

NANTUCKET
Insurance Advisory Committee
12/19/2013

- 1 EGWP Suzanne Donahue
- 2 History Peter Savage
In the mid 1990s health benefits averaged 4%-6% of total available money
2013 averages 12%-14%
Increases are unsustainable
- 3 Nantucket YTD
Running a bit in the red. The main worry is that the Trust was very tight at the end of last year so, unless there is some better claims , next year will have to be increased more than current forecast in order to build the balance.
- 4 Projection for FY 2015
Combined work sheet
Note addition of ACA \$100,000
- 5 Driving factors
 - a. Nantucket combined is 86%/14%
State average is 70%/30% active and 63%/37% retiree
 - b. Master Medical is an outdated plan which costs 10%-12% more for identical services.
Less that 1% of BCBS enrollment and little discounting
 - c. Plan design. Even with the design changes agreed to in 2012 the cost is rising.
- 6 What are the options?
As I understand it your bargaining units have been approached with suggestions to drop Master Medical and move all contributions to 80%/20%.

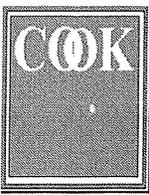
As stated above the status quo is unstainable but most options need to be bargained.
The following are some of the options available:
7 Options

It should be noted that all these figures are for just breaking even next year so, to the extent that the Trust needs to be built, these rates would have to go up.

**NANTUCKET
BUDGET OPTIONS**

12/19/2013

	Employer	Employee	Total
FY 2014	\$9,928,995	\$1,647,222	\$11,576,217
FY 2015 as is	\$10,996,450	\$1,815,758	\$12,812,208
FY 2015 all at 80%	\$10,249,766	\$2,562,442	\$12,812,208
FY 2015 drop MM and all at 80%	\$9,881,818	\$2,470,454	\$12,352,272
FY 2015 EGWP	\$10,781,483	\$1,791,873	\$12,573,356
FY 2015 Benchmark	\$10,589,453	\$1,749,379	\$12,338,832
FY 2015 EGWP & Benchmark	\$10,390,405	\$1,727,263	\$12,117,668
FY 2015 GIC	\$9,921,213	\$1,607,749	\$11,528,963

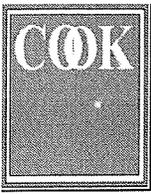


NANTUCKET - FISCAL YEAR 2015

For Period 7/1/14 THROUGH 6/30/15

(Break Even as of 12/15/13)

Plan Name	Enrollment	I/F	# of Months	Rate	EMPLOYER		EMPLOYEE		TOTAL Cost	Employer %
					Share	Cost	Share	Cost		
MASTER MEDICAL	104	I	12	1187.00	949.60	1,185,101	237.40	296,275	1,481,376	80.00
12.0%	125	F	12	2576.00	2060.80	3,091,200	515.20	772,800	3,864,000	80.00
MASTER MEDICAL TOTALS:						4,276,301		1,069,075	5,345,376	
BLUE CARE ELECT	130	I	12	820.00	738.00	1,151,280	82.00	127,920	1,279,200	90.00
10.0%	266	F	12	1740.00	1566.00	4,998,672	174.00	555,408	5,554,080	90.00
BLUE CARE ELECT TOTALS:						6,149,952		683,328	6,833,280	
MEDEX	134	I	12	394.00	354.60	570,197	39.40	63,355	633,552	90.00
5%	0	F	12		0.00	-	0.00	-	-	0.00
MEDEX TOTALS:						570,197		63,355	633,552	
Budget Totals:					10,996,450		1,815,758	12,812,208		
					85.83%		14.17%	100.00%		



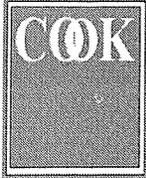
NANTUCKET - FISCAL YEAR 2015

For Period 7/1/14 THROUGH 6/30/15

(Break Even as of 12/15/13)

