

**GLENBROOK HIGH SCHOOLS**  
**Office of the Assistant Superintendent for Business Affairs**  
**Regular Meeting Monday, April 29, 2013**

**TO: Dr. Michael Riggle**

**FROM: Hillarie Siena**

**DATE: April 29, 2013**

**RE: Annual Review of Health Insurance**

This packet contains the 2013 employee health/dental insurance renewal presentation for Glenbrook High School District 225. This compilation and review is prepared annually by Corporate Benefits Consultants (CBC), as part of their contractual consulting services for the District. The renewal information is based upon certain trend data identified within the report. The renewal also reflects plan design changes recommended by the Cost Containment Committee, previously presented to the Board, for which the Board reached consensus. In addition to the regular plan renewal, the Board of Education requested that the District bid certain services on a stand-alone basis, outside of the SSCRMP health insurance pool. This information is included as an additional presentation, separate from the regular plan renewal document.

District 225 administration incorporates the data included in the renewal with its own internal analysis consisting of a review of most recent plan year cost data, ongoing or new District initiatives, demographic shifts and other internal trends, which results in a recommended calculated premium for the next plan year.

CBC consultants, along with District administration will be presenting the renewal information to the Board at the April 29, 2013 meeting. In addition to copies of the presentations included in this packet, this memo serves to answer several questions from the Board regarding the District's participation in the SSCRMP health insurance pool. The SSCRMP health pool is scheduled for renewal on July 1, 2013. The SSCRMP Board of Directors will be asked to vote in favor of a three-year renewal of the pool at its June 11, 2013 meeting. According to the SSCRMP by-laws (see attached Article XVII) any district may withdraw from the pool no less than sixty (60) days prior to the conclusion of the term. If Glenbrook were to secede from the SSCRMP pool, separation would be effective July 1, 2013. Currently, there is no equity reserve with respect to the SSCRMP health or Workers' Compensation pool. The only equity reserve held with SSCRMP is within the property/liability pool, for which Glenbrook has a capital investment of approximately \$800,000.

The Board has also posed several questions regarding costs and scope of service relative to the District's contract with CBC. Corporate Benefits Consultants has been the District's consultant since 2003. Prior to this date, Glenbrook worked with a consultant from Gallagher Benefit Services. The District's contract with CBC provides for a flat rate for all services rendered of \$55,200. This fee has not changed since the inception of the contract in 2003. All insurance renewal rates are bid with zero commissions. Please refer to the attached "Appendix A" from the current contract for a summary of services. It is important to mention that in addition to the stated services included in Appendix A, CBC provides daily support to administration and serves as the District's HIPAA privacy officer and first point of contact for employee issues. CBC provides an outstanding level of professional service which far exceeds those officially listed.

**ARTICLE XVII TERMINATION OF THE AGENCY**

If, sixty (60) days prior to the conclusion of any fixed term of the AGENCY, the BOARD OF DIRECTORS does not vote to continue the existence of the AGENCY, or, if for any subsequent year there would be less than three (3) continuing or new MEMBERS, then the AGENCY shall cease its existence at the close of the then-current fiscal year. Under those circumstances, the BOARD OF DIRECTORS shall continue to meet on such a schedule as shall be necessary to carry out the conclusion of the affairs of the AGENCY. It is contemplated that the BOARD OF DIRECTORS may be required to continue to hold meetings for some substantial period of time in order to accomplish this task.

All MEMBERS of the AGENCY, including those which have withdrawn or been expelled, shall remain fully obligated for all payments due for the time they were MEMBERS of the AGENCY. CAPITAL CONTRIBUTIONS and SUPPLEMENTARY PAYMENTS, which, under the Contract and By-Laws are without limitation in amount, may include but are not limited to sums *sufficient* to pay claims, retain reserve levels and pay for continuing claims administration. In addition, all such MEMBERS shall continue to be responsible for all other obligations of membership attributable to such prior years.

Where any MEMBER withdraws from the AGENCY, (but not through expulsion), at a time when the AGENCY shall continue in operation, the withdrawing MEMBER shall continue to hold membership on the BOARD OF DIRECTORS but only for the purpose of voting on matters affecting its limited continuing interest in the AGENCY for such years as it was a MEMBER of the AGENCY.

Whereupon under the authority granted to me by a resolution passed by the School Board on the \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_, I do hereby execute and the Secretary does hereby attest to my signature as evidence that the \_\_\_\_\_

\_\_\_\_\_ has approved participation in the SECONDARY SCHOOL COOPERATIVE RISK MANAGEMENT PROGRAM, in accordance with this Contract and By-Laws in its executed form and as it may subsequently be validly amended. We elect to begin our membership and participation on \_\_\_\_\_

\_\_\_\_\_  
President \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

This \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_

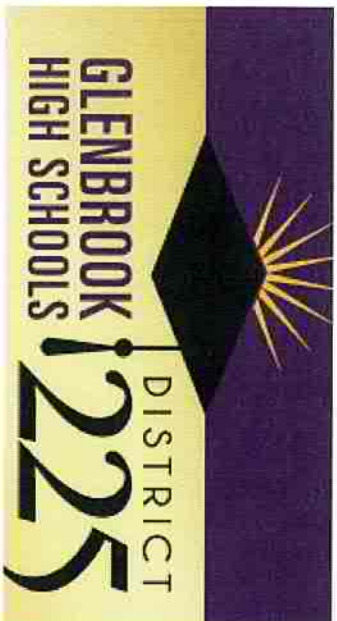
## APPENDIX A

### CONSULTING SERVICES

Consultant (CBC) will provide the following services related to the Board's (GHSD 225) Employee Benefit Plan, *including but not limited to:*

