



**Notice of Meeting of the City of La Porte**  
**Chapter 172 Employee Retiree Insurance and Benefits Board**

Notice is hereby given of a meeting of the Chapter 172 Employee Retiree Insurance and Benefits Board to be held on September 18, 2017 at 9:00 AM in the Council Chambers of City Hall, 604 W. Fairmont Pkwy., La Porte, Texas, regarding the items according to the agenda below:

1. **Call to Order**
2. **Member Roll Call**
3. **Consider approval of minutes from the August 17, 2017 meeting**
4. **Discuss and take possible action regarding the RFP vendor responses for Dental, Basic Life & AD&D, Voluntary Life, Disability, and EAP**
5. **Discuss and take possible action regarding the options for plan design changes and/or premium changes**
6. **Administrative Reports**
7. **Board Comments**

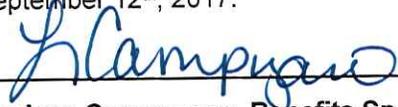
Board member comments regarding matters appearing on agenda; inquiry of staff regarding specific factual information or existing policies.

**8. Adjournment**

**In compliance with the Americans with Disabilities Act, the City of La Porte City will provide for reasonable accommodations for persons attending public meetings. To better serve attendees, requests should be received 24 hours prior to the meeting. Please contact Patrice Fogarty, City Secretary, at 281.470.5019.**

**CERTIFICATION**

I certify that a copy of the September 18<sup>th</sup>, 2017, agenda of items to be considered by the Chapter 172 Employee Retiree Insurance and Benefits Board was posted on the City Hall bulletin board on September 12<sup>th</sup>, 2017.

  
\_\_\_\_\_  
**Lindsey Campuzano, Benefits Specialist**

I certify that the attached notice and agenda of items to be considered by the Chapter 172 Employee Retiree Insurance and Benefits Board was removed by me from the City Hall bulletin board on the \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Title: \_\_\_\_\_



**Meeting Minutes of the City of La Porte  
Chapter 172 Employee Retiree Insurance and Benefits Board  
Meeting held on August 17, 2017**

**1. Call to Order**

The meeting was called to order at 3:01 PM by Lindsey Campuzano

**2. Member Roll Call**

Present: Martha Gillett, Matt Daeumer, Michael Dolby, Robert Eldridge, Clark Askins, Charles Montgomery, Juliane Graham and Matt Hartleib

Absent: Aaron Corrales

**3. Consider approval of minutes from the May 31, 2017 meeting**

Michael Dolby made a motion to approve the minutes as presented. Matt Daeumer seconded. All in favor; motion passed.

**4. Discussion of plan design improvements**

Lindsey Campuzano gave an update to the board regarding what was discussed at the August 14, 2017 City Council meeting with a goal of lowering the medical budget from 7.2 million to 6.5 million, for a total of \$700,000 with a preference of no impact to current employees and retirees.

Julian Fontana from IPS Advisors presented plan design alternatives for both the medical and prescription drugs, along with three different illustrative contribution options for premiums. Mr. Fontana also discussed the results from the 2018 RFP vendor responses and gave an analysis for Dental, Basic Life/AD&D, Voluntary Life, Disability and EAP, and made recommendations to the board to consider. Board will discuss and take action next meeting.

**5. Administrative Reports**

**6. Board Comments**

None

**7. Adjournment**

The meeting was adjourned at 5:04 PM. Matt Daeumer made motion to adjourn the meeting. Matt Hartleib seconded. All in favor; motion passed.

Approved and passed on the \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Matthew Hartleib, Human Resources Manager

Where Experience and  
Independence Matter

Corporate Benefits Consulting  
Insurance Planning Services  
Retirement Plan Consulting



# City of La Porte: Financial Update, and Health Plan Design / Contribution Strategy



Brent Weegar  
Principal

Julian Fontana  
Employee Benefits Specialist

Brian Wilson  
Account Manager

September 11, 2017



# Table of Contents

---

- I. Plan Financial Update
- II. Plan Benefit Design Strategy
- III. Plan Contribution Strategy

