

Review of Health Plan funding and mitigation for FY 2010-11.

Summary

The Sumter County Group Health Plan is a consolidated program that provides health and disability benefits to employees of the Board of County Commissioners, Clerk of Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, Tax Collector and Lake-Sumter EMS. The program's health and dental benefits are self-insured. Administrative only services (ASO) are purchased from Blue Cross Blue Shield/Florida Combined Life in processing and adjudicating the claims and providing the Blue Options Network. Although Short-term Disability (STD) has been self-insured in the past, we are currently providing STD and Long-Term Disability (LTD) through Sun Life. Life and accidental death and dismemberment (AD&D) insurance is provided as part of the core program in the amount of \$25,000. Other benefits are voluntary and purchased by the employee through payroll deduction.

Brown and Brown contracts as the Employee Benefits Broker and works with the contracts listed above as well as other supporting contracts such as specific loss insurance. The Board's Risk Management Department provides billing coordination and reconciliation, contract management, customer service and financial management of the plan. Self-service through "Benewise," an online management tool is in the process of implementation. Once implemented, Benewise will allow employees to enroll and view their benefit selections as well as other information online. Also, Benewise will provide for automated billing between the vendors, plan administrator and employers. The implementation process remains unfinished with a commitment from the vendor to provide significant progress toward completion by the end of January 2010. Risk Management continues to work closely with Brown and Brown to bring the project to its successful conclusion.

Review

Premiums are recommended annually based on the mid-year actuary report that is provided in late April. Historically, the Board has absorbed premium increases on the employee side which has created a higher employee premium and a lower dependent premium. This practice was done so employees could afford to insure their dependents. Until FY 2008-09, the Board provided 100% of the employee's premium. In FY 08/09 the employee's portion was \$5.00 per month for their premium. In the current fiscal year, the portion was increased to \$10.00 per month. Going forward consideration should be given to realigning the rate structure over a period of five years. Currently the employee premium is 73% of the total premium of employee and family. A sample of the realignment by year five would provide a more balanced premium rate with the employee premium being approximately 50% to 60% of the total premium (employee and family).

*A simple example based on current premiums at 60% would be: Employee rate: \$561.90 per month (currently \$681.50); Family rate: \$374.60 (currently \$255.00). Each year the dependent premiums would increase with the employer premiums decreasing, staying constant or increasing slightly. Staff would work with consultants on a rate structure and model to provide balancing within five years that would also meet funding requirements. Consideration should be given to adverse selection. Adverse selection

comes into play when rates make insuring dependents prohibitive. Healthy participants currently in the group may be dropped; however, the unhealthy participants will remain. The plan would then have less percentage of healthy participants and a larger percentage of unhealthy participants thereby increasing the claims amount per employee and cost of insuring employees overall.

**This example is given for illustrative purposes and not an example of rate structure needed to fund the current plan.*

OPTION 1 – Increase employee portion of premium and realign rate structure to decrease dependent premium subsidizing through the employee premium rate over a period of five years.

In an effort to reduce claims costs, the plan was changed from Blue Choice to Blue Options 3559 in October of 2009. The Blue Option Network provides more favorable contracts with providers in addition to benefit design change. The projected claims avoidance is \$600,000 annually. While it is too early to gage the impact of this change, the November 2009 claim total was about \$100,000 less than the 24 month claim average. By April, a review can be made on the monthly claims for trend analysis purposes. The ASO contract with Blue Cross Blue Shield expires September 30, 2010.

OPTION 2 - Seek proposals for ASO contract and provider network or renew current ASO contract with Blue Cross Blue Shield.

Preparing the FY 09/10 budget, the Board reviewed other options such as offering STD and LTD as voluntary products; however, no changes were made in the disability program in order to dampen the impact of the health plan changes.

The actuarial report filed December 31, 2009, indicates an operating loss of \$662,545 for the year ending September 30, 2009, with a surplus of \$1,177,845 (previous report was \$2,732,097). The surplus is required to fund plan claims in the event the plan is closed. The current surplus provides for the minimum 60 day funding required by the state. The reduction in the plan surpluses was intentional through direction provided by the Board. The report predicts a 10% increase in premiums in order to fund the medical trend of 10% and expense trend of 4% for the FY 2010-11. The 10% increase represents approximately \$700K needed to fund the health portion of the plan. In order to continue funding disability, an additional \$268,832 is needed.

OPTION 3 - Offer STD and LTD as voluntary programs; annual savings is approximately \$268,832 (current cost plus 10% projected increase.)

OPTION 4 - Increase premiums impacting employers and employees (see attached information).

A subsidy is provided for retirees on a direct percentage based on the retired employee's years of service and their Medicare eligibility. The Board took action on July 29, 2009, to eliminate the retiree insurance subsidy benefit in its entirety for all new personnel hired

after September 30, 2009, regardless of retirement date. The subsidy has been funded by pay-as-you-go and is considered an Other Post Employment Benefit (OPEB). The subsidy is one factor in the OPEB cost. The other costs relate to an implicit subsidy on the part of the County because the retirees insurance premium rates are blended with the experience among younger active employees. Since retirees actually have higher costs, this means that the full premium has a subsidy built in. The County has assumed an obligation to pay for the implicit subsidy for the covered lifetimes of the current retirees and their dependents, as well for the covered lifetimes of the future retirees (employees hired before October 1, 2009). The OPEB obligation for Sumter County for the period ending September 30, 2009, is \$3,043,277. There is no requirement to fund the OPEB cost; however, not doing so could have a significant impact on the employer's overall credit rating, consequently affecting the cost of issuing debt financing for the public section employer. The next GASB 45 report will be conducted this year and will quantify the change in liability. The GASB 45 liability can be reduced by reducing the number of retirees remaining on the Health Plan. One option is to steer Medicare eligible retirees to Medicare Advantage or Medicare Supplement plans. This can be accomplished through premium rate structure and subsidy options or incentives

OPTION 5 - Provide rate structure and incentives for Medicare eligible retiree group for additional mitigation to GASB 45 liability for consideration.

A presentation was provided by Novia CareClinics in 2009 on Employee Primary Care Clinics and is attached for reference. Clinics provide primary health care to plan participants thereby decreasing the costs of claims against the health plan for doctor's visits and pharmacy claims. There is no cost to the employee/dependent. The Clinic bills a flat rate per patient per visit to the County. Generic drugs are also bought in bulk and dispensed.

OPTION 6: Seek proposals for an Employee Primary Health Clinic for review and analysis on claim savings on a short and long-term basis.

Considerations

The Board has provided a consolidated health plan program for over 35 years with the addition of Lake-Sumter EMS in recent years. Both the Sheriff's Office and Lake-Sumter EMS have voiced their consideration of seeking alternate health insurance. The employees in the Sheriff's Department and Lake-Sumter EMS represent 56% of our plan participants. As many factors are based on volume, we would anticipate both ASO fees and specific loss insurance premiums per employee to increase due to a significant volume decrease. Also, the demographics of the plan may shift leaving the core group with employees/dependents that have higher claims per employee than the current group. Whether the core group continues with a self-insurance program or a conventional health insurance program, the cost per employee will most likely increase.

Commitment to continue in the Sumter County Government Health Plan is required no later than March 1, 2010, in order to negotiate contracts concerning the budget for the FY 2010-11.

