

MADISON COUNTY TENNESSEE

Madison County Employee Health Plan and Administration

Review 2007

**Presented by Keith Patterson
Benefit Consulting Services, Inc.**



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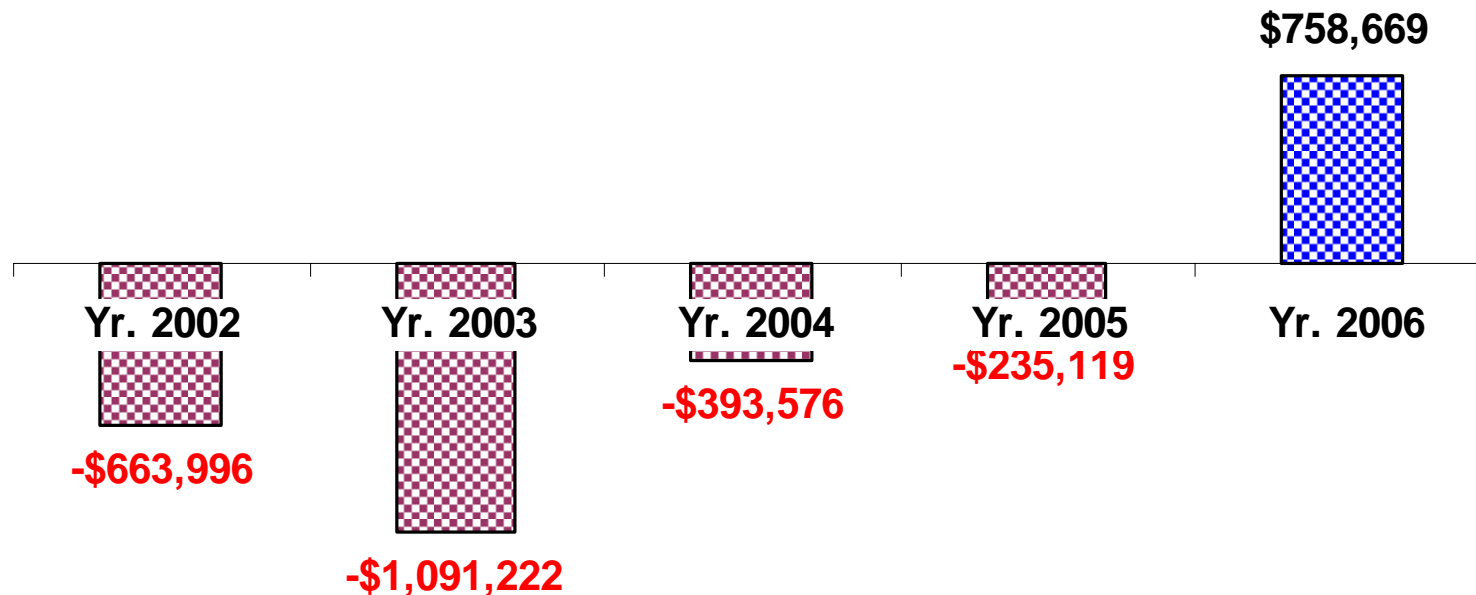
Status of the Health Plan

- For plan year 2006-2007 plan funding exceeded claims by \$758k.
 - For plan year 2005-2006 claims exceeded funding by **\$235k.**
 - For plan year 2004-2005 claims exceeded funding by **\$394k.**
 - For plan year 2003-2004 claims exceeded funding by **\$1m.**
 - For plan year 2002-2003 claims exceeded funding by **\$664k.**
 - Current plan reserves are \$1,081,446 (8-7-07)
 - The plan has received \$21,443 in Rx rebates.
-
- Fi-Serv (PHCS) discounts averaged 28%
 - BC/BST discounts have averaged 44%
 - BC/BST had guaranteed 37%.

