

HUB



Webb County Health Plan Update

Presented to: Webb County Commissioners Court

August 10, 2020

Claims Trend Summary and Forecast

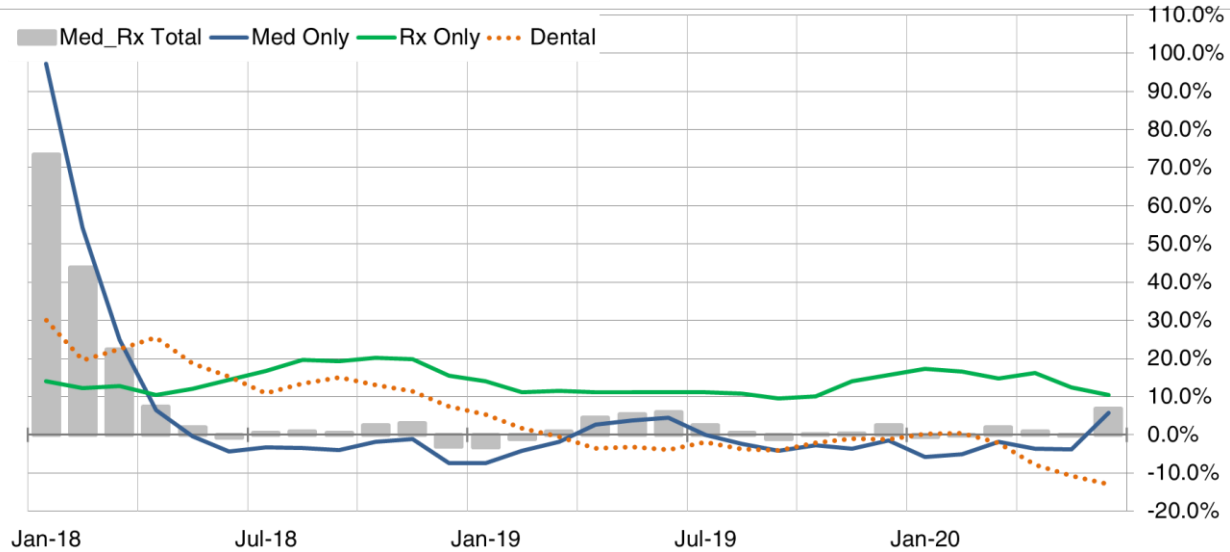
- 1 | Inflation Trends
- 2 | Claims & Enrollment Experience through August 2019
- 3 | Forecast
- 4 | Benefit and Rate Modeling

1. INFLATION TRENDS

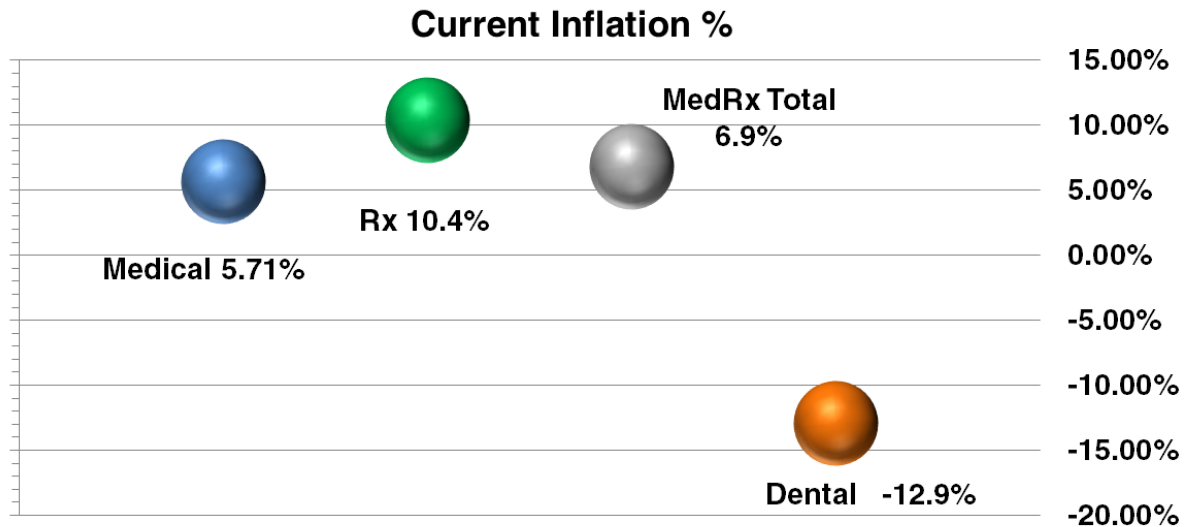
- ❖ The Medical Inflation rate for gross paid claims is currently +5.7%
- ❖ The Pharmacy Inflation Rate is currently +10.4%
- ❖ The combined Medical and Pharmacy Inflation Rate is +6.9%
- ❖ The Dental Inflation Rate is currently -12.9%



Inflation Trends



Inflation trend for all products using 12 month moving average cost.



2. CLAIMS & ENROLLMENT EXPERIENCE

Terminology

- ❖ PEPM – Per Employee Per Month, an annualized cost factor divided by the number of employees in the plan divided by 12
- ❖ PMPM - Per Member Per Month, an annualized cost factor divided by the number of members (employees, spouses and children) in the plan divided by 12
- ❖ 12 Month Moving Average – A point of reference reflecting 12 months of data. Each point on the graph reflect the prior twelve months in its value



Annual Medical/Pharmacy, Dental Claims Comparison



Costs	*2020	2019	2018	2017
Medical Claims	\$9,403,498	\$8,508,747	\$9,138,681	\$11,395,867
Pharmacy Claims	\$3,192,483	\$3,021,778	\$2,649,700	\$2,817,465
Total Gross Paid Claims	\$12,595,981	\$11,530,525	\$11,788,381	\$14,213,332
Estimated Stop Loss Recoveries/Adjustments	(\$535,512)	(\$955,463)	(\$481,383)	(\$47,425)
Net Paid Claims	\$12,060,469	\$10,575,062	\$11,306,998	\$14,165,907
Employee Census	1216	1195	1225	1344
Member Census	2267	2154	2238	2846
Net PEPY (Per Employee Per Year)	\$9,918	\$8,849	\$9,233	\$10,544
Net PMPY (Per Member Per Year)	\$5,321	\$4,909	\$5,052	\$4,977
Costs	*2020	2019	2018	2017
Dental Claims	\$338,814	\$405,574	\$408,575	\$440,338
Employee Census	1294	1270	1256	1342
Member Census	2365	2310	2327	2759
PEPY (Per Employee Per Year)	\$262	\$319	\$325	\$328
PMPY (Per Member Per Year)	\$143	\$176	\$176	\$160
*Annualized = [Actual Claims + (Monthly Avg Cost * Remaining Months)]				