- Serve as GHSD 225 advisor on all health related issues;
- Provide day-to-day health plan administration;
- Provide analysis or renewal terms offered by current insurers and service providers;
- During the initial term, investigate all viable programs, insurers, and service providers, FSA's, HSA's, HRA's, etc. and provide through cost benefit analysis report of each option, including recommend improvements in the self-insurance and HMO plans;
- As requested by GHSD 225, evaluate alternative health plan providers;
- Act as an advocate on behalf of GHSD 225 to resolve administrative problems on a timely basis;
- Act as an advocate on behalf of GHSD 225 to resolve all claim disputes;
- Conduct open employee enrollment meetings as needed;
- Provide employee educations meetings as necessary;
- Provide information on market trends periodically including recommendations on plan changes;
- Provide information and advice regarding state or federal legislation applicable to GHSD 225 life, health, dental and disability plans;
- Provide a monthly newsletter to HR staff;
- Provide special reports as requested by GHSD 225;
- Provide monthly and annual performance reports including experience analysis;
- Provide initial analysis of the current plan including areas of potential cost savings to GHSD 225;
- Annually provide future (5 years) funding projections;
- Coordinate timely premiums by TPA's and Stop Loss Insurers.
- Recommend cost containment strategies and perform cost benefit analysis on options;
- Provide oversight of GHSD 225's benefit communication process;

- Assist in establishing funding rates/employee rates for each plan year;
- Provide access to Employee Benefit Center, Employee Resource Center, HRinsider Communication portal;
- Broker and place stop loss insurance and other health related insurance policies;
- Attend District meetings, insurance committee meetings and Board meetings as necessary;
- Assist in the development of Wellness programs;
- Oversee FSA Management;
- Work with existing administrator to improve reports to District;
- Analyze work flows to determine ways GHSD 225 can reduce staff work loads related to health administration;
- Continually search for cost reduction strategies and present to GHSD 225 staff;
- Insurance accuracy of all plan booklets and related documents;
- Provide services related to compliance matters such as HIPAA and Medicare Part D;
- Provide other assistance and advice as needed.



Glenbrook High School District #225  
July 2013 Renewal Presentation  
April 29, 2013

## Agenda

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- Renewal Summary – All Plans Page 3-5
- BCBS Renewal Projections – Fixed Cost Page 6
- Symetra Stop Loss Options Page 7
- PPO Large Claim Experience Page 8
- Renewal Projections (PPO, HMO/BAHMO, Dental) Page 9-13

## Summary – PPO / Dental Plan

The experience period used for the renewal projection for PPO, Rx and Dental is 3/1/12 – 2/28/13. Medical claims for the same period in the prior year were \$3,912,174 compared to the current medical claims of \$4,603,421 or an increase of 18%. Prescription claims in the previous period were \$1,555,397 compared to the current period of \$1,658,011 or a 6.6% increase. In the current experience period there was one claim that exceeded the \$250K Individual Stop Loss (ISL) for a total of \$266,457. There were no claims in the previous experience period.

In 2013 PPO administration and Access fee's are decreasing. The dental administration fee will remain the same.

The initial increase request from Symetra (PPO Stop Loss) was +9% over current rates. CBC was able to negotiate a final offer of +6%. The additional annual premium to Glenbrook for the 6% increase is \$34,535. An option to add the prescription claims under the ISL was also provided. The additional premium to add Rx is \$17,359 for a total of \$51,894 in additional stop loss premium or 11% over current. All three districts must agree to add the prescription claims to the ISL coverage with Symetra. BCBS also provided a stop loss proposal for SSCRMP however their proposed rate was 32% above the current Symetra rate or \$32.82 pepm compared to \$27.74 pepm.

The PPO renewal projections assume the following plan changes:

- Rx copayments increase from \$10 / \$20 / \$35 to \$5 / \$35 / \$50

This plan change reduced the Rx Average claim value by -3.20% or \$63,345

## Summary – PPO / Dental Plan

In addition to the Rx copayment changes, Glenbrook will implement an embedded High Deductible PPO Health Savings Account (HSA) plan. The initial pricing differential that was projected was 12% lower than the current PPO plan. This differential may be used for the first year, however, this may change in year two based on actual migration from PPO 1 to this plan (PPO 2) and claims experience. We will need to evaluate this annually. Note that the prescription claims will be administered by BCBS under the HSA plan and not Catamaran. If Catamaran does administer the prescription claims, there are additional vendor integration fees that will be charged by BCBS.

In July 2014, Glenbrook 225 will be responsible for two new Affordable Care Act (ACA) taxes. The Patient-Centered Outcomes Research Institute (PCORI) and Transitional Reinsurance Fees represent approximately 1.6% of the total fixed costs or \$77,691 for the PPO plan. This has been factored into the projections for 2013-2014.

The overall PPO projected renewal increase is 15.93%. The medical increased by 20.30% and the prescription by 3.46%. The premium dollar differential needed compared to premium equivalent in 2012 is \$986,253. The renewal projection assumes the Prescription copayment changes of increasing the second and third tier copayments, and reducing the first tier copayment from \$10/\$20/\$35 to \$5/\$35/\$50.

Dental claims increased 12.2% in the current experience period compared to the previous period. The Dental administration fee will remain the same in 2013. The projected renewal increase to the dental premiums is 13.3% or an additional premium equivalent of \$91,801.



## Summary – HMOI/ BAHMO

HMOI claims have decreased by 8.9% in the current experience period compared to the previous period. The BAHMO claims have increased approximately 36% in the current period. The BAHMO enrollment has also increased by 21.5% from an average of 19 members to 26. There was one claim over the \$125K ISL in the current period for a total of \$147,532. There were no claims in the prior period.

