

Self-Insurance Update

Presented by Marcy Syman, HR Director

Management Committee 7-9-2014



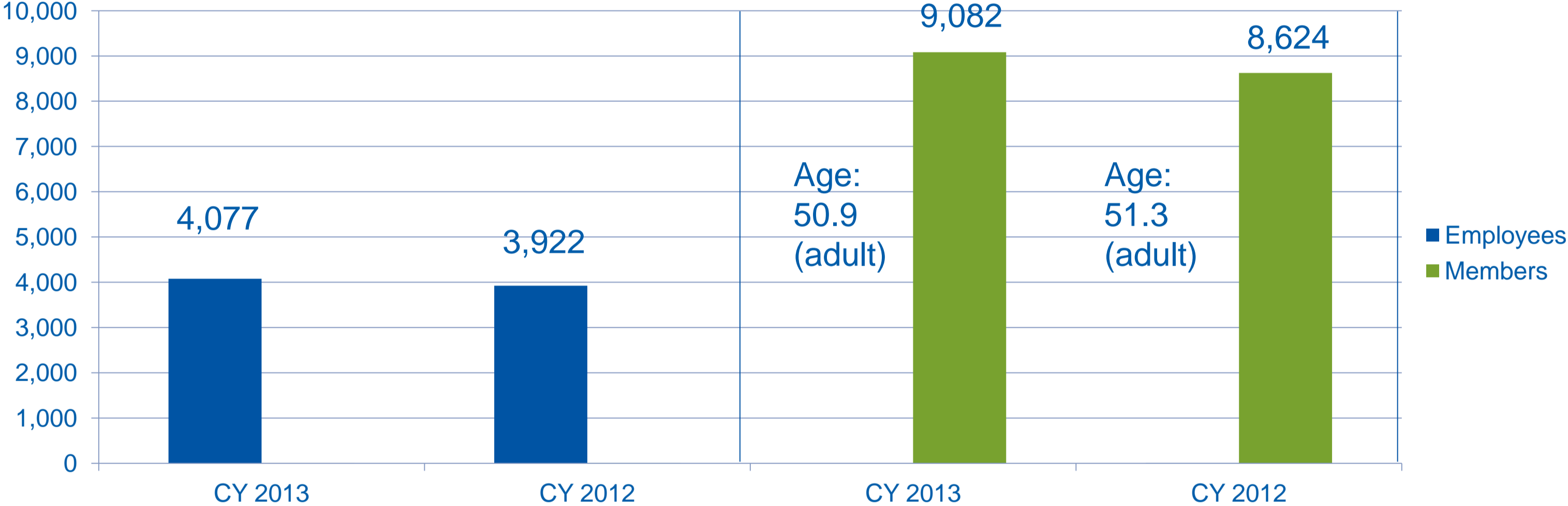
2013 Year End Results

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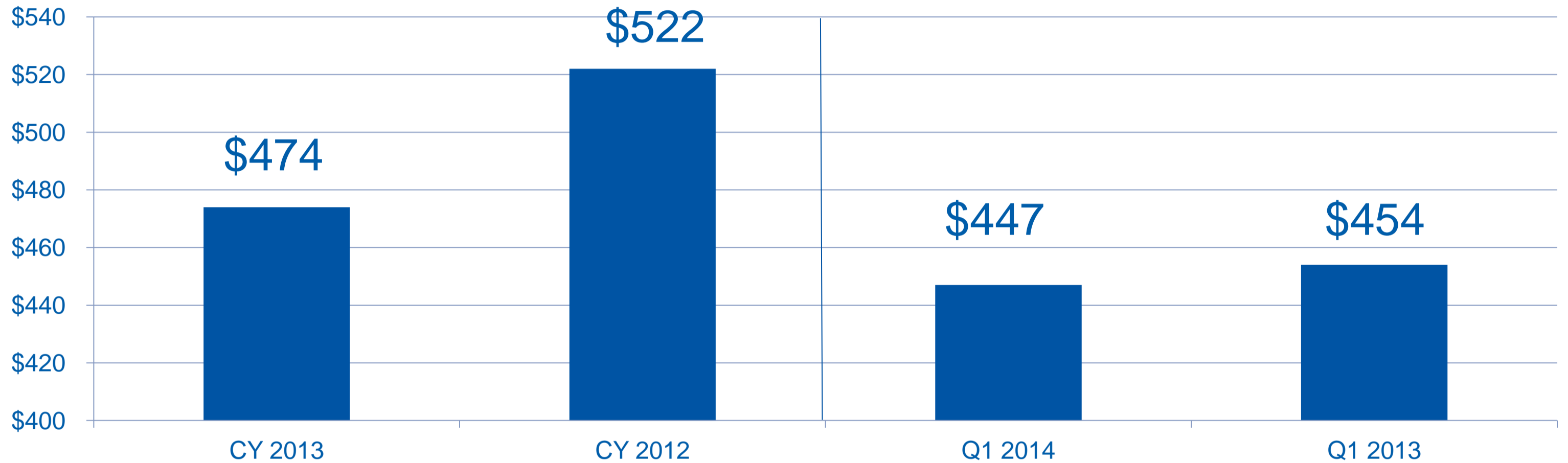


