



2024 Employee Benefits Proposal

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AGENDA

- ❑ Marketing Overview for 2024 Employee Benefits RFP
- ❑ Medical Coverage
 - ❑ Infertility Coverage
- ❑ Pharmacy Funding
- ❑ Wellness Program
- ❑ Employee Assistance Program
- ❑ Dental Coverage
- ❑ Vision Coverage
- ❑ Basic Life, Voluntary Life, Short Term Disability, Long Term Disability
- ❑ Total 2024 Cost Estimates



2024 Marketing Overview

Request for Proposal (RFP) Timeline

Date	Activity
March 29, 2023	RFP distribution
April 5, 2023	Deadline for RFP Questions
April 10, 2023	SLPS will post final Q&A from RFP
2:00 p.m. on April 17, 2023	RFP Responses Due (Current vendors renewals are due at the same time)
April 18-27, 2023	Analysis of RFP responses & Follow-up to Vendors
April 28, 2023	Initial Marketing Results Presented to SLPS
May 8 & 9, 2023	Finalists Presentations
Week of May 16, 2023	Presentation to Joint Benefit Committee
May/June 2023	Receive Final Approval from SLPS Board
Early June/July 2023	Notify Vendors of Final Decision – date may vary according to Board meeting schedule
July – October 2023	Implementation (if new vendor(s) selected)
September/October 2023	Work with Enrollment Vendor on Open Enrollment Requirements for Data Transfer, etc.
Late October 2023	1 st Open Enrollment Period
Mid-November 2023	Enrollment Corrections Period
January 1, 2024	Plan effective date



2024 Marketing Overview

Marketing Overview

- Request for Proposal (RFP) was sent out for 8 lines of coverage:
 - Medical
 - Stop loss
 - Dental
 - Vision
 - Life
 - Disability
 - EAP
 - Wellness

- Request for Proposal (RFP) was sent out to 29 carrier contacts, and yielded the following results:

Quoted	Declined To Quote	No Response
Anthem	Aetna	Allied Benefits
Delta Dental/Vision of MO	CIGNA - Medical	AMWINS
Hartford	CoreSource/Trustmark	Berkley Accident & Health
MetLife	EyeMed	Guardian
New York Life	Lincoln	HIIG (GMIC)
Sun Life	Optum Specialty Benefits	HM Insurance Group
UMR	Swiss Re (IHC Risk Solutions)	Meritain
United Healthcare	Voya	Mutual of Omaha
Vision Benefits of America (VBA)	VSP	Sun Life
		Symetra Life Insurance Co. / RE Moulton
		Unum



Medical Coverage

Effective Date: January 1, 2024

Recommendation: Renew Current Carrier and Fully Insured Plans



Scenario #1: Renew Current Carrier and Fully Insured Plans

- ❑ **UnitedHealthcare (UHC):** No plan changes
 - ❑ Initial renewal offer was a 7.9% increase with a 10.7% rate cap for 2025.
 - ❑ Negotiated to a 7.9% increase with a 9.9% rate cap for 2025 and a 12.9% cap for 2026.
 - ❑ Wellness credit of \$100,000 with a dedicated Wellness Resource
 - ❑ Simply Engaged Wellness platform is included
 - ❑ Employee Assistance Program (EAP) included for medical plan participants
 - ❑ The renewal fee to include non-medical plan participants in the EAP plan was reduced to \$285 per month with a 3% increase for years 2 & 3. (The current rate for 2023 was \$330.)

Scenario #2: Renew Current Carrier and Current Fully Insured Plans + Add In-vitro Rider

- ❑ **UnitedHealthcare (UHC):** *Proposed 3.5% increase*
 - ❑ All of Scenario #1
 - ❑ Add in-vitro rider for approximately 3.5% of the medical rates, resulting in an additional annual cost of \$946,472 for 2024



Medical Infertility Coverage

Effective Date: January 1, 2024

Recommendation: Keep Current Fully Insured Fertility Coverage

Fully Insured Medical - UnitedHealthcare (UHC)



Scenario #1: Keep Current Fully Insured Fertility Coverage

- UHC currently covers Fertility Preservation for Iatrogenic Infertility. This is when an individual will be undergoing treatment that could render them infertile.

