

CLEVELAND PUBLIC LIBRARY

Finance Committee

November 19, 2019

**RESOLUTION AUTHORIZING CONTRACT WITH MEDICAL MUTUAL OF OHIO FOR
EMPLOYEE HEALTHCARE BENEFITS**

WHEREAS, The Cleveland Public Library has purchased employee health insurance from Medical Mutual of Ohio Since October 2012; and

WHEREAS, The Library's current contract with Medical Mutual provides for employee healthcare coverage from January 1, 2019 through December 31, 2019 under the Standard, Essential and Basic plans; and

WHEREAS, Medical Mutual's renewal premium effective January 1, 2020 through December 31, 2020 increased by 34.63% including mandated fees, but was revised to 12.8%, with 2.8% being mandated fees, due to the 10% rate cap in the terms of the 2019 agreement; and

WHEREAS, The Library's benefit consultant, Gallagher, recommended plan design and network changes and Medical Mutual has proposed employee health insurance to the Library for 2020 under two networks: Super Med Plus ("SMP"), which is the Library's current network with access to Cleveland Clinic, University Hospital and MetroHealth Systems and CleCare, which is a high performance HMO network with MetroHealth system. This proposed plan represents a rate increase of approximately 11.4% over the 2019 rates, assuming that the Standard Plan enrollment moves to SMP and the remaining move to CleCare, and is outlined in the attached proposal; now therefore be it

RESOLVED, That the Board of Library Trustees hereby authorizes the Executive Director, CEO or his designee to enter into an agreement with Medical Mutual of Ohio for employee health insurance benefits for a 12 month term from January 1, 2020 through December 31, 2020 at the rates reflected in the attached proposal, which agreement shall be subject to the review and approval of the Chief Legal Officer.



Proposal For:
CLEVELAND PUBLIC LIBRARY

Effective Date: 1/1/2020
End Date: 12/31/2020
County: Cuyahoga
State: Ohio

Quote ID: 0074379-01

Friday, November 8, 2019
8:41 AM



MEDICAL MUTUAL®

Group Name: **CLEVELAND PUBLIC LIBRARY**
 Effective: **January 1, 2020 - December 31, 2020**

Fully Insured Options

Benefit Highlights & Premium Rates	SMP \$450		CleCare \$450	
Product / Network	SuperMed Plus		MetroHealth HMO	
HSA Option	No		No	
Includes Major Med. Rx?	No		No	
	NETWORK	NON-NETWORK	NETWORK	NON-NETWORK
Deductible Type	Embedded		Embedded	
Single Deductible	\$450	\$900	\$450	N/A
Family Deductible	\$900	\$1,800	\$900	N/A
Employer Coinsurance % *	80%	70%	80%	N/A
Single Out of Pocket (Excludes Deductible)	\$2,250	\$4,500	\$2,250	N/A
Family Out of Pocket (Excludes Deductible)	\$4,500	\$9,000	\$4,500	N/A
Single Maximum Out of Pocket	\$2,700	\$5,400	\$2,700	N/A
Family Maximum Out of Pocket	\$5,400	\$10,800	\$5,400	N/A
Office Visit	\$20	70% After Deductible	\$20	N/A
Specialist Office Visit	\$20	70% After Deductible	\$20	N/A
Urgent Care Office Visits	\$50	70% After Deductible	\$50	N/A
Emergency Room Visits**	\$100		\$100	
Inpatient Services	80% After Deductible	70% After Deductible	80% After Deductible	N/A
Comments				

Rates Effective 1/1/2020 - 12/31/2020:	Enrolled	Rates	Enrolled	Rates
Single	237	\$581.56	237	\$518.74
Family	141	\$1,522.90	141	\$1,358.43
Contract Premium	378	\$352,559	378	\$314,480

Medical rates do not include Rx for Non Major Medical Rx plans.

Group Official Plan/Rate Selections	Initial Here _____	Initial Here _____
-------------------------------------	--------------------	--------------------



MEDICAL MUTUAL®

Group Name: **CLEVELAND PUBLIC LIBRARY**
 Effective: **January 1, 2020 - December 31, 2020**

Fully Insured Options

Prescription Drug Card Benefit Highlights	CleCare Drugs	Prescription Drugs
Single Deductible		
Family Deductible		
	RETAIL	RETAIL
Generic Copay	\$10.00	\$10.00
Formulary Copay	\$20.00	\$20.00
Non-Formulary Copay	\$40.00	\$40.00
4th Tier Copay	\$70.00	\$70.00
	MAIL	MAIL
Generic Copay	\$20.00	\$20.00
Formulary Copay	\$40.00	\$40.00
Non-Formulary Copay	\$80.00	\$80.00
4th Tier Copay	\$140.00	\$140.00
	OTHER	OTHER
Diabetic Supplies	Yes	Yes
Comments		