# I. Plan Financial Update

---



# 2017 - 2018 Updated Budget Projection

	2016 FY Budget	2016 FY Actual	2017 FY Budget	2017 FY Annualized	2017 FY Projected	2018 FY Projected	2018 CY Projected
Medical and Rx Claims	\$5,440,493	\$5,511,106	\$6,286,124	\$5,490,392	\$5,915,581	\$6,455,156	\$6,597,832
HRA Claims	*included	\$145,295	*included	\$165,827	\$165,827	\$165,827	\$165,827
Medical / Rx Administration	\$250,800	\$200,195	\$217,500	\$177,318	\$177,318	\$177,366	\$177,366
Stop Loss Fees	\$409,176	\$382,385	\$392,711	\$370,443	\$370,443	\$422,732	\$422,732
Health Care Reform Fees	\$24,688	\$35,183	\$22,000	\$22,524	\$22,524	\$2,364	\$2,364
Wellness Program	\$46,500	\$4,270	\$11,700	\$11,700	\$11,700	\$11,700	\$11,700
<b>Total Health Plan Cost</b>	<b>\$6,171,657</b>	<b>\$6,278,433</b>	<b>\$6,930,035</b>	<b>\$6,238,205</b>	<b>\$6,663,394</b>	<b>\$7,235,146</b>	<b>\$7,377,822</b>
<b>\$ Change from Prior Fiscal Year</b>	n/a	<b>\$106,776</b>	<b>\$758,378</b>	<b>(\$40,228)</b>	<b>\$384,960</b>	<b>\$571,752</b>	n/a
<b>% Change from Prior Fiscal Year</b>	n/a	<b>1.7%</b>	<b>12.3%</b>	<b>-0.6%</b>	<b>6.1%</b>	<b>8.6%</b>	n/a
Enrollment Assumption	420	391	388	401	401	401	401

Note: 2018 CY (Calendar Year) Projected Used to Determine Calendar Year Funding Rates

# 2017 – 2018 Projected Budget Assumptions

---

- Partial Self-Funded Projected FY 2017 - 2018
  - Projected Claims = Last 24 months claims projected through 2018 fiscal year end (including trend)
    - 7.9% Medical trend
    - 11.6% Pharmacy trend
    - \$2.35 per member per year in 2017 PCORI Fees
    - 3% increase to medical administration
    - 15% increase to Stop Loss fixed costs

## II. Plan Benefit Design Strategy

---



# 2017 Medical Benefits

	PPO 500	Health Fund 1000	Health Fund 1500
	Aetna	Aetna	Aetna
	Choice POS II	Choice POS II	Choice POS II
	Current	Current	Current
<b>MEDICAL BENEFITS</b>			
<b>Deductible</b>			
In-Network	Embedded Deductible \$500 Ind./ \$1,500 Fam.	Embedded Deductible \$1,000 Ind./ \$3,000 Fam.	Embedded Deductible \$1,500 Ind./ \$4,500 Fam.
Non-Network	\$1,000 Ind./ \$3,000 Fam.	\$2,000 Ind./ \$6,000 Fam.	\$3,000 Ind./ \$9,000 Fam.
<b>Out Of Pocket Max</b>			
In-Network	Includes Ded. / Coins. / Copays \$3,500 Ind./ \$10,500 Fam.	Includes Ded. / Coins. / RX Copays \$3,000 Ind./ \$9,000 Fam.	Includes Ded. / Coins. / RX Copays \$4,200 Ind./ \$12,600 Fam.
Non-Network	\$7,000 Ind./ \$21,000 Fam.	\$6,000 Ind./ \$18,000 Fam.	\$9,000 Ind./ \$27,000 Fam.
Max OOP (Medical & Rx)			
<b>Coinsurance</b>			
In-Network	20%	20%	20%
Non-Network	50%	50%	50%
<b>Lifetime Max</b>	Unlimited	Unlimited	Unlimited
<b>Emergency Room</b>			
In-Network	\$150 Copay	Ded./ 20%	Ded./ 20%
Non-Network	\$150 Copay	Ded./ 20%	Ded./ 20%
<b>Ambulance</b>			
In-Network	Ded./ 20%	Ded./ 20%	Ded./ 20%
Non-Network	Ded./ 50%	Ded./ 50%	Ded./ 50%
<b>Urgent Care</b>			
In-Network	\$40 Copay	Ded./ 20%	Ded./ 20%
Non-Network	Ded./ 50%	Ded./ 50%	Ded./ 50%
<b>Physician Office Visit</b>			
In-Network	\$25 Copay	Ded./ 20%	Ded./ 20%
Non-Network	Ded./ 50%	Ded./ 50%	Ded./ 50%
<b>Specialist Office Visit</b>			
In-Network	\$40 Copay	Ded./ 20%	Ded./ 20%
Non-Network	Ded./ 50%	Ded./ 50%	Ded./ 50%
<b>Spinal Manipulation Therapy</b>			
In-Network	Maximum 20 Visits/Year \$40 Copay	Ded./ 20%	Ded./ 20%
Non-Network	Ded./ 50%	Ded./ 50%	Ded./ 50%
<b>Preventive Care</b>			
In-Network	\$0 - No Cost Sharing	Ded./ 20%	Ded./ 20%
Non-Network	Ded./ 50%	Ded./ 50%	Ded./ 50%
<b>Routine Hearing Exam</b>			
In-Network	\$0 - No Cost Sharing	Ded./ 20%	Ded./ 20%
Non-Network	Ded./ 50%	Ded./ 50%	Ded./ 50%

