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HEALTH RENEWAL

FY 2016

PRESENTED BY:

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## FY 2016 HEALTH INSURANCE

### GOALS:

- ▶ Provide IHLS employees with quality health insurance that places a priority on preventative care.
- ▶ Provide IHLS employees with an option to participate in a “richer” medical plan.
- ▶ Consider the financial impact to employees and offer a Flex Spending Account, FSA.
- ▶ Consider the financial impact on IHLS and keep the cost of health insurance within the approved, flat budget.
- ▶ Due to the financial uncertainty of the State, allow IHLS employees another year without mandatory payments to the medical premium.
- ▶ Provide IHLS with required Patient Protection and Affordable Care Act reporting .



Illinois Heartland Library System Group Medical Plan Analysis Renewal Effective: July 1, 2015		Coventry Dual Current Plan				Coventry Dual Renewal				
		PPO AR 5000-14 RX: PSV5-5000 Base Plan		PPO AR 3000-14 RX: PSV5-5000 Buy-Up Plan		PPO AR 5000-14 RX: PSV5-5000 Base Plan		PPO AR 3000-14 RX: PSV5-5000 Buy-Up Plan		
		PPO Network Higher Deductible		PPO Network Lower Deductible		PPO Network Higher Deductible		PPO Network Lower Deductible		
		Rates	Counts							
Employee Only	41	37	\$775.79	5	\$848.03	37	\$926.81	5	\$1,005.39	
Employee and Spouse	1	2	\$1,518.24	0	\$1,659.63	2	\$1,813.79	0	\$1,967.58	
Employee and Child(ren)	2	1	\$1,433.61	0	\$1,567.12	1	\$1,712.69	0	\$1,857.91	
Family	0	0	\$2,478.69	0	\$2,709.46	0	\$2,961.20	0	\$3,212.22	
<b>Estimated Monthly Premium</b>		40	\$31,031.60	5	\$4,240.15	40	\$37,072.40	5	\$5,026.95	
<b>Estimated Monthly Premium (DEPENDENT)</b>			\$2,142.72		\$0.00		\$2,559.84		\$0.00	
<b>EMPLOYER</b>			\$398,091.84		\$50,881.80		\$475,586.88		\$60,323.40	
<b>Estimated Annual Premium Combined</b>				\$448,974			\$535,910			
<b>Percentage Change From Current</b>				N/A			19.36%			
<b>Annual Dollar Change From Current</b>				N/A			\$86,937			
<b>Benefits</b>			In-Network	COON	In-Network	COON	In-Network	COON	In-Network	COON
<b>Contract Year Deductible</b>										
Individual			\$5,000	\$7,000	\$3,000	\$6,000	\$5,000	\$7,000	\$3,000	\$6,000
Family			\$10,000	\$14,000	\$6,000	\$12,000	\$10,000	\$14,000	\$6,000	\$12,000
<b>Coinsurance %</b>			100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible
<b>Out-of-Pocket Maximum</b>			Includes Deductible		Includes Deductible		Includes Deductible		Includes Deductible	
Individual			\$6,000*	\$12,000*	\$5,000*	\$8,000*	\$6,000*	\$12,000*	\$5,000*	\$8,000*
Family			\$12,000*	\$24,000*	\$10,000*	\$16,000*	\$12,000*	\$24,000*	\$10,000*	\$16,000*
<b>Lifetime Maximum</b>			Unlimited Combined		Unlimited Combined		Unlimited Combined		Unlimited Combined	
<b>Hospital Services</b>										
Inpatient Hospital			100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible
Outpatient Hospital/Surgery			100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible
Emergency Room			\$200 Copay	\$200 Copay	\$200 Copay	\$200 Copay	\$200 Copay	\$200 Copay	\$200 Copay	\$200 Copay
<b>Urgent Care</b>			\$50 Copay	\$50 Copay	\$50 Copay	\$50 Copay	\$50 Copay	\$50 Copay	\$50 Copay	\$50 Copay
<b>Diagnostic and X-Ray</b>			100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible
<b>Office Visit</b>										
Primary Care			\$25 Copay	60% After Deductible	\$25 Copay	60% After Deductible	\$25 Copay	60% After Deductible	\$25 Copay	60% After Deductible
Specialist			\$50 Copay	60% After Deductible	\$50 Copay	60% After Deductible	\$50 Copay	60% After Deductible	\$50 Copay	60% After Deductible
Preventive Care			\$0 Copay	60% After Deductible	\$0 Copay	60% After Deductible	\$0 Copay	60% After Deductible	\$0 Copay	60% After Deductible
<b>Prescription Drugs (In Network Only)</b>										
<b>Retail-30 Day Supply</b>										
Tier 1			\$15 Copay		\$15 Copay		\$15 Copay		\$15 Copay	
Tier 2			\$40 Copay		\$40 Copay		\$40 Copay		\$40 Copay	
Tier 3			\$65 Copay		\$65 Copay		\$65 Copay		\$65 Copay	
<b>Mail Order-90 Supply</b>										
Mail-Order-Tier 1			\$30 Copay		\$30 Copay		\$30 Copay		\$30 Copay	
Mail-Order-Tier 2			\$80 Copay		\$80 Copay		\$80 Copay		\$80 Copay	
Mail-Order-Tier 3			\$130 Copay		\$130 Copay		\$130 Copay		\$130 Copay	

