



**CITY OF HENDERSON
SELF-FUNDED INSURANCE COMMITTEE
AGENDA
STRATEGIC PLANNING MEETING**

**Wednesday, February 10, 2016
9:00 a.m. to 3:00 p.m.
Meeting Inquiries: 702-267-1924**

**Mayor and Council Board Room (4th Floor)
240 Water Street
Henderson, NV 89015**

Notice to persons with special needs: For those requiring special assistance or accommodation to attend or participate in this meeting, arrangements for a sign language interpreter or services necessary for effective communication for qualified persons with disabilities should be made as soon as possible, but no later than 72 hours before the scheduled event. Listening devices are available for persons with hearing impairments.

Please contact the Alysa Neilson at (702)267-1924 or TTY: 7-1-1, **at least 72 hours in advance** to request a sign language interpreter. You may also submit your request by using [Contact Henderson](#).

The Chairman reserves the right to hear agenda items out of order, combine two or more agenda items for consideration, remove an item from the agenda, or delay discussion relating to an item on the agenda at any time.

Individuals speaking on an item will be limited to three (3) minutes and spokespersons for a group will be limited to ten (10) minutes.

Backup materials for agenda items can be found at: http://cityofhenderson.com/human_resources/index.php. To request backup materials, please contact Alysa Neilson at (702)267-1924.

- I. Call to Order**
- II. Confirmation of Posting and Roll Call**
- III. Acceptance of the Agenda (For Possible Action)**
- IV. Public Comment**
Note: Items discussed under Public Comment cannot be acted upon at this meeting, but may be referred to a future agenda for consideration (NRS 241.020).
- V. New Business**
 - A. Self-Funded Health Plan Basics Presentation
 - B. Approval of Minutes for Regular Meeting of December 9, 2015 (For Possible Action)
 - C. Self-Funded Health Plan's Monthly Financial Report
 - D. Sierra Healthcare Options Monthly Report
 - E. Health Plan of Nevada Status Report
 - F. Gallagher Benefit Services Compliance Update and Annual Report
 - G. Discuss Current Contracts up for Renewal in 2017
 - 1. The Loomis Company – Claims Administration
 - 2. Sierra Health-Care Options – Preferred Provider Organization (PPO), Utilization Management
 - 3. Delta Dental
 - 4. Vision Service Plan
 - 5. Health Plan of Nevada
- VI. Lunch Break**

VII. New Business Continued

- H. Membership with the Hospital Services Coalition
- I. Selection of Telemedicine Provider (For Possible Action)
 - 1. Teladoc
 - 2. MedCallAssist
- J. Eliminate exclusion under speech therapy for mental, emotional or nervous disorders (For Possible Action)
- K. Approve amended Self-Funded Health Plan Committee by-laws (For Possible Action)
- L. Direct contract options for in-patient services for mental and substance abuse facilities
- M. Future Committee Initiatives
 - 1. High Deductible Plans with a Health Savings Account
 - 2. Gender Reassignment Services
 - 3. Expanding Residential Treatment Services
 - 4. Wellness Program Options
 - 5. Disease Management
 - 6. Physician fair pricing reward system

VIII. Public Comment

Note: Items discussed under Public Comment cannot be acted upon at this meeting, but may be referred to a future agenda for consideration (NRS 241.020).

IX. Chairman/Committee Member/Committee Staff Comment

The Chairman, Committee Members and Committee Staff may speak on any subject under this section of the agenda. Chairman, Committee Members and Committee Staff may comment on matters including, without limitation, future agenda items, upcoming meeting dates, and meeting procedures. Comments made cannot be acted upon or discussed at this meeting, but may be placed on a future agenda for consideration by the Committee.

X. Set Next Meeting Date

XI. Adjournment

Posted prior to 9:00 a.m. on February 4, 2016
City Hall, 240 Water Street, 1st Floor Lobbies (2)
Multigenerational Center, 250 South Green Valley Parkway
Whitney Ranch Recreational Center, 1575 Galleria Drive
Fire Station No. 86, 96 Via Antincendio
www.cityofhenderson.com
<https://notices.nv.gov>

**CITY OF HENDERSON
SELF-FUNDED INSURANCE COMMITTEE
MINUTES
REGULAR MEETING
December 9, 2015**

I. Call to Order

Chairman Jennifer Fennema called the City of Henderson Insurance Committee Special meeting to order at 10:03 a.m., in the Westgate Conference Room, 2nd Floor, City Hall, 240 Water Street, Henderson, Nevada.

II. Confirmation of Posting and Roll Call

Alysa Neilson, Employee Benefits Coordinator, confirmed the Insurance Committee meeting had been noticed in compliance with the Open Meeting Law by posting the Agenda three working days prior to the meeting at City Hall, the Multigenerational Center, the Whitney Ranch Recreation Center, Fire Station No. 86, the Nevada Public Notice Website, the City of Henderson Website, and by mailing a copy of the Agenda to everyone appearing thereon on the Agenda Master Mailing List.

PRESENT: Chairman Jennifer Fennema
Barry Courtney
Fred Horvath
Kenneth Kerby
Connie Kershaw
Courtney Lancaster
Tim O'Neill
Dan Pentkowski
Laura Shearin (left at 11:00 a.m.)

ALTERNATES: Tom Chiello
John Day
Fred Horvath

STAFF: Marie Gamboa, Senior Accountant
Kristina Gilmore, Asst. City Attorney II
Tedie Jackson, CCS Reporter
Alysa Neilson, Employee Benefits Coordinator
Bob Osip, Risk Manager

ALSO PRESENT: Shawn Adkins, Gallagher Benefit Services
Pam Levy, Sierra Health Options

III. Acceptance of the Agenda (For Possible Action)

(Motion) Mr. Pentkowski introduced a motion to accept the agenda as presented, seconded by Mr. Kerby. The vote favoring approval was unanimous. Chairman Fennema declared the motion carried.

IV. Public Comment

There were no public comments presented.

V. New Business

A. Approval of Minutes for the regular meeting of October 21, 2015

(Motion) Mr. Pentkowski introduced a motion to approve the minutes of October 21, 2015, as presented, seconded by Mr. Kerby. The vote favoring approval was unanimous. Chairman Fennema declared the motion carried.

B. Self-Funded Health Plan's Monthly Financial Report

Connie Kershaw, Accounting Manager, distributed and reviewed the Self-Funded Health Insurance Fund as of November 30, 2015; and the retiree subsidy and Stop Loss Restricted Cash report

C. Loomis Monthly Claims Report

Shawn Adkins, GBS, provided a summary of the monthly claims report and noted that claims are lower than last year. He commented that he anticipates at least three long-term claims.

D. Sierra Healthcare Options Monthly Report

Pam Levy, Sierra Healthcare Options, distributed and reviewed the 2015 Monthly Average Length of Stay report for October and November. She noted that more autism providers have been added to the network.

Responding to a question as to whether there is any initiative around expanding the urgent care groups, Ms. Levy commented that a person or business can submit a nomination form for any urgent care group.

E. Health Plan of Nevada Status Report

Shawn Adkins, GBS, reported that United Healthcare announced that they will not be part of any exchange in 2017. They have shut down a number of co-ops, and the Nevada co-op will be out of business as of January 1, 2016.

F. Gallagher Benefit Services Status Report

Regarding healthcare reform, Shawn Adkins, GBS, said the Senate was able to append a bill to repeal the Cadillac Tax; however, it is uncertain to what extent this will affect the Cadillac Tax.

Mr. Adkins stated that they secured better pricing with Express Scripts that should save the plan about three percent.

G. Review limitations on the speech therapy benefit

Alysa Neilson, Employee Benefits Coordinator, reviewed the language outlined for covered medical expenses for speech therapy. She reported that there is a request to amend the Plan to cover speech therapy for children with Down Syndrome. She pointed out that autism is a covered benefit and speech therapy is covered for autism. It was noted that covering autism was mandated by state law.

Shawn Adkins, GBS, stated that speech therapy for Down Syndrome is typically excluded in most medical plans. A brief discussion ensued regarding this issue, and it was noted that there are many state programs to assist with developmental disabilities. Ms. Levy will research this issue further.

There was a consensus to possibly put this item on a future agenda for further discussion and possible action.

H. Stop loss update

Shawn Adkins, GBS, reported that they were able to get the laser removed and an additional two percent off the rates. He said the overall premium will increase approximately \$5,000.00 annually.

I. Telemedicine options

Bob Osip, Risk Manager, reported that staff viewed an online demonstration of Telemedicine, which is an online application for a doctor's e-visit. There are many providers who offer this service. The cost per employee per month charge for Teledoc is \$2.25, and \$45.00 fee per visit. Adding this benefit would cost the Plan \$20,000.00.

Mr. Osip explained that a typical visit would be to download the app and call in or log on the computer. He stated that the service is available 24 hours a day, seven days a week, and 90 percent of the doctors you speak to are located in the state you reside.

Responding to a question regarding whether there are higher incidents of malpractice in e-visits, Teledoc reports they have never had a malpractice incident regarding a call.

There was a consensus to put this item on the next agenda for further discussion and possible action.

J. Impose restrictions on child coverage if other group coverage is available

Mr. O'Neill stated that several members have complained that an adult child who can apply for insurance coverage through their employer should have to take that insurance like spouses do.

Staff explained that PPACA mandates coverage to dependent children up to age 26. Spouses are excluded from PPACA.

K. Membership with the Hospital Coalition

Bob Osip, Risk Manager, provided a background history of the Hospital Coalition. He reported that the Coalition and St. Rose could not agree to terms last year; however, they have reached a three-year agreement with good pricing beginning January 1, 2016.

Pam Levy, SHO, commented that she needs to research if there are any restrictions on the Coalition that might restrict members from losing access to surgical centers, rehabilitation centers, and skilled nursing facilities. She will provide information at the next meeting

This item will be placed on a future agenda for further discussion and possible action.

L. Open Enrollment update

Alysa Neilson, Employee Benefits Coordinator, reported that open enrollment is still going on. Staff is still waiting for responses from about 131 members regarding spousal affidavits. Staff will send them a target letter and follow up with an email. She noted that 48 members are removing their spouses, and five members added spouses.

Staff also sent target emails that domestic partners will lose coverage beginning January 1, 2016.

Mr. Pentkowski stated that other employers are less than helpful providing documentation showing proof of no insurance coverage.

Ms. Neilson said she needs an email or a letter from the employer stating that the person is ineligible for insurance coverage due to part-time status, or per diem status, or whatever the case may be.

M. Affordable Care Act 1095C tax reporting

Staff presented a summary of this item and expressed concern that there are incompatibility issues with the data and the programming. IT and Finance staff are continuing to work on the problem.

Mr. Adkins noted that they have identified a contingency vendor that can help report the information accurately.

N. International Foundation Employee Benefit Plans conference reports

Mr. Horvath commented that the IRS is expecting total chaos regarding the reporting forms employees must fill out.

It was noted that staff will put out an informative video that explains the required forms employees must fill out.

Mr. Kerby stated that the conference was very informative and affirmed that the City of Henderson is on the right track compared to many other cities.

VI. Public Comment

There were no public comments presented.

VII. Chairman/Committee Member/Committee Staff Comment

Bob Osip, Risk Manager, reported that ESI is rolling out a safeguard RX program in January regarding an enhanced hepatitis cure program and an enhanced cholesterol care program.

Shawn Adkins, GBS, commented that the IRS is starting to scrutinize what constitutes vacation leave plans. Buyback or cash-out plans are considered a taxable event.

VIII. Set Next Meeting Date

The January 2016, meeting will be cancelled.

The strategic planning meeting was set for February 10, 2015, from 9:00 a.m. to 3:00 p.m. Staff will provide the link for members to complete HIPAA training online.

IX. Adjournment

There being no further business to be discussed, Chairman Fennema adjourned the meeting at 11:41 a.m.

Respectfully submitted,

Tedie Jackson, CCS Reporter

**SELF-FUNDED HEALTH INSURANCE FUND (FUND 6051)
AS OF JANUARY 31, 2016 CASH BASIS - UNAUDITED**

	Estimated Year Ended 12/31/15	% of Total Rev	YTD 2015 January	% of Total Rev	Estimated YTD 2016 January	% of Total Rev	Increase/(Decrease) e) 2015/2016	% Change 2014/2015
Cash Beginning of Year	\$ 5,181,569		\$ 5,181,569		\$ 5,416,211		\$ 234,642	4.53%
Revenue:								
Premiums - HPN	\$ 1,026,572	6.49%	\$ 78,761	6.01%	\$ 92,053	6.33%	\$ 13,292	16.88% 1
Premiums - Self Funded	13,473,963	85.23%	1,130,633	86.26%	1,240,689	85.32%	110,056	9.73% 2
Premiums - Retirees	1,240,113	7.84%	96,735	7.38%	115,955	7.97%	19,220	19.87% 3
Interest Income	66,567	0.42%	4,638	0.35%	5,547	0.38%	909	19.60% 4
Misc-Performance Guarantee	947	0.01%	-	0.00%	-	0.00%	-	0.00%
Total Revenue	\$ 15,808,162	100.0%	\$ 1,310,767	100.0%	\$ 1,454,244	100.0%	\$ 143,477	10.9%
Expenses:								
Administrative Costs:								
Salaries, wages & benefits	131,973	0.83%	9,877	0.75%	10,278	0.71%	401	4.06%
Consulting	93,000	0.59%	-	0.00%	-	0.00%	-	0.00%
Claims Adjudication	662,209	4.19%	63,697	4.86%	51,769	3.56%	(11,928)	-18.73% 5
VSP Service Fee	25,635	0.16%	2,094	0.16%	2,166	0.15%	72	3.44%
Professional Costs	49,434	0.31%	4,004	0.31%	4,095	0.28%	91	2.27%
Transitional Reinsurance Fee	143,955	0.91%	143,955	10.98%	107,723	7.41%	(36,232)	-25.17% 6
Miscellaneous Costs	32,778	0.21%	714	0.05%	2,750	0.19%	2,036	285.15%
Administrative fee-GF	24,801	0.16%	2,019	0.15%	2,115	0.15%	96	4.75%
Total Administrative Costs	1,163,785	7.36%	226,360	17.27%	180,896	12.44%	(45,464)	-20.08%
Fixed Premiums:								
Specific Stop-Loss Premium	228,283	1.44%	19,511	1.49%	18,761	1.29%	(750)	-3.84%
Life Insurance	104,959	0.66%	8,551	0.65%	8,945	0.62%	394	4.61%
AD&D	24,883	0.16%	2,034	0.16%	2,118	0.15%	84	4.13%
HPN Premiums	814,210	5.15%	61,292	4.68%	75,029	5.16%	13,737	22.41% 7
Long Term Disability	229,399	1.45%	18,645	1.42%	19,420	1.34%	775	4.16%
Dental	24,913	0.16%	2,242	0.17%	2,365	0.16%	123	5.49% 8
Total Fixed Premiums	1,426,647	9.02%	112,275	8.57%	126,638	8.71%	14,363	12.79%
Claims Paid:								
Medical-Net (1)	8,667,705	54.83%	544,143	41.51%	361,125	24.83%	(183,018)	-33.63% 9
Prescriptions	3,133,510	19.82%	301,932	23.03%	220,066	15.13%	(81,866)	-27.11% 9
Dental: Loomis	723,638	4.58%	65,337	4.98%	44,376	3.05%	(20,961)	-32.08% 10
Delta Dental	274,972	1.74%	6,616	0.50%	19,538	1.34%	12,922	195.31% 10
Vision	183,263	1.16%	13,132	1.00%	15,268	1.05%	2,136	16.27%
Total Claims	12,983,088	82.1%	931,160	71.0%	660,373	45.4%	(270,787)	-29.1%
Total Expenses	\$ 15,573,520	98.5%	\$ 1,269,795	96.9%	\$ 967,907	66.6%	\$ (301,888)	-23.8%
Cash Basis Income (Loss)	234,642		40,972		486,337		445,365	1087.00%
Ending Cash Balance	\$5,416,211		\$5,222,541		\$5,902,548		680,007	13.02%
Ending restricted cash balance	393,888		582,702		1,071,529		488,827	
Ending AVAILABLE cash	\$5,022,323		\$4,639,839		\$4,831,020		191,180	4.12%
(1) Medical Claims-Net	8,667,705		544,143		361,125		(183,018)	
Stop loss claims payments received	350,570		334,747		-		(334,747)	
Medical Claims-Gross	9,018,275		878,890		361,125		(517,765)	
(2) Prescription Claims-Net	3,133,510		301,932		220,066		(81,866)	
Prescription Rebates	491,879		155,467		-		(155,467)	
Stop loss claims payments received	-		-		-		-	
Prescription Claims-Gross	3,625,389		457,399		220,066		(237,333)	

Comments:

- \$25 or 5.6% rate increase in 2016 for City and on average 15% for employees.
- \$25 or 5.6% rate increase in 2016 for City and on average 30% for employees.
- Increase in rates and more retirees.
- Estimate.
- Sierra invoice related to adjudication negotiations \$22,084 in January of 2015. This was offset by an increase in adjudication services through Loomis in January of 2016. Adjudication fees as a percentage of claims paid is 7% and 8% respectively.
- Transitional fee-PPACA requirement to be paid once a year in January. Transition Reinsurance rate decreased from \$63 to \$55 (or 12.7%) per enrollee. The rate decrease was offset by an increase in the annual enrollment count of 7%.
- 6% rate increase and 13% more subscribers in 2016.
- This line represents Delta Dental administrative fees and varies based on timing of payment. Fees approximate \$2,300 per month.
- Decrease is due to timing of check runs. January of 2015 includes four check runs vs. three in January of 2016.
- Changed plan to self funded in January of 2015. The net change in dental claims is a decrease of \$8,039 or 11%, which is mainly due to timing of check runs. January of 2015 includes four check runs vs. three in January of 2016.

**Retiree Insurance Subsidy
As of January 31, 2016**

	MTD	YTD
Beginning Balance	\$ 957,473	\$ 957,473
Additions--Contributions	41,395	41,395
Interest	578	578
Deletions--Payments	(10,100)	(10,100)
Ending Balance	<u>\$ 989,346</u>	<u>\$ 989,346</u>

# of Retirees Receiving Subsidy	29
# of Retirees by Level of Subsidy	
\$500	6
\$400	11
\$300	4
\$200	7
\$100	1

**Stop Loss Restricted Cash
As of January 31, 2016**

See Note 1

	MTD	YTD
Cash restricted, beginning	\$ 393,888	\$ 393,888
Cash transfer: premium savings	677,148	677,148
Interest	493	493
Claims paid in excess of \$200k less than \$550k	-	-
Cash restricted, ending	<u>\$ 1,071,529</u>	<u>\$ 1,071,529</u>

Claims paid by month:	<u>Amount</u>	<u>Number of claimants</u>
January	-	
February	-	
March	-	
April	-	
May	-	
June	-	
July	-	
August	-	
September	-	
October	-	
November	-	
December	-	
Year to date total	<u>-</u>	

Note 1:

Committee voted to raise the stop loss deductible from \$200,000 to \$500,000 during calendar year 2015. The deductible amount was increased for calendar year 2016 to \$550,000. The savings in premium (\$677,148) has been transferred to a restricted cash account. This restricted cash may only be used to pay claims in excess of \$200,000 and less than \$550,000. Restricted cash accumulated will not be considered in available balances for rate setting purposes or in decision of benefit enhancements. Determination of amount and process will be made on an annual basis. If the restricted cash is exhausted, any additional claims will be paid from operating cash.