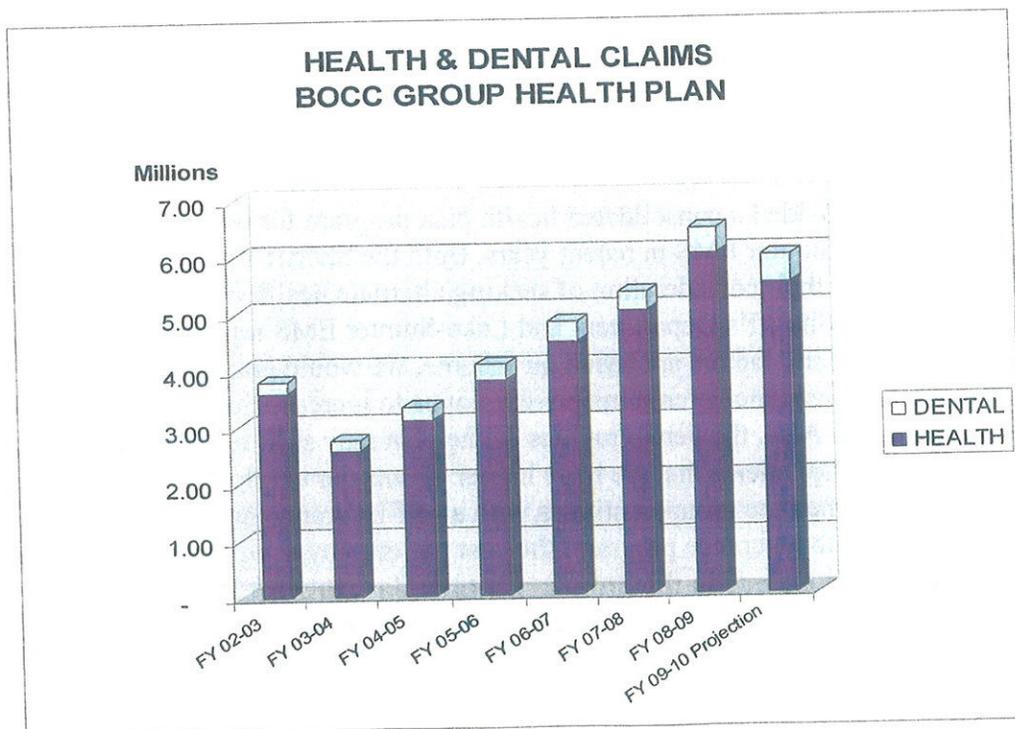
Options

In order to mitigate the premium and ongoing claim increases, we are providing options for further consideration:

- 1) Increase employee's portion (currently \$10 per month) and realign rate structure to decrease dependent premium subsidizing through the employee premium rate over a period of five years.
- 2) Seek proposals for ASO contract and provider network or renew current ASO contract with Blue Cross Blue Shield.
- 3) Offer STD and LTD as voluntary programs; annual savings is approximately \$268,832 (current cost plus 10% projected increase.)
- 4) Increase premiums impacting employers and employees (see attached information).
- 5) Provide rate structure and incentives for Medicare eligible retiree group for additional mitigation to GASB 45 liability for consideration.
- 6) Seek proposals for an Employee Primary Health Clinic for review and analysis on claim savings on a short and long-term basis.

Charts

Note: October 1, 2009 marks the start of change to Blue Options Network, Plan 3559.



GROUP HEALTH PLAN FUNDING ANALYSIS

**Running
Balance**

PROJECTED FUNDING GAP (Premiums v. Plan Costs & Claims)		(1,065,194)
Offer voluntary Long-term Disability (LTD)	(180,832)	(884,361)
Offer voluntary Short-term Disability (STD)	(88,000)	(796,361)
Increase Employee Portion from \$10 to \$20 per month	(102,600)	(693,761)
Premium Increase Options to produce premiums needed: 7% employee/30% dependent 8.2% employee/21% dependent 9% employee/15% dependent 10% employee/10% dependent	(693,761)	-
Primary Care Health Clinic for Employees & Covered Dependents Claim avoidance estimated at \$400K based on \$6.8M in claims; Cost for build-out/equipment ~\$50K; Contract cost per visit ~\$63.86; ESTIMATED YR 1 SAVINGS	(275,000)	275,000
Invitation to Bid on ASO contract and provider network	unknown	

SAMPLE PREMIUM MODELS

MODEL A

Category	SC Govt Enrollment	EMS Enrollment	Total Enrollment	Total Premium FY 09/10	% of Increase to Premiums	Suggested Premiums	Premium Increase	Employee Pays per month	Employer Pays per month per Employee	Increase to Employer per month per Employee	Increase to Employee per month	New Revenue increase from Employees Annually	Add'l cost to BOCC/ Constitutional Officers Annually	Add'l cost to LS/EMS Annually	Total Add'l Impact
Employee	310	130	440	681.50	7%	729.21	47.71	20.00	709.21	37.71	10.00	102,600	273,286	113,567	489,453
Child(ren)	80	53	133	122.00	30%	158.60	36.60	Yes	No		36.60	58,414			58,414
Spouse	79	20	99	204.00	30%	265.20	61.20	Yes	No		61.20	72,706			72,706
Family	135	48	183	255.00	30%	331.50	76.50	Yes	No		76.50	167,994			167,994
Totals	604	251	855									401,713	273,286	113,567	788,567

MODEL B

Employee	310	130	440	681.50	8.2%	737.38	55.88	20.00	717.38	45.88	10.00	102,600	332,560	138,200	573,360
Child(ren)	80	53	133	122.00	21%	147.62	25.62	Yes	No		25.62	40,890			40,890
Spouse	79	20	99	204.00	21%	246.84	42.84	Yes	No		42.84	50,894			50,894
Family	135	48	183	255.00	21%	308.55	53.55	Yes	No		53.55	117,596			117,596
Totals	604	251	855									311,979	332,560	138,200	782,739

MODEL C

Employee	310	130	440	681.50	9%	742.84	61.34	20.00	722.84	51.34	10.00	102,600	372,076	154,621	629,297
Child(ren)	80	53	133	122.00	15%	140.30	18.30	Yes	No		18.30	29,207			29,207
Spouse	79	20	99	204.00	15%	234.60	30.60	Yes	No		30.60	36,353			36,353
Family	135	48	183	255.00	15%	293.25	38.25	Yes	No		38.25	83,997			83,997
Totals	604	251	855									252,157	372,076	154,621	778,854

MODEL D

Employee	310	130	440	681.50	10%	749.65	68.15	20.00	729.65	58.15	10.00	102,600	421,471	175,148	699,219
Child(ren)	80	53	133	122.00	10%	134.20	12.20	Yes	No		12.20	19,471			19,471
Spouse	79	20	99	204.00	10%	224.40	20.40	Yes	No		20.40	24,235			24,235
Family	135	48	183	255.00	10%	280.50	25.50	Yes	No		25.50	55,998			55,998
Totals	604	251	855									202,304	421,471	175,148	798,923



CONSULTING ACTUARIES & HEALTHCARE SPECIALISTS
Clearwater, FL • Louisville, KY • Denver, CO

January 12, 2010

Mr. Daniel Keating, FSA, MAAA, FLMI
Actuary
Florida Department of Financial Services
Larson Building
200 East Gaines Street
Tallahassee, FL 32399-0300

Dear Mr. Keating:

On behalf of our client, the Sumter County Board of County Commissioners, I have submitted a revised for OIR-B2-573. The original submission did not take into account a benefit reduction that occurred October 1, 2009. The revised form reflects the change in benefits. Please ignore the original. I apologize for the inconvenience.

Sincerely,

A handwritten signature in cursive script that reads 'George K. Hawkins Jr.'.

George K. Hawkins Jr., F.S.A., M.A.A.A.
Senior Consulting Actuary
(727)507-9858, ext. 104

Enclosures

Q893 Form 573 Revision.docx



December 31, 20098

Mr. Daniel Keating, FSA, MAAA, FLMI
Actuary
Florida Department of Financial Services
Larson Building
200 East Gaines Street
Tallahassee, FL 32399-0300

Dear Mr. Keating:

On behalf of our client, the Sumter County Board of County Commissioners, we are sending documents as required by Florida Statute 112.08.