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Status of the Health Plan

Claims reserving by year

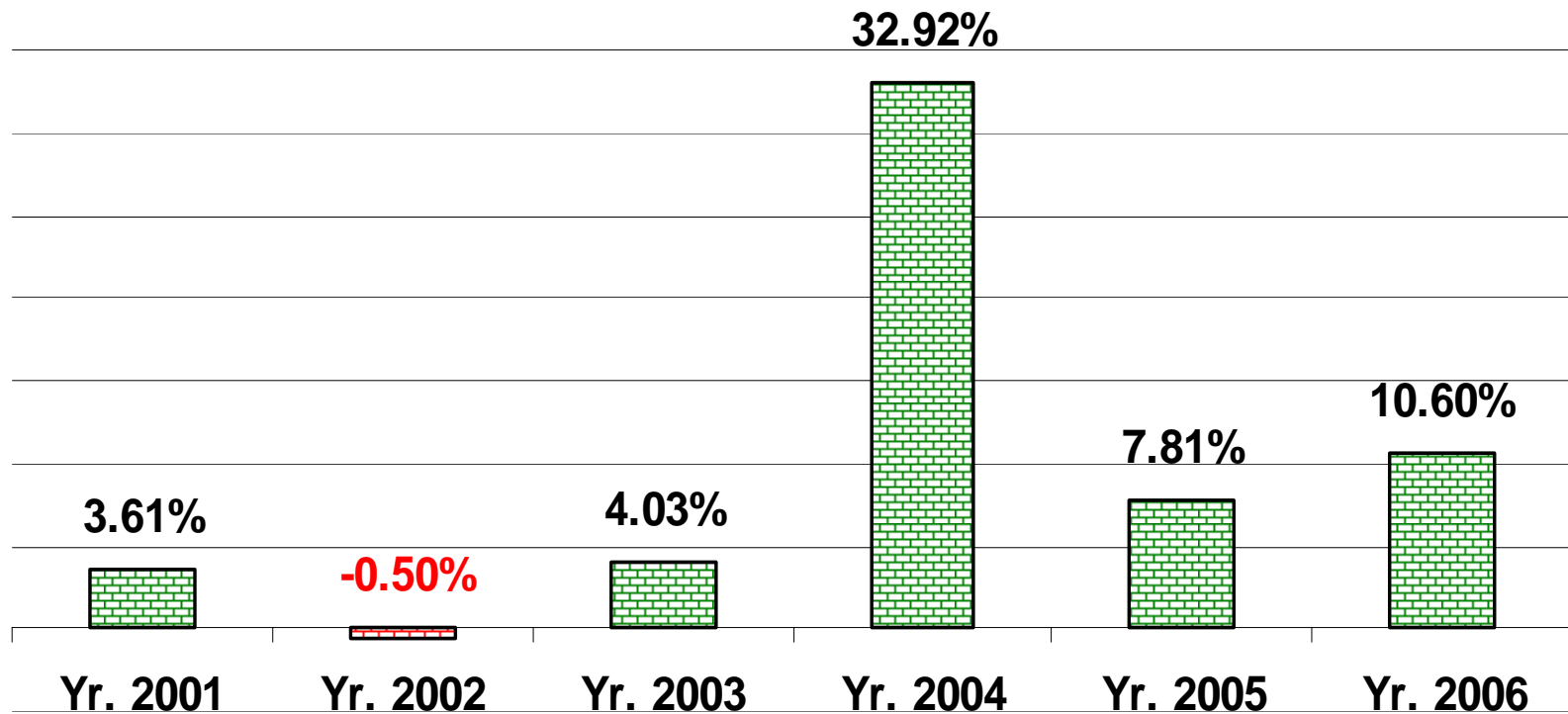


Reserves are used to fund claims when claims are greater than contributions. This dramatic turnaround can be attributed to better discounts and increased funding.