Scenario #2: Add Fully Insured Infertility Rider

- UHC has an Infertility rider available. UHC is filed with the state of MO to offer a \$30k lifetime max. It is typically ~3.5%, or \$946,472 annually, added to the medical rates.
 - To be eligible for benefits, specific criteria must be met.
 - Services for the treatment of infertility must be provided by or under the care and supervision of a Physician and are limited to the following procedures:
 - Ovulation induction
 - Insemination procedures
 - Assisted Reproductive Technologies
 - *Pharmaceutical Products for the treatment of infertility

*Since SLPS has a separate RX plan with Express Scripts, UHC is unable to coordinate an infertility limit with the PBM. SLPS would need to modify their medical & RX limit to accommodate the Infertility rider.



Medical Coverage

Effective Date: January 1, 2024

Scenario #3: Move to Fully Insured Coverage with Anthem

- ❑ **Anthem Fully Insured**
 - ❑ Proposed 8.2% increase
 - ❑ No plan changes
 - ❑ 2nd year rate cap at 9.9% and 3rd year rate cap at 12.9%
 - ❑ Anticipated member disruption
 - ❑ Wellness program not as robust as current provider
 - ❑ Concerns about service levels based on recent system changes
 - ❑ Variance from UHC proposal: Approximately \$2,265,620

Scenario #4: Move to Self-Funded Coverage with UnitedHealthcare (UHC)

- ❑ **UnitedHealthcare Self-Funded:**
 - ❑ UHC's self-funded offer calculated Annual Total Max Costs at 38.6% above the current rate
 - ❑ Not competitive

Scenario #5: Move to Self-Funded Coverage with Anthem

- ❑ **Anthem Self-Funded:**
 - ❑ Anthem's self-funded offer calculated Annual Total Max Costs at 32% above the current rate
 - ❑ Not competitive



Medical Premiums

Effective Date: January 1, 2024

Medical - UnitedHealthcare (UHC) Fully Insured:

- Initial renewal offer was a 7.9% increase with a 10.7% rate cap for 2025
- Negotiated to a 7.9% increase with a 9.9% rate cap for 2025 and a 12.9% cap for 2026
- National medical trend is between 10.0% - 12.0%