Claims Experience Dashboard



June-20	TOTAL PAD			MONTHLY DOLLAR AVERAGES			AVERAGE MEMBER CENSUS			AVERAGE PMPM		
	2020 ytd	2019	2018	2020 ytd	2019	2018	2020 ytd	2019	2018	2020 ytd	2019	2018
MEDICAL & PHARMACY												
Medical	\$ 4,782,676	\$ 8,508,481	\$ 9,141,415	\$ 797,113	\$ 709,040	\$ 761,785	2,267	2,154	2,238	\$ 352	\$ 329	\$ 340
Pharmacy	\$ 1,628,491	\$ 2,962,372	\$ 2,650,933	\$ 271,415	\$ 246,864	\$ 220,911	2,267	2,154	2,238	\$ 120	\$ 115	\$ 99
Total	\$ 6,411,167	\$ 11,470,853	\$ 11,792,348	\$ 1,068,528	\$ 955,904	\$ 982,696	2,267	2,154	2,238	\$ 471	\$ 444	\$ 439
by Relation												
Subscriber	\$ 4,642,234	\$ 7,959,915	\$ 8,340,531	\$ 773,706	\$ 663,326	\$ 695,044	1,216	1,195	1,225	\$ 636	\$ 555	\$ 568
Spouse	\$ 919,234	\$ 1,960,945	\$ 1,461,424	\$ 153,206	\$ 163,412	\$ 121,785	185	197	211	\$ 830	\$ 830	\$ 578
Child	\$ 849,699	\$ 1,549,993	\$ 1,990,393	\$ 141,616	\$ 129,166	\$ 165,866	866	762	803	\$ 164	\$ 169	\$ 207
Relation Total	\$ 6,411,167	\$ 11,470,853	\$ 11,792,348	\$ 1,068,528	\$ 955,904	\$ 982,696	2,267	2,154	2,238	\$ 471	\$ 444	\$ 439
by Group												
Base Plan	\$ 5,943,662	\$ 9,480,550	\$ 8,724,367	\$ 990,610	\$ 790,046	\$ 727,031	2,242	2,010	2,025	\$ 442	\$ 393	\$ 359
Buyup Plan	\$ 467,505	\$ 1,990,303	\$ 3,067,981	\$ 77,917	\$ 165,859	\$ 255,665	25	144	213	\$ 3,180	\$ 1,150	\$ 1,200
Group Total	\$ 6,411,167	\$ 11,470,853	\$ 11,792,348	\$ 1,068,528	\$ 955,904	\$ 982,696	2,267	2,154	2,238	\$ 471	\$ 444	\$ 439
DENTAL												
Base Plan	\$ 148,551	\$ 370,721	\$ 364,410	\$ 24,759	\$ 30,893	\$ 30,368	2,195	2,124	2,130	\$ 11	\$ 15	\$ 14
Buyup Plan	\$ 11,865	\$ 40,682	\$ 48,474	\$ 1,978	\$ 3,390	\$ 4,040	170	186	197	\$ 12	\$ 18	\$ 21
Dental Total	\$ 160,416	\$ 411,403	\$ 412,884	\$ 26,736	\$ 34,284	\$ 34,407	2,365	2,310	2,327	\$ 11	\$ 15	\$ 15
Total Claims	\$ 6,571,583	\$ 11,882,256	\$ 12,205,232	\$ 1,095,264	\$ 990,188	\$ 1,017,103				\$ 483	\$ 459	\$ 454

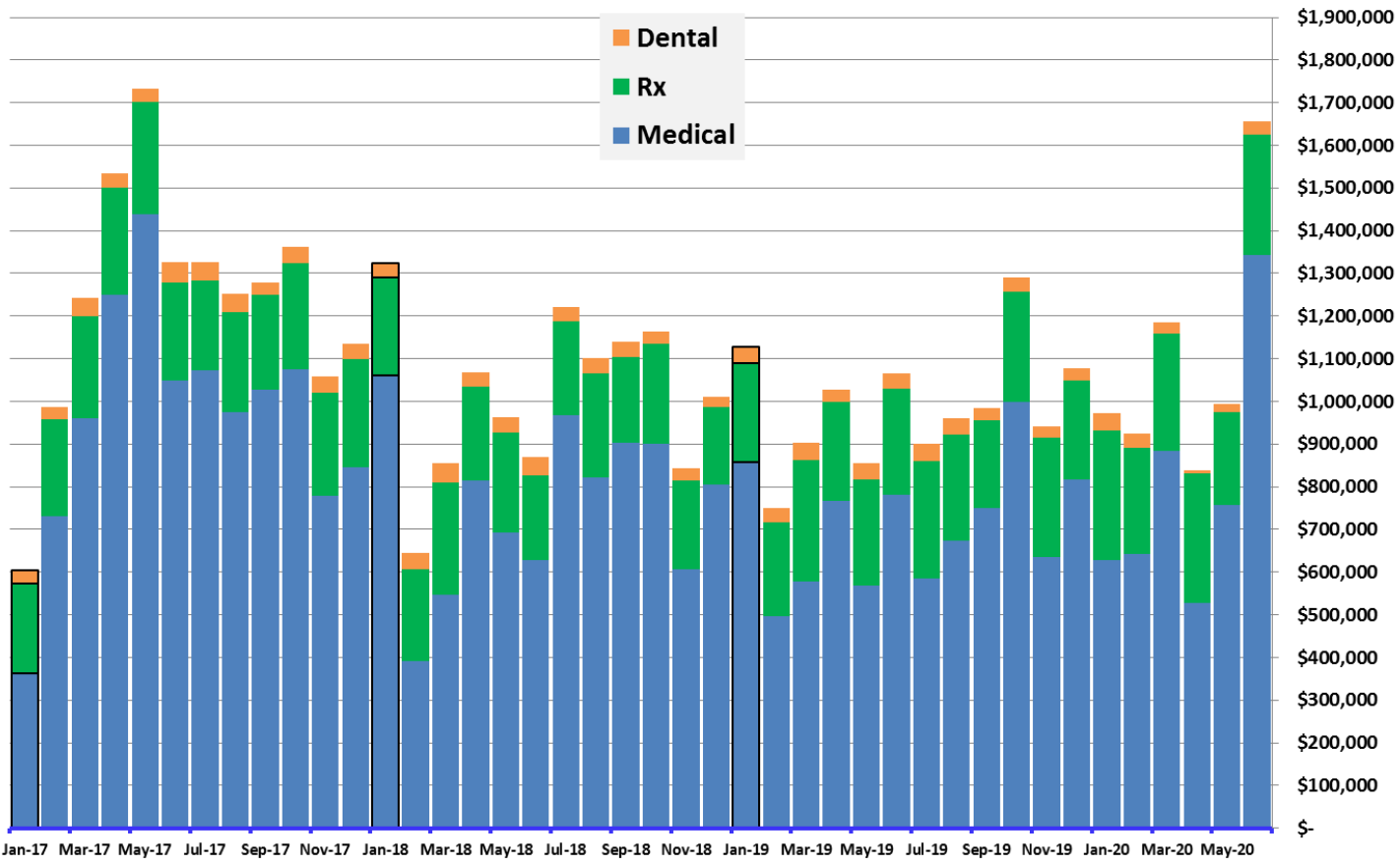
This report does not reflect administration costs, stop loss adjustments.



