

25. Request from the Human Resources and Development Department to renew the Anthem Blue Cross PPO and Anthem Blue Cross HDPPO health plans offered through the San Joaquin Valley Insurance Authority with a 7% rate increase. Renew the Kaiser Permanente health plans offered through the San Joaquin Valley Insurance Authority with an increase of 8.30% for the Kaiser Permanente HMO Plan, 8.31% for the Deductible HMO Plan, and 8.52% for the Senior Advantage Plan. Renew the Dental plans offered through the San Joaquin Valley Insurance Authority with no rate increase for Delta Dental PPO and DeltaCare HMO Plans. Renew the Vision Services Plan offered through the San Joaquin Valley Insurance Authority with no rate increase. Renew participation in 98point6 offered through the San Joaquin Valley Insurance Authority. Renew participation with Anthem for Employee Assistance Program. Renew participation with The Standard for Basic Life Insurance, Accidental Death and Dismemberment, and Long-Term Disability benefits.



Human Resources & Development

COUNTY OF TULARE AGENDA ITEM

BOARD OF SUPERVISORS

LARRY MICARI
District One

PETE VANDER POEL
District Two

AMY SHUKLIAN
District Three

EDDIE VALERO
District Four

DENNIS TOWNSEND
District Five

AGENDA DATE: September 17, 2024

Public Hearing Required	N/A
Scheduled Public Hearing w/Clerk	N/A
Published Notice Required	N/A
Advertised Published Notice	N/A
Meet & Confer Required	N/A
Budget Transfer (Aud 308) attached	N/A
Personnel Resolution attached	N/A
Agreement(s) attached	N/A

CONTACT PERSON: Lupe Garza PHONE: 559-636-4900

SUBJECT: Health Insurance Plan Renewal for Plan Year 2025

REQUEST(S):

That the Board of Supervisors:

1. Renew the Anthem Blue Cross PPO and Anthem Blue Cross HDPPPO health plans offered through the San Joaquin Valley Insurance Authority with a 7% rate increase.
2. Renew the Kaiser Permanente health plans offered through the San Joaquin Valley Insurance Authority with an increase of 8.30% for the Kaiser Permanente HMO Plan, 8.31% for the Deductible HMO Plan, and 8.52% for the Senior Advantage Plan.
3. Renew the Dental plans offered through the San Joaquin Valley Insurance Authority with no rate increase for Delta Dental PPO and DeltaCare HMO Plans.
4. Renew the Vision Services Plan offered through the San Joaquin Valley Insurance Authority with no rate increase.
5. Renew participation in 98point6 offered through the San Joaquin Valley Insurance Authority.
6. Renew participation with Anthem for Employee Assistance Program.
7. Renew participation with The Standard for Basic Life Insurance, Accidental Death and Dismemberment, and Long-Term Disability benefits.

SUMMARY:

Human Resources & Development (HRD) staff and the County's Health Plan Advisory Group (HPAG) met on July 18 and September 5, 2024, to review health insurance renewal proposals for the 2025 plan year (January 1 through December 31). The proposed renewals were reviewed by the County's benefits consultant, Alliant Insurance Services, Inc. (Alliant), and adopted by the San Joaquin Valley Insurance

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Authority (SJVIA) at its August 23, 2024, board meeting.

Since 2010, the County has participated in the SJVIA with the County of Fresno to contribute to lower fixed costs and additional value-added services. The County has traditionally offered multiple plans to allow employees the choice of doctor, hospital, or delivery system that meets their needs. The plans offered through Anthem Blue Cross (Anthem) and Delta Dental PPO are self-insured with the SJVIA. Below is a summary of the options considered and recommended actions by category:

Medical and Prescription Benefits

Based on the current 2024 Plan Year rate, the SJVIA Board approved a rate increase of 7.0% for the Anthem PPO medical plans for Plan Year 2024. The rate includes prescription coverage through EmpiRx Health. It is recommended that these plans be offered in Plan Year 2025.