Active Medical and Drug												
	2023 Counts	2023 Rates (UHC with ESI)					Proposed 2024 Rates (UHC with ESI)					
Base Plan		Medical	Drug	Total Premium	SLPS Cost	EE Cost	Medical	Drug	Total Premium	SLPS Cost	EE Cost	EE % Increase
Employee	2163	\$594.47	\$223.35	\$817.82	\$817.82	\$0.00	\$641.43	\$223.36	\$864.79	\$864.79	\$0.00	0.0%
Employee + Spouse	30	\$1,099.77	\$413.20	\$1,512.97	\$817.82	\$695.15	\$1,186.65	\$413.21	\$1,599.86	\$864.79	\$735.07	5.7%
Employee + Children	191	\$885.77	\$332.79	\$1,218.56	\$817.82	\$400.74	\$955.74	\$332.80	\$1,288.54	\$864.79	\$423.75	5.7%
Employee + Family	45	\$1,266.22	\$480.21	\$1,746.43	\$817.82	\$928.61	\$1,366.24	\$480.22	\$1,846.46	\$864.79	\$981.67	5.7%
Base Total	2429			\$2,125,672	\$1,986,490	\$139,183			\$2,247,730	\$2,100,565	\$147,165	
Buy-up Plan 1		Medical	Drug	Total Premium	SLPS Cost	EE Cost	Medical	Drug	Total Premium	SLPS Cost	EE Cost	EE % Increase
Employee	401	\$647.65	\$223.35	\$871.00	\$817.82	\$53.18	\$698.81	\$223.36	\$922.17	\$864.79	\$57.38	7.9%
Employee + Spouse	7	\$1,198.15	\$413.20	\$1,611.35	\$817.82	\$793.53	\$1,292.80	\$413.21	\$1,706.01	\$864.79	\$841.22	6.0%
Employee + Children	73	\$965.01	\$332.79	\$1,297.80	\$817.82	\$479.98	\$1,041.24	\$332.80	\$1,374.04	\$864.79	\$509.25	6.1%
Employee + Family	17	\$1,379.48	\$480.21	\$1,859.69	\$817.82	\$1,041.87	\$1,488.45	\$480.22	\$1,968.67	\$864.79	\$1,103.88	6.0%
Buy-up Total	498			\$486,905	\$407,275	\$79,630			\$515,503	\$430,663	\$84,840	
Buy-up Plan 2		Medical	Drug	Total Premium	SLPS Cost	EE Cost	Medical	Drug	Total Premium	SLPS Cost	EE Cost	EE % Increase
Employee	172	\$758.40	\$223.35	\$981.75	\$817.82	\$163.93	\$818.31	\$223.36	\$1,041.67	\$864.79	\$176.88	7.9%
Employee + Spouse	5	\$1,403.05	\$413.20	\$1,816.25	\$817.82	\$998.43	\$1,513.88	\$413.21	\$1,927.09	\$864.79	\$1,062.30	6.4%
Employee + Children	29	\$1,130.01	\$332.79	\$1,462.80	\$817.82	\$644.98	\$1,219.28	\$332.80	\$1,552.08	\$864.79	\$687.29	6.6%
Employee + Family	7	\$1,615.40	\$480.21	\$2,095.61	\$817.82	\$1,277.79	\$1,743.01	\$480.22	\$2,223.23	\$864.79	\$1,358.44	6.3%
Buy-up Total	213			\$235,033	\$174,196	\$60,837			\$249,375	\$184,199	\$65,176	
TOTAL MONTHLY ACTIVE	3140			\$2,847,611	\$2,567,961	\$279,650			\$3,012,607	\$2,715,428	\$297,180	6.3%
TOTAL ANNUAL ACTIVE				\$34,171,330	\$30,815,533	\$3,355,797			\$36,151,288	\$32,585,133	\$3,566,156	6.3%



Prescription Drug Coverage

Date: January 1, 2024

- **Prescription Drugs – Express Scripts***
 - *Through Business Health Coalition Membership
 - Not put out to bid for 2024
 - Increase has been offset by use of \$3.2M in estimated Rx rebates and \$2.4M in reserves; without the reserves included the increase is 23.3%
 - National Pharmacy trend is between 8% - 12%

ENROLLMENT (Based on March Enrollment)	Active Counts	Retiree Counts	Total Counts	2023 Rx Funding Rates	Tiering ⁽¹⁾	Estimated 2024 Rx Funding Rates
Employee Only	2,736	444	3,180	\$223.35	1.00	\$223.36
Employee + Spouse	42	23	65	\$413.20	1.85	\$413.21
Employee + Child(ren)	293	6	299	\$332.79	1.49	\$332.80
Family	69	2	71	\$480.21	2.15	\$480.22
Estimated Monthly Premium	3,140	475	3,615	\$870,716		\$870,733
Estimated Annual Premium				\$10,448,598		\$10,448,799
Annual Change from Current						\$201
Estimated Premium Increase						0.0%



Wellness Program

Effective: January 1, 2024

UHC Wellness Program

- ❑ UHC provided a \$100,000 Wellness Program Credit with their medical proposal.
- ❑ UHC's Wellness Platform, Simply Engaged, is included.
- ❑ Employees earn rewards through Simply Engaged by completing health actions.
- ❑ UHC provides a dedicated Wellness Resource to assist with wellness initiatives.

