

Rancho Santiago CCD Joint Benefits Committee

Vote on Recommendation to the Chancellor

Date: August 13, 2024

Presenter:

Jeffrey Mizokawa, Vice President, Head of Employee Benefits Strategy

April Shoeleh, Account Executive

Kim Gleeson, Assistant Vice President



Agenda

2025 Rate Comparison

ASCIP Rate History / Aetna Trend History

Vote for Recommendation to the Chancellor

2025 RATE COMPARISON

Rate Comparison – AETNA HMO & PPO (Actives & Early Retirees) Option 1

Anthem HMO	ASCIP		Direct to Carrier
	Anthem		AETNA
	HMO		HMO
	2025 Renewal		2025 Proposed
EE Only	109	\$818.23	\$766.18
EE + 1	109	\$1,716.68	\$1,607.48
EE + Family	280	\$2,452.93	\$2,296.90
Monthly Premium	\$963,125.59		\$901,860.94
Annual Premium	\$11,557,507.08		\$10,822,331.28
% Change Over Current	+1.7%		-4.77%
\$ Change Over Current	+\$193,193.04		-\$541,982.76

Anthem PPO	ASCIP		Direct to Carrier
	Anthem		AETNA
	PPO		PPO
	2025 Renewal		2025 Proposed
EE Only	161	\$1,256.05	\$1,176.09
EE + 1	146	\$2,623.52	\$2,456.51
EE + Family	69	\$3,768.39	\$3,528.50
Monthly Premium	\$845,276.88		\$791,467.45
Annual Premium	\$10,143,322.56		\$9,497,609.40
% Change Over Current	+1.7%		-4.77%
\$ Change Over Current	+\$169,552.92		-\$476,160.24

Total Estimated Savings from Current

-\$1,018,143.00

Rate Comparison – AETNA HMO & PPO Option 2a

Quote #2 (a) - All Benefit Eligible Active Employees and Early Retirees except CSEA 579

Anthem HMO	ASCIP		Direct to Carrier
	Anthem		AETNA
	HMO		HMO
	2025 Renewal		2025 Proposed – 2a
EE Only	59	\$818.23	\$761.41
EE + 1	43	\$1,716.68	\$1,597.47
EE + Family	129	\$2,452.93	\$2,282.61
Monthly Premium	\$438,520.78		\$408,071.09
Annual Premium	\$5,262,249.36		\$4,896,853.08
% Change Over Current	+1.7%		-5.36%
\$ Change Over Current			-\$277,433.64

Anthem PPO	ASCIP		Direct to Carrier
	Anthem		AETNA
	PPO		PPO
	2025 Renewal		2025 Proposed – 2a
EE Only	106	\$1,256.05	\$1,168.77
EE + 1	95	\$2,623.52	\$2,452.12
EE + Family	63	\$3,768.393	\$3,503.80
Monthly Premium	\$619,784.27		\$577,580.42
Annual Premium	\$7,437,411.24		\$6,930,965.04
% Change Over Current	+1.7%		-5.23%
\$ Change Over Current			-\$382,124.76

Total Estimated Savings from Current	-\$659,558.40
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Rate Comparison – AETNA HMO & PPO Option 2b

Quote #2 (b) - All CSEA 579 Benefit Eligible Active Employees and Early Retirees

Anthem HMO	ASCIP		Direct to Carrier
	Anthem		AETNA
	HMO		HMO
	2025 Renewal		2025 Proposed – 2b
EE Only	50	\$818.23	\$851.82
EE + 1	66	\$1,716.68	\$1,787.16
EE + Family	151	\$2,452.93	\$2,553.64
Monthly Premium	\$524,604.81		\$546,143.20
Annual Premium	\$6,295,257.72		\$6,553,718.40
% Change Over Current	+1.7%		+5.88%
\$ Change Over Current	+\$105,230.40		+\$363,691.08

Anthem PPO	ASCIP		Direct to Carrier
	Anthem		AETNA
	PPO		PPO
	2025 Renewal		2025 Proposed – 2b
EE Only	55	\$1,256.05	\$1307.55
EE + 1	51	\$2,623.52	\$2743.29
EE + Family	6	\$3,768.393	\$3919.84
Monthly Premium	\$225,492.61		\$235,342.08
Annual Premium	\$2,705,911.32		\$2,824,104.96
% Change Over Current	+1.7%		+6.14%
\$ Change Over Current	+\$45,231.48		+\$163,425.12

Total Estimated Increase from Current	+\$527,116.20
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Rate Comparison – AETNA HMO & PPO (Actives & Early Retirees)

Rate Cap – 9.9% rate cap for first renewal

Anthem HMO	ASCIP		Direct to Carrier
	Anthem		AETNA
	HMO		HMO
	2025 Renewal		2025 Proposed
EE Only	109	\$818.23	\$789.17
EE + 1	109	\$1,716.68	\$1,655.70
EE + Family	280	\$2,452.93	\$2,365.81
Monthly Premium	\$963,125.59		\$928,916.77
Annual Premium	\$11,557,507.08		\$11,147,001.22
% Change Over Current	+1.7%		-1.91%
\$ Change Over Current	+\$193,193.04		-\$217,312.82

Anthem PPO	ASCIP		Direct to Carrier
	Anthem		AETNA
	PPO		PPO
	2025 Renewal		2025 Proposed
EE Only	161	\$1,256.05	\$1,211.37
EE + 1	146	\$2,623.52	\$2,530.21
EE + Family	69	\$3,768.39	\$3,634.36
Monthly Premium	\$845,276.88		\$815,211.47
Annual Premium	\$10,143,322.56		\$9,782,537.68
% Change Over Current	+1.7%		-1.92%
\$ Change Over Current	+\$169,552.92		-\$191,231.96