2016 Plan Year - Paid Claims Analysis
 City of Henderson
 Claims Paid thru 1/31/2016

MONTH	YEAR	EES*	Med/Dent/Rx TOTAL AMOUNT PAID	Stop Loss Reimb.
Jan	2016	1,247	\$679,820	
EES* number represents medical lives				
GRAND TOTAL - 2016 YTD -			\$679,820	
2016 STOP LOSS REIMBURSEMENTS			\$0	
TOTAL NET - 2016 YTD			\$679,820	
GRAND TOTAL YEAR 2015			\$13,318,734	
2015 STOP LOSS REIMBURSEMENTS			-\$350,570	
TOTAL NET - 2015			\$12,968,164	

Paid Summary

11/1/15 -1/31/16

MONTH	YEAR	CATEGORY	TOTAL AMOUNT PAID	Stop Loss Reimb.
NOVEMBER		2015 DENTAL	\$44,757	
NOVEMBER		2015 MEDICAL	\$685,740	
NOVEMBER		2015 PRESCRIPTION	\$336,946	
NOVEMBER	2015		\$1,067,443	0
DECEMBER		2015 DENTAL	\$60,024	
DECEMBER		2015 MEDICAL	\$1,091,261	
DECEMBER		2015 PRESCRIPTION	\$454,877	
DECEMBER	2015		\$1,606,162	0
JANUARY		2016 DENTAL	\$47,024	
JANUARY		2016 MEDICAL	\$412,729	
JANUARY		2016 PRESCRIPTION	\$220,067	
JANUARY	2016		\$679,820	0
ROLLING THREE MONTHS			\$3,353,425	0

Paid Summary

11/1/14 -1/31/15

MONTH	YEAR	CATEGORY	TOTAL AMOUNT PAID	Stop Loss Reimb.
NOVEMBER		2014 DENTAL	\$57,473	
NOVEMBER		2014 MEDICAL	\$1,157,716	
NOVEMBER		2014 PRESCRIPTION	\$233,568	
NOVEMBER	2014		\$1,448,757	180,110
DECEMBER		2014 DENTAL	\$34,751	
DECEMBER		2014 MEDICAL	\$1,418,342	
DECEMBER		2014 PRESCRIPTION	\$229,973	
DECEMBER	2014		\$1,683,066	138,383
JANUARY		2015 DENTAL	\$65,420	
JANUARY		2015 MEDICAL	\$637,928	
JANUARY		2015 PRESCRIPTION	\$301,931	
JANUARY	2015		\$1,005,279	162,736
ROLLING THREE MONTHS			\$4,137,102	481,229

City Of Henderson Claims Analysis

1/1/14 - 12/31/14

2014 Plan Year - Paid Claim Basis

Month	Year	Med Ees	Dent Ees	Medical	Dental	Rx	Totals	Stop Loss Reimb.	Adjusted Total	Avg Cost Med/Rx PEPM	Avg Cost Dent PEPM
Jan	2014	1,128	969	624,654	49,100	179,462	853,216	-\$69,396	783,820	\$651	\$51
Feb	2014	1,127	969	440,526	52,065	211,709	704,300	\$0	704,300	\$579	\$54
Mar	2014	1,137	973	577,116	78,877	311,881	967,874	\$0	967,874	\$782	\$81
Apr	2014	1,157	983	661,189	50,940	122,408	834,537	\$0	834,537	\$677	\$52
May	2014	1,161	985	508,281	39,864	247,902	796,047	\$0	796,047	\$651	\$40
June	2014	1,163	983	526,580	51,547	336,857	914,984	\$0	914,984	\$742	\$52
July	2014	1,163	983	728,389	57,550	232,841	1,018,780	\$0	1,018,780	\$827	\$59
Aug	2014	1,171	1,015	998,652	47,279	255,770	1,301,702	-\$97,681	1,204,020	\$988	\$47
Sept	2014	1,159	1,026	894,221	71,971	249,220	1,215,412	-\$820	1,214,592	\$986	\$70
Oct	2014	1,153	1,022	957,633	59,509	205,844	1,222,986		1,222,986	\$1,009	\$58
Nov	2014	1,145	1,015	1,157,716	57,473	233,568	1,448,757	-\$180,110	1,268,647	\$1,058	\$57
Dec	2014	1,145	1,012	1,418,342	34,751	229,973	1,683,066	-\$138,383	1,544,683	\$1,319	\$34
Grand Totals 2014		13,809	11,935	9,493,299	650,926	2,817,436	12,961,661	-\$486,390	12,475,271	\$856	\$55

City Of Henderson Claims Analysis

1/1/15 - 12/31/15

2015 Plan Year - Paid Claim Basis

Month	Year	Med Ees	Dent Ees	Medical	Dental	Rx	Totals	Stop Loss Reimb.	Adjusted Total	Avg Cost Med/Rx PEPM	Avg Cost Dent PEPM
Jan	2015	1,190	998	637,928	65,420	301,931	1,005,279	-\$162,736	842,543	\$653	\$66
Feb	2015	1,199	998	478,121	61,308	255,626	795,055	-\$187,834	607,221	\$455	\$61
Mar	2015	1,212	998	770,732	66,124	318,704	1,155,560	\$0	1,155,560	\$899	\$66
Apr	2015	1,212	996	443,096	58,254	274,421	775,771	\$0	775,771	\$592	\$58
May	2015	1,212	997	712,817	62,835	224,391	1,000,043	\$0	1,000,043	\$773	\$63
June	2015	1,212	998	833,009	72,316	298,482	1,203,807	\$0	1,203,807	\$934	\$72
July	2015	1,212	998	1,097,116	52,169	250,020	1,399,305	\$0	1,399,305	\$1,111	\$52
Aug	2015	1,212	998	853,517	71,644	362,289	1,287,449	\$0	1,287,449	\$1,003	\$72
Sept	2015	1,212	998	652,514	49,195	264,400	966,109	\$0	966,109	\$757	\$49
Oct	2015	1,242	1,007	717,027	56,427	283,299	1,056,752	\$0	1,056,752	\$805	\$56
Nov	2015	1,242	1,007	685,740	44,757	336,946	1,067,442	\$0	1,067,442	\$823	\$44
Dec	2015	1,242	1,007	1,091,261	60,024	454,877	1,606,162	\$0	1,606,162	\$1,245	\$60
Grand Totals 2015		14,599	12,000	8,972,877	720,472	3,625,385	13,318,734	-\$350,570	12,968,164	\$839	\$60

City Of Henderson Claims Analysis

1/1/16 - 12/31/16

2016 Plan Year - Paid Claim Basis

Month	Year	Med Ees	Dent Ees	Medical	Dental	Rx	Totals	Stop Loss Reimb.	Adjusted Total	Avg Cost Med/Rx PEPM	Avg Cost Dent PEPM
Jan	2016	1,247	1,004	412,729	47,024	220,066	679,820	\$0	679,820	\$507	\$47
Feb	2016	1,199	998					\$0	0	\$0	\$0
Mar	2016	1,212	998					\$0	0	\$0	\$0
Apr	2016	1,212	996					\$0	0	\$0	\$0
May	2016	1,212	997					\$0	0	\$0	\$0
June	2016	1,212	998					\$0	0	\$0	\$0
July	2016	1,212	998					\$0	0	\$0	\$0
Aug	2016	1,212	998					\$0	0	\$0	\$0
Sept	2016	1,212	998					\$0	0	\$0	\$0
Oct	2016	1,242	1,007					\$0	0	\$0	\$0
Nov	2016	1,242	1,007					\$0	0	\$0	\$0
Dec	2016	1,242	1,007					\$0	0	\$0	\$0
Grand Totals 2016		14,656	12,006	412,729	47,024	220,066	679,820	\$0	679,820	\$43	\$4

City of Henderson
Large Claim Summary - Claims over \$40,000 - Medical Only
Paid: 1/1/2014 thru 12/31/2014

2014 TOTALS	Total Members	Total Paid	PMPY TOTAL
# of claimants > \$40,000 - < \$100,000	18	\$1,169,156	\$64,953
# of claimants > \$100,000	10	\$2,282,045	\$228,205
GRAND TOTAL	28	\$3,451,201	\$123,257

2013 TOTALS	Total Members	Total Paid	PMPY TOTAL
# of claimants > \$40,000 - < \$100,000	25	\$1,473,506	\$58,940
# of claimants > \$100,000	11	\$1,678,147	\$152,559
GRAND TOTAL	36	\$3,151,653	\$87,546

2012 TOTALS	Total Members	Total Paid	PMPY TOTAL
# of claimants > \$40,000 - < \$100,000	19	\$1,042,512	\$54,869
# of claimants > \$100,000	7	\$1,206,384	\$172,341
GRAND TOTAL	26	\$2,248,897	\$86,496

City of Henderson
Large Claim Summary - Claims over \$40,000 - Medical Only
Paid: 1/1/2016 thru 12/31/2016

2016 TOTALS	Total Members	Total Paid	PMPY TOTAL
# of claimants > \$40,000 - < \$100,000	1	\$69,885	\$69,885
# of claimants > \$100,000 - < \$175,000	0	\$0	\$0
# of claimants > \$175,000 - < \$500,000	0	\$0	\$0
# of claimants > \$500,000	0		
GRAND TOTAL	1	\$69,885	\$69,885

City of Henderson
Large Claim Summary - Claims over \$40,000 - Medical Only
Paid: 1/1/2015 thru 12/31/2015

2015 TOTALS	Total Members	Total Paid	PMPY TOTAL
# of claimants > \$40,000 - < \$100,000	16	\$1,049,649	\$65,603
# of claimants > \$100,000 - < \$175,000	6	\$704,337	\$117,390
# of claimants > \$175,000 - < \$500,000	1	\$394,723	\$394,723
# of claimants > \$500,000	0		
GRAND TOTAL	23	\$2,148,709	\$93,422

City of Henderson Billed vs Paid



Report Run Date	02/09/2016	
Group	0000000918	
Check Date Range	2015-01-01	2016-01-31

Date	Type of Claim	Product	Services	Charges	Network Discounts	Ineligible	Covered Expenses	Copay	Deductible	Coinsurance	COB Savings	Overpayments Recovered	Additional Overpayments Recovered	Paid	
January 2015	Outpatient	CIGNA	364	\$56,813.69	\$20,268.16	\$0.00	\$36,545.53	\$288.00	\$21.37	\$2,948.33	\$0.00	\$0.00		\$33,287.83	
		SIERRA	2,866	\$731,001.70	\$480,371.16	\$55,265.98	\$195,364.56	\$2,479.51	\$1,006.05	\$18,388.26	(\$145.80)	(\$2,865.60)		\$176,502.14	
		Totals	3,230	\$787,815.39	\$500,639.32	\$55,265.98	\$231,910.09	\$2,767.51	\$1,027.42	\$21,336.59	(\$145.80)	(\$2,865.60)		\$209,789.97	
	Inpatient	CIGNA	4	\$5,600.00	\$2,284.00	\$0.00	\$3,316.00	\$100.00	\$0.00	\$0.00	\$321.60	\$0.00	\$0.00		\$2,894.40
		SIERRA	1,066	\$265,449.75	\$173,515.09	\$0.00	\$91,934.66	\$1,100.00	\$0.00	\$26,007.92	\$0.00	(\$34,880.23)		\$99,706.97	
		Totals	1,070	\$271,049.75	\$175,799.09	\$0.00	\$95,250.66	\$1,200.00	\$0.00	\$26,329.52	\$0.00	(\$34,880.23)		\$102,601.37	
	All Other	CIGNA	257	\$46,117.63	\$13,950.80	\$11,411.48	\$20,755.35	\$785.15	\$1,773.63	\$378.11	\$0.00	\$0.00		\$17,818.46	
		SIERRA	12,915	\$1,263,731.99	\$572,313.03	\$246,713.76	\$444,705.20	\$26,865.45	\$63,541.10	\$35,795.33	\$6,005.94	\$6,133.37		\$306,364.01	
		Totals	13,172	\$1,309,849.62	\$586,263.83	\$258,125.24	\$465,460.55	\$27,650.60	\$65,314.73	\$36,173.44	\$6,005.94	\$6,133.37		\$324,182.47	
					\$2,368,714.76	\$1,262,702.24	\$313,391.22	\$792,621.30	\$31,618.11	\$66,342.15	\$83,839.55	\$5,860.14	(\$31,612.46)	\$ (1,354.53)	\$637,928.34
February 2015	Outpatient	CIGNA	33	\$10,384.94	\$1,168.76	\$1,558.62	\$7,657.56	\$325.11	\$0.00	\$390.31	\$0.00	\$0.00		\$6,942.14	
		SIERRA	2,074	\$846,520.52	\$558,202.27	\$91,213.22	\$197,105.03	\$2,445.00	\$2,742.70	\$40,699.63	\$7,562.77	(\$2,100.00)		\$145,754.93	
		Totals	2,107	\$856,905.46	\$559,371.03	\$92,771.84	\$204,762.59	\$2,770.11	\$2,742.70	\$41,089.94	\$7,562.77	(\$2,100.00)		\$152,697.07	
	Inpatient	CIGNA	103	\$31,304.28	\$19,218.08	\$0.00	\$12,086.20	\$100.00	\$0.00	\$1,198.62	\$0.00	\$0.00		\$10,787.58	
		SIERRA	1,700	\$437,726.20	\$235,493.16	\$81,285.99	\$120,947.05	\$1,200.00	\$0.00	\$8,248.64	\$12,143.38	\$0.00		\$99,355.03	
		Totals	1,803	\$469,030.48	\$254,711.24	\$81,285.99	\$133,033.25	\$1,300.00	\$0.00	\$9,447.26	\$12,143.38	\$0.00		\$110,142.61	
	All Other	CIGNA	389	\$47,887.83	\$16,168.37	\$9,813.39	\$21,906.07	\$497.82	\$2,113.00	\$3,178.54	\$0.00	\$0.00		\$16,116.71	
		SIERRA	7,508	\$792,526.45	\$412,137.63	\$121,965.48	\$258,423.34	\$21,267.81	\$43,809.31	\$8,224.93	\$7,901.22	(\$21,944.47)		\$199,164.54	
		Totals	7,897	\$840,414.28	\$428,306.00	\$131,778.87	\$280,329.41	\$21,765.63	\$45,922.31	\$11,403.47	\$7,901.22	(\$21,944.47)		\$215,281.25	
					\$2,166,350.22	\$1,242,388.27	\$305,836.70	\$618,125.25	\$25,835.74	\$48,665.01	\$61,940.67	\$27,607.37	(\$24,044.47)	\$ -	\$478,120.93
March 2015	Outpatient	CIGNA	122	\$46,236.27	\$8,129.65	\$8,780.00	\$29,326.62	\$265.00	\$600.00	\$1,461.61	\$0.00	\$0.00		\$27,000.01	
		SIERRA	6,327	\$1,841,426.09	\$1,437,795.79	\$117,196.14	\$286,434.16	\$3,405.00	\$3,248.40	\$16,356.40	\$4,474.37	(\$16,159.39)		\$275,109.38	
		Totals	6,449	\$1,887,662.36	\$1,445,925.44	\$125,976.14	\$315,760.78	\$3,670.00	\$3,848.40	\$17,818.01	\$4,474.37	(\$16,159.39)		\$302,109.39	
	Inpatient	SIERRA	2,066	\$768,814.08	\$472,659.51	\$105,162.26	\$190,992.31	\$1,500.00	\$0.00	\$26,347.63	\$1,245.21	(\$9,053.07)		\$170,952.54	
		Totals	2,066	\$768,814.08	\$472,659.51	\$105,162.26	\$190,992.31	\$1,500.00	\$0.00	\$26,347.63	\$1,245.21	(\$9,053.07)		\$170,952.54	
	All Other	CIGNA	682	\$69,232.19	\$23,996.70	\$13,242.82	\$31,992.67	\$1,340.42	\$2,001.40	\$5,594.51	\$0.00	\$0.00		\$23,056.34	
		SIERRA	8,991	\$1,296,946.33	\$711,086.19	\$179,739.31	\$406,120.83	\$25,863.72	\$53,293.79	\$15,150.05	\$4,040.61	\$33,157.95		\$274,614.71	
		Totals	9,673	\$1,366,178.52	\$735,082.89	\$192,982.13	\$438,113.50	\$27,204.14	\$55,295.19	\$20,744.56	\$4,040.61	\$33,157.95		\$297,671.05	
					\$4,022,654.96	\$2,653,667.84	\$424,120.53	\$944,866.59	\$32,374.14	\$59,143.59	\$64,910.20	\$9,760.19	\$7,945.49	\$ -	\$770,732.98
	April 2015	Outpatient	CIGNA	138	\$16,823.36	\$2,632.00	\$0.00	\$14,191.36	\$190.34	\$0.00	\$527.63	\$0.00	\$0.00		\$13,473.39
SIERRA			1,540	\$188,012.44	(\$29,741.42)	\$97,296.42	\$120,457.44	\$1,440.00	\$1,812.50	\$14,658.14	\$5,202.10	\$566.87		\$96,777.83	
Totals			1,678	\$204,835.80	(\$27,109.42)	\$97,296.42	\$134,648.80	\$1,630.34	\$1,812.50	\$15,185.77	\$5,202.10	\$566.87		\$110,251.22	
Inpatient		CIGNA	851	\$65,134.89	\$30,106.64	\$0.00	\$35,028.25	\$200.00	\$0.00	\$1,383.20	\$0.00	\$0.00		\$33,445.05	