ALL TO 80%

Plan Name	Enrollment	I/F	# of Months	Rate	EMPLOYER		EMPLOYEE		TOTAL Cost	Employer %
					Share	Cost	Share	Cost		
MASTER MEDICAL	104	I	12	1187.00	949.60	1,185,101	237.40	296,275	1,481,376	80.00
12.0%	125	F	12	2576.00	2060.80	3,091,200	515.20	772,800	3,864,000	80.00
MASTER MEDICAL TOTALS:						4,276,301		1,069,075	5,345,376	
BLUE CARE ELECT	130	I	12	820.00	656.00	1,023,360	164.00	255,840	1,279,200	80.00
10.0%	266	F	12	1740.00	1392.00	4,443,264	348.00	1,110,816	5,554,080	80.00
BLUE CARE ELECT TOTALS:						5,466,624		1,366,656	6,833,280	
MEDEX	134	I	12	394.00	315.20	506,842	78.80	126,710	633,552	80.00
5%	0	F	12		0.00	-	0.00	-	-	0.00
MEDEX TOTALS:						506,842		126,710	633,552	
Budget Totals:					10,249,766		2,562,442	12,812,208		
					80.00%		20.00%	100.00%		



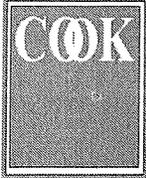
NANTUCKET - FISCAL YEAR 2015

For Period 7/1/14 THROUGH 6/30/15

(Break Even as of 12/15/13)

DROP MM & ALL TO 80%

Plan Name	Enrollment	I/F	# of Months	Rate	EMPLOYER		EMPLOYEE		TOTAL Cost	Employer %	
					Share	Cost	Share	Cost			
MASTER MEDICAL	0	I	12	1187.00	949.60	-	237.40	-	-	80.00	
	12.0%	0	F	12	2576.00	2060.80	-	515.20	-	80.00	
MASTER MEDICAL TOTALS:						-	-	-	-		
BLUE CARE ELECT	234	I	12	915.00	732.00	2,055,456	183.00	513,864	2,569,320	80.00	
		391	F	12	1950.00	1560.00	7,319,520	390.00	1,829,880	9,149,400	80.00
	23.5%	BLUE CARE ELECT TOTALS:				9,374,976		2,343,744	11,718,720		
MEDEX	134	I	12	394.00	315.20	506,842	78.80	126,710	633,552	80.00	
		0	F	12		0.00	-	0.00	-	0.00	
	5%	MEDEX TOTALS:				506,842		126,710	633,552		
Budget Totals:						9,881,818		2,470,454	12,352,272		
						80.00%		20.00%	100.00%		



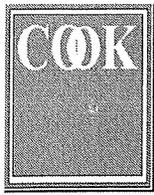
NANTUCKET - FISCAL YEAR 2015

For Period 7/1/14 THROUGH 6/30/15

(Break Even as of 12/15/13)

EGWP

Plan Name	Enrollment	I/F	# of Months	Rate	EMPLOYER		EMPLOYEE		TOTAL Cost	Employer %
					Share	Cost	Share	Cost		
MASTER MEDICAL	104	I	12	1187.00	949.60	1,185,101	237.40	296,275	1,481,376	80.00
	12.0%									
	125	F	12	2576.00	2060.80	3,091,200	515.20	772,800	3,864,000	80.00
MASTER MEDICAL TOTALS:						4,276,301		1,069,075	5,345,376	
BLUE CARE ELECT	130	I	12	820.00	738.00	1,151,280	82.00	127,920	1,279,200	90.00
	10.0%									
	266	F	12	1740.00	1566.00	4,998,672	174.00	555,408	5,554,080	90.00
BLUE CARE ELECT TOTALS:						6,149,952		683,328	6,833,280	
MEDEX EGWP	134	I	12	245.46	220.91	355,230	24.55	39,470	394,700	90.00
	0	F	12		0.00	-	0.00	-	-	0.00
MEDEX TOTALS:						355,230		39,470	394,700	
Budget Totals:						10,781,483		1,791,873	12,573,356	
						85.75%		14.25%	100.00%	



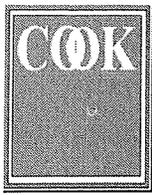
NANTUCKET - FISCAL YEAR 2015

For Period 7/1/14 THROUGH 6/30/15

(Break Even as of 12/15/13)

