

University of Southern Indiana 2023 Insurance Renewal

**Medical, Dental, Vision, Life, Disability, and
Flexible Benefit Plans**

November 3, 2022

Goals for 2023 Renewal

- Achieve low to moderate health cost increases and continue to adapt to expected changes due to health care reform
- Review and optimize medical plan design for improved future cost control and compliance while maintaining employee choice and competitive benefits
- Utilize quote process to obtain competitive and cost-effective for Basic Life, Voluntary Life, Short Term Disability and Long- Term Disability, Voluntary Hospital Indemnity, Voluntary Critical Illness, Voluntary Accident
- Research and select a provider to conduct a dependent audit on health plan in efforts to control healthcare costs

Medical Insured Population Trends

Population Comparison	Oct -21	Oct -22	% Change
Active Benefit Eligible Employees	918	891	(2.94)
Active Employees Insured	798	768	(3.76)
Retirees Insured	425	451	6.12
Total Insured	1223	1219	(.33)

Employee Participation by Medical Plan

Plan Participants	Oct -21	Oct - 22	% Change
Core PPO	551	527	(4.36)
HDHP with HSA	247	241	(2.43)
Total Insured	798	768	(3.76)
Waiving Medical	120	123	2.50
Total Ben Eligible Employees	918	891	(2.94)

Background of Medical Renewal

- The University partnered with National Financial Partners (NFP) in 2021 for benefit consultant services
 - Founded in 1998, with 260+ offices across the United States
 - 5,600+ employees
 - 65,000+ clients
 - 100,000+ individual clients
 - Headquarters: New York, NY
 - Services:
 - Corporate Benefits
 - Property Casualty
 - Individual Solutions

Outcome of Medical Renewal – Active Employees

- Medical claims were unusually high
- Raised employee premiums by 2.5% (\$2.92 to \$9.48 per month, depending on the plan)
- No plan design changes for active, except for new HSA annual limit and the HSA Authority, our HSA broker, was bought out by UMB. The HSA limit will increase to \$3,000/individual coverage and \$6,000/family coverage due to IRS requirements

Outcome of Medical Renewal – Retiree Plan

United Health Care (Medicare Eligible)

Plan	2022	2023	% Increase	# of lives
Core	\$135.80	\$138.56	2.04%	74
Buy - Up	\$167.68	\$171.24	2.13%	335

Outcome of Medical Renewal – Retiree Plan

Anthem (Non-Medicare Eligible)

Plan	2022	2023	% Increase	# of lives
Core	\$692.27	\$709.58	2.50%	40
Buy - Up	\$754.55	\$773.40	2.50%	2

Dependent Audit

In an effort to try and control the costs for all participating members we have signed an agreement with BMI Audit Services to conduct a dependent audit during Spring 2023. The audit is scheduled to start on January 6, 2023 and conclude by April 7, 2023.

2023 Status of Other Plans

- Anthem Blue Vision, will be in year two of a four-year agreement with a rate guarantee.
- The dental plan was renegotiated with Paramount Dental with a two-year agreement with a premium increase of 3% (14 cents to 46 cents per month). Second year rate increase guaranteed to not exceed 2%.
- Change of carrier to Sun Life for Short Term Disability and Long-Term Disability, Voluntary Hospital Indemnity, Voluntary Critical Illness, Voluntary Accident Coverage with a three-year rate guarantee.
- All policies, with the exception of Voluntary Critical Illness for some coverage amounts, have a decrease in premium.

2023 Status of Other Plans

- Change of carrier to Sun Life for Basic Life and Voluntary Life. Accidental Death and Dismemberment (AD&D) coverage has been added to both policies
- Voluntary Life & AD&D premiums will increase by \$.02 per \$1,000 of coverage while Basic Life and AD&D will decrease from \$.21 to \$.15 per \$1,000 of coverage. Three-year rate guarantee.
- Voluntary Life & AD&D guaranteed coverage amount for employee increased from \$200,000 to \$250,000.

Any Questions?