

**Be a part of
the city that
you love.**

2019 Benefit Changes

Heather Britton – Director of Benefits and Wellness, Office of Human Resources



Health Insurance Committee

The Employee Health Insurance Committee established per Chapter 18, Article VI, Division 2 of the DRMC. Responsible for advising the Career Service board and OHR Executive Director of the needs of persons in the employ of the City and County of Denver for medical, dental, life, and long-term disability insurance...

Current members, as follows, are appointed by the Mayor:

Councilman Wayne New
Stephanie Adams (Budget)
Gisela Shanahan (DIA)
Arthur Gilkison (PR)
Roni Kirchhevel (DERP)

Bill Mitchell (Police)
Robbie Gilmour (Police)
Toni Jones (Sheriff)
Connie Coyle (Sheriff)
Anne Carter (OHR)
John Utterback (GS)

Summary of 2019 Recommended Changes

Medical

1. Retain current carriers (year 1 of contract)
2. Denver Health – modification to networks and prescription copays

Wellness

1. Increase incentive
2. Shift timing

Dental, vision, life, disability, FSA - no changes

**Be a part of
the city that
you love.**

Medical Plan Review

2019 Medical / HSA Overview

1. Continue partnering with three carriers
 - a) Kaiser
 - b) UHC
 - c) Denver Health
2. Continue offering two plans per carrier (for a total of six plans):
 - a) High Deductible Health Plan (HDHP)
 - b) Deductible HMO (DHMO)
3. Shift City premium contribution – Shift by 0.5 to 1%
4. Continue with current plan designs (copays, deductibles and out-of-pocket maximums).
5. Continue with current City HSA contribution

Denver Medical Plans

	DHMO	HDHP
Carrier	Kaiser UHC (Navigate) DHMP	Kaiser UHC DHMP
Office visits	Copay (may also involve deductible/coinsurance)	Deductible/coinsurance
Hospitalization	Deductible/coinsurance	Deductible/coinsurance
Procedure	Deductible/coinsurance	Deductible/coinsurance
Prescription	Copay	Deductible/Copays
Savings Vehicle	FSA	HSA

High Deductible Health Plan

1. Low up-front premium (pay check cost)
2. Member is responsible for all costs to a preset deductible:
 - a. \$1,350 deductible individual coverage and
 - b. \$2,700 deductible if dependents enrolled.
3. Member pays 20%* coinsurance for services after deductible is met.
4. All expenses, including deductible, count toward annual out-of-pocket maximum of \$2,700 individual and \$5,400 family.
5. Paired with a Health Savings Account (HSA) – City/Employee funded

Deductible HMO

1. Copays for Doctor Visits and Prescriptions
2. Deductibles and Coinsurance for all other services
 - a. \$500 single / \$1,500 family Deductible
 - b. 20% Coinsurance
3. Out-of-Pocket Max:
\$3,000 single / \$6,000 family
4. Paired with Flexible Spending Account
5. UHC calls their plan Navigate. Navigate has per occurrence deductibles (POD) for some services.

**Be a part of
the city that
you love.**



2019 Proposed Modifications

2019 Modifications

1. Denver Health Medical Plan network and RX copay modifications
2. Wellness Incentive
3. Premium shift

Denver Health Medical Plan - HDHP

	Denver Health 2018				Denver Health 2019			
	Denver Health and High Point		Cofinity Network		<i>Denver Health Only</i>		High point/ Cofinity Network	
	Single	Family	Single	Family	Single	Family	Single	Family
Preventive Visit	No cost to member				No cost to member			
Deductible	\$1,350	\$2,700	\$1,350	\$2,700	\$1,350	\$2,700	<i>\$2,500</i>	<i>\$4,000</i>
Coinsurance	10%	10%	20%	20%	10%	10%	20%	20%
Out-of-Pocket Max	\$2,700	\$5,400	\$2,700	\$5,400	\$2,700	\$5,400	<i>\$5,000</i>	<i>\$8,000</i>
Prescription Drugs	After Deductible:		After Deductible:		After Deductible:		After Deductible:	
Discount	n/a		n/a		<i>\$8 copay</i>		<i>\$16 copay</i>	
Tier 1	\$10 copay		\$20 copay		\$10 copay		\$20 copay	
Tier 2	\$15 copay		\$40 copay		\$15 copay		<i>\$30 copay</i>	
Tier 3	\$30 copay		\$60 copay		\$30 copay		\$60 copay	
Tier 4	n/a		n/a		<i>\$35 copay</i>		<i>\$70 copay</i>	
Tier 5	n/a		n/a		<i>\$40 copay</i>		<i>\$80 copay</i>	

