

University of Southern Indiana 2024 Insurance Renewal

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

November 2, 2023

Goals for 2024 Renewal

- Achieve low to moderate health cost increases
- Review and optimize medical plan design for improved future cost control and compliance while maintaining employee choice and competitive benefits

Dependent Audit

Conducted from January 6, 2023 – April 30, 2023

Calculated Savings and First-Year ROI	#	Estimated Annual Cost/Dependent	Total
# of Confirmed Ineligible Dependents, Incomplete, or No Responses	9	\$5,000	\$45,000

Medical Insured Population Trends

Population Comparison	Oct -22	Oct -23	% Change
Active Benefit Eligible Employees	891	877	-1.57%
Active Employees Insured	768	756	-1.56%
Retirees Insured	451	467	3.55%
Total Insured	1219	1223	.33%

Employee Participation by Medical Plan

Plan Participants	Oct -22	Oct - 23	% Change
Core PPO	527	527	0.00%
HDHP with HSA	241	229	-4.98%
Total Insured	768	756	-1.56%
Waiving Medical	123	121	-1.63%
Total Ben Eligible Employees	891	877	-1.57%

Benefit Renewal

- The University has partnered with NFP since 2021 for benefit consultant services.
 - Ranked 7th in the Industry as the largest US-based privately owned broker
 - 330+ offices across the United States
 - 7,800+ employees globally cross United States, Canada, and Europe
 - 80,000+ clients
 - Headquarters : New York, NY

Medical Renewal

- Network
- Disruption Analysis
- Costs savings for the employees and University while maintaining or enhancing the level of medical care provided
- Customer Service Support
- Accuracy and timeliness of processing claims

Outcome of Medical Renewal

- Effective, January 1, 2024
- Medical plan is moving from Anthem BlueCross and BlueShield to UnitedHealthcare

UnitedHealthcare

- UnitedHealthcare
 - Largest Proprietary Provider Network
 - 1.2M+ providers
 - 5,400+ hospitals
 - 2,300 convenient care clinics



UnitedHealthcare

- Very minor disruption in service (mainly chiropractic)
- Deaconess and St. Vincent are both in-network
- Pre-existing conditions are still covered
- PPO deductible, copays, coinsurance, and out-of-pocket maximums remain unchanged
- The HSA deductible will increase to \$3,200/individual coverage and \$6,400/family coverage due to IRS requirements.
 - Coinsurance and out-of-pocket maximums remain unchanged