Monthly Claims Experience



Monthly Gross Claims Cost



Graph does not reflect stop loss reimbursement/adjustments.



High Cost Claimant Summary – ISL is Individual Stop Loss



High Cost Claimant Summary Table (Threshold \$100,000)

Report Period: **06-2020**

Counter	2020 YTD		2019		2018		2017	
	Total Paid	ISL Position	Total Paid	ISL Position	Total Paid	ISL Position	Total Paid	ISL Position
1	\$742,403	330%	\$789,393	351%	\$470,624	209%	\$272,754	121%
2	\$243,109	108%	\$476,560	212%	\$402,103	179%	\$201,402	90%
3	\$187,413	83%	\$320,670	143%	\$279,697	124%	\$198,067	88%
4	\$178,144	79%	\$269,463	120%	\$193,822	86%	\$198,063	88%
5	\$165,762	74%	\$221,831	99%	\$186,932	83%	\$176,459	78%
6	\$124,855	55%	\$220,632	98%	\$185,271	82%	\$167,335	74%
7	\$117,565	52%	\$200,846	89%	\$161,783	72%	\$155,461	69%
8			\$188,983	84%	\$157,338	70%	\$147,032	65%
9			\$185,228	82%	\$153,630	68%	\$146,001	65%
10			\$183,118	81%	\$140,615	62%	\$142,409	63%
11			\$180,682	80%	\$132,186	59%	\$141,224	63%
12			\$163,939	73%	\$129,850	58%	\$127,522	57%
13			\$146,702	65%	\$116,157	52%	\$122,364	54%
14			\$141,746	63%	\$105,848	47%	\$104,357	46%
15			\$121,730	54%	\$105,758	47%	\$102,271	45%
16			\$117,061	52%	\$102,021	45%	\$102,226	45%
17			\$115,559	51%			\$100,972	45%
18			\$110,655	49%				
19			\$102,736	46%				
Total	\$1,759,251		\$4,257,536		\$3,023,637		\$2,605,917	

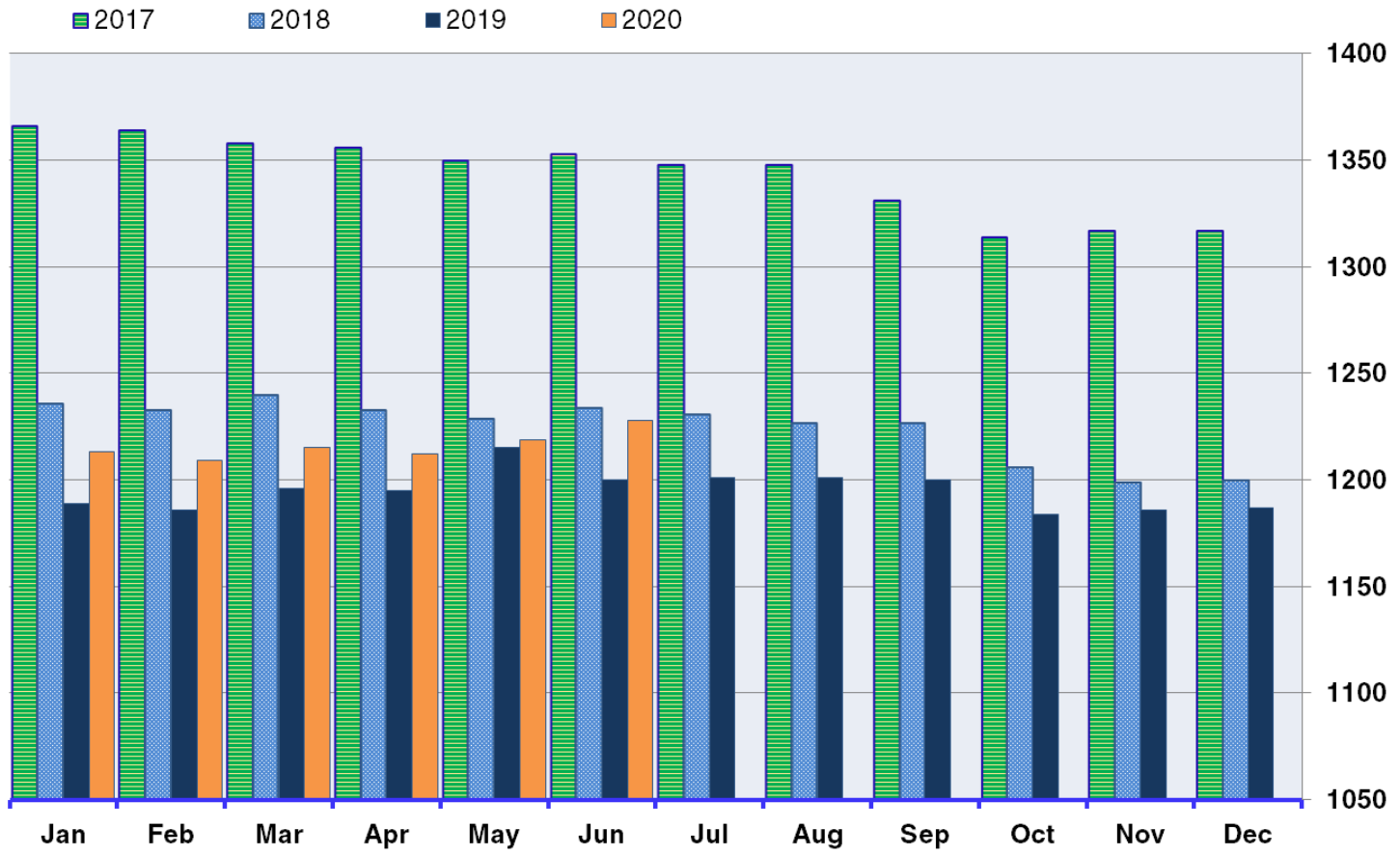
No. of Claimants Met ISL	2	4	3	1
ISL Deductible Amount	\$225,000	\$225,000	\$225,000	\$225,000
Expected Adjustment	\$ 535,512	\$ 956,087	\$ 477,425	\$ 47,754