The Anthem PPO and rate increase was partially driven by heightened plan utilization due to the COVID-19 pandemic. The temporary postponement of routine and elective medical procedures during the pandemic led to a subsequent surge in healthcare costs across the 2021, 2022, 2023, and 2024 plan years, resulting in a 7.0% rate increase. It was expected that plan utilization would rebound in 2022, 2023, and 2024 as regular medical procedures resumed, and that Anthem PPO rates would eventually return to pre-pandemic levels. An additional factor contributing to the rate increase for 2025 is the County's rise in prescriptions for specialty medications. Given these significant cost drivers, it is recommended that the County increase the 2024 Plan Year rates by 7% for Plan Year 2025.

EmpiRx Health is currently the prescription drug administrator for Anthem Blue Cross PPO and HDPPPO plans. For Plan Year 2025, EmpiRx will continue to provide prescription drug benefit administration under these plans.

Kaiser Permanente (Kaiser) is offered as an integrated, pre-paid health delivery system. The entire range of care for members is provided and coordinated through their system, including doctors, hospitals, and pharmacies. The SJVIA Board approved a rate increase of 8.30% for Kaiser HMO Traditional Plan, an 8.31% increase for the Deductible HMO, and a rate increase of 8.52% for the Senior Advantage plan. It is recommended that the County continue to offer the health plans offered through Kaiser Permanente with the rates approved by the SJVIA Board.

Dental and Vision Plans

For Plan Year 2025, the SJVIA Board approved no rate increase for the Delta Dental PPO (DPPPO). In 2024, the County offset the premium with reserves accumulated from prior year reductions, allowing employees to avoid a rate increase. It is recommended that the County continue to subsidize this plan and keep employee rates unchanged for Plan Year 2025.

The DeltaCare HMO (DHMO) plan provides enhanced coverage with a limited network

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of providers, while the DPPO offers a broader network of providers and specialists but comes with higher deductibles. Employees and retirees under 65 who are enrolled in the Anthem PPO, HDPPPO, Kaiser HMO, or Deductible HMO medical plans also receive dental coverage through the SJVIA.

Employees and retirees under 65 enrolled in the Anthem PPO plans receive vision coverage through the SJVIA, in partnership with VSP. No rate increase for vision, rates are guaranteed from 2024 through 2026.

It is recommended that the dental and vision plans be offered in Plan Year 2025 and maintain the current employee rates.

Open Enrollment & Plan Participation

The recommended rates for Plan Year 2025 are detailed in Exhibit A. If approved, the premium rates will be incorporated into the annual Open Enrollment materials. Open Enrollment for Plan Year 2025 is tentatively scheduled for October 2-18, 2024, and is the one time each year that employees may make health plan changes and add or delete eligible dependents without a qualifying event. The health plans are made available to the County through its participation in the SJVIA. A Participation Agreement with the SJVIA for Plan Year 2025 will be brought to your Board for approval at a Board meeting later this year.

98point6

98point6 provides on-demand, text-based primary care through board-certified physicians, accessible via a convenient mobile app. Members can receive diagnoses, treatments, or consultations on health issues anytime, from anywhere—no appointments needed. The service is available 24/7.

Employees and dependents enrolled in the County's health plan can use this service for up to 35 visits per year with no out-of-pocket costs and no copays. After the 35 visits, a \$5 copay per visit applies. Members enrolled in the Anthem \$2500 High Deductible Health Plan have a \$5 copay.

It is recommended that the County continue its participation in this program through the SJVIA contract.

Employee Assistance Program

Anthem previously offered a renewal of the Employee Assistance Program (EAP) services with a 0% increase over the current rate of \$1.77 per employee per month effective through December 31, 2026. The County has an evergreen agreement with Anthem for EAP services that will continue unless the County terminates within 30 days of the renewal date. It is recommended that the County renews with Anthem EAP for the 2025 Plan Year.

Life Insurance and Long-Term Disability

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The County provides basic life Insurance and accidental death and dismemberment (AD&D) and long-term disability through The Standard Insurance Company. Alliant secured a renewal from The Standard Insurance Company with a 0% rate increase for the 2025 Plan Year. It is recommended that the County renew with The Standard Insurance Company for the 2025 Plan Year.