# 2017 Medical Benefits (continued)

MEDICAL BENEFITS	PPO 500	Health Fund 1000	Health Fund 1500
	Aetna	Aetna	Aetna
	Choice POS II	Choice POS II	Choice POS II
	Current	Current	Current
<b>Basic Lab &amp; Radiology</b>			
In-Network	Ded./ 20%	Ded./ 20%	Ded./ 20%
Non-Network	Ded./ 50%	Ded./ 50%	Ded./ 50%
<b>Major Lab &amp; Radiology (MRI / CT / PET)</b>			
In-Network	Ded./ 20%	Ded./ 20%	Ded./ 20%
Non-Network	Ded./ 50%	Ded./ 50%	Ded./ 50%
<b>In-Patient Hospital</b>			
In-Network	Ded./ 20%	Ded./ 20%	Ded./ 20%
Non-Network	Ded./ 50%	Ded./ 50%	Ded./ 50%
<b>Out-patient Surgery</b>			
In Network	Ded./ 20%	Ded./ 20%	Ded./ 20%
Non-Network	Ded./ 50%	Ded./ 50%	Ded./ 50%
<b>Rehabilitative Therapy PT / OT / ST</b>			
In-Network	Maximum 60 visits/year Ded./ 20%	Maximum 60 visits/year Ded./ 20%	Maximum 60 visits/year Ded./ 20%
Non-Network	Ded./ 50%	Ded./ 50%	Ded./ 50%
<b>In-patient MH / SA</b>			
In-Network	Ded./ 20%	Ded./ 20%	Ded./ 20%
Non-Network	Ded./ 50%	Ded./ 50%	Ded./ 50%
<b>Out-patient MH / SA</b>			
In-Network	\$40 Copay	Ded./ 20%	Ded./ 20%
Non-Network	Ded./ 50%	Ded./ 50%	Ded./ 50%
<b>Home Health Care</b>			
In-Network	Maximum 120 Visits Ded./ 20%	Ded./ 20%	Ded./ 20%
Non-Network	Ded./ 50%	Ded./ 50%	Ded./ 50%
<b>Prescriptions</b>			
Network Retail Pharmacy	\$10/\$30/\$60	\$10/\$30/\$60	\$10/\$30/\$60
Network Mail Order	\$20/\$60/\$120	\$20/\$60/\$120	\$20/\$60/\$120
Specialty RX	20% of the nego. Charge, not to exceed \$100	20% of the nego. Charge, not to exceed \$100	20% of the nego. Charge, not to exceed \$100
Preventive Generics	\$0 Copay	\$0 Copay	\$0 Copay
Step Therapy / Mandatory Generic	DAW	DAW	DAW

