 2017 ■ 2018 ■ 2019 ■ 2020 ■ 2021 Annualized

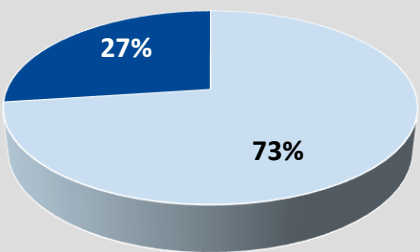
Medical and Pharmacy Claims PEPMs

Year	Medical PEPM	Trend
2020	\$631.97	5.8%
2021	\$668.33	
2020	\$225.41	4.4%
2021	\$235.24	

Claims Per Employee Per Month - Prior 12 Months



High Cost Claimants as a Percentage of Total Gross Claims



■ Non HCC ■ HCC

Count of High Claimants (Individual Members >100k) **4**
% of Total Membership **0.16%**

Total Medical/Rx Net Claims PEPM 2021 vs. 2020 Plan Year
5.4% Increase

Average Enrollment Change
1.6% Decrease

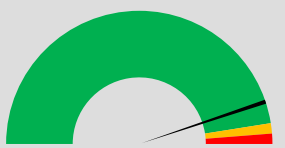
Financial Performance
\$1,129,074 Surplus

Date	Total Plan Funding	Administration & Network Fees	Stop Loss Fees (\$250k/\$350k)	Medical Claims	Pharmacy Claims	Actual Paid Claims ¹	Total Plan Cost	Reserve Account	Total EEs	Claims/EE/ Month	
January-20	\$ 1,760,891	\$ 80,933	\$ 119,788	\$ 902,528	\$ 342,814	\$ 1,245,342	\$ 1,446,063	\$ 314,827	1,696	\$ 734.28	
February-20	\$ 1,752,582	\$ 80,599	\$ 119,294	\$ 1,503,195	\$ 253,951	\$ 1,757,146	\$ 1,957,039	\$ (204,458)	1,689	\$ 1,040.35	
March-20	\$ 1,751,034	\$ 80,742	\$ 119,506	\$ 1,208,426	\$ 380,649	\$ 1,589,074	\$ 1,789,323	\$ (38,288)	1,692	\$ 939.17	
April-20	\$ 1,756,356	\$ 80,838	\$ 119,647	\$ 627,530	\$ 415,574	\$ 1,043,104	\$ 1,243,589	\$ 512,767	1,694	\$ 615.76	
May-20	\$ 1,748,844	\$ 80,551	\$ 119,223	\$ 665,959	\$ 342,796	\$ 1,008,755	\$ 1,208,530	\$ 540,314	1,688	\$ 597.60	
June-20	\$ 1,736,761	\$ 79,979	\$ 118,376	\$ 1,053,841	\$ 383,094	\$ 1,436,936	\$ 1,635,290	\$ 101,471	1,676	\$ 857.36	
July-20	\$ 1,727,307	\$ 79,502	\$ 117,670	\$ 1,260,804	\$ 371,177	\$ 1,631,981	\$ 1,829,152	\$ (101,845)	1,666	\$ 979.58	
August-20	\$ 1,721,881	\$ 79,072	\$ 117,034	\$ 1,167,628	\$ 347,532	\$ 1,515,160	\$ 1,711,266	\$ 10,615	1,657	\$ 914.40	
September-20	\$ 1,725,403	\$ 79,072	\$ 117,034	\$ 1,158,853	\$ 409,560	\$ 1,568,413	\$ 1,764,519	\$ (39,117)	1,657	\$ 946.54	
October-20	\$ 1,731,447	\$ 79,263	\$ 117,316	\$ 1,166,530	\$ 347,207	\$ 1,513,737	\$ 1,710,317	\$ 21,130	1,661	\$ 911.34	
November-20	\$ 1,734,534	\$ 79,597	\$ 117,811	\$ 937,681	\$ 470,637	\$ 1,408,318	\$ 1,605,726	\$ 128,808	1,668	\$ 844.32	
December-20	\$ 1,735,395	\$ 79,549	\$ 117,740	\$ 1,056,523	\$ 468,142	\$ 1,524,665	\$ 1,721,955	\$ 13,441	1,667	\$ 914.62	
								Pharmacy Rebates ²	\$ 900,950		
								Reserve Transfer ³	\$ 92,279		
Annual Total	\$ 20,882,435	\$ 959,697	\$ 1,420,440	\$ 12,709,498	\$ 4,533,134	\$ 17,242,632	\$ 19,622,768	\$ 2,252,895	20,111	\$ 857.37	

¹ Actual claims only include claims up to the stop loss limit

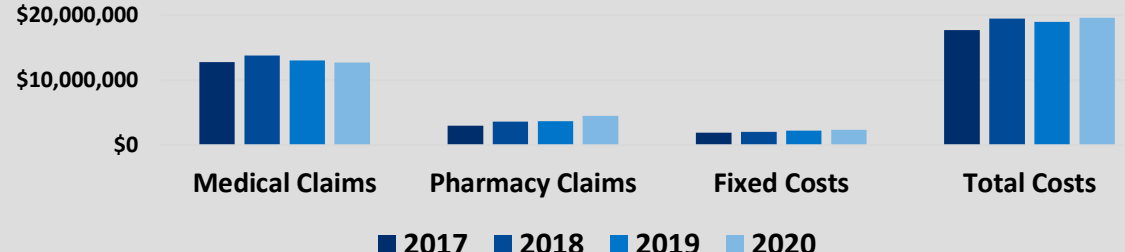
² Pharmacy Rebates paid to City of Clearwater in 2020. Rebates are included in Annual Reserve Account Total