FISCAL IMPACT/FINANCING:

Funding of the health plan is included in the County's requested budget for Fiscal Year 2024/25. Employees contribute the full premium and costs of the respective plans that exceed the benefit amount provided by the County. Participating retirees pay the entire cost of the selected plan. Special Districts also pay the full cost of the plan. The County's cost of paying for employees' minimum benefit amount will increase by approximately \$1,390,956 based on the rate changes.

The County will provide a minimum benefit amount for over 2,900 insured employees of \$381.27 per pay period. Additionally, the County has negotiated to increase the benefit amount contributions for several bargaining units by \$25 per pay period for select tiers.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

The County's strategic plan includes the Organizational Performance Initiative to provide a qualified, productive, and competitively compensated County workforce. Approval of the recommendation is consistent with this Initiative by ensuring that the health benefits package offered to employees is competitively priced.

ADMINISTRATIVE SIGN-OFF:

/s/ Lupe Garza

Lupe Garza

Human Resources Director

Cc: County Administrative Office

Attachments: 2025 Health Plan Rates

BEFORE THE BOARD OF SUPERVISORS COUNTY OF TULARE, STATE OF CALIFORNIA

IN THE MATTER OF Health Insurance
Plan Renewal for Plan Year 2025

)
) Resolution No. 2024-0878
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UPON MOTION OF SUPERVISOR VALERO, SECONDED BY SUPERVISOR SHUKLIAN, THE FOLLOWING WAS ADOPTED BY THE BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD SEPTEMBER 17, 2024, BY THE FOLLOWING VOTE:

AYES: SUPERVISORS MICARI, VANDER POEL, SHUKLIAN, VALERO AND TOWNSEND

NOES: NONE

ABSTAIN: NONE

ABSENT: NONE



ATTEST: JASON T. BRITT
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY:

Deputy Clerk

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1. Renewed the Anthem Blue Cross PPO and Anthem Blue Cross HDPPO health plans offered through the San Joaquin Valley Insurance Authority with a 7% rate increase.
2. Renewed the Kaiser Permanente health plans offered through the San Joaquin Valley Insurance Authority with an increase of 8.30% for the Kaiser Permanente HMO Plan, 8.31% for the Deductible HMO Plan, and 8.52% for the Senior Advantage Plan.
3. Renewed the Dental plans offered through the San Joaquin Valley Insurance Authority with no rate increase for Delta Dental PPO and DeltaCare HMO Plans.
4. Renewed the Vision Services Plan offered through the San Joaquin Valley Insurance Authority with no rate increase.
5. Renewed participation in 98point6 offered through the San Joaquin Valley Insurance Authority.

6. Renewed participation with Anthem for Employee Assistance Program.
7. Renewed participation with The Standard for Basic Life Insurance, Accidental Death and Dismemberment, and Long-Term Disability benefits.
8. Authorized the County Administrative Officer to utilize \$400,000 in either American Rescue Act Plan dollars or General Fund dollars to secure the 7% rate for employees.

HRD
9.17.2024
KB

COUNTY OF TULARE
HEALTH INSURANCE PREMIUMS - PLAN YEAR 2024
MONTHLY

SJ VIA RATES

2024 SJ VIA RATE	Monthly Rates Effective January 1, 2024			
	EE	ES	EC	FA
Anthem \$0	\$ 1,018.11	\$ 2,035.13	\$ 1,857.77	\$ 3,085.45
Anthem \$500	\$ 766.66	\$ 1,534.06	\$ 1,405.03	\$ 2,419.60
Anthem \$750	\$ 673.44	\$ 1,345.93	\$ 1,234.98	\$ 2,051.76
Anthem \$2500	\$ 638.26	\$ 1,275.52	\$ 1,170.37	\$ 1,944.46
Kaiser HMO	\$ 1,134.04	\$ 2,257.75	\$ 2,044.24	\$ 3,381.48
Kaiser DHMO	\$ 872.00	\$ 1,733.68	\$ 1,569.96	\$ 2,595.37
Kaiser Senior Advantage	\$ 294.83	\$ 579.34		
Delta Dental PPO	\$ 40.30	\$ 69.87	\$ 79.17	\$ 117.53
DeltaCare DHMO	\$ 27.38	\$ 47.51	\$ 47.83	\$ 68.95
VSP Vision	\$ 5.02	\$ 8.47	\$ 8.96	\$ 13.36