\*In-Network and Out-of-Network Deductibles Cross Accumulate

\*In-Network and Out-of-Network Deductibles Cross Accumulate

\*In-Network and Out-of-Network Deductibles Cross Accumulate

# 2018 Plan Design Alternatives

	Current	Renewal	\$ Savings	Member Impact
<b>Medical Benefits</b>				
<b>Move from PPO to EPO Network (removes out-of-network benefits)</b>	PPO	EPO	(\$143,104)	154 Members
<b>Deductible and Out of Pockets – All Plans</b>	Varies by Plan	+ \$500 Single + \$1,500 Family	(\$143,820)	Not Reported
<b>Deductible and Out of Pockets – All Plans</b>	Varies by Plan	+ \$250 Single + \$750 Family	(\$78,447)	Not Reported
<b>ER Copay</b>	\$150	\$150 Deductible/Coinsurance	(\$39,224)	117 Visits
<b>Prescription Drugs</b>				
<b>Step Therapy – No Grandfathering</b>	n/a	Step Therapy	(\$67,190)	58 Members
<b>Mandatory Mail Maintenance Drugs</b>	Optional Mail	Mandatory Mail with 2 Refills at Retail	(\$34,531)	371 Members
<b>Pharmacy Network</b>	Current Broad Network	Aetna Value Network Excludes Walgreens	(\$18,000)	490 Members
<b>Specialty Pharmacy</b>	20% to \$100 Per Script	20% to \$200 Per Script	(\$10,895)	Not Reported

\$ Savings from Blue Shaded Adjustments = \$438,764

# Benchmarking Comparison

	Benchmark	Benchmark	La Porte			City of Deer Park	
Plans Offered	Non HDHP	HDHP	3			2	
Plan Year			2017			2016-2017	
Plan Type			PPO 500	HF 1000	HF 1500	PPO Buy-Up	PPO
Subscriber Enrollment			174	122	40	209	43
% of Subscriber Enrollment			51.8%	36.3%	11.9%	82.9%	17.1%
H.S.A or H.R.A. Contribution			n/a	\$500 EE \$1,000 Family	\$500 EE \$1,000 Family	n/a	n/a
Individual deductible	\$673	\$2,520	\$500	\$1,000	\$1,500	\$0	\$1,500
Family deductible	\$1,827	\$5,000	\$1,500	\$3,000	\$4,500	\$0	\$3,000
Individual Out of Pocket	\$3,054	\$4,100	\$3,500	\$3,000	\$4,200	\$3,000	\$4,000
Family Out of Pocket	\$7,462	\$7,970	\$10,500	\$9,000	\$12,600	\$6,000	\$8,000
Coinsurance	18%	14%	20%	20%	20%	30%	20%
Office Visits/Dr. Services	\$25 PCP Copay/ \$50 Specialist	15% after deductible	\$25 PCP Copay / \$40 Specialist	20% after deductible	20% after deductible	30% after deductible	\$25 copay
Urgent Care	\$60 Copay	15% after deductible	\$40 Copay	20% after deductible	20% after deductible	30% after deductible	\$50 copay
Emergency Room	\$150 Copay + Coinsurance	15% after deductible	\$150 Copay	20% after deductible	20% after deductible	30% after deductible	\$100 copay, 20% for certain services
Inpatient Surgery	16% after deductible	15% after deductible	20% after deductible	20% after deductible	20% after deductible	30% after deductible	20% after deductible
Pharmacy - Retail Only	Tier 1 - \$10 Tier 2 - \$35 Tier 3 - \$60	Ded./Coins.	Tier 1 - \$10 Tier 2 - \$30 Tier 3 - \$60	Tier 1 - \$10 Tier 2 - \$30 Tier 3 - \$60	Tier 1 - \$10 Tier 2 - \$30 Tier 3 - \$60	Tier 1 - \$5 Tier 2 - \$43 Tier 3 - \$65	Tier 1 - \$5 Tier 2 - \$43 Tier 3 - \$65

# Benchmarking Comparison

Employee Contributions	Benchmark	Benchmark	La Porte			City of Deer Park	
			Non HDHP	HDHP	PPO 500	HF 1000	HF 1500
Plan							
Employee	\$30	\$16	\$55	\$23	\$15	\$49	\$0
EE + Spouse	\$257	\$236	\$166	\$130	\$105	\$305	\$181
EE + Child	\$191	\$157	\$155	\$120	\$95	\$203	\$109
EE + Family	\$364	\$352	\$185	\$156	\$121	\$418	\$260

\*These rates are for non-tobacco users

Per Capita Cost	Average of All Cities	La Porte	City of Deer Park
Total Per Capita Cost	\$10,924	\$18,876	\$10,450
Employer Per Capita Cost	\$9,073	\$17,512	\$8,822
Employee Per Capita Cost	\$1,824	\$1,364	\$1,434