The above Benefit Summary is for "illustrative purposes" only. Final Rates are based on actual enrollment. This is a brief outline and does not reflect the Plan's exclusions, limitations and/or restrictions. This is not considered a contract or guarantee of coverage under the plan. In the event of any difference between this summary and the Certificate Booklet, the Certificate Booklet will prevail.



Illinois Heartland Library System Group Medical Plan Analysis Renewal Effective: July 1, 2015			Coventry Dual Current Plan				United Healthcare			
			PPO AR 5000-14 RX: PSV5-5000 Base Plan PPO Network Higher Deductible		PPO AR 3000-14 RX: PSV5-5000 Buy-Up Plan PPO Network Lower Deductible		OX-N (MCP1-Copay) RX: 2V Base Plan PPO Network Higher Deductible		OX-L (MCP1-Copay) RX: 2V Base Plan PPO Network Lower Deductible	
Rates	Counts									
Employee Only	41	37	\$775.79	5	\$848.03	37	\$803.42	5	\$858.99	
Employee and Spouse	1	2	\$1,518.24	0	\$1,659.63	2	\$1,572.31	0	\$1,681.06	
Employee and Child(ren)	2	1	\$1,433.61	0	\$1,567.12	1	\$1,484.67	0	\$1,587.36	
Family	0	0	\$2,478.69	0	\$2,709.46	0	\$2,566.97	0	\$2,744.52	
<b>Estimated Monthly Premium</b>	40		\$31,031.60	5	\$4,240.15	40	\$32,137	5	\$4,295	
<b>Estimated Monthly Premium (DEPENDENT)</b>			\$2,142.72		\$0.00		\$2,219		\$0.00	
<b>EMPLOYER</b>			\$398,091.84		\$50,881.80		\$412,270		\$51,539	
<b>Estimated Annual Premium Combined</b>				\$448,974			\$463,809			
<b>Percentage Change From Current</b>				N/A			3.3%			
<b>Annual Dollar Change From Current</b>				N/A			\$14,836			
Benefits			In-Network	OOB	In-Network	OOB	In-Network	OOB	In-Network	OOB
<b>Contract Year Deductible</b>										
Individual			\$5,000	\$7,000	\$3,000	\$6,000	\$5,000	\$10,000	\$3,000	\$9,000
Family			\$10,000	\$14,000	\$6,000	\$12,000	\$10,000	\$20,000	\$6,000	\$18,000
<b>Coinsurance %</b>			100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	70% After Deductible	100% After Deductible	70% After Deductible
<b>Out-of-Pocket Maximum</b>			Includes Deductible	Includes Deductible	Includes Deductible	Includes Deductible	Includes Deductible	Includes Deductible	Includes Deductible	Includes Deductible
Individual			\$6,000*	\$12,000*	\$5,000*	\$8,000*	\$6,250	\$12,500	\$6,250	\$12,500*
Family			\$12,000*	\$24,000*	\$10,000*	\$16,000*	\$12,500	\$25,000	\$12,500	\$25,000
<b>Lifetime Maximum</b>			Unlimited Combined		Unlimited Combined		Unlimited Combined		Unlimited Combined	