BENCHMARK

Plan Name	Enrollment	I/F	# of Months	Rate	EMPLOYER		EMPLOYEE		TOTAL Cost	Employer %	
					Share	Cost	Share	Cost			
Master Health Plus	104	I	12	1145.00	916.00	1,143,168	229.00	285,792	1,428,960	80.00	
12%-4%=8%	125	F	12	2484.00	1987.20	2,980,800	496.80	745,200	3,726,000	80.00	
MASTER MEDICAL TOTALS:						4,123,968		1,030,992	5,154,960		
BLUE CARE ELECT	130	I	12	785.00	706.50	1,102,140	78.50	122,460	1,224,600	90.00	
10%-4%=6%	266	F	12	1674.00	1506.60	4,809,067	167.40	534,341	5,343,408	90.00	
BLUE CARE ELECT TOTALS:						5,911,207		656,801	6,568,008		
MEDEX	134	I	12	383.00	344.70	554,278	38.30	61,586	615,864	90.00	
BENCHMARK	0	F	12		0.00	-	0.00	-	-	0.00	
5%-3%=2%	MEDEX TOTALS:						554,278		61,586	615,864	
Budget Totals:					10,589,453		1,749,379	12,338,832			
					85.82%		14.18%	100.00%			



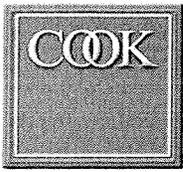
NANTUCKET - FISCAL YEAR 2015

For Period 7/1/14 THROUGH 6/30/15

(Break Even as of 12/15/13)

EGWP and Benchmark

Plan Name	Enrollment	I/F	# of Months	Rate	EMPLOYER		EMPLOYEE		TOTAL Cost	Employer %
					Share	Cost	Share	Cost		
Master Health Plus	104	I	12	1145.00	916.00	1,143,168	229.00	285,792	1,428,960	80.00
12%-4%=8%	125	F	12	2484.00	1987.20	2,980,800	496.80	745,200	3,726,000	80.00
MASTER MEDICAL TOTALS:						4,123,968		1,030,992	5,154,960	
BLUE CARE ELECT	130	I	12	785.00	706.50	1,102,140	78.50	122,460	1,224,600	90.00
10%-4%=6%	266	F	12	1674.00	1506.60	4,809,067	167.40	534,341	5,343,408	90.00
BLUE CARE ELECT TOTALS:						5,911,207		656,801	6,568,008	
MEDEX EGWP	134	I	12	245.46	220.91	355,230	24.55	39,470	394,700	90.00
	0	F	12		0.00	-	0.00	-	-	0.00
MEDEX TOTALS:						355,230		39,470	394,700	
Budget Totals:					10,390,405		1,727,263	12,117,668		
					85.75%		14.25%	100.00%		



NANTUCKET - FISCAL YEAR 2015

For Period 7/1/14 Through 6/30/15

GIC (Estimated at 4%)