Enrollment History



WEBB COUNTY - HISTORICAL MEDICAL ENROLLMENT Employees



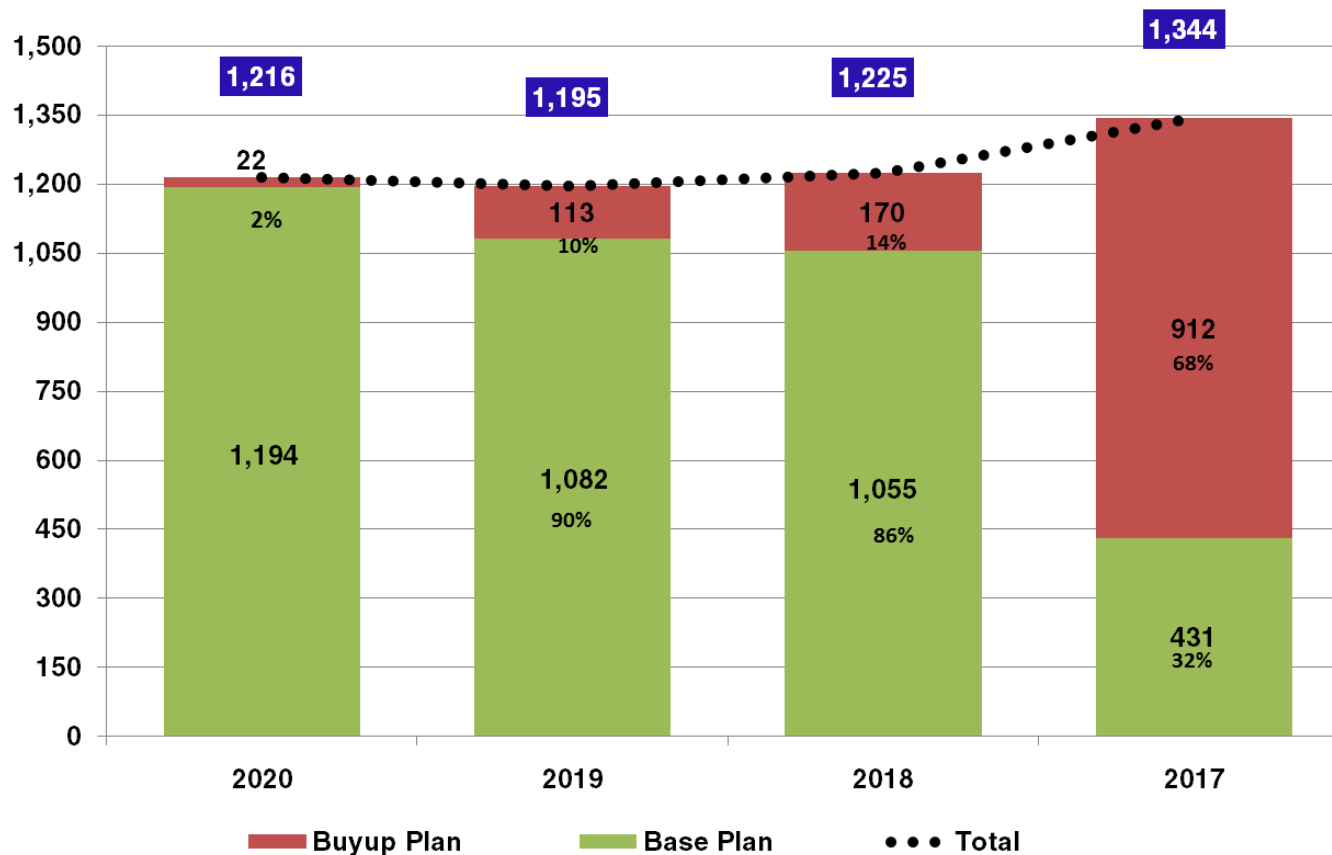
This table reflects all subscribers on the County of Webb Health Plan. Employees & Retiree without Medicare



