

PfISD Insurance Committee Meeting

May 17, 2023

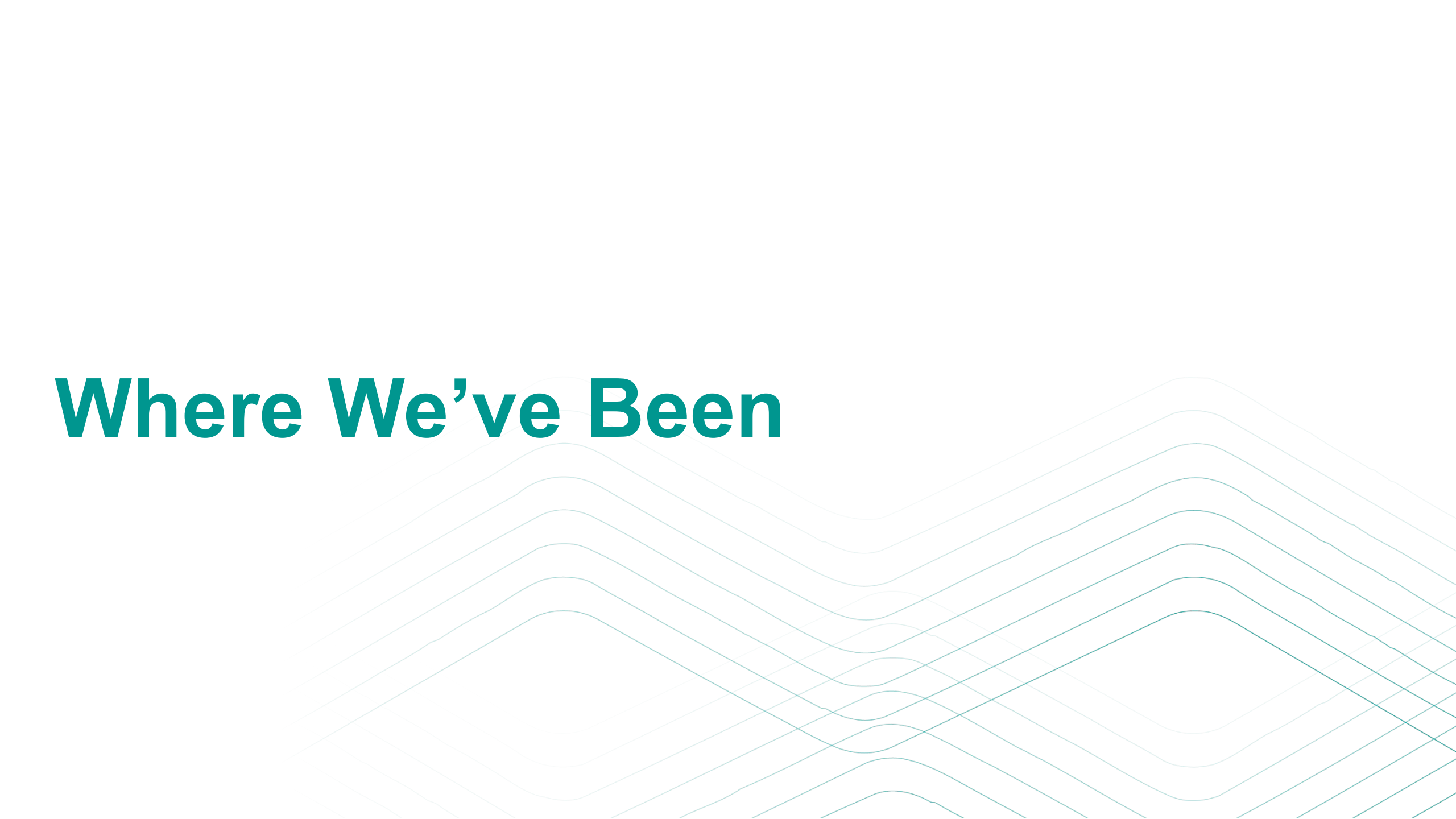
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1. Where we've been
2. Current state & 2024 projection
3. 2024 Considerations

