



2023 EMPLOYEE BENEFITS PROPOSAL

Presentation to the Board of Education
Mr. Charles Burton, J.D.
Chief Human Resources Officer
July 12, 2022



AGENDA



- ❑ Medical and Pharmacy Coverage
- ❑ Dental and Vision Coverage
- ❑ Basic Life, Voluntary Life, Short Term Disability, Long Term
 Visibility
- ❑ Total 2023 Cost Estimates

MEDICAL AND PHARMACY COVERAGE

EFFECTIVE DATE: JANUARY 1, 2023



Recommendation: Renew all current carriers

Medical/EAP - UnitedHealthcare (UHC): *Negotiated 4.9% increase*

- *Initial offer was a 9% (2nd year rate cap)*
- National medical trend is between 6% - 10%
- EAP Provided for Employees who waive medical coverage negotiated from 6.1% increase to no increase

Prescription Drugs – Express Scripts*: no increase

- *Through Business Health Coalition Membership
- Increase has been offset by use of \$2.5M in estimated Rx rebates and \$1.9M in reserves; without the reserves included the increase is 17.3%
- National pharmacy trend is between 8% – 12%



DENTAL AND VISION COVERAGE EFFECTIVE: JANUARY 1, 2023

Dental: Delta Dental of Missouri

- ❑ Under a rate guarantee for 2023, with a rate cap of +5% for 2024
- ❑ National dental trend is 3% - 6%

Vision: VBA

- ❑ Under a rate guarantee for 2023; next renewal is January 2024
- ❑ National vision trend is 3%

BASIC LIFE/ADD, VOLUNTARY LIFE, STD AND LTD COVERAGE EFFECTIVE: JANUARY 1, 2023



Recommendation: Renew current carrier

Basic Life/ADD: NY Life

- ❑ Increase of 4.7%

Voluntary Life: NY Life

- ❑ Increase of 6.1%.
- ❑ Open enrollment is included

STD: NY Life

- ❑ Increase of 3%

LTD: NY Life

- ❑ Increase of 3.4%, negotiated to 0% with no changes to benefits

Rates for all coverages above are guaranteed for 1 year and will renew January 2024.

DISTRICT FINANCIAL RESPONSIBILITY

DATE: JANUARY 1, 2023



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 May-21 to April-22; estimate based on 8.4% annual trend. Annual cost has been reduced by potential rebates paid by ESI to SLPS of \$2.5M & \$2.1M in reserves.
3. Estimates are based on enrollments provided on April 2022 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	\$26,059,341	\$27,875,638	7.0%	\$2,846,884	\$2,986,368	4.9%	\$23,212,457	\$24,889,270	7.2%
Pharmacy ⁽²⁾	Express Scripts	\$10,139,988	\$10,140,076	0.0%	\$788,770	\$788,775	0.0%	\$9,351,218	\$9,351,301	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	\$1,218,563	\$1,218,563	0.0%	\$326,112	\$326,112	0.0%	\$892,451	\$892,451	0.0%
Vision	VBA	\$111,525	\$111,525	0.0%	\$54,195	\$54,195	0.0%	\$57,330	\$57,330	0.0%
Basic Life and AD&D	New York Life	\$300,254	\$314,219	4.7%	\$0	\$0	0.0%	\$300,254	\$314,219	4.7%
Voluntary EE & Dep Life	New York Life	\$219,002	\$232,394	6.1%	\$219,002	\$232,394	6.1%	\$0	\$0	0.0%
Short Term Disability	New York Life	\$773,916	\$797,322	3.0%	\$0	\$0	0.0%	\$773,916	\$797,322	3.0%
Long Term Disability	New York Life	\$563,880	\$563,880	0.0%	\$0	\$0	0.0%	\$563,880	\$563,880	0.0%
EAP ⁽⁴⁾	UHC	\$3,960	\$3,960	0.0%	\$0	\$0	0.0%	\$3,960	\$3,960	0.0%
Total Premium		\$39,390,426	\$41,257,576		\$4,234,962	\$4,387,843		\$35,155,465	\$36,869,733	
Total Savings/ Cost			\$1,867,150			\$152,881			\$1,714,269	
Percent of Change			4.7%			3.6%			4.9%	

DISTRICT FINANCIAL RESPONSIBILITY PER EMPLOYEE PER MONTH



St. Louis Public Schools

District Responsibility Per Employee Per Month 2013 through 2022 Proposed - All Coverages

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 Proposed
District Responsibility	\$28,260,446	\$27,583,817	\$30,799,608	\$31,927,961	\$30,866,417	\$32,643,455	\$31,628,108	\$32,464,610	\$34,340,063	\$35,155,465	\$36,869,733
Active Employee Headcount	3,393	3,602	3,618	3,641	3,555	3,629	3,422	3,332	3,394	3,489	3,489
Per Employee Per Month (pepm)	\$694.09	\$638.16	\$709.41	\$730.75	\$723.54	\$749.60	\$770.21	\$811.94	\$843.16	\$839.67	\$880.62
% Change From Prior Year	-1.4%	-8.1%	11.2%	3.0%	-1.0%	3.6%	2.8%	5.4%	3.8%	-0.4%	4.9%

