



Staff Report

Approved by County Administrator 1/22/2018

File #: 17-1175D, **Version:** 1

Agenda Date: 3/30/2018

Subject:

Approval of term extension with UnitedHealthcare Services, Inc. for requirements of Group Retiree Medical Benefits.

Recommended Action:

Approval by the County Administrator, as requested by Human Resources, of term extension with UnitedHealthcare Services, Inc. d/b/a UnitedHealthcare (United), for the Medicare portion of Group Retiree Medical Benefits.

Contract No. 156-0174-P(JA) in a not-to-exceed amount of \$46,878,507.00 for sixty (60) months for Medicare premiums; total sixty (60) month benefits contract not-to-exceed \$228,463,547.00 (includes Medicare premiums).

Strategic Plan:

Create a Quality Workforce in a Positive, Supportive Organization

1.3 Make workforce safety and wellness a priority

1.4 Maintain a fair and competitive compensation package

Summary:

United recognizes the Medicare coverage portion (only) of the medical benefits contract as an annual term extension of the County’s policy since January 1, 2012 and each January 1st thereafter since the initial inception of the policy. Medicare Advantage Premiums are subject to an annual adjustment per the Centers for Medicare and Medicaid Services, taking into consideration the County’s claim history. Utilizing the premium-based Medicare Advantage plan provides cost certainty, due to the fixed cost per participant. The 2018 plan year rates reflect a five (5%) percent increase over 2017 rates; however, there is no increase to the overall contract as the Board of County Commissioner (Board) approval contains ample funds at this point in time based on claims experience.

Background/Explanation:

The medical benefits package, including Medicare retiree coverage, was approved by the County Administrator on December 27, 2016, with ratification by the Board on January 10, 2017.

Fiscal Impact:

Sixty (60) month employee benefit premiums not to exceed: \$228,463,547.00
(Includes Medicare Premium)

Sixty (60) month Medicare Premium portion not to exceed: \$ 46,878,507.00

The addition of funds is not required for this term extension.

Funds are derived from the Human Resource Department Employee Benefits Fund.

Delegated Authority:

Authority for the County Administrator to approve and execute this term extension is granted under Code Section 2-62(a)(2).

Staff Member Responsible:

Holly Schoenherr, Director, Human Resources Department
Joe Lauro, Director, Purchasing Department

Partners:

N/A

Attachments:

Medicare Advantage Term Extension 2018

**AMENDMENT TO MEDICARE ADVANTAGE WITH PRESCRIPTION
DRUG BENEFIT (MA-PD) GROUP AGREEMENT**

This Amendment (this "Amendment") to the Medicare Advantage with Prescription Drug Benefit (MA-PD) Group Agreement between UnitedHealthcare Insurance Company on behalf of itself and UnitedHealthcare Affiliates ("United") and Pinellas County Board of Commissioners ("Group") dated January 1, 2015 (the "Agreement") is made and entered into by United and Group effective on January 1, 2018.

WHEREAS, United and Group desire to amend the Agreement in accordance with the terms and conditions of the Agreement.


NOW, THEREFORE, United and Group hereby amend the Agreement as follows:

1. Exhibit A, 2017 MA-PD Plan Beneficiary Premium, is hereby deleted in its entirety and replaced with the attached Exhibit A, 2018 MA-PD Plan Beneficiary Premium.
2. Any capitalized term used but not defined in this Amendment shall have the definition assigned to it in the Agreement.
3. Except as amended by this Amendment, all provisions of the Agreement shall remain in full force and effect.
4. This Amendment may be executed in two (2) or more counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same Amendment.

IN WITNESS WHEREOF, United and Group hereto have executed this Amendment effective January 1, 2018.

UnitedHealthcare Insurance Company

**Pinellas County ~~Board of~~
~~Commissioners~~**

By 
Authorized Signature
Print Name Grita Redmond, FST, MHA
Print Title VP
Date December 6, 2017


By 
Authorized Signature
Print Name Mark S. Woodard
Print Title County Administrator
Date January 23, 2018

Exhibit A
2018 MA-PD Plan Beneficiary Premium

Medicare Advantage - National PPO
Group name: PINELLAS COUNTY
Final Rates for 1/1/2018 - 12/31/2018

UnitedHealthcare Group Medicare Advantage PPO	Rate Components	MAPD Plan
Medical with Part D Prescription Drug National Service Area Membership Quoted: 1,843 <i>Rates are Per Member Per Month</i>	Net Premium	\$416.06
	ACA Insurer Fee	\$49.80
	Total Premium	\$465.86