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Status of the Health Plan

% of funding increases / decreases per year

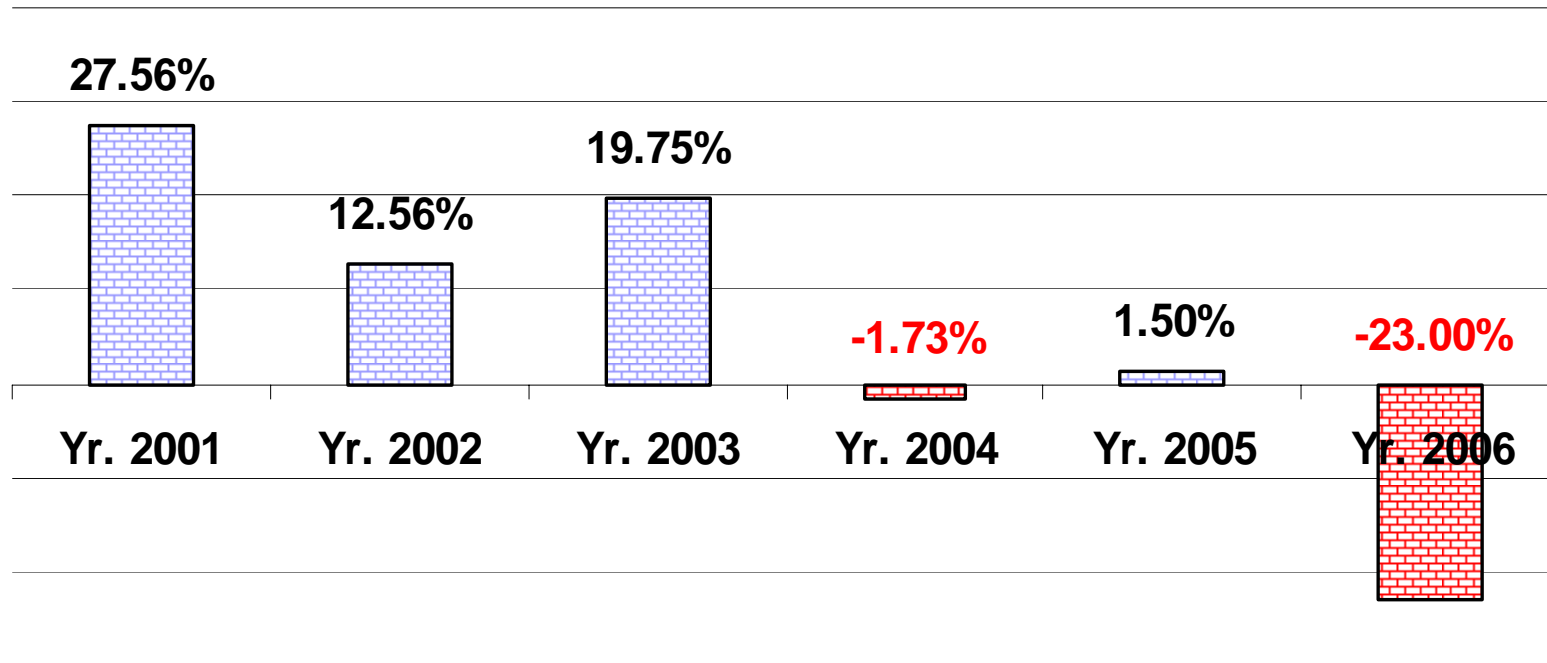


This represents increased funding by county and employees.

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Status of the Health Plan

% of claims increase / decrease per year



Overall claims experience is improving after significant increases.