Date	Type of Claim	Product	Services	Charges	Network Discounts	Ineligible	Covered Expenses	Copay	Deductible	Coinsurance	COB Savings	Overpayments Recovered	Additional Overpayments Recovered	Paid	
		SIERRA	1,605	\$390,143.93	\$325,770.14	\$0.00	\$64,373.79	\$700.00	\$0.00	\$3,895.69	\$0.00	\$0.00		\$59,778.10	
		Totals	2,456	\$455,278.82	\$355,876.78	\$0.00	\$99,402.04	\$900.00	\$0.00	\$5,278.89	\$0.00	\$0.00		\$93,223.15	
	All Other	CIGNA	187	\$27,123.27	\$7,057.01	\$2,812.78	\$17,253.48	\$788.16	\$1,401.55	\$2,326.81	\$3.62	\$0.00		\$12,733.34	
		SIERRA	9,317	\$963,730.29	\$517,665.68	\$127,075.54	\$318,989.07	\$25,855.99	\$45,954.56	\$12,456.55	\$5,373.98	\$840.81		\$228,507.18	
			Totals	9,504	\$990,853.56	\$524,722.69	\$129,888.32	\$336,242.55	\$26,644.15	\$47,356.11	\$14,783.36	\$5,377.60	\$840.81		\$241,240.52
				\$1,650,968.18	\$853,490.05	\$227,184.74	\$570,293.39	\$29,174.49	\$49,168.61	\$35,248.02	\$10,579.70	\$1,407.68	\$1,618.77	\$443,096.12	
May 2015	Outpatient	CIGNA	404	\$63,450.41	\$11,947.58	\$10,231.03	\$41,271.80	\$540.00	\$0.00	\$2,531.93	\$0.00	\$0.00		\$38,199.87	
		SIERRA	2,679	\$1,092,905.72	\$646,132.43	\$121,303.71	\$325,469.58	\$4,400.00	\$6,862.73	\$26,227.33	\$4,292.80	(\$253.91)		\$283,940.63	
		Totals	3,083	\$1,156,356.13	\$658,080.01	\$131,534.74	\$366,741.38	\$4,940.00	\$6,862.73	\$28,759.26	\$4,292.80	(\$253.91)		\$322,140.50	
	Inpatient	SIERRA	1,000	\$242,766.25	\$168,527.06	\$678.00	\$73,561.19	\$500.00	\$0.00	\$4,228.91	\$0.00	\$0.00		\$68,832.28	
		Totals	1,000	\$242,766.25	\$168,527.06	\$678.00	\$73,561.19	\$500.00	\$0.00	\$4,228.91	\$0.00	\$0.00		\$68,832.28	
	All Other	CIGNA	910	\$57,273.27	\$15,662.22	\$11,706.89	\$29,904.16	\$1,147.99	\$1,732.95	\$1,581.80	\$0.00	\$67.00		\$25,374.42	
		SIERRA	10,844	\$1,279,783.43	\$684,268.31	\$180,415.35	\$415,099.77	\$27,993.38	\$71,773.28	\$17,511.80	\$4,506.91	(\$2,611.55)		\$295,925.95	
		Totals	11,754	\$1,337,056.70	\$699,930.53	\$192,122.24	\$445,003.93	\$29,141.37	\$73,506.23	\$19,093.60	\$4,506.91	(\$2,544.55)		\$321,300.37	
					\$2,736,179.08	\$1,526,537.60	\$324,334.98	\$885,306.50	\$34,581.37	\$80,368.96	\$52,081.77	\$8,799.71	(\$2,798.46)	\$ (478.90)	\$712,752.05
	June 2015	Outpatient	CIGNA	424	\$57,639.43	\$4,885.74	\$42,250.89	\$10,502.80	\$240.00	\$0.00	\$236.68	\$0.00	\$0.00		\$10,026.12
SIERRA			1,683	\$617,252.72	\$317,570.42	\$124,087.77	\$175,594.53	\$1,445.00	\$4,440.82	\$22,874.72	\$0.00	\$3,590.84		\$143,243.15	
Totals			2,107	\$674,892.15	\$322,456.16	\$166,338.66	\$186,097.33	\$1,685.00	\$4,440.82	\$23,111.40	\$0.00	\$3,590.84		\$153,269.27	
Inpatient		CIGNA	(2)	(\$1.00)	(\$0.42)	\$0.00	(\$0.58)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.58)	\$0.00	
		SIERRA	1,763	\$378,472.38	\$38,449.72	\$125,789.04	\$214,233.62	\$700.00	\$0.00	\$1,313.24	\$1,979.40	(\$28,739.04)		\$238,980.02	
		Totals	1,761	\$378,471.38	\$38,449.30	\$125,789.04	\$214,233.04	\$700.00	\$0.00	\$1,313.24	\$1,979.40	(\$28,739.62)		\$238,980.02	
All Other		CIGNA	626	\$78,121.46	\$24,420.07	\$18,877.90	\$34,823.49	\$1,639.95	\$1,386.14	\$1,211.05	\$0.00	(\$100.68)		\$30,687.03	
		SIERRA	15,204	\$1,438,775.08	\$567,603.02	\$358,703.37	\$512,468.69	\$32,834.21	\$63,064.56	\$30,867.59	\$9,343.88	\$3,797.59		\$372,560.86	
		Totals	15,830	\$1,516,896.54	\$592,023.09	\$377,581.27	\$547,292.18	\$34,474.16	\$64,450.70	\$32,078.64	\$9,343.88	\$3,696.91		\$403,247.89	
					\$2,570,260.07	\$952,928.55	\$669,708.97	\$947,622.55	\$36,859.16	\$68,891.52	\$56,503.28	\$11,323.28	(\$21,451.87)	\$ (37,511.34)	\$833,008.52
July 2015	Outpatient	CIGNA	181	\$31,317.20	\$15,375.11	\$0.00	\$15,942.09	\$285.00	\$0.00	\$704.28	\$320.97	\$201.80		\$14,430.04	
		SIERRA	4,293	\$1,351,228.23	\$918,175.36	\$135,110.12	\$297,942.75	\$4,492.52	\$4,801.76	\$26,775.38	\$5,395.53	(\$16,161.70)		\$272,639.26	
		Totals	4,474	\$1,382,545.43	\$933,550.47	\$135,110.12	\$313,884.84	\$4,777.52	\$4,801.76	\$27,479.66	\$5,716.50	(\$15,959.90)		\$287,069.30	
	Inpatient	CIGNA	270	\$123,039.32	\$26,853.09	\$15,500.00	\$80,686.23	\$100.00	\$0.00	\$1,317.28	\$0.00	(\$108.29)		\$79,377.24	
		SIERRA	2,462	\$952,469.85	\$570,837.96	\$42,208.70	\$339,423.19	\$1,385.22	\$0.00	\$7,967.24	\$0.00	\$77,937.60		\$252,133.13	
		Totals	2,732	\$1,075,509.17	\$597,691.05	\$57,708.70	\$420,109.42	\$1,485.22	\$0.00	\$9,284.52	\$0.00	\$77,829.31		\$331,510.37	
	All Other	CIGNA	372	\$54,838.04	\$15,303.61	\$11,644.80	\$27,889.63	\$1,175.36	\$1,975.25	\$1,295.97	\$0.00	\$0.00		\$23,443.05	
		SIERRA	17,911	\$1,915,487.94	\$1,036,033.43	\$246,756.81	\$632,697.70	\$46,650.19	\$95,249.80	\$23,369.72	\$11,232.17	\$1,102.45		\$455,093.37	
		Totals	18,283	\$1,970,325.98	\$1,051,337.04	\$258,401.61	\$660,587.33	\$47,825.55	\$97,225.05	\$24,665.69	\$11,232.17	\$1,102.45		\$478,536.42	
					\$4,428,380.58	\$2,582,578.56	\$451,220.43	\$1,394,581.59	\$54,088.29	\$102,026.81	\$61,429.87	\$16,948.67	\$62,971.86	\$ -	\$1,097,116.09
August 2015	Outpatient	CIGNA	468	\$80,508.05	\$34,981.58	\$3,663.00	\$41,863.47	\$255.00	\$0.00	\$2,586.80	\$0.00	\$0.00		\$39,021.67	
		SIERRA	3,659	\$1,273,517.33	\$721,346.77	\$239,290.24	\$312,880.32	\$3,181.08	\$2,652.63	\$20,496.00	\$14,413.63	(\$6,594.79)		\$278,731.77	
		Totals	4,127	\$1,354,025.38	\$756,328.35	\$242,953.24	\$354,743.79	\$3,436.08	\$2,652.63	\$23,082.80	\$14,413.63	(\$6,594.79)		\$317,753.44	
	Inpatient	CIGNA	47	\$26,134.22	\$5,054.54	\$0.00	\$21,079.68	\$100.00	\$0.00	\$1,178.38	\$0.00	\$0.00		\$19,801.30	
		SIERRA	1,293	\$301,132.39	\$96,176.89	\$124,132.06	\$80,823.44	\$1,200.00	\$0.00	\$9,123.52	\$2,366.20	(\$57,492.14)		\$125,625.86	
		Totals	1,340	\$327,266.61	\$101,231.43	\$124,132.06	\$101,903.12	\$1,300.00	\$0.00	\$10,301.90	\$2,366.20	(\$57,492.14)		\$145,427.16	

Date	Type of Claim	Product	Services	Charges	Network Discounts	Ineligible	Covered Expenses	Copay	Deductible	Coinsurance	COB Savings	Overpayments Recovered	Additional Overpayments Recovered	Paid
	All Other	CIGNA	684	\$63,445.55	\$22,013.43	\$8,295.56	\$33,136.56	\$1,228.08	\$3,685.95	\$2,290.44	\$0.00	\$0.00		\$25,932.09
		SIERRA	14,790	\$1,575,966.20	\$623,162.53	\$380,717.14	\$572,086.53	\$28,711.94	\$72,660.03	\$72,638.33	\$8,225.55	\$25,084.45		\$364,404.33
		Totals	15,474	\$1,639,411.75	\$645,175.96	\$389,012.70	\$605,223.09	\$29,940.02	\$76,345.98	\$74,928.77	\$8,225.55	\$25,084.45		\$390,336.42
				\$3,320,703.74	\$1,502,735.74	\$756,098.00	\$1,061,870.00	\$34,676.10	\$78,998.61	\$108,313.47	\$25,005.38	(\$39,002.48)	\$ 361.90	\$853,517.02
September 2015	Outpatient	CIGNA	187	\$26,314.53	\$2,256.41	\$4,687.00	\$19,371.12	\$192.38	\$0.00	\$719.76	\$0.00	(\$174.11)		\$18,633.09
		SIERRA	2,705	\$1,100,459.81	\$639,187.08	\$227,231.21	\$234,041.52	\$3,395.00	\$6,720.82	\$21,753.20	\$18,217.95	(\$18,060.40)		\$202,014.95
		Totals	2,892	\$1,126,774.34	\$641,443.49	\$231,918.21	\$253,412.64	\$3,587.38	\$6,720.82	\$22,472.96	\$18,217.95	(\$18,234.51)		\$220,648.04
	Inpatient	CIGNA	17	\$3,449.17	\$862.28	\$0.00	\$2,586.89	\$100.00	\$0.00	\$248.69	\$0.00	\$0.00		\$2,238.20
		SIERRA	1,028	\$281,911.20	\$85,144.11	\$140,960.15	\$55,806.94	\$1,400.00	\$0.00	\$7,580.00	\$900.00	\$1,869.24		\$44,057.70
		Totals	1,045	\$285,360.37	\$86,006.39	\$140,960.15	\$58,393.83	\$1,500.00	\$0.00	\$7,828.69	\$900.00	\$1,869.24		\$46,295.90
	All Other	CIGNA	396	\$57,467.26	\$19,639.16	\$13,949.16	\$23,878.94	\$922.82	\$1,342.60	\$553.37	\$0.00	(\$5.87)		\$21,066.02
		SIERRA	15,364	\$1,447,901.25	\$739,352.24	\$217,773.81	\$490,775.20	\$28,109.71	\$50,828.55	\$37,095.94	\$7,215.63	\$4,939.92		\$362,585.45
		Totals	15,760	\$1,505,368.51	\$758,991.40	\$231,722.97	\$514,654.14	\$29,032.53	\$52,171.15	\$37,649.31	\$7,215.63	\$4,934.05		\$383,651.47
				\$2,917,503.22	\$1,486,441.28	\$604,601.33	\$826,460.61	\$34,119.91	\$58,891.97	\$67,950.96	\$26,333.58	(\$11,431.22)	\$ (1,918.60)	\$652,514.01
October 2015	Outpatient	CIGNA	212	\$28,408.32	\$12,647.37	\$1,597.00	\$14,163.95	\$195.00	\$0.00	\$988.63	\$0.00	\$0.00		\$12,980.32
		SIERRA	2,679	\$1,013,468.14	\$674,696.35	\$78,403.14	\$260,368.65	\$2,925.00	\$1,535.13	\$21,695.76	\$2,645.26	(\$4,757.55)		\$236,325.05
		Totals	2,891	\$1,041,876.46	\$687,343.72	\$80,000.14	\$274,532.60	\$3,120.00	\$1,535.13	\$22,684.39	\$2,645.26	(\$4,757.55)		\$249,305.37
	Inpatient	SIERRA	3,584	\$907,637.23	\$600,748.42	\$59,098.08	\$247,790.73	\$800.00	\$0.00	\$15,078.89	\$0.00	\$97,153.53		\$134,758.31
		Totals	3,584	\$907,637.23	\$600,748.42	\$59,098.08	\$247,790.73	\$800.00	\$0.00	\$15,078.89	\$0.00	\$97,153.53		\$134,758.31
	All Other	CIGNA	307	\$49,387.32	\$12,375.60	\$18,653.10	\$18,358.62	\$1,257.90	\$2,503.89	\$545.92	\$35.00	\$0.00		\$14,015.91
		SIERRA	17,038	\$1,427,288.19	\$734,669.73	\$253,084.90	\$439,533.56	\$29,990.86	\$40,097.34	\$35,660.50	\$3,070.64	\$5,727.50		\$324,946.72
		Totals	17,345	\$1,476,675.51	\$747,045.33	\$271,738.00	\$457,892.18	\$31,248.76	\$42,601.23	\$36,206.42	\$3,105.64	\$5,727.50		\$338,962.63
				\$3,426,189.20	\$2,035,137.47	\$410,836.22	\$980,215.51	\$35,168.76	\$44,136.36	\$73,969.70	\$5,750.90	\$98,123.48	\$ 6,039.78	\$717,026.53
	November 2015	Outpatient	CIGNA	135	\$32,626.24	\$5,698.60	\$0.00	\$26,927.64	\$487.22	\$0.00	\$1,308.78	\$0.00	\$0.00	
SIERRA			3,451	\$1,042,500.46	\$664,709.99	\$150,099.35	\$227,691.12	\$2,005.00	\$1,530.83	\$17,037.40	\$14,628.36	\$5,505.40		\$186,984.13
Totals			3,586	\$1,075,126.70	\$670,408.59	\$150,099.35	\$254,618.76	\$2,492.22	\$1,530.83	\$18,346.18	\$14,628.36	\$5,505.40		\$212,115.77
Inpatient		SIERRA	1,840	\$578,721.34	\$298,301.40	\$146,345.03	\$134,074.91	\$900.00	\$0.00	\$26,114.90	\$1,799.40	\$10,727.92		\$94,532.69
		Totals	1,840	\$578,721.34	\$298,301.40	\$146,345.03	\$134,074.91	\$900.00	\$0.00	\$26,114.90	\$1,799.40	\$10,727.92		\$94,532.69
All Other		CIGNA	660	\$71,136.32	\$17,984.83	\$24,123.96	\$29,027.53	\$1,504.27	\$1,590.12	\$1,172.95	\$0.00	\$85.68		\$24,674.51
		SIERRA	14,864	\$1,346,579.26	\$707,332.18	\$167,514.97	\$471,732.11	\$30,389.89	\$45,440.25	\$53,612.68	\$4,374.01	(\$5,773.59)		\$343,688.87
		Totals	15,524	\$1,417,715.58	\$725,317.01	\$191,638.93	\$500,759.64	\$31,894.16	\$47,030.37	\$54,785.63	\$4,374.01	(\$5,687.91)		\$368,363.38
				\$3,071,563.62	\$1,694,027.00	\$488,083.31	\$889,453.31	\$35,286.38	\$48,561.20	\$99,246.71	\$20,801.77	\$10,545.41	\$ (10,727.92)	\$685,739.76
December 2015		Outpatient	CIGNA	300	\$56,988.04	\$8,612.27	\$3,183.00	\$45,192.77	\$45.00	\$0.00	\$155.00	\$171.00	\$0.00	
	SIERRA		7,459	\$1,568,012.29	\$944,398.53	\$359,050.80	\$264,562.96	\$3,644.18	\$3,871.63	\$22,625.60	\$21,862.52	(\$74,235.90)		\$286,794.93
	Totals		7,759	\$1,625,000.33	\$953,010.80	\$362,233.80	\$309,755.73	\$3,689.18	\$3,871.63	\$22,780.60	\$22,033.52	(\$74,235.90)		\$331,616.70
	Inpatient	SIERRA	2,238	\$1,050,981.62	\$747,904.50	\$48,500.00	\$254,577.12	\$1,472.45	\$0.00	\$22,937.72	\$6,693.99	(\$212,206.95)		\$435,679.91
		Totals	2,238	\$1,050,981.62	\$747,904.50	\$48,500.00	\$254,577.12	\$1,472.45	\$0.00	\$22,937.72	\$6,693.99	(\$212,206.95)		\$435,679.91
	All Other	CIGNA	677	\$53,795.52	\$23,202.92	\$7,330.30	\$23,262.30	\$1,264.86	\$1,084.26	\$960.39	\$0.00	\$0.00		\$19,952.79
		SIERRA	10,981	\$1,380,902.56	\$239,189.33	\$661,386.84	\$480,326.39	\$26,933.83	\$47,245.28	\$43,923.34	\$7,405.32	\$53,254.07		\$301,564.55
		Totals	11,658	\$1,434,698.08	\$262,392.25	\$668,717.14	\$503,588.69	\$28,198.69	\$48,329.54	\$44,883.73	\$7,405.32	\$53,254.07		\$321,517.34
				\$4,110,680.03	\$1,963,307.55	\$1,079,450.94	\$1,067,921.54	\$33,360.32	\$52,201.17	\$90,602.05	\$36,132.83	(\$233,188.78)	\$ 1,172.95	\$1,087,641.00

Date	Type of Claim	Product	Services	Charges	Network Discounts	Ineligible	Covered Expenses	Copay	Deductible	Coinsurance	COB Savings	Overpayments Recovered	Additional Overpayments Recovered	Paid	
January 2016	Outpatient	CIGNA	179	\$37,481.45	\$7,408.47	\$2,851.00	\$27,221.98	\$135.00	\$0.00	\$4,949.82	\$0.00	\$0.00		\$22,137.16	
		SIERRA	2,041	\$583,889.71	\$421,734.76	\$18,241.33	\$143,913.62	\$2,055.00	\$827.25	\$9,889.91	\$2,670.26	\$7,398.82		\$121,072.38	
		Totals	2,220	\$621,371.16	\$429,143.23	\$21,092.33	\$171,135.60	\$2,190.00	\$827.25	\$14,839.73	\$2,670.26	\$7,398.82		\$143,209.54	
	Inpatient	SIERRA	1,872	\$666,608.63	\$392,024.69	\$2,709.00	\$271,874.94	\$1,800.00	\$0.00	\$8,171.08	\$0.00	\$151,497.62		\$110,406.24	
		Totals	1,872	\$666,608.63	\$392,024.69	\$2,709.00	\$271,874.94	\$1,800.00	\$0.00	\$8,171.08	\$0.00	\$151,497.62		\$110,406.24	
	All Other	CIGNA	190	\$22,888.43	\$5,784.97	\$5,664.60	\$11,438.86	\$693.01	\$1,129.34	\$323.06	\$597.93	(\$30.32)		\$8,725.84	
		SIERRA	6,876	\$608,475.09	\$332,693.98	\$82,739.17	\$193,041.94	\$13,991.65	\$17,298.73	\$8,058.63	\$2,714.24	\$591.17		\$150,387.52	
		Totals	7,066	\$631,363.52	\$338,478.95	\$88,403.77	\$204,480.80	\$14,684.66	\$18,428.07	\$8,381.69	\$3,312.17	\$560.85		\$159,113.36	
					\$1,919,343.31	\$1,159,646.87	\$112,205.10	\$647,491.34	\$18,674.66	\$19,255.32	\$31,392.50	\$5,982.43	\$159,457.29	\$ -	\$412,729.14

2015 Monthly Average Length of Stay

<i>City of Henderson</i>	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Yr. avg.	Yr. total
avg length of stay	3.10	1.33	3.00	4.33	3.09	3.36	3.75	2.38	4.29	2.67	3.36	4.22	3.24	
avg daily census	1.00	0.29	0.87	1.30	1.10	1.23	0.48	0.61	1.00	1.29	1.23	1.27	0.97	
Direct														0
Elective	4	4	5	5	3	1	0	3	3	9	5	5		47
ER	6	2	4	4	8	10	4	5	4	6	6	4		63
Observation														0
Obstetrical														0
Pediatric														0
total # admit	10	6	9	9	11	11	4	8	7	15	11	9		110
total # beddays	31	8	27	39	34	37	15	19	30	40	37	38		355

Length of Stay Summary

<i>as of 12/31/2015</i>	2009	2010	2011	2012	2013	2014	2015
<i>City of Henderson</i>							
avg length of stay	3.38	3.29	2.57	3.45	4.47	3.89	3.23
total # admit	136	120	118	149	146	142	110
total # beddays	489	395	303	513	653	553	355

2015 Inpatient Utilization

GROUP NAME: *City of Henderson*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD TOT	YTD AVG
Facility														
Boulder City Hospital														
Caremeridan														
Centennial Hills Hospital			1						1		1	1	4	1
Desert Springs Hospital					1					1	1		3	1
Desert View Regional		1											1	1
HealthSouth Rehabilitation														
Horizon Health														
Kindred									1				1	1
Las Vegas Recovery														
MountainView Hospital		1											1	1
North Vista Hospital														
Out of Area/Other				2	1	1					1	1	6	1
Navada Medical and Rehab														
Seven Hills Behavioral			2	2	1								5	2
Silver Hills Health														
Silver Ridge Health care														
Southern Hills Hospital					2									0
Spring Mtn Treatment Ctr.						1								0
Spring Valley Hospital			1					2		2		1	6	2
St. Rose - De Lima	1				1	3	1	1	1	2	2		12	2
St. Rose - San Martin		2	1	1	1	1				2		2	10	1
St. Rose - Siena	6	1	3	3	4	4	2	3	2	8	5	1	42	4
Summerlin Hospital	2							1	1			1	5	1
Sunrise Hospital	1	1					1	1			1	2	7	1
University Medical center			1	1		1			1				4	1
Valley Hospital														
Monthly Total	10	6	9	9	11	11	4	8	7	15	11	9	110	9

2016 Monthly Average Length of Stay

<i>City of Henderson</i>	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Yr. avg.	
avg length of stay	3.54												3.54	
avg daily census	1.48												1.48	Yr. total
Elective	10													10
Emergent	3													3
total # admit	13													13
total # beddays	46													46

Length of Stay Summary

<i>as of 1/31/2016</i>	2010	2011	2012	2013	2014	2015	2016
<i>City of Henderson</i>							
avg length of stay	3.29	2.57	3.45	4.47	3.89	3.23	3.54
total # admit	120	118	149	146	142	110	13
total # beddays	395	303	513	653	553	355	46

2016 Inpatient Utilization

GROUP NAME: *City of Henderson*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD TOT	YTD AVG	
Hospital															
Boulder City Hospital															
Centennial Hills Hospital	3												3	3	
Desert Springs Hospital															
Mountain Edge Hospital															
MountainView Hospital	1												1	1	
North Vista Hospital															
Southern Hills Hospital	1												1	1	
Spring Valley Hospital															
St. Rose De Lima															
St Rose San Martin															
St Rose Siena	7												7	7	
Summerlin Hospital															
Sunrise Hospital															
University Medical Center															
Valley Hospital															
Hospital - Rehabilitation															
Healthsouth Rehabilitation															
Horizon Specialty Hospital															
Kindred															
Skilled Nursing															
CareMeridian															
College Park Rehab															
El Jen Convalescent & Rehab															
Horizon Health & Rehab															
N. Las Vegas Care															
S. Nv Medical & Rehab															
Silver Hills Health Care															
Silver Ridge Health Care															
Out of Area/Other															
Out of Area/Other	1												1	1	
Monthly Total	13												13	13	

