

Health Awareness

A County Health Pool Publication



October, November, 2014

CHP Annual Board and Membership Renewal Meeting

The County Health Pool held its annual Board and Membership renewal meeting on September 18, 2014. Historically, the County Health Pool has experienced less than the national industry average increase and this trend was accomplished again for the 2015 re-



newal. The 2015 national industry increases on average will be between 14-25%. You will be pleased to know that the CHP rate increases for 2015 will be 10% which is inclusive of all costs with the Pool, i.e. Medical, Rx, ASO (Administrative Services Only agreement with Anthem), Stoploss Coverage and Patient Protection Affordability (PPACA) mandates. Approximately 5% of the 10% increase is due to the mandate changes. CHP was again able to

maintain a relatively low increase as a result of low overhead costs, cost containment and the members continued commitment to becoming wiser health consumers. CHP was able to maintain vision and life benefit plans with no rate change and the dental plan will be a 2.5% increase. As a result of the PPACA, the County Health Pool continues to be required to adopt and mandate changes for the 2015 policy year. Due to the cost impact to the Pool as a result of PPACA mandated changes, the only changes that were adopted and approved by the CHP Board of Directors at the 2015 County Health Pool Membership Renewal Meeting are the following;

2015 PPACA Requirements

Cost Share Shift- The prescription co-pays will accumulate towards the Medical Out-of-Pocket (OOP)

maximum.(Increase OOP Maximum to all PPO plans to offset cost shift)

Colorado State Exchange Fee- Approximately \$1.25 per covered Life to assist in funding the Colorado Exchange.

PCORI (Comparative Effectiveness Research Fee will be approximately \$2.08 per covered life) County Health Pool will remit fees to HHS on behalf of Membership.

Annual Reinsurance Fee will continue; \$44 per covered life (County Health Pool will remit fees to HHS on behalf of Membership)

Employer Shared Responsibility Provisions (Large Employers with 50 or more FT employees as defined by PPACA)

(Over)

CHP Annual Board and Membership (Continued)

Automatic Enrollment- PPACA requires large employers- defined as 200 or more full-time employees to automatically enroll new full-time employees in one of the employer's health plans once the employee has satisfied eligibility requirements. The law also requires the employer to give employees adequate notice and an opportunity to opt-out of coverage. The law does not yet have a specific effective date for this requirement.

Health Plan Reporting- There are two new IRS health plan reporting requirements. CHP will provide more updates as received from IRS.

Prior Year PPACA Requirements

1. W-2 Reporting
2. Issue Exchange Model Notice to New Hires
3. Waiting Period cannot exceed 90 days
4. Fees (County Health Pool will remit fees to HHS on behalf of

Membership)

- PCORI (Comparative Effectiveness Research Fee) \$2 per covered life
 - Annual Reinsurance Fee; \$63 per covered life
5. Wellness Reward increased to 30%
 6. Individual Mandate/Penalty
 7. Updated Summary of Benefit Coverage
 8. Women's Preventive Services as defined by HHS covered at 100%
 9. Removal of dollar limits on essential health benefits
 10. Medicare Tax Increase
 11. Medical loss ratio requirement for insurance carriers
 12. External Claims Review
 13. Removal of pre-existing condition limitation for participants under age 19
 14. Removal of pre-existing limitations for participants over age 19
 15. Preventive Services as defined by HHS covered at 100%

16. Dependent age eligibility increased to age 26
17. No reimbursement of over-the-counter (OTC) drugs unless patient has an Rx (affects FSA, HSA, HRA)
18. \$2,500 cap on (Flexible Spending Account) contribution (\$2,550 for 2015)
19. Rescission of coverage only allowed if this is fraud

The County Health Pool continues to grow in Membership (YTD 72 Members) and continues to be a financial success as a result of its members and their underlying commitment to cost containment. Because of the self governance of the pool by its members, the low overhead and low fixed costs, the County Health Pool continues to maintain its status as the best option for local governments in Colorado.

Benefits Corner

Reminder:

As a reminder, you will only receive a new ID card for 2015 if you are making any changes to your current enrollment status or plan selection. All 2015 SBCs (Summary of Benefits and Coverage), Dental and Vision Summaries are located at www.ctsi.org