2023 Wellness Initiatives

- ❑ Virtual cooking demos (quarterly through MU Extension)
- ❑ Wellness challenges (physical fitness, wellness bingo, healthy recipes, etc.)
- ❑ Hands-only CPR training and blood pressure campaign/information
- ❑ Discounted fitness memberships through Club Fitness, Gateway Region YMCA, CycleBar and Urban Breath Yoga
- ❑ Club Fitness sponsored workout class (April 2023)
- ❑ American Heart Association Heart Walk (May 2023)
- ❑ Annual health fair (September 2023)
- ❑ Preventive screenings and/or education
 - Colon cancer screening mailer and email (March 2023)
 - St. Luke's Mammogram van event (April and September 2023)

Awards

- ❑ The Healthiest Employers – placed 3rd in our group size the past 2 years!
- ❑ Gold Level – American Heart Association - 3 years!



Employee Assistance Program (EAP)

Effective: January 1, 2024

EAP Overview

- ❑ No stand-alone EAP carriers provided a bid for consideration.
- ❑ 2 EAP programs are currently available to SLPS and are included with existing lines of coverage.
- ❑ Employees are eligible to use both EAP programs.

Optum EAP

- ❑ UHC is SLPS's current medical provider. UHC partners with Optum to provide EAP & Worklife services. This coverage is included with medical coverage.
- ❑ SLPS pays an EAP fee to also include employees and their families who opted out of medical coverage. The current rate for 2023 was \$330. The renewal rate decreased to \$285 per month with a 3% increase for years 2025 & 2026.
 - Face-to-face & Virtual Counseling Visits
 - Financial Coaching from Experts
 - Legal Counseling & Meditation Services
 - Online EAP Clinician Visit
 - Digital Self Care Tools
 - Talkspace

New York Life EAP

- ❑ NY Life is SLPS's current life and disability provider. Value added services included:
 - Employee Assistance and Wellness Support
 - Financial, Legal & Estate Support
 - Health Care Support
 - Secure Travel
 - Survivor Assistance



Dental Coverage

Effective Date: January 1, 2024

Dental Recommendation: Renew with Delta Dental of Missouri



Scenario #1: Renew with Delta Dental of MO

- ❑ Initial offer was 7% with a 2 year rate guarantee and a 5% rate cap on 3rd year.
- ❑ Negotiated to 5% renewal with a 3 year rate guarantee.

Scenario #2: Move to Met Life

- ❑ Proposed 0.00% renewal
- ❑ Met Life does not offer a 3-tiered network, leading to member network disruption, a higher amount of claims being processed out of network, and a higher out of pocket expense for members
- ❑ Rate guarantee is only for 1 year, with a 6% rate cap on the 2nd year and 8% rate cap on 3rd year.

Rate Guarantee		3 Years	
		Delta Dental of Missouri Current Plan	Delta Dental of Missouri Negotiated Renewal Plan
Rates			
Employee	2,583	\$23.55	\$24.73
Employee + Spouse	125	\$48.26	\$50.67
Employee + Child(ren)	344	\$59.98	\$62.98
Employee + Spouse & Child(ren)	170	\$80.98	\$85.03
	3,222		
Annual Premium Total		\$1,215,142	\$1,275,979
\$ Change From Current			\$60,836
% Change From Current			5.01%
Notes			
		Includes HEALTHY SMILES HEALTHY LIVES Program Cost	Includes HEALTHY SMILES HEALTHY LIVES Program Cost



Vision Coverage

Effective Date: January 1, 2024

Vision Recommendation: Renew with Vision Benefits of America (VBA)



Scenario #1: Renew with VBA

- ❑ Proposed 5.88% decrease
- ❑ 3 year rate guarantee
- ❑ Plan enhancement for basic progressive lenses – paid in full

Scenario #2: Move to Delta Vision of MO

- ❑ Proposed 0.00% renewal if bundled with dental
- ❑ 3 year rate guarantee
- ❑ Significant vision network disruption. The top 2 providers in the basic plan with VBA are OON with Delta, which exposes members to higher out of pocket expenses.
- ❑ Delta offered an additional 3% bundling discount on their dental rates if vision was also written with them. However, it was determined the proposed vision network disruption and member out of pocket exposure didn't justify moving.