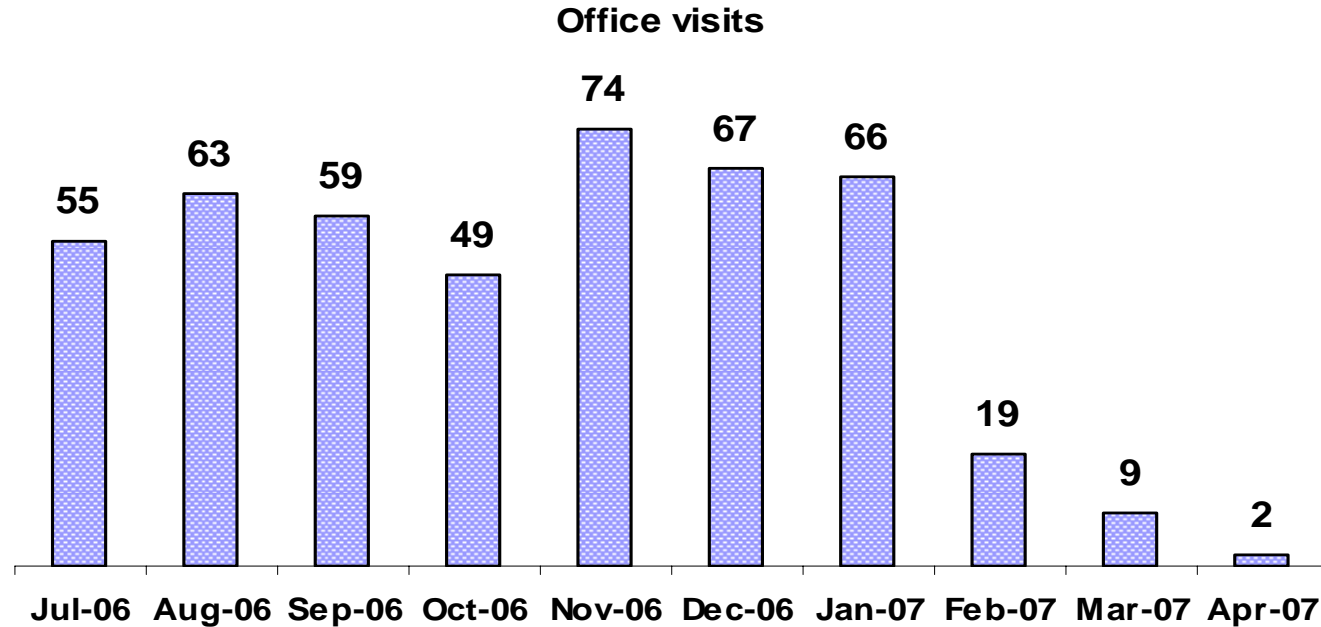
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Contracted health clinics
And OJI

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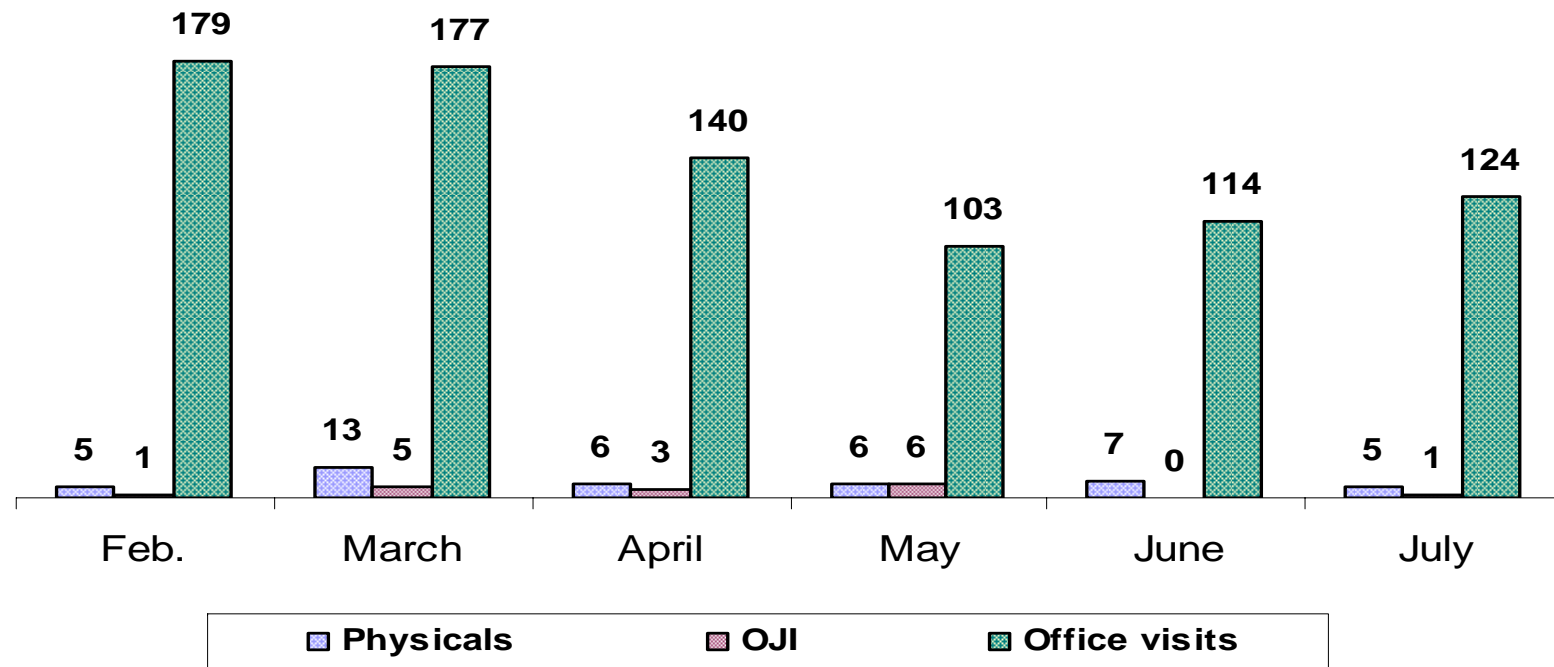
North Jackson Family Clinic utilization