Sincerely,

George K. Hawkins Jr., F.S.A., M.A.A.A.
Senior Consulting Actuary
(727)507-9858, ext. 104

Enclosures

Q893 Cover Letter09.docx

ACTUARIAL CERTIFICATION

Sumter County Board of County Commissioners Employee Benefit Fund

Plan Year Ending September 30, 2009

Wakely Consulting Group Inc. has been retained by the Sumter County Board of County Commissioner to evaluate the actuarial soundness of the Employee Benefit Fund (the Fund). The effective date of this valuation is September 30, 2009. This certification is to meet the requirements of Florida Statute 112.08.

Coverage under the Plan is a benefit available to employees of the Sumter County Government. Such coverage provides comprehensive health benefits to the employees and their dependents. It is jointly funded by contributions from the County and from the insured employees. It is self-insured by the County with specific stop-loss and aggregate reinsurance purchased from Symetra Life Insurance Company. Administration is handled by Blue Cross and Blue Shield of Florida.

All data used for our analysis were provided us by the County. We have reviewed the data for reasonableness as we deemed necessary and appropriate. We have not audited the data furnished us and are not certifying to the accuracy of these data.

The methods used in our actuarial study are consistent with: Actuarial Standard of Practice No. 5, "Incurred Health and Disability Claims"; Actuarial Standard of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans"; Actuarial Standard of Practice No. 23, "Data Quality".

Based upon our actuarial review, and contingent upon accuracy of the data furnished us, in our opinion:

- A. The net assets of the Plan as of the valuation date are adequate to fully fund the existing liabilities as of the same date.
- B. The rate structure of the Plan, when considered with the available Plan assets and investment income earnings, after allowing for the assets needed to support (A) above, appears adequate to support the projected claims and other expenses of the Plan for the 2009-2010 plan year.
- C. Based on the review of the benefits, funding method and sources of funds, the Sumter County Board of County Commissioners Self-Funded Group Health Plan is actuarially sound

Submitted for Wakely Consulting Group Inc.

by



George K. Hawkins, Jr. F.S.A., M.A.A.A.

**SUMTER COUNTY BOARD OF COUNTY COMMISSIONERS
SELF-FUNDED GROUP HEALTH PLAN**

FISCAL YEAR REPORT COVERING OCTOBER 2008 THROUGH SEPTEMBER 2009

ANNUAL REPORT OF SELF-FUNDED HEALTH BENEFIT PLANS

1.	PREMIUM INCOME	\$ 7,960,517
2.	OTHER INCOME (IF AMOUNT IS GREATER THAN 10% OF ITEM 1, ATTACH DETAILED EXPLANATION)	\$ 542,862
3.	INVESTMENT INCOME (IF AMOUNT IS GREATER THAN 10% OF ITEM 1, ATTACH DETAILED EXPLANATION)	\$ (6,142)
4.	TOTAL INCOME (1 + 2 + 3)	\$ 8,497,237
5.	CLAIMS PAID	\$ 7,084,867
6.	CLAIM RESERVES - END OF CURRENT YEAR	\$ 592,776
7.	CLAIM RESERVES - END OF PRIOR YEAR	\$ 513,419
	(MUST MATCH WITH PRIOR REPORT OR ATTACH DETAILED EXPLANATION)	
8.	TOTAL INCURRED CLAIMS - GROSS (SUM OF ITEMS 5 & 6, LESS ITEM 7)	\$ 7,164,225
9.	REINSURANCE RECOVERABLE	\$ 401,587
10.	TOTAL INCURRED CLAIMS - NET OF REINSURANCE (ITEM 8 LESS ITEM 9)	\$ 6,762,637
11.	STOP LOSS INSURANCE PREMIUMS	\$ 859,152
12.	EXPENSES	
	A. SALARIES & ADMINISTRATIVE FEES	\$ 785,350
	B. CONSULTING FEES	
	1. TPA/INSURS CO CONSULTING FEES	\$ 14,890
	2. OTHER CONSULTING FEES	
	TOTAL CONSULTING FEES	\$ 14,890
	C. OFFICE EXPENSES	\$ 4,561
	D. OTHER (IF GREATER THAN 10% OF THE SUM IF ITEMS A-D, ATTACH DETAILED EXPLANATION OF COSTS.)	\$ 733,192
	E. TOTAL EXPENSES (SUM OF ITEMS A, B, C & D)	\$ 1,537,993
13.	TOTAL DISBURSEMENTS (SUM OF ITEMS 10,11, &12-E)	\$ 9,159,782
1.	OPERATING GAIN OR LOSS (ITEM 4 LESS ITEM 13)	\$ (662,545)

Notes to Numbered Items:

2. Other income includes:

Supportable Life	\$160,627
Disability	\$107,681
AllState	\$30,155
FSA/DCAP	\$133,377
Other	\$111,022
TOTAL	\$542,862

6. Claim liability reserves were calculated according to "Actuarial Standards of Practice No. 5".

12.D. Other expenses include:

Life Premium	\$75,803
AD&D Premium	\$9,508
Disability	\$148,323
STD Admin.	\$17,914
STD Claims	\$129,527
FSA/DCAP	\$147,948
Voluntary Life	\$160,620
AllState	\$30,155
Wellness	13,394
TOTAL	\$733,192

**SUMTER COUNTY BOARD OF COUNTY COMMISSIONERS
SELF-FUNDED GROUP HEALTH PLAN**

OPERATING PROJECTIONS FOR SELF-INSURED HEALTH BENEFIT PLANS

FISCAL YEAR COVERING OCTOBER THROUGH SEPTEMBER

PART 1

	CURRENT YEAR October 2009 - September 2010	PLAN YEAR 1 October 2010 - September 2011	PLAN YEAR 2 October 2011 - September 2012
1. NUMBER OF EMPLOYEES	863	863	863
2. PREMIUM INCOME	\$ 8,335,000	\$ 9,169,000	\$ 10,086,000
3. OTHER INCOME (INCLUDES INVESTMENT INCOME)	\$ 47,000	\$ 52,000	\$ 58,000
4. TOTAL INCOME (2 + 3)	\$ 8,382,000	\$ 9,221,000	\$ 10,144,000
5. TOTAL INCURRED CLAIMS*	\$ 7,560,000	\$ 8,361,360	\$ 9,247,664
6. TOTAL EXPENSES	\$ 689,000	\$ 716,560	\$ 745,222
7. TOTAL DISBURSEMENTS (5 + 6)	\$ 8,249,000	\$ 9,077,920	\$ 9,992,887
8. TOTAL GAIN OR LOSS (4 - 7)	\$ 133,000	\$ 143,080	\$ 151,113
9. SURPLUS BEGINNING OF YEAR	\$ 1,178,000	\$ 1,311,000	\$ 1,454,080
10. SURPLUS END OF YEAR (8 + 9)	\$ 1,311,000	\$ 1,454,080	\$ 1,605,193

ASSUMPTIONS

	CURRENT YEAR	PLAN YEAR 1	PLAN YEAR 2
1. Premium Increase	Actual Premium	10.0%	10.0%
2.a. Medical Claim Trend	10.6%	10.6%	10.6%
2.b. Expense Trend	Actual Expenses	4.0%	4.0%
3. Premium Contributions (See Below)			
4. Specific Stop Loss Attachment Point	\$75,000	\$75,000	\$75,000

MONTHLY MEDICAL and DENTAL PREMIUM CONTRIBUTIONS

		Effective 10/2009	Effective 10/2010	Effective 10/2011
EMPLOYEE ONLY	County	\$663.00	\$729.30	\$802.23
	Employee	\$10.00	\$11.00	\$12.10
EE + SPOUSE	County	\$663.00	\$729.30	\$802.23
	Employee	\$204.00	\$224.40	\$246.84
EE+ CHILD(REN)	County	\$663.00	\$729.30	\$802.23
	Employee	\$122.00	\$134.20	\$147.62
FAMILY	County	\$663.00	\$729.30	\$802.23
	Employee	\$255.00	\$280.50	\$308.55

IF LINE 8 IS NEGATIVE, PROVIDE AN EXPLANATION AS TO WHY PREMIUM RATES CAN NOT BE INCREASED.

