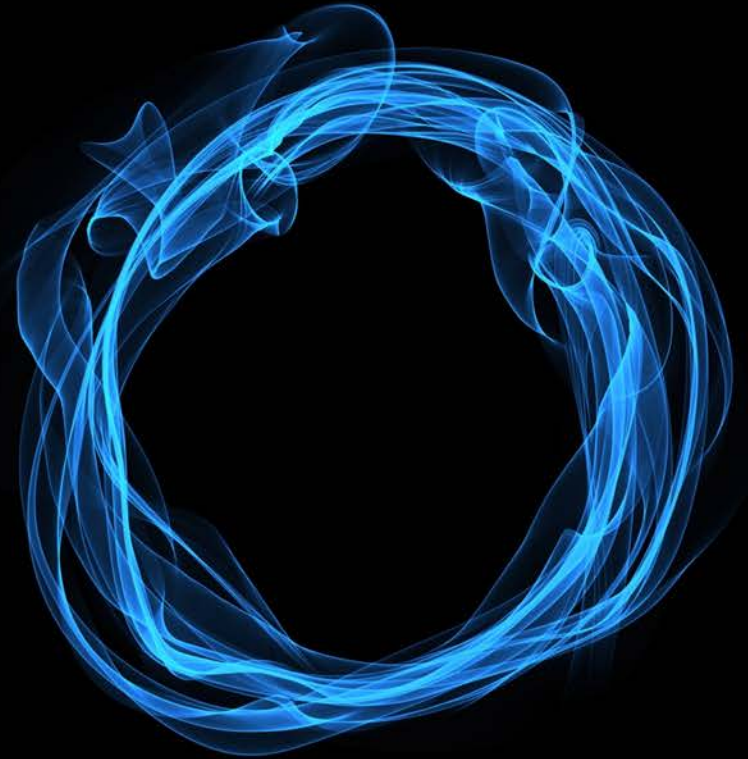


2022 Renewal Planning

Westport BOE
January 10, 2022



Westport BOE Claim Experience

Medical Claims

Jul-20	792	2,097	\$1,475,724	\$1,059,226	\$218,360	\$1,277,586	\$1,613.11
Aug-20	790	2,093	\$1,462,432	\$1,153,003	\$210,927	\$1,363,930	\$1,726.49
Sep-20	789	2,103	\$1,474,145	\$1,532,198	\$145,720	\$1,677,918	\$2,126.64
Oct-20	799	2,127	\$1,607,439	\$1,231,401	\$187,450	\$1,418,851	\$1,775.78
Nov-20	798	2,131	\$1,613,511	\$903,013	\$160,859	\$1,063,872	\$1,333.17
Dec-20	801	2,138	\$1,599,173	\$1,154,169	\$171,040	\$1,325,209	\$1,654.44
Jan-21	801	2,118	\$1,598,421	\$1,180,417	\$203,163	\$1,383,580	\$1,727.32
Feb-21	800	2,121	\$1,629,648	\$1,567,669	\$175,500	\$1,743,169	\$2,178.96
Mar-21	793	2,109	\$1,610,342	\$1,410,340	\$191,035	\$1,601,375	\$2,019.39
Apr-21	793	2,110	\$1,584,828	\$1,234,504	\$194,162	\$1,428,666	\$1,801.60
May-21	793	2,110	\$1,580,167	\$1,514,621	\$198,260	\$1,712,881	\$2,160.00
Jun-21	795	2,115	\$1,597,850	\$1,396,558	\$169,055	\$1,565,613	\$1,969.32
Jul-21	795	2,113	\$1,637,764	\$1,675,102	\$146,588	\$1,821,690	\$2,291.43
Aug-21	807	2,135	\$1,648,944	\$1,481,615	\$184,609	\$1,666,224	\$2,064.71
Sep-21	799	2,118	\$1,638,151	\$1,487,225	\$148,845	\$1,636,070	\$2,047.65