Health Insurance Enrollment



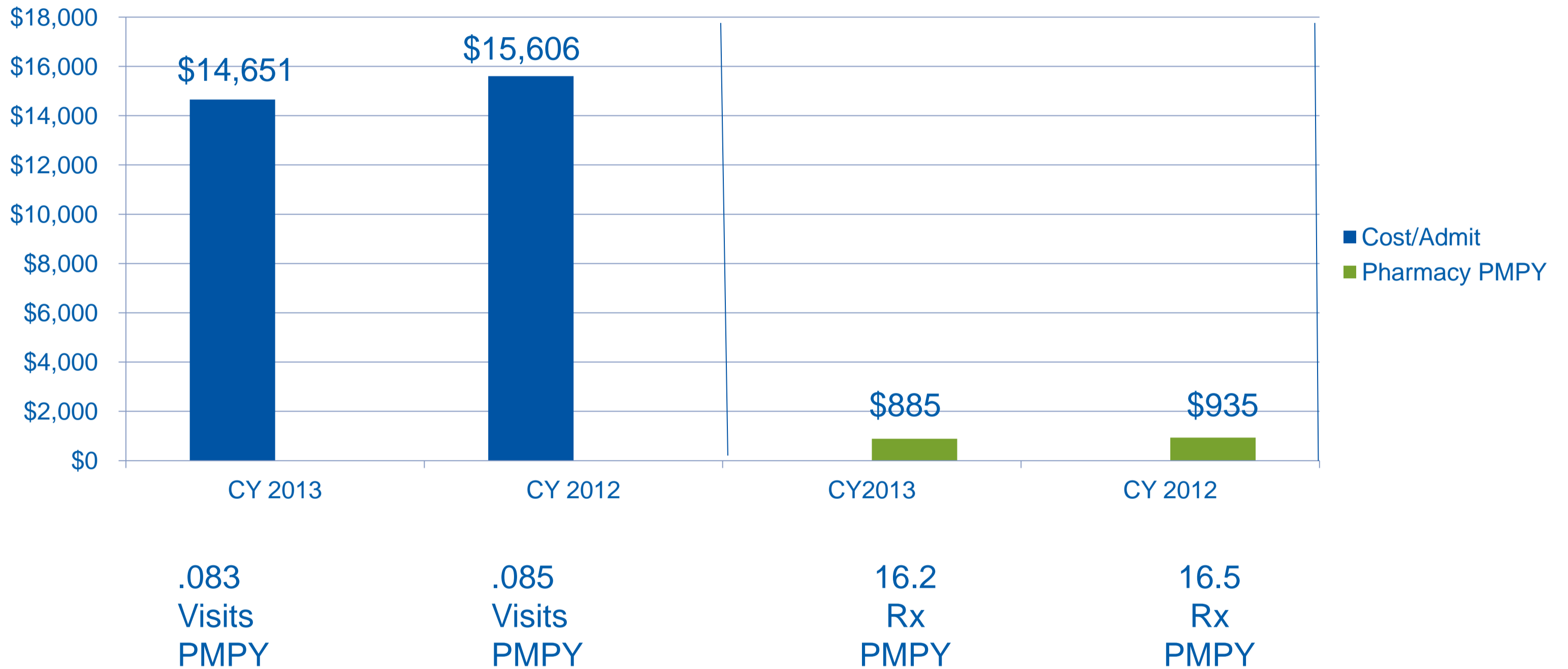
2013 ratio: 2.23
 2012 ratio: 2.20

Total Incurred Claims Per Member Per Month (PMPM)



