

Trenton Public Schools
2020 Medical Plan Request for Proposals (RFP)
Summary of Results

Kapnick Insurance Group completed an RFP for medical plans for Trenton Public Schools, which complies with Public Act 106. This RFP was conducted in August 2020.

Carriers Invited to Submit Medical Quotations:

- | | |
|-------------------|---|
| • MESSA | Current Carrier and submitted quotation |
| • Priority Health | Current Carrier and submitted total replacement quotation |
| • HAP | Submitted total replacement quotation |
| • BCBSM | Submitted quotation for MESSA plans only |
| • Aetna | Declined to quote due to non-competitive rates |
| • UHC | Declined to quote due to non-competitive rates |

After review and analysis of the RFP responses, Trenton Public Schools determined that for the next plan year (2021), the incumbent carriers will remain in place. MESSA will continue to provide medical coverage for Union Employees. Priority Health will continue to provide medical coverage for Non-Union (Custodians), and the ACA Group.

Detailed bid summary is attached following this letter.

Erica White
Client Executive
Kapnick Insurance Group

2021 Renewal Cost Summary - Trenton Public Schools

MESSA Renewal Period: 1/1/2021 - 12/31/2021 PH Renewal Period 7/1/2020 - 6/30/2021

Group / Division		Enrolled	Current Premium	MESSA 1/2021 Priority Health 7/2020		BCBSM / Priority Health		HAP		Priority Health	
				Renewal Premium	Plan	2021 Premium	Plan	2021 Premium	Plan	2021 Premium (changing from 7/1 to 1/1)	
MESSA Choices \$500		59	\$171,263.85	\$173,243.14	BCBS - SB \$500	\$165,643.83	HAP PPO \$500	\$179,420.44	PPO Traditional \$500	\$194,596.98	
MESSA ABC Plan 1 \$1400		101	\$94,551.84	\$95,643.65	BCBS - SB HSA \$1400	\$94,665.93	HAP PPO SBP HSA \$1400	\$100,486.77	PPO HSA \$1400	\$97,693.35	
PH PPO \$250		16	\$24,239.75	\$24,239.75	PH PPO \$250	\$24,239.75	HAP PPO \$250	\$20,104.12	PH PPO \$250	\$22,809.72	
PH HMO HSA 3300		12	\$8,970.82	\$8,970.82	PH HMO HSA \$3300	\$8,970.82	HAP HMO \$3000	\$9,038.75	PH HMO HSA \$3300	\$8,580.84	
Monthly Total Premium		188	\$299,026.26	\$302,097.36		\$293,520.33		\$309,050.08		\$323,680.89	
Monthly Difference				\$3,071.10		-\$5,505.93		\$10,023.82		\$24,654.63	
Annualized Total Premium			\$3,588,315.12	\$3,625,168.32		\$3,522,243.96		\$3,708,600.96		\$3,884,170.68	
Annualized Difference				\$36,853.20		-\$66,071.16		\$120,285.84		\$295,855.56	
				1.03%		-1.84%		3.35%		8.24%	

Premium and enrollment are based on most currently available invoice.
PH renewal premium is 7/1 renewal rates

Closest Plan Design Match to existing plans.

Items in green are enhancements or price savings.

Items in red are detriments or price increases.

2021 Renewal Cost Summary - Trenton Public Schools

MESSA Renewal Period: 1/1/2021 - 12/31/2021 PH Renewal Period 7/1/2020 - 6/30/2021

Group / Division	Enrolled	Current Premium	MESSA 1/2021 Priority Health 7/2020		BCBSNJ / Priority Health		HAP		Priority Health	
			Renewal Premium		Plan	2021 Premium	Plan	2021 Premium	Plan	2021 Premium (changing from 7/1 to 1/1)
MESSA Choices \$500	59	\$171,263.85	\$173,243.14	BCBS - SB \$1000	\$169,921.35	HAP PPO \$1000	\$173,839.81	PPO Traditional \$1000	\$179,991.23	
MESSA ABC Plan 1 \$1400	101	\$94,551.84	\$95,643.65	BCBS - SB HSA \$2000	\$81,767.95	HAP PPO SBP HSA \$2000	\$92,595.98	PPO HSA \$2000	\$87,880.20	
PH PPO \$250	16	\$24,239.75	\$24,239.75	PH PPO \$250	\$24,239.75	HAP PPO \$250	\$20,104.12	PH PPO \$250	\$22,809.72	
PH HMO HSA \$300	12	\$8,970.82	\$8,970.82	PH HMO HSA \$300	\$8,970.82	HAP HMO \$3000	\$9,038.75	PH HMO HSA \$3300	\$8,580.84	
Monthly Total Premium	188	\$299,026.26	\$302,097.36		\$284,899.87		\$295,578.66		\$299,261.99	
Monthly Difference			\$3,071.10		-\$14,126.39		-\$3,447.60		\$235.73	
Annualized Total Premium		\$3,588,315.12	\$3,625,168.32		\$3,418,798.44		\$3,546,943.92		\$3,591,143.88	
Annualized Difference			\$36,853.20		-\$169,516.68		-\$41,371.20		\$2,828.76	
			1.03%		-4.72%		-1.14%		0.09%	

Premium and enrollment are based on most currently available invoice.
PH renewal premium is 7/1 renewal rates

Alternative Plan Designs.