SOUTHERN NEVADA QUARTERLY PROVIDER REPORT

report period: 2015

Primary Care Provider	October	November	December
Family Practice	370	499	498
General Practice	47	48	48
Gynecology	6	6	6
Internal Medicine	604	609	612
OB/GYN	185	182	182
Pediatrics	248	252	255
Total Primary Care Providers	1460	1596	1601

Specialists Care Provider	October	November	December
Allergy/Immunology	12	12	12
Anesthesiology	296	300	295
Anesthesiology -CRNA	62	59	61
Applied Behavior Analysis Therapy	73	72	86
Audiology	22	23	24
Cardiology	124	125	128
Cardiology - Pediatric	14	14	15
Cardiovascular/Thoracic Surgery	26	28	29
Chiropractic	90	90	90
Colon/Rectal Surgery	7	7	7
Critical Care - Pediatric	30	30	31
Dermatology	55	55	55
Emergency Medicine	13	13	13
Emergency Medicine - Pediatric	21	21	21
Endocrinology	28	28	28
Endocrinology - Pediatric	7	7	7
Endocrinology - Reproductive	4	4	4
Gastroenterology	55	54	54
Gastroenterology - Pediatric	7	7	7
General Surgery	91	91	90
General Surgery - Pediatric	4	4	4
General Vascular Surgery	4	4	4
Genetics	2	2	2
Geriatrics	6	6	6
Gynecological Oncology	8	10	10
Hand Surgery	9	9	9
Hematology/Oncology	46	46	43
Hematology/Oncology - Pediatric	10	11	13
Infectious Disease	27	28	28
Infectious Disease - Pediatric	5	5	5
Neonatology	63	63	62
Nephrology	74	74	74
Nephrology - Pediatric	3	3	3
Neurology	61	60	60
Neurology -Pediatric	5	5	5
Neuropsychology	3	3	4
Neurosurgery	27	27	27
Neurosurgery - Pediatric	3	3	3

Specialists Care Provider	October	November	December
Occupational Medicine	4	5	5
Ophthalmology	75	76	78
Ophthalmology - Pediatric	2	2	2
Oral Surgery	12	12	12
Oriental Medicine	9	9	9
Orthopedic Surgery	130	134	135
Orthopedic Surgery - Pediatric	6	6	6
Otolaryngology	29	31	31
Pain Management	61	62	64
Pathology	54	54	54
Perinatology	20	21	21
Physical Medicine/Rehab	23	23	23
Plastic Surgery	11	11	12
Podiatry	52	53	52
Pulmonology	44	46	48
Pulmonology - Pediatric	3	3	3
Radiation Therapy	16	16	16
Radiology	212	235	237
Rheumatology	18	18	18
Rheumatology - Pediatric	4	4	4
Speech Pathology	37	38	36
Therapy - Occupational	19	20	20
Therapy - Physical	35	36	36
Urology	19	19	19
Urology - Pediatric	4	4	4
Total Specialists Care Providers	2296	2341	2364

Dental Provider	October	November	December
Endodontist	24	24	24
General Dentistry	488	488	501
Oral Surgery	21	21	22
Orthodontist	55	54	54
Pediatric Dentist	54	55	56
Periodontist	13	13	14
Total Dental Providers	655	655	671

Mental Health Provider	October	November	December
Facility	19	19	19
Counselor	25	25	24
Marriage and Family Therapist	176	179	184
Psychiatry	158	160	160
Psychology	71	70	72
Social Worker	192	196	197
Substance Abuse Counselor	74	75	76
Total Mental Health Providers	715	724	732

MOHAVE QUARTERLY PROVIDER REPORT

report period: 2015

Primary Care Provider	October	November	December
Family Practice	47	49	49
General Practice	8	8	8
Gynecology	2	1	1
Internal Medicine	63	64	64
OB/GYN	11	11	11
Pediatrics	5	5	5
Total Primary Care Providers	136	138	138

Specialists Care Provider	October	November	December
Allergy/Immunology	2	2	2
Anesthesiology	26	25	25
Audiology	1	1	1
Cardiology	20	20	20
Cardiovascular/Thoracic Surgery	7	7	7
Chiropractic	6	6	6
Colon/Rectal Surgery	1	1	1
Dermatology	2	2	2
Emergency Medicine	0	1	1
Endocrinology	0	0	0
Gastroenterology	2	2	2
General Surgery	11	12	12
Hematology/Oncology	8	8	7
Infectious Disease	0	0	0
Nephrology	12	12	12
Neurology	15	23	23
Neurosurgery	7	7	7
Neurosurgery - Pediatric	1	1	1
Occupational Medicine	1	1	1
Ophthalmology	10	10	10
Orthopedic Surgery	13	13	13
Otolaryngology	5	5	5
Pain Management	6	6	6
Pathology	9	9	9
Physical Medicine/Rehab	1	0	0
Plastic Surgery	0	0	0
Podiatry	2	2	2
Pulmonology	5	5	5
Radiology	20	21	21
Rheumatology	2	2	2
Speech Pathology	2	2	2
Therapy - Occupational	2	2	2
Therapy - Physical	2	2	2
Urology	8	8	8
Other	0	0	0
Total Specialists Care Providers	209	218	217

NORTHERN NEVADA QUARTERLY PROVIDER REPORT

report period: 2015

Primary Care Provider	October	November	December
Family Practice	350	356	359
General Practice	20	20	20
Gynecology	6	6	7
Internal Medicine	228	230	229
OB/GYN	70	69	71
Pediatrics	76	78	79
Total Primary Care Providers	750	759	765

Specialists Care Provider	October	November	December
Allergy/Immunology	8	8	8
Anesthesiology	103	114	114
Anesthesiology -CRNA	5	5	5
Applied Behavior Analysis Therapy	8	8	8
Audiology	15	15	15
Cardiology	68	68	68
Cardiology -Pediatric	14	14	14
Cardiovascular/Thoracic Surgery	10	10	10
Chiropractic	37	37	37
Colon/Rectal Surgery	5	5	5
Critical Care - Adult	3	3	3
Critical Care - Pediatric	11	11	11
Dermatology	33	35	35
Emergency Medicine	28	28	28
Emergency Medicine -Pediatric	5	5	5
Endocrinology	9	9	9
Endocrinology - Reproductive	2	2	2
Endocrinology -Pediatric	2	2	2
Gastroenterology	39	39	39
General Surgery	67	66	66
General Vascular Surgery	5	5	5
Genetics	2	2	2
Geriatrics	4	4	4
Gynecological Oncology	2	2	2
Hematology/Oncology	14	14	13
Hematology/Oncology -Pediatric	9	10	11
Infectious Disease	8	8	8
Infectious Disease -Pediatric	0	0	0
Neonatology	15	15	15
Nephrology	19	19	19
Nephrology - Pediatric	1	1	1
Neurology	23	22	21
Neurology -Pediatric	3	3	3
Neurosurgery	34	35	35
Occupational Medicine	3	4	4
Ophthalmology	30	31	31
Ophthalmology -Pediatric	1	1	1
Oriental Medicine	2	2	2

Specialists Care Provider	October	November	December
Orthopedic Surgery	67	59	59
Otolaryngology	9	15	15
Pain Management	22	23	24
Pathology	33	32	32
Perinatology	3	2	2
Physical Medicine/Rehab	31	31	29
Plastic Surgery	8	8	8
Podiatry	16	21	22
Podiatry Surgery	1	1	1
Pulmonology	20	10	9
Pulmonology -Pediatric	3	4	4
Radiation Therapy	10	11	11
Radiology	100	167	171
Rheumatology	9	10	10
Rheumatology -Pediatric	4	4	4
Speech Pathology	19	18	19
Therapy - Occupational	18	18	18
Therapy - Physical	55	55	55
Urology	15	17	17
Urology - Pediatric	0	0	0
Other	0	0	0
Total Specialists Care Providers	1090	1168	1171

Dental Provider	October	November	December
Endodontist	4	4	4
General Dentistry	120	118	120
Oral Surgery	3	3	3
Orthodontist	7	5	5
Pediatric Dentist	13	14	14
Periodontist	0	0	0
Total Dental Providers	147	144	146



Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS™

Compliance Update Preparing for 2016

Shawn Adkins
Area Vice President



Timeline

- Revenue (PCORI)
- Public Marketplace Opens
- Subsidies
- Medicaid Expansion
- Individual Mandate
- Transitional Reinsurance Fee

- Midsize Employer Mandate
- §6055 & §6056 Reporting

- Cadillac Tax

2014



2015

2016



2017

2018

2019

2020

- Large Employer Mandate
- Revenue (Transitional Reinsurance)
- Ongoing Reporting
- Nondiscrimination (?)

- Public marketplace open to large employers
- New SBC template

Checking In...

- Auto enrollment – **repealed!**
- Nondiscrimination in fully insured plans – pending guidance
- Quality care reporting – pending guidance
- Transparency reporting requirement – pending guidance



SBC Changes

- Final regulations released
 - Intend to apply starting Sept. 1, 2015
 - Plan years that begin on or after January 1, 2016
 - Fall 2015 open enrollment periods
- “New” SBC template finalized by January 2016 (pending guidance)
 - Apply for plan years on or after January 1, 2017
 - Includes Fall 2016 open enrollment

Insurance Company 1: Plan Option 1		Coverage Period: 01/01/2014 – 12/31/2014
Summary of Benefits and Coverage: What this Plan Covers & What It Costs		Coverage for: Individual + Spouse Plan Type: PPO
 This is only a summary. If you want more detail about your coverage and costs, you can get the complete terms in the policy or plan document at www.[insert] or by calling 1-800-[insert].		
Important Questions	Answers	Why this Matters:
What is the overall deductible?	\$500 person / \$1,000 family Doesn't apply to preventive care	You must pay all the costs up to the deductible amount before this plan begins to pay for covered services you use. Check your policy or plan document to see when the deductible starts over (usually, but not always, January 1st). See the chart starting on page 2 for how much you pay for covered services after you meet the deductible .
Are there other deductibles for specific services?	Yes. \$300 for prescription drug coverage. There are no other specific deductibles.	You must pay all of the costs for these services up to the specific deductible amount before this plan begins to pay for these services.
Is there an out-of-pocket limit on my expenses?	Yes. For participating providers \$2,500 person / \$5,000 family For non-participating providers \$4,000 person / \$8,000 family	The out-of-pocket limit is the most you could pay during a coverage period (usually one year) for your share of the cost of covered services. This limit helps you plan for health care expenses.
What is not included in the out-of-pocket limit ?	Premiums, balance-billed charges, and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the out-of-pocket limit .
Is there an overall annual limit on what the plan pays?	No.	The chart starting on page 2 describes any limits on what the plan will pay for specific covered services, such as office visits.
Does this plan use a network of providers ?	Yes. See www.[insert].com or call 1-800-[insert] for a list of participating providers.	If you use an in-network doctor or other health care provider , this plan will pay some or all of the costs of covered services. Be aware, your in-network doctor or hospital may use an out-of-network provider for some services. Plans use the term in-network, preferred , or participating for providers in their network . See the chart starting on page 2 for how this plan pays different kinds of providers .
Do I need a referral to see a specialist ?	No. You don't need a referral to see a specialist.	You can see the specialist you choose without permission from this plan.
Are there services this plan doesn't cover?	Yes.	Some of the services this plan doesn't cover are listed on page 4. See your policy or plan document for additional information about excluded services .
Questions: Call 1-800-[insert] or visit us at www.[insert] . If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can view the Glossary at www.[insert] or call 1-800-[insert] to request a copy.		
		OMB Control Numbers 1545-2229, 1210-0147, and 0938-1146 Released on April 23, 2013 (corrected)

2016 Limits

	2015	2016
Out-of-Pocket (OOP) Maximum (single/family)	\$6,600/\$13,200	\$6,850/\$13,700
FSA Maximum	\$2,550	\$2,550
Qualified HSA HDHP		
Minimum deductible	\$1,300/\$2,600	\$1,300/\$2,600
Maximum OOP	\$6,450/\$12,900	\$6,550/\$13,100
Maximum HSA contribution	\$3,350/\$6,650	\$3,350/\$6,750
Catch-up HSA contribution	\$1,000	\$1,000
Transit		
Mass transit/van pooling	\$130 per month	\$255
Parking	\$250 per month	\$255
Bicycle commuter	\$20 per month	\$20 per month

New! Embedded Out-of-Pocket Limit



If family deductible or out-of-pocket (OOP) limit exceeds \$6,850 ...

Then plan must adopt an embedded self-only OOP limit of no more than \$6,850

- Effective 1/1/2016
- Applies to all non-grandfathered plans (both self-funded and fully-insured)
- HDHP limits consideration

New! Embedded Out-of-Pocket Limit

Johnson family's plan has a \$13,000 out-of-pocket (OOP) maximum

Covered Family Members	James	Jenny	Susie	Matt
Individual Plan Limits	\$6,850	\$6,850	\$6,850	\$6,850
<i>Medical Expenses Incurred</i>	\$10,000	\$3,000	\$3,000	\$3,000
OOP Balance	(\$3,150)	\$3,850	\$3,850	\$3,850
<i>Amount Paid by Plan</i>	\$3,150	\$0	\$0	\$0

Family \$13,000 Plan Limit Applied		Family OOP Balance	Amount Paid by Plan
James' OOP Cost Share	\$10,000	\$6,850	\$3,150
Jenny's OOP Cost Share	\$3,000	\$9,850	\$0
Susie's OOP Cost Share	\$3,000	\$12,850	\$0
Matt's OOP Cost Share	\$3,000	\$13,000 (\$2,850)	\$2,850

Affordability

- **New!** Indexed affordability safe harbor %
 - 2014: 9.5%
 - 2015: 9.56%
 - 2016: 9.66%

Affordability – Flex Credits

- May reduce employee contribution if:
 - 1) Employee can't cash out credits;
 - 2) Employee may use credits to pay for MEC; and
 - 3) Employee may use only for medical expenses under Code Section 213
- May not reduce employee contribution if:
 - 1) Employee may use credits for non-healthcare benefits (life, disability, dependent care); or
 - 2) Employee may use credits for healthcare and cash out remaining credits
- Transition relief available
 - Effective plan years beginning on or after Jan 1, 2017 unless:
 - Newly adopted after Dec 16, 2015; or
 - Flex credits substantially increased after Dec 16, 2015

Affordability – Opt-Out Bonus

- Opt-out bonus increases employee contribution even if don't elect to opt-out of health coverage
 - Employee must “forgo” the extra compensation
- Example:
 - Cost of self-only coverage = \$200 (pre-tax)
 - Opt-out bonus if waive coverage = \$100 (taxable)
 - Total employee contribution for self-only coverage = \$300
- Transition relief: Opt-out bonus will not impact employee contributions for plan years beginning before Jan 1, 2017, unless adopted after Dec 16, 2015

The Marketplace

- 11.7 million individuals enrolled through the Marketplaces in 2015
 - 85% eligible for premium assistance
 - 8.9 million enrolled for 2016 (as of January 23)
- Uninsured rate drops by 35% nationwide
- Silver level plans most popular
- 2016 open enrollment close January 31, 2016



2016 Increased Individual Penalties

Individual Mandate Penalties by Tax Year	2014	2015	2016
 <p data-bbox="600 635 823 718">Jim Earns \$40k/yr</p>	\$299	\$594*	\$736*
 <p data-bbox="513 996 823 1079">Eduardo & Julia Earn \$70k/yr</p>	\$497	\$988*	\$2,085*

*Estimate

Let the Marketplace Certifications Begin!

- State and Federal Marketplaces notify employer of employee gaining coverage with premium assistance
- Employer may appeal within 90 days
- Appeal decided by marketplace within 90 days
 - If no appeal or appeal not granted, notice sent to IRS
 - If appeal granted, employee loses subsidy and must repay IRS
- Employer still has another opportunity to appeal any employer mandate penalty
 - After the due date for employees to file their tax returns and after the 6056 reporting for that calendar year



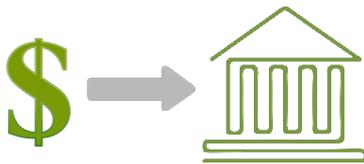
Excise Tax - 2018

DELAYED until 2020



COBRA Rate \geq \$10,200 for self-only or \$27,500 for family (other than self-only)

Excise Tax



= 40% of plan value that exceeds threshold

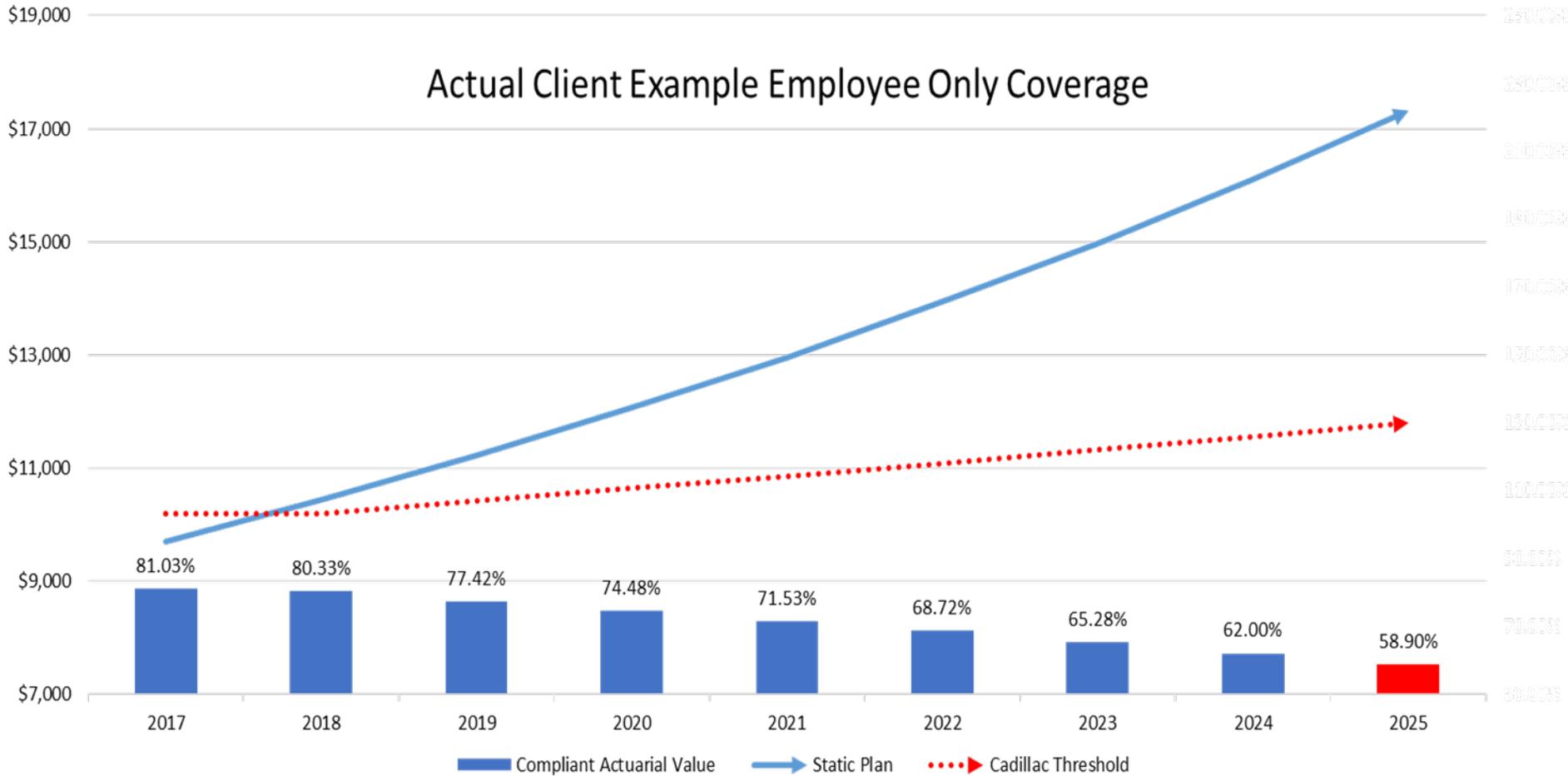
Special Provisions

- High risk professions
- Early retirees
- Age & gender

Indexing

2019: CPI-U plus 1%
2020: CPI-U

Actual Client Example Employee Only Coverage



Indexing - 2018

Coverage Type	Amount over Threshold
Medical and Prescription Drug	\$457,000
Health Flexible Spending Account	\$175,000
Retiree Health Savings (RHS)	\$215,000
Total Over Threshold	<u>\$847,000</u>
Excise Tax (40%)	<u>\$338,800</u>

Indexing - 2020

Coverage Type	Amount over Threshold
Medical and Prescription Drug	\$1,136,000
Health Flexible Spending Account	\$180,000
Retiree Health Savings (RHS)	\$250,000
Total Over Threshold	<u>\$1,566,000</u>
Excise Tax (40%)	<u>\$626,400</u>

Questions?

ajghealthcarereform.com



Healthcare Reform

Overview

Strategic Decision Support

Employer Resources

Regulatory Guidance

Timeline

Newsletters

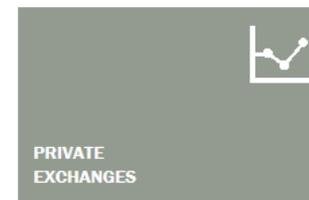
Webinars

Are you overwhelmed by ever-evolving regulations? You aren't alone.

