



MARION COUNTY BOARD OF COMMISSIONERS

Board Session Agenda Review Form

10/11/2023

Meeting date: \_\_\_\_\_

Department: Human Resources

Title: Marion County Law Enforcement Association (MCLEA) & Marion County (MC) Health Insurance Study Committee (HISC) Recommendations

9/12/23

Agenda Planning Date: \_\_\_\_\_ Management Update/Work Session Date: 9/26/23 Audio/Visual aids

Time Required: 10 Contact: Lori Klemsen, HR Manager Phone: 503-584-7781

Requested Action: 1. Accept the MCLEA HISC Recommendations: Renew Pacific Source PPO Plan and Kaiser HMO Health Plan with no plan changes, Renew Delta Dental Plan and Kaiser Dental Plan with no plan changes. 2. Accept the recommendation of the MC HISC and the Work Session discussion to put forth the following: Renew Pacific Source PPO Plan, Pacific Source High Deductible Health Plan and Kaiser HMO Health Plan with no plan changes, Renew Delta Dental Plan and Kaiser Dental Plan with no plan changes

Issue, Description & Background: Annual Renewal and HISC recommendations for plan year 2024

Financial Impacts: See attachments

Impacts to Department & External Agencies: Specific Departmental impact has not been determined at this time.

List of attachments: \_\_\_\_\_

Presenter: Lori Klemsen

Department Head Signature: [Handwritten Signature]

# Board Session October 11, 2023

## Marion County Health Plan

### MCLEA & MC Health Insurance Study Committee (HISC)

#### recommendations for Plan Year 2024

## MCLEA Health Insurance Study Committee (HISC) recommendations for Plan Year 2024

### 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 MCLEA HISC reviewed proposed carrier renewals. The committee voted to make the following medical plan recommendations:

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

U # = @ **Study Committee (HISC) recommendations for**  
**Plan Year 202**

**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 MC units (MCEA, MCJEA, FOPPO, unrepresented). In addition, Kaiser offers Health Maintenance Organization (HMO) plans for this group.

**Dental Plans**

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

**U # = @ # Recommendations**

This year, through a collaborative effort between the MC Health Insurance Study Committee and a Work Session held on September 26th, the recommendation being put forth is the following:

- PacificSource HDHP Plan
  - Accept renewal
- Pacification Source 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. Human Resources 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 following table summarizes your employee benefit plan renewals from the following insurance carriers and vendors for the plan year beginning January 1, 2024.

Benefit Plan	Carrier or Vendor	AM Best Rating*	AM Best Size*	% Renewal Increase
Medical/prescription drug	PacificSource Health Plans	A-	VII	2.7%
Medical/prescription drug	Kaiser Foundation Health Plan Northwest	NR	NR	13.6%
Dental	Delta Dental of Oregon	B	VIII	0%
Dental	Kaiser Foundation Health Plan Northwest	NR	NR	-2.0%
Life/AD&D	New York Life	A	XV	0%
Short Term Disability	New York Life	A	XV	0%
Long Term Disability	New York Life	A	XV	0%
COBRA / FSA	Consolidated Admin Services	NR	NR	0%
Employee Assistance Program	Canopy ( <i>formerly Cascade Centers</i> )	NR	NR	0%

## Negotiation Results

Negotiations were conducted with PacificSource and Kaiser on the County's behalf.

Carrier or Vendor	Original Renewal	Final Renewal	Estimated Avoidance
PacificSource Health Plans – MC PPO	8.9%	2.7%	(\$447,309)
PacificSource Health Plans – MC HDHP	8.9%	2.7%	(\$224,830)
PacificSource Health Plans – MCLEA PPO	8.9%	2.7%	(\$150,145)
Kaiser Foundation Health Plan Northwest – MC HMO	15.9%	13.6%	(\$249,466)
Kaiser Foundation Health Plan Northwest – MCLEA PPO	15.9%	13.6%	(\$50,503)
<b>Total Estimated Avoidance</b>			<b>\$1,122,252</b>

**Marion County**  
**MC Employee Health Plan Contributions**  
**January 1, 2024**  
**Based on Current Contribution Method**