³ Reserve Transfer is included in Annual Reserve Account Total



Plan Cost to Funding Ratio
89%

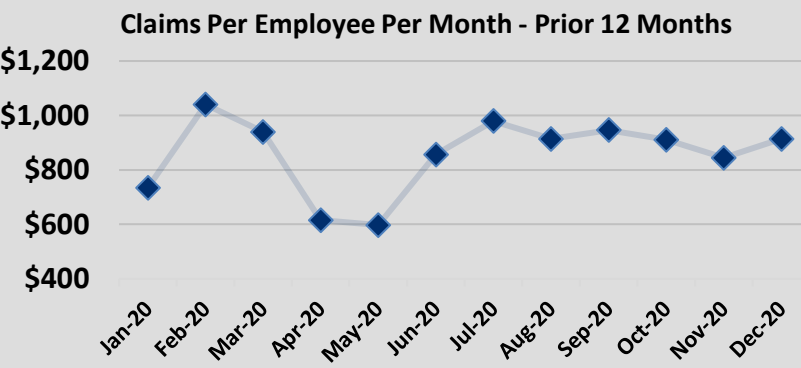
Annual Total Costs



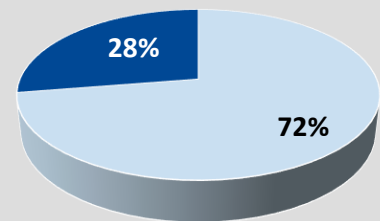
Medical and Pharmacy Claims PEPMs

Year	Medical PEPM	Pharmacy PEPM	Trend
2019	\$641.24	\$180.60	
2020	\$631.97	\$225.41	-1.4% / 24.8%

Claims Per Employee Per Month - Prior 12 Months



High Cost Claimants as a Percentage of Total Gross Claims



Count of High Claimants (Individual Members >100k)
% of Total Membership: **27**
1.1%