The BCBS fixed costs are increasing as follows:

- Administrative Fee +7%
- \$125K ISL +18%
- Physician Service Fee's +3% (however reduced further due to HMOI/BAHMO plan changes)
- HMO Managed Care Fee +5%
- Rx Rebate -4%

Similar to the PPO plan, the ACA fees for PCORI and Transitional Reinsurance Fee were factored into the renewal. Total taxes for the HMO plan is \$50,589.

The following plan changes were priced with this renewal:

- Increase ER copayment from \$50 to \$150
- Increase Primary Care copayment from \$10 to \$30 and add Specialty at \$30
- Increase Rx copayments from \$10/\$20/\$35 to \$5/\$35/\$50
- Rx mail order will remain at 2x Retail

The blended projected increase to the HMOI and BAHMO plans is 4.74% or \$194,448 in additional premium equivalent. The HMOI increase was 4.23% and the BAHMO was 13.29%.

# BCBS Fee Comparison (PPO & HMO Plans)

Enrollment (Glenbrook 225) Current 517 Projected 513

		<u>Initial Renewal</u>	<u>Revised Renewal</u>	<u>% Differential</u>
PPO Access Fee	0.70%	0.63%		
ISL Fee @ \$250,000 (SYMETRA)	\$ 24.92	\$ 27.16	\$ 26.42	6%
PPO Administrative Fee	5.30%	4.90%		-7.5%
Dental Administrative Fee	\$ 3.25	\$ 3.25		
HMO ISL Fee @ \$125,000	\$ 33.74	\$ 39.90		18%
HMO Administrative Fee	\$ 34.95	\$ 37.38		7%
Physician Service Fee				
HMOI	\$ 179.56	\$ 184.55		3%
F	\$ 542.15	\$ 554.50		2%
S	\$ 159.81	\$ 164.29		3%
BAHMO	\$ 482.50	\$ 493.62		2%
HMO Managed Care Fee	\$ 9.44	\$ 9.87		5%
HMO Prescription Rebate	\$ (10.14)	\$ (9.77)		-4%

# Alternate Stop Loss Options - PPO

	<u>Count</u>	<u>ISL Level</u>	<u>ISL Fee</u>	<u>Monthly</u>	<u>Annual Cost</u>	<u>Premium Differential</u>	<u>(+/-)%</u>
<b>Current (SSCRMP)</b>							
(Medical Only)	2,618	\$ 250,000	\$ 24.92	\$ 65,240.56	\$ 782,886.72		
THSD 214	1466		\$ 24.92	\$ 36,532.72	\$ 438,392.64		
MTHS 207	639		\$ 24.92	\$ 15,923.88	\$ 191,086.56		
D225	513		\$ 24.92	\$ 12,783.96	\$ 153,407.52		
<b>Initial Renewal</b>							
(Medical Only)	2,618	\$ 250,000	\$ 27.16	\$ 71,104.88	\$ 853,258.56	\$	70,371.84
THSD 214	1466		\$ 27.16	\$ 39,816.56	\$ 477,798.72	\$	39,406.08
MTHS 207	639		\$ 27.16	\$ 17,355.24	\$ 208,262.88	\$	17,176.32
D225	513		\$ 27.16	\$ 13,933.08	\$ 167,196.96	\$	13,789.44
<b>Revised Renewal</b>							
(Medical Only)	2,618	\$ 250,000	\$ 26.42	\$ 69,167.56	\$ 830,010.72	\$	47,124.00
THSD 214	1466		\$ 26.42	\$ 38,731.72	\$ 464,780.64	\$	26,388.00
MTHS 207	639		\$ 26.42	\$ 16,882.38	\$ 202,588.56	\$	11,502.00
D225	513		\$ 26.42	\$ 13,553.46	\$ 162,641.52	\$	9,234.00
<b>Option with RX</b>							
(+5% over revised renewal)	2,618	\$ 250,000	\$ 27.74	\$ 72,623.32	\$ 871,479.84	\$	88,593.12
THSD 214	1466		\$ 27.74	\$ 40,666.84	\$ 488,002.08	\$	49,609.44
MTHS 207	639		\$ 27.74	\$ 17,725.86	\$ 212,710.32	\$	21,623.76
D225	513		\$ 27.74	\$ 14,230.62	\$ 170,767.44	\$	17,359.92

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Renewal Projections  
PPO and Dental