Rates Effective 1/1/2020 - 12/31/2020:	Enrolled	Rates	Enrolled	Rates
Single	237	\$106.30	237	\$119.16
Family	141	\$265.73	141	\$297.90
Contract Premium	378	\$62,661	378	\$70,245

Group Official Plan/Rate Selections	Initial Here _____	Initial Here _____
--	--------------------	--------------------

Rate Acceptance

Group Official Initial: _____ *Please initial next to the benefits that have been selected by the group.*

Group Official Signature: _____

Title: _____

Date: _____

* Some non-network services will be covered at a coinsurance less than what is shown.

** Emergency room visits that do not qualify as an emergency may be covered at a lesser amount. Coverage for emergency visits and emergency services may vary.

In accordance with Ohio law, coverage for dependents beyond the federal limiting age of 26 may necessitate additional premium on insured plans.

Employers must disclose any funding of deductibles or coinsurance provided to employees. If funding is not disclosed, Medical Mutual reserves the right to adjust rates at any time during the contract period. This may result in higher than anticipated rate adjustments.

Rates reflect the federally mandated fees. All fees are subject to state premium tax. Fees are subject to change. When a contract period spans more than one calendar year, the fees are averaged over the length of the period.

Rates and premiums for periods beginning January 1, 2022 do not include potential or actual exposure due to section 49801 of the Internal Revenue Code -- Excise Tax on High Cost Employer-Sponsored Health Coverage under the Affordable Care Act. Any Excise tax determined to be payable on your plan(s) will be billed separately from health plan premium rates.

The limiting age for dependent children is 26, except in the case of physical or intellectual disability.

Effective January 1, 2016, Ohio law lowered the limiting age for dependent children from 28 to 26. However, as a large group customer you still have options available to you. You may continue covering dependent children to age 28, reduce the age to 26 for both new and existing dependent children or reduce the age to 26 for new dependent children only. Please note that children with a physical or intellectual disability are not impacted by the change in Ohio law. Please contact your Medical Mutual representative to discuss your options in detail.

**CLEVELAND PUBLIC LIBRARY
1/1/2020
Disclaimers & Contingencies**

- 1 Proposal expires in 60 days or upon effective date.
- 2 Rates assume Medical Mutual is the only carrier, with 75% of net eligible employees enrolled.
- 3 Rates are subject to change if enrollment varies by more than 10% from 448 contracts quoted.
- 4 Ancillary coverages will be packaged with Medical coverage and not sold separately.
- 5 Final rates are subject to underwriting approval, based on benefit plans, contribution, participation, and medical data for members exceeding 50% of specific deductible or pooling limit which must be received no later than 20 days before effective date.

- 6 Disclosure of disabled participants is required.
- 7 Misrepresentation may result in rescission of coverage.
- 8 Rates include standard reporting and administration.
- 9 Quote includes Medical Mutual's comprehensive suite of population health programs, which are designed to promote healthy lifestyle behaviors and encourage your employees to get well and stay well. Our programs help your employees understand their health, identify risk factors for disease, manage their conditions and make positive changes to improve their well-being. Covered employees will automatically have access to Medical Mutual's health and wellness initiatives, which may include, but not be limited to, online health resources and Health Assessment, Disease Management programs, 24/7 Nurse Line , tobacco QuitLine, Maternity program, fitness center discounts, and Weight Watchers® discounts.