	Vision Benefits of America Current Plan				Vision Benefits of America Renewal Plan	
	Base Plan		Buy-up Plan		Base Plan	Buy-up Plan
Rate Guarantee	3 Years					
Rates	Base Buy-Up					
Employee	2,096	574	\$1.50	\$3.88	\$1.38	\$3.72
Employee + 1 Dependent	141	120	\$3.78	\$9.46	\$3.48	\$9.08
Employee + Spouse & Child(ren)	153	138	\$5.38	\$13.43	\$4.95	\$12.89
	2,390	832				
Annual Premium Total			\$54,001	\$62,588	\$49,686.12	\$60,044
Combined Annual Total			\$116,589		\$109,731	
\$ Change From Current					-\$6,859	
% Change From Current					-5.88%	



Life & Disability Coverages

Effective Date: January 1, 2024

Life & Disability Recommendation: Renew Coverage with New York Life



Scenario #1: Renew all life and disability lines with New York Life

- ❑ **Basic Life/ADD: New York Life**
 - ❑ Rate hold with a 3 year rate guarantee.
- ❑ **Voluntary Life: New York Life**
 - ❑ Rate hold with 3 year rate guarantee. 1x open enrollment is included up to the Guarantee Issue amount without providing Evidence of Insurability (EOI).
- ❑ **Short Term Disability (STD): New York Life**
 - ❑ 6% rate decrease with a 3 year rate guarantee.
- ❑ **Long Term Disability (LTD): New York Life**
 - ❑ Rate hold with a 3 year rate guarantee. A \$40,000 premium holiday to be used in 2024 to reduce LTD premium.

Scenario #2: Move all lines to Hartford

- ❑ Only other carrier to offer package sale. Uncompetitive at a 3.4% increase

<u>Combined Totals</u>	<u>New York Life Current</u>	<u>New York Life Renewal</u>	<u>Hartford</u>
Monthly Premium Total	\$167,557	\$163,925	\$173,252
Annual Premium Total	\$2,010,685.68	\$1,967,099.28	\$2,079,021.38
\$ Change From Current	N/A	-\$43,586.40	\$68,335.70
% Change From Current	N/A	-2.17%	3.40%

Notes

All rates assume package sale.

New York Life is offering a one-time premium holiday of \$40,000 for 2024.



Recommendation Summary

Effective: January 1, 2024

Medical: Renew with UnitedHealthcare (UHC)

- ❑ Initial renewal offer was a 7.9% with a rate cap of 10.7% for 2025.
- ❑ Negotiated to a 7.9% increase with a 9.9% rate cap for 2025 and a 12.9% cap for 2026.

Dental: Renew with Delta Dental of Missouri

- ❑ Initial offer was 7% with a 2 year rate guarantee and a 5% rate cap on 3rd year.
- ❑ Negotiated to 5% renewal with a 3 year rate guarantee.

Vision: Renew with VBA

- ❑ 5.88% rate decrease with a 3 year rate guarantee.

Basic Life/ADD: Renew with New York Life

- ❑ Rate hold with a 3 year rate guarantee.

Voluntary Life: Renew with New York Life

- ❑ Rate hold with 3 year rate guarantee. 1x open enrollment is included up to the Guarantee Issue amount without providing Evidence of Insurability (EOI).

Short Term Disability (STD): Renew with New York Life

- ❑ 6% rate decrease with a 3 year rate guarantee.

Long Term Disability (LTD): Renew with New York Life

- ❑ Rate hold with a 3 year rate guarantee. A \$40,000 premium holiday to be used in 2024 to reduce LTD premium.



