

FY19 BridgeHealth Savings Report

Procedure Area	Regionally Adjusted Average	BH Case Rate	Case Management Fee	Travel Expenses	Total MI&G	Case Total Cost	Savings
Orthopedic	\$72,224.43	\$23,000.00	\$4,600.00	\$2,725.29	\$1,471.44	\$31,796.73	\$40,427.70
Spinal Surgery	\$90,539.07	\$35,454.00	\$7,090.80	\$4,282.11	\$800.00	\$47,626.91	\$42,912.16
Orthopedic	\$72,819.59	\$23,950.00	\$4,790.00	\$4,786.48	\$1,000.00	\$34,526.48	\$38,293.11
Orthopedic	\$20,521.69	\$9,200.00	\$1,840.00	\$6,009.50	\$1,542.88	\$18,592.38	\$1,929.31
General Surgery	\$29,083.32	\$5,175.00	\$1,035.00	\$1,867.40	\$500.00	\$8,577.40	\$20,505.92
Orthopedic	\$26,287.08	\$8,500.00	\$1,700.00	\$2,112.38	\$1,542.88	\$13,855.26	\$12,431.82
General Surgery	\$56,320.83	\$17,000.00	\$3,400.00	\$2,917.02	\$900.00	\$24,217.02	\$32,103.81
Orthopedic	\$49,465.54	\$17,250.00	\$3,450.00	\$3,106.40	\$1,100.00	\$24,906.40	\$24,559.14
Orthopedic	\$23,892.37	\$10,815.00	\$2,163.00	\$4,454.96	\$700.00	\$18,132.96	\$5,759.41
Orthopedic	\$72,658.67	\$23,950.00	\$4,790.00	\$3,041.32	\$900.00	\$32,681.32	\$39,977.35
Total:	\$513,812.59	\$174,294.00	\$34,858.80	\$35,302.86	\$10,457.20	\$254,912.86	\$258,899.73

KPBSD FY20 Rates Estimates
4/4/2019

1. KPBSD Cap Related Information

	KPBSD Cap Amount <u>Traditional</u>	KPBSD Cap Amount <u>HDHP</u>
District (85% Traditional - 90% HDHP)	\$ 1,731.45	\$ 1,645.61
Employee (15% Traditional - 10% HDHP)	<u>\$ 305.55</u>	<u>\$ 182.85</u>
Monthly Total	\$ 2,037.00	\$ 1,828.46

2. FY20 Healthcare Rate Estimate - Claims Through Feb 2019

	FY20 Estimated Contributions <u>Traditional</u>	FY20 Estimated Contributions <u>HDHP</u>
FY20 Broker Recommended Amount Monthly	\$ 3,054.91	\$ 2,023.71
Amount above/below Cap	\$ 1,017.91	\$ 195.25
50% of Excess/Reduction	\$ 508.96	\$ 97.63
District	\$ 2,240.41	\$ 1,743.24
Employee	<u>\$ 814.51</u>	<u>\$ 280.47</u>
Total FY20 Amounts Per Broker Rec	\$ 3,054.91	\$ 2,023.71

*Based on Broker Recommended Rates

Kenai Peninsula Borough School District
Projected Self-Funded Costs

Annual Cost				PEPM		
July 2018 - June 2019 Projected Rates	Traditional Plan	HDHP	Total	Traditional Plan	HDHP	Total
Average Monthly Enrollment	547	577	1,124	547	577	1,124
Net Claims	\$14,243,359	\$12,134,159	\$26,377,519	\$2,169.59	\$1,752.73	\$1,955.63
Administration (Rehn)	\$93,444	\$99,774	\$193,218	\$14.23	\$14.41	\$14.33
Administration (Rx)	\$4,033	\$4,334	\$8,367	\$0.61	\$0.63	\$0.62
Specific Stop Loss Premium	\$1,476,054	\$1,610,024	\$3,086,078	\$224.84	\$232.56	\$228.80
Aggregate Stop Loss Premium	\$17,649	\$18,932	\$36,580	\$2.69	\$2.73	\$2.71
Broker Fees	\$28,831	\$30,369	\$59,200	\$4.39	\$4.39	\$4.39
HRA Administration Fee	\$0	\$24,185	\$24,185	\$0.00	\$3.49	\$1.79
HRA Fund	\$0	\$432,688	\$432,688	\$0.00	\$62.50	\$32.08
Variable Costs	\$31,041	\$32,733	\$63,774	\$4.73	\$4.73	\$4.73
Total	\$15,894,411	\$14,387,198	\$30,281,609	\$2,421.08	\$2,078.17	\$2,245.08