<b>Hospital Services</b>										
Inpatient Hospital			100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	70% After Deductible	100% After Deductible	70% After Deductible
Outpatient Hospital/Surgery			100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	70% After Deductible	100% After Deductible	70% After Deductible
Emergency Room			\$200 Copay	\$200 Copay	\$200 Copay	\$200 Copay	\$300 Copay	\$300 Copay	\$300 Copay	\$300 Copay
<b>Urgent Care</b>			\$50 Copay	\$50 Copay	\$50 Copay	\$50 Copay	\$100 Copay	70% After Deductible	\$100 Copay	70% After Deductible
<b>Lab</b>			\$0	60% After Deductible	\$0	60% After Deductible	100% After Deductible	70% After Deductible	100% After Deductible	70% After Deductible
<b>Diagnostic and X-Ray</b>			100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	70% After Deductible	100% After Deductible	70% After Deductible
<b>Office Visit</b>										
Primary Care			\$25 Copay	60% After Deductible	\$25 Copay	60% After Deductible	\$25 Copay	70% After Deductible	\$25 Copay	70% After Deductible
Specialist			\$50 Copay	60% After Deductible	\$50 Copay	60% After Deductible	\$70 Copay	70% After Deductible	\$70 Copay	70% After Deductible
Preventive Care			\$0 Copay	60% After Deductible	\$0 Copay	60% After Deductible	\$0 Copay	70% After Deductible	\$0 Copay	70% After Deductible
<b>Prescription Drugs (In Network Only)</b>										
<b>Retail-30 Day Supply</b>			Retail / In-Network		Retail / In-Network		Retail / In-Network		Retail / In-Network	
Tier 1			\$15 Copay		\$15 Copay		\$10 Copay		\$10 Copay	
Tier 2			\$40 Copay		\$40 Copay		\$35 Copay		\$35 Copay	
Tier 3			\$65 Copay		\$65 Copay		\$60 Copay		\$60 Copay	
<b>Mail Order-90 Supply*</b>			In-Network Only		In-Network Only		In-Network Only		In-Network Only	
Mail-Order-Tier 1			\$30 Copay		\$30 Copay		\$25 Copay		\$25 Copay	
Mail-Order-Tier 2			\$80 Copay		\$80 Copay		\$87.50 Copay		\$87.50 Copay	
Mail-Order-Tier 3			\$130 Copay		\$130 Copay		\$150 Copay		\$150 Copay	
Mail-Order - Specialty			Not Covered		Not Covered		Not Covered		Not Covered	

The above Benefit Summary is for "Illustrative Purposes" only. Final Rates are based on actual enrollment. This is a brief outline and does not reflect the Plan's exclusions, limitations and/or restrictions. This is not considered a contract or guarantee of coverage under the plan. In the event of any difference between this summary and the Certificate Booklet, the Certificate Booklet will prevail.