Hourly Rate Contribution Analysis*	Average of All Cities	La Porte	City of Deer Park
Total Hourly Rate	\$5.25	\$9.08	\$5.02
Employer Hourly Rate	\$4.36	\$8.42	\$4.24
Employee Hourly Rate	\$0.88	\$0.66	\$0.69

\*Hourly Rate Analysis = Per Capita / 2080 Hours

Per Capita Cost	Average of All Cities	La Porte	City of Deer Park
% Employer Funded	83.1%	92.8%	84.4%
% Employee Funded	16.9%	7.2%	15.6%

# III. Plan Contribution Strategy

---



# 2017 Current Contributions

Enrollment		Unit Costs - Monthly				Total Costs - Monthly
PPO 500	Full Time Employees	Medical Rate	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)
Employee Only	196	\$906.05	\$850.83	93.9%	\$55.22	\$55.22
+ Spouse	43	\$1,087.25	\$976.72	89.8%	\$110.53	\$165.75
+ Child(ren)	28	\$724.83	\$624.89	86.2%	\$99.94	\$155.16
+ Family	79	\$1,721.49	\$1,591.39	92.4%	\$130.10	\$185.32
Premium Contributions	196	\$4,567,572	\$4,223,747	92.5%	\$343,826	

Health Fund 1000	Full Time Employees	Medical Rate	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)
Employee Only	154	\$650.91	\$628.20	96.5%	\$22.71	\$22.71
+ Spouse	23	\$781.10	\$673.46	86.2%	\$107.64	\$130.35
+ Child(ren)	20	\$520.74	\$423.37	81.3%	\$97.37	\$120.08
+ Family	39	\$1,236.73	\$1,103.83	89.3%	\$132.90	\$155.61
Premium Contributions	154	\$2,122,229	\$1,964,986	92.6%	\$157,243	
HRA Contributions	154	\$118,000	\$118,000	100.0%	n/a	
Total Contributions	154	\$2,240,229	\$2,082,986	93.0%	\$157,243	

HRA Contributions Employee \$500 Family \$1,000

Health Fund 1500	Full Time Employees	Medical Rate	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)
Employee Only	51	\$631.27	\$616.62	97.7%	\$14.65	\$14.65
+ Spouse	3	\$757.53	\$667.18	88.1%	\$90.35	\$105.00
+ Child(ren)	8	\$505.02	\$424.42	84.0%	\$80.60	\$95.25
+ Family	16	\$1,199.42	\$1,093.39	91.2%	\$106.03	\$120.68
Premium Contributions	51	\$692,379	\$652,066	94.2%	\$40,314	
HRA Contributions	51	\$39,000	\$39,000	100.0%	n/a	
Total Contributions	51	\$731,379	\$691,066	94.5%	\$40,314	

HRA Contributions Employee \$500 Family \$1,000

All Plans	Full Time Employees	Total Medical Cost	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)
Total Contributions - All Plans	401	\$7,539,180	\$6,997,798	92.8%	\$541,382

# 2018 Renewal Contributions

## City of La Porte Proposed - Non Tobacco Rates – No Medical Rate Changes Warranted

Enrollment		Unit Costs - Monthly				Total Costs - Monthly		
PPO 500	Full Time Employees	Medical Rate	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Δ (\$)	Total Employee Contribution Δ (%)
Employee Only	196	\$906.05	\$850.83	93.9%	\$55.22	\$55.22	\$0.00	0.0%
+ Spouse	43	\$1,087.25	\$976.72	89.8%	\$110.53	\$165.75	\$0.00	0.0%
+ Child(ren)	28	\$724.83	\$624.89	86.2%	\$99.94	\$155.16	\$0.00	0.0%
+ Family	79	\$1,721.49	\$1,591.39	92.4%	\$130.10	\$185.32	\$0.00	0.0%
<b>Premium Contributions</b>	<b>196</b>	<b>\$4,567,572</b>	<b>\$4,223,747</b>	<b>92.5%</b>	<b>\$343,826</b>			