Denver Health Medical Plan - DHMO

	2018 DHMO		2019 DHMO	
	Denver Health or Highpoint	Cofinity Only	<i>Denver Health Only</i>	<i>Cofinity and Highpoint</i>
Preventive	Free	Free	Free	Free
Deductible	\$500 single/\$1500 family	\$750 single/\$1750 family	\$500 single/\$1500 family	\$750 single/\$1750 family
Coinsurance	20% after deductible	20% after deductible	20% after deductible	20% after deductible
Out-of-Pocket Max (OPM)	\$3,000 single/\$6,000 family	\$3,000 single/\$6,000 family	\$3,000 single/\$6,000 family	\$3,000 single/\$6,000 family
Prescription Drugs				
Discount	n/a	n/a	<i>\$8 copay</i>	<i>\$16 copay</i>
Tier 1	\$10 copay	\$20 copay	\$10 copay	\$20 copay
Tier 2	\$15 copay	\$40 copay	\$15 copay	<i>\$30 copay</i>
Tier 3	\$30 copay	\$60 copay	\$30 copay	\$60 copay
Tier 4	n/a	n/a	<i>\$35 copay</i>	<i>\$70 copay</i>
Tier 5	n/a	n/a	<i>\$40 copay</i>	<i>\$80 copay</i>

2019 Increases Required by Insurer

1. Kaiser

- Actual due to rate cap negotiated in 2017: 5.4%
- Needed based on utilization: 15%

2. UHC

- Actual due to rate cap negotiated in 2017: 5.65%
- Needed based on utilization: 13.74%

3. DHMP

- Actual with plan design changes: 7.73%
 - Without plan design changes: 13.2%
- Negotiated rate caps artificially kept costs lower than experience (utilization) called for by Kaiser and UHC

DHMO – Monthly Rates

	Tier	2018 City Share	2018 Employee Cost/month	Increase needed by Insurer	2019 City Share	2019 Employee Cost/month
Kaiser DHMO	Employee Only	85%	\$81.70	5.37%	84%	\$91.83
	Employee + Spouse	77.5%	\$269.62	5.37%	76.5%	\$296.72
	Employee + Children	80%	\$217.87	5.37%	79%	\$241.05
	Family	75%	\$435.75	5.37%	74%	\$477.51
UHC Navigate	Employee Only	85%	\$107.47	5.65%	84%	\$121.11
	Employee + Spouse	77.5%	\$354.66	5.65%	76.5%	\$391.35
	Employee + Children	80%	\$286.60	5.65%	79%	\$317.93
	Family	75%	\$573.29	5.65%	74%	\$629.90
DHMP DHMO	Employee Only	85%	\$104.07	7.73%	84%	\$119.59
	Employee + Spouse	77.5%	\$343.42	7.73%	76.5%	\$386.42
	Employee + Children	80%	\$277.51	7.73%	79%	\$313.91
	Family	75%	\$573.29	7.73%	74%	\$621.85

HDHP – Monthly Rates

	Tier	2018 City Share	2018 Employee Cost/month	Increase needed by Insurer	2019 City Share	2019 Employee Cost/month
Kaiser HDHP	Employee Only	95%	\$21.97	5.45%	94.5%	\$25.48
	Employee + Spouse	87.5%	\$120.82	5.45%	87%	\$132.50
	Employee + Children	90%	\$87.87	5.45%	89.5%	\$97.29
	Family	85%	\$210.85	5.45%	84.5%	\$229.75
UHC HDHP	Employee Only	95%	\$34.21	5.65%	94.5%	\$39.76
	Employee + Spouse	87.5%	\$188.18	5.65%	87%	\$206.76
	Employee + Children	90%	\$136.86	5.65%	89.5%	\$151.82
	Family	85%	\$328.44	5.65%	84.5%	\$358.57
DHMP HDHP	Employee Only	95%	\$25.96	7.73%	94.5%	\$30.77
	Employee + Spouse	87.5%	\$142.80	7.73%	87%	\$160.00
	Employee + Children	90%	\$103.86	7.73%	89.5%	\$117.48
	Family	85%	\$249.26	7.73%	84.5%	\$277.48

2019 Wellness Incentive

- Continue Incentivizing employees to engage in their individual health with an annual incentive:
 - Complete requirements by 11/30/2018 to receive the following:
 - HDHP - \$600 HSA contribution in January 2019
 - Increased from \$300 in 2018, proportionally on each check
 - DHMO - \$50/month premium reduction
 - Increased from \$25/month in 2018

HSA

- Maintain City contribution for participants enrolled in the HDHP:
 - Single HDHP enrollees: up to \$300/year. (\$2 from the City for every \$1 the employee contributes)
 - Family HDHP enrollees: up to \$900/year. (\$2 from the City for every \$1 the employee contributes)
 - Contributed each paycheck.

Summary of 2019 Recommended Changes

Medical

1. Retain current carriers (year 1 of contract)
2. Denver Health – modification to networks and prescription copays

Wellness

1. Increase incentive
2. Shift timing

Dental, vision, life, disability, FSA - no changes