

# HEALTH CARE 2019



**CLEARWATER**  
BRIGHT AND BEAUTIFUL • BAY TO BEACH



# Cigna Self-Fund Proposal

- **4.41% increase for 2019**
- **Benefits committee recommendation return to city contribution of 75% employee +1 and 68% employee + family.**
- **6.5% increase to employees**
- **3.96% increase to the City.**

# FY 2019 Budget

- **6% increase was budgeted for 2019**
- **2019 FY Budget: 18.157 million**
  - **City Contributions** **\$16,400,000**
  - **EHC** **\$ 1,757,000**
  - \$18,157 million**

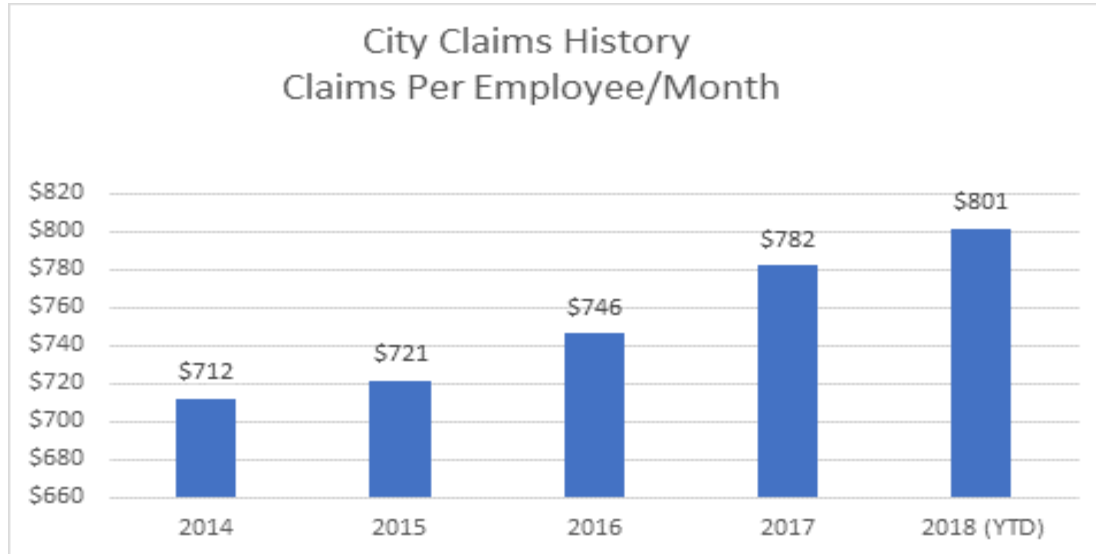
# Cigna's Self-Fund Renewal

- **2019 FY Budget: \$16.4M**
- **Employee contribution:  
\$3.6M**

**2019 Total Projected Cost: \$20M**

# City Claims History

## Claims Per Employee/Month



# Current Trend Drivers

- There were 62 catastrophic claims (over \$50,000) which accounted for 45% of medical claims costs. This is up from 56 catastrophic claims in prior year.
- Premature newborns (7) was the highest catastrophic diagnostic category by overall plan spend.
- 77% of catastrophic claims have a chronic condition (ie: hypertension, diabetes, hyperlipidemia).

# Cigna Open Access Plus Plan

- Continue self-funding and remain with Cigna.
  - Full time Cigna wellness representative and Cigna wellness funding.
- Continue “Open Access Plus” network.
- Maintain rate subsidy of:
  - 75% employee +1, 68% employee plus family.
- Maintain current plan design.  
(copays/deductibles/coinsurance)

# Employee Health Center



# Employee Health Center

- **64% utilization rate (target is 45%)**
- **97% employee satisfaction**
- **1.9 to 1.0 Return on Investment Estimated at \$1 Million Cost Savings YTD, based on the following areas:** Network replacement, Specialist/ER avoidance, Brand Drug avoidance, Lab replacement, flu shot replacement, estimated productivity savings.
- **Health Coach** added in April 2018 to work one on one with patients on weight management, stress management, behavior changes, chronic disease and other health-related topics.

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