* INCLUDES PREMIUMS FOR STOP LOSS INSURANCE.

**SUMTER COUNTY BOARD OF COUNTY COMMISSIONERS
SELF-FUNDED GROUP HEALTH PLAN**

OPERATING PROJECTIONS FOR SELF-INSURED HEALTH BENEFIT PLANS

FISCAL YEAR COVERING OCTOBER THROUGH SEPTEMBER

PART I

	CURRENT YEAR October 2009 - September 2010	PLAN YEAR 1 October 2010 - September 2011	PLAN YEAR 2 October 2011 - September 2012
1. NUMBER OF EMPLOYEES	863	863	863
2. PREMIUM INCOME	\$ 8,335,000	\$ 9,835,000	\$ 11,015,000
3. OTHER INCOME (INCLUDES INVESTMENT INCOME)	\$ 47,000	\$ 29,000	\$ 34,000
4. TOTAL INCOME (2 + 3)	\$ 8,382,000	\$ 9,864,000	\$ 11,049,000
5. TOTAL INCURRED CLAIMS*	\$ 8,153,000	\$ 9,017,218	\$ 9,973,043
6. TOTAL EXPENSES	\$ 689,000	\$ 716,560	\$ 745,222
7. TOTAL DISBURSEMENTS (5 + 6)	\$ 8,842,000	\$ 9,733,778	\$ 10,718,266
8. TOTAL GAIN OR LOSS (4 - 7)	\$ (460,000)	\$ 130,222	\$ 330,734
9. SURPLUS BEGINNING OF YEAR	\$ 1,178,000	\$ 718,000	\$ 848,222
10. SURPLUS END OF YEAR (8 + 9)	\$ 718,000	\$ 848,222	\$ 1,178,956

ASSUMPTIONS

	CURRENT YEAR	PLAN YEAR 1	PLAN YEAR 2
1. Premium Increase	Actual Premium	18.0%	12.0%
2.a. Medical Claim Trend	10.6%	10.6%	10.6%
2.b. Expense Trend	Actual Expenses	4.0%	4.0%
3. Premium Contributions (See Below)			
4. Specific Stop Loss Attachment Point	\$75,000	\$75,000	\$75,000

MONTHLY MEDICAL and DENTAL PREMIUM CONTRIBUTIONS

		Effective 10/2009	Effective 10/2010	Effective 10/2011
EMPLOYEE ONLY	County	\$663.00	\$782.34	\$876.22
	Employee	\$10.00	\$11.80	\$13.22
EE + SPOUSE	County	\$663.00	\$782.34	\$876.22
	Employee	\$204.00	\$240.72	\$269.61
EE+ CHILD(REN)	County	\$663.00	\$782.34	\$876.22
	Employee	\$122.00	\$143.96	\$161.24
FAMILY	County	\$663.00	\$782.34	\$876.22
	Employee	\$255.00	\$300.90	\$337.01

IF LINE 8 IS NEGATIVE, PROVIDE AN EXPLANATION AS TO WHY PREMIUM RATES CAN NOT BE INCREASED.

* INCLUDES PREMIUMS FOR STOP LOSS INSURANCE.

**SUMTER COUNTY BOARD OF COUNTY COMMISSIONERS
SELF-FUNDED GROUP HEALTH PLAN**

GENERAL INFORMATION

	BENEFIT (A)	BENEFIT (B)	BENEFIT (C)
1. TYPE OF BENEFIT	Medical		
2. NUMBER OF COVERED EMPLOYEES	869		-
SINGLE EMPLOYEES	410		
EMPLOYEES WITH DEPENDENTS	459		
3. NUMBER OF CLAIMS FILED	35,746		-
4. CLAIMS INCURRED	\$ 7,164,225		
5. CLAIM FREQUENCY (3 / 2)	41.13		
6. AVERAGE CLAIM (4 / 3)	\$ 200.42		
7. ANNUAL CLAIM COST (4 / 2)	\$ 8,244.22		

SURPLUS STATEMENT

(THIS SCHEDULE TRACES THE DEVELOPMENT OF SURPLUS IN THE PLAN FROM THE PRIOR YEAR TO THE END OF THE CURRENT YEAR)

1. SURPLUS FROM PRIOR YEAR (IF A DEFICIT, SHOW AS NEGATIVE SURPLUS)	\$ 2,732,097
2. CHANGE IN SURPLUS FROM FUND OPERATIONS (GAIN OR LOSS FOR YEAR)	\$ (662,545)
3. CHANGE IN SURPLUS DUE TO OTHER FACTORS (CONTRIBUTION, WITHDRAWAL)	\$ (891,707)
4. OVERALL CHANGE IN SURPLUS, PRESENT YEAR	\$ (1,554,252)
5. SURPLUS END OF CURRENT YEAR (SUM OF ITEM 1 AND ITEM 4)	\$ 1,177,845

NOTE: IF LINE 5 IS NEGATIVE, THE PLAN IS NOT IN GOOD STANDING WITH THE FLORIDA OFFICE OF INSURANCE REGULATION. THIS DEFICIT MUST BE REMOVED BY AN INFUSION OF AN AMOUNT AT LEAST EQUAL TO THE DEFICIT. IF THE DEFICIT IS TO BE LIQUIDATED OVER A PERIOD OF TIME, PLEASE GIVE THE DETAILS OF THIS PROGRAM FOR CONSIDERATION ALONG WITH A SUPPORTING ACTUARIAL OPINION. IF THE PLAN'S SURPLUS IS LESS THAN 60 DAYS OF ANTICIPATED CLAIMS, OTHER QUESTIONS MAY BE ASKED OF THE PLAN AS THE OFFICE SEES FIT.

OIR-B2-574
Rev. 12/03

OIR-B2-574

GENERAL INFORMATION ON SELF-FUNDED HEALTH BENEFIT PLANS

PLAN FISCAL YEAR October 1 through September 30

PLAN NAME Board of Sumter County Commissioners
Group Health Plan

INDIVIDUAL CONTACT Ms. Sandra Howell
Assistant County Administrator

ADDRESS 910 N. Main Street
Bushnell, FL 33513

PHONE NUMBER 352-793-0200

FAX NUMBER 352-568-6616

E-MAIL Sandra.Howell@Sumtercountyfl.gov

ADMINISTRATOR Blue Cross Blue Shield of Florida

INDIVIDUAL CONTACT Ms. Pamela Ross

ADDRESS 610 Crescent Executive Court
Suite 600
Lake Mary, FL 32746

PHONE NUMBER 800-545-6565 x 37735

FAX NUMBER 407-804-4415

E-MAIL _____

ACTUARIAL FIRM Wakely Consulting Group, Inc.