Annual Cost				PEPM		
March 2018 - February 2019 Actual Costs	Traditional Plan	HDHP	Total	Traditional Plan	HDHP	Total
Average Monthly Enrollment	755	343	1,097	755	343	1,097
Net Claims	\$21,590,124	\$2,992,042	\$24,582,165	\$2,384.33	\$727.99	\$1,822.52
Administration (Rehn)	\$128,672	\$58,403	\$187,075	\$14.21	\$14.21	\$13.87
Administration (Rx)	\$5,689	\$2,335	\$8,023	\$0.63	\$0.57	\$0.59
Aetna / Coalition Fees	\$184,903	\$83,926	\$268,829	\$20.42	\$20.42	\$19.93
Specific Stop Loss Premium	\$1,826,575	\$884,572	\$2,711,146	\$201.72	\$215.22	\$201.00
Aggregate Stop Loss Premium	\$25,005	\$12,250	\$37,254	\$2.76	\$2.98	\$2.76
Broker Fees	\$42,656	\$18,810	\$61,467	\$4.71	\$4.58	\$4.56
HRA Administration Fee	\$0	\$14,385	\$14,385	\$0.00	\$3.50	\$1.07
HRA Fund	\$0	\$256,875	\$256,875	\$0.00	\$62.50	\$19.51
Variable Costs	\$35,185	\$15,970	\$51,155	\$3.89	\$3.89	\$3.79
Total	\$23,838,808	\$4,339,568	\$28,178,375	\$2,632.67	\$1,055.86	\$2,089.61

Annual Cost				PEPM		
July 2019 - June 2020 Projected Costs	Traditional Plan	HDHP	Total	Traditional Plan	HDHP	Total
Average Monthly Enrollment	521	560	1,081	521	560	1,081
Net Claims	\$16,894,841	\$10,786,323	\$27,681,164	\$2,702.31	\$1,605.11	\$2,133.92
Administration (Rehn)	\$94,679	\$101,766	\$196,445	\$15.14	\$15.14	\$15.14
Administration (Rx)	\$3,785	\$4,069	\$7,854	\$0.61	\$0.61	\$0.61
Aetna / Coalition Fees	\$138,846	\$149,239	\$288,085	\$22.21	\$22.21	\$22.21
Specific Stop Loss Premium	\$1,912,343	\$2,055,493	\$3,967,836	\$305.88	\$305.88	\$305.88
Aggregate Stop Loss Premium	\$26,258	\$28,224	\$54,482	\$4.20	\$4.20	\$4.20
Broker Fees	\$28,532	\$30,668	\$59,200	\$4.56	\$4.56	\$4.56
HRA Administration Fee	\$0	\$23,520	\$23,520	\$0.00	\$3.50	\$1.81
HRA Fund	\$0	\$420,000	\$420,000	\$0.00	\$62.50	\$32.38
Variable Costs	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
Total	\$19,099,285	\$13,599,302	\$32,698,587	\$3,054.91	\$2,023.71	\$2,520.71

Assumptions:

1. Projected enrollment based on February 2019 counts.
2. Net Claims are based on 10% weight on January - December 2017 claims, 70% weight on January - December 2018 claims, and 20% weight on January - February 2019 claims.
3. 2019/20 Fixed costs are estimated based on 6 months of the 2019 rates and 6 months of projected 2020 rate increases.
4. HRA fund of \$750 per year
5. Variable costs by plan are based on total variable costs pro-rated based on enrollment.
6. Projections assume no changes to the current plans.