Insured Employees and dependents were able to use this clinic @ \$15 per visit for most services.

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2007 Family Care Walk-in Clinic utilization



Services rendered by this clinic are at no cost to all employees and their dependents. This service comes at a cost of \$32,500 per month to Madison County.

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OJI Claims – Brentwood Services

- Claims paid through 8/7/07 are \$17,253.91
 - Medical: \$10,096.87
 - Indemnity: \$6,291.02
- 40 total claimants YTD
 - 32 of the claims are closed
 - 8 of the claims are open
 - Reserved amount is \$27,791.79

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Physician Utilization

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Total Physician Office Visit Expenses

	Paid by plan	Member Cost Share Amount	Co-payment Amount	Coinsurance Amount	Deductible Amount	Benefit Amount	Visit Count	Service Count	Procedure Count	Paid Amount PMPM	Paid Amount PEY
MEDICAL	\$304,459.40	\$163,305.09	\$7,225	\$52,207.65	\$103,872.44	\$467,764.49	4,247	6,308	11,518	\$30.46	\$738.98
OTHER	\$3,478.01	\$897.31	\$0	\$629.73	\$267.58	\$4,375.32	38	38	182	\$0.35	\$8.44
PSYCHO-THERAPY	\$2,490.38	\$1,848.62	\$0	\$712.59	\$1,136.03	\$4,339.00	61	61	61	\$0.25	\$6.04
SURGICAL	\$24,731.28	\$11,516.26	\$111	\$5,440.78	\$5,964.42	\$36,247.54	238	440	952	\$2.47	\$60.03
XRAY & LAB	\$66,129.68	\$30,202.88	\$0	\$11,324.55	\$18,878.33	\$96,332.56	926	1,006	2,670	\$6.62	\$160.51
Total	\$401,288.75	\$207,770.16	\$7,336	\$70,315.30	\$130,118.80	\$609,058.91	5,510	7,853	15,383	\$40.15	\$974.00

These are claims incurred with physicians who bill the Madison County Employee Benefit Plan, and to whom BC/BST issues a check. The total average cost per visit is \$110.54. The employee average cost per visit is \$37.71.

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Plan Paid Physician Office Visit Expenses by Month

	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June
MEDICAL	\$1,588	\$32,759	\$33,495	\$36,917	\$33,224	\$37,773	\$30,370	\$16,435	\$19,553	\$18,479	\$24,300	\$19,759
OTHER	\$0	\$35	\$374	\$289	\$230	\$974	-\$177	\$717	\$352	\$467	\$218	-\$229
PSYCHO-THERAPY	\$0	\$215	\$163	\$100	\$248	\$392	\$104	\$232	\$397	\$116	\$335	\$188
SURGICAL	\$0	\$1,041	\$1,534	\$1,528	\$2,966	\$3,936	\$1,341	\$727	\$2,242	\$1,103	\$1,944	\$6,369
XRAY & LAB	\$1,035	\$6,957	\$5,625	\$4,792	\$8,653	\$8,514	\$10,761	\$2,752	\$3,079	\$4,213	\$3,842	\$5,943
Total	\$2,623	\$41,007	\$41,190	\$43,627	\$45,321	\$51,588	\$42,399	\$20,864	\$25,622	\$24,378	\$30,640	\$32,030