Enrollment Experience



WEBB COUNTY - Historical Average Medical Enrollment by Plan
Employee



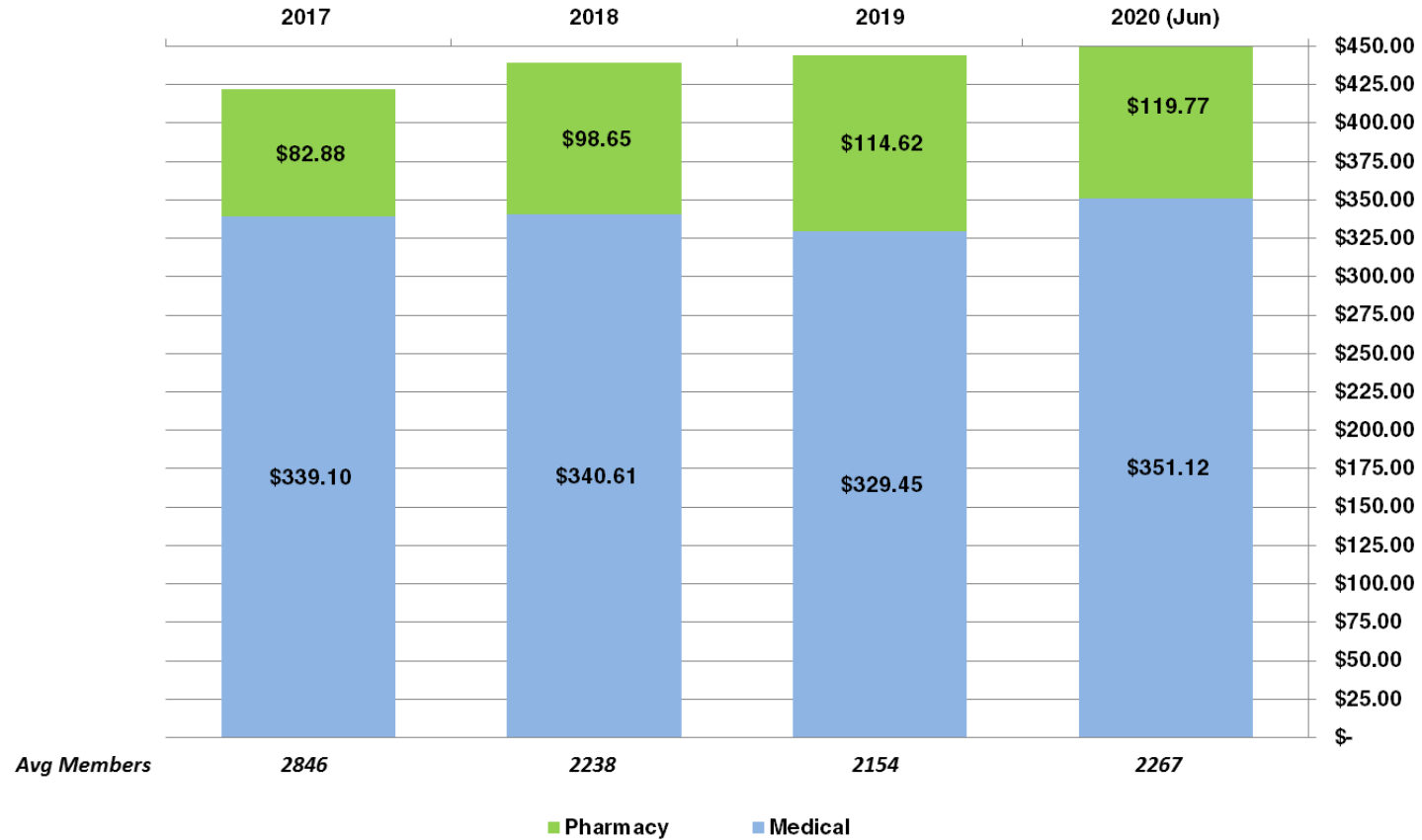
This table reflects all subscribers on the County of Webb Health Plan. Employees & Retiree without Medicare.



Average Cost (PMPM)



Webb County
Average PMPM Cost (Medical & Pharmacy) - Calendar Year



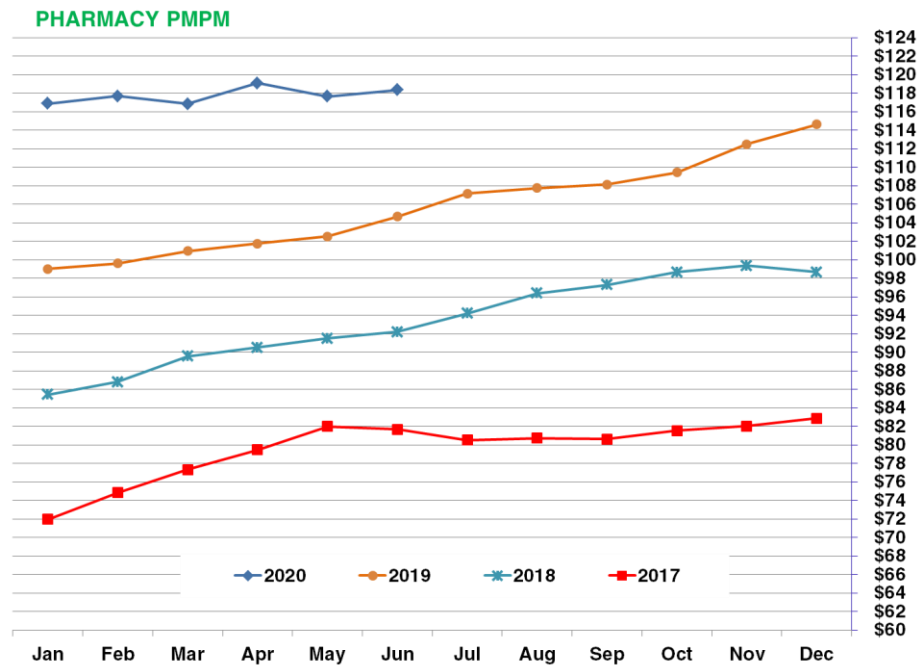
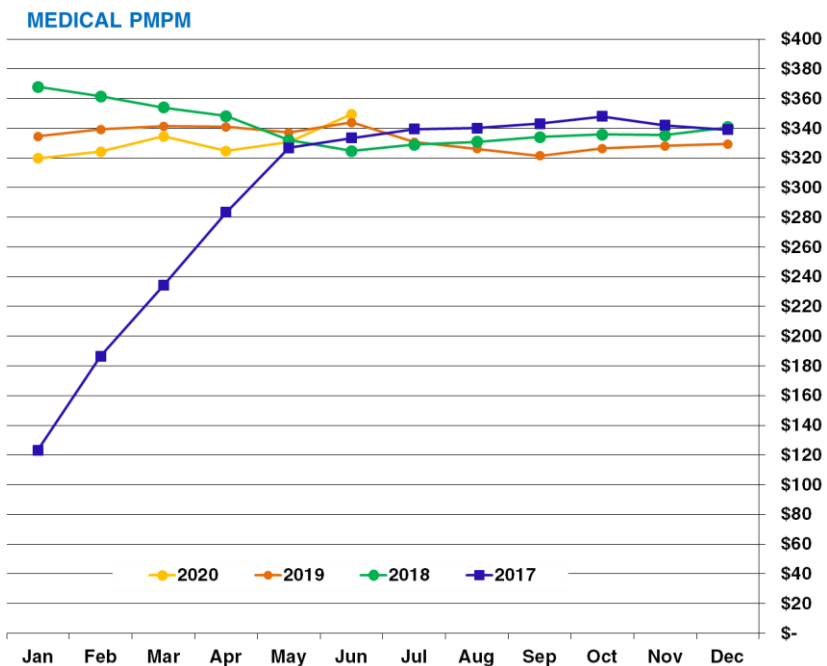
This table does not reflect stop loss reimbursements or administration costs.