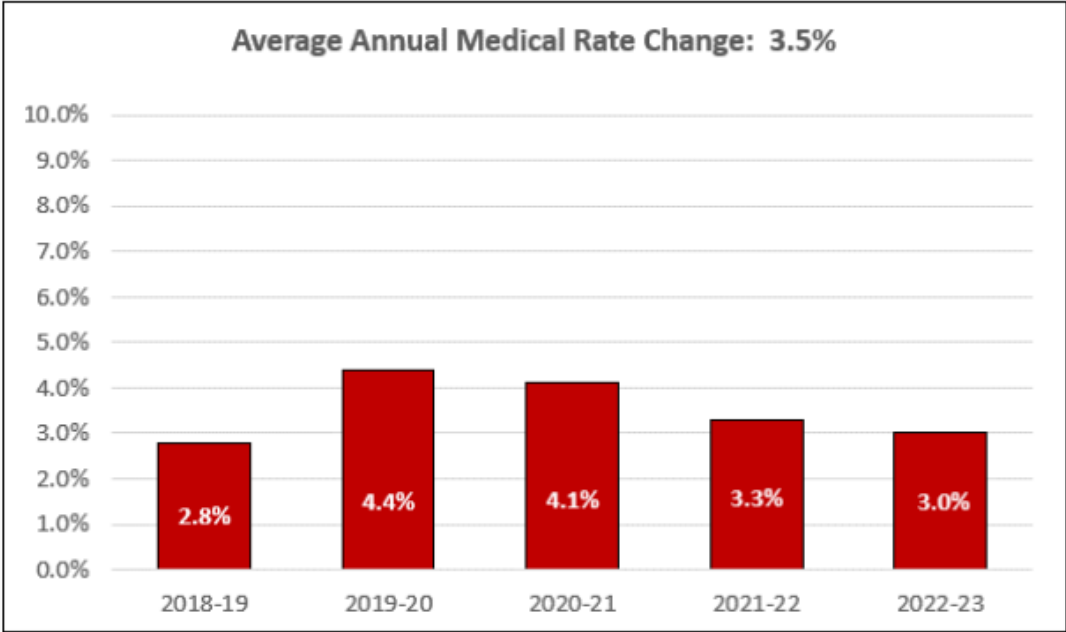
Total Estimated Savings from Current

-\$408,544.78

ASCIP RATE HISTORY / AETNA TREND HISTORY

ASCIP – Average Rate Change History

The average rate change for the past 5 years is shown below.



Self-Funded Anthem and Blue Shield HMO & PPO Medical Pool

5-Year Average Rate Change	
Kaiser	2.90%

ASCIP - RSCCD Rate Change History

	Anthem PPO	Anthem HMO	Kaiser	Delta Care
2017	3.5%	3.5%		0.0%
2018	1.0%	4.0%	New	0.0%
2019	4.0%	4.0%	-3.0%	1.0%
2020	4.5%	4.5%	-1.3%	0.0%
2021*	0.1%	6.4%	11.7%	0.0%
2022	3.0%	3.0%	0.7%	2.0%
2023	0.0%	0.0%	6.4%	0.0%
2024	7.0%	7.0%	8.2%	0.0%
2025	1.7%	1.7%	5.4%	0.0%
Avg 2017-25	2.8%	3.8%	4.0%	0.3%
Avg 2022-25	2.9%	2.9%	5.2%	0.5%

Aetna's Trend History

HMO	2020	2021	2022	2023	2024
Aetna (North)	8.7%	6.2%	8.0%	7.1%	8.9%
Aetna (South)	6.7%	5.3%	7.7%	6.4%	6.9%

PPO	2020	2021	2022	2023	2024
Aetna (North)	10.7%	7.2%	8.9%	8.6%	9.6%
Aetna (South)	8.9%	6.7%	8.4%	8.0%	9.3%

Rx	2020	2021	2022	2023	2024
Aetna (North)	11.0%	11.1%	11.1%	9.1%	9.4%
Aetna (South)	11.0%	11.1%	11.1%	9.1%	9.3%

Aetna- HMO Disruption

4% of medical groups are not part of Aetna's HMO network (many of those are UCI) however, there are two alternative paths for impacted members:

1. **Enrollment in the PPO (OAMC):** UCI is in-network for their PPO network which would allow RSCCD members to continue to see their providers but these members would need to migrate to the PPO plan which has different plan design and cost structure (e.g. co-pays vs. co-insurance).
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2. **Transition of Care:** For those in the middle of treatment which QUALIFY for Transition of Care, this provides a 90-day window during which care is continued by the existing provider as the provider works to identify and develop the best transition of care to providers on the Aetna plan. The attached is the Transition of Care application.

VOTE FOR RECOMMENDATION

JBC Meeting #5

Item	Detail
Purpose	Vote by JBC on Recommendation to the Chancellor
Date	August 13, 2024 at 2 pm
Keenan Responsibility	Keenan will work with RSCCD HR Office to facilitate meeting for JBC membership to cast final votes on recommendation to the Chancellor to be presented to RSCCD Board on September 9 th , 2024
JBC Responsibility	The JBC will be asked to cast their votes on the JBC recommendation to the Chancellor

QUESTIONS?