October 2018 - September 2019	786	2,065	\$16,479,073	\$13,221,905	\$2,682,877	\$15,904,782	\$1,686.26	97%
October 2019 - September 2020	795	2,096	\$17,704,037	\$14,024,316	\$2,338,682	\$16,362,998	\$1,714.84	92%
October 2020 - September 2021	798	2,120	\$19,346,238	\$16,236,634	\$2,130,566	\$18,367,200	\$1,918.45	95%
Claims Over \$250k ISL						\$1,058,700	\$2,169.44	89%

Westport BOE Claim Experience

High Cost Claimants

October 2020 - September 2021

<u>Claimant #</u>	<u>ICD 10 Code</u>	<u>Total Paid Claims</u>
1	Malignant Neoplasms	\$651,255
2	Persons encountering health services for specific procedures and care	\$641,856
3	Restricted Diagnosis	\$347,145
4	Persons encountering health services for specific procedures and care	\$334,399
5	Persons encountering health services for specific procedures and care	\$321,532
6	Dorsopathies	\$262,513
7	Demyelinating diseases of the central nervous system	\$249,443
8	Radiation-related disorders of the skin and subcutaneous tissue	\$201,702
9	Dorsopathies	\$199,410
10	Demyelinating diseases of the central nervous system	\$191,250
11	Malignant Neoplasms	\$187,126
12	Restricted Diagnosis	\$173,626
13	Ischaemic heart diseases	\$167,219
14	Malignant Neoplasms	\$162,888
15	Persons encountering health services for examination and investigation	\$158,725
16	Demyelinating diseases of the central nervous system	\$144,793
17	Renal failure	\$142,167
18	Persons encountering health services for specific procedures and care	\$128,205
19	Cerebrovascular diseases	\$102,201
20	Nerve, nerve root and plexus disorders	\$106,843
21	Restricted Diagnosis	\$106,662
22	Dorsopathies	\$101,684

Westport BOE Claim Experience

Dental Claims

Current Rolling-12 Month Experience

Month	Employees	Dental	Gross Claims PEPM
December 2020	980	\$74,739	\$76
January 2021	982	\$77,078	\$78
February 2021	981	\$89,764	\$92
March 2021	974	\$89,488	\$92
April 2021	975	\$74,768	\$77
May 2021	974	\$71,933	\$74
June 2021	975	\$109,027	\$112
July 2021	978	\$83,110	\$85
August 2021	977	\$123,950	\$127
September 2021	982	\$82,287	\$84
October 2021	989	\$68,241	\$69
November 2021	992	\$100,021	\$101
Total	11,759	\$1,044,404	\$89

Plan Expenses	
Admin Fees	Expenses PEPM
\$4,939	\$5
\$4,949	\$5
\$4,944	\$5
\$4,909	\$5
\$4,914	\$5
\$4,909	\$5
\$4,914	\$5
\$4,108	\$4
\$4,108	\$4
\$4,087	\$4
\$4,129	\$4
\$4,150	\$4
\$55,060	\$5

Plan Cost Totals	
Total Plan Cost	Plan Cost PEPM
\$79,678	\$81
\$82,027	\$84
\$94,708	\$97
\$94,397	\$97
\$79,682	\$82
\$76,841	\$79
\$113,941	\$117
\$87,218	\$89
\$128,058	\$131
\$86,374	\$88
\$72,370	\$73
\$104,171	\$105
\$1,099,465	\$93

Prior Rolling-12 Month Experience

Month	Employees	Dental	Gross Claims PEPM
December 2019	977	\$122,893	\$126
January 2020	975	\$109,011	\$112
February 2020	973	\$103,866	\$107
March 2020	971	\$96,613	\$99
April 2020	972	\$16,401	\$17
May 2020	970	\$16,351	\$17
June 2020	962	\$82,881	\$86
July 2020	964	\$85,469	\$89
August 2020	962	\$92,601	\$96
September 2020	967	\$75,836	\$78
October 2020	976	\$62,065	\$64
November 2020	982	\$79,955	\$81
Total	11,651	\$943,941	\$81

Plan Expenses	
Admin Fees	Expenses PEPM
\$4,817	\$5
\$4,807	\$5
\$4,797	\$5
\$4,787	\$5
\$4,792	\$5
\$4,782	\$5
\$4,743	\$5
\$4,859	\$5
\$4,848	\$5
\$4,874	\$5
\$4,919	\$5
\$4,949	\$5
\$57,973	\$5