PERIODS	CURRENT				PRIOR	CURRENT	
	3-1-12 THRU 2-28-13		TOTAL	3-1-11 THRU 2-29-12			3-1-12 THRU 2-28-13
	PPO (BCBSIL)	RX (WHI)					
1	Net Paid Claims	\$4,603,421	\$1,658,011	\$6,261,432	\$635,020	\$712,584	
2	Less Large Claims (\$250,000 ISL Limit)	(\$266,457)	N/A	(\$266,457)	N/A	N/A	
3	Number of Large Claims	1	N/A	1	N/A	N/A	
4	Adjusted Net Paid Claims	\$4,336,964	\$1,658,011	\$5,994,975	\$635,020	\$712,584	
5	Total Employee Exposures	6,096	6,096	6,096	8,183	8043	
6	Average Claim Value (ACV) Per Month	\$711,444	\$271,98	\$983,43	\$77.60	\$88.60	
7	Trend (Compounded)						
8	* Annual	6.20%	6.00%	6.13%	5.00%	5.00%	
9	* Number of Months	16.0	16.0	16.0	28.0	16.0	
10	* Total Trend	8.35%	8.08%	8.28%	12.06%	6.72%	
11	Trended ACV Per Month	\$770.85	\$293.96	\$1,064.81	\$86.96	\$94.55	
12	Proposed Plan Changes (Rx -3.5%)	\$0.00	(\$10.29)	(\$10.29)			
13	Adjusted ACV Per Month	\$770.85	\$283.67	\$1,054.52	\$86.96	\$94.55	
14	Plus Non Pooled Large Claims	\$41.01	N/A	\$41.01	N/A	N/A	
15	Adjusted ACV Per Month	\$811.86	\$283.67	\$1,095.53	\$86.96	\$94.55	
16	Blended Projected ACV Per Month	\$811.86	\$283.67	\$1,095.53			
17	Credibility Factor	100.0%	100.0%	100.0%			
18	Projected ACV Per Month	\$811.86	\$283.67	\$1,095.53		\$93.72	
19	Projected Monthly Employees	513	513	513		671	
20	Projected Monthly Net Paid Claims	\$416,484	\$145,523	\$562,008		\$62,883	
21	Projected Annual Net Paid Claims	\$4,997,812	\$1,746,279	\$6,744,091		\$754,599	
22	Illinois Facility Access Fee (.63%)	\$24,347	N/A	\$24,347		N/A	
23	TOTAL PROJECTED CLAIMS OUTGO (Line 21 + Line 22)	\$5,022,159	\$1,746,279	\$6,768,438		\$754,599	
24	Administrative Fee (4.9% of Medical Paid Claims, \$1.10 PEPM Rx & \$3.35 PEPM Dental)	\$244,893	\$0	\$244,893		\$26,974	
25	Rx Rebates (\$13.57 PEPM)	N/A	(\$83,537)	(\$83,537)		N/A	
26	ISL Premium (\$27.74EPM) (\$250,000 Limit) Excludes Rx Claims	\$170,767	N/A	\$170,767		N/A	
27	Aggregate Stop Loss Premium	N/A	N/A	N/A		N/A	
28	Transitional Reinsurance Fee (\$5.25 PMPM)	\$76,482	N/A	\$76,482		N/A	
29	PCORI (\$.083 PMPM)	\$1,209	N/A	\$1,209		N/A	
30	TOTAL FIXED FEES (Line 24 thru Line 29)	\$493,351	(\$83,537)	\$409,814		\$26,974	
31	TOTAL PROJECTED COSTS (Line 23 + Line 30)	\$5,515,510	\$1,662,742	\$7,178,253		\$781,573	
32	CURRENT EQUIVALENT PREMIUM	\$4,584,835	\$1,607,165	\$6,192,000		\$689,772	
33	Dollar Amount Increase/Decrease	\$930,675	\$55,577	\$986,253		\$91,801	
34	Rate Action with Plan Changes	20.30%	3.46%	15.93%		13.31%	
35	Dollar Amount Increase/Decrease	\$930,675	\$118,922	\$1,049,597			
36	Rate Action without Plan Changes	20.30%	6.96%	16.75%			

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## BAHMO / HMOI Renewal Projections

	PRIOR 3-1-11 TO 3-1-12						CURRENT 3-1-12 TO 3-1-13					
	HMO-1	Rx	B/A	Rx	HMO-1	Rx	B/A	Rx				
1	Net Paid Claims	\$1,455,181	\$583,233	\$32,374	\$22,244	\$1,326,340	\$559,705	\$57,916	\$33,887			
2	Less Large Claims (\$125,000 ISL Limit)	(\$147,532)	N/A	\$0	N/A	\$0	N/A	\$0	N/A			
3	Number of Large Claims	1	N/A	0	N/A	0	N/A	0	N/A			
4	Adjusted Net Paid Claims	\$1,307,649	\$583,233	\$32,374	\$22,244	\$1,326,340	\$559,705	\$57,916	\$33,887			
5	Total Employee Exposures	3418	3418	272	272	3414	3414	318	318			
6	Average Claim Value (ACV) Per Month	\$382.58	\$170.64	\$119.02	\$81.78	\$388.50	\$163.94	\$182.13	\$106.56			
7	Trend (Compounded)											
8	Annual	5.90%	6.00%	5.90%	6.00%	5.90%	6.00%	5.90%	6.00%			
9	Number of Months	28	28	28	28	16	16	16	16			
10	Total Trend	14.31%	14.56%	14.31%	14.56%	7.94%	8.08%	7.94%	8.08%			
11	Trended ACV Per Month	\$437.32	\$195.48	\$136.05	\$93.59	\$419.35	\$177.19	\$196.59	\$115.17			
12	Benefit Plan Changes Adjustments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00			
13	Dependent Adjustments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00			
14	Proposed Plan Changes											
14	(HMO-1 / BA -3.25% ; Rx -3.33%)	(\$14.21)	(\$6.51)	(\$4.42)	(\$3.12)	\$0.00	(\$5.90)	\$0.00	(\$3.84)			
15	Adjusted ACV Per Month	\$423.11	\$188.97	\$131.63	\$90.57	\$419.35	\$177.19	\$196.59	\$111.34			
16	Plus Non Pooled Large Claims	\$36.57	N/A	\$0.00	N/A	\$0.00	N/A	\$0.00	N/A			
17	Net Adjusted ACV Per Month	\$459.68	\$188.97	\$131.63	\$90.57	\$419.35	\$177.19	\$196.59	\$111.34			
18	Experience Weighting Factor	11.00%	11.00%	11.00%	11.00%	89.00%	89.00%	89.00%	89.00%			
19	Projected Weighted ACV Per Month	\$50.57	\$20.79	\$14.48	\$9.96	\$373.22	\$157.70	\$174.96	\$99.09			
20	Total				\$567.84							
21	Adjusted Blended ACV Per Month											
21	HMO-1				\$423.78							
21	Rx				\$178.49							
22	Total				\$602.27							
22	B/A				\$195.75							
22	Rx				\$109.05							
23	Total				\$304.80							