Healthcare reform legislation is complex, and employer mandates are continually changing. It's time to work with a partner who can help shoulder your compliance burdens, stem the paperwork tide and reduce the risk of noncompliance.

The dramatic change to the healthcare landscape ushered in by the passage of the Patient Protection and Affordable Care Act (PPACA) presents a daunting challenge in understanding the myriad of potential impacts on you and your employees, while achieving your business objectives. As with most major legislation, the interpretation and implementation of the regulations may bring legal challenges that can result in new or modified requirements.

Arthur J. Gallagher & Co.'s Benefits & Human Resources Consulting team approach and market-leading financial and analytical modeling tools will guide you through the healthcare reform labyrinth. As your guide and advisor, we will work with you to understand the strategic, financial and operational impacts today and in the future.





Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS™

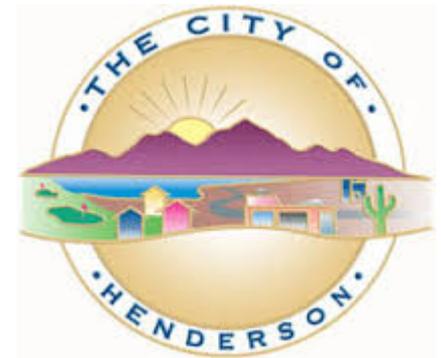
Thank you!



Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS™

City of Henderson 2015 Annual Report

FEBRUARY 10, 2016



Disclaimers

This analysis is for illustrative purposes only, and is not a proposal for coverage or a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. See your policy or contact us for specific information or further details in this regard.

These reports are presented on an accrual basis, not on a cash basis, and will therefore vary somewhat from the LOOMIS CO financial statements. Using an accrual basis provides a more accurate reflection of the actual claim activity as reported by the various vendors. It eliminates the inconsistencies that arise depending on when claim payments and certain fixed costs are actually paid by the City of Henderson.

The Rx data reflected in these reports are based on data provided by Express Scripts and may vary somewhat from the financial statements presented from LOOMIS CO. This is due to the difference in the claim paid date, as shown by Express Scripts, and the actual cash payment from the City of Henderson to fund the claims.

Unless specified, benchmark information was provided by The Henry J. Kaiser Family Foundation and Health Research and Educational Trust, September 2015 and Truven Health Analytics, Inc.



Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS™

Tab 1 - Executive Summary

Executive Summary

Overall Medical, Dental & Vision Plan Results

Overall the self funded program realized a \$1,162,964 budget surplus (92.6% total cost ratio) for the 2015 plan year. Last year the program realized a budget surplus of \$625,131 (95.7% total cost ratio).

- * The Loomis medical plan realized a \$1,608,852 budget surplus (88.8% total cost ratio).
- * The Loomis dental plan realized a \$16,705 budget surplus (97.8% total cost ratio).
- * The Delta Dental plan realized a \$75,802 budget deficit (132.0% total cost ratio).
- * The VSP self funded vision plan realized a \$7,303 budget surplus (96.7% total cost ratio).

Medical Plan Analysis

Average enrollment increased 2.4% (28 employees) from plan year 2014 to plan year 2015.

The total medical/Rx plan cost per employee per month (PEPM) was \$892.19 for 2015, which was slightly lower (1.9%) compared to the same time period last year (\$875.75 PEPM).

The prescription drug component of the program increased by 25.2% (on a PEPM basis) year over year or \$49.81 per employee per month. In addition, prescription drugs made up 28.9% of total net claims, which is above normative ranges (18% to 22%). Last year, prescription drugs made up 25.0% of total net claims.

Overall, the City's annualized cost was \$10,706 per employee, which is better than national benchmark of \$15,324 per employee.

There were an average of 109 retirees (94 in prior year) on the medical plan, which account for 9.1% of total enrollment. Although the population is not credible (due to the size), the retirees are currently running at a 166.1% total cost ratio, or a \$708,309 budget deficit (PY 2014 the budget deficit was \$577,043 or a 164.6% total cost ratio).

Executive Summary

There were 17 claimants over \$50,000 for plan year 2015, representing 14.5% of total net claims. Last year during the same time frame, there were 21 claims over \$50,000, representing 22.1% of total net claims.

* 2013 net large claims as a percentage of total large claims was 23.7%

Overall, claims over \$50,000 were down 26.7% compared to 2014.

In 2015, the City increased its stop loss threshold from \$175,000 to \$500,000; however built budgetary self funded rates based on a \$200,000 threshold. The difference in the \$500,000 stop loss premium and the \$200,000 stop loss premium was set aside into a restricted fund to pay claims between \$200,000 and \$500,000 - this strategy yielded \$394,094 in net savings.

* During 2015 no claimants exceeded the \$500,000 stop loss

Medical Utilization Analysis

There were \$14,000.04 PEPY of gross plan (medical and prescription drug) costs, of which, employees funded \$3,648.79 PEPY in the form of contributions and out-of-pocket expenses such as copays, deductibles and coinsurance. This represents a 26.1% total effective cost share (23.8% in 2014).

The employee cost share attributable to plan design increased from 14.4% to 15.1% primarily due to the change in out of network cost sharing.

Employees generated 40.5% of the total paid claims for the plan, while comprising 32.4% of enrolled participants.

* On average, spouses cost 28% more than employees, while children cost 55% less than employees.

71.5% of plan cost was generated by 389 members (or 11.6%) while the remaining 88.4% of the population had less than \$5,000 in claims.

Executive Summary

St. Rose represents the most utilized hospital by the City with 69 admits, representing 33.2% of total inpatient hospital claims.

The City's members had 9.6 prescriptions per members (8.7 in 2014, a 10% increase) which compares favorably to the benchmark of 11.0; however, the average cost per prescription was \$108.28 versus the benchmark of \$96.47.

Generic utilization increased to 79.3% from 76.8% in the prior year.

Specialty drugs represented 0.5% of total scripts; however, this category accounted for 27.3% of total drug cost (19.8% in the prior plan year). In addition, the cost per script increased 42.9% compared to the prior year.

Biological and diabetic therapy drugs accounted for the most prescribed drugs (in 2014 it was Anti-arthritis and lipotropics).

Dental Plan Analysis

Although Delta Dental makes up 28.8% of total dental enrollment, its costs are 20.1% higher on a PEPM basis.

Orthodontics made up 13.6% of total plan spend versus the industry norm of 6 – 8%.

Wellness and Disease Management Analysis

Preventive care visits and services were both considerably above the norm while the cost per visit and/or service were both considerably below the norm.

Cancer, depression, diabetes, heart disease, and low back pain patients per 1,000 were all below normative data.



Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS™

Tab 2 – Financial Report

Table of Contents

- 9. Estimated Plan Status
- 10. Active vs. Retiree – Medical & Rx
- 11. Monthly Claim Summary – Medical & Rx
- 12. Net Medical & Rx Cost Analysis
- 13. Large Claim Summary
- 14. Large Claim Analysis
- 15. Dental Claim Analysis
- 16. Claims by Type of Service – Dental
- 17. Historical Cost & Enrollments

Estimated Plan Status

January 1, 2015 through December 31, 2015	Medical & Rx	Dental (Loomis)	Dental (Delta)	Vision	Grand Totals
Average Enrollees	1,196	1,015	320	1,284	
Total Projected Revenues ⁽¹⁾	\$14,416,190	\$746,387	\$236,625	\$218,439	\$15,617,641
<u>Plan Costs</u>					
Claims Information ⁽²⁾					
Paid Claims ⁽³⁾	\$8,916,599	\$703,630	\$284,726	\$185,399	\$10,090,354
Rx Claims	\$3,551,159				\$3,551,159
Less Est. Rx Rebates & Recoveries	(\$160,000)				(\$160,000)
Less Claims Over \$500K Stop Loss Level	\$0				\$0
Total Net Claims	\$12,307,758	\$703,630	\$284,726	\$185,399	\$13,481,513
Captive Stop Loss					
Premium savings from \$200,000 vs. \$500,000	(\$588,817)				(\$588,817)
Claims between \$200,000 and \$500,000	\$194,723				\$194,723
Total Net (Savings)/Cost	(\$394,094)	\$0	\$0	\$0	(\$394,094)
Fixed Expenses					
Administration Fees - Medical	\$198,960	\$26,052	\$27,701	\$25,736	\$278,450
PPO Network Access Fee	\$150,010				\$150,010
Utilization Management	\$66,607				\$66,607
Specific Stop Loss Premium	\$227,092				\$227,092
Transitional Reinsurance Fee	\$157,905				\$157,905
Consulting	\$93,100				\$93,100
Total Fixed Expenses	\$893,675	\$26,052	\$27,701	\$25,736	\$973,164
Total Costs:	\$12,807,338	\$729,682	\$312,427	\$211,135	\$14,454,677
Plan Status (Revenues minus Total Costs):	\$1,608,852	\$16,705	(\$75,802)	\$7,303	\$1,162,964

Other Plan Statistics:

Total Cost Ratio:	88.8%	97.8%	132.0%	96.7%	92.6%
Total Cost/Ee/Month:	\$892.19	\$59.94	\$81.32	\$13.70	

(1) Based on monthly enrollments from Loomis Co and projected funding rates provided by the City.

(2) Medical and Dental claims were provided by Loomis Co and Delta Dental, Rx claims were provided by ESI, and Vision claims were provided by VSP.

(3) Medical paid claims include Large Case Management.

Active vs Retiree – Medical & Rx

January 1, 2015 through December 31, 2015	Medical & Rx Only			
	Active	Pre-65 Retiree	Post-65 Retiree	Grand Totals
Average Enrollees	1,086	109	1	1,196
Total Projected Revenues	\$13,333,819	\$1,070,931	\$11,439	\$14,416,190
Plan Costs				
Claims Information				
Paid Claims	\$7,767,647	\$1,125,927	\$23,025	\$8,916,599
Rx Claims	\$2,876,272	\$658,506	\$16,381	\$3,551,159
Rx Rebates & Recoveries	(\$129,593)	(\$29,669)	(\$738)	(\$160,000)
Less Claims Over \$500K Stop Loss Level	\$0	\$0	\$0	\$0
Total Net Claims	\$10,514,327	\$1,754,764	\$38,667	\$12,307,758
Captive Stop Loss				
Premium savings from \$200,000 vs. \$500,000	(\$534,673)	(\$53,652)	(\$492)	(\$588,817)
Claims between \$200,000 and \$500,000	\$194,723	\$0	\$0	\$194,723
Total Net (Savings)/Cost	(\$339,950)	(\$53,652)	(\$492)	(\$394,094)
Fixed Expenses				
Administration Fees - Medical	\$180,665	\$18,129	\$166	\$198,960
PPO Network Access Fee	\$136,216	\$13,669	\$125	\$150,010
Utilization Management	\$60,482	\$6,069	\$56	\$66,607
Specific Stop Loss Premium	\$209,476	\$17,391	\$225	\$227,092
Transitional Reinsurance Fee	\$143,385	\$14,388	\$132	\$157,905
Consulting	\$84,539	\$8,483	\$78	\$93,100
Total Fixed Expenses	\$814,764	\$78,129	\$782	\$893,675
Total Costs:	\$10,989,141	\$1,779,240	\$38,957	\$12,807,338
Plan Status (Revenues minus Total Costs):	\$2,344,679	(\$708,309)	(\$27,518)	\$1,608,852

Other Plan Statistics:

Total Cost Ratio:	82.4%	166.1%	340.6%	88.8%
Total Cost/Ee/Month:	\$843.05	\$1,360.28	\$3,246.44	\$892.19
Rx as a Percentage of Net Claims	27.0%	36.9%	N/A	28.5%

Monthly Claim Summary – Medical & Rx

Month	A Medical Paid Claims ⁽¹⁾	B Rx Paid Claims	C \$500,000 Claim Dollars Exceeding Stop Loss	D Rx Rebates	E Net Medical & Rx Paid Claims	F Actual YTD Medical & Rx Paid Claims	G "Projected" YTD Paid Claims Current Year	H % of Actual YTD Paid Claims vs. Projected YTD Paid Claims	I Actual Net YTD Paid Claims Prior Year	J # of Employees Enrolled Medical
January	\$640,715	\$263,664	\$0	\$0	\$904,379	\$904,379	\$1,028,922	87.9%	\$898,837	1,172
February	482,188	257,534	0	0	739,722	1,644,101	2,059,600	79.8%	1,579,339	1,174
March	801,068	296,249	0	(40,000)	1,057,318	2,701,419	3,092,034	87.4%	2,443,519	1,176
April	457,251	299,459	0	0	756,710	3,458,129	4,135,003	83.6%	3,343,490	1,188
May	716,761	257,200	0	0	973,960	4,432,090	5,175,338	85.6%	4,090,829	1,185
June	837,342	269,857	0	(40,000)	1,067,199	5,499,289	6,221,819	88.4%	4,895,525	1,192
July	1,105,657	280,493	0	0	1,386,150	6,885,439	7,275,323	94.6%	5,868,644	1,200
August	677,415	342,816	0	0	1,020,231	7,905,669	8,330,583	94.9%	7,119,687	1,202
September	664,583	275,125	0	(40,000)	899,708	8,805,377	9,389,354	93.8%	8,132,193	1,206
October	729,960	354,850	0	0	1,084,810	9,890,187	10,462,173	94.5%	9,352,025	1,222
November	693,886	324,609	0	0	1,018,495	10,908,681	11,531,479	94.6%	10,577,641	1,218
December	1,109,773	329,303	0	(40,000)	1,399,077	12,307,758	12,602,542	97.7%	11,809,289	1,220
TOTAL	\$8,916,599	\$3,551,159	\$0	(\$160,000)	\$12,307,758		\$12,602,542	97.7%	\$11,809,289	14,355

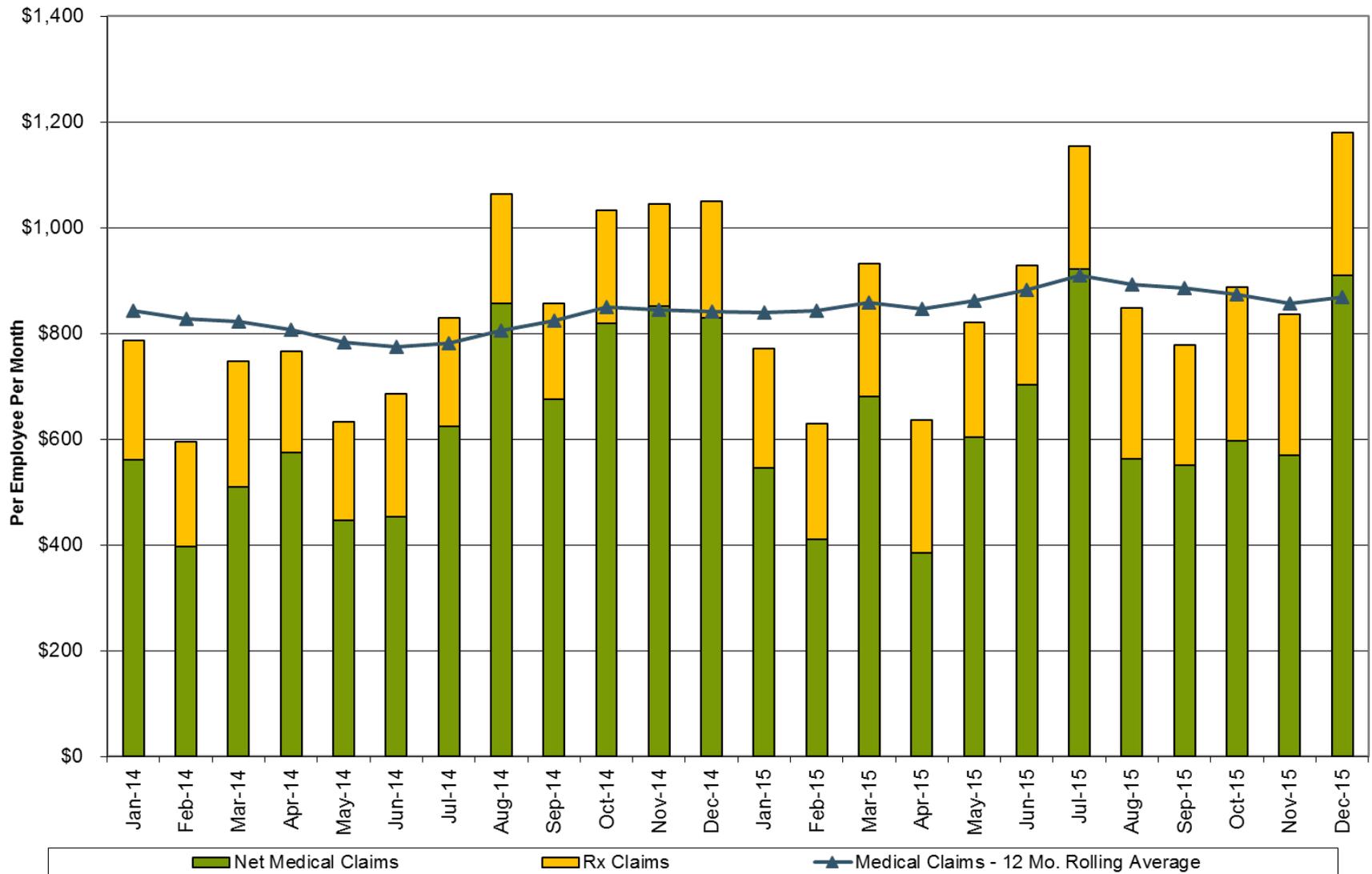
2015 "Projected" Medical & Rx Claims/EE/Mo. = **\$877.92**

2015 Actual YTD Medical & Rx Claims/EE/Mo. = **\$857.38**

2015 Rx Claim Cost/Ee/Month: **\$247.38**

⁽¹⁾ Medical paid claims include Large Case Management.