Total Medical/Rx Net Claims PEPM 2020 vs. 2019 Plan Year
4.3% Increase

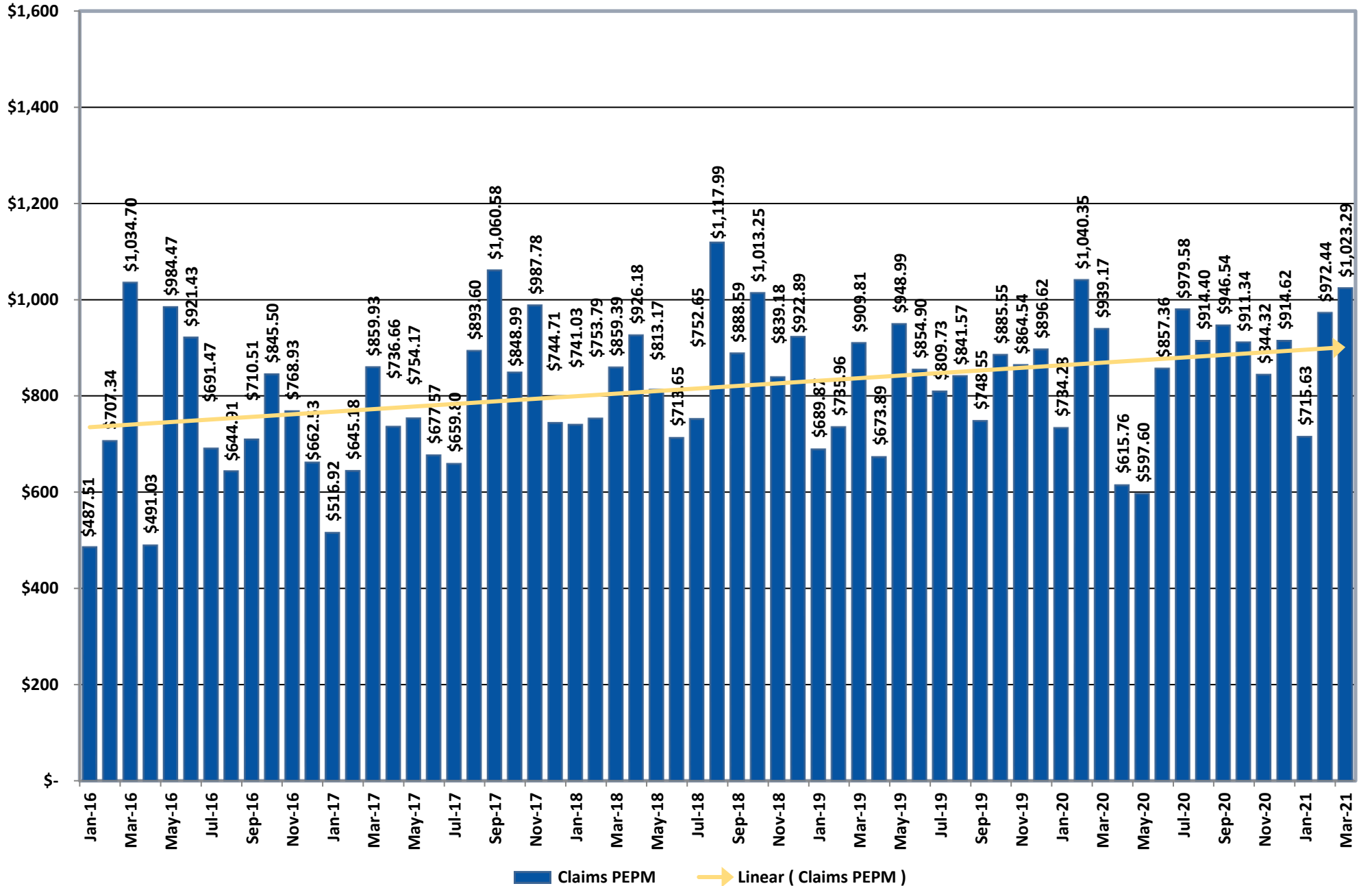
Average Enrollment Change
0.9% Decrease

Financial Performance
\$2,252,895 Surplus

City of Clearwater

Claims Per Employee Per Month

(Net of ISL Reimbursements)





TOTAL HEALTH INSIGHT OVERVIEW

2,532 Members; 1.2% ↓ Contract Size: 1.5 (Norm 2.0) 62.0% M, 38.0% F (Norm: 52.4% M, 47.6% F) Average Age: 38.9 (Norm: 37.4)

MEDICAL

4.5% ↓

\$480 PMPM

\$457 (Norm)

PHARMACY

23.3% ↑

\$158 PMPM

\$150 (Norm)

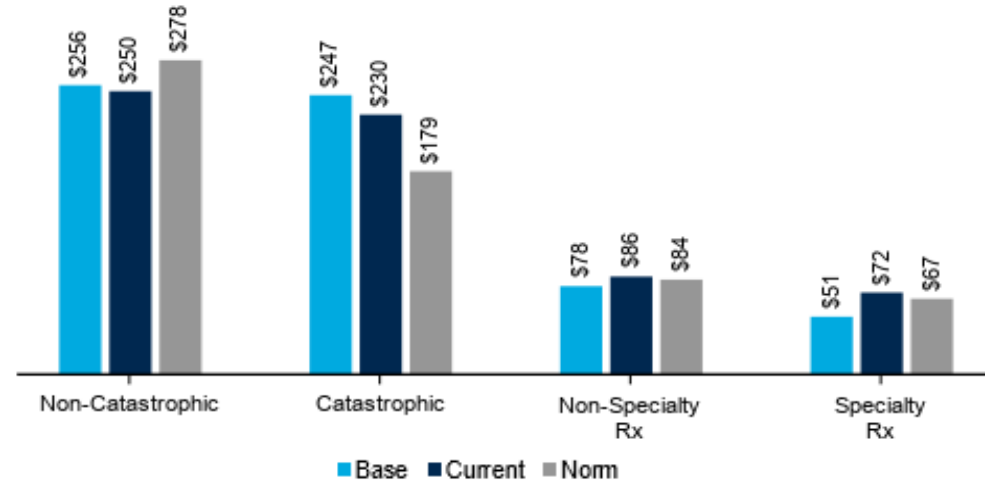
TOTAL

1.2% ↑

\$639 PMPM

\$608 (Norm)

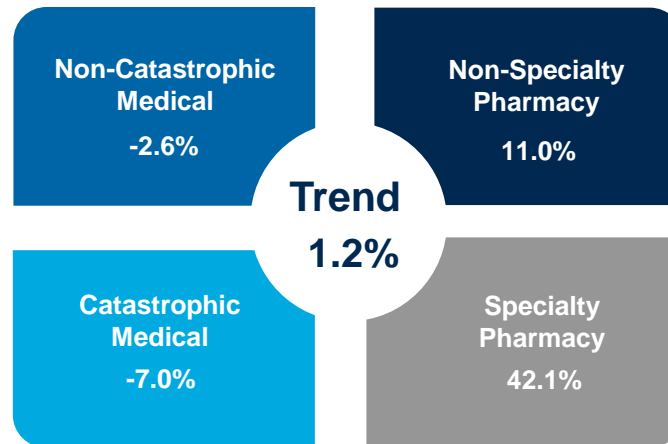
Plan Spend (PMPM)



Drivers of Trend

Medical: \$14.6M

- Cost Share: 7.8% (7.6% norm)
- Top 3 Diagnostic Categories:
 - Circulatory
 - Musculoskeletal
 - Neoplasms
- Excluding the top 3 claimants from the two calendar years, trend remained at just over 1% for medical and pharmacy combined
- Total medical and pharmacy costs for these 3 individuals was roughly \$3.1m