Credibility Factor 100.0% Experience / 0.0% Manual

24	Adjusted Blended ACV Per Month	HMO-1	Rx	Total	B/A	Rx	Total	GRAND TOTAL
25	Projected Monthly Employees	\$423,78	\$178,49	\$602,27	\$195,75	\$109,05	\$304,80	\$575,94
26	Projected Monthly Net Paid Claims	278	278	278	27	27	27	305
27	Projected Annual Net Paid Claims	\$1,177,812	\$49,619	\$1,67,431	\$5,285	\$2,944	\$8,230	\$175,661
28	<b>TOTAL CLAIM OUTGO</b>	<b>1,413,744</b>	<b>595,431</b>	<b>2,009,175</b>	<b>663,423</b>	<b>335,333</b>	<b>\$98,756</b>	<b>\$2,107,931</b>
29	Physician Service Fees							
	<b>HMO1</b>							
	(Single: \$173.48 / Family: \$521.23)	\$1,317,350	N/A	\$1,317,350	N/A	N/A	N/A	1,317,350
	<b>BAHMO</b>							
	(Single: \$154.43/ Family: \$464.00)	N/A	N/A	N/A	\$109,473	N/A	\$109,473	\$109,473
30	Administration (PEPM \$37.38)	\$124,700	N/A	\$124,700	\$12,111	N/A	\$12,111	\$136,811
31	Rx Rebates (PEPM \$9.77)	N/A	(\$32,593)	(\$32,593)	N/A	(\$3,165)	(\$3,165)	(\$35,758)
32	Individual Stop Loss Premium \$39.90 (\$125,000 Limit) Includes Rx Claims Transitional Reinsurance Fee ( 803 )	\$136,458	N/A	\$136,458	\$12,449	N/A	\$12,449	\$148,907
33	(PMPM \$5.25)	\$47,376	N/A	\$47,376	\$3,213	N/A	\$3,213	\$50,589
34	PCORI Fee (PMPM \$ .083)	\$749	N/A	\$749	\$51	N/A	\$51	\$800
35	<b>TOTAL FIXED FEES</b>	<b>\$1,626,633</b>	<b>(\$32,593)</b>	<b>\$1,594,040</b>	<b>\$137,296</b>	<b>(\$3,165)</b>	<b>\$134,131</b>	<b>1,728,171</b>
36	<b>RECOMMENDED EQUIVALENT PREMIUM</b>	<b>\$3,040,377</b>	<b>\$562,838</b>	<b>\$3,603,215</b>	<b>\$200,719</b>	<b>\$32,168</b>	<b>\$232,887</b>	<b>\$3,836,102</b>
37	<b>CURRENT EQUIVALENT PREMIUM</b>			<b>\$3,457,020</b>			<b>\$205,560</b>	<b>\$3,662,580</b>
38	Dollar Amount Increase			\$146,195			\$27,327	\$173,522
39	Rate Action with Plan Changes			4.23%			13.29%	4.74%
40	Dollar Amount Increase			\$165,877			\$28,571	\$194,448
41	Rate Action without Plan Changes			4.78%			13.71%	5.28%



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Summary of Benefit Plans (PPO,HSA,HMO)  
2013

Benefits	GRANDFATHERED PLAN		NON GRANDFATHERED PLAN		HMOI	In-Network Only	BAHMO
	Blue Cross Blue Shield PPO I Plan Network	Out of Network	Blue Cross Blue Shield H.S.A. Plan II Network	Out of Network			
Lifetime Maximum	Unlimited	Unlimited	Unlimited	EMBEDDED	Unlimited	Unlimited	Unlimited
Single Deductible/Yr.	\$300	\$900	\$2,500	\$5,000	N/A	N/A	N/A
Family Deductible/Yr.	\$900	\$2,700	\$5,000	\$10,000	N/A	N/A	N/A
Out-of-Pocket Limit / Single Family	\$2,500 \$7,500	\$7,500 \$22,500	\$2500 (Includes Ded) \$5000 (Includes Ded)	\$10,000 \$20,000	\$1,500 \$3,000	\$1,500 \$3,000	\$1,500 \$3,000
<b>Hospital Services</b>							
Inpatient Hospital	80% after ded.	70% after ded.	100% after ded.	80% after ded.	100%	100%	100%
Outpatient Hospital	80% after ded.	70% after ded.	100% after ded.	80% after ded.	100%	100%	100%
Outpatient Diagnostics	80% after ded.	70% after ded.	100% after ded.	80% after ded.	100%	100%	100%
Outpatient Emergency Care (Facility)	80% after deductible	80% after deductible	100% after deductible	80% after ded.	\$150 copay / 100%	\$150 copay / 100%	\$150 copay / 100%
<b>Physician Services</b>							
Physician Office Visits	90% after ded	70% after ded.	100% after ded.	80% after ded.	\$30 PCP / \$40 Specialist	\$30 PCP / \$40 Specialist	\$30 PCP / \$40 Specialist
Wellness Care	100%	100% / 80% to age 16	100% no ded.	100% no ded.	100%	100%	100%
Outpatient Diagnostics	90% after ded.	70% after ded.	100% after ded.	80% after ded.	100%	100%	100%
Medical / Surgical Services	90% after ded.	70% after ded.	100% after ded.	80% after ded.	100%	100%	100%
<b>Additional Services</b>							
Therapy - Speech, Physical & Occ.	90% after ded	70% after ded.	100% after deductible	80% after ded.	100%	100%	100%
Chiropractic Services	90% after ded.	70% after ded.	100% after ded	80% after ded.	100%	100%	100%
Private Duty Nursing	80% after deductible	80% after deductible	100% after deductible	80% after ded.	100%	100%	100%
<b>Prescription Drugs</b>							
30 Day Supply Retail	\$5 Generic	\$5 Generic			\$5 Generic	\$5 Generic	\$5 Generic
	\$35 Formulary Brand	\$35 Formulary Brand			\$35 Formulary Brand	\$35 Formulary Brand	\$35 Formulary Brand
	\$50 Non-Formulary	\$50 Non-Formulary	100% after ded.		\$50 Non-Formulary	\$50 Non-Formulary	\$50 Non-Formulary
	\$10 Generic	\$10 Generic			\$10 Generic	\$10 Generic	\$10 Generic
90 Day Supply Mail Order	\$70 Formulary Brand	\$70 Formulary Brand	100% after ded.		\$70 Formulary Brand	\$70 Formulary Brand	\$70 Formulary Brand
	\$100 Non-Formulary	\$100 Non-Formulary			\$100 Non-Formulary	\$100 Non-Formulary	\$100 Non-Formulary
<i>ESTIMATED Premiums Per Month</i>	Blue Cross Blue Shield PPO I Plan	Blue Cross Blue Shield H.S.A. Plan II			HMOI	BAHMO	
Employee Only	\$890.00	\$482.00	\$522.00	\$418.00			
Employee + 1							
Family	\$1,380.00	\$986.00	\$1,410.00	\$1,062.00			

