

Request for Board Action Details

File #: 2021-484

Type: Administrative Item **Status:** Passed

In control: Board of Commissioners

On agenda: 9/21/2021 **Final action:** 9/21/2021

Title: 2022 Regular Retiree Medical Insurance Renewal

Sponsors: Human Resources

Indexes:

Code sections:

Attachments: 1. Resolution

Date	Ver.	Action By	Action	Result
9/21/2021	1	Board of Commissioners	approved	Pass

Sponsor: Human Resources

Title
2022 Regular Retiree Medical Insurance Renewal

Recommendation

1. Approve the renewal of HealthPartners Inc., 8170 33rd Avenue South, Bloomington, Minnesota 55425 and Blue Cross and Blue Shield of Minnesota, PO Box 64560, St. Paul, Minnesota, 55164 as the medical insurance carriers for Regular Retirees of Ramsey County and other participating public entities for plan year 2022, renewable annually through 2023.
2. Approve the following plans and monthly rates for Retirees for 2022:
 - HealthPartners Journey Medicare Advantage Plan for Medicare-eligible retirees and spouses/dependents who reside in the HealthPartners Journey service area, at \$290.40 for single coverage and \$580.80 for family coverage.
 - HealthPartners Retiree National Choice Supplemental Plan for Medicare-eligible retirees and spouses/dependents who reside in the United States outside of the Journey service area, at \$290.40 for single coverage and \$580.80 for family coverage.
 - HealthPartners Major Medical with enrollment restricted to non-Medicare-eligible retirees age 65 and over and their families, at \$903.55 for single coverage and \$1809.72 for family coverage.
 - Blue Cross and Blue Shield Medicare Advantage Classic with Rx option 2 for Medicare-eligible retirees and spouses who reside anywhere in the United States (Blue Cross has formed a national provider network and is no longer restricted to certain counties in the State of Minnesota), at \$216.00 for single coverage and \$432.00 for family coverage.
 - Blue Cross and Blue Shield Medicare Advantage Standard Preferred Provider Organization with Blue Rx for Medicare eligible retirees and spouses who reside anywhere in the United States at \$277.20 for single coverage and \$554.40 for family coverage.
3. Authorize the County Manager to execute the 2022 contract renewals with HealthPartners and Blue Cross and Blue Shield.

Background and Rationale

Ramsey County is currently in the third year of contracts for Regular Retiree medical insurance that were awarded through a Request for Proposals process in 2018. Regular Retirees are those employees who have

reached age 65 or are receiving Medicare A and B due to disability. The contracts are renewable for two additional one-year periods through 2023. No plan design changes were requested by the county for the 2022 plan year.

For 2022 HealthPartners has expanded the coverage area for the Journey plan from 50 Minnesota counties to now 60 counties across the State. Any Medicare-eligible retirees living in the Journey plan coverage area are able to enroll in this expanded area plan. HealthPartners continues to offer the Journey and Retiree National Choice plans with the same level of benefits. While both the Journey and Retiree National Choice plans allow access to any medical provider that accepts Medicare, the Journey plan also provides a defined network of medical providers from which plan participants may choose. Both the Journey and Retiree National plans have the same monthly premium charge for plan participation.

Blue Cross and Blue Shield (BCBS) has enhanced its Medicare Advantage plans by networking with other BCBS plans across the country to form a national provider network. The Blue Cross Classic plan will see a 4.8% premium increase in 2022 and the Blue Cross Standard plan will see a 3.8% premium increase. The Classic plan did reduce its requirements for the annual out of pocket maximum to \$3,000.00 and reduced the co-pay and co-insurance amounts for many of the covered services in the plan. The Standard plan also reduced its co-pay and co-insurance amounts for the 2022 plan year.

Proposed renewals are as follows:

- HealthPartners Journey Medicare Advantage Plan for Medicare-eligible retirees and spouses/dependents who reside in the HealthPartners Journey service area. The Journey Plan is available in 60 counties in Minnesota. This plan along with the HealthPartners Retiree National Choice plan are the only options for those regular retirees who have a spouse or dependent who is not Medicare eligible but is eligible for coverage under the HealthPartners Distinctions plan. Rates for the Journey plan are increasing slightly in 2022 to \$290.40 for single coverage (*currently \$284.70*) and \$580.80 for family coverage (*currently \$569.40*).
- HealthPartners Retiree National Choice Supplemental Plan for Medicare-eligible retirees who reside anywhere in the United States outside of the Journey plan service area. This plan along with the HealthPartners Journey plan are the only options for those regular retirees who have a spouse or dependent who is not Medicare eligible but is eligible for coverage under the HealthPartners Distinctions plan. Rates for the Retiree National Plan are increasing slightly in 2022 to \$290.40 for single coverage (*currently \$284.70*) and \$580.80 for family coverage (*currently \$569.40*).
- HealthPartners Major Medical plan with enrollment restricted to those Regular Retirees 65 and over and their families who are ineligible for Medicare. Rates for the Major Medical Plan are increasing 8% based on a rate cap guarantee agreed to under the HealthPartners medical plan for Active Employees and Early Retirees approved by the Board on August 21, 2018 (Resolution #B2018-277). Rates for HealthPartners Major Medical insurance in 2022 are \$903.55 for single coverage (*currently \$836.62*) and \$1,809.72 for family coverage (*currently \$1,675.67*) with a rate cap not to exceed 9% in place for 2023.
- Blue Cross and Blue Shield Medicare Advantage Classic with Rx Option 2 for Medicare-eligible retirees and spouses who reside anywhere in the United States. This is an alternative, lower cost, Medicare Advantage plan with higher copays for most medical services, a higher out-of-pocket maximum but a lower drug cost for basic prescription medications. There is no preventative dental coverage with this plan. Rates for the Advantage Classic with Rx Option 2 are increasing by 4.8% in 2022 to \$216.00 for single coverage (*currently \$206.00*) and \$432.00 for family coverage (*currently \$412.00*).

- Blue Cross and Blue Shield Medicare Advantage Standard PPO with Blue Rx for Medicare-eligible retirees and spouses who reside anywhere in the United States. This is a higher premium Medicare Advantage plan, providing lower copays for most medical services. There is no preventative dental coverage under this plan. Rates for the Advantage Standard PPO with Blue Rx are increasing by 3.8% in 2022 to \$277.20 for single coverage (*currently \$267.00*) and \$554.40 for family coverage (*currently \$534.00*).

More information on retiree benefits can be found on RamseyNet as well as posted on ramseycounty.us as the open enrollment period for retiree medical approaches for the 2022 plan year.

County Goals (Check those advanced by Action)

- Well-being Prosperity Opportunity Accountability

Racial Equity Impact

The existence of a comprehensive benefits package that remains affordable for all benefits eligible employees/retirees helps to attract and retain a diverse and talented workforce. Access to alternative types of care and the availability of language assistance services provides covered employees/retirees with necessary resources to obtain care that is viewed as culturally appropriate and effective.

Community Participation Level and Impact

Community participation beyond informing is not applicable for this action.

- Inform Consult Involve Collaborate Empower

Fiscal Impact

There are sufficient funds in the county's Other Post Employment Benefit (OPEB) fund to cover the 2022 anticipated insurance cost for this program. For the current year, it is estimated that the cost for this benefit will be close to \$11,500,000.

County Manager Comments

No additional comments.

Last Previous Action

On August 21, 2018, the Ramsey County Board authorized a five-year contract with HealthPartners and Blue Cross and Blue Shield for Retiree medical insurance (Resolution B2018-245).

Attachments

1. None.