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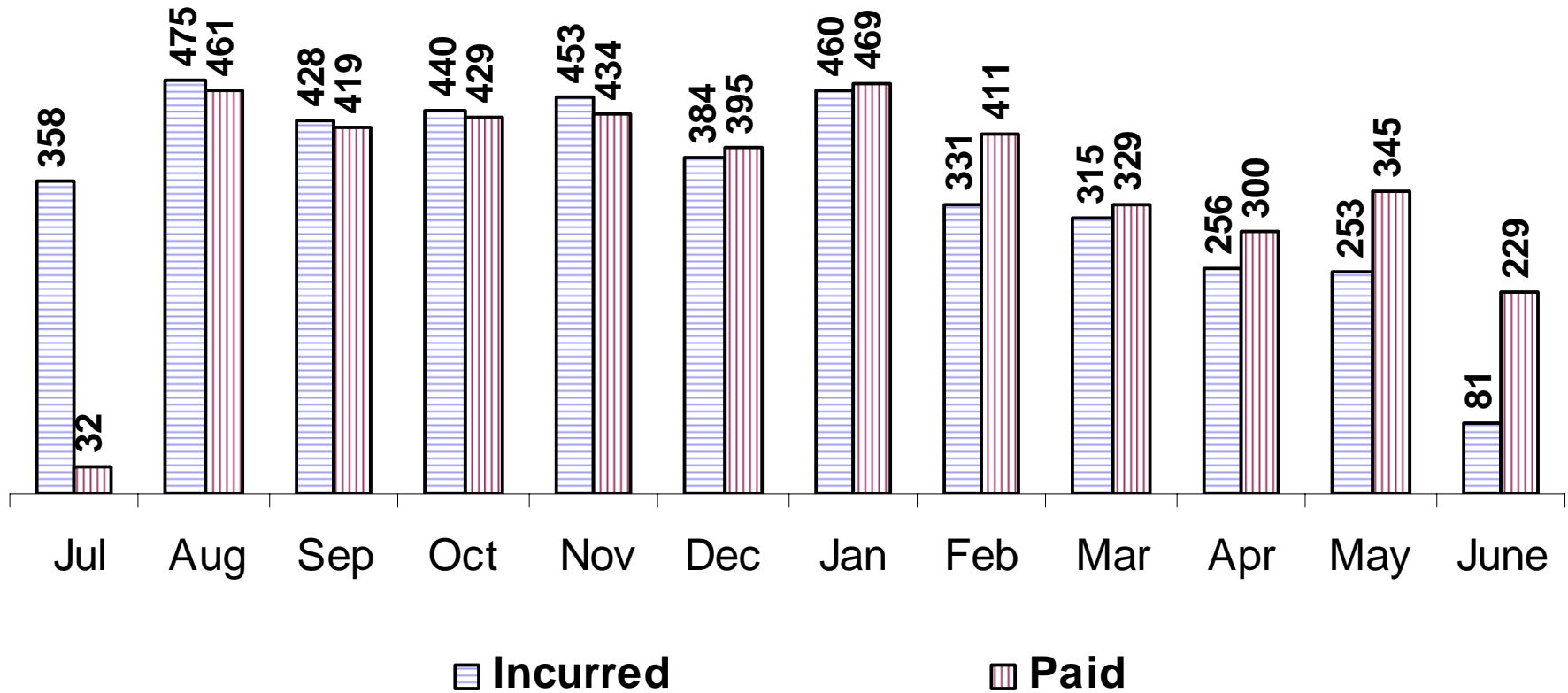
Medical Services - Incurred and Paid Dates

Incurred Dates													
	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Paid 2006/Jul	32	0	0	0	0	0	0	0	0	0	0	0	32
Paid 2006/Aug	287	174	0	0	0	0	0	0	0	0	0	0	461
Paid 2006/Sep	26	258	134	0	0	0	0	0	0	0	0	0	418
Paid 2006/Oct	6	32	249	142	0	0	0	0	0	0	0	0	429
Paid 2006/Nov	3	3	29	248	149	0	0	0	0	0	0	0	432
Paid 2006/Dec	1	3	2	15	257	117	0	0	0	0	0	0	395
Paid 2007/Jan	2	2	5	10	25	240	185	0	0	0	0	0	469
Paid 2007/Feb	1	2	3	22	15	16	231	121	0	0	0	0	411
Paid 2007/Mar	0	0	3	2	4	5	26	175	114	0	0	0	329
Paid 2007/Apr	0	0	0	0	1	4	9	19	179	85	0	0	297
Paid 2007/May	0	1	1	0	2	2	9	16	20	167	127	0	345
Paid 2007/Jun	0	0	0	1	0	0	1	2	3	15	126	81	229
	358	475	426	440	453	384	461	333	316	267	253	81	4,247

The number of incurred and paid claims per month is decreasing. This benefits employees and the plan.