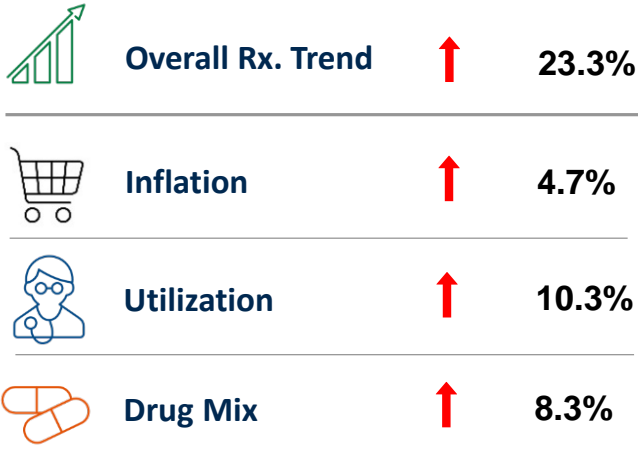
Pharmacy: \$4.8M

- Cost Share: 6.1% (8.4% norm)
- Top 3 Therapeutic Classes:
 - Anti-Inflam Disease Modifiers
 - Hypoglycemics
 - Asthma Related
- Utilization Trend: 10%
- Generic dispensing rate: 88%

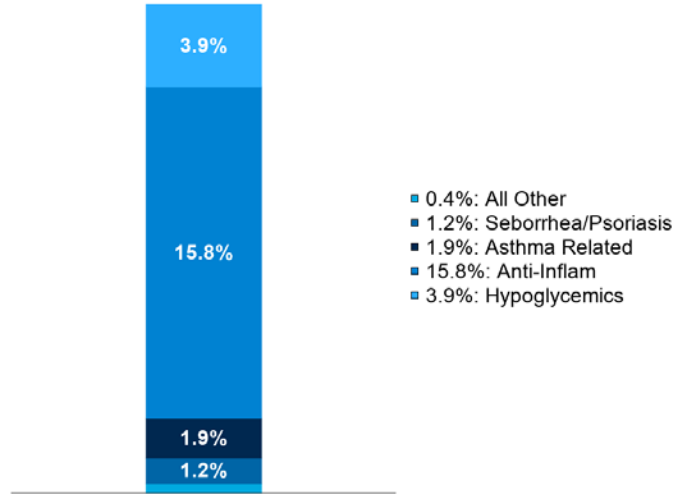


TOTAL HEALTH INSIGHT - PHARMACY

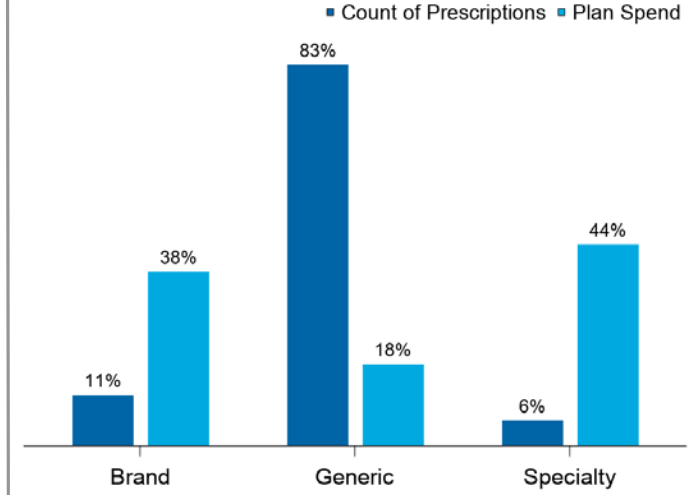
DRIVERS OF PHARMACY TREND



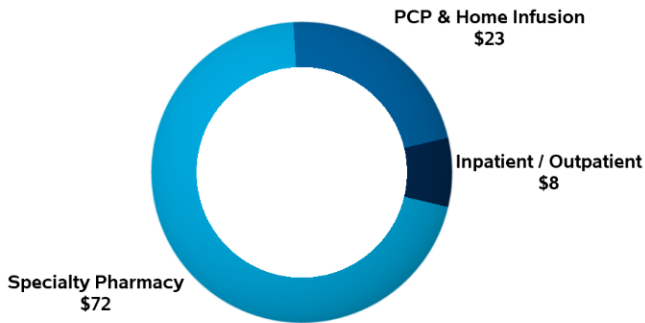
TREND CONTRIBUTION BY CLASS



SPECIALTY VS. NON-SPECIALTY SPEND

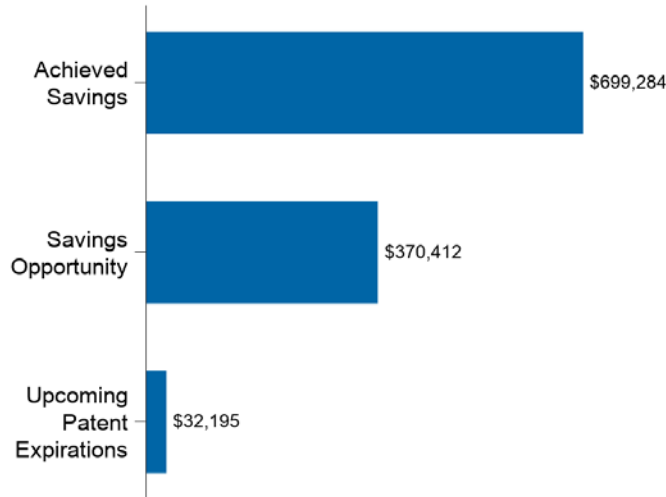


SPECIALTY SITE OF CARE



45.4% of total plan spend, or **\$8.4M** were associated with specialty medications

