

Healthcare Options 2021-22



Bid Review Panel

- ▶ Dr. Marquis H. Barnett, SHRM-SCP, IPMA-SCP
 - ▶ Human Resources Director
- ▶ Lisa Saunders
 - ▶ Chief Financial Officer
- ▶ Kemberly Ewing, SHRM-SCP, SPHR
 - ▶ Deputy Human Resources Director
- ▶ Tameshia Branch, SHRM-CP
 - ▶ Senior Human Resources Analyst

1. Medical Services

5 total bids



Medical Services Bid

- ▶ 5 Responses
 - ▶ Aetna
 - ▶ Blue Cross Blue Shield of NC (incumbent)
 - ▶ Cigna
 - ▶ MedCost
 - ▶ United Healthcare

Locked Criterion

	Aetna	BCBSNC	Cigna	Med Cost	United
MWBE Commitment (20%)	5.00	0.00	5.00	0.00	5.00
Business Location (20%)	0.00	0.00	0.00	0.00	0.00

Other Criterion

	Aetna	BCBSNC	Cigna	MedCost	United
Cost Effectiveness (20%)	3.00	4.00	5.00	1.00	0.00
Qualifications and Experience (20%)	5.00	5.00	5.00	3.00	0.00
Reference List (10%)	5.00	0.00	5.00	3.00	3.00
Proposal Quality (10%)	1.00	5.00	5.00	1.00	0.00

Total Costs (on 3-year rate guarantee)

	Aetna	BCBSNC	Cigna	Med Cost	United
Annual Admin. Fee	\$1,328,363	\$1,104,096	\$1,092,624	\$1,099,525	\$1,007,340
Claims Projection	\$20,636,232	\$20,493,817	\$19,254,855	\$20,165,962	\$20,286,881
Pharmacy Projection	\$8,302,171	\$8,337,570	\$8,456,140	\$8,569,642	\$8,340,359
Pharmacy Rebate	(\$3,325,754)	(\$2,648,469)	(\$3,204,640)	(\$1,907,630)	(\$2,817,655)
Value of Rebate Funds	(\$250,000)	(\$225,000)	(\$145,000)	(\$200,000)	(\$575,000)
Grand Total	\$26,751,011	\$27,062,014	\$25,453,978	\$27,727,499	\$26,241,925
Projected Discount	47.10%	45.00%	50.40%	48.00%	49.70%
Total Savings	14%	11%	17%	9%	14%

Total Assessment

	Aetna	BCBSNC	Cigna	Med Cost	United
Total Points	325	200	400	142.50	235
Overall Ranking	2	4	1	5	3

2. Dental Services

6 Total Bids



Dental Administrative Services Bid

- ▶ 6 Responses
 - ▶ Aetna
 - ▶ Ameritas
 - ▶ Blue Cross Blue Shield of NC
 - ▶ Cigna
 - ▶ MetLife
 - ▶ United Healthcare

Plan Change for 2022

Reimbursement Plan

- ▶ Employee Pays and awaits reimbursement
- ▶ Must use personal funds
- ▶ May use any dentist

Preferred Provider Organization (PPO)

- ▶ Plan Pays
- ▶ May use FSA
- ▶ May use network dentists at negotiated rates or non-network dentists at higher rates

Locked Criterion

	Aetna	BCBSNC	Delta	Cigna	Met Life	United
MWBE Commitment (20%)	5.00	0.00	0.00	5.00	5.00	5.00
Business Location (20%)	0.00	0.00	0.00	0.00	0.00	0.00

Other Criterion

	Aetna	Ameritas	BCBSNC	Cigna	Delta	Met Life	United
Cost Effectiveness (20%)	2.00	1.00	3.00	4.00	5.00	0.00	0.00
Qualifications and Experience (20%)	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Reference List (10%)	0.00	5.00	5.00	5.00	5.00	4.00	5.00
Proposal Quality (10%)	3.00	1.50	3.00	5.00	5.00	3.50	3.00

Total Assessment

	Aetna	Ameritas	BCBSNC	Cigna	Delta	Met Life	United
Total Points	270	185	240	300	300	275	280
Overall Ranking	5	7	6	1	1	4	3

Total Dental Costs (on 3-year rate guarantee)

	Cigna	Delta	Met Life
Claims/Fees	\$1,100,614.82	\$988,695.22	\$1,308,745.56
Total Savings	-17.4%	-25.8%	-1.7%

Recommendation



- Medical and Dental combined contract
- Total savings of more than \$4.5 million
- Ease of access for employees
- Enhanced coordination of benefits
- Access to quality provider networks