Health Fund 1000	Full Time Employees	Medical Rate	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Δ (\$)	Total Employee Contribution Δ (%)
Employee Only	154	\$650.91	\$628.20	96.5%	\$22.71	\$22.71	\$0.00	0.0%
+ Spouse	23	\$781.10	\$673.46	86.2%	\$107.64	\$130.35	\$0.00	0.0%
+ Child(ren)	20	\$520.74	\$423.37	81.3%	\$97.37	\$120.08	\$0.00	0.0%
+ Family	39	\$1,236.73	\$1,103.83	89.3%	\$132.90	\$155.61	\$0.00	0.0%
<b>Premium Contributions</b>	<b>154</b>	<b>\$2,122,229</b>	<b>\$1,964,986</b>	<b>92.6%</b>	<b>\$157,243</b>			
<b>HRA Contributions</b>	<b>154</b>	<b>\$118,000</b>	<b>\$118,000</b>	<b>100.0%</b>	<b>n/a</b>			
<b>Total Contributions</b>	<b>154</b>	<b>\$2,240,229</b>	<b>\$2,082,986</b>	<b>93.0%</b>	<b>\$157,243</b>			

HRA Contributions  
Employee \$500      Family \$1,000

Health Fund 1500	Full Time Employees	Medical Rate	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Δ (\$)	Total Employee Contribution Δ (%)
Employee Only	51	\$631.27	\$616.62	97.7%	\$14.65	\$14.65	\$0.00	0.0%
+ Spouse	3	\$757.53	\$667.18	88.1%	\$90.35	\$105.00	\$0.00	0.0%
+ Child(ren)	8	\$505.02	\$424.42	84.0%	\$80.60	\$95.25	\$0.00	0.0%
+ Family	16	\$1,199.42	\$1,093.39	91.2%	\$106.03	\$120.68	\$0.00	0.0%
<b>Premium Contributions</b>	<b>51</b>	<b>\$692,379</b>	<b>\$652,066</b>	<b>94.2%</b>	<b>\$40,314</b>			
<b>HRA Contributions</b>	<b>51</b>	<b>\$39,000</b>	<b>\$39,000</b>	<b>100.0%</b>	<b>n/a</b>			
<b>Total Contributions</b>	<b>51</b>	<b>\$731,379</b>	<b>\$691,066</b>	<b>94.5%</b>	<b>\$40,314</b>			

HRA Contributions  
Employee \$500      Family \$1,000

All Plans	Full Time Employees	Total Medical Cost	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)
<b>Total Contributions - All Plans</b>	<b>401</b>	<b>\$7,539,180</b>	<b>\$6,997,798</b>	<b>92.8%</b>	<b>\$541,382</b>
<b>Change from current (\$)</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>
<b>Change from current (%)</b>		<b>0.0%</b>	<b>0.0%</b>		<b>0.0%</b>

# 2018 Contribution – 85% Share Illustrative

## City of La Porte

### Proposed - Non Tobacco Rates - 1 Year Migration to 85% City Subsidy Through Dependent Subsidy Reductions

Enrollment		Unit Costs - Monthly				Total Costs - Monthly		
PPO 500	Full Time Employees	Medical Rate	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Δ (\$)	Total Employee Contribution Δ (%)
Employee Only	196	\$906.05	\$850.83	93.9%	\$55.22	\$55.22	\$0.00	0.0%
+ Spouse	43	\$1,087.25	\$804.57	74.0%	\$282.69	\$337.91	\$172.16	103.9%
+ Child(ren)	28	\$724.83	\$536.38	74.0%	\$188.46	\$243.68	\$88.52	57.0%
+ Family	79	\$1,721.49	\$1,273.90	74.0%	\$447.59	\$502.81	\$317.49	171.3%
<b>Premium Contributions</b>	<b>196</b>	<b>\$4,567,572</b>	<b>\$3,804,195</b>	<b>83.3%</b>	<b>\$763,377</b>			