IMPORTANT TO NOTE: This is a high level overview of the benefits provided. Please refer to plan booklet.



**Glenbrook High School District #225  
July 2013 Renewal Presentation – Stand Alone Options  
April 29, 2013**

## Summary

Corporate Benefit Consultants, Inc. completed an extensive marketing analysis for the PPO plan with this renewal. The purpose of the marketing analysis was to compare the current pricing offer provided to Glenbrook as part of the Secondary School Cooperative Risk Management Program (SSCRMP) versus pricing on a stand alone basis.

At this time, BCBS of Illinois would not provide a stand alone option for Glenbrook, unless the entire cooperative agreed to look at pricing for each district on a stand alone basis. For comparison purposes we have shown the BCBS renewal pricing under SSCRMP compared to the stand alone quotes.

Many of the stop loss carriers and direct markets declined to provide quotes based on the current pricing for Glenbrook or as “uncompetitive compared to current pricing.”

Both AETNA and CIGNA are shown as replacement networks using a Third Party Administrator (Allied with AETNA and BAS with CIGNA).

BAS did approach several of their own reinsurance markets as part of their response to the RFP. As a result, many of the carriers also declined for the above reason. We have shown these carriers in the Market Summary.

Based on the market analysis we have concluded at this time that Glenbrook would not benefit moving from SSCRMP to a stand alone plan. We did conclude however that there is a need to provide a network analysis for all of SSCRMP based on the projected discounts that were provided with the AETNA proposal. We will start this process in 2013 for the July 2014 plan year renewal.

# Market Summary

<u>Carriers</u>	<u>Status</u>
1 Allied / Aetna	Received
2 BAS / CIGNA	Received
<i>East Coast Underwriters</i>	<i>Declined / Uncompetitive</i>
<i>HCC Life Insurance Company</i>	<i>Declined / Uncompetitive</i>
<i>HM Life Insurance Company</i>	<i>Declined / Uncompetitive</i>
<i>Sun Life</i>	<i>Declined / Uncompetitive</i>
<i>Xchange</i>	<i>Declined / Uncompetitive</i>
3 United Health Care (Direct)	Declined / Uncompetitive
4 ING (Reliastar)	Declined / Uncompetitive
5 Commercial Group Intermediaires	Received

} BAS approached these carriers for quotes

Alternate Carrier Options  
With Aggregate Coverage

## Stop Loss Contract Specifics

Contract Terms	RENEWAL	OPTION 1	OPTION 2	OPTION 3	OPTION 4	OPTION 5	OPTION 6
Provider Network	BCBS	Allied	BAS	Allied	Allied	BCBS	BCBS
Specific Stop Loss Carrier	Symetra	Aetna	CGNA	Symetra	Symetra	Standard Life	Standard Life
Specific Deductible	\$250,000	\$250,000	\$250,000	\$100,000	\$125,000	\$250,000 / \$50K	\$150,000 / \$50K
Specific Contract	Paid	18/12	24/12	PAID	PAID	24/12	24/12
Specific Coverage	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx
Annual Maximum	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Aggregate Stop Loss Carrier	N/A	N/A	CGNA	Symetra	Symetra		
Aggregate Contract	PAID	PAID	12/12	12/12	12/12	PAID	PAID
Aggregate Coverage	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx

Options 5 & 6 Include an Aggregating Specific Option with an additional pooling level of \$50,000

Paid Contract = Any claims "Paid" within the contract period

18/12 – Any claim incurred in 18 month period and paid within the contract period (REFERRED TO AS RUN IN)

24/12 – Any claim incurred in 24 month period and paid within the contract period (REFERRED TO AS RUN IN)

12/12 - All claims incurred and paid within the contract period. Any claims incurred PRIOR to the contract period are excluded.