Kenai Peninsula Borough School District
2019/20 Self-Funded Projected Rates

MEDICAL/RX	Enrollment	FY19 Rates	FY20 Projected Rates
Traditional Plan			
Employee Only	<u>521</u>	<u>\$2,421.49</u>	<u>\$3,054.91</u>
Monthly Total	521	\$1,261,596	\$1,591,607
Annual Total		\$15,139,155	\$19,099,285
PEPM		\$2,421.49	\$3,054.91
% Increase			26.2%
HDHP			
Employee Only	<u>560</u>	<u>\$2,078.47</u>	<u>\$2,023.71</u>
Monthly Total	560	\$1,163,943	\$1,133,275
Annual Total		\$13,967,318	\$13,599,302
PEPM		\$2,078.47	\$2,023.71
% Increase			-2.6%
Monthly Total	1,081	\$2,425,539	\$2,724,882
Annual Total		\$29,106,474	\$32,698,587
PEPM		\$2,243.79	\$2,520.71
% Increase			12.3%

Kenai Peninsula Borough School District	<u>Reserve Account</u>	<u>As of 6-30-17</u>	<u>As of 6-30-18</u>	<u>FY19 Monthly Contribution - Traditional</u>
Health Care Committee Monthly recap	Employee Share	701,399.69	471,065.27	Employee Share *
as of March 31, 2019	Employer Share	1,353,713.48	1,572,408.17	Employer Share
				<u>1,923.49</u>
				2,421.49
				<u>FY19 Monthly Contribution - HDHP</u>
				Employee Share *
				Employer Share
				<u>308.00</u>
				<u>1,770.47</u>
				2,078.47

This document is provided to the Health Care Committee as a work paper to recap the contributions to and expenditures from the Health Care Plan each month. It is to be used primarily as an aid in estimating costs of the plan to determine if changes should be made in employee contribution amounts. Every effort is made to provide current and accurate information, but this information is not audited until after the end of the fiscal year.

	Number of Employees	YTD Employees	Current Month Obligations	YTD Obligations	Contributions Current Month Collected	Contributions YTD Collected
Employees						
KPEA Employees	301	3,149	149,898.00	1,568,202.00	197,165.62	1,403,573.74
KPEA Employees - HDHP	302	2,280	93,016.00	702,240.00	133,945.81	927,983.95
KPEA Repay EE Reserve					16,651.29	117,649.23
KPESA Employees	186	2,019	92,628.00	1,005,462.00	118,421.28	884,463.86
KPESA Employees - HDHP	203	1,504	62,524.00	463,232.00	87,351.20	602,702.25
KPESA Repay EE Reserve					10,608.30	75,438.00
Administrators	20	246	9,960.00	122,508.00	12,831.57	101,981.60
Administrators - HDHP	38	273	11,704.00	84,084.00	16,171.31	108,577.61
Admin Repay EE Reserve					1,600.80	11,205.60
Board Members	1	16	498.00	7,968.00	275.00	5,620.48
Board Members - HDHP	3	25	924.00	7,700.00	825.00	8,164.39
Board Repay EE Reserve					-	476.10
Exempt Employees	11	104	5,478.00	51,792.00	5,656.46	48,879.36
Exempt Employees - HDHP	15	120	4,620.00	36,960.00	5,089.38	38,244.07
Exempt Repay EE Reserve					717.60	4,830.00
Affordable Care Act **	-	-	0.00	0.00		
ACA Empl Repay EE Reserve						
Total Employees on Payroll	1,080	9,736	431,250.00	4,050,148.00	607,310.62	4,339,790.24
COBRA Payers (FY19 = \$2215.88)	1	15	2,215.88	33,238.20	-	32,295.12
COBRA HD Payers (FY19 = \$1960.28)	-	6	-	11,761.68	-	11,687.46
Total Employees	1,081	9,757	433,465.88 *	4,095,147.88	607,310.62	4,383,772.82

* Current month employee obligations are a calculation of "Number of Employees" eligible for health care coverage during that month times the "Employee Share" (shown in the upper right corner of the sheet).

** Affordable Care Act (ACA) coverage is offered to employees once eligibility is determined. Eligibility is based on number of hours worked during the measurement period.