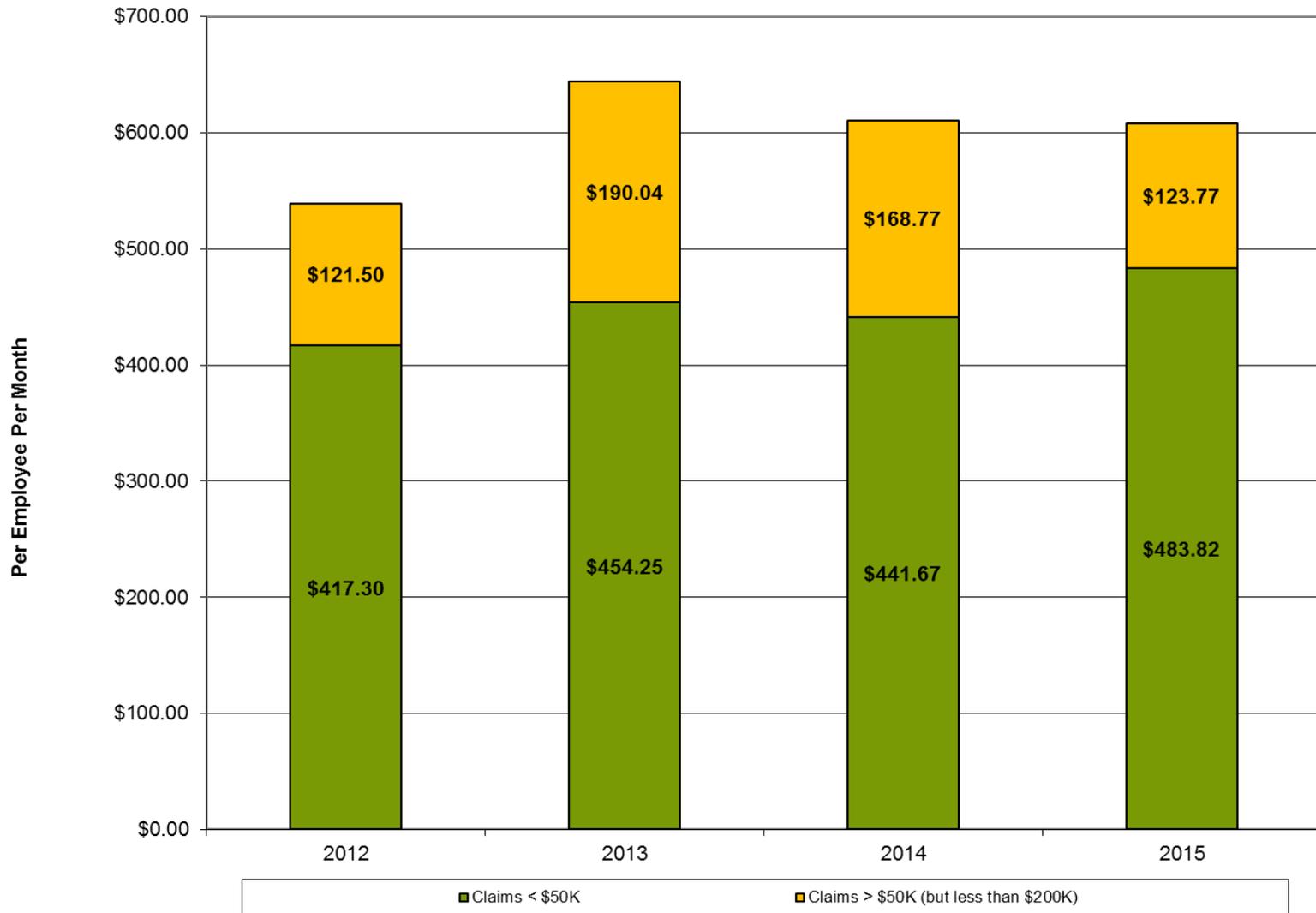
Net Medical & Rx Cost Analysis



Large Claim Summary

Claimants over \$50,000	PY 2012	PY 2013	PY 2014	PY 2015
1)	\$339,133	1) \$273,845	1) \$602,511	1) \$394,723
2)	\$170,175	2) \$186,423	2) \$362,359	2) \$163,369
3)	\$161,891	3) \$164,146	3) \$277,351	3) \$162,098
4)	\$152,584	4) \$156,553	4) \$192,398	4) \$161,330
5)	\$152,193	5) \$156,438	5) \$185,888	5) \$111,104
6)	\$123,723	6) \$156,428	6) \$177,189	6) \$106,436
7)	\$106,685	7) \$124,673	7) \$165,166	7) \$100,618
8)	\$78,501	8) \$122,012	8) \$113,054	8) \$97,270
9)	\$77,023	9) \$120,310	9) \$104,643	9) \$89,976
10)	\$71,695	10) \$113,879	10) \$101,487	10) \$88,265
11)	\$66,353	11) \$103,440	11) \$97,721	11) \$83,990
12)	\$66,314	12) \$94,971	12) \$89,322	12) \$78,824
13)	\$62,182	13) \$94,923	13) \$87,684	13) \$71,279
14)	\$59,923	14) \$90,761	14) \$87,256	14) \$70,091
15)	\$55,459	15) \$80,717	15) \$87,114	15) \$68,453
16)	\$50,919	16) \$76,430	16) \$80,690	16) \$68,443
17)	\$50,057	17) \$70,070	17) \$71,952	17) \$55,159
		18) \$64,863	18) \$67,916	
		19) \$63,914	19) \$65,435	
		20) \$61,808	20) \$60,797	
		21) \$58,596	21) \$52,601	
		22) \$58,596		
		23) \$55,695		
		24) \$52,752		
		25) \$51,607		
		26) \$51,236		
Plan Year Total Large Claims	\$1,844,810	\$2,705,086	\$3,130,534	\$1,971,428
Plan Year Total Net Claims	\$7,196,920	\$11,092,854	\$11,274,939	\$12,273,035
Net Large Claims as a % of Total Net Claims	23.7%	23.7%	22.1%	14.5%
# of claimants > \$50,000	17	26	21	17
# of claimants > \$200,000	1	1	3	1
# of claimants > \$500,000	0	0	1	0
Normative # of claimants > \$100,000	5 to 6	6 to 7	7 to 8	7 to 8
Normative # of claimants > \$200,000	2 to 3	2 to 3	4 to 5	4 to 5
Normative # of claimants > \$500,000	2	2	2	2

Large Claims Analysis



Dental Claims Analysis

Month	Loomis - Self Funded		
	Total Paid Claims	# of Employees	Paid Claims PEPM
January	\$65,421	994	\$65.82
February	61,308	992	\$61.80
March	66,124	999	\$66.19
April	58,254	1,008	\$57.79
May	62,835	1,005	\$62.52
June	72,316	1,011	\$71.53
July	52,170	1,016	\$51.35
August	54,796	1,021	\$53.67
September	49,195	1,022	\$48.14
October	56,427	1,037	\$54.41
November	44,757	1,033	\$43.33
December	60,025	1,036	\$57.94
TOTAL	\$703,630	1,015	\$57.80
% of Total	71.2%	76.0%	-6.3%

Month	Delta Dental - Self Funded		
	Total Paid Claims	# of Employees	Paid Claims PEPM
January	\$12,360	311	\$39.74
February	24,004	312	\$76.93
March	24,496	307	\$79.79
April	25,256	318	\$79.42
May	27,196	318	\$85.52
June	17,393	320	\$54.35
July	32,556	324	\$100.48
August	24,687	322	\$76.67
September	28,989	326	\$88.92
October	25,530	329	\$77.60
November	19,022	328	\$57.99
December	23,237	327	\$71.06
TOTAL	\$284,726	320	\$74.11
% of Total	28.8%	24.0%	20.1%

Month	Total Dental - Self Funded		
	Total Paid Claims	# of Employees	Paid Claims PEPM
January	\$77,781	1,305	\$59.60
February	85,312	1,304	\$65.42
March	90,620	1,306	\$69.39
April	83,510	1,326	\$62.98
May	90,032	1,323	\$68.05
June	89,710	1,331	\$67.40
July	84,726	1,340	\$63.23
August	79,483	1,343	\$59.18
September	78,185	1,348	\$58.00
October	81,956	1,366	\$60.00
November	63,779	1,361	\$46.86
December	83,262	1,363	\$61.09
TOTAL	\$988,356	1,335	\$61.71
% of Total	N/A	N/A	N/A

Est Insured Premium	\$403,762
Actual Cost	\$312,427
Achieved Savings (ASO)	\$91,335

Claims by Type of Service – Dental

Service Category	1/1/14 through 12/31/14		1/1/15 through 12/31/15	
	Paid Claims	% of Paid Claims	Paid Claims	% of Paid Claims
Preventive	\$252,859	26.2%	\$256,931	26.0%
Basic	\$318,894	33.1%	\$319,147	32.3%
Major	\$256,936	26.6%	\$277,590	28.1%
Orthodontics	\$136,134	14.1%	\$134,689	13.6%
TOTALS	\$964,823	100.0%	\$988,356	100.0%

Number of members hitting annual maximum:

26

0.8% of 3,435 average number of members

Historical Claims & Enrollment

Net Medical Paid Claims	Average Enrollment	% Change from Prior Yr	Net Paid Claims	% Change from Prior Yr	Claim Cost per Ee / Mo.	% Change from Prior Yr
2012	1,170	2.5%	\$7,477,327	13.2%	\$532.61	10.4%
2013	1,154	(1.4%)	\$8,800,778	17.7%	\$635.62	19.3%
2014	1,169	1.3%	\$8,894,795	1.1%	\$634.26	(0.2%)
2015	1,196	2.4%	\$8,916,599	0.2%	\$621.15	(2.1%)

Rx Paid Claims (excludes Rx Rebates)	Average Enrollment	% Change from Prior Yr	Net Paid Claims	% Change from Prior Yr	Claim Cost per Ee / Mo.	% Change from Prior Yr
2012	1,170	2.5%	\$2,522,887	14.4%	\$179.71	11.6%
2013	1,154	(1.4%)	\$2,676,390	6.1%	\$193.30	7.6%
2014	1,169	1.3%	\$2,914,494	8.9%	\$207.82	7.5%
2015	1,196	2.4%	\$3,551,159	21.8%	\$247.38	19.0%

Total Net Medical & Rx	Average Enrollment	% Change from Prior Yr	Net Paid Claims	% Change from Prior Yr	Claim Cost per Ee / Mo.	% Change from Prior Yr
2012	1,170	2.5%	\$10,000,214	13.5%	\$712.32	10.7%
2013	1,154	(1.4%)	\$11,477,168	14.8%	\$828.92	16.4%
2014	1,169	1.3%	\$11,809,289	2.9%	\$842.08	1.6%
2015	1,196	2.4%	\$12,467,758	5.6%	\$868.53	3.1%

Dental Paid Claims *** Loomis Only ***	Average Enrollment	% Change from Prior Yr	Net Paid Claims	% Change from Prior Yr	Claim Cost per Ee / Mo.	% Change from Prior Yr
2012	1,090	(9.9%)	\$828,948	12.2%	\$63.37	24.5%
2013	983	(9.8%)	\$640,711	(22.7%)	\$54.31	(14.3%)
2014	1,008	2.5%	\$651,721	1.7%	\$53.90	(0.7%)
2015	1,015	0.7%	\$703,630	8.0%	\$57.80	7.2%

Vision Paid Claims	Average Enrollment	% Change from Prior Yr	Net Paid Claims	% Change from Prior Yr	Claim Cost per Ee / Mo.	% Change from Prior Yr
2012	1,235	2.2%	\$169,710	7.1%	\$11.46	4.7%
2013	1,235	(0.0%)	\$168,225	(0.9%)	\$11.36	(0.9%)
2014	1,257	1.8%	\$176,041	4.6%	\$11.67	2.8%
2015	1,284	2.2%	\$185,399	5.3%	\$12.03	3.1%



Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS™

Tab 3 – Utilization Report

Table of Contents

- 20. Utilization Dashboard
- 21. Total Effective Cost Share
- 22. Total Effective Cost Share Statistics
- 23. Total Effective Cost Share Benchmarks
- 24. Paid Claim by Member Type
- 25. Claim Stratification – Medical Only
- 26. Inpatient and Outpatient Claims
- 27. Top 10 Inpatient Hospitals
- 28. Major Disease Categories
- 29. Rx Utilization Summary
- 30. Rx Utilization Metrics
- 31. Top 15 Specialty Drugs
- 32. Top 15 Drugs by Class

Utilization Dashboard

Medical

Rx

Medical	PY 2014	PY 2015	Benchmark	Rx	PY 2014	PY 2015	Benchmark
Avg Enrolled	1,169	1,196	N/A	Scripts per Member per Year	8.7	9.6	11.0
Total Plan Cost PEPY	\$11,136	\$10,546	\$15,324	Avg Cost per Script	\$92.13	\$108.28	\$96.47
Avg Medical Discount	54.9%	67.0%	N/A	PMPM Claim Cost	\$799.70	\$1,034.12	\$83.08
Avg Rx Discount	29.1%	26.7%	N/A	PMPM Member OOP Cost	\$7.47	\$7.27	\$13.47
Total Effective Cost Share	23.8%	26.1%	28.5%	Generic Dispensing Rate	76.8%	79.3%	78.6%
Inpatient Admits per 1,000	62	74	70	# of Scripts by Rx Type	PY 2014	PY 2015	% Chg
Avg Paid per Admit	\$17,774	\$10,364	\$22,110	Generic	24,134	25,981	7.7%
Outpatient Surgeries per 1,000	1,471	1,587	1,261	Brand	7,146	6,647	(7.0%)
Avg Paid per Surgery	\$90	\$101	\$158	Specialty	143	169	18.2%
ER per 1,000	226	262	242	Total	31,423	32,797	4.4%
Avg Paid per ER Visit	\$818	\$906	\$741	Cost per Script by Rx Type	PY 2014	PY 2015	% Chg
Office Visits per 1,000	4,462	4,613	3,481	Generic	\$29.80	\$33.40	12.1%
Avg Paid per Office Visit	\$44	\$47	\$73	Brand	\$224.28	\$258.05	15.1%
Preventive Visits per 1,000	547	582	468	Specialty	\$4,007.31	\$5,728.22	42.9%
Avg Paid per Preventive Visit	\$55	\$59	\$140	Total	\$92.13	\$108.28	17.5%

Total Effective Cost Share

Employee Statistics	PY 2013		PY 2014		PY 2015	
Average Employees	1,154		1,229		1,196	
Average Members	3,476		3,620		3,435	
Member to Contract Ratio	3.01		2.95		2.87	

Employee Only Premium Cost Sharing	Amount	PEPY	Amount	PEPY	Amount	PEPY
Budgeted Premium	\$1,198,786	\$1,038.81	\$1,793,797	\$1,459.56	\$1,636,835	\$1,368.59
Employee Contributions	(\$124,212)	(\$107.64)	(\$213,587)	(\$173.79)	(\$224,506)	(\$187.71)
Employee Contributions as % of Budgeted Premium	10.4%		11.9%		13.7%	
Employer Cost Share as % of Budgeted Premium	89.6%		88.1%		86.3%	

Dependent Premium Cost Sharing	Amount	PEPY	Amount	PEPY	Amount	PEPY
Budgeted Premium	\$10,924,267	\$9,466.44	\$11,983,464	\$9,750.58	\$12,779,355	\$10,685.08
Employee Contributions	(\$1,169,230)	(\$1,013.20)	(\$1,474,376)	(\$1,199.66)	(\$1,811,585)	(\$1,514.70)
Employee Contributions as % of Budgeted Premium	10.7%		12.3%		14.2%	
Employer Cost Share as % of Budgeted Premium	89.3%		87.7%		85.8%	

Total Premium Cost Sharing	Amount	PEPY	Amount	PEPY	Amount	PEPY
Budgeted Premium	\$12,123,053	\$10,505.25	\$13,777,261	\$11,210.14	\$14,416,190	\$12,053.67
Employee Contributions	(\$1,293,442)	(\$1,120.83)	(\$1,687,963)	(\$1,373.44)	(\$2,036,091)	(\$1,702.42)
Employee Contributions as % of Budgeted Premium	10.7%		12.3%		14.1%	
Employer Cost Share as % of Budgeted Premium	89.3%		87.7%		85.9%	

Plan Design Cost Sharing	Amount	PEPY	Amount	PEPY	Amount	PEPY
Total Effective Claims Payable	\$13,984,840	\$12,118.58	\$14,491,159	\$11,791.02	\$15,384,434	\$12,863.24
Less Deductible/Copay (Employee Cost Share)	(\$1,932,965)	(\$1,675.01)	(\$2,089,637)	(\$1,700.27)	(\$2,327,859)	(\$1,946.37)
Employer Claims Expense	\$12,051,875	\$10,443.57	\$12,401,522	\$10,090.74	\$13,056,575	\$10,916.87
Employee Cost Share as % of Total Claims Payable	13.8%		14.4%		15.1%	
Employer Cost Share as % of Total Claims Payable	86.2%		85.6%		84.9%	

Total Effective Cost Share	Amount	PEPY	Amount	PEPY	Amount	PEPY
Total Cost Before Cost Sharing	\$14,056,018	\$12,180.26	\$15,866,898	\$12,910.41	\$16,744,049	\$14,000.04
Total Employee Share (EE Cost Share & Contributions)	(\$3,226,407)	(\$2,795.85)	(\$3,777,600)	(\$3,073.72)	(\$4,363,950)	(\$3,648.79)
Total Employee Share as % of Total Cost	23.0%		23.8%		26.1%	
Employer Cost Share as % of Total Cost	77.0%		76.2%		73.9%	

Total Effective Cost Share Statistics

Total Premium Cost Share



Total Premium Cost Share - Statistics

City of Henderson 85.9% 80th percentile	Book of Business Minimum = 52.7% Maximum = 100%	Book of Business Mean = 81% Median = 81.3%
-----------------------------------------------	-------------------------------------------------------	--------------------------------------------------

Employee Only Premium Cost Share



Employee Only Premium Cost Share - Statistics

City of Henderson 86.3% 51th percentile	Book of Business Minimum = 60% Maximum = 100%	Book of Business Mean = 87.7% Median = 87.9%
-----------------------------------------------	-----------------------------------------------------	----------------------------------------------------

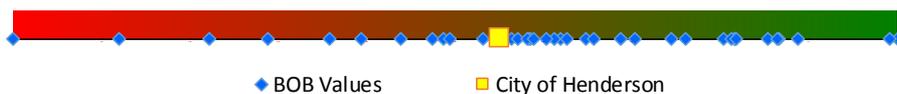
Dependent Premium Cost Share



Dependent Premium Cost Share - Statistics

City of Henderson 85.8% 85th percentile	Book of Business Minimum = 42% Maximum = 100%	Book of Business Mean = 74.6% Median = 80%
-----------------------------------------------	-----------------------------------------------------	--------------------------------------------------

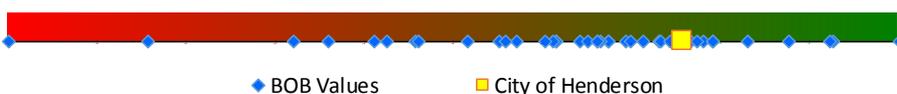
Plan Design Cost Share



Plan Design Cost Share - Statistics

City of Henderson 84.9% 34th percentile	Book of Business Minimum = 75.8% Maximum = 93.6%	Book of Business Mean = 86.6% Median = 86.4%
-----------------------------------------------	--------------------------------------------------------	----------------------------------------------------

Total Effective Cost Share



Total Effective Cost Share - Statistics

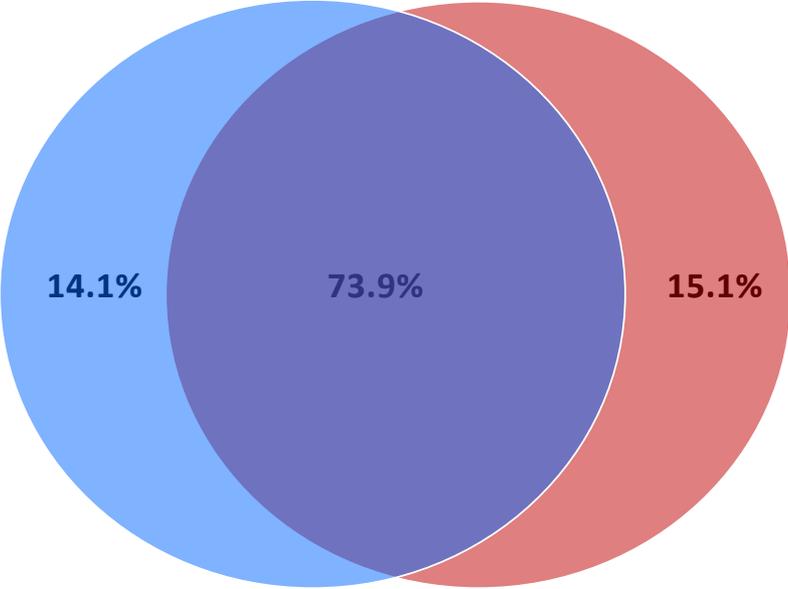
City of Henderson 73.9% 76th percentile	Book of Business Minimum = 45.7% Maximum = 86%	Book of Business Mean = 71.5% Median = 72.7%
-----------------------------------------------	------------------------------------------------------	----------------------------------------------------

(1) Generally, reflects clients with 200+ employees (self-funded and fully-insured) for plan years ending 2014

(2) All data is reflected in terms of employer cost sharing

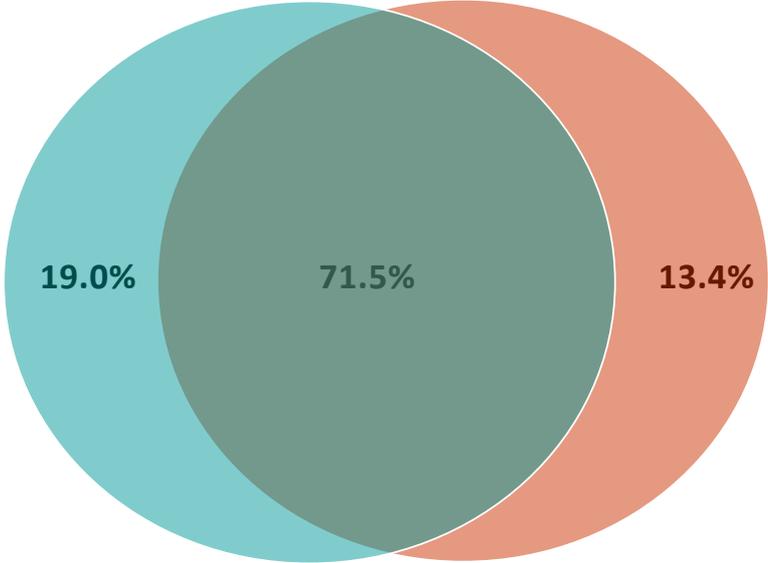
Total Effective Cost Share Benchmark

2015 City of Henderson



- This represents the employee's premium cost share
- This represents the employee's plan design cost share
- This represents the employer's total cost share

