Plan Change Proposal - Effective 1/1/2016

Benefit	Current Plan Design	Proposed Plan Design	Estimated Cost to Plan	Impact to Plan
Increase coverage for urgent care visits	80% after deductible	100% after deductible	$5,344	Designed to reduce ER visits. Year to date, the City has spent $350,747 on the ER. Through the assistance of our thrid party administrators, it has been determined 1/3 of all ER vists are non accident related and can be treated at an urgent care facility. The year to date spend on ugent care is $13,790. The proposed plan design change is to educate members about cost, and proper utilization of ER visits; and encourages use of a primary care physician. The goal is to influence change in a positive, not punitive manner. If significant savings are not realized in the first year, the Group Health Committee will look to change ER coverage that may include an ER deductible.
Add Coverage Mouthguards	N/A	Covered within a member's $1,500 annual maximum	$3,800	Must be prescribed by a dentist and will be part of a members $1,500 annual dental maximum. Mouthguards are shown to work as a preventative measure to reduce dental damage.
PPO Allowable for Dental	N/A	Implement	($59,301)	Our plan design pays the same rate for preferred or non-preferred dentists, creating no incentive to use an in-network provider. By implementing this design change, if for example, a non-preferred dentist charges $125.00 for a filling a cavity, but a PPO dentist is contracted to charge only $100.00, then the City will only pay the non-preferred dentist $100.00. The additional $25.00 would be paid by the member. Implementing the PPO allowable for dental, is an anticipated savings of $59,301 annual savings to the plan.
Specialty Drug Program	N/A	Implement	($10,403)	The Speciality Drug Program would require members to try lower cost speciality medications with the approval of their physician. This would be implemented on new prescriptions only in which the member will try a lower cost alternative first, unless a doctor specifically prescribes a medication. Requires member to try lower cost specialty meds if doctor approves.
Implement Dispense as Written	N/A	Implement	($17,128)	If a member visits a pharmacy and asks for non-generic, even if doctor has approved generic, member typically pays $40.00 vs. $5.00. The cost of the generic prescription vs. a name-brand however can cost the group health plan thousands of additional dollars. This benefit change will penalize members for not utilizing generic or formulary medications when available and approved by the doctor. The member will be required to pay at the appropriate tier - PLUS the difference of the cost of the drug to the plan. This change would be for new prescriptions moving foward. There would not be a penalty if the doctor writes the prescription to be filled with the non-formulary choice.
Gender Transition Surgery	N/A	Implement	$29,929	This is the average cost per claimant. Please see additional supporting documentation.
		Estimated Savings to Plan	**-$47,759**	