Employer						
Employer share	520	5,549	1,000,214.80	10,673,446.01	1,302,506.32	9,444,075.67
Employer share - HDHP	561	4,208	993,233.67	7,450,137.76	1,300,146.13	9,172,483.62
Total			2,426,914.35	22,218,731.65	3,209,963.07	23,000,332.11

+ Employee Share Split	FY19 Contribution Traditional	498.00	Subtotal	334,349.93	2,444,519.04
	Cobra	2,215.88	Subtotal	-	32,295.12
				<u>334,349.93</u>	<u>2,476,814.16</u>
	FY19 Contribution HDHP	308.00	Subtotal	243,382.70	1,685,672.27
	Cobra HD	1,960.28	Subtotal	-	11,687.46
				<u>243,382.70</u>	<u>1,697,359.73</u>
	Prior Year Reserve Repayment	20.70	Subtotal	29,577.99	209,598.93

Expenditures

Since the health care plan is self-funded, both employee and employer contributions are collected and bills are paid from the accumulated funds.

	TRADITIONAL		HDHP	
	Current Month	Year-To-Date	Current Month	Year-To-Date
Claims				
Health Care Claims paid by TPA (Rehn)	1,262,346.25	13,108,609.28	661,877.69	3,076,777.53
Prescription Claims paid by Caremark	384,592.44	3,760,742.18	70,236.01	530,382.40
HRA	-	-	20,235.17	177,398.93
Total Claims Paid	1,646,938.69	16,869,351.46	752,348.87	3,784,558.86
Administration				
TPA (Rehn) fees and costs	17,239.65	168,568.41	-	-
TPA (Rehn) HRA fees and costs	-	-	13,896.27	108,891.27
Aetna Administration Fees	11,356.55	108,230.41	12,251.97	83,666.58
Consultant Fees	2,373.11	21,216.11	2,560.22	23,183.86
Stop Loss Premiums	146,676.40	1,206,769.88	158,241.27	969,589.04
Affordable Care Act Fee	12,245.05	58,936.37	13,210.52	33,477.03
Total Administration	189,890.76	1,563,721.18	200,160.25	1,218,807.78
Total Claims plus Administration	1,836,829.45	18,433,072.64	952,509.12	5,003,366.64
Adjustments				
Stop Loss reimbursements	(111,130.37)	(2,977,494.19)	-	-
Prescription Rebates	-	(408,732.37)	-	(99,992.00)
Health Care Claims refund	-	-	-	-
Claims reimbursements	(150.00)	(500.00)	-	-
Other adjustments	-	(25.00)	-	-
Total Adjustments	(111,280.37)	(3,386,751.56)	-	(99,992.00)
Total Expenditures	1,725,549.08	15,046,321.08	952,509.12	4,903,374.64

Obligations/Contributions

Health care obligations and contributions provide employee and employer amounts of health care contributions using different calculation methods.

Obligations are estimates of funds that employees and the district will be obligated to contribute, based on the plan year (July through June).

Returning employees are covered by the health care plan for the entire plan year, meaning the 12 month period July through June, both employee and employer are obligated to pay for 12 months of coverage. New employees pay for coverage from date of hire through June, the end of the plan year. If an employee works at all during a month, both employee and employer pay for the entire month of coverage.

Actual Contributions made by employees and benefits paid by the employer during the payroll process are shown on the sheet in the columns labeled "Collected." The division of payments is governed by the Collective Bargaining Agreements and Memorandums of Understanding between the district and the employee groups.

Employee-paid contributions are deductions from payroll checks. Employees who work 12 months make contributions each pay period. Many school district employees do not work 12 months, so contributions are collected for those employees during the 9 month period from September through May.

For this reason, contributions are generally larger than obligations for September through May and contributions are generally smaller than obligations for June, July and August.

The "Collected" columns show what is actually available for paying health care costs. The "Obligations" show what is estimated to be available by month, based on number of employees at the current rate of contributions.