**Stipulations Group Medicare Advantage
PPO**

- This is a final quote effective 1/1/2018 - 12/31/2018. The situs state is Florida.
- These rates are quoted assuming our offering is alongside of another offering/another carrier.
- If competing plans are offered to the retirees alongside our plan, the following predications apply:
 - ~ All competing carriers must be offering a Rx benefit with coverage in gap as comprehensive as or better than UnitedHealth Group.
 - ~ Premium cost for each retiree must be equal to or lower for our plan than for any other plan.
 - ~ Our rates and/or plan design may be subject to change pending our final review of all competing carrier offerings.
- This quote assumes that the employer pays 100% of the premium.
- If members who have previously opted out are to be allowed back into the plan, then this fact must be disclosed at the time of quote.
- If the enrollment were to change by more than +/- 10% from current enrollment, we reserve the right to adjust the rates.
- Please note the following with regard to the drug coverage on these MA-PD products:
 - ~ We reserve the right to change our Part D formulary for calendar year 2018. We also reserve the right to change our pharmacy benefit manager and/or our pharmacy network for calendar year 2018.
 - ~ There is a specific, Part D drug formulary that applies to all of our MA-PD plan offerings.
 - ~ All Part D prescription drug coverage is considered to be creditable, therefore Creditable Coverage Notices are not required.
- UnitedHealth Group will hold the rate(s) and plan design(s) through 12/31/2018 unless (i) there are changes in federal, state or other applicable legislation or regulation; (ii) there is a reduction in CMS reimbursement level or a change in the methodology used to calculate CMS payments; (iii) there are any plan design changes required by the applicable regulatory authority (i.e. mandated benefits) or by the Plan Sponsor; and (iv) as otherwise permitted in our policy.
- Quote assumes \$0.00 PMPM commission level.
- 77 Pre-65 Medicare eligible retirees are included.

UnitedHealthcare

Group Medicare Advantage PPO

Description	In-Network Services	Out-of-Network Services
Annual Medical Deductible	None	
Annual Medical Out-of-Pocket Maximum	\$1,750	
Is Annual Medical Out-of-Pocket Maximum combined for IN and OUT of network?	Yes	
PHYSICIAN SERVICES		
Primary Care Physician Office Visit (includes Non-MD office visits)	\$10	\$10
Specialist Office Visit	\$15	\$15
Virtual Office Visit	\$0	\$0
Telemedicine	\$0	\$0
INPATIENT SERVICES		
Inpatient Hospital Stay	\$50 Per Admit	\$50 Per Admit
Skilled Nursing Facility Care - prior hospital stay requirement waived?	Yes	Yes
Skilled Nursing Facility Care - Benefit Period (In days)	100 Days	
Skilled Nursing Facility Care	\$0 Per Day, Days 1-20 \$25 Per Day, Days 21-100	\$0 Per Day, Days 1-20 \$25 Per Day, Days 21-100
Inpatient Mental Health Lifetime Maximum number of days	190 Days	
Inpatient Mental Health in a Psychiatric Hospital	\$50 Per Admit	\$50 Per Admit
OUTPATIENT SERVICES		
Outpatient Surgery	\$25	\$25
Outpatient Hospital Services	\$25	\$25
Outpatient Mental Health/Substance Abuse (Individual Visit)	\$15	\$15
Outpatient Mental Health/Substance Abuse (Group Visit)	\$10	\$10
Partial Hospitalization (Mental Health Day Treatment) per day	\$55	\$55
Comprehensive Outpatient Rehabilitation Facility (CORF)	\$0	\$0
Occupational Therapy	\$0	\$0
Physical Therapy and Speech/Language Therapy	\$0	\$0
Cardiac/Pulmonary Rehabilitation	\$0	\$0
Kidney Dialysis	20%	20%
MEDICARE-COVERED SPECIALIST VISITS		
Chiropractic Visit (Medicare-covered)	50%	50%
Podiatry Visit (Medicare-covered)	\$15	\$15
Eye Exam (Medicare-covered)	\$15	\$15
Eyewear (Medicare-covered Frames and Lenses after cataract surgery)	\$0	\$0
Hearing Exam (Medicare-covered)	\$15	\$15
Dental Services (Medicare-covered)	\$15	\$15
AMBULANCE/EMERGENCY ROOM/URGENT CARE		