The Surest design

Clear upfront prices members can easily understand via app, web, or phone



No barriers

\$0 deductible
No coinsurance



Cost clarity

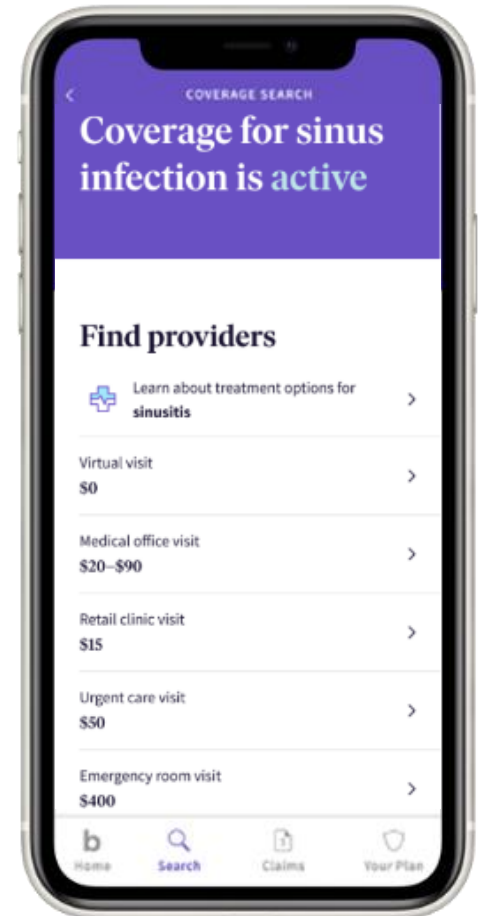
Know costs up front



Savings opportunities

Pay less for higher-value treatments and providers

		Surest Plan
Out-of-Pocket Maximum:		\$4,000
Deductible:		None
Coinsurance:		None
Copays	Preventive	Free
	Office Visit (PCP & SCP)	\$5 - \$40
	Urgent Care	\$20
	Emergency Room	\$180
	Maternity	\$350 - \$1,000
	Complex Imaging	\$40 - \$280
	Physical Therapy	\$5 - \$25
	Procedures (Office, OP, IP, etc.,)	\$10 - \$2,000
	Prescription Drugs (Tier 1 / Tier 2 / Tier 3)	\$5 / \$20 / \$40



Why plan design matters, a cost breakdown

Traditional Plan design		
Deductible \$750	Coinsurance 80%	Max out-of-pocket \$4,500

	Facility 1		Facility 2	
	Total allowed claim cost	\$15,000	Total allowed claim cost	\$30,000
	Member responsibility	Plan paid	Member responsibility	Plan paid
Deductible	\$3,000	\$10,500	\$3,000	\$25,500
Coinsurance	\$3,000		\$3,000	
Max out-of-pocket	\$4,500		\$4,500	

Why plan design matters, a cost breakdown

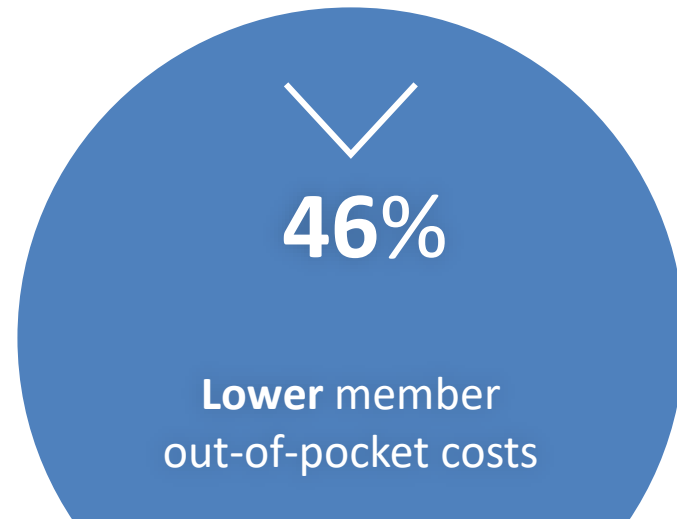
Surest Plan design				
Dynamic Copays				
	Facility 1		Facility 2	
	Total allowed claim cost	\$15,000	Total allowed claim cost	\$30,000
	Member responsibility	Plan paid	Member responsibility	Plan paid
Copay	\$500	\$11,000	\$2,500	\$26,000
Max out-of-pocket	\$4,500		\$4,500	

With Surest, members are more inclined to use facility 1 because they want to save \$2,000.

USI is excited to offer a third medical plan option for employees called Surest!



Estimated University Savings



Estimated Members Savings

Medical Premiums - 2024

Employee Monthly Premiums (Salary \$41,000 and above)			
Plan/Tier of Coverage	Core	HSA	Surest
Single	\$141.92	\$ 77.20	\$ 66.76
Employee + Spouse	\$312.64	\$ 170.10	\$ 147.08
Employee + child(ren)	\$235.48	\$ 128.12	\$ 110.78
Family	\$389.40	\$ 211.84	\$ 183.20

2024 Status of Other Plans

- Anthem Blue View Vision, will be in year three of a four-year agreement with a rate guarantee
- The dental plan was renegotiated with Paramount Dental including a two-year agreement with a premium increase of 3% (18 cents to 58 cents per month)

2024 Status of Other Plans

- Change in EAP Provider from Sun Life to TimelyCare
- Change in Flexible Spending and Dependent Care Flexible Spending Account provider from Nyhart to Voya
- Short Term disability insurance, Long-Term disability insurance, Basic Life insurance, Voluntary Life insurance, Voluntary Hospital Indemnity, Voluntary Critical Illness, and Voluntary Accident coverage are in year two of a three-year rate guarantee through Sun Life

Any Questions?