Plan Cost Totals	
Total Plan Cost	Plan Cost PEPM
\$127,709	\$131
\$113,818	\$117
\$108,663	\$112
\$101,400	\$104
\$21,193	\$22
\$21,133	\$22
\$87,623	\$91
\$90,328	\$94
\$97,449	\$101
\$80,710	\$83
\$66,984	\$69
\$84,905	\$86
\$1,001,914	\$86

FY 2023 State Plan Rate Estimate

	<u>Enrollment</u>	<u>FY2021</u>	<u>Enrollment</u>	<u>FINAL</u> <u>FY2022</u>	<u>ESTIMATED</u> <u>FY2023*</u>
<u>Anthem Medical Plan</u>					
Employee Only	229	\$997.52	237	\$1,021.34	\$1,041.77
Employee + 1	141	2,139.07	116	\$2,186.49	\$2,230.22
Family	386	2,614.73	425	\$2,671.97	\$2,725.41
Gross Active Cost	756	■ \$18,471,921	778	\$19,575,332	\$19,966,839
<u>Pre-65 Retirees</u>					
Employee Only	15	\$1,240.96	23	\$1,332.62	\$1,359.27
Employee + 1	10	2,664.30	7	\$2,868.45	\$2,925.82
Family	0	3,257.35	1	\$3,508.37	\$3,578.54
Gross Pre-65 Cost	25	\$543,089	■ 31	\$650,853	\$663,870
Annual Gross Cost	790	■ \$19,240,065	809	\$20,226,185	\$20,630,709

*Rates reflect 2% rate adjustment
Rates reflect cost without HEP

State Plan vs. Self-Funded

	<u>2022 FY Projection</u>	<u>2023 FY Projection</u>
Medical Claims	\$14,323,554	\$14,303,824
Rx Claims	3,115,745	3,111,454
Administrative Fees	409,698	409,698
Network Access Fees	168,113	168,113
Stop Loss Premium	1,311,111	1,304,755
ACA Fees	5,342	5,342
HSA Contribution	1,296,000	1,629,600
Pharmacy Adjustments	-444,528	-444,529
Total Expected Medical Cost	\$20,185,035	\$20,488,257

Partnership Plan

	<u>Enrollment</u>	<u>FY2021</u>	<u>Enrollment</u>	<u>FINAL</u> <u>FY2022</u>	<u>ESTIMATED</u> <u>FY2023*</u>
<u>Anthem Medical Plan</u>					
Employee Only	229	\$997.52	237	\$1,021.34	\$1,041.77
Employee + 1	141	2,139.07	116	\$2,186.49	\$2,230.22
Family	386	2,614.73	425	\$2,671.97	\$2,725.41
Gross Active Cost	756	\$18,471,921	778	\$19,575,332	\$19,966,839
<u>Pre-65 Retirees</u>					
Employee Only	15	\$1,240.96	23	\$1,332.62	\$1,359.27
Employee + 1	10	2,664.30	7	\$2,868.45	\$2,925.82
Family	0	3,257.35	1	\$3,508.37	\$3,578.54
Gross Pre-65 Cost	25	\$543,089	31	\$650,853	\$663,870
Annual Gross Cost	790	\$19,240,065	809	\$20,226,185	\$20,630,709

*Rates reflect 2% rate adjustment
Rates reflect cost without HEP

State Plan Renewal Financial Summary

	Current	Flat Renewal	2% Renewal	4% Renewal
Annual Premium	\$20,226,185	\$20,226,185	\$20,630,709	\$21,035,233
% Change	-	0%	2%	4%
\$ Change	-	\$0	\$404,524	\$809,047

	Current (79%)	Flat Renewal (81%)	2% Renewal (81%)	4% Renewal (81%)
BOE Cost Share	\$15,978,686	\$16,383,210	\$16,710,874	\$17,038,539
% Change	-	2.5%	4.6%	6.6%
\$ Change	-	\$404,524	\$732,188	\$1,059,852