SJ VIA RATES

2025 SJ VIA RATE	Monthly Rates Effective January 1, 2025			
	EE	ES	EC	FA
Anthem \$0	\$ 1,089.38	\$ 2,177.59	\$ 1,987.81	\$ 3,301.43
Anthem \$500	\$ 820.33	\$ 1,641.44	\$ 1,503.38	\$ 2,588.97
Anthem \$750	\$ 720.58	\$ 1,440.15	\$ 1,321.43	\$ 2,195.38
Anthem \$2500	\$ 682.94	\$ 1,364.81	\$ 1,252.30	\$ 2,080.57
Kaiser HMO	\$ 1,228.17	\$ 2,445.14	\$ 2,213.91	\$ 3,662.14
Kaiser DHMO	\$ 944.46	\$ 1,877.75	\$ 1,700.42	\$ 2,811.05
Kaiser Senior Advantage	\$ 319.95	\$ 628.70		
Delta Dental PPO	\$ 40.30	\$ 65.68	\$ 74.42	\$ 110.48
DeltaCare DHMO	\$ 27.38	\$ 47.51	\$ 47.83	\$ 68.95
VSP Vision	\$ 5.02	\$ 8.47	\$ 8.96	\$ 13.36

EXHIBIT A

COUNTY OF TULARE HEALTH INSURANCE RATES
PLAN YEAR 2025

EMPLOYEE RATES

2024 EMPLOYEE RATE	Monthly Rates Effective January 1, 2024			
	EE	ES	EC	FA
Anthem \$0	\$ 1,018.11	\$ 2,035.13	\$ 1,857.77	\$ 3,085.45
Anthem \$500	\$ 766.66	\$ 1,534.06	\$ 1,405.03	\$ 2,419.60
Anthem \$750	\$ 673.44	\$ 1,345.93	\$ 1,234.98	\$ 2,051.76
Anthem \$2500	\$ 638.26	\$ 1,275.52	\$ 1,170.37	\$ 1,944.46
Kaiser HMO	\$ 1,134.04	\$ 2,257.75	\$ 2,044.24	\$ 3,381.48
Kaiser DHMO	\$ 872.00	\$ 1,733.68	\$ 1,569.96	\$ 2,595.37
Kaiser Senior Advantage	\$ 321.17	\$ 631.17		
Delta Dental PPO	\$ 35.43	\$ 61.42	\$ 68.98	\$ 98.24
DeltaCare DHMO	\$ 27.38	\$ 47.51	\$ 47.83	\$ 68.95
VSP Vision	\$ 4.96	\$ 8.36	\$ 8.85	\$ 13.19

EMPLOYEE RATES

2025 EMPLOYEE RATE	Monthly Rates Effective January 1, 2025			
	EE	ES	EC	FA
Anthem \$0	\$ 1,089.38	\$ 2,177.59	\$ 1,987.81	\$ 3,301.43
Anthem \$500	\$ 820.33	\$ 1,641.44	\$ 1,503.38	\$ 2,588.97
Anthem \$750	\$ 720.58	\$ 1,440.15	\$ 1,321.43	\$ 2,195.38
Anthem \$2500	\$ 682.94	\$ 1,364.81	\$ 1,252.30	\$ 2,080.57
Kaiser HMO	\$ 1,228.17	\$ 2,445.14	\$ 2,213.91	\$ 3,662.14
Kaiser DHMO	\$ 944.46	\$ 1,877.75	\$ 1,700.42	\$ 2,811.05
Kaiser Senior Advantage	\$ 321.17	\$ 631.17		
Delta Dental PPO	\$ 35.43	\$ 61.42	\$ 68.98	\$ 98.24
DeltaCare DHMO	\$ 27.38	\$ 47.51	\$ 47.83	\$ 68.95
VSP Vision	\$ 5.02	\$ 8.47	\$ 8.96	\$ 13.36