



MARION COUNTY BOARD OF COMMISSIONERS

Board Session Agenda Review Form

Meeting date: October 5, 2022

Department: Human Resources Agenda Planning Date: 9/21/22 Time required: 10

Audio/Visual aids

Contact: Lori Klemsen Phone: 503-584-7781

Department Head Signature: Lori Klemsen

Table with 2 columns: Label (TITLE, Issue, Financial Impacts, etc.) and Content (MCLEA & NON-MCLEA Health Insurance Study Committee (HISC) Recommendations, Annual renewal and HISC recommendations for plan year 2023, etc.)



MARION COUNTY BOARD OF COMMISSIONERS

## Board Session Agenda Review Form

List of attachments:

Marion County MCLEA and Non-MCLEA 2022 Health Plan Considerations

Presenter:

Lori Klemsen and Kathie Carter

*Copies of completed paperwork sent to the following: (Include names and e-mail addresses.)*

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## **Marion County Health Plan**

**MCLEA & Non-MCLEA Health Insurance Study Committee (HISC)**

**recommendations for Plan Year 2023**

### **MCLEA Health Insurance Study Committee (HISC) recommendations for Plan Year 2023**

#### **Medical Plan**

Currently, Marion County offers medical coverage through PacificSource and Kaiser. PacificSource offers Preferred Provider organization (PPO) for the MCLEA unit. In addition, Kaiser offers Health Maintenance Organization (HMO) plan.

#### **Dental Plans**

Marion County offers dental coverage through both Delta Dental and Kaiser.

#### **MCLEA Recommendations**

Each year the MCLEA Health Insurance Study Committee (HISC) meets to review and assess Health Plan renewals and possible plan changes. The HISC then makes plan recommendations to the Marion County Board of Commissioners.

During the HISC meetings in July and August this year, the HISC reviewed proposed carrier renewals. The committee voted to make the following medical plan recommendations:

- PPO Plan
  - Accept renewal
- Kaiser HMO
  - Accept renewal
- Dental
  - Accept Kaiser renewal
  - Accept Delta Dental renewal

# **Non-MCLEA Study Committee (HISC) recommendations for Plan Year 2023**

## **Medical Plan**

Currently, Marion County offers medical coverage through PacificSource and Kaiser. PacificSource offers Preferred Provider organization (PPO) option and a High Deductible Health Plan (HDHP) option to the Non-MCLEA units. In addition, Kaiser offers Health Maintenance Organization (HMO) plans for the Non-MCLEA groups.

## **Dental Plans**

Marion County offers dental coverage through both Delta Dental and Kaiser.

## **Non MCLEA Recommendations**

Each year the Health Insurance Study Committee (HISC) meets to review and assess Health Plan renewals and possible plan changes. The HISC then makes plan recommendations to the Marion County Board of Commissioners. During the HISC meetings in July and August this year, the HISC reviewed proposed carrier renewals. The committee voted to make the following health plan recommendations which include an enhancement to the Kaiser vision benefit to match the benefit PacificSource offers.

- HDHP Plan
  - Accept renewal
- PPO Plan
  - Accept renewal
- Kaiser HMO
  - Accept renewal
- Dental
  - Accept Kaiser renewal
  - Accept Delta Dental renewal

## **Health Savings Arrangement (HSA)**

This program is offered alongside the HDHP provides a vehicle for HDHP participants to save pretax funds to cover out of pocket medical expenses. Traditionally, the Marion County has authorized employer contribution to the employee HSA accounts. The current annual employer contribution is \$650 individual and \$1,300 family. The Human Resources Manager requests that the Marion County Board of Commissioners consider continuing the annual employer HSA contribution at the current level.

## **Part and Temporary Employee Health Plan**

In order to comply with eligibility rules under the Affordable Health Care Act, Marion County offers an essential benefit health plan to employees who would not otherwise meet eligibility criteria under Marion County Benefit Plan rules. This plan is offered through PacificSource and meets essential benefits requirement and with an employer contribution towards the employee premium, meets affordability requirements. The Human Resources Manager recommends renewing this plan with an employer contribution as described in the attached Temporary and Part Time Plan description.

