

## Request for Board Action Details

**File #:** 2022-472

**Type:** Administrative Item      **Status:** Passed

**In control:** Board of Commissioners

**On agenda:** 9/6/2022      **Final action:** 9/6/2022

**Title:** 2023 Regular Retiree Medical Insurance Renewal

**Sponsors:** Human Resources

**Indexes:**

**Code sections:**

**Attachments:** 1. Resolution

Date	Ver.	Action By	Action	Result
9/6/2022	1	Board of Commissioners	approved	Pass

**Sponsor:** Human Resources

**Title**  
2023 Regular Retiree Medical Insurance Renewal

### Recommendation

1. Approve the renewal of HealthPartners Inc., 8170 33rd Avenue South, Bloomington, MN 55425 and Blue Cross and Blue Shield of Minnesota, PO Box 64560, Saint Paul, MN, 55164 as the medical insurance carriers for Regular Retirees of Ramsey County and other participating public entities for plan year 2023.
2. Approve the following plans and monthly rates for Retirees for 2023:
  - HealthPartners Journey Medicare Advantage Plan for Medicare-eligible retirees and spouses/dependents who reside in the HealthPartners Journey service area, at \$290 for single coverage and \$581 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 for single coverage and \$581 for family coverage.
  - HealthPartners Major Medical with enrollment restricted to non-Medicare-eligible retirees ages 65 and over and their families, at \$985 for single coverage and \$1973 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, at \$198 for single coverage and \$397 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 \$282 for single coverage and \$565 for family coverage.
3. Authorize the County Manager to execute the 2023 contract renewals with HealthPartners and Blue Cross and Blue Shield.

### Background and Rationale

Ramsey County is currently in the fourth 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 one additional year (2023). No plan design changes were requested by the county for the 2023 plan year.

For 2023 HealthPartners has expanded the coverage area for the Journey plan from 60 to 70 Minnesota counties. The seventeen remaining counties, all located in the southeast corner of the state, are not in the HealthPartners Journey service area for 2023. Any Medicare-eligible retirees living in the Journey plan service area are able to enroll in the Journey plan. HealthPartners also offers a Retiree National Choice plan for those retirees living outside of the Journey service area. National Choice provides the same level of medical benefits as the Journey plan. While both the Journey and Retiree National Choice plans allow access to any medical provider that accepts Medicare, the Journey plan also includes 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 has enhanced its Medicare Advantage plans by networking with other Blue Cross and Blue Shield plans across the country to form a national provider network. Blue Cross and Blue Shield offers two Medicare Advantage plans for county retirees. The Blue Cross Classic plan has a higher copay for many of its services compared to the Blue Cross Standard plan. The Classic is being offered with a nearly 9% premium decrease in 2023. The Blue Cross Standard plan is being offered at a premium increase of just under 2%. The Classic plan did reduce the co-pay for specialist visits to \$30 (previously \$40) and the co-pay for preferred generic to \$0 (previously \$1). There were no plan changes for the Blue Cross Standard plan in 2023.

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 70 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 remaining the same in 2023 as what is currently offered in 2022 (\$290 for single coverage and \$581 for family coverage).
- 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 remaining the same in 2023 as what is currently offered in 2022 (\$290 for single coverage and \$581 for family coverage).
- 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 9% based on a rate cap guarantee agreed to under the HealthPartners medical plan for Active Employees and Early Retirees approved by the Ramsey County Board on August 21, 2018 (Resolution #B2018-277). Rates for HealthPartners Major Medical insurance in 2023 are \$985 for single coverage (*currently* \$904) and \$1973 for family coverage (*currently* \$1,810).
- 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 decreasing by just over 9% in 2023 to \$198 for single coverage (*currently* \$216) and \$397 for family coverage (*currently* \$432)

- Blue Cross and Blue Shield Medicare Advantage Standard Preferred Provider Organization (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 just under 2% in 2023 to \$282 for single coverage (*currently \$277*) and \$564 for family coverage (*currently \$554*).

	2022	2023
HealthPartners Journey		
Single	\$290.40	\$290.40
Family	\$580.80	\$580.80
HealthPartners National Choice		
Single	\$290.40	\$290.40
Family	\$580.80	\$580.80
HealthPartners Major Medical		
Single	\$903.55	\$984.87
Family	\$1809.72	\$1972.59
Blue Cross Medicare Classic		
Single	\$216.00	\$198.50
Family	\$432.00	\$397.00
Blue Cross Medicare Standard		
Single	\$277.20	\$282.30
Family	\$554.40	\$564.60

More information on retiree benefits will be [posted <https://www.ramseycounty.us/employees/open-enrollment-information/open-enrollment-retirees>](https://www.ramseycounty.us/employees/open-enrollment-information/open-enrollment-retirees) on ramseycounty.us. The open enrollment period for retiree medical for 2023 is scheduled for October 24 through November 7, 2022.

**County Goals** (Check those advanced by Action)

- Well-being     
  Prosperity     
  Opportunity     
  Accountability

**Racial Equity Impact**

Ramsey County seeks to ensure that information is available to all ethnic communities employed by the county in support of their need for insurance coverage opportunities. Nearly 40% of the current employee population is racially and ethnically diverse with new hires from racially and ethnically diverse communities outpacing non-Hispanic whites by nearly 2 to 1 in the past few years. The LMC committee has discussed the issue of racialized, historical and intergenerational trauma, particularly as it arises in the workplace and how the county can consider any existing resources, as well as building new ones to incorporate into employee wellness efforts. The existence of a comprehensive benefits package that offers affordability for all benefits eligible employees helps to attract and retain a diverse and talented workforce.

**Community Participation Level and Impact**

There was no community participation for this item.

Inform       Consult       Involve       Collaborate       Empower

**Fiscal Impact**

There are sufficient funds in the county's Other Post Employment Benefit fund to cover the 2023 anticipated insurance cost for this program. For the current year, it is estimated that the cost for this benefit from both the retiree and the county will be just under \$10,000,000.

**Last Previous Action**

On September 21, 2021, the Ramsey County Board approved continuing with HealthPartners and Blue Cross and Blue Shield for retiree medical insurance for the 2022 plan year (Resolution B2021-196).

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**

None.