State Plan vs. Fully Insured

0% SPP Rate Increase

	<u>Current</u>	<u>Estimated Renewal</u>	<u>Cigna</u>	<u>Anthem</u>	<u>UHC</u>	<u>Aetna</u>
Annual Premium	\$20,226,185	\$20,226,185	\$18,597,476	\$19,688,077	\$20,352,220	\$16,599,275
HSA Seeding	N/A	N/A	\$1,629,600	\$1,629,600	\$1,629,600	\$1,629,600
HSA/HRA Admin Cost	N/A	N/A	\$43,686	\$0	\$0	\$21,843
Total Annual Cost	\$20,226,185	\$20,226,185	\$20,270,762	\$21,317,677	\$21,981,820	\$18,250,718
\$ Change		\$0	\$44,577	\$1,091,491	\$1,755,635	-\$1,975,467
% Change		0.0%	0.2%	5.4%	8.7%	-9.8%
BOE Cost Share	\$15,978,686	\$16,383,210	\$16,728,941	\$17,576,942	\$18,114,898	\$15,092,706
BOE \$ Change		\$404,524	\$750,255	\$1,598,256	\$2,136,212	-\$885,981
BOE % Change		2.5%	4.7%	10.0%	13.4%	-5.5%

State Plan vs. Fully Insured

2% SPP Rate Increase

	<u>Current</u>	<u>Estimated Renewal</u>	<u>Cigna</u>	<u>Anthem</u>	<u>UHC</u>	<u>Aetna</u>
Annual Premium	\$20,226,185	\$20,630,709	\$18,597,476	\$19,688,077	\$20,352,220	\$16,599,275
HSA Seeding	N/A	N/A	\$1,629,600	\$1,629,600	\$1,629,600	\$1,629,600
HSA/HRA Admin Cost	N/A	N/A	\$43,686	\$0	\$0	\$21,843
Total Annual Cost	\$20,226,185	\$20,630,709	\$20,270,762	\$21,317,677	\$21,981,820	\$18,250,718
\$ Change		\$404,524	\$44,577	\$1,091,491	\$1,755,635	-\$1,975,467
% Change		2.0%	0.2%	5.4%	8.7%	-9.8%
BOE Cost Share	\$15,978,686	\$16,710,874	\$16,728,941	\$17,576,942	\$18,114,898	\$15,092,706
BOE \$ Change		\$732,188	\$750,255	\$1,598,256	\$2,136,212	-\$885,981
BOE % Change		4.6%	4.7%	10.0%	13.4%	-5.5%

State Plan vs. Fully Insured

4% SPP Rate Increase

	<u>Current</u>	<u>Estimated Renewal</u>	<u>Cigna</u>	<u>Anthem</u>	<u>UHC</u>	<u>Aetna</u>
Annual Premium	\$20,226,185	\$21,035,233	\$18,597,476	\$19,688,077	\$20,352,220	\$16,599,275
HSA Seeding	N/A	N/A	\$1,629,600	\$1,629,600	\$1,629,600	\$1,629,600
HSA/HRA Admin Cost	N/A	N/A	\$43,686	\$0	\$0	\$21,843
Total Annual Cost	\$20,226,185	\$21,035,233	\$20,270,762	\$21,317,677	\$21,981,820	\$18,250,718
\$ Change		\$809,047	\$44,577	\$1,091,491	\$1,755,635	-\$1,975,467
% Change		4.0%	0.2%	5.4%	8.7%	-9.8%
BOE Cost Share	\$15,978,686	\$17,038,539	\$16,728,941	\$17,576,942	\$18,114,898	\$15,092,706
BOE \$ Change		\$1,059,852	\$750,255	\$1,598,256	\$2,136,212	-\$885,981
BOE % Change		6.6%	4.7%	10.0%	13.4%	-5.5%