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2006-2007 Physician Office Visits



This represents medical services only.

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Dental experience

	Total Charged	Paid Amount	Employee Amount	Visit Count	COB Savings	Claim Management	Discounts
Paid 2006/Aug	\$26,982.00	\$15,412.28	\$3,366.57	142	\$35.60	\$3,422.40	\$4,745.15
Paid 2006/Sep	\$17,122.00	\$9,108.80	\$2,130.40	82	\$162.80	\$2,186.00	\$3,534.00
Paid 2006/Oct	\$19,571.00	\$8,797.20	\$1,765.60	87	\$15.20	\$4,014.00	\$4,979.00
Paid 2006/Nov	\$22,263.00	\$9,355.60	\$1,939.50	88	\$298.00	\$6,382.40	\$4,287.50
Paid 2006/Dec	\$10,784.00	\$6,248.31	\$1,459.13	69	\$88.20	\$1,228.00	\$1,760.36
Paid 2007/Jan	\$18,981.00	\$7,393.20	\$1,507.90	79	\$138.40	\$4,584.00	\$5,357.50
Paid 2007/Feb	\$19,656.00	\$9,368.58	\$2,006.35	98	\$35.60	\$2,689.61	\$5,555.86
Paid 2007/Mar	\$27,697.70	\$11,628.20	\$2,206.70	97	\$548.60	\$8,549.20	\$4,765.00
Paid 2007/Apr	\$19,426.60	\$9,762.60	\$2,226.20	100	\$442.20	\$4,375.60	\$2,620.00
Paid 2007/May	\$31,842.00	\$16,427.09	\$3,212.48	122	\$172.80	\$6,413.00	\$5,616.63
Paid 2007/Jun	\$15,175.00	\$7,395.80	\$1,512.40	80	\$203.80	\$2,335.00	\$3,728.00
	\$229,500.30	\$110,897.66	\$23,333.23	1,044	\$2,141.20	\$46,179.21	\$46,949.00

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Employee engagement

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Reviewing the health plan

- The Employee Insurance Committee met July 26th.
- Reviewed the plan status, claims, and clinic activity.
- Committed to employee meetings to claim ownership and to encourage employees to utilize the clinic.
- We are doing an employee survey to gauge satisfaction and overall experience.

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FCWIC committing additional resources

- The clinic has offered to provide blood pressure and blood glucose screenings at every department.
- The clinic is considering providing flu shots to each employee.
- The clinic has agreed to participate in employee meetings.

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**Benefits administration by BCS
through BenAdmin**

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Professional and experienced

- The BenAdmin division of BCS manages the benefits of 7 companies. In addition Baptist Hospital of East TN and East TN Medical Group manage their plans on our benefits platform.
- Clients include TBDN TN Company and H+M Company.
- This service has been provided since 1998 in reaction to employers seeking to outsource some or all of their benefits function.

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Managing the benefits

- BenAdmin utilizes an on-line system called benefitsConnect to manage the benefits.
- System capabilities
 - Interfaces with vendors. (A link is being established with Local Government Data Processing Corp to ensure a smooth transfer of information between systems.)
 - On-line enrollment for annual open enrollment
 - Bill reconciliation
 - Reporting (census, EEOC, eligibility, payroll deductions, etc...)
 - On demand
 - Scheduled

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BenAdmin Services rendered

- Employee orientation and education
 - We have developed a presentation for new hires
 - Can provide employee benefit statements (which was a goal of the budget committee for 2008)
- Interfacing with vendors
 - Timely Completion of adds and terms
 - Administering plans according to vendor and plan requirements.
 - Reconciling bills
- Reporting to Finance Department
 - Payroll and change reports
- Record keeping
 - Payroll history
 - Beneficiary information
 - Emergency contact information
 - Annual review history