

# July 23 IAC

Discussion and Possible Action on Health Insurance Savings

# Goal: 5.6 Million in Cost Reduction

The county in coordination with Dean developed three options to meet the goal of reducing the county's final health insurance expense by approximately \$5.6 million for 2026. The three options outlined in subsequent pages of this presentation achieve this savings through combinations of premium copays or plan design changes.

# Option A: Premium Contribution Changes

**Plan Design:** No change from 2025 for both HMO & POS plans

**Premium Contribution HMO & POS:** This option relies exclusively on a new 8% premium contribution from HMO participants and a 13% premium contribution from POS participants to generate savings.

- In 2025, the effective premium contribution rate for POS participants is 9%

## Employee Contributions:

Tier	2025 Monthly	2026 Monthly	2026 Annual
POS Single	\$152.59	\$250.80	\$3,009.60
POS Family	\$358.58	\$589.38	\$7,072.56
HMO Single	\$0	\$98.21	\$1,178.52
HMO Family	\$0	\$230.79	\$2,769.48

# Option B: Plan Design Changes Only

**Plan Design:** Changes to in-network HMO benefits and in & out-of-network POS benefits

**Premium Contribution HMO & POS:** No change from a dollar perspective for HMO or POS plans, POS cost share is reduced from 9% to 8% of total premium while holding the dollar amount steady

## Employee Contributions:

Tier	2025 Monthly	2026 Monthly	2026 Annual
POS Single	\$152.59	\$152.59	\$1,831.08
POS Family	\$358.58	\$358.58	\$4,303.08
HMO Single	\$0	\$0	\$0
HMO Family	\$0	\$0	\$0

# Option C: Plan Design & Contribution Changes

**Plan Design:** Some changes to in-network HMO benefits and in & out-of-network POS benefits

**Premium Contribution HMO & POS:** New 5% contribution for HMO participants and an 11% premium contribution from POS participants to generate savings.

- In 2025, the effective premium contribution rate for POS participants is 9%

## Employee Contributions:

Tier	2025 Monthly	2026 Monthly	2026 Annual
POS Single	\$152.59	\$210.60	\$2,527.20
POS Family	\$358.58	\$494.91	\$5,938.92
HMO Single	\$0	\$58.01	\$696.12
HMO Family	\$0	\$136.32	\$1,635.84

# Option B: Proposed Plan Design Changes

Medical Coverage	2025 Current Plan	2026 Proposed Changes	2025 Current Plan	2026 Proposed Changes
	In Network/HMO/POS	In Network/HMO/POS	Out of Network POS	Out of Network POS
<b>Deductible</b>	\$100 single / \$200 family	\$500/\$1000	\$200 single / \$400 family	\$1000/\$2000
<b>Coinsurance</b>	0%	0%	0%	20%
<b>Maximum Out of Pocket</b>	\$250 single / \$500 family	\$1000/\$2000	\$500 single / \$1000 family	\$2000/\$4000
<b>Primary Care office visit</b>	\$5; waived for dependents	\$20; waived for dependents	\$10; waived for dependents	\$40; waived for dependents
<b>Specialty Care office visit</b>	\$5; waived for dependents	\$30; waived for dependents	\$10; waived for dependents	\$60; waived for dependents
<b>Diagnostic Services (labs/xrays)</b>	0% coins after deductible	0% coins after deductible	0% coins after deductible	20% coins after deductible
<b>Urgent Care copay</b>	\$5; waived for dependents	\$20; waived for dependents	\$10; waived for dependents	\$20; waived for dependents
<b>Emergency Care copay</b>	\$50	\$150	\$50	\$150
Prescription Coverage	2025 Current Plan	2026 Proposed Changes	2025 Current Plan	2026 Proposed Changes
<b>Tier 1</b>	\$10	\$10	\$10	\$10
<b>Tier 2</b>	\$20	\$20	\$20	\$20
<b>Tier 3</b>	\$40	\$40	\$40	\$40
<b>Tier 4</b>	30%	30%	30%	30%
<b>Maximum Out of Pocket</b>	\$500 single / \$1500 family	\$2000 single / \$4000 family	\$500 single / \$1500 family	\$2000 single / \$4000 family

# Option C: Proposed Plan Design Changes

Medical Coverage	2025 Current Plan	2026 Proposed Changes	2025 Current Plan	2026 Proposed Changes
	In Network/HMO/POS	In Network/HMO/POS	Out of Network POS	Out of Network POS
<b>Deductible</b>	\$100 single / \$200 family	\$250 single / \$500 family	\$200 single / \$400 family	\$500 single / \$1000 family
<b>Coinsurance</b>	0%	0%	0%	20%
<b>Maximum Out of Pocket</b>	\$250 single / \$500 family	\$500 single / \$1000 family	\$500 single / \$1000 family	\$1000 single / \$2000 family
<b>Primary Care office visit</b>	\$5; waived for dependents	\$10	\$10; waived for dependents	20% coins after deductible
<b>Specialty Care office visit</b>	\$5; waived for dependents	\$20	\$10; waived for dependents	20% coins after deductible
<b>Diagnostic Services (labs/xrays)</b>	0% coins after deductible	0% coins after deductible	0% coins after deductible	20% coins after deductible
<b>Urgent Care copay</b>	\$5; waived for dependents	\$10	\$10; waived for dependents	\$10
<b>Emergency Care copay</b>	\$50	\$150	\$50	\$150
Prescription Coverage	2025 Current Plan	2026 Proposed Changes	2025 Current Plan	2026 Proposed Changes
<b>Tier 1</b>	\$10	\$10	\$10	\$10
<b>Tier 2</b>	\$20	\$25	\$20	\$25
<b>Tier 3</b>	\$40	\$50	\$40	\$50
<b>Tier 4</b>	30%	30%	30%	30%
<b>Maximum Out of Pocket</b>	\$500 single / \$1500 family	\$1000 single / \$2000 family	\$500 single / \$1500 family	\$1000 single / \$2000 family