## Executive Summary

### Introduction

The purpose of this report is to summarize for Marion County the employee benefit plan renewals from the following insurance carriers and vendors for the plan year beginning January 1, 2023:

Benefit Plan	Carrier or Vendor	AM Best Rating*	AM Best Size*	% Renewal Increase
Medical/RX/Vision	PacificSource Health Plans	A-	VII	7.0%
Medical/RX/Vision	Kaiser Foundation Health Plan Northwest	NR	NR	-5.0%
Dental	Delta Dental of Oregon	B	VIII	0.0%
Dental	Kaiser Foundation Health Plan Northwest	NR	NR	0.0%
Life & AD&D	New York Life	A	XV	0.0%
Voluntary Life & AD&D	New York Life	A	XV	0.0%
Short Term Disability	New York Life	A	XV	0.0%
Long Term Disability	New York Life	A	XV	0.0%
Cobra/FSA	Consolidated Admin Services	NR	NR	0.0%
EAP	Cascade Centers	NR	NR	0.0%

### Negotiation Results

Following negotiations with each of Marion County's carriers and vendors for the plans.

Carrier	Original Renewal	Negotiated Renewal	Estimated Avoidance
PacificSource PPO – Non-MCLEA	10.5%	7.0%	(\$449,628)
PacificSource PPO – MCLEA	10.5%	7.0%	(\$158,263)
PacificSource HDHP – Non-MCLEA	10.5%	6.0%	(\$179,371)
<b>Total Estimated Avoidance</b>		<b>\$787,262</b>	

**Marion County - Non-MCLEA Employees**  
**Employee Health Plan Contributions**  
**January 1, 2023**  
**Based on Current Contribution Method**

	Non-MCLEA Current Contributions			Non-MCLEA Renewal Contributions			Monthly Dollar Difference versus 2022	
	Premium Rates	County Cost	Employee Cost	Premium Rates	County Cost	Employee Cost	County	Employee
Kaiser HMO Non-MCLEA	\$1,598.94			\$1,519.92				
Kaiser Dental	\$127.49			\$127.49				
Kaiser/Kaiser - Non-MCLEA	\$1,726.43	\$1,596.00	\$130.43	\$1,647.41	\$1,621.00	\$26.41	\$25.00	(\$104.02)
Kaiser/Kaiser - MCJEA	\$1,726.43	\$1,646.00	\$80.43	\$1,647.41	\$1,647.41	\$0.00	\$1.41	(\$80.43)
Kaiser/Kaiser - FOPPO	\$1,726.43	\$1,726.43	\$0.00	\$1,647.41	\$1,647.41	\$0.00	(\$79.02)	\$0.00
Kaiser HMO	\$1,598.94			\$1,519.92				
Delta Dental	\$128.79			\$128.79				
Kaiser/Delta - Non-MCLEA	\$1,727.73	\$1,596.00	\$131.73	\$1,648.71	\$1,621.00	\$27.71	\$25.00	(\$104.02)
Kaiser/Delta - MCJEA	\$1,727.73	\$1,646.00	\$81.73	\$1,648.71	\$1,648.71	\$0.00	\$2.71	(\$81.73)
Kaiser/Delta - FOPPO	\$1,727.73	\$1,727.73	\$0.00	\$1,648.71	\$1,648.71	\$0.00	(\$79.02)	\$0.00
PacificSource PPO	\$1,640.83			\$1,755.69				
Kaiser Dental	\$127.49			\$127.49				
PacificSource PPO/Kaiser - Non-MCLEA	\$1,768.32	\$1,596.00	\$172.32	\$1,883.18	\$1,621.00	\$262.18	\$25.00	\$89.86
PacificSource PPO/Kaiser - MCJEA	\$1,768.32	\$1,646.00	\$122.32	\$1,883.18	\$1,671.00	\$212.18	\$25.00	\$89.86
PacificSource PPO/Kaiser - FOPPO	\$1,768.32	\$1,768.32	\$0.00	\$1,883.18	\$1,883.18	\$0.00	\$114.86	\$0.00
PacificSource PPO	\$1,640.83			\$1,755.69				
Delta Dental	\$128.79			\$128.79				
PacificSource PPO/Delta - Non-MCLEA	\$1,769.62	\$1,596.00	\$173.62	\$1,884.48	\$1,621.00	\$263.48	\$25.00	\$89.86
PacificSource PPO/Delta - MCJEA	\$1,769.62	\$1,646.00	\$123.62	\$1,884.48	\$1,671.00	\$213.48	\$25.00	\$89.86
PacificSource PPO/Delta - FOPPO	\$1,769.62	\$1,769.62	\$0.00	\$1,884.48	\$1,884.48	\$0.00	\$114.86	\$0.00
PacificSource HDHP	\$1,440.55			\$1,526.98				
Kaiser Dental	\$127.49			\$127.49				
PacificSource HDHP/Kaiser - Non-MCLEA	\$1,568.04	\$1,568.04	\$0.00	\$1,654.47	\$1,621.00	\$33.47	\$52.96	\$33.47
PacificSource HDHP/Kaiser - MCJEA	\$1,568.04	\$1,568.04	\$0.00	\$1,654.47	\$1,654.47	\$0.00	\$86.43	\$0.00
PacificSource HDHP/Kaiser - FOPPO	\$1,568.04	\$1,568.04	\$0.00	\$1,654.47	\$1,654.47	\$0.00	\$86.43	\$0.00
PacificSource HDHP	\$1,440.55			\$1,526.98				
Delta Dental	\$128.79			\$128.79				
PacificSource HDHP/Delta - Non-MCLEA	\$1,569.34	\$1,569.34	\$0.00	\$1,655.77	\$1,621.00	\$34.77	\$51.66	\$34.77
PacificSource HDHP/Delta - MCJEA	\$1,569.34	\$1,569.34	\$0.00	\$1,655.77	\$1,655.77	\$0.00	\$86.43	\$0.00
PacificSource HDHP/Delta - FOPPO	\$1,569.34	\$1,569.34	\$0.00	\$1,655.77	\$1,655.77	\$0.00	\$86.43	\$0.00