2014 GBS - Denver Benchmark

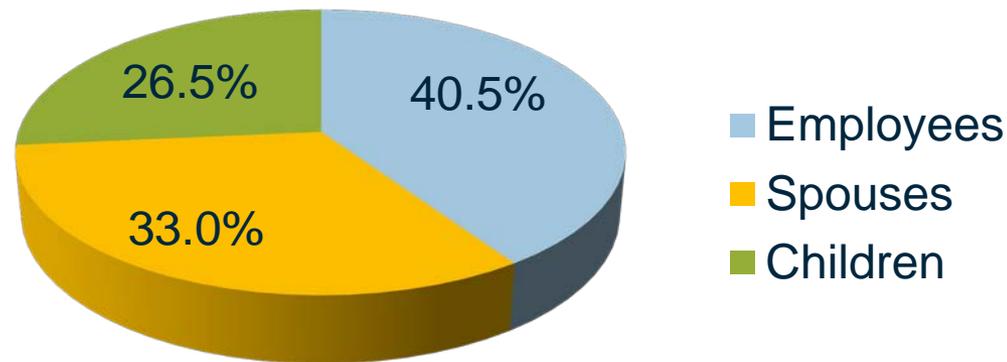


- This represents GBS' BOB employee premium cost share
- This represents GBS' BOB employee's plan design cost share
- This represents GBS' BOB employer's total cost share

Paid Claims by Member Type

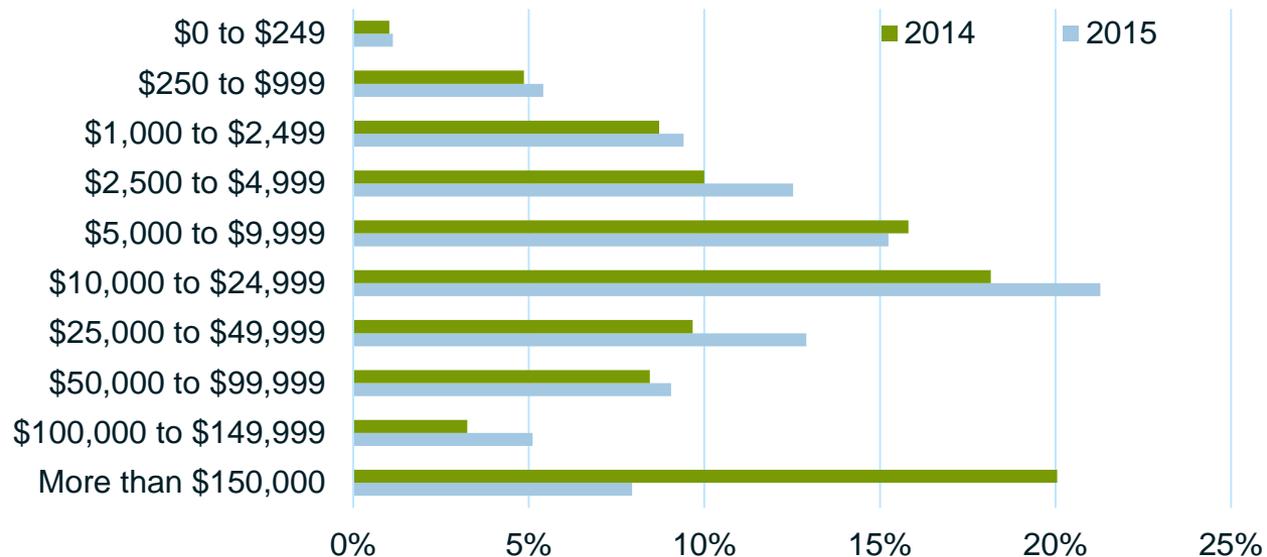
	Employees	Spouses	Children	Dependents
Average Members	1,113	709	1,612	2,321
Total Medical Claims	\$3,625,777	\$2,952,295	\$2,369,644	\$5,321,939
% of Total Paid	40.5%	33.0%	26.5%	59.5%
Paid Per Member Per Year	\$3,257.66	\$4,164.03	\$1,470.00	\$2,292.95

% of Total Paid



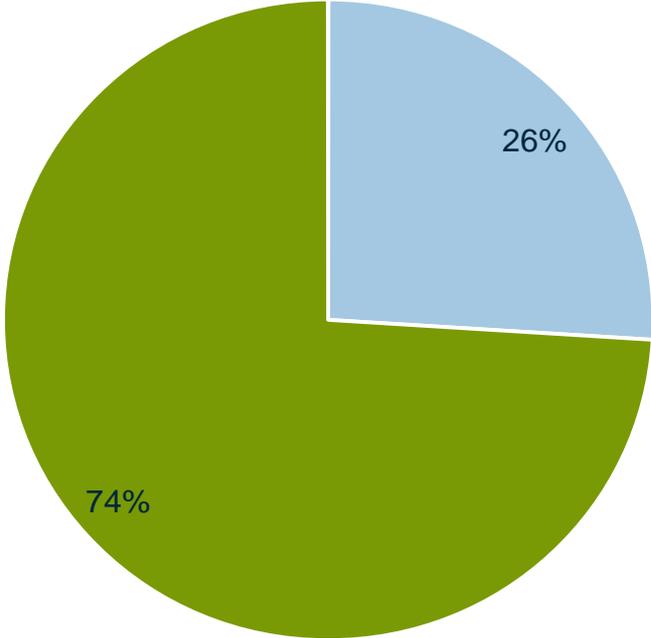
Claim Stratification – Medical Only

Eligible Charges	January 1, 2015 through December 31, 2015					PY 2014 % of Total Paid
	# of Members	% of Total Members	% of Total Cumulative	% of Total Paid	% of Total Cumulative	
\$0 to \$249	1,289	37.5%	37.5%	1.1%	1.1%	1.03%
\$250 to \$999	914	26.6%	64.1%	5.4%	6.5%	4.86%
\$1,000 to \$2,499	525	15.3%	79.4%	9.4%	15.9%	8.71%
\$2,500 to \$4,999	318	9.3%	88.7%	12.5%	28.5%	10.00%
\$5,000 to \$9,999	204	5.9%	94.6%	15.2%	43.7%	15.81%
\$10,000 to \$24,999	132	3.8%	98.5%	21.3%	65.0%	18.16%
\$25,000 to \$49,999	35	1.0%	99.5%	12.9%	77.9%	9.67%
\$50,000 to \$99,999	11	0.3%	99.8%	9.0%	87.0%	8.45%
\$100,000 to \$149,999	4	0.1%	99.9%	5.1%	92.1%	3.25%
More than \$150,000	3	0.1%	100.0%	7.9%	100.0%	20.05%
Total	3,435	100.0%	100.0%	100.0%	100.0%	100.0%



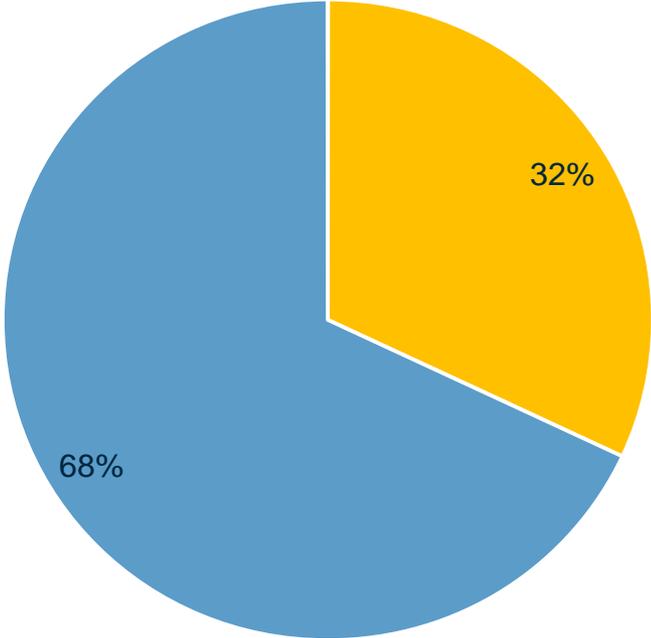
Inpatient and Outpatient Claims

City of Henderson



■ Inpatient ■ Outpatient

Normative



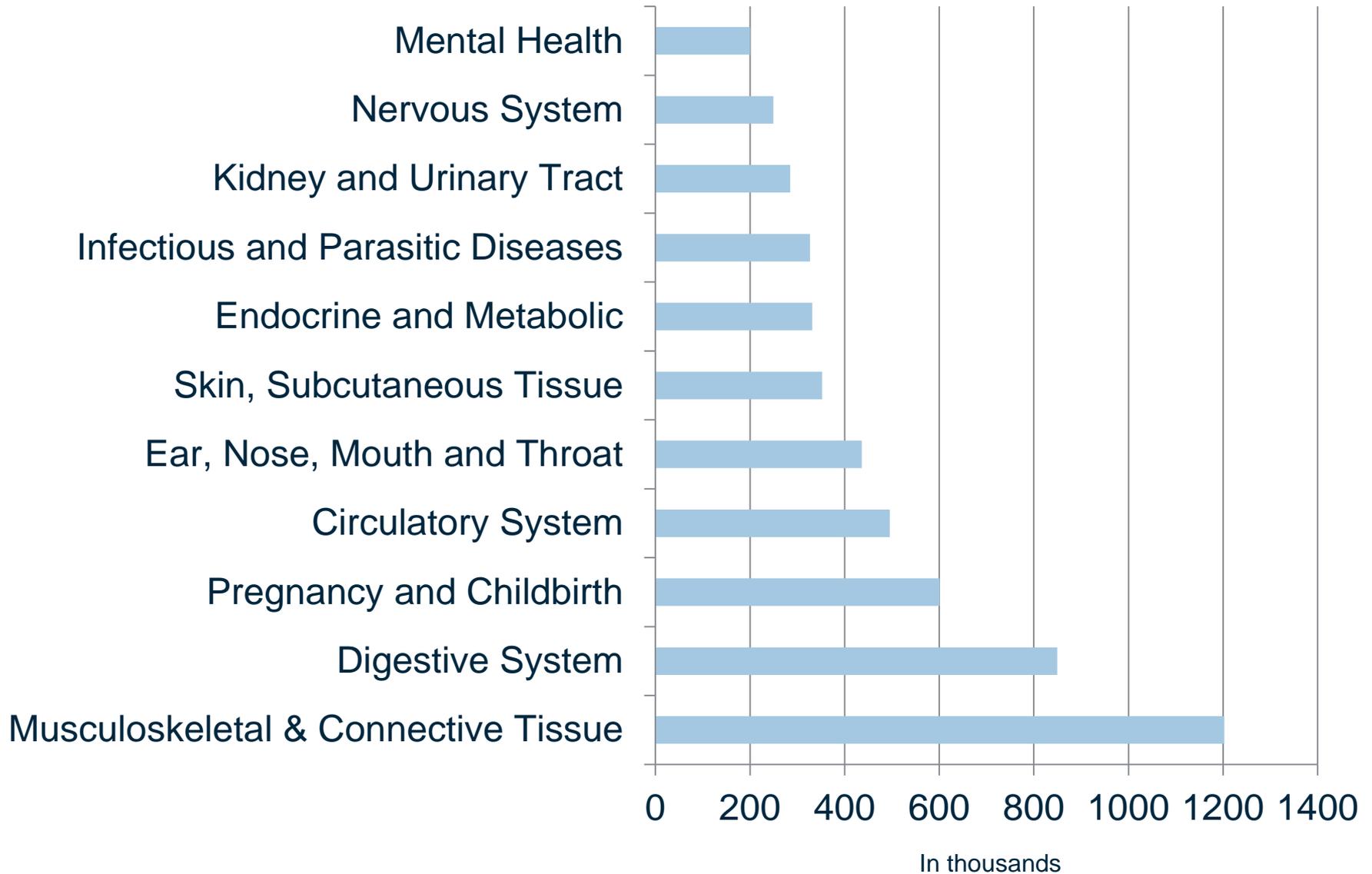
■ Inpatient ■ Outpatient

Top 10 Inpatient Hospitals

Inpatient Provider	Admits	Total Paid	Cost per Admit	% of All Paid
St Rose Dominican Siena	69	\$705,450	\$10,223.91	33.2%
Mayo Clinic - AZ	3	\$330,685	\$110,228.33	15.6%
Valley Hospital	2	\$135,438	\$67,719.00	6.4%
Spring Valley Hospital	12	\$100,130	\$8,344.17	4.7%
Hoag Memorial	3	\$89,591	\$29,863.67	4.2%
St Rose Dominican	10	\$85,847	\$8,584.70	4.0%
Sunrise Hospital	9	\$75,254	\$8,361.56	3.5%
Seven Hills Hospital	18	\$73,674	\$4,093.00	3.5%
University Medical Center	6	\$68,197	\$11,366.17	3.2%
Desert Springs Hospital	7	\$53,745	\$7,677.86	2.5%

Note: The % of All Paid column represents the percentage of all inpatient hospitals (not just the top 10).

Major Diagnostic Categories

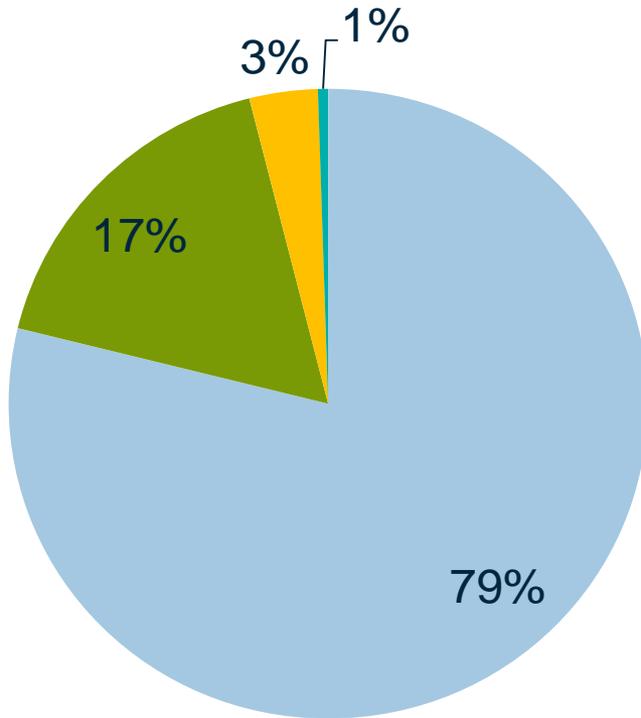


Rx Utilization Summary

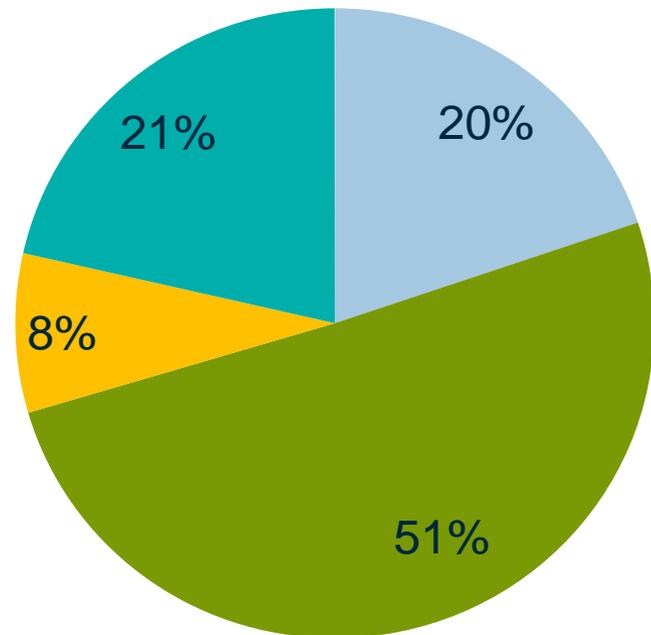
PY 2015	Retail	Mail Order	Mail Order to Retail	Specialty	2015 Total	Percentage	2014 Total	Percentage
Generic								
Number of Scripts	24,442	1,539		12	25,993	79.3%	24,142	76.8%
Plan Cost	\$744,687	\$123,139		\$28,244	\$896,070	25.2%	\$726,133	25.1%
Cost per Script	\$30.47	\$80.01	2.63	\$2,353.69	\$34.47		\$30.08	
Preferred Brand								
Number of Scripts	5,138	372		152	5,662	17.3%	6,078	19.3%
Plan Cost	\$1,131,327	\$220,309		\$934,204	\$2,285,840	64.4%	\$1,883,795	65.1%
Cost per Script	\$220.19	\$592.23	2.69	\$6,146.08	\$403.72		\$309.94	
Non-Preferred Brand								
Number of Scripts	1,090	47		5	1,142	3.5%	1,203	3.8%
Plan Cost	\$326,636	\$36,992		\$5,621	\$369,249	10.4%	\$284,978	9.8%
Cost per Script	\$299.67	\$787.07	2.63	\$0.00	\$323.34		\$236.89	
Total								
Number of Scripts	30,670	1,958		169	32,797	100.0%	31,423	100.0%
Plan Cost	\$2,202,650	\$380,440		\$968,069	\$3,551,159	100.0%	\$2,894,907	100.0%
Cost per Script	\$71.82	\$194.30	2.71	\$5,728.22	\$108.28		\$92.13	
Scripts as % of Total	93.5%	6.0%		0.5%	100.0%		100.0%	
Cost as % of Total	62.0%	10.7%		27.3%	100.0%		100.0%	

Rx Utilization Metrics

Number of Scripts



Amount Paid



■ Generic ■ Preferred Brand ■ Non-Preferred Brand ■ Specialty

Top 15 Specialty Drugs

PY 2015

Drug Name	Total Paid	% of Total Paid	Total Scripts	Cost per Script
PRIVIGEN	\$269,880	27.9%	18	\$14,993.33
COPAXONE	\$146,691	15.2%	25	\$5,867.66
TECFIDERA	\$137,605	14.2%	24	\$5,733.52
VIEKIRA PAK	\$86,485	8.9%	3	\$28,828.37
GENOTROPIN	\$80,617	8.3%	12	\$6,718.10
HUMIRA PEN	\$43,062	4.4%	13	\$3,312.44
IBRANCE	\$40,897	4.2%	4	\$10,224.30
NORDITROPIN FLEXPRO	\$36,546	3.8%	6	\$6,090.98
ENBREL	\$32,235	3.3%	10	\$3,223.47
AMPYRA	\$22,132	2.3%	12	\$1,844.37
SYNAGIS	\$15,375	1.6%	3	\$5,124.99
BOTOX	\$14,815	1.5%	11	\$1,346.81
ORENCIA	\$12,729	1.3%	3	\$4,243.13
NEUPOGEN	\$9,965	1.0%	1	\$9,964.80
OTEZLA	\$9,016	0.9%	4	\$2,254.10
Other Specialty Drugs	\$10,018	1.0%	20	\$500.90
Total Specialty Drugs	\$968,069	100.0%	169	\$5,728.22
Difference	\$395,023	N/A	26	N/A
Percent Change	68.93%	N/A	18.18%	N/A

PY 2014

Drug Name	Total Paid	% of Total Paid	Total Scripts	Cost per Script
COPAXONE	\$101,291	17.7%	19	\$5,331.11
TECFIDERA	\$98,472	17.2%	11	\$8,951.99
PRIVIGEN	\$82,656	14.4%	13	\$6,358.15
HUMIRA PEN	\$54,449	9.5%	20	\$2,722.46
SUTENT	\$49,508	8.6%	4	\$12,377.05
VOTRIENT	\$43,164	7.5%	5	\$8,632.88
ENBREL	\$41,620	7.3%	16	\$2,601.25
SYNAGIS	\$28,195	4.9%	6	\$4,699.10
AMPYRA	\$21,449	3.7%	13	\$1,649.94
NEUPOGEN	\$12,329	2.2%	2	\$6,164.25
PEGASYS PROCLICK	\$9,607	1.7%	3	\$3,202.32
BOTOX	\$6,895	1.2%	7	\$984.93
EXJADE	\$6,496	1.1%	1	\$6,495.93
TEMOZOLOMIDE	\$5,881	1.0%	1	\$5,881.18
NORDITROPIN FLEXPRO	\$5,441	0.9%	2	\$2,720.39
Other Specialty Drugs	\$5,593	1.0%	20	\$279.64
Total Specialty Drugs	\$573,045	100.0%	143	\$4,007.31