# Fixed Cost Summary - Administration & Managed Care Fee's

Contract Terms	RENEWAL	OPTION 1	OPTION 2	OPTION 3	OPTION 4	OPTION 5	OPTION 6
Provider Network	BCBS	Allied	BAS	Allied	Allied	BCBS	BCBS
Specific Stop Loss Carrier	Symetra	Aetna	CIGNA	Symetra	Symetra	Standard Life	Standard Life

Administrative Fees (Excludes ACA Fee)							
Medical Administration Fee	\$40.01	\$35.00	\$22.25	\$35.00	\$35.00	\$40.01	\$40.01
RX Rebate Credit	-\$13.57	-\$11.00	\$0.00	-\$11.00	-\$11.00	-\$13.57	-\$13.57
Annual Administration Fee	N/A	\$2,500.00	\$3,500.00	\$2,500.00	\$2,500.00	\$0.00	\$0.00
<b>Total Monthly Costs:</b>	<b>\$13,484.40</b>	<b>\$12,240.00</b>	<b>\$11,347.50</b>	<b>\$12,240.00</b>	<b>\$12,240.00</b>	<b>\$13,484.40</b>	<b>\$13,484.40</b>
<b>Total Annual Costs:</b>	<b>\$161,812.80</b>	<b>\$149,380.00</b>	<b>\$139,670.00</b>	<b>\$149,380.00</b>	<b>\$149,380.00</b>	<b>\$161,812.80</b>	<b>\$161,812.80</b>

Managed Care Access Fees							
Managed Care Access Fee -	N/A	Included	\$16.00	Included	Included	Included	Included
Managed Care Access Fee - BCBS	0.63%	N/A	N/A	N/A	N/A	N/A	N/A
Utilization Review	Included	Included	Included	Included	Included	Included	Included
<b>Total Monthly Costs:</b>	<b>\$2,028.92</b>		<b>\$8,160.00</b>				
<b>Total Annual Costs:</b>	<b>\$24,347.00</b>		<b>\$97,920.00</b>				



# Stop Loss Coverage – Fixed Cost Total

Contract Terms	RENEWAL	OPTION 1	OPTION 2	OPTION 3	OPTION 4	OPTION 5	OPTION 6
Provider Network	BCBS	Allied	BAS	Allied	Allied	BCBS	BCBS
Specific Stop Loss Carrier	Symetra	Aetna	CIGNA	Symetra	Symetra	Standard Life	Standard Life

Medical Stop Loss Premiums	RENEWAL	OPTION 1	OPTION 2	OPTION 3	OPTION 4	OPTION 5	OPTION 6
Single Specific Premium	\$27.74	\$25.22	\$30.87	\$88.66	\$67.14	\$22.46	\$40.88
Family Specific Premium	\$27.74	\$64.76	\$81.66	\$198.85	\$152.36	\$61.55	\$111.34
Aggregate Premium	N/A	\$0.00	\$5.46	\$3.43	\$3.99	\$0.00	\$0.00
<b>Total Monthly Costs:</b>	<b>\$14,147.40</b>	<b>\$23,854.32</b>	<b>\$32,647.92</b>	<b>\$77,597.24</b>	<b>\$59,966.53</b>	<b>\$22,321.62</b>	<b>\$40,436.68</b>
<b>Plus Aggregating Specific Amount</b>						<b>\$50,000.00</b>	<b>\$50,000.00</b>
<b>Total Annual Costs:</b>	<b>\$169,768.80</b>	<b>\$286,251.84</b>	<b>\$391,775.04</b>	<b>\$931,166.83</b>	<b>\$719,598.38</b>	<b>\$317,859.44</b>	<b>\$535,240.16</b>

Contract Terms	RENEWAL	OPTION 1	OPTION 2	OPTION 3	OPTION 4	OPTION 5	OPTION 6
Provider Network	BCBS	Allied	BAS	Allied	Allied	BCBS	BCBS
Specific Stop Loss Carrier	Symetra	Aetna	CIGNA	Symetra	Symetra	Standard Life	Standard Life
<b>Total Annual Fixed Cost</b>	<b>\$355,928.60</b>	<b>\$435,631.84</b>	<b>\$629,365.04</b>	<b>\$1,080,546.83</b>	<b>\$868,978.38</b>	<b>\$479,672.24</b>	<b>\$697,052.96</b>

## Aggregate Claims – Total Projected Cost

Contract Terms	RENEWAL	OPTION 1	OPTION 2	OPTION 3	OPTION 4	OPTION 5	OPTION 6
Provider Network	BCBS	Allied	BAS	Allied	Allied	BCBS	BCBS
Specific Stop Loss Carrier	Symetra	Aetna	CIGNA	Symetra	Symetra	Standard Life	Standard Life
<b>Total Annual Fixed Cost</b>	\$355,928.60	\$435,631.84	\$629,365.04	\$1,080,546.83	\$868,978.38	\$479,672.24	\$697,052.96
<b>Projected Claims</b>	\$6,755,771	\$6,755,771	\$6,511,716	\$7,669,815	\$7,944,981	\$6,755,771	\$6,755,771
<b>Claim Run Out</b>	N/A	N/A	\$502,216	\$502,216	\$502,216	N/A	N/A
<b>Total Projected Claims (Med/RX)</b>	\$6,755,771	\$6,755,771	\$7,013,932	\$8,172,031	\$8,447,197	\$6,755,771	\$6,755,771
<b>Total Annual Costs (Claims + Fixed)</b>	\$7,111,700	\$7,191,403	\$7,643,297	\$9,252,578	\$9,316,175	\$7,235,443	\$7,452,824

1. Run out claims – Assumes 10% of projected Medical Claims only
2. Option 2 – Expected Claims are \$6,511,716 / Maximum claims are \$8,139,645
3. Option 3 – Minimum Aggregate Deductible is \$7,669,715
4. Option 4 - Minimum Aggregate Deductible is \$7,944,981
5. AETNA and CIGNA Network discounts are illustrative only and are not guaranteed