ACHIEVED SAVINGS AND OPPORTUNITIES



KEY CONDITION MEDICATION ADHERENCE

Plan Compliance Rate		Norm Compliance Rate
81%	Hypertension	77%
82%	Diabetes	72%
82%	Depression	74%
81%	Cholesterol	76%

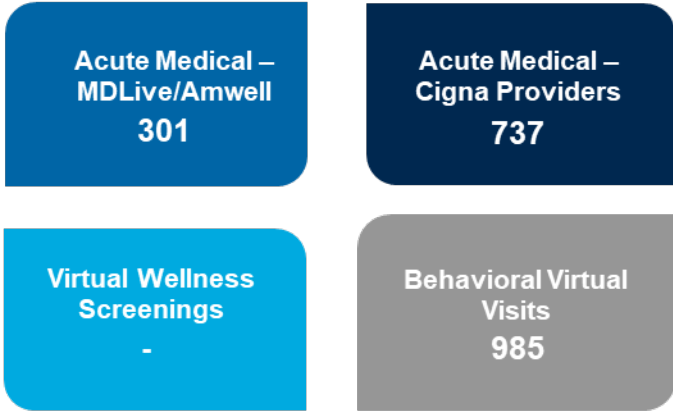
16% of drug costs were managed through your plan's medical benefit



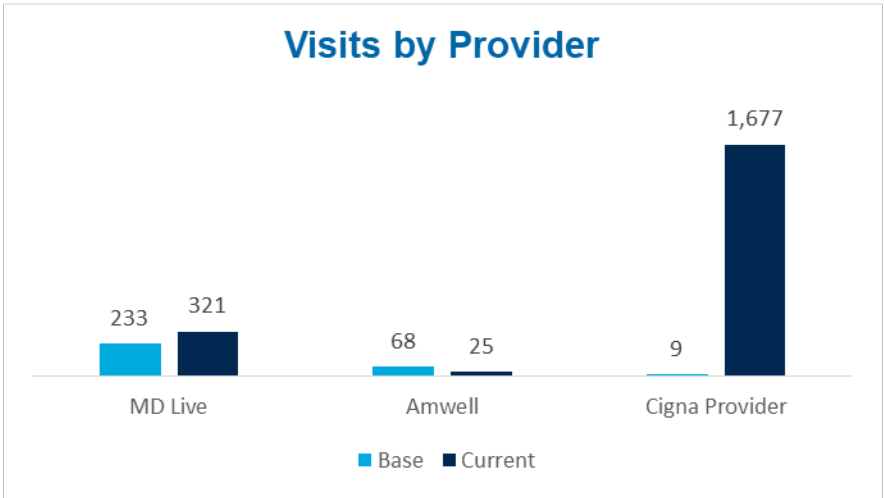
VIRTUAL CARE

2,023 Total Visits; 553%	692 Unique Users; 255%	341 Users with Multiple Visits; 488%	27% Member Utilization
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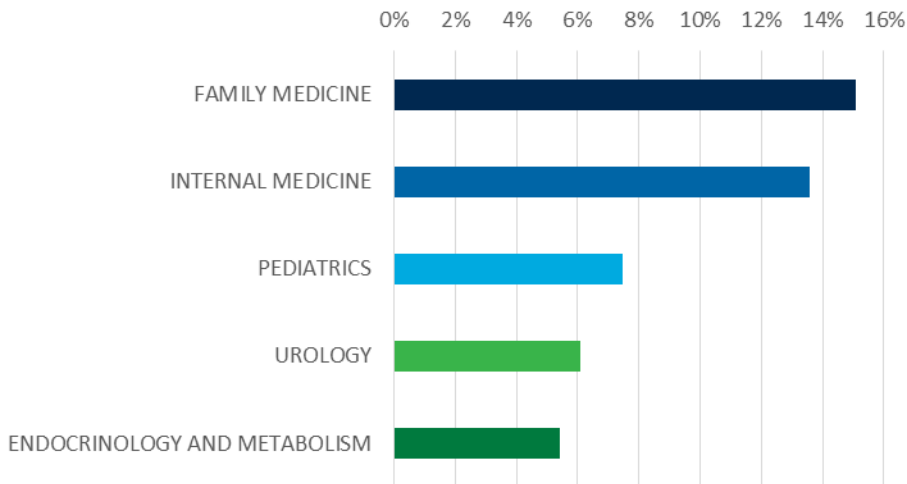
Visits by Type



Visits by Provider



Top Cigna Provider by Type (Current)



Cigna Provider User Demographics

User Demographics	Base	Current
Employee	100.00%	61.86%
Spouse	0.00%	22.00%
Dependent	0.00%	16.14%
% Male	0.00%	52.08%
% Female	100.00%	47.92%
Average Member Age	24	44.27