District Financial Responsibility

Date: January 1, 2024

Renewal Scenario Assumptions / Notes:

1. Employee / District responsibility assumes current contribution split (District pays 100% of the Employee Only Base Medical Plan, Rx, Dental, Base Vision Plan, Basic Life, STD, & LTD. Excludes retiree subsidy of \$80 per retiree on medical plan per month.)
2. Rx premiums reflect estimated analysis of recommended premiums and not actual plan costs. Actual plan costs and cost saving programs are determined by utilization. Plan Cost based on claim data from April-22 to March-23; estimate based on 7.0% annual trend. Annual cost has been reduced by potential rebates paid by ESI to SLPS of \$3.2M as well as \$2,474,112 from
3. Estimates are based on enrollments provided on March 2023 claims experience or billing statements unless otherwise noted.
4. EAP covers employees who do not participate on the medical plan. EAP services are currently automatically included for medical plan participants. The fee is currently a flat monthly amount.

Scenario 1 - Renew all current vendors.

Coverage	Carrier	TOTAL Estimated Annual Premium ⁽³⁾			Employee Responsibility ⁽¹⁾			District Responsibility ⁽¹⁾		
		Current	Proposed	% Change	Current	Proposed	% Change	Current	Proposed	% Change
Medical	UHC	\$25,062,281	\$27,042,063	7.9%	\$2,662,651	\$2,872,980	7.9%	\$22,399,630	\$24,169,082	7.9%
Pharmacy ⁽²⁾	Express Scripts	\$9,109,049	\$9,109,226	0.0%	\$693,146	\$693,175	0.0%	\$8,415,903	\$8,416,050	0.0%
Wellness	UHC	Included above	Included above	0.0%	Included above	Included above	0.0%	Included above	Included above	0.0%
Dental	Delta of MO	\$1,215,142	\$1,275,979	5.0%	\$304,605	\$319,818	5.0%	\$910,537	\$956,161	5.0%
Vision	VBA	\$116,589	\$109,731	-5.9%	\$58,593	\$56,374	-3.8%	\$57,996	\$53,356	-8.0%
Basic Life and AD&D	New York Life	\$343,359	\$343,359	0.0%	\$0	\$0	0.0%	\$343,359	\$343,359	0.0%
Voluntary EE & Dep Life	New York Life	\$411,234	\$411,234	0.0%	\$411,234	\$411,234	0.0%	\$0	\$0	0.0%
Short Term Disability	New York Life	\$724,838	\$681,252	-6.0%	\$0	\$0	0.0%	\$724,838	\$681,252	-6.0%
Long Term Disability	New York Life	\$531,254	\$531,254	0.0%	\$0	\$0	0.0%	\$531,254	\$531,254	0.0%
Implementation Credit	New York Life	\$0	-\$40,000		\$0	\$0	0.0%	\$0	-\$40,000	
EAP ⁽⁴⁾	UHC	\$3,960	\$3,420	-13.6%	\$0	\$0	0.0%	\$3,960	\$3,420	-13.6%
Total Premium		\$37,517,708	\$39,467,517		\$4,130,230	\$4,353,582		\$33,387,477	\$35,113,935	
Total Increase			\$1,949,809			\$223,352			\$1,726,457	
Percent of Change			5.2%			5.4%			5.2%	



District Financial Responsibility Per Employee Per Month

St. Louis Public Schools											
District Responsibility Per Employee Per Month 2014 through 2024 Proposed - All Coverages											
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Proposed
District Responsibility	\$27,583,817	\$30,799,608	\$31,927,961	\$30,866,417	\$32,643,455	\$31,628,108	\$32,464,610	\$34,340,063	\$32,355,493	\$33,387,477	\$35,113,935
Active Employee Headcount	3,602	3,618	3,641	3,555	3,629	3,422	3,332	3,394	3,189	3,140	3,140
Per Employee Per Month (pepm)	\$638.16	\$709.41	\$730.75	\$723.54	\$749.60	\$770.21	\$811.94	\$843.16	\$845.50	\$886.08	\$931.90
% Change From Prior Year	-8.1%	11.2%	3.0%	-1.0%	3.6%	2.8%	5.4%	3.8%	0.3%	4.8%	5.2%



QUESTIONS