**Kenai Peninsula Borough School District
Healthcare Expenditures Split
as of March 31, 2019**

Traditional Plan				HDHP			
YTD Participants	5,549			YTD Participants	4,208		
Net Expenditures	15,046,321.08			Net Expenditures	4,903,374.64		
ER - Employer Cap \$1731.45	9,607,816.05			ER - Employer Cap \$1645.61	6,924,726.88		
EE - Employee Cap \$305.55	<u>1,695,496.95</u>			EE - Employee Cap \$182.85	<u>769,432.80</u>		
Total Cap Expenditure EE/ER	11,303,313.00			Total Cap Expenditure EE/ER	7,694,159.68		
Expenditures over Cap	3,743,008.08			Expenditures over Cap	-		
50/50 Split of Expenditures over Cap	1,871,504.04			50/50 Split of Expenditures over Cap	-		
ER Expenditures Up To Cap	9,607,816.05			ER Expenditures Up To Cap	4,413,037.18		
ER Expenditures Above Cap	<u>1,871,504.04</u>			ER Expenditures Above Cap	-		
Total ER Expenditures	11,479,320.09			Total ER Expenditures	4,413,037.18		
EE Expenditures Up To Cap	1,695,496.95			EE Expenditures Up To Cap	490,337.46		
EE Expenditures Above Cap	<u>1,871,504.04</u>			EE Expenditures Above Cap	-		
Total EE Expenditures	3,567,000.99			Total EE Expenditures	490,337.46		
Total ER & EE Expenditures	15,046,321.08			Total ER & EE Expenditures	4,903,374.64		
Traditional Summary				HDHP Summary			
Through	YTD	YTD	REV Less	Through	YTD	YTD	REV Less
January 2019	EXP	REV	EXP	January 2019	EXP	REV	EXP
Employer	11,479,320.09	9,444,075.67	(2,035,244.42)	Employer	4,413,037.18	9,172,483.62	4,759,446.44
Employee	<u>3,567,000.99</u>	<u>2,476,814.16</u>	<u>(1,090,186.83)</u>	Employee	<u>490,337.46</u>	<u>1,697,359.73</u>	<u>1,207,022.27</u>
Totals	15,046,321.08	11,920,889.83	(3,125,431.25)	Totals	4,903,374.64	10,869,843.35	5,966,468.71
Obligation per Employee FY19				Obligation per Employee FY19			
498.00 EE/1923.49 ER Split	2,421.49	<u>2,421.49</u>		308.00 EE/1770.47 ER Split	2,078.47	<u>2,078.47</u>	
Monthly Cost per Employee - ER		2068.72		Monthly Cost per Employee - ER		1048.73	
Monthly Cost per Employee - EE + Cobra		<u>642.82</u>		Monthly Cost per Employee - EE + Cobra		<u>116.53</u>	
		2711.54				1165.25	
Current Variance		(290.05)		Current Variance		913.22	

Obligations indicate the funds that will be accumulated per employee per month. Expenditures are amounts that have been paid through the plan.

A positive number for "current variance" represents the amount per employee per month that is estimated to be collected above the amount spent year-to-date. A negative number represents the amount of expenditures (per employee per month) that are more than what is estimated to be collected for payment of those expenditures.

Step 1: Select your screening tests



Screening is the foundation for health improvement. Providing your employees and dependents the opportunity to know their numbers allows them to take charge of their health. Quest Diagnostics Health & Wellness offers a wide array of testing options that give participants the measures they need to be knowledgeable about their health risks and make positive change.

Comprehensive panel

This fasting panel includes 30 tests: total cholesterol, LDL cholesterol, cholesterol/HDL ratio, triglycerides, high-sensitivity CRP, glucose, hemoglobin A1c, alk phos, total bilirubin, GGT, AST, ALT, total protein, albumin, globulin, creatinine/eGFR, calcium, uric acid, TSH with reflex to Free T4, iron, iron binding, and ferritin. *This panel requires the venipuncture collection method and fasting panel. It is not available with the My 5 to Health report.*

Personal Health Snapshot™

This fasting panel includes 18 tests: total cholesterol, HDL cholesterol, LDL cholesterol, cholesterol/HDL ratio, triglycerides, glucose, hemoglobin A1c, alk phos, total bilirubin, direct bilirubin, GGT, AST, ALT, total protein, albumin, globulin, and creatinine/eGFR. *This panel requires the venipuncture collection method and fasting panel. It is not available with the My 5 to Health report.*

Heart and diabetes panel

This fasting panel includes 5 tests: total cholesterol, HDL cholesterol, LDL cholesterol, cholesterol/HDL ratio, triglycerides, and glucose. *This panel is available with the all reports, but fasting is required for this panel. This panel can be implemented using the venipuncture or Qcard collection methods.*