Plan Name	HC	I/F	# of Months	Rate	EMPLOYER		EMPLOYEE		TOTAL Cost	Employer %
					Share	Cost	Share	Cost		
UNICARE INDEMNITY	104	I	12	957.78	766.22	956,248	191.56	239,062	1,195,309	80.00
with CIC	125	F	12	2235.48	1788.38	2,682,576	447.10	670,644	3,353,220	80.00
7/1/13-6/30/14						3,638,824		909,706	4,548,529	
UNICARE INDEMNITY TOTALS:										
UNICARE INDEMNITY		I	12	914.45	0.00	-	914.45	-	-	0.00
without CIC		F	12	2134.99	0.00	-	2134.99	-	-	0.00
7/1/13-6/30/14						-	-	-	-	
UNICARE INDEMNITY TOTALS:										
UNICARE INDEMNITY		I	12	675.51	0.00	-	675.51	-	-	0.00
PLUS PPO TYPE		F	12	1550.13	0.00	-	1550.13	-	-	0.00
7/1/13-6/30/14						-	-	-	-	
UNICARE PLUS TOTALS:										
UNICARE INDEMNITY		I	12	445.93	0.00	-	445.93	-	-	0.00
CHOICE PPO TYPE		F	12	1070.22	0.00	-	1070.22	-	-	0.00
7/1/13-6/30/14						-	-	-	-	
UNICARE CHOICE TOTALS:										
HPHC PPO	65	I	12	707.98	637.18	497,002	70.80	55,222	552,224	90.00
7/1/13-6/30/14	133	F	12	1727.45	1554.71	2,481,309	172.75	275,701	2,757,010	90.00
INDEPENDENCE										
HPHC INDEPENDENCE TOTALS:										
						2,978,311		330,923	3,309,235	
HPHC HMO		I	12	566.37	0.00	-	566.37	-	-	0.00
Primary Choice		F	12	1381.96	0.00	-	1381.96	-	-	0.00
7/1/13-6/30/14						-	-	-	-	
HPHC Primary Choice TOTALS:										
TUFTS PPO	65	I	12	652.25	587.03	457,880	65.23	50,876	508,755	90.00
7/1/13-6/30/14	133	F	12	1582.03	1423.83	2,272,428	158.20	252,492	2,524,920	90.00
NAVIGATOR										
TUFTS NAVIGATOR TOTALS:										
						2,730,307		303,367	3,033,675	
TUFTS Health Plan Spirit		I	12	525.27	0.00	-	525.27	-	-	0.00
HMO- Type		F	12	1272.18	0.00	-	1272.18	-	-	0.00
7/1/13-6/30/14						-	-	-	-	
TUFTS NAVIGATOR TOTALS:										
HEALTH NEW ENGLAND		I	12	477.78	0.00	-	477.78	-	-	0.00
HMO		F	12	1184.51	0.00	-	1184.51	-	-	0.00
7/1/13-6/30/14						-	-	-	-	
HEALTH NEW ENGLAND TOTALS:										
Neighborhood Health		I	12	476.23	0.00	-	476.23	-	-	0.00
HMO		F	12	1261.99	0.00	-	1261.99	-	-	0.00
7/1/13-6/30/14						-	-	-	-	
Neighborhood Health TOTALS:										
FALLON SELECT HMO		I	12	617.19	0.00	-	617.19	-	-	0.00
7/1/13-6/30/14		F	12	1481.25	0.00	-	1481.25	-	-	0.00
FALLON SELECT TOTALS:										
FALLON DIRECT HMO		I	12	490.65	0.00	-	490.65	-	-	0.00
7/1/13-6/30/14		F	12	1177.55	0.00	-	1177.55	-	-	0.00
FALLON DIRECT TOTALS:										
UNICARE MEDICARE	134	I	12	396.47	356.82	573,771	39.65	63,752	637,524	90.00
EXTENSION with CIC										
7/1/13-6/30/14						573,771		63,752	637,524	
TUFTS MCP TOTALS:										
UNICARE MEDICARE		I	12	385.09	0.00	-	385.09	-	-	0.00
EXTENSION without CIC										
7/1/13-6/30/14						-	-	-	-	
TUFTS MCP TOTALS:										
FALLON SENIOR		I	6	285.85	0.00	-	285.85	-	-	0.00
Medicare HMO		I	6	297.29	0.00	-	297.29	-	-	0.00
4% 1/1/14						-	-	-	-	
FALLON SENIOR TOTALS:										

TUFTS HEALTH PLAN	I	6	264.44	0.00	-	264.44	-	-	0.00
MEDICARE PREFERRED	I	6	275.02	0.00	-	275.02	-	-	0.00
4% 1/1/14	MEDICARE PREFERRED TOTALS:				-	-	-	-	-
TUFTS MEDICARE	I	12	401.36	0.00	-	401.36	-	-	0.00
COMPLEMENT	TUFTS COMPLEMENT TOTALS:				-	-	-	-	-
HPHC ENHANCE	I	12	411.00	0.00	-	411.00	-	-	0.00
	HPHC ENHANCE TOTALS:				-	-	-	-	-
HEALTH	I	12	378.03	0.00	-	378.03	-	-	0.00
NEW ENGLAND	HNE MEDPLUS TOTALS:				-	-	-	-	-
MEDPLUS	HNE MEDPLUS TOTALS:				-	-	-	-	-

Budget Totals:	9,921,213	1,607,749	11,528,963
	86.05%	13.95%	100.00%