Top 15 Drugs by Class

PY 2015

Drug Class	Total Paid	% of Total Paid	Total Scripts	% of Total Scripts
BIOLOGICS	\$371,834	10.5%	53	0.2%
DIABETIC THERAPY	\$208,534	5.9%	791	2.4%
ANTIARTHRITICS	\$156,228	4.4%	1,016	3.1%
DERMATOLOGICALS	\$154,255	4.3%	425	1.3%
TETRACYCLINES	\$141,925	4.0%	335	1.0%
ANTIVIRALS	\$138,511	3.9%	494	1.5%
LIPOTROPICS	\$131,111	3.7%	1,677	5.1%
CONTRACEPTIVES	\$123,387	3.5%	1,996	6.1%
NARCOTIC ANALGESICS	\$121,894	3.4%	1,569	4.8%
PSYCOSTIMULANTS - ANTIDEPRESSANTS	\$102,806	2.9%	2,309	7.0%
ANTICONVULSANTS	\$92,720	2.6%	740	2.3%
BRONCHIAL DILATORS	\$89,921	2.5%	1,302	4.0%
NON-NARCOTIC ANALGESICS	\$89,365	2.5%	507	1.5%
ANTINEOPLASTICS	\$78,946	2.2%	350	1.1%
NASAL AND OTIC PREPARATIONS	\$74,677	2.1%	1,047	3.2%
Remaining Classes	\$1,475,045	41.5%	18,186	55.5%

PY 2014

Drug Class	Total Paid	% of Total Paid	Total Scripts	% of Total Scripts
ANTIARTHRITICS	\$166,816	5.8%	1,035	3.3%
LIPOTROPICS	\$135,948	4.7%	1,736	5.5%
DIABETIC THERAPY	\$134,076	4.6%	720	2.3%
TETRACYCLINES	\$124,253	4.3%	317	1.0%
DERMATOLOGICALS	\$121,747	4.2%	373	1.2%
ANTINEOPLASTICS	\$119,283	4.1%	366	1.2%
NARCOTIC ANALGESICS	\$118,860	4.1%	1,733	5.5%
PSYCOSTIMULANTS - ANTIDEPRESSANTS	\$116,364	4.0%	2,082	6.6%
CONTRACEPTIVES	\$113,885	3.9%	1,910	6.1%
ANTIVIRALS	\$88,136	3.0%	474	1.5%
BIOLOGICS	\$81,356	2.8%	13	0.0%
BRONCHIAL DILATORS	\$76,806	2.7%	1,136	3.6%
ANDROGENS	\$73,738	2.5%	406	1.3%
GLUCOCORTICOIDS	\$67,908	2.3%	908	2.9%
NASAL AND OTIC PREPARATIONS	\$64,027	2.2%	1,045	3.3%
Remaining Classes	\$1,291,704	44.6%	17,169	54.6%



Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS™

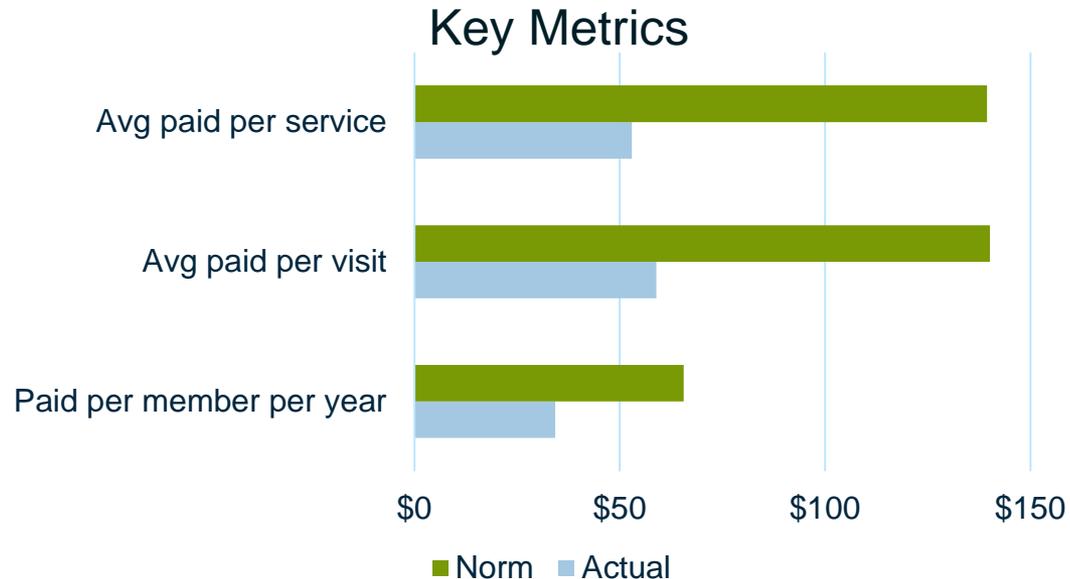
Tab 4 – Wellness & Disease Management

Table of Contents

- 35. Preventive Care Overview
- 36. Preventive Care Detail
- 37. Disease Management

Preventive Care Overview

Preventive Care Metrics	Actual	Norm	\$ Over/Under Norm	% Over/Under Norm
Paid per member per year	\$34.29	\$65.58	(\$31.29)	(47.7%)
Visits per 1000	582	468	114	24.4%
Services per 1000	647	470	177	37.7%
Avg paid per visit	\$58.90	\$140.12	(\$81.22)	(58.0%)
Avg paid per service	\$52.98	\$139.45	(\$86.47)	(62.0%)



Preventive Care Detail

Category	2015	2014	% Change
Abdominal Aortic	106	97	9.3%
Blood Pressure Screening	8	9	(11.1%)
Breast Cancer Genetic Risk Assessment	0	1	(100.0%)
Breast Cancer Screening	268	265	1.1%
Cervical Cancer Screening	428	405	5.7%
Childhood Health Promotion	41	37	10.8%
Cholesterol Screening	775	697	11.2%
Colorectal Cancer Screening	43	50	(14.0%)
Contraceptive Use - Prevention Intervention	31	34	(8.8%)
Diabetes Screening	110	89	23.6%
Health Pregnancy	269	225	19.6%
Immunizations	494	516	(4.3%)
Osteoporosis	1	1	0.0%
Preventive Care Checkups	1,214	1,183	2.6%
Preventive Medicine Counseling	13	8	62.5%
Prostate Cancer Screening	209	173	20.8%
Sexually Transmitted Infection Screenings	216	172	25.6%
Smoking Cessation Treatment	8	3	166.7%
Vision Screenings (adult and child)	304	263	15.6%

Disease Management

Cancer	PY 2014	PY 2015	Norm	\$ Over/Under Norm	% Over/Under Norm
Patients per 1000	79	71	71	0	0.0%
Paid per claimant	\$9,825.27	\$3,036.06	\$9,540.52	(\$6,504.46)	(68.2%)

Depression	PY 2014	PY 2015	Norm	\$ Over/Under Norm	% Over/Under Norm
Patients per 1000	95	100	134	(34)	(25.4%)
Paid per claimant	\$733.13	\$746.13	\$713.76	\$32.37	4.5%

Diabetes	PY 2014	PY 2015	Norm	\$ Over/Under Norm	% Over/Under Norm
Patients per 1000	102	110	176	(66)	(37.5%)
Paid per claimant	\$406.29	\$485.29	\$557.61	(\$72.32)	(13.0%)

Heart Disease	PY 2014	PY 2015	Norm	\$ Over/Under Norm	% Over/Under Norm
Patients per 1000	401	390	483	(93)	(19.3%)
Paid per claimant	\$269.70	\$220.22	\$342.24	(\$122.02)	(35.7%)

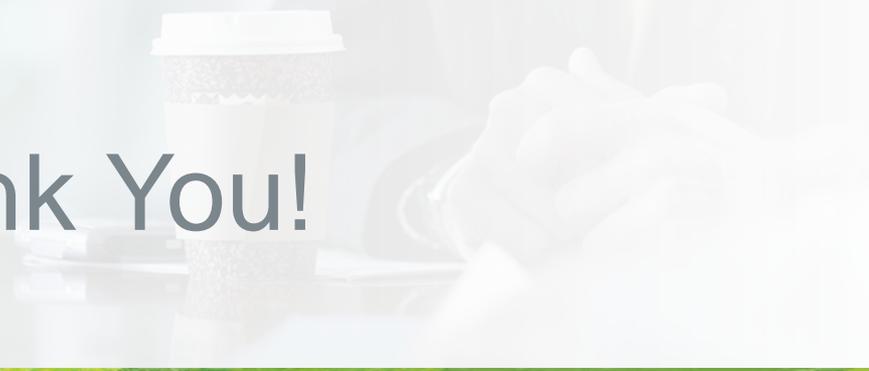
Low Back Pain	PY 2014	PY 2015	Norm	\$ Over/Under Norm	% Over/Under Norm
Patients per 1000	227	211	238	(27)	(11.3%)
Paid per claimant	\$314.18	\$302.50	\$1,007.13	(\$704.63)	(70.0%)



Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS™



Thank You!



**Self-Funded Health Insurance Committee
Strategic Planning Meeting
Wednesday, February 10, 2016**

New Business Item J

Covered Medical Expenses

Speech Therapy – Services by a qualified speech therapist to restore or rehabilitate any speech loss or impairment caused by accidental injury or sickness, but not for a mental, emotional or nervous disorder. In the case of congenital defect that can be corrected or improved with surgery, expenses will be considered only if the speech therapy incurred after surgery for the defect.

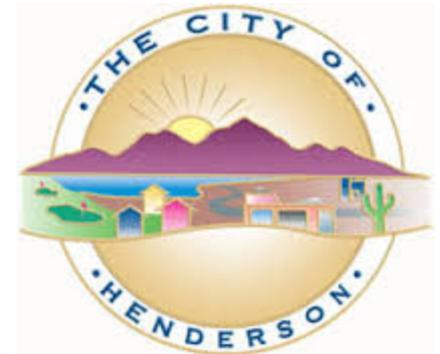


Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS™

City of Henderson HSA Overview

GALLAGHER BENEFIT SERVICES, INC.

FEBRUARY 10, 2016



What is a HSA?

- Health Saving Accounts (HSAs) is a tax advantaged, fully portable trust account
 - Offered to eligible individuals
 - For the purpose of paying for various healthcare related expenses (present or future)
- HSAs can only be offered in conjunction with a qualified High Deductible Health Plan (HDHP)
 - As outlined in Section 223 of the Internal Revenue Code
 - Can be insured or self-funded

Key Benefits

- Contributions, account appreciation and distributions all tax-free (so long as distributions used for qualified health care expenses)
- Reimbursements for qualified expenses very similar to a medical flexible spending account (FSA)
 - Note: employees must either be precluded from participation in a medical FSA, or have access to “limited scope” FSA (dependent care account is still OK)
 - HSA funds can be used to pay for long term care premiums
- Any account balances carry forward – no use it or lose it requirements
- If employee leaves, the HSA is portable

Health Savings Account (HSA) Advantages

Health Savings Accounts (HSAs)

- Only Triple Tax Favored Vehicle in IRS Code
 - **Tax free contributions** - pre-tax basis under a cafeteria plan, benefit both the employer and the employee | tax deductible if not made through ER PRD
 - **Earnings grow tax-free**
 - **Tax free withdrawals for qualified medical expenses** - Employees can set aside funds for retirement medical needs
- Employee, employer or both may contribute to the account
- Employees acquire exclusive ownership (portability) of employer contributions and accompanying interest/investment earnings, regardless of underlying coverage or continuing employment.
- Usually long-term investment opportunities

Health Savings Account (HSA) Disadvantages

Health Savings Accounts (HSAs)

- The amount the employee can fund is limited (\$3,350 individual/\$6,750 family in 2016)
- Any employer contributions are immediately transferred to the employee, losing a potential retention tool
- No benefits are payable until the **family** deductible is satisfied, even when one individual in the family has met the individual deductible (statutory minimums - \$1,300 individual/\$2,600 family in 2016)
- Medical and pharmacy expenses must be integrated and applied to the deductible (preventive care payable with traditional employee cost share)
- The underlying medical plan must adhere to statutory design requirements
- Penalties apply to withdrawals for non-qualified purposes

Eligibility

- Any individual who meets the following 4 criteria can enroll in an HSA:
 1. The individual is covered under a “qualified” High Deductible Health Plan (HDHP);
 2. The individual is not covered under another non-HDHP health care plan;
 3. The individual is not entitled to Medicare; and
 4. The individual is not eligible to be claimed as a tax dependent on another person’s tax return

Plan Design

In order to be “qualified”, a HDHP’s design must satisfy the following for 2016:

Single

Deductible: At least \$1,300 (Max contribution to HSA is \$3,350)

Out-of-Pocket: \$6,550 or less

Family

Deductible: At least \$2,600 (Max contribution to HSA is \$6,750)

Out-of-Pocket: \$13,100 or less

- NOTE: this deductible applies cumulatively, regardless of number of dependents covered/incurred expenses

These deductibles and out-of-pocket levels will be indexed in future years

Plan Design (continued)

- All services, including Rx, must be subject to deductible, except services deemed to be preventive.
- If the HDHP includes a network, it may also have out-of-pocket limits for out-of-network services which exceed the \$6,550 and \$13,100 levels and the plan's deductibles for out-of-network services do not need to count toward the \$1,300 and \$2,600 minimums.
- The legislation permits an employee and spouse to establish two HSA accounts if both satisfy the eligibility rules. It would not, however, be permissible for one employee to select family coverage under an HSA plan while his spouse elects family coverage under another plan (such as an HMO).

HSA Funding

- Funding can be made by employer, employee, or combination of both
- Employee contributions typically accomplished through payroll deductions, but can be made independently to custodian of employee's choice
- HSAs may also be included in a cafeteria plan, and funded with:
 - pre-tax employee contributions
 - flex “credits”
- Depending on funding mechanism, contributions are subject to comparability rules and/or Section 125 discrimination testing rules

Comparability Rules

- In general, if an Employer makes contributions to employees' HSA accounts, the Employer must make “comparable” contributions to all HSA eligible employees
- Contributions are considered comparable if they are either:
 - The same dollar amount or
 - The same percentage of the deductible under the plan
- Comparability is not satisfied under arrangement where employer contribution is conditioned on certain events/behaviors – example: higher contribution upon certain activities under a wellness program

Individual Tax Considerations

- For individuals who are contributing to their own HSA, timing rules are similar to those for IRAs
 - The contribution for the tax year may be made up until the date the individual is required to file his/her tax return (e.g., April 15, 2017 for the 2016 tax year).
 - Any excess contributions mistakenly made to the HSA can be removed from the account without penalty as long as the excess and earnings attributable to the excess are taken out of the account before the date the individual is required to file his tax return.
 - Excess contributions not removed from the account within the mandated time limit are not deductible on the individual's tax return and are not excludable from income if they represent Employer payments.
 - Assets can be used for non-qualified expenses, but subject to 20% penalty

Feasibility Considerations

- Interest in and prevalence of CDHP's has grown significantly
- Employers have pursued using high deductible health plans (HDHP) coupled with Health Savings Accounts to engage employees in the cost of healthcare
- Online tools assist employees in choosing cost-effective providers
- CDHP plans need to be designed properly through plan design, EE and ER contributions, incentives and “top down” organizational buy-in
- Communications is paramount for a successful program
- CDHP plans do nothing to address chronic high claimants that typically make up 80% to 90% of plan costs (not unique to CDHP)

Common CDHP Objectives

- Provide more choice for health care consumers
- Empower members to decide when discretionary care is necessary
- Encourage and enhance wellness and promote healthier lifestyles
- Utilize education and technology to help employees access quality, affordable care
- Provide protection from catastrophic medical events
- Equip participants with relevant real-time health care information to foster consumer involvement

HSA Eligible Medical Expenses

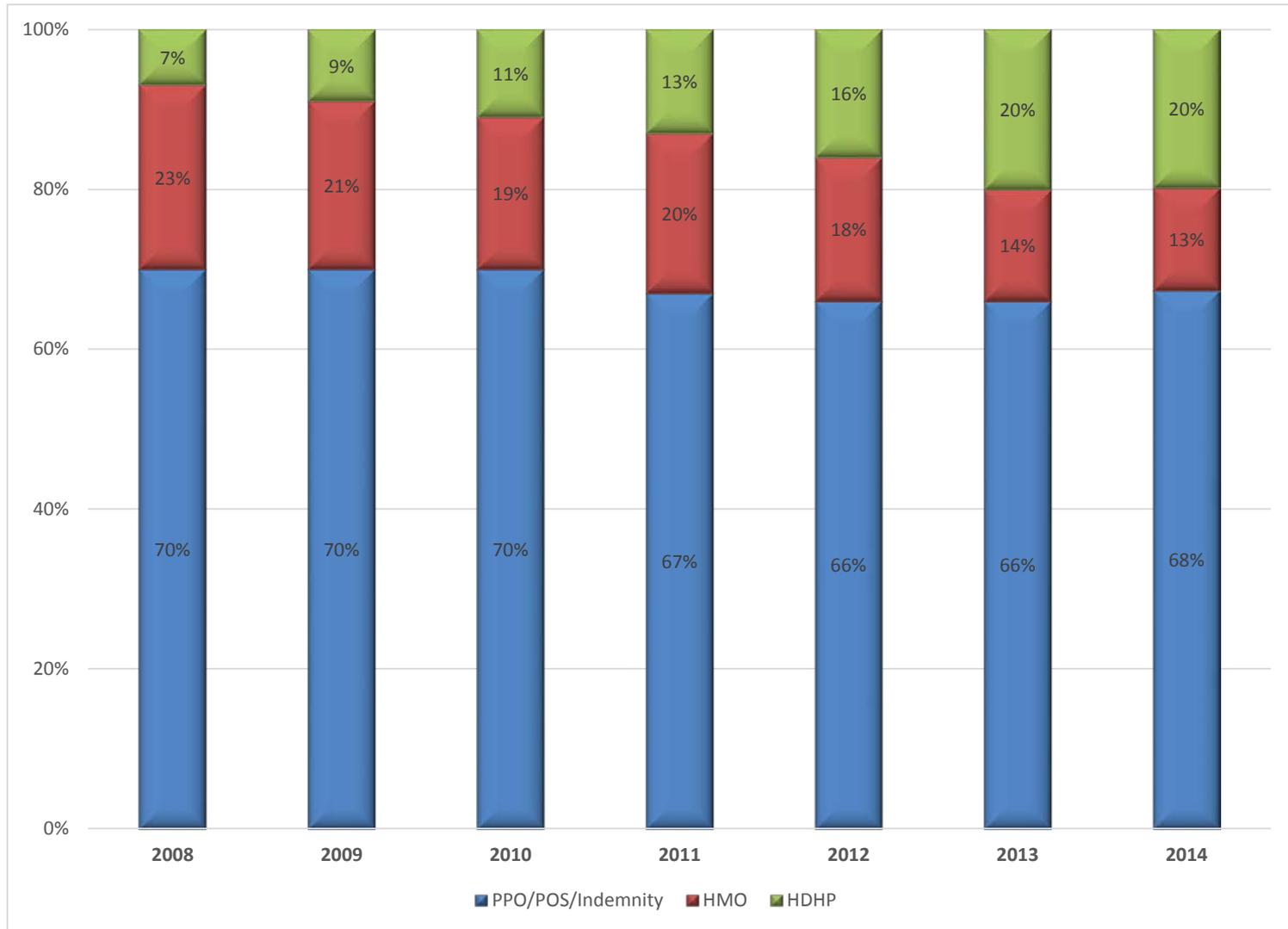
You can use your Health Savings Account (HSA) to pay for a wide range of eligible medical expenses for yourself, your spouse or tax dependents. Funds used to pay for eligible medical expenses are always tax-free and you can continue to use your HSA funds even if you're not covered by an HSA-compatible plan.

- Doctor and hospital visits
- Medical equipment
- Dental care, braces, dentures
- Vision care, glasses, contacts
- Prescription medications

- Premiums for long-term care insurance
- Premiums for COBRA
- Premiums for coverage while receiving unemployment compensation
- Premiums for individuals over age 65

**A list of Qualified Medical Expenses can be found in IRS Publication 502, <http://www.irs.gov/pub/irs-pdf/p502.pdf>*

Benchmarking Information



Kaiser Family Foundation