Fiscal Year Actual and Projections

Fiscal Year	2020	2021	2022	2022	2023
	<i>Actual</i>	<i>Actual</i>	<i>Initial Projection</i>	<i>Updated Projection</i>	<i>Projection</i>
<u>Paid Claims</u>					
Dental	<u>1,045,612</u>	<u>982,722</u>	<u>1,226,131</u>	<u>1,042,474</u>	<u>1,061,385</u>
2022 Change from 2021 Actual, 2023 Change from 2022 Projected			24.8%	6.1%	-13.4%
<u>Enrollment</u>					
Dental	976	974	977	982	982
<u>Plan Expenses</u>					
Dental Admin Fees	57,711	58,927	60,785	57,283	63,162
Total Dental Plan Cost	\$1,103,323	\$1,041,649	\$1,286,916	\$1,099,757	\$1,124,547
2022 Change from 2021 Actual, 2023 Change from 2022 Projected			23.5%	5.6%	-12.6%

Appendix

FY 2023 Projection Detailed Work-Up



UNCOMMONLY INDEPENDENT

Dental Self-Funded Projection

Experience Period:	TOTAL	
	11/19 - 10/20	11/20 - 10/21
1. Dental Claims	\$1,086,157	\$956,098
2. Cumulative Member Months	11,659	11,736
3. Average Net Claim Cost PMPM	\$93.16	\$81.47
4. Actual Plan Trend (Gross)		-12.6%
5. Actual Plan Trend (Net)		-12.6%
6. Annual Trend Assumption	4.0%	4.0%
7. Months of Trend	32	20
8. Effective Trend Adjustment	11.0%	6.7%
9. Adjusted Plan Experience PMPM	\$103.05	\$86.83
10. Experience Weighting	20.0%	80.0%
11. Projected Plan Year Claim Cost PMPM	\$90.07	
12. Admin Fees	\$5.36	
13. Projected Plan Year Fixed Cost PEPM	\$5.36	
14. Projected Total Plan Cost PEPM	\$95.43	
15. Projected Plan Year Enrollment	982	
16. Projected Plan Year Total Costs	\$1,124,547	
17. Projected Plan Year Claims	\$1,061,385	
18. Projected Plan Year Fixed Costs	\$63,162	
19. Projected Plan Year Annual Cost per EE	\$1,145	
20. Current Rate Plan Cost PEPM	\$96.42	
21. % Change	-1.0%	

Footnotes / Caveats:

- 1. 3% increase admin fee

Medical Self-Funded Projection

Experience Period:	10/19 - 09/20	10/20 - 09/21
1. Gross Claims Experience	\$16,362,998	\$18,367,200
2. Remove Large Claims (\$250k ISL)	(\$1,972,408)	(\$2,558,700)
3. Net Claims	\$14,390,590	\$15,808,500
4. Cumulative Member Months	25,159	25,430
5. Average Net Claim Cost PMPM	\$571.99	\$621.65
6. Actual Plan Trend (Gross)		11.1%
7. Actual Plan Trend (Net)		7.8%
8. Annual Trend Assumption	6.5%	6.5%
9. Months of Trend	33	21
10. Effective Trend Adjustment	18.9%	11.6%
11. CT SPP to H.S.A. (%)	-11.0%	-11.0%
12. Add Back Large Claims (below ISL Ded)	\$59.62	\$58.99
13. Plan Experience PMPM	\$665.29	\$676.74
14. COVID Adjustment	4.5%	0.0%
15. Adjusted Plan Experience PMPM	\$695.23	\$676.74
16. Experience Weighting	0.0%	100.0%
17. Projected Plan Year Claim Cost PMPM	\$676.74	
18. Member to EE Ratio	2.65	
19. Projected Plan Year Claim Cost PEPM	\$1,793.91	
20. Admin Fees	\$39.00	
21. Rx Rebate Credit	(\$45.79)	
22. Specific Stop Loss	\$134.40	
23. H.S.A. Seeding	\$167.86	
24. Projected Plan Year Fixed Cost PEPM	\$295.47	
25. Projected Total Plan Cost PEPM	\$2,089.38	
26. Projected Plan Year Enrollment	809	
27. Projected Plan Year Total Costs	\$20,283,701	
28. Projected Plan Year Claims	\$17,415,278	
29. Projected Plan Year Fixed Costs	\$2,868,423	
30. Projected Plan Year Annual Cost per EE	\$25,073	