	Full Time Employees	Medical Rate	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Δ (\$)	Total Employee Contribution Δ (%)
Health Fund 1000								
Employee Only	154	\$650.91	\$628.20	96.5%	\$22.71	\$22.71	\$0.00	0.0%
+ Spouse	23	\$781.10	\$578.01	74.0%	\$203.09	\$225.80	\$95.45	73.2%
+ Child(ren)	20	\$520.74	\$385.35	74.0%	\$135.39	\$158.10	\$38.02	31.7%
+ Family	39	\$1,236.73	\$915.18	74.0%	\$321.55	\$344.26	\$188.65	121.2%
<b>Premium Contributions</b>	<b>154</b>	<b>\$2,122,229</b>	<b>\$1,841,229</b>	<b>86.8%</b>	<b>\$281,000</b>			
<b>HRA Contributions</b>	<b>154</b>	<b>\$118,000</b>	<b>\$118,000</b>	<b>100.0%</b>	<b>n/a</b>			
<b>Total Contributions</b>	<b>154</b>	<b>\$2,240,229</b>	<b>\$1,959,229</b>	<b>87.5%</b>	<b>\$281,000</b>			

HRA Contributions Employee \$500 Family \$1,000

	Full Time Employees	Medical Rate	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Δ (\$)	Total Employee Contribution Δ (%)
Health Fund 1500								
Employee Only	51	\$631.27	\$616.62	97.7%	\$14.65	\$14.65	\$0.00	0.0%
+ Spouse	3	\$757.53	\$560.57	74.0%	\$196.96	\$211.61	\$106.61	101.5%
+ Child(ren)	8	\$505.02	\$373.71	74.0%	\$131.30	\$145.95	\$50.70	53.2%
+ Family	16	\$1,199.42	\$887.57	74.0%	\$311.85	\$326.50	\$205.82	170.5%
<b>Premium Contributions</b>	<b>51</b>	<b>\$692,379</b>	<b>\$603,843</b>	<b>87.2%</b>	<b>\$88,537</b>			
<b>HRA Contributions</b>	<b>51</b>	<b>\$39,000</b>	<b>\$39,000</b>	<b>100.0%</b>	<b>n/a</b>			
<b>Total Contributions</b>	<b>51</b>	<b>\$731,379</b>	<b>\$642,843</b>	<b>87.9%</b>	<b>\$88,537</b>			

HRA Contributions Employee \$500 Family \$1,000

All Plans	Full Time Employees	Total Medical Cost	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)
<b>Total Contributions - All Plans</b>	<b>401</b>	<b>\$7,539,180</b>	<b>\$6,406,267</b>	<b>85.0%</b>	<b>\$1,132,913</b>
<b>Change from current (\$)</b>		<b>\$0</b>	<b>(\$591,531)</b>		<b>\$591,531</b>
<b>Change from current (%)</b>		<b>0.0%</b>	<b>-8.5%</b>		<b>109.3%</b>

\*Assumes No Employee Plan Migration between plans – Conservative Approach.

# 2018 Contribution Option 2

## City of La Porte Proposed - Non Tobacco Rates - 5 Year Migration to 85% City Subsidy Through Dependent Subsidy Reductions

Enrollment		Unit Costs - Monthly				Total Costs - Monthly		
PPO 500	Full Time Employees	Medical Rate	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Δ (\$)	Total Employee Contribution Δ (%)
Employee Only	196	\$906.05	\$850.83	93.9%	\$55.22	\$55.22	\$0.00	0.0%
+ Spouse	43	\$1,087.25	\$942.29	86.7%	\$144.96	\$200.18	\$34.43	20.8%
+ Child(ren)	28	\$724.83	\$607.19	83.8%	\$117.64	\$172.86	\$17.70	11.4%
+ Family	79	\$1,721.49	\$1,527.89	88.8%	\$193.60	\$248.82	\$63.50	34.3%
Premium Contributions	196	\$4,567,572	\$4,139,837	90.6%	\$427,736			

Health Fund 1000		Unit Costs - Monthly				Total Costs - Monthly		
	Full Time Employees	Medical Rate	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Δ (\$)	Total Employee Contribution Δ (%)
Employee Only	154	\$650.91	\$628.20	96.5%	\$22.71	\$22.71	\$0.00	0.0%
+ Spouse	23	\$781.10	\$654.37	83.8%	\$126.73	\$149.44	\$19.09	14.6%
+ Child(ren)	20	\$520.74	\$415.76	79.8%	\$104.97	\$127.68	\$7.60	6.3%
+ Family	39	\$1,236.73	\$1,066.10	86.2%	\$170.63	\$193.34	\$37.73	24.2%
Premium Contributions	154	\$2,122,229	\$1,940,235	91.4%	\$181,994			
HRA Contributions	154	\$118,000	\$118,000	100.0%	n/a			
Total Contributions	154	\$2,240,229	\$2,058,235	91.9%	\$181,994			