Inpatient Admissions (cost per admit)

Pharmacy (cost PMPY)



Outpatient Visits

Type of Visit	Timeframe	Cost/Visit	Visits PMPY
Non-Preventive	CY 2013	\$123	3.53
	CY 2012	\$124	3.51
Preventive	CY 2013	\$120	1.22
	CY 2012	\$124	1.21
E-Visits	CY 2013	\$29	0.03
	CY 2012	\$29	0.02
ER	CY 2013	\$759	0.24
	CY 2012	\$768	0.25

Top Items

- Inpatient by diagnosis: Circulatory
- Outpatient by diagnosis: Musculoskeletal system
- Drug by cost: Lantus (diabetes, \$219 per script [1,259])
- Drug by volume: Lisinopril (cardiac,\$0.51 per script [6,186])
- Pharmacy by therapeutic class: Diabetes
- Inpatient facility provider: Abbott Northwestern Hospital
- Professional provider: Health Partners Medical Group
- Pharmacy provider: Walgreens
- Two claims over \$500,000 – stop loss insured

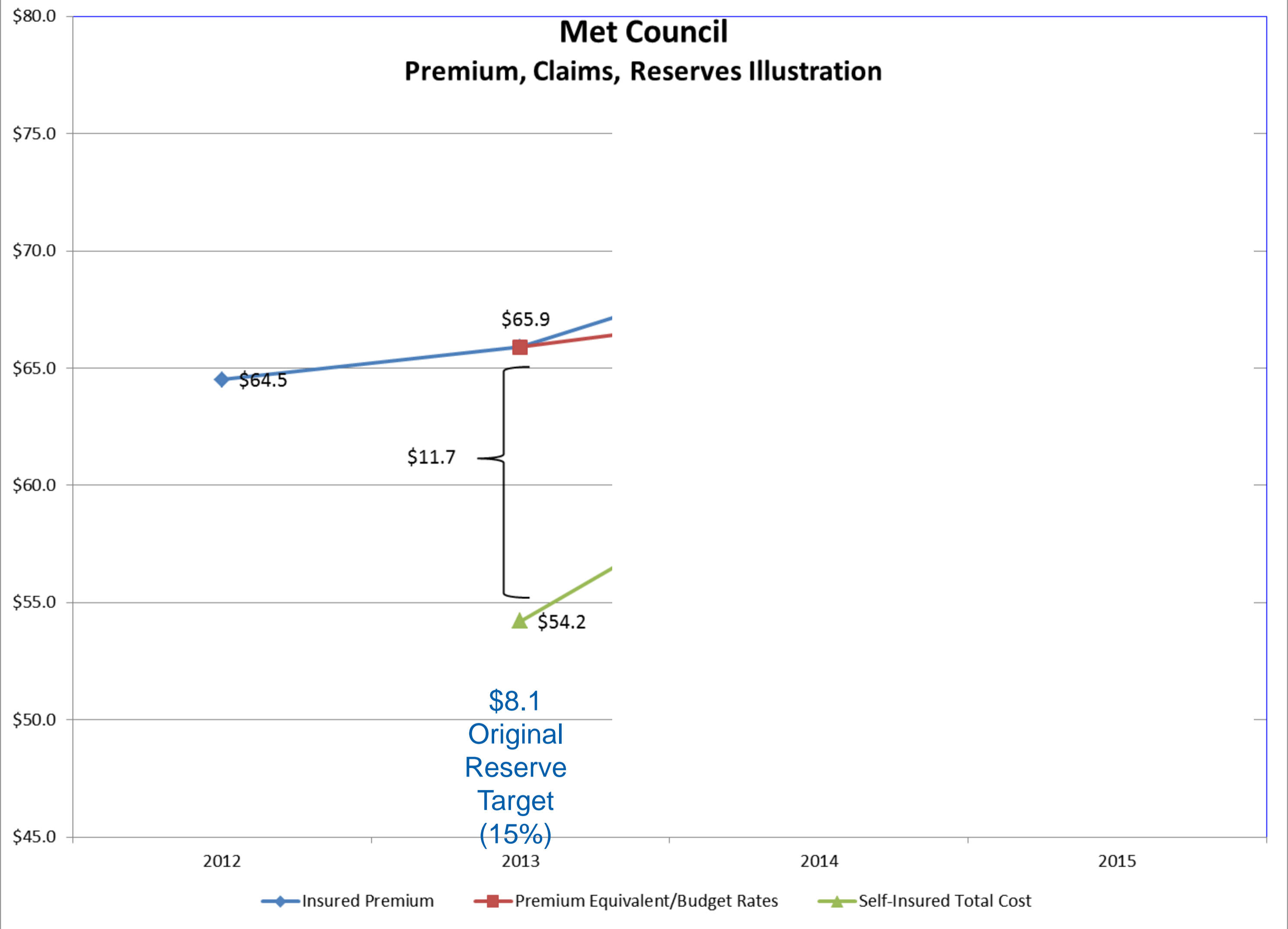
Self-funding projections

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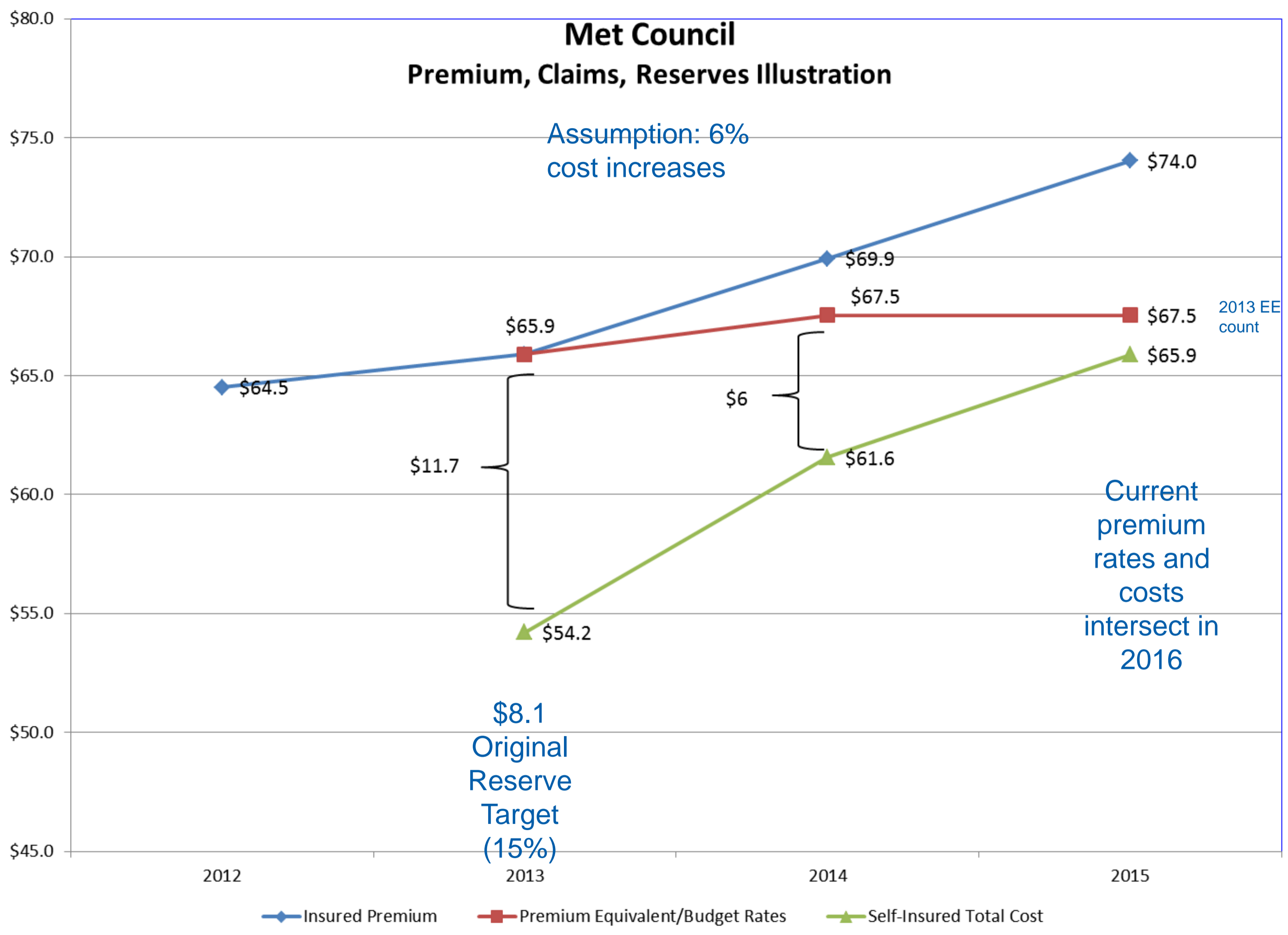