Average Cost (PMPM)



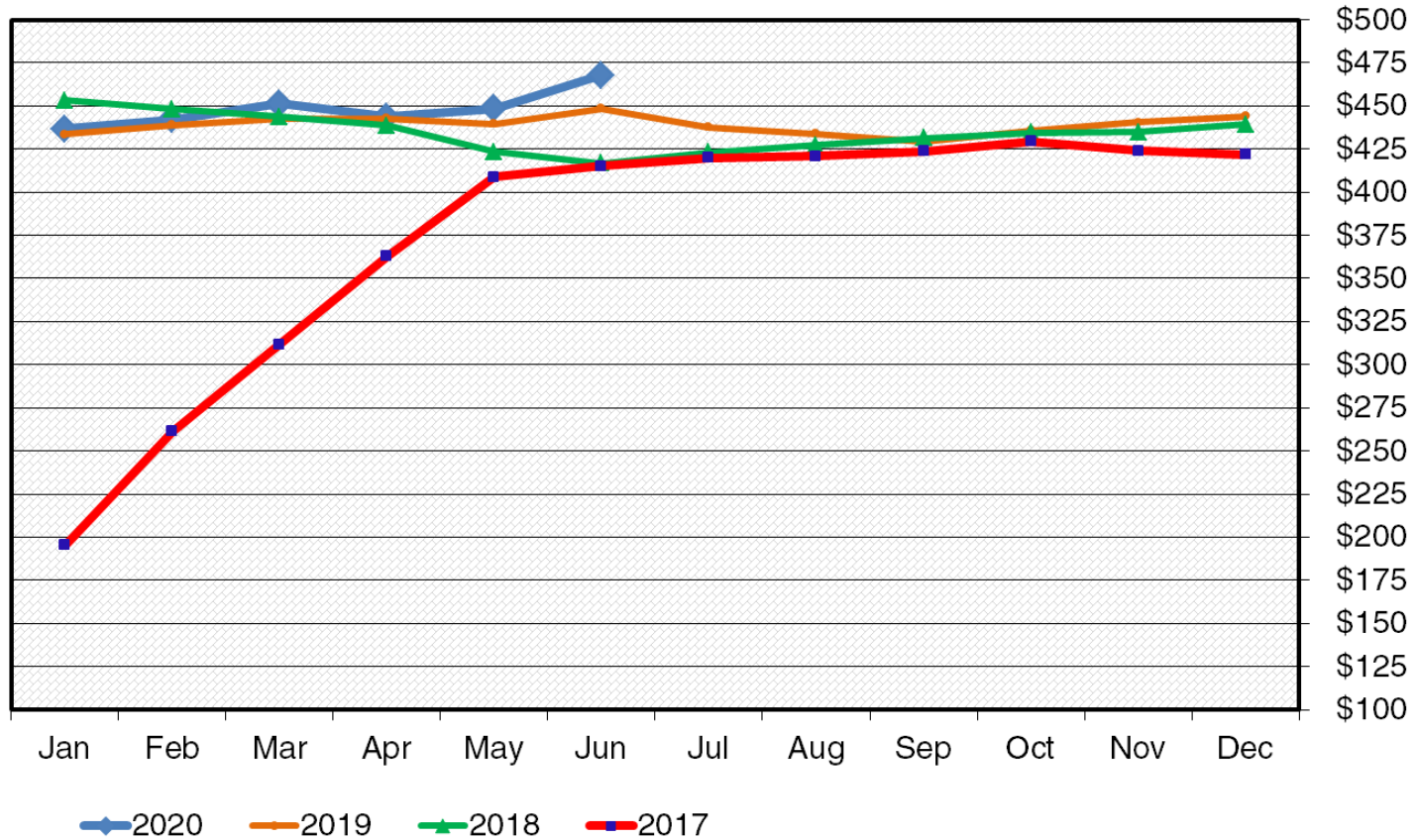
12 Month PMPM Moving Average Claims Cost – Calendar Year





Average Cost (PMPM)

Webb County
12 Month PMPM Moving Average Claims Cost - Calendar Year
Medical and Pharmacy Total



