



2015 Benefits Renewal

July 31, 2014

Presented by:

Edmond T. Heatley, Ed.D., Interim Chief Human Resources Officer, St. Louis Public Schools and Holmes Murphy & Associates

2015 Benefits Renewal Update

- Medical, Pharmacy and Dental: Did not have rate guarantees for the January 1, 2015 Renewal
- Vision, Basic Life/AD&D, Voluntary Life, Short Term Disability and Long Term Disability: In the 2nd year of a 3 year rate guarantee that was effective January 1, 2014.
- Affordable Care Act (ACA) Fees: ACA fees are included.
- Update on the District's "Be Well" Program: Will be discussed.
- Next Steps

Joint Benefit Committee Recommendations (JBC)

- ▶ The Committee is comprised of representatives from Local 420 Active and Retiree groups; the PSRSSTL Retirement office, Finance and Human Resources. The Committee met on July 8, 2014.
- ▶ **Recommendations**
- 1. Medical - Coventry Health Care's increase is 9.4% including the ACA fees. The ACA fees account for 4.2% with the renewal at 5.2%. There is a rate cap of 12% for the January 1, 2015 renewal.
- 2. Pharmacy - Express Scripts estimated increase of 16%. Effective January 1, 2015, implement Prior Authorization and Exclusive Specialty programs.
- 3. Dental - Delta Dental of Missouri increase is 6%. There is a rate cap of 8% for the January 1, 2015 renewal that was negotiated to 6%.



District Responsibility Renewal Scenario

Scenario 1 - Renew All current vendors. All medical and pharmacy copays continue to count towards the OOP Maximum.

Coverage	Carrier	TOTAL Estimated Annual Premium ⁽³⁾			Employee Responsibility ⁽¹⁾			District Responsibility ⁽¹⁾		
		Current	Proposed	% Change	Current	Proposed	% Change	Current	Proposed	% Change
Medical	Coventry	\$21,644,520	\$23,679,162	9.4%	\$2,838,446	\$3,105,188	9.4%	\$18,806,075	\$20,573,974	9.4%
Pharmacy ⁽²⁾	Express Scripts	\$7,291,957	\$8,456,468	16.0%	\$789,543	\$915,672	16.0%	\$6,502,414	\$7,540,796	16.0%
ERRP Funds		-\$255,568	\$0	-100.0%	-\$28,069	\$0	-100.0%	-\$227,500	\$0	-100.0%
Wellness	Coventry	Included above	Included above	0.0%	Included above	Included above	0.0%	Included above	Included above	0.0%
Dental	Delta of MO	\$1,533,495	\$1,625,544	6.0%	\$486,804	\$515,944	6.0%	\$1,046,691	\$1,109,600	6.0%
Vision	VBA	\$111,066	\$111,066	0.0%	\$45,885	\$45,885	0.0%	\$65,180	\$65,180	0.0%
Basic Life and AD&D	CIGNA	\$288,561	\$288,561	0.0%	\$0	\$0	0.0%	\$288,561	\$288,561	0.0%
Voluntary EE & Dep Life	CIGNA	\$236,749	\$236,749	0.0%	\$236,749	\$236,749	0.0%	\$0	\$0	0.0%
Short Term Disability	CIGNA	\$673,646	\$673,646	0.0%	\$0	\$0	0.0%	\$673,646	\$673,646	0.0%
Long Term Disability	CIGNA	\$546,343	\$546,343	0.0%	\$0	\$0	0.0%	\$546,343	\$546,343	0.0%
EAP ⁽⁴⁾	Coventry / MH Net	\$1,507	\$1,507	0.0%	\$0	\$0	0.0%	\$1,507	\$1,507	0.0%
Total Premium		\$32,072,277	\$35,619,046		\$4,369,358	\$4,819,438		\$27,702,918	\$30,799,608	
Total Savings/Cost			\$3,546,770			\$450,080			\$3,096,690	
Percent of Change			11.1%			10.3%			11.2%	



District Responsibility Per Employee Per Month 2010 to 2015

District Responsibility 2010 to 2015 - All Coverages

	2010	2011	2012	2013	2014	2015
District Responsibility	\$28,509,576	\$27,822,986	\$27,249,754	\$28,260,446	\$27,583,817	\$30,799,608
Employee Headcount	3,751	3,639	3,227	3,393	3,602	3,618
Per Employee Per Month (pepm)	\$633.38	\$637.15	\$703.69	\$694.09	\$638.16	\$709.41
% Change From Prior Year		0.6%	10.4%	-1.4%	-8.1%	11.2%



SLPS “Be Well” Program Update

- ▶ “Be Well” Program with Coventry Health Care
 - Biometric Screenings will be held in October 2014.
 - Walking Program: Pedometers will be distributed for the American Heart Associate Walking Steps Challenge in October 2014.
 - The Health Fair will be held on October 25, 2014.
 - Over 15 vendors have committed to participating.
 - Applications have been submitted as a healthy workplace to:
 - American Heart Associate for the Fit Friendly Award
 - Business Health Coalition for the Business Health Culture Award

Next Steps

- ▶ Respectfully request approval of the 2015 Benefit Plans at this meeting so that the employee communication and enrollment process can begin.