Illinois Heartland Library System Group Medical Plan Analysis Renewal Effective: July 1, 2015			Coventry Dual Current Plan				EBSO - Level Funded Option			
			PPO AR 5000-14 RX: PSV5-5000		PPO AR 3000-14 RX: PSV5-5000		Base Plan		Buy-Up Plan	
			Base Plan		Buy-Up Plan		12/12 with TLO XS RefGerber		12/12 with TLO XS RefGerber	
Rates	Counts	PPO Network Higher Deductible	PPO Network Lower Deductible							
Employee Only	41	37	\$775.79	5	\$848.03	37	\$768.09	5	\$958.59	
Employee and Spouse	1	2	\$1,518.24	0	\$1,659.63	2	\$1,424.93	0	\$1,866.27	
Employee and Child(ren)	2	1	\$1,433.61	0	\$1,567.12	1	\$1,350.06	0	\$1,727.03	
Family	0	0	\$2,478.69	0	\$2,709.46	0	\$2,274.65	0	\$2,741.79	
<b>Estimated Monthly Premium</b>		40	\$31,031.60	5	\$4,240.15	40	\$30,723.60	5	\$4,793	
<b>Estimated Monthly Premium (DEPENDENT)</b>			\$2,142.72		\$0.00		\$1,896		\$0.00	
<b>EMPLOYER</b>			\$398,091.84		\$50,881.80		\$391,431		\$57,515	
<b>Estimated Annual Premium Combined</b>				\$448,974			\$448,946			
<b>Percentage Change From Current</b>				N/A			-0.01%			
<b>Annual Dollar Change From Current</b>				N/A			(\$27)			
Benefits	In-Network	COON	In-Network	COON	In-Network	COON	In-Network	COON		
<b>Contract Year Deductible</b>										
Individual	\$5,000	\$7,000	\$3,000	\$6,000	\$5,000	\$7,000	\$3,000	\$6,000		
Family	\$10,000	\$14,000	\$6,000	\$12,000	\$10,000	\$14,000	\$6,000	\$12,000		
<b>Coinsurance %</b>	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible		
<b>Out-of-Pocket Maximum</b>	Includes Deductible		Includes Deductible		Includes Deductible		Includes Deductible			
Individual	\$6,000*	\$12,000*	\$5,000*	\$8,000*	\$6,000*	\$12,000*	\$5,000*	\$8,000*		
Family	\$12,000*	\$24,000*	\$10,000*	\$16,000*	\$12,000*	\$24,000*	\$10,000*	\$16,000*		
<b>Lifetime Maximum</b>	Unlimited Combined		Unlimited Combined		Unlimited Combined		Unlimited Combined			
<b>Hospital Services</b>										
Inpatient Hospital	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible		
Outpatient Hospital/Surgery	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible		
Emergency Room	\$200 Copay	\$200 Copay	\$200 Copay	\$200 Copay	\$200 Copay	\$200 Copay	\$200 Copay	\$200 Copay		
<b>Urgent Care</b>	\$50 Copay	\$50 Copay	\$50 Copay	\$50 Copay	\$50 Copay	\$50 Copay	\$50 Copay	\$50 Copay		
<b>Lab</b>	\$0	60% After Deductible	\$0	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible		
<b>Diagnostic and X-Ray</b>	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible	100% After Deductible	60% After Deductible		
<b>Office Visit</b>										
Primary Care	\$25 Copay	60% After Deductible	\$25 Copay	60% After Deductible	\$35 Copay	60% After Deductible	\$35 Copay	60% After Deductible		
Specialist	\$50 Copay	60% After Deductible	\$50 Copay	60% After Deductible	\$35 Copay	60% After Deductible	\$35 Copay	60% After Deductible		
Preventive Care	\$0 Copay	60% After Deductible	\$0 Copay	60% After Deductible	\$0 Copay	60% After Deductible	\$0 Copay	60% After Deductible		
<b>Prescription Drugs (In Network Only)</b>										
<b>Retail-30 Day Supply</b>	Retail / In-Network		Retail / In-Network		Retail / In-Network		Retail / In-Network			
Tier 1	\$15 Copay		\$15 Copay		\$15 Copay		\$15 Copay			
Tier 2	\$40 Copay		\$40 Copay		\$40 Copay		\$40 Copay			
Tier 3	\$65 Copay		\$65 Copay		\$65 Copay		\$65 Copay			
<b>Mail Order-90 Supply*</b>	In-Network Only		In-Network Only		In-Network Only		In-Network Only			
Mail-Order-Tier 1	\$30 Copay		\$30 Copay		\$30 Copay		\$30 Copay			
Mail-Order-Tier 2	\$80 Copay		\$80 Copay		\$80 Copay		\$80 Copay			
Mail-Order-Tier 3	\$130 Copay		\$130 Copay		\$130 Copay		\$130 Copay			
Mail Order - Specialty	Not Covered		Not Covered		Not Covered		Not Covered			

The above Benefit Summary is for "Illustrative Purposes" only. Final Rates are based on actual enrollment. This is a brief outline and does not reflect the Plan's exclusions, limitations and/or restrictions. This is not considered a contract or guarantee of coverage under the plan. In the event of any difference between this summary and the Certificate Booklet, the Certificate Booklet will prevail.