Items in green are enhancements or price savings.

Items in red are detriments or price increases.

2021 Premium Cost Marketing Summary - Trenton Public Schools

CURRENT (MESSA 1/2020, Priority Health 7/2020)

Coverage Type	Carrier	Plan	Number of Employees or Ancillary Rate	Monthly Premium	Annual Premium
Medical/Rx	MESSA	Choices \$500	101	\$171,263.85	\$2,055,166.20
Medical/Rx	MESSA	ABC Plan 1	59	\$94,551.84	\$1,134,622.08
Medical/Rx	Priority Health	PPO Tiered 250	16	\$24,239.75	\$290,877.00
Medical/Rx	Priority Health	HMO HSA 3300	12	\$8,970.82	\$107,649.84
Total Premium				\$299,026.26	\$3,588,315.12

RENEWAL (MESSA 1/2021, Priority Health not available till 4/2021)

Coverage Type	Carrier	Plan	Number of Employees or Ancillary Rate	Monthly Premium	Annual Premium	Percentage Increase (Decrease) from Current
Medical/Rx	MESSA	Choices \$500	101	\$173,243.14	\$2,078,917.68	1.16%
Medical/Rx	MESSA	ABC Plan 1	59	\$95,643.65	\$1,147,723.80	1.15%
Medical/Rx	Priority Health	PPO Tiered 250	16	\$0.00	\$0.00	-100.00%
Medical/Rx	Priority Health	HMO HSA 3300	12	\$0.00	\$0.00	-100.00%
Total Premium				\$268,886.79	\$3,226,641.48	-10.08%
Annual Increase/(Decrease) from Current					(\$361,674)	

2021 Premium Cost Marketing Summary - Trenton Public Schools

CURRENT (MESSA 1/2020, Priority Health 7/2020)

Coverage Type	Carrier	Plan	Number of Employees or Ancillary Rate	Monthly Premium	Annual Premium
Medical/Rx	MESSA	Choices \$500	101	\$171,263.85	\$2,055,166.20
Medical/Rx	MESSA	ABC Plan 1	59	\$94,551.84	\$1,134,622.08
Medical/Rx	Priority Health	PPO Tiered 250	16	\$24,239.75	\$290,877.00
Medical/Rx	Priority Health	HMO HSA 3300	12	\$8,970.82	\$107,649.84
Total Premium				\$299,026.26	\$3,588,315.12

PROPOSED OPTION 1 (Priority Health Total Replacement, 1/2021 effective date, January renewal all plans)

Coverage Type	Carrier	Plan	Number of Employees or Ancillary Rate	Monthly Premium	Annual Premium	Percentage Increase (Decrease) from Current
Medical/Rx	Priority Health	PPO Traditional 500	101	\$194,596.98	\$2,335,163.76	13.62%
Medical/Rx	Priority Health	PPO HSA 1400	59	\$97,693.35	\$1,172,320.20	3.32%
Medical/Rx	Priority Health	PPO Tiered 250	16	\$22,809.72	\$273,716.64	-5.90%
Medical/Rx	Priority Health	HMO HSA 3300	12	\$8,580.84	\$102,970.08	-4.35%
Total Premium				\$323,680.89	\$3,884,170.68	8.24%
Annual Increase/(Decrease) from Current						\$295,856

PROPOSED OPTION 2 (Priority Health Total Replacement, 1/2021 effective date, January renewal all plans)

Coverage Type	Carrier	Plan	Number of Employees or Ancillary Rate	Monthly Premium	Annual Premium	Percentage Increase (Decrease) from Current
Medical/Rx	Priority Health	PPO Traditional 1000	101	\$179,991.23	\$2,159,894.76	5.10%
Medical/Rx	Priority Health	PPO HSA 2000	59	\$87,880.20	\$1,054,562.40	-7.06%
Medical/Rx	Priority Health	PPO Tiered 250	16	\$22,809.72	\$273,716.64	-5.90%
Medical/Rx	Priority Health	HMO HSA 3300	12	\$8,580.84	\$102,970.08	-4.35%
Total Premium				\$299,261.99	\$3,591,143.88	0.08%
Annual Increase/(Decrease) from Current						\$2,829

2021 Premium Cost Marketing Summary - Trenton Public Schools

CURRENT (MESSA 1/2020, Priority Health 7/2020)

