

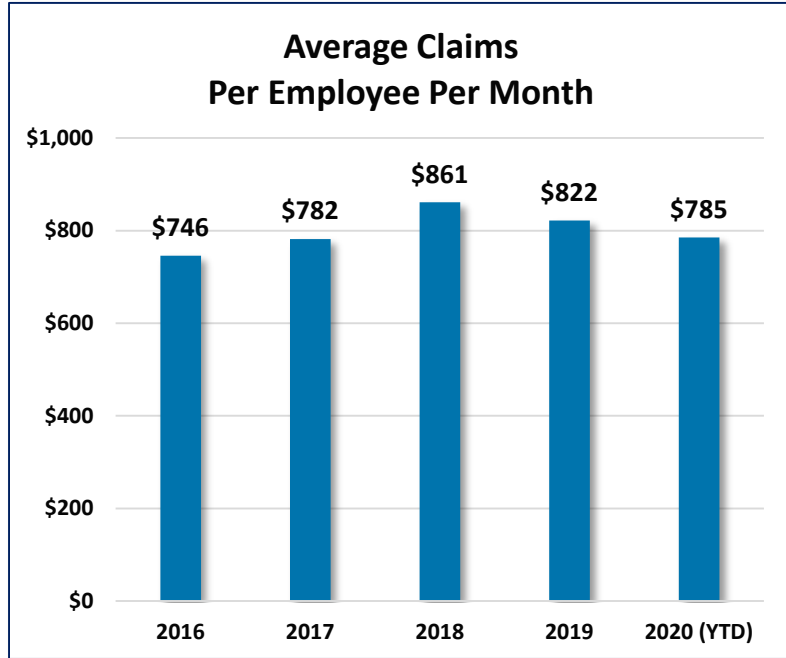
# HEALTH CARE 2021



**CLEARWATER**  
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# Medical Plan Background



## SELF INSURED WITH CIGNA

City pays administration fee to Cigna and pays medical and pharmacy claims as they occur



## COST TREND

1.8% average increase the past 5 years



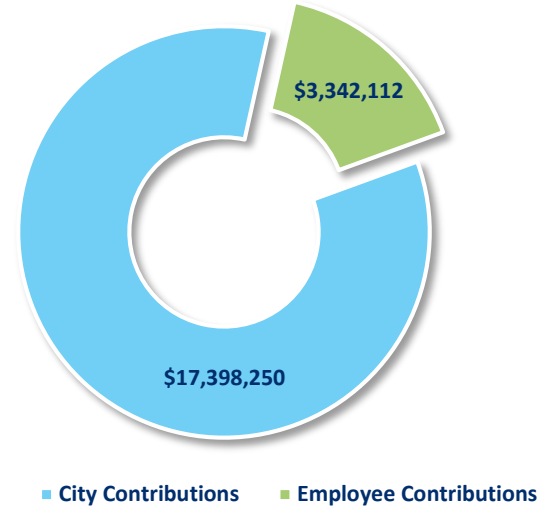
## NATIONAL AVERAGES

Have exceeded 6% per year, with Florida 2% - 3% higher

# Self-Funded Renewal

- Renewal projection calls for a 0% increase
- No change to the employee and employer contributions
- City pays 100% of Single, 75% EE+1, and 68% Family