**Marion County - MCLEA Employees**  
**Employee Health Plan Contributions**  
**January 1, 2023**  
**Based on Current Contribution Method**

	MCLEA Current Contributions			MCLEA Renewal Contributions			Monthly Dollar Difference versus 2022	
	Premium Rates	County Cost	Employee Cost	Premium Rates	County Cost	Employee Cost	County	Employee
Kaiser HMO	\$1,532.72			\$1,456.08				
Kaiser Dental	\$161.42			\$161.42				
Kaiser/Kaiser - MCLEA	\$1,694.14	\$1,609.44	<b>\$84.70</b>	\$1,617.50	\$1,536.62	<b>\$80.88</b>	<b>(\$72.82)</b>	<b>(\$3.82)</b>
Kaiser HMO	\$1,532.72			\$1,456.08				
Delta Dental	\$142.31			\$142.31				
Kaiser/Delta - MCLEA	\$1,675.03	\$1,591.28	<b>\$83.75</b>	\$1,598.39	\$1,518.47	<b>\$79.92</b>	<b>(\$72.81)</b>	<b>(\$3.83)</b>
PacificSource PPO	\$2,026.60			\$2,168.46				
Kaiser Dental	\$161.42			\$161.42				
PacificSource PPO/Kaiser - MCLEA	\$2,188.02	\$2,078.62	<b>\$109.40</b>	\$2,329.88	\$2,213.38	<b>\$116.50</b>	<b>\$134.76</b>	<b>\$7.10</b>
PacificSource PPO	\$2,026.60			\$2,168.46				
Delta Dental	\$142.31			\$142.31				
PacificSource PPO/Delta - MCLEA	\$2,168.91	\$2,060.46	<b>\$108.45</b>	\$2,310.77	\$2,195.23	<b>\$115.54</b>	<b>\$134.77</b>	<b>\$7.09</b>

**Marion County**  
**PT/Temp**  
**Medical/Rx/Vision Plan Annual Cost Projection**  
**January 1, 2023 Renewal**

<b>Part Time Employees</b>				<b>2023 Contributions</b>	
<b>PacificSource \$7,000 Ded Plan</b>					
	<u>Enrollment</u>	<u>Current Rate</u>	<u>No Bid Renewal</u>	<u>County Cost</u>	<u>Employee Cost</u>
Employee Only	0	\$587.52	\$628.65	\$468.59	\$160.06
Employee & Spouse	0	\$1,703.81	\$1,823.08	\$468.59	\$1,354.49
Employee & Dependents	0	\$1,703.81	\$1,823.08	\$468.59	\$1,354.49
Employee & Family	0	\$1,703.81	\$1,823.08	\$468.59	\$1,354.49
Monthly	0	\$0	\$0		



## Marion County Health Savings Account Contribution

	# of EE	Contribution
HSA Employer Contribution, EE only	48	\$31,200.00
HSA Employer Contribution, Family	125	\$162,500.00
<b>Marion County Annual Contribution</b>	<b>173</b>	<b>\$193,700.00</b>

\*\*The above amounts are based on employer contribution of \$650 for employee only and \$1300 for family enrollments

\*\*Number of current enrollments as of 9/01/22