ACTIVE MEDICAL & PHARMACY RATES



Active Medical and Drug													
	2022 Counts	2022 Rates (UHC with ESI)						Proposed 2023 Rates (UHC with ESI)					
Base Plan		Premium						EE %					
		Medical	Credit	Drug	Total Premium	SLPS Cost	EE Cost	Medical	Drug	Total Premium	SLPS Cost	EE Cost	Increase
Employee	2453	\$566.70	-\$12.28	\$223.35	\$777.77	\$777.77	\$0.00	\$594.47	\$223.35	\$817.82	\$817.82	\$0.00	0.0%
Employee + Spouse	28	\$1,048.40	-\$12.28	\$413.19	\$1,449.31	\$777.77	\$671.54	\$1,099.77	\$413.20	\$1,512.97	\$817.82	\$695.15	3.5%
Employee + Children	220	\$844.39	-\$12.28	\$332.79	\$1,164.90	\$777.77	\$387.13	\$885.77	\$332.79	\$1,218.56	\$817.82	\$400.74	3.5%
Employee + Family	50	\$1,207.07	-\$12.28	\$480.20	\$1,674.99	\$777.77	\$897.22	\$1,266.22	\$480.21	\$1,746.43	\$817.82	\$928.61	3.5%
Base Total	2751				\$2,288,478	\$2,139,645	\$148,833			\$2,403,885	\$2,249,828	\$154,057	
Buy-up Plan 1		Premium						EE %					
		Medical	Credit	Drug	Total Premium	SLPS Cost	EE Cost	Medical	Drug	Total Premium	SLPS Cost	EE Cost	Increase
Employee	393	\$617.40	-\$12.28	\$223.35	\$828.47	\$777.77	\$50.70	\$647.65	\$223.35	\$871.00	\$817.82	\$53.18	4.9%
Employee + Spouse	13	\$1,142.19	-\$12.28	\$413.19	\$1,543.10	\$777.77	\$765.33	\$1,198.15	\$413.20	\$1,611.35	\$817.82	\$793.53	3.7%
Employee + Children	75	\$919.94	-\$12.28	\$332.79	\$1,240.45	\$777.77	\$462.68	\$965.01	\$332.79	\$1,297.80	\$817.82	\$479.98	3.7%
Employee + Family	20	\$1,315.05	-\$12.28	\$480.20	\$1,782.97	\$777.77	\$1,005.20	\$1,379.48	\$480.21	\$1,859.69	\$817.82	\$1,041.87	3.6%
Buy-up Total	501				\$474,342	\$389,663	\$84,679			\$497,780	\$409,729	\$88,051	
Buy-up Plan 2		Premium						EE %					
		Medical	Credit	Drug	Total Premium	SLPS Cost	EE Cost	Medical	Drug	Total Premium	SLPS Cost	EE Cost	Increase
Employee	187	\$722.97	-\$12.28	\$223.35	\$934.04	\$777.77	\$156.27	\$758.40	\$223.35	\$981.75	\$817.82	\$163.93	4.9%
Employee + Spouse	11	\$1,337.50	-\$12.28	\$413.19	\$1,738.41	\$777.77	\$960.64	\$1,403.05	\$413.20	\$1,816.25	\$817.82	\$998.43	3.9%
Employee + Children	30	\$1,077.22	-\$12.28	\$332.79	\$1,397.73	\$777.77	\$619.96	\$1,130.01	\$332.79	\$1,462.80	\$817.82	\$644.98	4.0%
Employee + Family	9	\$1,539.93	-\$12.28	\$480.20	\$2,007.85	\$777.77	\$1,230.08	\$1,615.40	\$480.21	\$2,095.61	\$817.82	\$1,277.79	3.9%
Buy-up Total	237				\$253,791	\$184,331	\$69,459			\$266,311	\$193,824	\$72,487	
TOTAL MONTHLY ACTIVE	3489				\$3,016,611	\$2,713,640	\$302,971			\$3,167,976	\$2,853,381	\$314,595	3.8%
TOTAL ANNUAL ACTIVE					\$36,199,328	\$32,563,674	\$3,635,654			\$38,015,715	\$34,240,571	\$3,775,143	3.8%



Wellness

American Heart Association Awardee – Gold Level

Million Month Club

St. Louis Heart Walk

Cooking Demo

Wellness Day

Wellness Web Page

Peloton App

Flu Shots

Parental Leave (CGCS Review)





QUESTIONS