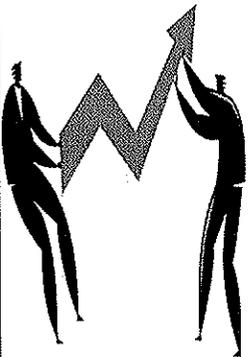
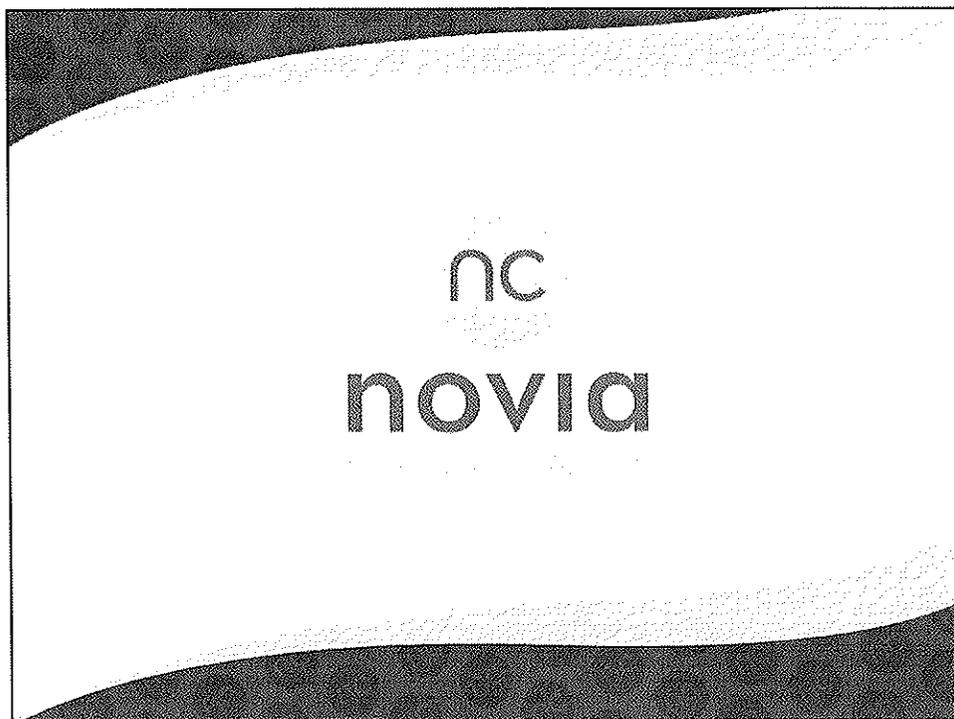
ACTUARY George K. Hawkins, Jr. F.S.A., M.A.A.A.
Consulting Actuary

ADDRESS 19321 US Highway 19N
Suite 515
Clearwater, FL 33764-3143

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E-MAIL georgeh@wakelyconsulting.com



The Problem

\$8,000+ per person/year* in healthcare costs
12-16% statewide annual medical trend for major carriers!
45% of Americans have 1 or more chronic conditions!
33% of chronic conditions go undiagnosed!
69% of adults w/a chronic condition are unaware, aware but not treated, treated but not controlled
An aging population – Avg. age 40.7!
The Uninsured - 48 million!

* Source: Study by U.S. Department of Health and Human Services, 2/24/09

What is being done?

- ❖ More cost shifting to employees
- ❖ Carrier discounts have peaked
- ❖ Carriers driving down utilization (NIA, Step Therapy)
- ❖ No data interchange/sharing, no encounter data
- ❖ Carrier programs ineffective in measuring ROI

A Proposed Solution **Novia CareClinics**

- ❖ *On-site Primary Care provided by Physicians*
- ❖ *Free access for employees and dependents*
- ❖ *Reduce barriers to care*
- ❖ *Focus on combining health care, disease management and wellness by direct integration of care*

Novia CareClinics save money by:

- ❖ Reducing medical claims cost (Physician, Rx & Lab)
- ❖ Reducing annual medical trend
- ❖ Reducing employee out-of-pocket costs
- ❖ Increasing productivity
- ❖ Improving employee health by direct interaction
- ❖ Reducing some Occupational Health costs

Reducing Prescription Drug Costs

- ❖ Purchase Pre-packaged Generic prescriptions direct
- ❖ Stock top generics based on most utilized
- ❖ Increase Generic utilization, reduce brand-name utilization
- ❖ Clinic focuses on direct patient relationship for better outcomes
- ❖ Better outcomes may reduce need for prescription drugs, i.e. lower cholesterol by diet and exercise

Average Primary Care Costs

PEPM Basis

Retail

Novia CareClinics

Services

\$150.00*

\$63.86**

Physician/Nurse/Staff costs

Basic Generic Drug costs (no controlled substances)

Laboratory Test costs (blood draws, urine tests, etc.)

Supplies costs (typical office)

Management Fees (back office overhead and administration)

*Not including member copays

**Based on Novia CareClinic results through 10/31/08

Reducing Annual Medical Trend

Current medical trend at 12% - 16% statewide

❖ Nova's family of customers currently run at 6% medical trend*

	2009	2010	2011	2012
Medical Claims @ 14% trend	\$10,000,000	\$11,400,000	\$12,996,000	\$14,815,000
Medical Claims @ 6% trend	\$10,000,000	\$10,600,000	\$11,236,000	\$11,910,000
Projected claims savings w/ Novia CareClinic		\$800,000	\$1,760,000	\$2,906,000

* clinics operating minimum 3 years

No Copays for Employees/Dependents

- ❖ **Primary Care** – Office visits, colds, illness, etc.
- ❖ **Generic Prescriptions** – Dispensed on-site, 30 day supply
- ❖ **Lab Testing** – Complete CBC, Lipid Panel, PSA
- ❖ **Preventive Care** – Wellness testing, Physicals, HRAs, etc.
- ❖ **Fast, Easy Access** – More time with doctor, 20 min. appts.
- ❖ **Appointments** – Scheduled online or via phone
- ❖ **Expandable** – Clinic can expand services as needed

Increase Productivity & Manage Work Comp./Occ. Health Costs

- ❖ Average office visit length = 3.2 hrs
- ❖ On-site clinic visit length = .5 hrs
- ❖ Productivity Gain = 2.8 hrs!!
- ❖ Higher productivity through greater convenience!!
- ❖ 1st report of injury during operating hours
- ❖ Pre-employment, DOT, Police and Fire physicals
- ❖ Drug Testing



Health Coaching Reduces Claims Costs & Improves Employee Health

- ❖ Health Coach has direct access to on-site physician
- ❖ Help employees make more educated decisions
- ❖ Staff of 32 Registered Nurses
- ❖ Health Coaches accredited with University of Wisconsin
- ❖ 30% lower Inpatient admissions for chronic conditions
- ❖ 40% of coached employees chose alternate to surgery
- ❖ 30% lower Emergency Room admissions

Recruiting Medical Personnel

- ❖ Medical Professionals are recruited from within the local community and current health plan network
- ❖ Novia recruits multiple physicians to work on a rotating basis according to employer needs
- ❖ All Medical Professionals working in the clinic are contracted by Novia at an hourly rate
- ❖ Physician designations considered: Family Practice, General Practice, Internal Medicine
- ❖ Candidates are qualified through a credentialing process
- ❖ Employer invited to final physician candidate interviews

Novia CareClinics

Minimums, estimated start-up & on-going costs

- ❖ One (1) Board Certified Physician
- ❖ One (1) Nurse or Qualified Medical Assistant
- ❖ 800 sq. ft. w/Exam Room, Prep & Storage Room, Restroom and Reception Area
- ❖ Employer Build-out - **\$12,000 to \$35,000** per site
- ❖ Initial Equipment & Supplies - **\$17,000-\$20,000** per site
- ❖ On-going costs include medical staff, generic drugs, lab tests, supplies and Clinic Management Fee

Next Steps...