Ambulance Services	\$50	\$50
Ambulance Copay Waived if Admitted?	No	No
Emergency Room (Includes Worldwide Coverage)	\$50	\$50
Emergency Room Copay Waived if Admitted within 24 hours?	Yes	Yes
Urgently Needed Care (Includes Worldwide Coverage)	\$35	\$35
Urgent Care Copay Waived if Admitted within 24 hours?	Yes	Yes
PART B DRUGS AND BLOOD		
Part B Drugs - Immunosuppressives, Anti-nausea, Inhalation Solutions, Hemophilia Clotting Factors, Antigens, Outpatient Injectable Medications Administered in a Physician's Office	20%	20%
Chemotherapy Drugs	20%	20%
Blood	\$0	\$0
Blood 3 pint deductible waived?	Yes	Yes
DURABLE MEDICAL EQUIPMENT (DME) AND SUPPLIES		
Durable Medical Equipment	20%	20%
Prosthetics	20%	20%
Orthotics	20%	20%
Diabetic Shoes and Inserts	20%	20%
Medical Supplies	20%	20%
Diabetes Monitoring Supplies	\$0	\$0
Insulin Pumps & Supplies	20%	20%
HOME HEALTHCARE AGENCY & HOSPICE		
Home Health Services	\$0	\$0
Hospice (Medicare-covered)	\$0	\$0
PROCEDURES		
Clinical Laboratory Services	\$0	\$0
Outpatient X-ray Services	\$0	\$0
Diagnostic Procedure/Test (includes non-radiological diagnostic services)	\$25	\$25
Diagnostic Radiology Service	\$0	\$0
Therapeutic Radiology Service	\$0	\$0
PREVENTIVE SERVICES (MEDICARE-COVERED)		
Cardiovascular Screenings	\$0	\$0
Immunizations (Flu, Pneumococcal, Hepatitis B Vaccines)	\$0	\$0
Pap Smears and Pelvic Exams	\$0	\$0
Prostate Cancer Screening	\$0	\$0
Colorectal Cancer Screenings	\$0	\$0
Bone Mass Measurement (Bone Density)	\$0	\$0
Mammography	\$0	\$0
Diabetes - Self-Management Training	\$0	\$0
Medical Nutrition Therapy and Counseling	\$0	\$0
Annual Wellness Exam and One-time Welcome-to-Medicare Exam	\$0	\$0
Smoking Cessation Visit	\$0	\$0
Abdominal Aortic Aneurysm (AAA) Screenings	\$0	\$0
Diabetes Screening	\$0	\$0
HIV Screening	\$0	\$0

Screening and Behavioral Counseling Interventions in Primary Care to Reduce Alcohol Misuse	\$0	\$0	
Screening for Depression in Adults	\$0	\$0	
Screening for Sexually Transmitted Infections (STIs) and high intensity Behavioral Counseling to prevent STIs	\$0	\$0	
Intensive Behavioral Therapy to reduce Cardiovascular Disease Risk	\$0	\$0	
Screening and Counseling for Obesity	\$0	\$0	
Glaucoma Screening	\$0	\$0	
Kidney Disease Education	\$0	\$0	
Dialysis Training	\$0	\$0	
Hepatitis C Screening	\$0	\$0	
Lung Cancer Screening	\$0	\$0	
ADDITIONAL BENEFITS/PROGRAMS (Non Medicare-covered)			
Routine Podiatry	\$15	\$15	
Routine Podiatry - Number of visits per year	6 visits		
Routine Eye Exam Refraction - every 12 months	\$15	\$15	
Routine Hearing Exam for Hearing Aids - every 12 months	\$0	\$0	
Hearing Aid Allowance - includes Digital Hearing Aids	\$500		
Benefit per ear or combined	Combined		
Number of Hearing Aids	Unlimited		
Hearing Aid period in months	36 months		
Annual Routine Physical Exam	\$0	\$0	
WELLNESS/CLINICAL PROGRAMS			
Fitness	SilverSneakers		
Caregiver	Included		
NurseLine	Included		
Access Support	Included		
Condition Management - Chronic Heart Failure (CHF)	Included		
Condition Management - Coronary Artery Disease (CAD) / Diabetes	Included		
Condition Management - End Stage Renal Disease (ESRD)	Included		
Group Retiree Case Management	Included		
Advanced Illness Care Management	Included		
Preferred Diabetic Supply Program	Included		
Hi Health Hearing Aid Discount Program. Please note: <i>Not available in American Samoa, Guam, Northern Mariana Islands and Puerto Rico</i>	Included		
HouseCalls Program	Included		
Outpatient Prescription Drug Coverage			
Prescription Drug Plan	Custom Plan		
Pharmacy Network	Standard		
Non-OptumRx Mail Order Network	Included		
Part D Gap Coverage	Full Gap Coverage		
Formulary	Standard Formulary G		
Bonus Drug List	Standard List U		
Formulary Edits (step therapy, quantity limits, prior authorization)	Standard: Edits On		

Rx Deductible	None
Part D Retail Copay (up to a 30 day supply) Note: 90 day retail supply is available for 3X copay amount	
Tier 1: Preferred Generic (Most generic drugs)	\$10
Tier 2: Preferred Brand (Many common brand name drugs, called preferred brands and some higher-cost generic drugs)	\$20
Tier 3: Non-Preferred Brand (Non-preferred generic and non-preferred brand name drugs)	\$35
Tier 4: Specialty Tier (Unique and/or very high-cost drugs)	\$35
Part D Preferred Mail Order Copay (up to a 90 day supply)	
Tier 1: Preferred Generic (Most generic drugs)	\$20
Tier 2: Preferred Brand (Many common brand name drugs, called preferred brands and some higher-cost generic drugs)	\$40
Tier 3: Non-Preferred Brand (Non-preferred generic and non-preferred brand name drugs)	\$70
Tier 4: Specialty Tier (Unique and/or very high-cost drugs)	\$70
Initial Coverage Limit	\$3,750
TrOOP Threshold	\$5,000
Catastrophic Coverage over TrOOP (greater amount of)	2018 Standard CMS Values
Copay for generics	\$3.35
Copay for all other drugs	\$8.35
OR Coinsurance	5%