Coverage Type	Carrier	Plan	Number of Employees or Ancillary Rate	Monthly Premium	Annual Premium
Medical/Rx	MESSA	Choices \$500	101	\$171,263.85	\$2,055,166.20
Medical/Rx	MESSA	ABC Plan 1	59	\$94,551.84	\$1,134,622.08
Medical/Rx	Priority Health	PPO Tiered 250	16	\$24,239.75	\$290,877.00
Medical/Rx	Priority Health	HMO HSA 3300	12	\$8,970.82	\$107,649.84
Total Premium				\$299,026.26	\$3,588,315.12

PROPOSED OPTION 3 (HAP Total Replacement, 1/2021 effective date, January renewal all plans)

Coverage Type	Carrier	Plan	Number of Employees or Ancillary Rate	Monthly Premium	Annual Premium	Percentage Increase (Decrease) from Current
Medical/Rx	HAP	PPO 500-0	101	\$179,420.44	\$2,153,045.28	4.76%
Medical/Rx	HAP	PPO SBP HSA 1400-0	59	\$100,486.77	\$1,205,841.24	6.28%
Medical/Rx	HAP	PPO 250-10	16	\$20,104.12	\$241,249.44	-17.06%
Medical/Rx	HAP	HMO 3000	12	\$9,038.75	\$108,465.00	0.76%
Total Premium				\$309,050.08	\$3,708,600.96	3.35%
Annual Increase/(Decrease) from Current						\$120,286

PROPOSED OPTION 4 (HAP Total Replacement, 1/2021 effective date, January renewal all plans)

Coverage Type	Carrier	Plan	Number of Employees or Ancillary Rate	Monthly Premium	Annual Premium	Percentage Increase (Decrease) from Current
Medical/Rx	HAP	PPO 1000-0	101	\$173,839.81	\$2,086,077.72	1.50%
Medical/Rx	HAP	PPO SBP HSA 2000-0	59	\$92,595.98	\$1,111,151.76	-2.07%
Medical/Rx	HAP	PPO 250-10	16	\$20,104.12	\$241,249.44	-17.06%
Medical/Rx	HAP	HMO 3000	12	\$9,038.75	\$108,465.00	0.76%
Total Premium				\$295,578.66	\$3,546,943.92	-1.15%
Annual Increase/(Decrease) from Current						(\$41,371)

2021 Premium Cost Marketing Summary - Trenton Public Schools

CURRENT (MESSA 1/2020, Priority Health 7/2020)

Coverage Type	Carrier	Plan	Number of Employees or Ancillary Rate	Monthly Premium	Annual Premium
Medical/Rx	MESSA	Choices \$500	101	\$171,263.85	\$2,055,166.20
Medical/Rx	MESSA	ABC Plan 1	59	\$94,551.84	\$1,134,622.08
Medical/Rx	Priority Health	PPO Tiered 250	16	\$24,239.75	\$290,877.00
Medical/Rx	Priority Health	HMO HSA 3300	12	\$8,970.82	\$107,649.84
Total Premium				\$299,026.26	\$3,588,315.12

PROPOSED OPTION 5 (BCBS MESSA Replacement, 1/2020 effective date; No change to Priority Health plans)

Coverage Type	Carrier	Plan	Number of Employees or Ancillary Rate	Monthly Premium	Annual Premium	Percentage Increase (Decrease) from Current
Medical/Rx	BCBS	SB 500	101	\$165,643.83	\$1,987,725.96	-3.28%
Medical/Rx	BCBS	SB HSA 1400	59	\$94,665.93	\$1,135,991.16	0.12%
Medical/Rx	Priority Health	PPO Tiered 250	16	\$24,239.75	\$290,877.00	0.00%
Medical/Rx	Priority Health	HMO HSA 3300	12	\$8,970.82	\$107,649.84	0.00%
Total Premium				\$293,520.33	\$3,522,243.96	-1.84%
Annual Increase/(Decrease) from Current						(\$66,071)

PROPOSED OPTION 6 (BCBS MESSA Replacement, 1/2020 effective date; No change to Priority Health plans)

Coverage Type	Carrier	Plan	Number of Employees or Ancillary Rate	Monthly Premium	Annual Premium	Percentage Increase (Decrease) from Current
Medical/Rx	BCBS	SB 1000	101	\$169,921.35	\$2,039,056.20	-0.78%
Medical/Rx	BCBS	SB HSA 2000	59	\$81,767.95	\$981,215.40	-13.52%
Medical/Rx	Priority Health	PPO Tiered 250	16	\$24,239.75	\$290,877.00	0.00%
Medical/Rx	Priority Health	HMO HSA 3300	12	\$8,970.82	\$107,649.84	0.00%
Total Premium				\$284,899.87	\$3,418,798.44	-4.72%
Annual Increase/(Decrease) from Current						(\$169,517)

Updated with January 2021 rates from BCBS. Only quoted MESSA plans, no change to Priority Health plans.