- ❖ **Prepare formal proposal, including Savings Analysis**
- ❖ **Obtain recommendations and Board approval**
- ❖ **After you say YES:**
 - ❖ **Physician recruitment**
 - ❖ **Clinic location and build-out**
 - ❖ **Employee meetings**
 - ❖ **Begin operations**
 - ❖ **From YES to opening, 90-120 days**

2009-2010 Group Health Benchmarks NOTE: Premiums are rounded to the nearest \$1.	Sumter County 2009-2010	Citrus County 2009-2010	Hernando County 2009-2010	Lake County 2009-2010	Marion County 2009-2010	Sumter County School Board 2009-2010	Mid Florida Community Services 2009-2010	SECO 2009-2010	Villages CCD 2009-2010
Board Pays For or Pays a Percentage of:	Health/Dental Life/AD & D STD & LTD	Health/Dental Life STD & LTD	HSA with multiple plan options	Health (Dental, Life, AD & D, and LTD covered separately)	Health, Life AD & D/LTD	Health, AD & D, Life (Dental and Vision covered separately)	Health/Dental Life/LTD	Health, Life, AD & D/STD & LTD	Health Dental
Single Coverage									
Portion of single coverage paid by employer	\$671	\$404	Up To \$670	\$396 or \$403	\$277 or \$318	\$346	\$416	\$441	\$531
Portion of Single coverage paid by employee	\$10	\$33 if Blue Choice	\$0	\$53 or \$70	\$0 or \$30	\$26 or \$154	\$0	\$0	\$0
Total for Single coverage	\$681	\$404 or \$437	\$670	\$449 or \$473	\$277 or \$318	\$372 or \$500	\$416	\$441	\$531
Child/ren									
Portion of child/ren coverage paid by employer	\$0	See Family Coverage	Employee/Children Up To \$760	See Family Coverage	See Family Coverage	See Family Coverage	N/A	See Family Coverage	\$0
Portion of Child/ren coverage paid by employee	\$122	See Family Coverage	See Benefits Form	See Family Coverage	See Family Coverage	See Family Coverage	\$445	See Family Coverage	\$468
Total for Child/ren	\$122	NA	\$760 to \$1043	N/A	N/A	N/A	\$445	N/A	\$468
Spouse									
Portion of Spouse coverage paid by employer	\$0	See Family Coverage	Employee/Spouse Up To \$760	See Family Coverage	See Family Coverage	See Family Coverage	N/A	See Family Coverage	\$0
Portion of Spouse coverage paid by employee	\$204	See Family Coverage	See Benefits Form	See Family Coverage	See Family Coverage	See Family Coverage	\$366	See Family Coverage	\$569
Total for Spouse	\$204	NA	\$760 to \$1063	N/A	N/A	N/A	\$366	N/A	\$569
Family Coverage									
Portion of Family coverage paid by employer	\$0	\$44	NA	N/A	N/A	N/A	N/A	\$845	\$0
Portion of Employee/Family 1-3 plus dependents paid by employer	NA	N/A	Up To \$830	\$968 or \$984	\$607 or \$699	\$346	N/A	\$845	\$531
Portion of Family coverage paid by employee	\$255	\$360 or \$393	NA	N/A	N/A	N/A	\$905	\$211	N/A
Portion of Employee/Family 1-3 plus dependents paid by employee	NA	N/A	See Benefits Form	\$226 or \$274	\$153 or \$175	\$365 to \$693	N/A	\$211	\$1,037
Total Paid for Family Coverage	\$255	\$404 or \$437	\$830 to \$1204	\$1194 or \$1258	\$760 or \$874	\$711 to \$1039	\$905	\$1,057	\$1,568
Number of Benefit Eligible Employees	864	789	1200	816	2600	481	335	407	176
Annual contribution by Employer Per Employee	\$8,058	\$4,843	Employee & Dep Combined Below	Employee & Dep Combined Below	Employee & Dep Combined Below	Employee & Dep Combined Below	\$4,995	\$5,297	\$6,372
Annual contribution by Employer Per Employee for Dependents	\$0	\$528	\$9,960	\$11,808	\$8,388	Max \$4,148.00	\$0	\$10,145	\$0
Max Annual Employer Contribution per Employee	\$8,058	\$5,371	\$9,960	\$11,808	Max \$8,388	Max \$4,148.00	\$4,995	\$5,297	\$6,372
Self Insured for Health	Yes	Yes	No	Yes	No	No	No	Yes	No
Co-payment for Dr. visits (In-Network)	\$20/\$40	\$20	\$10/\$25 HMO	\$20/\$35	CYD/Co-ins or \$25/CYD	\$30/\$25	\$25	\$25/\$30	\$25
Deductible (In-Network)	\$500/\$1,500	\$500/\$1,500	\$0/\$500 HMO	\$0/\$750/\$2,250	\$1000/\$3000 or \$500/\$1500	\$750/\$1500 or \$1000/\$3000	\$1250/\$3750	\$400/\$800 or \$500/\$1000	\$1,250
Prescription Co-payments	\$5/\$25/\$50	\$15/\$30/\$50	\$10/\$25/\$40 HMO	\$15/\$25/\$40	\$100 ded then 30% or \$10/\$30/\$50	\$20/\$40/\$60	N/A	\$10/\$20/\$40	\$10/\$25/\$40
Prescription Mail Order Co-payments (90 days)	\$10/\$50/\$100	Info Not Provided	Info Not Provided	\$30/\$50/\$80	\$20/\$60/\$100	Info Not Provided	Info Not Provided	Info Not Provided	Info Not Provided
Administer Health Plan for:									
Clerk	Yes	Yes	Yes	No	Yes	N/A	N/A	N/A	N/A
Property Appraiser	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	N/A
Tax Collector	Yes	No	Yes	No	Yes	N/A	N/A	N/A	N/A
SOE	Yes	No	Yes	Yes	Yes	N/A	N/A	N/A	N/A
Sheriff	Yes	No	No	No	Yes	N/A	N/A	N/A	N/A
Administer Work Comp for:									
Clerk	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	N/A
Property Appraiser	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	N/A
Tax Collector	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	N/A
SOE	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	N/A
Sheriff	No	No	No	No	No	N/A	N/A	N/A	N/A
Self insured for Work Comp	No	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A

Self-insured Retention	N/A	\$250,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Retiree Subsidy	Yes	No	No	FRS - Yes	No	N/A	N/A	N/A	N/A

Additional Comments:

Citrus County offers two plans (Blue Choice and Blue Options). After being employed one year PT (any hours) employees become eligible for benefits. Regular employees working 20 hours per week or more are benefit eligible.

Hernando County offers multiple plans and contributes approximately \$670 to \$830 to Employee HSA's (Health Savings Account) each month. Employees are required to select LTD and Life and pay from their HSA dollars. There were no changes from 0809 to 0910 per Mary Spensor.

Lake County offers two plans (HMO and PPO). FT employees working 30 hours or more are benefit eligible. The employer also pays for Dental, Life, AD & D, and LTD (employer contribution amount was not provided) for the employee and offers dependent Dental coverage paid 100% by the employee. Lake County makes available BlueMedicare PPO to retirees, which is offered by BlueCross and BlueShield of FL. - Retirees pay 100% as an option and it is a fully insured plan.

Marion County offers two plans. Regular employees working 40 hours per week are benefit eligible.

Mid Florida Community Services - STD and A D & D are voluntary benefits paid by employee.

SECO offers two plans (Blue Choice PPO's). Only Health is included in premium amount shown paid by employer.

Sumter County BOCC's Family Coverage Premium shows dependent premium only. An FSA Credit of \$250 to \$500 is available to any employee who declines Health Plan. Sumter County subsidizes a portion of the dependent premium in the employee premium rate.

Sumter County School Board offers multiple plans and has an HSA. Only one Blue Choice and one Blue Option plan are represented in this spreadsheet. They also have an FSA arrangement whereby if they decline Health Plan they receive \$500 in FSA Funds and free Dental and Vision Plan. Dental and Vision Benefits are available at an additional employee cost (\$37 to \$69 per month). The School Board indicated that they may actually contribute more from the employer side and they are working on coming up with a more accurate figure, but for now this is still the information they are using and providing the employees. Life and all voluntary benefits paid by employee. Retirees are also offered a Medicare Advantage Option.