# Health Insurance

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## TRADITIONAL

- Insurance company designs the plan.
- Insurance company sets the rate based on claims, administrative cost and other fees.
- Insurance company purchases STOP/Loss coverage.
- PPACA Fees range approximately 4% added to premium. IHLS pays \$16,476 annually.
- Insurance company keeps balance of premium pool.

## SELF-FUNDED

- Employer designs the plan.
- Employer sets the rate.
- Employer assumes limited risk.
- Employer purchases STOP/Loss coverage.
- Employer pays PCORI Fees at \$2.35 PEPM, not added to premium. IHLS pays \$1240 annually.
- Employer keeps balance of premium pool.

# Level Funded

## How does it work?

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- Designed for employers with 25-300 employees.
- The main advantage to an employer is that the maximum cost of a budgeted self-funded plan is lower.
- The stop-loss claim arrangement is a much more simple arrangement compared with traditional specific and aggregate claim filing.
- The employer, NOT the insurer retains profitability at the end of the contract period.
- The employer pays a fixed monthly premium.
- The employer also funds a fixed monthly aggregate claims account. The claims pool is calculated and based upon annual claims going forward, not those in the past. Employees completed health applications.
- If the actual claims exceed the cumulative aggregate claims account balance, Level Funding pays the remainder.
- Employer has the ability to review claims monthly.
- In 2016 all fully insured plans will move to “community rating”. It is estimated that this move will effect renewals by increasing them between 30-55%.

### Illinois Heartland Library System

Estimated Annual Cost		
Employee Count:	44	
Fixed Costs Covers:		This portion is not refundable
- Stop-loss Premium	57%	\$248,721
- TPA fees		
- PPO access fees		
- Other plan expenses		
Claims Pool	43%	\$190,110
Unused funds from this claims pool are refundable		
Annual Total	\$438,831	

### How Your Claims Pool Works

	Full Funding/ Premium Equivalent	Fixed Costs	Claims Pool Contribution	Claims Expenditures	Stop-Loss Re-payments	Claims Pool Balance	Stop-Loss Plan Usage	Stop-Loss Plan Balance
July	\$36,569	\$20,727	\$15,843	\$9,506	\$0	\$6,337	\$0	\$0
August	\$36,569	\$20,727	\$15,843	\$15,209	\$0	\$6,971	\$0	\$0
September	\$36,569	\$20,727	\$15,843	\$15,969	\$0	\$6,844	\$0	\$0
October	\$36,569	\$20,727	\$15,843	\$13,561	\$0	\$9,125	\$0	\$0
November	\$36,569	\$20,727	\$15,843	\$20,344	\$0	\$4,624	\$0	\$0
December	\$36,569	\$20,727	\$15,843	\$18,308	\$0	\$2,159	\$0	\$0
January	\$36,569	\$20,727	\$15,843	\$19,326	\$0	\$0	\$1,324	(\$1,324)
February	\$36,569	\$20,727	\$15,843	\$15,606	\$237	\$0	\$0	(\$1,087)
March	\$36,569	\$20,727	\$15,843	\$12,167	\$1,087	\$2,588	\$0	\$0
April	\$36,569	\$20,727	\$15,843	\$13,043	\$0	\$5,388	\$0	\$0
May	\$36,569	\$20,727	\$15,843	\$13,569	\$0	\$7,661	\$0	\$0
June	\$36,569	\$20,727	\$15,843	\$14,679	\$0	\$8,825	\$0	\$0
<b>Annual Totals</b>	<b>\$438,831</b>	<b>\$248,721</b>	<b>\$190,110</b>	<b>\$181,286</b>	<b>\$0</b>	<b>\$8,825</b>	<b>\$0</b>	<b>\$0</b>