COVID-19 PANDEMIC

COVID-19 TESTING AND PREVALENCE

779 TESTED

129 DIAGNOSED

- 100 Employees, 16 Spouses, 13 Dependents
- Average Age: 40
- Male/Female: 65%/35%
- % with Chronic Conditions: 51%

11 HOSPITAL ADMISSIONS

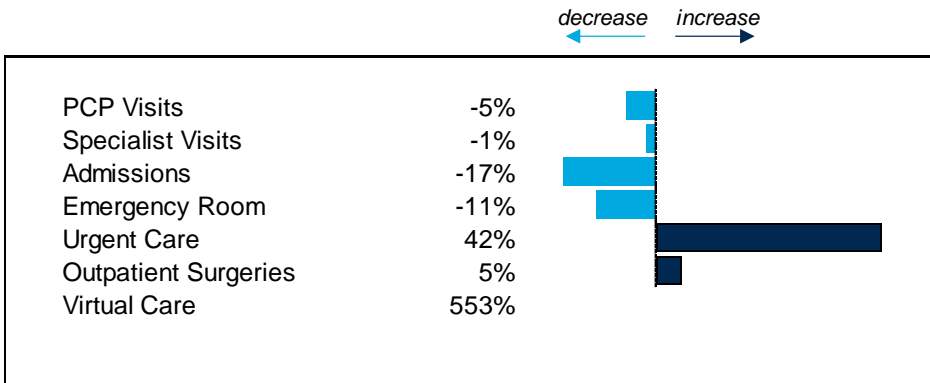
- Total Bed Days: 79
- ICU Bed Days: 15
- Avg. Length of Stay: 7

Paid Dates: January 2020 - February 2021

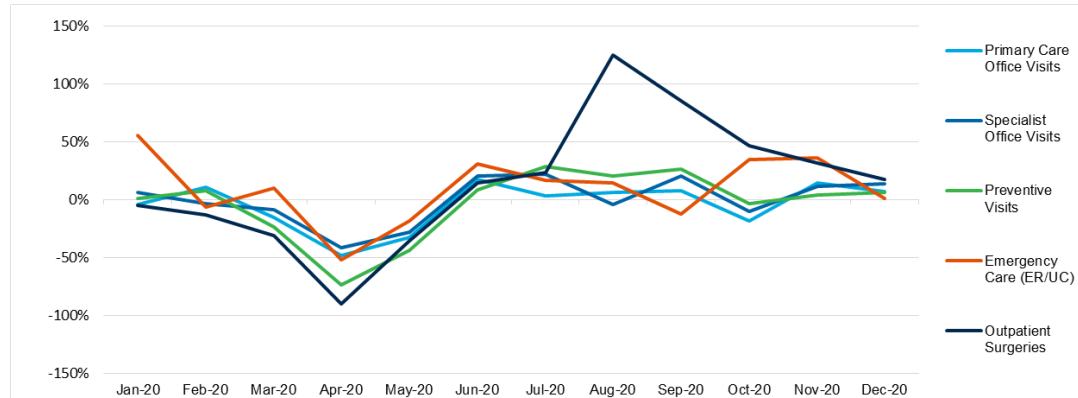
	2020	CIGNA NORM
PREVALENCE RATE	5.1%	3.0%
POSITIVITY RATE	16.6%	16.0%
TESTING SPEND PMPY	\$29	
TREATMENT SPEND PMPY	\$23	
TOTAL COVID-19 SPEND*	\$561K	2.9% of total spend

*Testing, treatment and where COVID-19 was an indicated diagnoses

Utilization Changes from 2019: Potential Care Deferral/Avoidance



Monthly Utilization Percentage Variance from 2019:





COVID-19 RISK FACTORS

COVID-19 RISK FACTORS | **2,480** Covered Members | **54.5%** Employees with at least 1 COVID-19 risk factor | **48.7%** Members with at least 1 COVID-19 risk factor

EMPLOYEE SPECIFIC- COVID-19 RISK FACTORS



ALL MEMBERS- COVID-19 RISK FACTORS



- Risk Factors**
- Serious Heart & Circulatory
 - Immunocompromised
 - Smoking
 - Diabetes
 - Chronic Lung Disease
 - Liver Disease
 - Severe Obesity
 - Chronic Kidney Disease
 - Hemoglobin Disorders
 - Asthma
 - Neurological Diseases
 - Age 65+

Key Messages:

- People of any age with certain underlying medical conditions are at increased risk for severe illness from COVID-19¹
- Children who have neurologic, genetic, metabolic conditions, or who have congenital heart disease might be at increased risk for severe illness from COVID-19 compared to other children¹

¹cdc.gov: People with Certain Medical Conditions
 *CDC Risk Factors are as of July 15th, 2020. Numbers will not always add up to 100% due to rounding.