RETIREE RATES 2009-2010 NOTE: Premiums will round to the nearest \$1 when entered.	Sumter County 2009-2010	Citrus County 2009-2010	Hernando County 2009-2010 (No change per Mary Spensor)	Lake County 2009-2010	Marion County 2009-2010	Sumter County School Board 2009-2010	Mid Florida Community Services 2009-2010	SECO 2009-2010	Villages CCD 2009-2010
Retiree Medicare Ineligible (6-9 years of service)	Dental/Health/Life	Health		Health	Health				NO BENEFITS
Portion paid by employer	\$170	\$0	\$0	\$0	\$0	N/A	N/A	COBRA ONLY if retired	N/A
Portion paid by retiree	\$510	\$436 or \$404	See Attached	\$449 or \$473	\$277 or \$318	\$371 to \$500	N/A	prior to age 65.	N/A
Total for Retiree Medicare Ineligible	\$680	\$436 or \$404	See Attached	\$449 or \$473	\$277 or \$318	\$371 to \$500	N/A		N/A
Retiree Medicare Ineligible (10 plus years of service)									
Portion paid by employer	\$340	No difference for years of service, age, etc.	No difference for years of service, age, etc.	No difference for years of service, age, etc.	No difference for years of service, age, etc.	No difference for years of service, age, etc.	N/A	N/A	N/A
Portion paid by retiree	\$340						N/A	N/A	N/A
Total for Retiree Medicare Ineligible	\$681						N/A	N/A	N/A
Retiree Age 65 and up (Eligible Medicare A & B)									
Portion paid by employer	\$64	N/A	See Attached	N/A	N/A	N/A	N/A	\$0	N/A
Portion paid by employee	\$193	N/A	See Attached	N/A	N/A	N/A	N/A	\$220	N/A
Total for Retiree Ages 65-69	\$257	N/A	See Attached	N/A	N/A	N/A	N/A	\$220	N/A
Retiree Spouse 65 & Over	Dental/Health No Life	Health	See Attached	Health	Health	Health, Dental			
Portion paid by employer	\$0	N/A	See Attached	N/A	N/A	N/A	N/A	\$0	N/A
Portion Spouse paid by retiree	\$105	N/A	See Attached	N/A	N/A	\$608 to \$827	N/A	\$0	N/A
Portion Retiree/Spouse paid by retiree	N/A	N/A	See Attached	N/A	N/A	N/A	N/A	\$359	N/A
Total for Retiree Spouse	\$105	N/A	See Attached	N/A	N/A	\$608 to \$827	N/A	\$359	N/A
Retiree Spouse 65 & Over with Family Coverage									
Portion paid by employer	\$0	\$0	See Attached	\$0	\$0	N/A	N/A	N/A	N/A
Portion paid for Spouse/Family by retiree	\$227	\$0	See Attached	\$0	\$0	\$711 to \$1123	N/A	N/A	N/A
Portion Retiree/Spouse/Family paid by retiree	\$0	\$842	See Attached	\$1195 or \$1258	\$760 or \$874	N/A	N/A	N/A	
Total for Retiree Spouse & Family	\$227	\$842	See Attached	\$1195 or \$1258	\$760 or \$874	\$711 to \$1123	N/A	N/A	N/A
Self Insured for Retiree Health	Yes	Yes	No	Yes	No	No	N/A	Yes	N/A
Co-payment for Dr. visits	\$20/\$40	\$20	See Attached	\$20/\$35	CYD/Co-ins or \$25/CYD	\$30/\$25	N/A	20% Above SECO & Medicare B Deductable	N/A
Deductible	\$500/\$1500	\$500/\$1,500	See Attached	\$0 or \$750 / \$2,250	\$1000/\$3000 or \$500/\$1500	\$750/\$1500 or \$1000/\$3000	N/A	\$100 pp / \$200 Family	N/A
Prescription Co-payments	\$5/\$25/\$50	\$15/\$30/\$50	See Attached	\$15/\$25/\$40	\$100 ded then 30% or \$10/\$30/\$50	\$20 / \$40 / \$60	N/A	No RX	N/A

2009-2010 GASB 45 Survey of Local Area Counties and Schools

Item	Sumter County	Citrus County	Hernando County	Lake County	Lake County Schools	Marion County	Sumter County School Board
Are you funding GASB 45?	No	No	Yes	No	No	No	No
How are you funding GASB 45?	NA	NA	Irrevocable Trust	NA	NA	NA	NA
Are you funding 100% or a lesser amount?	NA	NA	Yes	NA	NA	NA	NA
What \$ amount is being funded?	NA	NA	FY08/09 \$642,000	NA	NA	NA	NA

2009-2010 GASB 45 Survey (Cities and one County Outside our Local Area)

Item	Broward County	City of Dunwoody	City of Fort Lauderdale	City of Leesburg	City of Melbourne	City of Mt Dora	City of Plant City
Are you funding GASB 45?	Yes	No	Yes FY 2010-2011	No	No	No	No
How are you funding GASB 45?	Internal Trust	NA	Undetermined	NA	NA	NA	NA
Are you funding 100% or a lesser amount?	NA	NA	NA	NA	NA	NA	NA
What \$ amount is being funded?	NA	NA	NA	NA	NA	NA	NA

2008 Benefits Selection Form

Employee#: _____ Employee Name: _____ Date of Birth: _____ Payroll Effective Date: _____
Department: _____ Salary: _____ Hire date: _____ Coverage Effective: _____

I. Benefit Choice Dollars \$335 \$380 \$415 *per pay period*

(110) (111) (112)

II. Required Insurance Selections

All premiums are per pay period

Medical	Employee Only (\$335)	Employee + Spouse (\$380)	Employee + Children (\$380)	Employee + Family (\$415)	Selected Amount	Pay Code
BC/BS Blue Options 1767 Plan (\$0 Deductible in Network/\$300 Out of Net.)	\$286.50	\$515.50	\$506.50	\$585.00		051, 052, 050, 053
BC/BS Blue Options 1559 Plan (\$500 Deductible with co-payments in/out)	\$259.00	\$467.00	\$458.00	\$528.50		054, 055, 057, 056
BC/BS HMO (Blue Care/Health Options)	\$295.00	\$531.50	\$521.50	\$602.00		058, 059, 065, 060
BC/BS \$1250 Ded/HSA w/\$1000.00 in acc.	\$206.67	\$326.17	\$300.17	\$477.67		046, 047, 048, 049
Disability/Life Insurance						
Long Term Disability .0061 of pay Post tax	Adjustments to salary will alter premium (max per year - \$560 yr/ \$23.34 per pay period)					161
Life Insurance (AD&D, \$10,000)					\$1.43	071

III OPTIONAL INSURANCE SELECTIONS

Dental	Employee Only	Employee + 1	Employee + 2 or more	Selected Amount	Pay Code
Florida Combined Dental - (\$75 deduct. 100/70/50) Blue Dental Freedom	\$17.45	\$28.77	\$43.60		067, 068, 069
Florida Combined II Choles (PPO)	\$12.28	\$20.23	\$30.67		061, 062, 063
American Dental Plan	\$6.18	\$11.75	\$16.02		082, 083, 084
Miscellaneous					
Short Term Disability (max per year - \$306 yr/ \$12.75 per pay period. Any adjustment to your base salary will alter the premium)	.0057 of pay Post Tax				160
Life (Pre Tax) - Additional/Supplemental Coverage (1.63 per \$10,000, up to \$40,000)	_____ @ 1.63per \$10,000				072
Post tax Life - Additional/Supplemental Coverage (\$1.63 per 10,000 over 40,000 up to \$190,000 or six times your salary, whichever is less. Additional tax applies over age 54)	_____ @ 1.63 per \$10,000 Additional Tax Applies _____				042
Dependent Life Coverage (Post tax) (Amount cannot be greater than half of life)	\$0.39 \$2,500 in coverage	\$0.78 \$5,000 in coverage	\$1.54 \$10,000 coverage		045, 044, 043
AFLAC - Attach AFLAC enrollment card and write in bi-weekly premium amount					108
Post-tax amount					107
COLONIAL - Attach enrollment form and write in bi-weekly premium amount					103
Vision Care Plan	\$3.25	N/A	\$9.30		080, 081
Prepaid Legal Services	Level 1 - \$7.48		Level 2 - \$11.98		095, 096
Flex Spending - Medical/Vision (min \$5.00/max \$75.00 per pay period) / Additional Health Savings Account Contribution					090, 092
Flex Spending - Dependent Care - Pay period minimum \$5 00/maximum \$200.00					091
Total of Sections II and III					