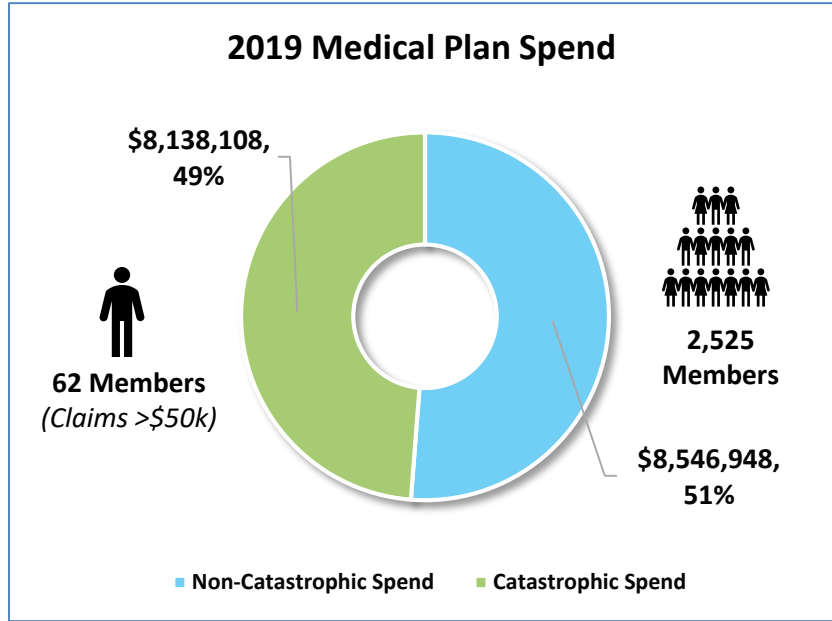
Renewal Cost Summary



# Self-Funded Renewal

• <b>2021 FY Budget:</b>	<b>\$19,098,250</b>
• City Contributions	\$17,398,250
• EHC	<u>\$ 1,700,000</u>
	<b>\$19,098,250</b>

# Cost Drivers



**62 catastrophic claims accounted for 45% of medical claims costs.**

**85% of catastrophic claims have a chronic condition such as:**

- Hypertension (high blood pressure)
- Diabetes
- Hyperlipidemia (high cholesterol)
- Obesity

# Cost Drivers



**Cancer is the highest catastrophic cost driver, followed by diabetes, heart disease and stroke**



**Diabetes has the highest overall pharmaceutical spend**



**For 2020, 35% of members have an identified chronic health condition and drive 76% of plan spend**

# Motivate Me

Motivate Me is a Cigna program that incentivizes healthy medical and lifestyle choices

Program includes wellness screenings, preventative care visits, and health coaching targeting cost drivers on the medical plan

Available to all employees covered under the medical plan

Program is offered and administered by Cigna, and included in plan funding

Employees can earn up to \$200/year



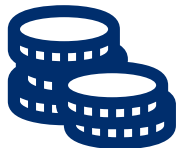
# Motivate Me Summary



**29% have completed  
eligibility requirements**

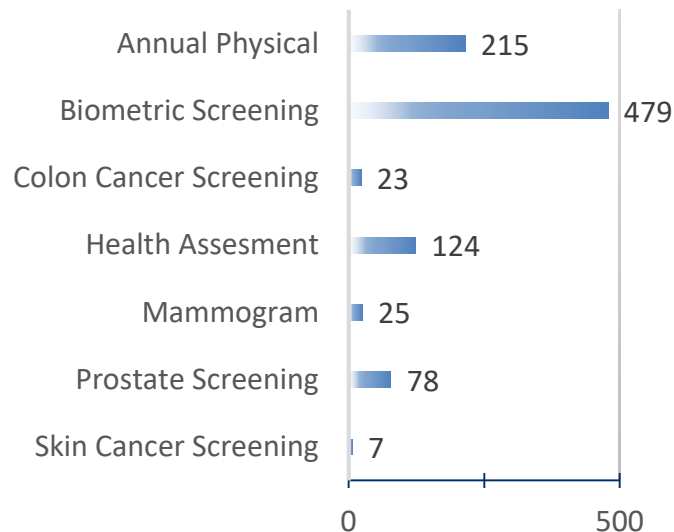


**63% of participants have  
earned \$100 or more**



**\$50,175 in rewards earned  
through July 23rd**

## TOP ACTIVITIES





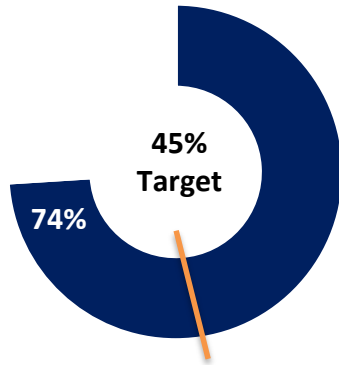
# Employee Health Center



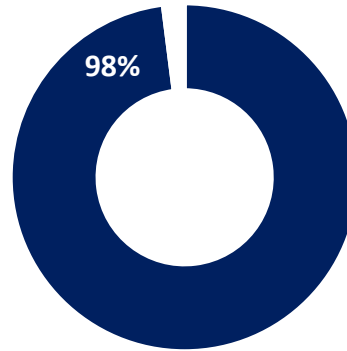


# Employee Health Center

Employee Penetration



Satisfaction Rate



**\$1.6:1**

**Average Return on Investment**

**\$2.2mil+ in gross savings in  
2019**

**74% of employees engaged with clinic in 2019, up from 66% in 2018.**

# Renewal Recommendations

- Renew with Cigna
- Continue “Open Access Plus” network
- Maintain current plan design (copays/deductibles/coinsurance)
- Maintain employee contributions
- Continue *Motivate Me* wellness incentive to encourage preventative screenings & EHC

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