Contract Terms	RENEWAL	OPTION 1	OPTION 2	OPTION 3	OPTION 4	OPTION 5	OPTION 6
Provider Network	BCBS	Allied	BAS	Allied	Allied	BCBS	BCBS
Specific Stop Loss Carrier	Symetra	Aetna	CIGNA	Symetra	Symetra	Standard Life	Standard Life
Specific Deductible	\$250,000	\$250,000	\$250,000	\$100,000	\$125,000	\$250,000 / \$50K	\$150,000 / \$50K
Specific Contract	PAID	18/12	24/12	PAID	PAID	24/12	24/12
Specific Coverage	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx
Annual Maximum	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Aggregate Stop Loss Carrier	N/A	N/A	CIGNA	Symetra	Symetra	PAID	PAID
Aggregate Contract	PAID	PAID	12/12	12/12	12/12	PAID	PAID
Aggregate Coverage	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx

Administrative Fees (Excludes ACA Fee)	RENEWAL	OPTION 1	OPTION 2	OPTION 3	OPTION 4	OPTION 5	OPTION 6
Medical Administration Fee	\$40.01	\$35.00	\$22.25	\$35.00	\$35.00	\$40.01	\$40.01
RX Rebate Credit	-\$13.57	-\$11.00	\$0.00	-\$11.00	-\$11.00	-\$13.57	-\$13.57
Government Compliance Fee	Included	Included	Included	Included	Included	Included	Included
Annual Administration Fee	N/A	\$2,500.00	\$3,500.00	\$2,500.00	\$2,500.00	\$0.00	\$0.00
<b>Total Monthly Costs:</b>	<b>\$13,484.40</b>	<b>\$12,240.00</b>	<b>\$11,347.50</b>	<b>\$12,240.00</b>	<b>\$12,240.00</b>	<b>\$13,484.40</b>	<b>\$13,484.40</b>
<b>Total Annual Costs:</b>	<b>\$161,812.80</b>	<b>\$149,380.00</b>	<b>\$139,670.00</b>	<b>\$149,380.00</b>	<b>\$149,380.00</b>	<b>\$161,812.80</b>	<b>\$161,812.80</b>

Managed Care Access Fees	RENEWAL	OPTION 1	OPTION 2	OPTION 3	OPTION 4	OPTION 5	OPTION 6
Managed Care Access Fee -	N/A	Included	\$16.00	Included	Included	Included	Included
Managed Care Access Fee - BCBS	0.63%	N/A	N/A	N/A	N/A	N/A	N/A
Utilization Review	Included	Included	Included	Included	Included	Included	Included
<b>Total Monthly Costs:</b>	<b>\$2,028.92</b>	<b>\$8,160.00</b>	<b>\$97,920.00</b>	<b>\$8,160.00</b>	<b>\$97,920.00</b>	<b>\$8,160.00</b>	<b>\$8,160.00</b>
<b>Total Annual Costs:</b>	<b>\$24,347.00</b>	<b>\$97,920.00</b>	<b>\$97,920.00</b>	<b>\$97,920.00</b>	<b>\$97,920.00</b>	<b>\$97,920.00</b>	<b>\$97,920.00</b>

Medical Stop Loss Premiums	RENEWAL	OPTION 1	OPTION 2	OPTION 3	OPTION 4	OPTION 5	OPTION 6
Single Specific Premium	\$27.74	\$25.22	\$30.87	\$88.66	\$67.14	\$22.46	\$40.88
Family Specific Premium	\$27.74	\$64.76	\$81.66	\$198.85	\$152.36	\$61.55	\$111.34
Aggregate Premium	N/A	\$0.00	\$5.46	\$3.43	\$3.99	\$0.00	\$0.00
<b>Total Monthly Costs:</b>	<b>\$14,147.40</b>	<b>\$23,854.32</b>	<b>\$32,647.92</b>	<b>\$77,597.24</b>	<b>\$59,966.53</b>	<b>\$22,321.62</b>	<b>\$40,436.68</b>
<b>Plus Aggregating Specific Amount</b>						<b>\$50,000.00</b>	<b>\$50,000.00</b>
<b>Total Annual Costs:</b>	<b>\$169,768.80</b>	<b>\$286,251.84</b>	<b>\$391,775.04</b>	<b>\$931,166.83</b>	<b>\$719,598.38</b>	<b>\$317,859.44</b>	<b>\$335,240.16</b>

Total Annual Fixed Cost	RENEWAL	OPTION 1	OPTION 2	OPTION 3	OPTION 4	OPTION 5	OPTION 6
	\$355,928.60	\$435,631.84	\$629,365.04	\$1,080,546.83	\$868,978.38	\$479,672.24	\$697,052.96

Projected Claims	RENEWAL	OPTION 1	OPTION 2	OPTION 3	OPTION 4	OPTION 5	OPTION 6
Claim Run Out	\$6,755,771	\$6,755,771	\$6,511,716	\$7,669,815	\$7,944,981	\$6,755,771	\$6,755,771
Total Projected Claims (Med/RX)	\$6,755,771	\$6,755,771	\$6,511,716	\$7,669,815	\$7,944,981	\$6,755,771	\$6,755,771
<b>Total Annual Costs (Claims + Fixed)</b>	<b>\$7,111,700</b>	<b>\$7,191,403</b>	<b>\$7,643,297</b>	<b>\$9,252,578</b>	<b>\$9,316,175</b>	<b>\$7,235,443</b>	<b>\$7,452,824</b>