Non-fasting panel

This non-fasting panel includes 5 tests: direct LDL cholesterol, total cholesterol, cholesterol/HDL ratio (calculated), HDL cholesterol, and hemoglobin A1c. *This panel is available with all reports. This panel requires the venipuncture collection method.*

Fasting fingerstick panel

This fasting panel includes 5 tests: total cholesterol, HDL cholesterol, LDL cholesterol, cholesterol/HDL ratio, triglycerides, and glucose. *This panel is available with all reports. Fasting is required for this panel. This panel requires the fingerstick collection method and is only available for onsite events.*

Non-fasting fingerstick panel

This non-fasting panel includes 4 tests: total cholesterol, HDL cholesterol, LDL cholesterol, cholesterol/HDL ratio, and non-fasting glucose. *This panel is available with*

all reports. This panel requires the fingerstick collection method and is only available for onsite events.

Additional tests

Quest Diagnostics Health & Wellness also offers additional tests to enhance health insights. These include:

- Hemoglobin A1c
- eGFR
- Prostate-specific antigen (PSA)
- Thyroid-stimulating hormone (TSH)
- Cotinine (serum or oral swab)
- Vitamin D
- High-sensitivity CRP

All additional tests are available for any venipuncture collection method. Cotinine via an oral swab is only available in conjunction with fingerstick onsite events.

Biometrics

- Height
- Weight
- Calculated body mass index (BMI) – requires height and weight measurements for calculations
- Blood pressure
- Waist circumference
- Waist-to-hip ratio

Step 2: Choose your collection methods



The next step in designing your organization's Blueprint for Wellness is to determine how your employees can complete their screenings. Convenience is key when getting employees engaged in their health, which is why Quest Diagnostics Health & Wellness offers multiple screening options that you can mix and match to create the perfect program for your population.

- Quest Diagnostics Patient Service Centers (PSCs)

Participants can complete their screening according to their schedules by screening at one of our 2,200 nationwide PSCs. PSCs offer the ease of electronic requisitions, same-day appointments, and a quick turnaround on test results. Many locations also offer evening and Saturday hours. PSCs are a great option if you have a large remote population, employees that travel frequently, or if spouses are eligible to participate in your program. Some PSCs are conveniently located in select Wal-Mart® and Safeway® stores.

Pricing overview

What is provided below represents a summary of pricing for the selected solutions. Please see the "Additional Terms" section that follows for additional details regarding other terms and fees that may apply. These terms are also reflected in a Master Service Agreement (MSA). Terms and conditions are subject to change.

Biometric screening - base program fees for >1000 EE	
Fee per participant for venipuncture or Fingerstick onsite event	\$44.00
Fee per participant for onsite venipuncture intermediate panel	\$65.00
Fee per participant for onsite venipuncture comprehensive wellness panel	\$80.00
Fee per participant for offsite PSC screening	Same as elected above
Additional Program	
Physician Form	\$12.00
Home biometrics screening kit (lipid/glucose)	\$6.00 upfront mailing charge for kit
Completed kit w lipid glucose testing and participant reporting	\$49.00 once kit is completed and results are provided
Reach - Participant Marketing Services	
Basic Reach Package	Complimentary/No-Charge

Additional terms of service

For your review, additional terms of service are provided below.

Biometric wellness screenings

- a. Online participant registration and scheduling
- b. Onsite venipuncture collections at client-designated locations nationwide (minimum of 20 participants required per event)
- c. Onsite fingerstick collections at client-designated locations nationwide (minimum of 30 participants required per event)
 - i. Results review with participant immediately following blood draw to capitalize on "teachable moment"
- d. Offsite venipuncture collections at Quest Diagnostics Patient Service Centers (PSCs) nationwide with easy electronic orders and online test confirmations (no participant minimum)
- e. Biometric measurements - height, weight, waist circumference, Blood Pressure and BMI calculations or waist circumference for all participants
- f. Customized laboratory test solution (defined below)
- g. Physician/medical oversight, including outbound calls to employees with medically actionable values
- h. OurCompany Profile and data analytics to share aggregated, population-level results

Fingerstick onsite events additional Terms of Service