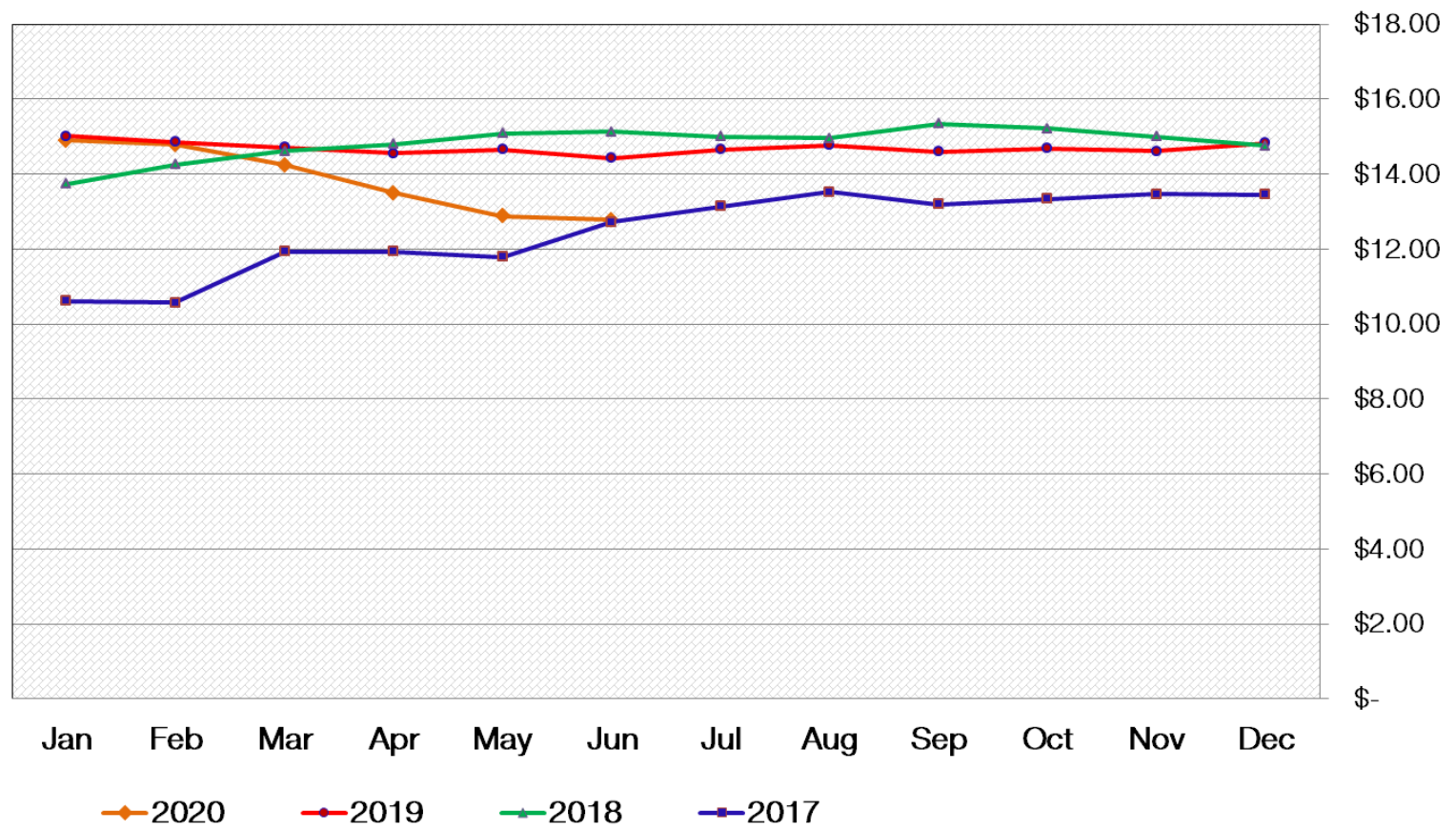


Average Cost (PMPM)



WEBB COUNTY - DENTAL

12 Month Moving PMPM Average - Calendar Year



The background of the slide features a stack of papers on the right side, with a pen resting on top of them. The papers are slightly blurred, creating a sense of depth. The overall color palette is light and professional, with a blue accent bar at the top left.

3. FORECAST REVIEW



The June 2020 Auditors Monthly report shows a positive fund balance of \$3.29 million.



Webb County, Texas
Fund Equity Changes Report
Summary Listing
June 30, 2020

Fund	Fund Description	Beginning Balance	YTD Change	Current Balance	Prior Year Fund Equity Adjustment	YTD Revenues	YTD Expenses	YTD Encumbrances	Estimate Fund Balance
3085	La Presa Colonia Facility	10,005.46	.00	10,005.46	.00	.00	.00	2,700.00	7,305.46
3095	Interest Income Ser 2006	6,286.92	.00	6,286.92	.00	1,324.59	7,366.00	.00	245.51
3100	ROW Acquisitin Ser 2006	70,247.00	.00	70,247.00	.00	.00	68,247.00	1,400.00	600.00
3115	Capital Outlay Ser 2006	4,837.56	.00	4,837.56	.00	7,366.00	11,353.00	.00	850.56
3120	Park Development Ser 2006	30,151.92	.00	30,151.92	.00	66,087.00	.00	30,000.00	66,238.92
3140	Juv Drug Rehab & Detox 2013	1,356,563.13	.00	1,356,563.13	.00	403,122.00	544,591.51	1,185,942.46	29,151.16
3150	Fire Station Series 2013	49,372.16	.00	49,372.16	.00	25,207.00	68,000.00	6,300.00	279.16
3175	Land & Bldg Purchase 2013	2,000,000.00	.00	2,000,000.00	.00	.00	.00	.00	2,000,000.00
3180	Flood Study/Drainage 2013	22,022.52	.00	22,022.52	.00	.00	12,000.00	10,000.00	22.52
3185	System SW & HW ser 2013	65,035.03	.00	65,035.03	.00	.00	65,035.00	.00	.03
3190	Capital Outlay Ser 2013	27,016.20	.00	27,016.20	.00	.00	.00	.00	27,016.20
3195	Infra & Equip Series 2013	39,124.53	.00	39,124.53	.00	.00	.00	.00	39,124.53
3200	Interest Income Ser 2013	97,793.25	.00	97,793.25	.00	35,929.87	127,445.00	.00	6,278.12
3205	Veterans Museum Project	492,047.92	.00	492,047.92	.00	.00	.00	.00	492,047.92
3521	TDA7217491 Street Improvements	.00	.00	.00	.00	.00	.00	.00	.00
3522	TDA7218028 Health Facilities	.00	.00	.00	.00	150,067.00	150,136.45	704,280.55	(704,350.00)
3527	TDA7216115 Mirando StandpipeTank	.00	.00	.00	.00	.00	.00	.00	.00
3560	Loop 20 Stimulus Exten Pro	.00	.00	.00	.00	.00	.00	.00	.00
3701	TPWD-Splash Pads Proj 50-000509	.00	.00	.00	.00	.00	.00	.00	.00
3720	Cty Transp Infrass Fund	.00	.00	.00	.00	563,442.14	563,442.14	630,366.95	(630,366.95)
3721	CBI Hachar RD Extension	.00	.00	.00	.00	35,343.44	35,343.44	.00	.00
3861	Whitetail Wind Energy	38,071.79	.00	38,071.79	.00	.00	.00	38,071.79	.00
3862	Javelina Wind Energy	2,957.00	.00	2,957.00	.00	.00	.00	.00	2,957.00
3864	Judicial and Public Safety 2016	281,838.25	.00	281,838.25	.00	.00	225,263.99	49,843.75	6,730.51
3865	Campus Chiller Series 2016	32,050.70	.00	32,050.70	.00	.00	.00	.00	32,050.70
3866	Interest Income Series 2016	425,837.44	.00	425,837.44	.00	42,744.49	.00	.00	468,581.93
3867	Former HEB Building Series 2019A	5,235,825.24	.00	5,235,825.24	.00	.00	598,337.50	174,150.00	4,463,337.74
3868	Elevator Repairs Series 2019A	974,476.00	.00	974,476.00	.00	.00	257,773.80	351,629.20	365,073.00
3869	Utility Improvements Ser 2019A	1,000,000.00	.00	1,000,000.00	.00	389,950.00	156,165.00	733,785.00	500,000.00
3870	Building Const. Pct. 4 Ser 2019A	300,000.00	.00	300,000.00	.00	.00	16,869.36	23,600.00	259,530.64
3871	Building Med. Examiner Ser 2019A	250,000.00	.00	250,000.00	.00	.00	26,400.00	7,500.00	216,100.00
3872	TexMex Parking Lot Series 2019A	370,000.00	.00	370,000.00	.00	4,500.00	200,452.20	174,007.10	40.70
3873	Capital Outlay Series 2019A	140,873.00	.00	140,873.00	.00	.00	.00	46,483.00	94,390.00
3874	Interest Income Series 2019A	108,097.88	.00	108,097.88	.00	105,346.78	193,755.00	.00	19,689.66
3875	Las Lomas Drainage Series 2019A	161,137.29	.00	161,137.29	.00	225,800.00	134,481.65	124,408.16	128,047.48
3900	Fairgrounds Project Series 2019A	2,000,000.00	.00	2,000,000.00	.00	.00	.00	.00	2,000,000.00
Fund Type Capital Project Funds Totals		\$15,968,474.79	\$0.00	\$15,968,474.79	\$0.00	\$2,058,738.98	\$3,676,680.61	\$4,405,147.14	\$9,945,386.02
Fund Category Governmental Funds Totals		\$77,060,725.43	\$1,884.56	\$77,062,609.99	\$0.00	\$168,650,480.51	\$130,676,552.51	\$8,783,274.33	\$106,253,263.66
Fund Category Proprietary Funds									
Fund Type Internal Service Funds									
6100	Employee's Health Benefit	1,243,922.63	.00	1,243,922.63	.00	11,601,660.84	9,558,254.58	.00	3,287,328.89
6200	Worker's Comp Reserve	4,489,285.04	.00	4,489,285.04	.00	1,106,536.97	211,319.30	.00	5,384,502.71
6300	Employees Retiree OPEB	295,465.75	.00	295,465.75	.00	26,265.93	32,657.77	.00	289,073.91
Fund Type Internal Service Funds Totals		\$6,028,673.42	\$0.00	\$6,028,673.42	\$0.00	\$12,734,463.74	\$9,802,231.65	\$0.00	\$8,960,905.51
Fund Category Proprietary Funds Totals		\$6,028,673.42	\$0.00	\$6,028,673.42	\$0.00	\$12,734,463.74	\$9,802,231.65	\$0.00	\$8,960,905.51
Grand Totals		\$83,089,398.85	\$1,884.56	\$83,091,283.41	\$0.00	\$181,384,944.25	\$140,478,784.16	\$8,783,274.33	\$115,214,169.17