Claims to Funding Loss Ratio: 95%

Refundable Account Balance: \$8,825

Estimated Annual Cost was: \$438,831

After refund, the actual Cost is: \$430,006

## Illinois Heartland Library System

### Assumptions:

- \* Stop-loss requires a copy of the Coventry proposal effective 07/01/2015 and disclosure to finalize rates.
- \* 12/12 Contract covers claims are incurred and paid from July 1, 2015 through June 30, 2016
- \* Duplication of Current Schedules of Benefits (Please note that while every attempt will be made to duplicate the current plan, the plan administered through EBSO will be very similar, but not an exact duplicate of benefits)

### Plan Costs

Effective: July 1, 2015

Based on Total Counts of: EE 36 5 41		Current			Option: Level Funded		
Carrier:	EE + Sp 1 0 1	Coventry			XS Re/Gerber		
Contract Type:	EE + Ch 2 0 2	Fully Insured			12/12		
Specific Ded.:	Family 0 0 0	Pool Amount?			CAP		
Commission:	Total 39 5 44	?			0%		
Plan		Base	Buy-up	Blended	Base	Buy-up	Blended
<b>Maximum Costs (Admin, Stop Loss, Funding/Aggregate)</b>							
Employee		\$775.79	\$848.03	\$784.60	\$768.09	\$958.59	\$791.32
Employee + Spouse		\$1,518.24	\$1,659.63	\$1,518.24	\$1,424.93	\$1,866.27	\$1,424.93
Employee + Child(ren)		\$1,433.61	\$1,567.12	\$1,433.61	\$1,350.06	\$1,727.03	\$1,350.06
Family		\$2,478.69	\$2,709.52	\$2,594.11	\$2,274.65	\$2,741.79	\$2,508.22
<b>Annual Maximum Costs:</b>		<b>\$387,767</b>	<b>\$50,882</b>	<b>\$438,649</b>	<b>\$381,315</b>	<b>\$57,516</b>	<b>\$438,831</b>
<b>Minimum Costs (Admin, Stop Loss)</b>							
Employee		\$775.79	\$848.03	\$784.60	\$445.30	\$479.15	\$449.42
Employee + Spouse		\$1,518.24	\$1,659.63	\$1,518.24	\$793.22	\$859.48	\$793.22
Employee + Child(ren)		\$1,433.61	\$1,567.12	\$1,433.61	\$753.56	\$816.12	\$753.56
Family		\$2,478.69	\$2,709.52	\$2,594.11	\$1,243.30	\$1,351.47	\$1,297.38
<b>Annual Minimum Costs:</b>		<b>\$387,767</b>	<b>\$50,882</b>	<b>\$438,649</b>	<b>\$219,972</b>	<b>\$28,749</b>	<b>\$248,721</b>
<b>Total Annualized Cost Summary</b>							
<b>Total Minimum Costs</b>		<b>\$387,767</b>	<b>\$50,882</b>	<b>\$438,649</b>	<b>\$219,972</b>	<b>\$28,749</b>	<b>\$248,721</b>
<b>Total Maximum Costs:</b>		<b>\$387,767</b>	<b>\$50,882</b>	<b>\$438,649</b>	<b>\$381,315</b>	<b>\$57,516</b>	<b>\$438,831</b>
% Change From Current Plan:					-1.7%	13.0%	0.0%

