

**RESOLUTION  
ROCK COUNTY BOARD OF SUPERVISORS**

Finance Committee  
INITIATED BY



Amy Spoden, Asst. HR Director  
DRAFTED BY

Finance Committee  
SUBMITTED BY

November 6, 2018  
DATE DRAFTED

**APPROVING REINSURANCE CONTRACT FOR STOP-LOSS COVERAGE**

- 1 **WHEREAS**, Associated Risk and Benefits Consulting., Rock County's Insurance Consultant, solicited
- 2 proposals from Stop-loss carriers; and,
- 3
- 4 **WHEREAS** Anthem Stop Loss is the most competitive option for Stop-Loss coverage for Rock
- 5 County; and,
- 6
- 7 **WHEREAS**, Anthem Stop Loss has offered terms of a zero (0%) percent increase with our current
- 8 Stop-Loss retention level of \$175,000 for monthly premiums of \$30.45 per single plan and \$98.70 for a
- 9 family plan.
- 10
- 11 **NOW, THEREFORE, BE IT RESOLVED**, that the Rock County Board of Supervisors duly
- 12 assembled on this 15<sup>th</sup> day of November, 2018 hereby authorizes the execution of a
- 13 contract with Anthem Stop Loss for administration of the County's Stop-Loss Coverage effective
- 14 January 1, 2019 thru December 31, 2019.

Respectfully Submitted,

FINANCE COMMITTEE

Mary Mawhinney  
Mary Mawhinney, Chair

Mary Beaver  
Mary Beaver, Vice Chair

Brent Fox  
Brent Fox

J. Russell Podzilni  
J. Russell Podzilni

Absent  
Bob Yeomans

FISCAL NOTE:

Sufficient funds are available in the 2019 Budget for administering the County's self-insurance health plan and specific stop-loss coverage. Based upon the current census of 335 Single Plans and 852 Family Plans, the annual stop-loss premium would be \$1,131,518.00

Sherry Oja  
Finance Director

LEGAL NOTE:

The County Board is authorized to take this action Pursuant to secs. 59.01, 59.51, and 59.52 (11)(c), Wis. Stats.

Richard Greenlee  
Corporation Counsel

ADMINISTRATIVE NOTE:

Recommended

Josh Smith  
County Administrator

# **Anthem<sup>®</sup>**

## **STOP LOSS**

### **Medical Stop Loss Proposal For Rock County Janesville, WI**

Presented by  
**BenefitMall**

Sales Executive  
**Danny Dennis**



STOP LOSS

Issuing Carrier Anthem Life Insurance  
 Group Rock County  
 Producer BenefitMall

Proposal 10/17/2018  
 Effective 01/01/2019  
 Proposal No 544  
 Valid Thru 11/17/2018  
 Expiration 12/31/2019

### SPECIFIC STOP LOSS BENEFIT

Covered Benefits	Option 1	Option 2	Option 3
	Medical, Rx	Medical, Rx	Medical, Rx
Contract Basis	12/18	12/18	12/18
Annual Specific Deductible per Individual	\$ 175,000	\$ 185,000	\$ 200,000
Maximum Annual Reimbursement	Unlimited	Unlimited	Unlimited
Maximum Lifetime Reimbursement	Unlimited	Unlimited	Unlimited
Quoted Rate Per Month	<u>Enrollment</u>		
Single	342 \$ 30.45	\$ 27.41	\$ 25.27
Family	856 \$ 98.70	\$ 88.83	\$ 81.92
Composite	1,198 \$ 79.22	\$ 71.30	\$ 65.75
Estimated Annual Premium	\$ 1,138,813	\$ 1,024,952	\$ 945,190
Quoted Rate(s) includes Commissions of	0.00%	0.00%	0.00%

### OVERALL COST SUMMARY

	Option 1	Option 2	Option 3
Total Annual Fixed Costs	\$ 1,138,813	\$ 1,024,952	\$ 945,190
Variable Costs	\$ 0	\$	\$
Maximum Annual Liability	\$ 1,138,813	\$ 1,024,952	\$ 945,190

The quote assumes an Anthem standalone quote.

This contract will be issued in Wisconsin.

The TPA is PBA

The Medical Network is The Alliance

We will require disclosure reports thru 09/30/2018 in order to finalize and determine any Individual Adjusted Deductible. We will require the following reports for Disclosure: 50% report(must include a unique identifier, primary diagnosis and paid amount), transplant list, pending/denied report and trigger report.

This quote assumes that the Pharmacy is not carved out to a separate PBM.

Proposed rates are payable by the invoice due date.

This proposal is based on the continuation of the current plan(s) of benefits.

This proposal is based on the continuation of the current enrollment distribution in the current medical plans.

The Effective Year Plan Document/SPD needs to be received within 45 days of the proposed effective date.

No Fully Insured Lives are covered.

Plan must have medical case management and utilization review.

All claims are reported/paid in U.S. dollars.

This proposal may be adjusted if the number of covered employees or the percentage of family participants change by more than 15%.

Any costs charged by the claim administrator for reports required to substantiate claims will be paid by the employer.

The state health care surcharge paid on claims incurred with certain providers in some states, may be eligible for reimbursement under the excess risk policy subject to terms of the policy provisions to the extent that such surcharges are included in the claims information provided to underwriting. Penalties or fines associated with the health care surcharge or the underlying expenses will not be considered eligible excess risk expenses.

The proposal is based on the data provided. Any changes to this data may allow us to modify the proposal.

We rely on the information provided to determine whether a proposal will be issued. The information provided shall become a part of the application for stop loss coverage. You are obligated to provide accurate information. If material errors or omissions are found after the quote is issued, we reserve the right to revise the quote in any manner or rescind the quote even if you were unaware of the material error or omission. Additionally, we reserve the right to rescind the proposal in its entirety based on our review of all the information submitted during the proposal process.

In addition to base commissions, certain writing agents and/or service providers may receive compensation related to factors such as overall sales of our products, the total premium sold through the writing agent/service providers, growth in the number of customers, and the retention of existing customers. Compensation and fees may also be paid to writing agents and/or service providers for administrative services in connection with our products. Please contact us if you would like additional details regarding this compensation and/or fees that may be payable on your account.

We will offer access to third-party managed and administered cost containment options that help control the financial risk associated with more intensive health care. These options may include but are not limited to: transplant networks, renal and dialysis management, claim negotiation, high risk pregnancy, premature infants and hemophilia. Cost containment services are managed and administered by independent third-party entities not affiliated with us. We do not warrant, guaranty, or make any representations or warranties whatsoever, express or implied, or assume any liability regarding the use or the results of the use of cost containment services including without limitation any financial results based on the use of the cost containment services or any information or any delay or loss of use of the cost containment services.

Advance Funding is included.

Renewal Rate Cap Endorsement guarantees your subsequent year's renewal will be capped at 50% and no new individual adjusted deductible will apply.

Retirees are covered but assumed Medicare is primary for retirees age 65 and older.

This proposal is firm thru 11/17/2018. If this proposal is not accepted by 11/17/2018 we will require updated claim reporting and rates / terms are subject to change.