Agenda

Where We've Been

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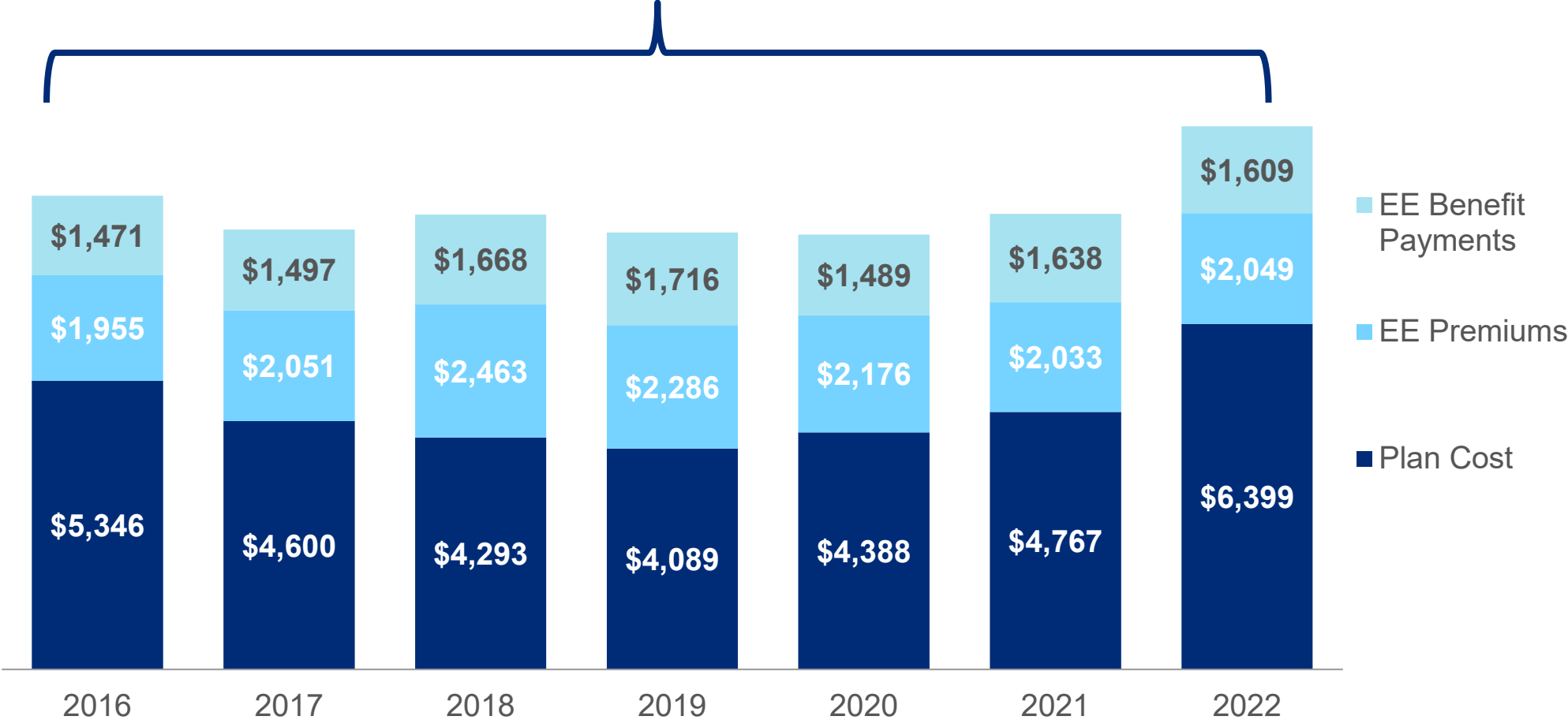
Year over Year Financial Summary

	2016	2017	2018	2019	2020	2021	2022	2023 Projected
Total Medical / Rx Paid Claims	\$15,783,120	\$14,930,418	\$15,402,745	\$15,805,169	\$17,712,740	\$18,604,136	\$21,609,970	\$21,709,599
PMPM	\$365.25	\$330.11	\$336.54	\$335.74	\$350.36	\$369.75	\$461.16	\$452.62
% Increase		-9.6%	1.9%	-0.2%	4.4%	5.5%	24.7%	-1.9%
District Funding PEPM	\$375	\$400	\$400	\$400	\$400	\$400	\$400	\$410
High Cost Claimant Impact (\$100k+)	12 claimants \$2.21MM	11 claimant \$1.73MM	16 claimants \$2.49MM	18 claimants \$3.1MM	24 claimants \$4.1MM	27 claimants \$4.83MM	38 claimants \$7.39MM	
Surplus/Deficit	Deficit (\$2,069,672)	Surplus \$555,998	Surplus \$1,276,502	Surplus \$2,112,223	Surplus \$1,383,122	Surplus \$348,659	Deficit (\$3,982,758)	Projected Deficit (\$3,433,097)
Strategies	- Removed chronic condition management - Dropped Mid & High non-engaged plans - Removed Compass incentive	- Removed non-engaged plans - Increased deductibles/copays - Carved out Rx - Added 4th tier specialty Rx copay - Eliminated Q4 deductible carryover	- Added HDHP - Increased deductibles/copays - Removed iNGAGEDhealth - Improved pharmacy pricing	- Move to UHC with no out of network coverage \$0 premium plan - Removed Compass - Added pharmacy cost management programs - Introduced HSA contribution - Improved pharmacy pricing	- Removed Nexus plan - Adjusted Rx cost management programs & added opioid program - Improved pharmacy pricing	- Consolidated Mid & High plans - Implemented non-network cost containment - Removed Specialty Rx program - HSA to half match - Increased stop loss limit - Improved pharmacy pricing	- Moved from UHC to BCBS/HCH 5 plan designs - HSA to match only - Improved pharmacy pricing	- Minor plan design changes to comply with IRS limits - Improved pharmacy pricing

Year over Year Employee Cost Impact

Per Employee Per Year

EE Cost = 1% Avg Increase Year Over Year



Current State & 2024 Projection

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Current State & 2024 Projection

- Our plan is self-funded.
 - BCBS & HCH process claims with funding from district and participants
 - Majority of plan costs come from claims
 - Choices participants make affect the overall cost
- Healthcare costs, including our cost, has continued to rise each year (national trend is 6% each year)
- 2023: Projected deficit of \$3.2MM
- **2024: Projected deficit of \$3.6MM (without any changes)**

2024 Considerations

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2024 Considerations

Objective: Offset Deficits and Contribute to the Fund Balance

- Rx
 - Pharmacy Benefit Manager RFP
 - Comparing current pricing with ESI with the market
 - Considering disruption & programs designed to control cost
- Medical
 - Network strategies
 - Plan design changes
 - Cost shifting to employees through increased deductibles, copays
 - Imaging carve out
 - District funding
 - Employee premiums (considering eliminating \$0 dollar plan)
- Other
 - Eliminating HSA match
 - Switch identity theft plans to completely voluntary

Group Discussion

What are your preferred options/changes to offset the deficit for the medical plans?

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