Illinois Heartland Library System Group Dental Plan Analysis Renewal Effective: July 1, 2015		Current Guardian PPO Plan VZ		Renewal Guardian PPO Plan VZ	
		In-Network	Out-of Network	In-Network	Out-of Network
Rates	Enrolled				
Single	34		\$25.45		\$28.76
Employee + Spouse	13		\$40.97		\$46.30
Employee + 1Child	1		\$54.26		\$61.31
Family	7		\$73.60		\$83.17
Estimated Monthly Premium			\$1,967.37		\$2,223.24
Estimated Annual Premium			\$23,608.44		\$26,678.88
% Change from Current			<b>N/A</b>		<b>13.01%</b>
Dollar Change			<b>N/A</b>		<b>\$3,070</b>
<b>Deductible</b>					
		Waived for Preventive		Waived for Preventive	
Individual		\$50	\$50	\$50	\$50
Family		3x	3x	3x	3x
<b>Annual Maximum</b>					
Individual		\$1,750		\$1,750	
<b>Diagnostic &amp; Preventative</b>					
		100%	100%	100%	100%
<b>Regular Restorative Services</b>					
		80%	80%	80%	80%
<b>Major Services</b>					
		50%	50%	50%	50%
<b>Orthodontics</b>					
Appliances and Related Services		50%	Not Covered	50%	Not Covered
Lifetime Maximum		\$1,000	Not Covered	\$1,000	Not Covered
Age Limitation		26	N/A	26	N/A
<b>Dependent Eligibility</b>					
Dependents Eligible to Age		26	30	26	30
Full-time Students to age		26	30	26	30
UCR		Maximum Allowable Fee		Maximum Allowable Fee	
Rate Guarantee		N/A		12 Months	

The above Benefit Summary is for "Illustrative Purposes" only. Final Rates are based on actual enrollment. This is a brief outline and does not reflect the Plan's exclusions, limitations and/or restrictions. This is not considered a contract or guarantee of coverage under the plan. In the event of any difference between this summary and the Certificate Booklet, the Certificate Booklet will prevail.

Illinois Heartland Library System Group Vision Plan Analysis Renewal Effective: July 1, 2015		Current Humana	Renewal Humana
Rates	Employee Enrollment	Vision	Vision
Employee Only	38	\$5.97	\$5.97
Employee and Spouse	9	\$11.94	\$11.94
Employee and Child(ren)	2	\$11.34	\$11.34
Family	4	\$17.83	\$17.83
<b>Estimated Monthly Premium</b>		\$428.32	\$428.32
<b>Estimated Annual Premium</b>		\$5,139.84	\$5,139.84
<b>Dollar change from current</b>		N/A	\$0.00
<b>Percentage change from current</b>		N/A	0.00%
<b>Benefits</b>		<b>In-Network</b>	<b>In-Network</b>
<b>Exams/Office Visits</b>			
Benefit		\$10 Copay then 100%	\$10 Copay then 100%
Benefit Frequency		One Every 12 Months	One Every 12 Months
<b>Lenses</b>			
Benefit		\$15 Copay then 100%	\$15 Copay then 100%
Benefit Frequency		One Every 12 Months	One Every 12 Months
<b>Frames</b>			
Benefit		\$100-\$150 Allowance	\$100-\$150 Allowance
Benefit Frequency		One Every 24 Months	One Every 24 Months
<b>Contacts Lenses</b>			
Benefit		\$150 Allowance	\$150 Allowance
Benefit Frequency		One Every 12 Months	One Every 12 Months
<b>Out of Network</b>		Reduced Benefits Included	Reduced Benefits Included
<b>Other Considerations</b>			
<b>Rate Guarantee</b>		2 Years	1 Year

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\*Contact Lenses-Conventional \$0 Copay w/\$80 Allowance, 15% off balance over allowance; Disposable \$0 Copay w/\$80 Allowance, plus balance over allowance; Visually Required \$0 Copay, Paid-in-Full



<b>Illinois Heartland Library System</b> Group Life & AD&D Renewal Effective: July 1, 2015 Rates are using 44 Employees Enrolled	<b>Current</b> Humana Basic Life	<b>Renewal</b> Humana Basic Life
Volume (monthly)	\$1,073,750	\$1,073,750
Coverage Amount	\$25,000	\$25,000
Life Rate (per \$1,000)	\$0.2000	\$0.1900
AD&D Rate (per \$1,000)	\$0.0200	\$0.0200
Estimated Annual Premium	\$2,835	\$2,706
Percentage Change	N/A	-4.55%
Dollar Change	N/A	-\$129
Rate Guarantee	1 Year	1 Year

The above Benefit Summary is for "Illustrative Purposes" only. Final Rates are based on actual enrollment. This is a brief outline and does not reflect the Plan's exclusions, limitations and/or restrictions. This is not considered a contract or guarantee of coverage under the plan. In the event of any difference between this summary and the Certificate Booklet, the Certificate Booklet will prevail.