Met Council Premium, Claims, Reserves Illustration



Met Council Premium, Claims, Reserves Illustration

Assumption: 6%
cost increases



Deloitte reserve policy recommendation: 25.3 – 35.2% of annual paid claims

- Incurred but not reported/not paid claims liability (IBNR): 8 – 11%
- Incurred claims fluctuation: 0.8 – 2.2%
- Rate stabilization: 15 – 20%
- Unpaid retention costs: 1.5-2.0%

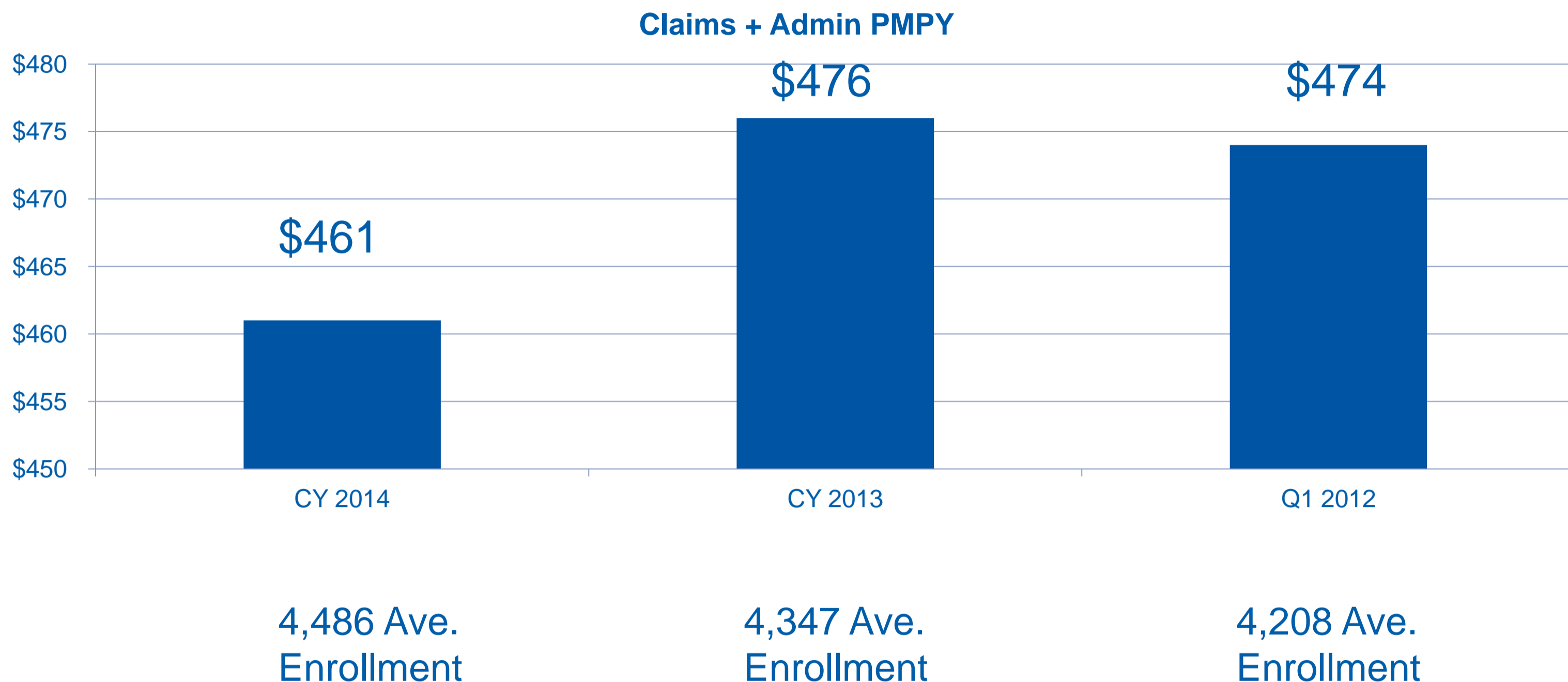
Dental Self-Insurance Q1 – 2014 Results

7/9/14

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Q1 2014 Results



Partnership, Research, Resources

- Strong partnership with the Labor Management Advisory Committee
- Wellness program
- Researching on-site health clinic model