HERNANDO

2008 Benefits Selection Form

Employee#: _____ Employee Name: _____ Date of Birth: _____ Payroll Effective Date: _____
Department: _____ Salary: _____ Hire date: _____ Coverage Effective: _____

I. Benefit Choice Dollars

\$335

\$380

\$415 per pay period

(110)

(111)

(112)

II. Required Insurance Selections

All premiums are per pay period

Medical	Employee Only (\$335)	Employee + Spouse (\$380)	Employee + Children (\$380)	Employee + Family (\$415)	Selected Amount	Pay Code
BC/BS Blue Options 1767 Plan (\$0 Deductible in Network/\$500 Out of Net.)	\$286.50	\$515.50	\$506.50	\$585.00		051, 052, 050, 053
BC/BS Blue Options 1559 Plan (\$500 Deductible with co-payments in/out)	\$259.00	\$467.00	\$458.00	\$528.50		054, 055, 057, 056
BC/BS HMO (Blue Care/Health Options)	\$295.00	\$531.50	\$521.50	\$602.00		058, 059, 065, 060
BC/BS \$1250 Ded/HSA w/\$1000.00 in acc.	\$206.67	\$326.17	\$300.17	\$477.67		046, 047, 048, 049
Disability/Life Insurance						
Long Term Disability .0061 of pay Post tax	Adjustments to salary will alter premium (max per year - \$560 yr/ \$23.34 per pay period)					161
Life Insurance (AD&D, \$10,000)					\$1.43	071

III OPTIONAL INSURANCE SELECTIONS

Dental	Employee Only	Employee + 1	Employee + 2 or more	Selected Amount	Pay Code	
Florida Combined Dental - (\$75 deduct. 100/70/50) Blue Dental Freedom	\$17.45	\$28.77	\$43.60		067, 068, 069	
Florida Combined II Choice (PPO)	\$12.28	\$20.23	\$30.67		061, 062, 063	
American Dental Plan	\$6.18	\$11.75	\$16.02		082, 083, 084	
Miscellaneous						
Short Term Disability (max per year - \$306 yr/ \$12.75 per pay period. Any adjustment to your base salary will alter the premium)	.0057 of pay Post Tax				160	
Life (Pre Tax) - Additional/Supplemental Coverage (1.63 per \$10,000, up to \$40,000)	_____ @ 1.63per \$10,000				072	
Post tax Life - Additional/Supplemental Coverage (\$1.63 per 10,000 over 40,000 up to \$190,000 or six times your salary, whichever is less. Additional tax applies over age 54)	_____ @ 1.63 per \$10,000 Additional Tax Applies _____				042	
Dependent Life Coverage (Post tax) (Amount cannot be greater than half of life)	\$0.39 \$2,500 in coverage	\$0.78 \$5,000 in coverage	\$1.54 \$10,000 coverage		045, 044, 043	
AFLAC - Attach AFLAC enrollment card and write in bi-weekly premium amount						
Post-tax amount					108	
Post-tax amount					107	
COLONIAL - Attach enrollment form and write in bi-weekly premium amount						
Post-tax amount						103
Vision Care Plan	\$3.25	N/A	\$9.30		080, 081	
Prepaid Legal Services	Level 1 - \$7.48		Level 2 - \$11.98		095, 096	
Flex Spending - Medical/Vision (min \$5.00/max \$75.00 per pay period) / Additional Health Savings Account Contribution						
Post-tax amount						090, 092
Flex Spending - Dependent Care - Pay period minimum \$5.00/maximum \$200.00						
Post-tax amount						091
Total of Sections II and III						

HERNANDO

**HERNANDO COUNTY RETIREE INSURANCE OPTION FORM
2008-09**

NAME: _____

START DATE: 10/01/2008

SOCIAL SECURITY # _____

DATE OF BIRTH: _____/_____/_____

Please check all options of insurance coverage that you are electing through Hernando County. If you are interested in dependent/family coverage, please contact Mary Spencer for plan rates and information at (352)754-4013.

<u>BC/BS MEDICAL COVERAGE</u>	<u>MONTHLY PREMIUM</u>	<u>ELECTED AMOUNT</u>
<input type="checkbox"/> BC/BS Blue Options Plan 1767 (\$0 Ded. in network/\$500 out of network)		
<input type="checkbox"/> Retiree Medical Coverage	\$573.00	
<input type="checkbox"/> + Spouse Medical Coverage	\$1031.00	\$ _____
<input type="checkbox"/> BC/BS Blue Options Plan 1559 (\$500 Ded. w/co-payments)		
<input type="checkbox"/> Retiree Medical Coverage	\$518.00	
<input type="checkbox"/> + Spouse Medical Coverage	\$934.00	\$ _____
<input type="checkbox"/> BC/BS HDHP Blue Option Plan 1160/61		
<input type="checkbox"/> Retiree Medical Coverage (\$1250 Deductible in net.)	\$330.00	
<input type="checkbox"/> + Spouse Medical Coverage (\$2500 Deductible in net.)	\$569.00	\$ _____
<input type="checkbox"/> BC/BS HMO BlueCare Plan 13		
<input type="checkbox"/> Retiree Medical Coverage	\$590.00	
<input type="checkbox"/> + Spouse Medical Coverage	\$1063.00	\$ _____

FLORIDA COMBINED DENTAL COVERAGE

<input type="checkbox"/> <u>Option I: Blue Dental Freedom (\$75 Deductible, 100/70/50)</u>		
<input type="checkbox"/> Retiree Dental Coverage	\$ 34.90	
<input type="checkbox"/> + One (1) Dependent Dental Coverage	\$ 57.54	\$ _____
<input type="checkbox"/> <u>Option II: Blue Dental Choice (PPO \$75 Deductible, 100/70/50 participating provider; 80/50/30 Non-participating provider)</u>		
<input type="checkbox"/> Retiree Dental Coverage	\$ 24.56	
<input type="checkbox"/> + One (1) Dependent Dental Coverage	\$ 40.46	\$ _____

AMERICAN DENTAL COVERAGE (ADP)

<input type="checkbox"/> Retiree Dental Coverage	\$ 12.36	
<input type="checkbox"/> + One (1) Dependent Dental Coverage	\$ 23.50	\$ _____

VISION COVERAGE

<input type="checkbox"/> Retiree Vision Coverage	\$ 6.50	
<input type="checkbox"/> + Family Vision Coverage	\$ 18.60	\$ _____

LIFE INSURANCE

<input type="checkbox"/> Retiree Basic Life (Unit Value=\$10,000 unless reduced due to age)	\$ 2.60	\$ _____
<input type="checkbox"/> Additional/Supplemental Life (\$3.00/\$10,000 unit) Value \$ _____	\$ 3.00	\$ _____

Note: Limitations on Life Insurance benefits due to age: (please check if applicable)

- At age 65, benefit reduced by 35% - Unit Value=\$6500 - 1st unit at \$1.69, add'l units at \$1.95 ea.
- At age 70, benefit reduced by 50% - Unit Value=\$5000 - 1st unit at \$1.30, add'l units at \$1.50 ea.

TOTAL RETIREE LIFE INSURANCE VALUE \$ _____

<input type="checkbox"/> Dependent Life Coverage (.78/\$2500, 1.56/\$5000, \$3.08/\$10,000)	\$ _____	\$ _____
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Total Monthly Premium \$ _____

Retiree Signature _____ Date _____

HERNANDO