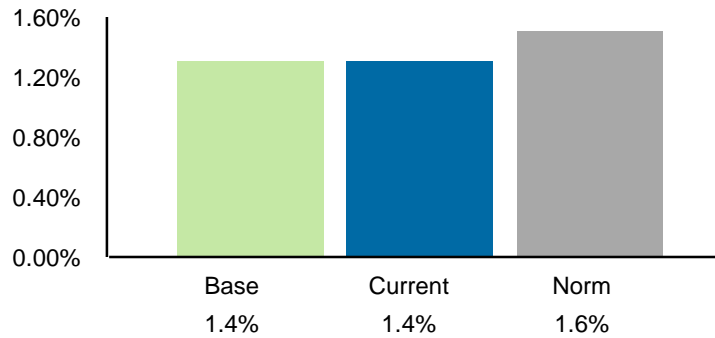
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CITY OF CLEARWATER data as of 2021-04-06

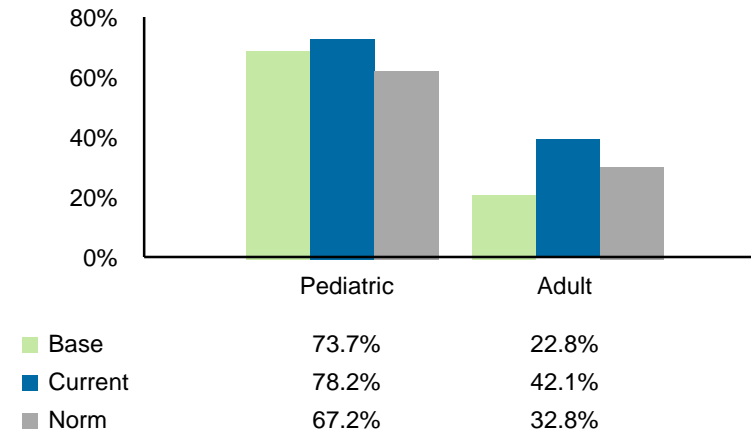


Preventive Care Summary

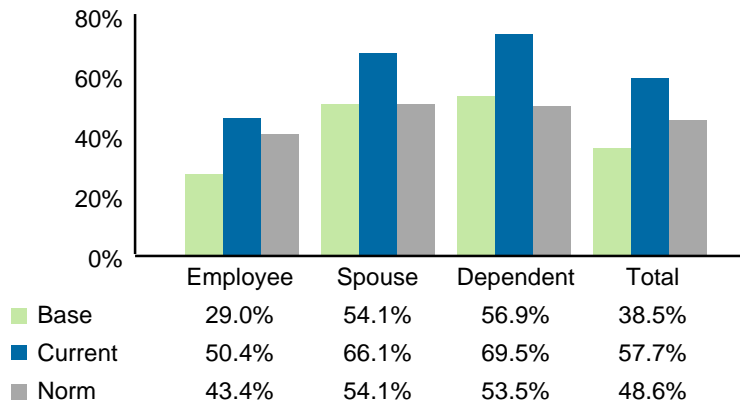
Preventive care as % of total spend



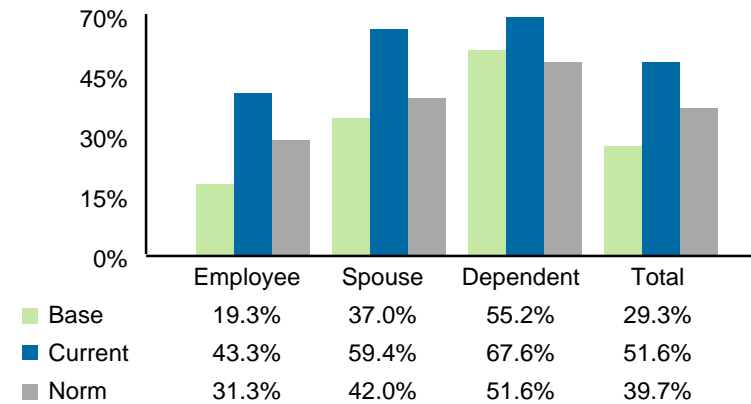
Well visit completion rates



Preventive care utilization (all services)



Well visit completion rates





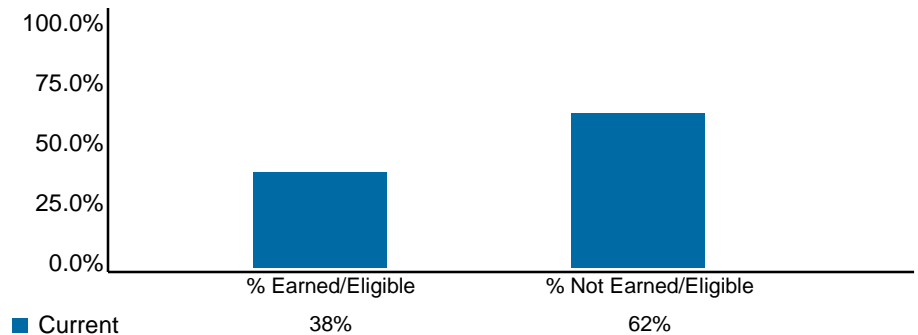
MotivateMe Overview

Population detail

Incentives

	Current
Total Eligible for Incentives	2,101
Total Incentives Earned	800
% Incentives Earned	38%
Total \$ Awarded	\$113,350
Average \$ Incentive	\$142

Incentive comparison



Current Period Demographics

	Earned	Not Earned
Total Eligible for Incentives	800	1,301
% Employee	100%	75.8%
Average Age	48.8	43.3
% > 40 yrs. of age	75.4%	54.5%
% Female	34.7%	38.8%