# FLEX SPENDING ACCOUNT

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## EMPLOYEE

- ❖ Calendar Year
- ❖ Determines benefit amount.
- ❖ Equal payroll deductions.
- ❖ Receives FSA kit.
- ❖ Use card for valid purchases.
- ❖ Co-pays, Rx, Dental, Vision and OTC.
- ❖ Money available for expenses.
- ❖ Use it or lose it!

## EMPLOYER

- ❖ Calendar Year
- ❖ Sets benefit maximum \$1500 limit.  
(IRS maximum is \$2500)
- ❖ Weekly reporting; Pays vendor bill.
- ❖ One-time set up fee, \$200.
- ❖ Kit fee, one-time, \$1.50 PE
- ❖ Plan document fee \$575
- ❖ \$5 Monthly fee. Minimum \$50.

# Patient Protection and Affordable Care Act Fees

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Health plan sponsors and issuers are required to pay fees to fund two new programs established by the Patient Protection and Affordable Care Act (PPACA)—a relatively small Patient Centered Outcomes Research Institute fee and a more significant transitional reinsurance program contribution (Reinsurance Fee)

The Reinsurance fee and the PCORI fee is based on “covered lives,” which includes all individuals covered under the plan or policy.

Nothing in the tax code (as amended by the PPACA) or regulations prevents an issuer from recovering the PCORI Fee or the Reinsurance Fee through increases in premiums.

# PPACA Reporting

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- ❖ Employers with 50+ FTE are required to annually report to the IRS.
- ❖ IRS- forms 5056/5055 method of counting covered lives for a specified quarter to determine PPACA and PCORI Fees.
- ❖ Provide employees with mandated 1094/1095 forms to filed with personal income tax for proof of coverage.
- ❖ If approved, IHLS will have to provide two sets of reports, one for the fully insured period, Jan – June and another for level funded, July - December.
- ❖ Reporting is due February 1, 2016. UHC and Coventry do not offer this service for employers. EBSO provides all PPACA reporting.
- ❖ Penalty for NOT reporting is \$100 per day, per employee.

# RECOMMENDATIONS

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- ▶ EBSO- PPACA Reporting bundled at \$10 PEPM. Eligible employees include full time employees and part-time employees working 30+ hours per week, or total FTE.
- ▶ HEALTH INSURANCE- **Switch to level funded** through EBSO. **Offer HealthLink** health insurance to employees, **no** rate increase compared to the FY 2014-2015 plan year. Also with EBSO, IHLS will have comprehensive and on-demand reporting capabilities.
- ▶ DENTAL INSURANCE- **Offer employees Guardian** dental insurance, resulting in a 13% increase. However, 45 employees/dependents will benefit \$250-\$1000 from the roll over allowance, for an additional benefit total of \$35,600. No other dental insurance offers this option.
- ▶ VISION INSURANCE- **Offer employees Humana** , **no** rate increase or change in benefits compared to the FY 2014-2015 plan year. Employees like the covered services and the convenient locations of the providers.
- ▶ GROUP LIFE & AD&D INSURANCE- **Renew insurance with Humana** at a 4.55% decrease to premium.
- ▶ EMPLOYEE ASSISTANCE PROGRAM- **Renew the agreement with H&H** for a cost of \$2.94 per month per employee, no rate increase from FY 2014-2015 contract year.
- ▶ FLEX SPENDING ACCOUNT- **Offer employees Flex Spending** with EBSO at \$5 PEPM. One-time \$575 plan document fee, \$200 set-up and \$1.50 kit fee, per employee.