Financial Forecasts



HUB INTERNATIONAL INSURANCE SERVICES PROJECTIONS FOR COUNTY OF WEBB PLAN YEAR SELF FUNDED AND CLINIC PLAN COSTS			
updated 07/31/2020			
Data Time Frame	7/19 - 6/20		7/19 - 6/20
Forecast Period	Plan Year 2020		Plan Year 2021
Total Medical Claims	\$	9,241,643	
Total Dental Claims	\$	356,796	
Total Rx Claims	\$	3,127,985	
Total Claims	\$	12,726,424	
Projected Annualized Contributions	\$	14,563,705	\$ 14,563,705
Annualized Claims	\$	12,726,424	\$ 11,181,801
Stop Loss Adjustments (actual current and/or projected future)	\$	(1,445,267)	\$ (613,850)
Trend Assumption (Medical and Rx and Dental)		7.0%	7.0%
Trend Factor		1.04	1.07
Margin Assumption		1.00	1.00
Trended Projected Adjusted Weighted Claims Expense	\$	11,681,801	\$ 11,331,909
Administrative Expenses TPA	\$	543,701	\$ 669,166
Annual Consulting Fees	\$	20,000	\$ 48,000
Stop Loss Expense	\$	1,186,184	\$ 1,364,111
Target (Minimum Recommended) Fund Balance	\$	2,336,360.17	\$ 2,266,382
Total Projected Plan Costs without Fund Balance Target	\$	13,431,686	\$ 13,413,186
Starting Fund Balance (1/1)	\$	2,980,173	\$ 4,112,193
Estimated Fund Balance (12/31) Actual (Current) and Projected	\$	4,112,193	\$ 5,262,712
Surplus / Deficit Fund Balance over target (Includes Fund repayment)	\$	1,775,832	\$ 2,996,331
Funding Change to reach target with reserve funding		-10.1%	-16.0%
Funding Change to hold starting reserve constant		-7.8%	-7.9%

The following slide illustrates potential changes in funding which would allow the County to redirect approximately \$1 million from this budget back into its General Fund while also slightly reducing payroll deductions. Dental Plan rates and benefits will remain constant.



Illustrative Health Plan Funding



CONTRIBUTION TABLE				
		PY 2020	PY 2021	
Active	YTD Average Enrollment	COUNTY MONTHLY CONTRIBUTION EQUIVALENT		MONTHLY CHANGE IN COUNTY CONTRIBUTION
ALL PLANS				
Emp Only	769	\$570.40	\$524.77	\$45.63
Emp & Spouse	47	\$850.02	\$782.02	\$68.00
Emp & Child(ren)	263	\$927.52	\$853.32	\$74.20
Emp , Spouse & Children	138	\$1,918.90	\$1,765.39	\$153.51
Annual Total	1217	\$11,848,014.00	\$10,900,172.88	\$947,841.12
		EMPLOYEE MONTHLY DEDUCTION		MONTHLY CHANGE IN EMPLOYEE DEDUCTION
BASE PLAN				
Emp Only	750	\$49.60	\$45.63	\$3.97
Emp & Spouse	46	\$451.98	\$415.82	\$36.16
Emp & Child(ren)	261	\$188.48	\$173.40	\$15.08
Emp , Spouse & Children	138	\$499.10	\$459.17	\$39.93
BUY UP PLAN				
Emp Only	19	\$235.60	\$216.75	\$18.85
Emp & Spouse	1	\$842.58	\$775.17	\$67.41
Emp & Child(ren)	2	\$523.28	\$481.42	\$41.86
Emp , Spouse & Children	0	\$1,224.50	\$1,126.54	\$97.96
Annual Total	22	\$2,189,108.40	\$2,013,979.73	\$175,128.67

PLAN SUMMARY	BASE PLAN	BUY UP PLAN
Individual Deductible	\$1,000	\$750
Family Deductible	\$2,000	\$1,875
Benefit Percentage	80%	80%
Individual OOP Max (includes Ded and Cost Share)	\$5,000	\$4,500
Family OOP Max (includes Ded and Cost Share)	\$12,500	\$11,250
Primary Care Physician Co-Pay	\$40	\$30
Specialty Physician Care Co-Pay	\$50	\$40
Urgent Care Co-Pay	\$50	\$40
Emergency Room Co-Pay	\$500	\$500
Retail Rx Co-Pay		
G - 30 / G 31-90 / PB - 30 / PB 31 - 90 / PBS / NPBS	\$10 / \$20 / \$30 / \$60 / \$50 / \$100 / \$40 / \$60	\$5 / \$15 / \$25 / \$55 / \$45 / \$90 / \$35 / \$60

Thank you.