HRA Contributions  
Employee \$500      Family \$1,000

Health Fund 1500		Unit Costs - Monthly				Total Costs - Monthly		
	Full Time Employees	Medical Rate	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)	Total Employee Contribution (\$)	Total Employee Contribution Δ (\$)	Total Employee Contribution Δ (%)
Employee Only	51	\$631.27	\$616.62	97.7%	\$14.65	\$14.65	\$0.00	0.0%
+ Spouse	3	\$757.53	\$645.86	85.3%	\$111.67	\$126.32	\$21.32	20.3%
+ Child(ren)	8	\$505.02	\$414.28	82.0%	\$90.74	\$105.39	\$10.14	10.6%
+ Family	16	\$1,199.42	\$1,052.23	87.7%	\$147.19	\$161.84	\$41.16	34.1%
Premium Contributions	51	\$692,379	\$642,421	92.8%	\$49,958			
HRA Contributions	51	\$39,000	\$39,000	100.0%	n/a			
Total Contributions	51	\$731,379	\$681,421	93.2%	\$49,958			

HRA Contributions  
Employee \$500      Family \$1,000

All Plans	Full Time Employees	Total Medical Cost	La Porte Contribution (\$)	La Porte Contribution (%)	Employee Contribution (\$)
Total Contributions - All Plans	401	\$7,539,180	\$6,879,492	91.2%	\$659,688
Change from current (\$)		\$0	(\$118,306)		\$118,306
Change from current (%)		0.0%	-1.7%		21.9%

\*Assumes No Employee Plan Migration between plans. - Conservative Approach

# 2018 Contribution – Option 3

	2017	2018	2018	2018
Healthcare Plans	Enrollment	Grandfathered	New Entrants	Total
<b>PPO</b>				
EE	46	40	0	40
EE+ES	43	37	0	37
EE+EC	28	24	0	24
FAM	79	68	0	68
<b>AHF 1000</b>				
EE	72	63	0	63
EE+ES	23	20	0	20
EE+EC	20	17	0	17
FAM	39	34	0	34
<b>AHF 1500</b>				
EE	24	21	25	46
EE+ES	3	3	3	6
EE+EC	8	7	8	15
FAM	16	14	17	31
<b>SUM</b>				
	401	348	53	401
<b>Total Cost (w/ HRA)</b>	\$7,539,180	\$6,527,723	\$936,985	\$7,464,708
<b>City Cost (w/ HRA)</b>	\$6,997,798	\$6,059,532	\$844,353	\$6,903,885
<b>Employee Cost</b>	\$541,382	\$468,191	\$92,632	\$560,823
<b>Total Difference</b>				<b>(\$93,913)</b>

*\*Assumes 14% annual attrition and new hires can only enroll in AHF 1500 plan.*

# 2018 Contribution – Option 4

	2017	2018	2018	2018
Healthcare Plans	Enrollment	Grandfathered	New Entrants	Total
<b>PPO</b>				
EE	46	40	0	40
EE+ES	43	37	0	37
EE+EC	28	24	0	24
FAM	79	68	0	68
<b>AHF 1000</b>				
EE	72	63	19	82
EE+ES	23	20	6	26
EE+EC	20	17	5	22
FAM	39	34	10	44
<b>AHF 1500</b>				
EE	24	21	6	27
EE+ES	3	3	1	4
EE+EC	8	7	2	9
FAM	16	14	4	18
<b>SUM</b>	401	348	53	401
<b>Total Cost (w/ HRA)</b>	\$7,539,180	\$6,527,723	\$942,540	\$7,470,263
<b>City Cost (w/ HRA)</b>	\$6,997,798	\$6,059,532	\$847,538	\$6,907,070
<b>Employee Cost</b>	\$541,382	\$468,191	\$95,002	\$563,193
<b>Total Difference</b>				<b>(\$90,728)</b>

*\*Assumes 14% annual attrition and new hires can only enroll in either AHF 1000 or AHF 1500 plan.*



CORPORATE BENEFITS CONSULTING  
INSURANCE PLANNING SERVICES  
RETIREMENT PLAN CONSULTING  
DALLAS - AUSTIN - HOUSTON