	Current (2023)			Renewal (2024)			Monthly Difference versus 2023	
	Premium	County	EE Cost	Premium	County	EE Cost	County	Employee
		Cost			Cost			
PPO MC HISC (300 ded)	\$1,755.69			\$1,803.97				
Kaiser Dental MC HISC	\$127.49			\$124.94				
MC HISC	\$1,883.18	\$1,621.00	\$262.18	\$1,928.91	\$1,646.00	\$282.91	\$25.00	\$20.73
MCJEA	\$1,883.18	\$1,671.00	\$212.18	\$1,928.91	\$1,696.00	\$232.91	\$25.00	\$20.73
FOPPO	\$1,883.18	\$1,883.18	\$0.00	\$1,928.91	\$1,928.91	\$0.00	\$45.73	\$0.00
PPO MC HISC (300 ded)	\$1,755.69			\$1,803.97				
Delta Dental MC HISC	\$128.79			\$128.79				
MC HISC	\$1,884.48	\$1,621.00	\$263.48	\$1,932.76	\$1,646.00	\$286.76	\$25.00	\$23.28
MCJEA	\$1,884.48	\$1,671.00	\$213.48	\$1,932.76	\$1,696.00	\$236.76	\$25.00	\$23.28
FOPPO	\$1,884.48	\$1,884.48	\$0.00	\$1,932.76	\$1,932.76	\$0.00	\$48.28	\$0.00
HSA MC HISC	\$1,526.99			\$1,568.98				
Kaiser Dental MC HISC	\$127.49			\$124.94				
MC HISC	\$1,654.48	\$1,621.00	\$33.48	\$1,693.92	\$1,646.00	\$47.92	\$25.00	\$14.44
MCJEA	\$1,654.48	\$1,654.48	\$0.00	\$1,693.92	\$1,693.92	\$0.00	\$39.44	\$0.00
FOPPO	\$1,654.48	\$1,654.48	\$0.00	\$1,693.92	\$1,693.92	\$0.00	\$39.44	\$0.00
HSA MC HISC	\$1,526.99			\$1,568.98				
Delta Dental MC HISC	\$128.79			\$128.79				
MC HISC	\$1,655.78	\$1,621.00	\$34.78	\$1,697.77	\$1,646.00	\$51.77	\$25.00	\$16.99
MCJEA	\$1,655.78	\$1,655.78	\$0.00	\$1,697.77	\$1,696.00	\$1.77	\$40.22	\$1.77
FOPPO	\$1,655.78	\$1,655.78	\$0.00	\$1,697.77	\$1,697.77	\$0.00	\$41.99	\$0.00
Kaiser HMO MC HISC	\$1,519.93			\$1,726.50				
Kaiser Dental MC HISC	\$127.49			\$124.94				
MC HISC	\$1,647.42	\$1,621.00	\$26.42	\$1,851.44	\$1,646.00	\$205.44	\$25.00	\$179.02
MCJEA	\$1,647.42	\$1,647.42	\$0.00	\$1,851.44	\$1,696.00	\$155.44	\$48.58	\$155.44
FOPPO	\$1,647.42	\$1,647.42	\$0.00	\$1,851.44	\$1,851.44	\$0.00	\$204.02	\$0.00
Kaiser HMO MC HISC	\$1,519.93			\$1,726.50				
Delta Dental MC HISC	\$128.79			\$128.79				
MC HISC	\$1,648.72	\$1,621.00	\$27.72	\$1,855.29	\$1,646.00	\$209.29	\$25.00	\$181.57
MCJEA	\$1,648.72	\$1,648.72	\$0.00	\$1,855.29	\$1,696.00	\$159.29	\$47.28	\$159.29
FOPPO	\$1,648.72	\$1,648.72	\$0.00	\$1,855.29	\$1,855.29	\$0.00	\$206.57	\$0.00

**Marion County**  
**MCLEA Employee Health Plan Contributions**  
**January 1, 2024**  
**Based on Current Contribution Method**

	Current (2023)			Renewal (2024)			Monthly Difference versus 2023	
	Premium	County Cost	EE Cost	Premium	County Cost	EE Cost	County	Employee
Kaiser HMO MCLEA HISC	\$1,456.08			\$1,648.36				
Kaiser Dental MCLEA HISC	\$161.42			\$158.19				
MCLEA	\$1,617.50	\$1,536.62	<b>\$80.88</b>	\$1,806.55	\$1,716.22	<b>\$90.33</b>	<b>\$179.60</b>	<b>\$9.45</b>
Kaiser HMO MCLEA HISC	\$1,456.08			\$1,648.36				
Delta Dental MCLEA HISC	\$142.31			\$145.69				
MCLEA	\$1,598.39	\$1,518.47	<b>\$79.92</b>	\$1,794.05	\$1,704.35	<b>\$89.70</b>	<b>\$185.88</b>	<b>\$9.78</b>
PPO MCLEA (100 ded)	\$2,168.46			\$2,228.09				
Kaiser Dental MCLEA HISC	\$161.42			\$158.19				
MCLEA	\$2,329.88	\$2,213.38	<b>\$116.50</b>	\$2,386.28	\$2,266.97	<b>\$119.30</b>	<b>\$53.59</b>	<b>\$2.80</b>
PPO MCLEA (100 ded)	\$2,168.46			\$2,228.09				
Delta Dental MCLEA HISC	\$142.31			\$145.69				
MCLEA	\$2,310.77	\$2,195.23	<b>\$115.54</b>	\$2,373.78	\$2,255.09	<b>\$118.69</b>	<b>\$59.86</b>	<b>\$3.15</b>

**Marion County**  
**Medical/Rx Drug Plan Annual Cost Projection - Medical Plan for Part-Time Employees**  
**January 1, 2024**

Part Time Employees			2024 Contributions		
PacificSource \$7,000 Ded Plan					
	<u>Enrollment</u>	<u>Current</u>	<u>Final Renewal</u>	<u>County Cost</u>	<u>Employee Cost</u>
Employee Only	0	\$628.65	\$645.94	\$477.59	\$168.35
Employee & 1 Dependent	0	\$1,823.08	\$1,873.21	\$477.59	\$1,395.62
Employee & 2+ Dependents	0	\$1,823.08	\$1,873.21	\$477.59	\$1,395.62

### Marion County Health Savings Account Contribution

	# of EE	Contribution
HSA Employer Contribution, EE only	63	\$40,950.00
HSA Employer Contribution, Family	123	\$159,900.00
<b>Marion County Annual Contribution</b>	<b>186</b>	<b>\$200,850.00</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 9/01/23