Incentives detail

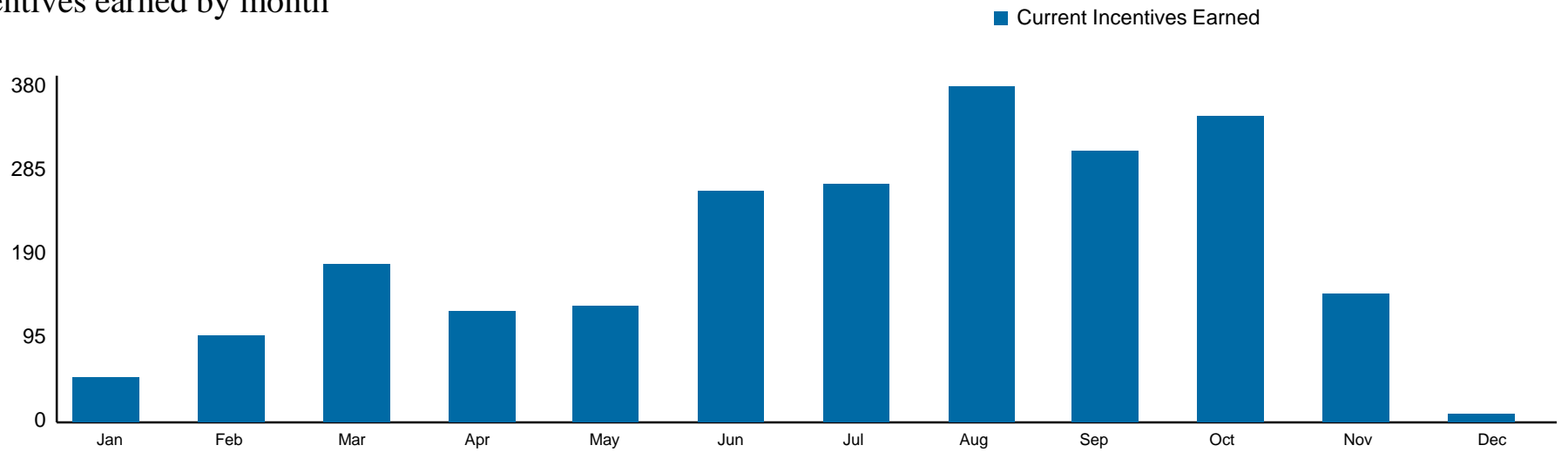
	Unique Count	% of Total Eligible
Total Eligible for Incentive	2,101	
Employee	1,785	85.0%
Dependent	316	15.0%
	Unique Count	% of Eligible Earned
Total Earned Incentive	800	
Employee	800	44.8%

- Of the 2,101 eligible members in City Of Clearwater population 800 or 38% have earned incentive.
- In the current period 55.2% of eligible employees did not earn an incentive.



MotivateMe Earned and Awarded

Incentives earned by month



Incentive Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Current Incentives Earned	52	98	177	124	131	258	266	374	301	341	144	10
Current Incentives Awarded	\$2,525	\$4,725	\$8,575	\$6,650	\$6,475	\$12,750	\$12,875	\$18,850	\$14,275	\$16,900	\$8,350	\$575

Status	Preventive Care	Personal Health Analysis	Health Coaching By Phone	Wellness Screening	Maternity Support
# Earned	1,050	350	76	798	2

City of Clearwater 2022 Timeline for Renewals

<u>Insurance Coverage</u>	<u>Renewal Date</u>	<u>Current Carrier</u>
Medical (Admin)	January 01, 2022	Cigna
Reinsurance	January 01, 2022	Cigna
Dental (2 DHMO, 1 DPPO)	January 01, 2022	Cigna
Dental (1 DHMO)	January 01, 2022	Sun Life
Vision Insurance	January 01, 2024	Humana
EAP	January 01, 2022	Cigna
Life / Voluntary Life	January 01, 2023	Unum
Long Term Disability	January 01, 2023	Unum
Flex Plan / Cobra	Ongoing	Aflac/Wageworks
Statutory Life / AD&D	Ongoing	The Hartford

Proposed Schedule of Activities	
<u>Date</u>	<u>Action</u>
7/5/2021	Renewals received by Gehring Group
7/7/2021	Renewals presented by Gehring Group
7/9/2021	RFP released to the market by Gehring Group (if necessary)
8/6/2021	RFP responses due at Gehring Group
8/9/2021 – 8/12/2021	RFP responses evaluated by Gehring Group
8/13/2021	RFP evaluation presented to City
8/20/2021	Best and final offers due to Gehring Group
8/25/2021	Final Gehring Group recommendations - Selection of Carriers
8/26/2021	Agenda Items due for Council Meeting
9/2/2021	Council Meeting to Approve Carrier Selection
9/3/2021 – 9/24/2021	BenTek Programming and Open Enrollment Prep
9/27/2021 – October 2021	Employee Health Fair - Open Enrollment
1/1/2022	Plan Effective Date

**Dates outlined herein are subject to change based on the goals of the client and insurance carrier cooperation.*