- 10 The rates in this proposal may include Patient-Centered Outcomes Research Institute Fee (PCORI), Reinsurance Fee, Exchange Fee, and Market Share Fee when applicable which are federally mandated. Additionally, this policy, Medical Mutual, or you as a Plan Sponsor may become subject to taxes, fees or other charges imposed by State, Local, or Federal governments (collectively, "fees"). Medical Mutual reserves the right to adjust your premium or funding rate (or add the fees to the invoice) consistent with the effective date of the new fees imposed by the government. Adjustments may or may not be noted in a line item on monthly invoices. All fees are subject to change during the contract period.
- 11 Change in enrollment of any one plan of more than 10% or the elimination of a plan may require rates to be adjusted.
- 12 As required by the Affordable Care Act, employees must be notified at least 60 days before the effective date of a material modification if it impacts the contents of the SBC. Please be aware of this requirement when considering an off-renewal plan change or a change in carrier.
- 13 Premiums and rates reflect 2015 ACA requirement to accumulate drug cost share to the maximum out-of-pocket (MOOP). Use of a third party Pharmacy Benefits Manager (PBM) will require additional fees and additional lead time to implement. Please contact your Medical Mutual representative for further details and explanation.
- 14 Effective January 1, 2016, Ohio law lowered the limiting age for dependent children from 28 to 26. However, as a large group customer you still have options available to you. You may continue covering dependent children to age 28, reduce the age to 26 for both new and existing dependent children or reduce the age to 26 for new dependent children only. Please note that children with a physical or intellectual disability are not impacted by the change in Ohio law. Please contact your Medical Mutual representative to discuss your options in detail.
- 15 Products marketed by Medical Mutual may be underwritten by one of its subsidiaries, such as Medical Health Insuring Corporation of Ohio or MedMutual Life.

Rate Acceptance

Group Official Initial: _____ *Please initial next to the benefits that have been selected by the group.*

Group Official Signature: _____

Title: _____

Date: _____

CLECare HMO Disclaimers

- 1 CLECare HMO does not include out-of-network benefits, except for emergency care and care confirmed as unavailable within the network. Referral is required for services outside the MetroHealth network.
- 2 CLECare HMO includes all MetroHealth facilities and providers.
- 3 CLE-Care drug plans may include a separate copay tier when prescriptions are filled at MetroHealth pharmacies. See detailed benefit descriptions for more information.
- 4 CLECare HMO is limited to large groups (51+ eligible active employees) domiciled in Cuyahoga county or who have a significant employee base in the county.
- 5 CLECare requires that both medical and drug benefits be purchased together through MMO.
- 6 CLECare plans may be offered as stand-alone plans or as a dual option alongside another MMO plan or another carrier's plan.
- 7 Where MMO is the sole carrier, all plans offered must share the same funding arrangement (fully insured or self-funded).
- 8 For fully insured plans where MMO is the sole carrier the group must have a minimum of 51 eligible active employees.
- 9 For fully insured plans where MMO is the sole carrier there is no minimum enrollment in CLECare.
- 10 For fully insured plans where CLECare is offered alongside another carrier a minimum of 51 must be enrolled in CLECare.
- 11 Self-funded plans require a minimum of 100 enrolled with MMO.
- 12 Self-funded plans offered alongside another carrier require a minimum of 100 enrolled in CLECare.
- 13 All plans are subject to minimum enrollment as outlined above. Rates are subject to change or withdrawal if minimum enrollment is not achieved at open enrollment.
- 14 Self-funded plans require a Population Management fee which will be paid directly to MetroHealth. These fees are NOT included in rates quoted by MMO.
- 15 MetroHealth may negotiate a risk share arrangement with self-funded groups. MMO has no involvement with this arrangement.
- 16 Medical Mutual must be the sole stop loss carrier for all CLECare plans.
- 17 When quoting plans to be offered alongside another carrier, experience, census and contributions for the full population may be required. This may include high claimant reports upon request.
- 18 CLECare is not available as a Balanced Solutions offering nor as a MEWA plan.
- 19 If CLECare is being offered as an off-renewal cycle plan to HealthSpan members, only existing HealthSpan members may enroll.
- 20 Rates are subject to change if actual enrollment varies by more than 10% from the enrollment number quoted.
- 21 Final rates are subject to underwriting approval, based on benefit plans, contribution, participation, and updated high claimant reports.
- 22 Disclosure of disabled participants is required.
- 23 Misrepresentation may result in rescission of coverage.
- 24 Rates include standard reporting and administration.
- 25 For self-funded plans, upon termination, a run-out processing fee equal to three months of administration fees will be charged.
- 26 Proposal expires in 60 days or upon effective date.
- 27 CLECare enrollment requires members to select a MetroHealth PCP.
- 28 All rates include broker commission, where applicable.
- 29 Drug copays described in the benefit descriptions reflect copays at non-MetroHealth pharmacies. Drug copays at MetroHealth pharmacies may be different. Please see the detailed benefit descriptions or contact your Medical Mutual sales representative for further details.
- 30 CLE-Care rates are subject to revision if quoted as a dual option with a PPO plan and a stand-alone CLE-Care plan is desired.

Rate Acceptance

Group Official Initial: _____ *Please initial next to the benefits that have been selected by the group.*

Group Official Signature: _____

Title: _____

Date: _____