AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: First Amendment to the Gunnison County, Colorado E

Action Requested: Board of County Commissioners' Signature

Parties to the Agreement: Gunnison County, Colorado

Term Begins: 01/01/2017 **Term Ends:** **Grant Contract #:**

Summary:

Statements to the Deductible and Medical Out-of-Pocket Maximum language. Change applies to both medical plan overviews. Also remove HDHP/HSA Employer HSA Portion of the Deductible. Please see supporting document.

Fiscal Impact: None

Submitted by: Cheryl Seling **Submitter's Email Address:** cseling@gunnisoncounty.org

Finance Review: (●) Required ( ) Not Required

Comments:
No concerns. ln

Reviewed by: GUNCOUNTY1\lNienhueser Discharge Date: 8/10/2017

County Attorney Review: (●) Required ( ) Not Required

Comments:
ok db 8/10/17

Reveiwed by: GUNCOUNTY1\dBaumgarten Discharge Date: 8/10/2017 Certificate of Insurance Required Yes ( ) No (●)

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 8/10/2017

( ) Consent Agenda (●) Regular Agenda ( ) Worksession Time Allotted: 5

Agenda Date: 8/15/2017

Revised April 2015

Summary of Changes

The Plan currently states:

	Network	Non-Network
Deductible - Calendar year - applies to essential and non-essential benefits. • Individual • Family (embedded) (One member meets $800 – all others meet additional $800)	$800 $1,600	$800 $1,600
	The family **deductible** is embedded - any number of family members may help to meet the family **deductible** amount, however, in no event will any one **covered individual** pay more than the individual **deductible**.	
Medical Out-Of-Pocket Maximum - Calendar year - applies to essential and non-essential benefits (Includes medical deductible, coinsurance and medical co-pays). • Individual • Family (embedded) (One member meets $3,200-all others meet additional $3,200)	$3,200 $6,400	Unlimited Unlimited
	The family **medical out-of-pocket maximum** is embedded - any number of family members may help to meet the family **medical out-of-pocket** amount, however, in no event will any one **covered individual** pay more than the individual **medical out-of-pocket**.	
Prescription Out-Of-Pocket Maximum - Calendar year (Includes prescription deductible and prescription co-pays). • Individual • Family (embedded) (One member meets $3,000 – all others meet additional $3,000)	$3,000 $6,000	Unlimited Unlimited
	The family **prescription out-of-pocket maximum** is embedded - any number of family members may help to meet the family **prescription out-of-pocket** amount, however, in no event will any one **covered individual** pay more than the individual **prescription out-of-pocket**.	
The Network **deductible** and **medical out-of-pocket maximum** does not apply to Non-Network **deductible** and **medical out-of-pocket maximum**. The Non-Network **deductible** and **medical out-of-pocket maximum** does not apply to Network **deductible** and **medical out-of-pocket maximum**.		

The sentences highlighted in yellow will be removed and be replaced with the statement under the Network and Non-Network dollar amounts that "in no event will any one covered individual pay more than the individual deductible" (or medical out of pocket). Both of the medical plans (PPO and HDHP/HSA) will read the same.

Lastly, another significant change was made in the First Amendment to remove the HDHP/HSA Employer HSA Portion of the Deductible ("seed money" of $600.00 for individual and $1,200.00 for Family). Although the County may continue to "seed" newly enrolled members' HSA each year, this is not a guarantee and therefore not stated in the Plan documents.

FIRST AMENDMENT TO THE
GUNNISON COUNTY, COLORADO
EMPLOYEE MEDICAL BENEFIT PLAN
EFFECTIVE JANUARY 1, 2016

WHEREAS, Gunnison County, Colorado has adopted the Gunnison County, Colorado Employee Medical Benefit Plan as Amended and Restated Effective January 1, 2016, (The Plan); and

WHEREAS, Gunnison County, Colorado has reserved the right to amend the Plan at anytime; and

WHEREAS, Gunnison County, Colorado wishes to amend the Plan at this time to ensure a certain level of benefits for Plan participants.

NOW, THEREFORE, BE IT RESOLVED, that the Plan is hereby amended as follows:

EFFECTIVE JANUARY 1, 2017

The following rows have been deleted and replaced in the "OVERVIEW OF BENEFITS"**:**

OVERVIEW OF BENEFITS – PPO PLAN

The plan is designed to provide levels of benefits based on the choices you make. Benefits that are payable are subject to the terms and conditions of the plan as indicated in the following pages.

	Network	**Non-Network**
Deductible - calendar year - applies to essential and non-essential benefits. • Individual • Family (embedded)	$800 $1,600	$800 $1,600
	The family **deductible** is embedded - any number of family members may help to meet the family **deductible** amount, however, in no event will any one **covered individual** pay more than the individual **deductible**.	
Medical Out-Of-Pocket Maximum - calendar year - applies to essential and non-essential benefits (includes medical deductible, coinsurance and medical co-pays). • Individual • Family (embedded)	$3,200 $6,400	Unlimited Unlimited
	The family **medical out-of-pocket maximum** is embedded - any number of family members may help to meet the family **medical out-of-pocket** amount, however, in no event will any one **covered individual** pay more than the individual **medical out-of-pocket**.	
Prescription Out-Of-Pocket Maximum - calendar year - includes prescription deductible and prescription co-pays. • Individual • Family (embedded)	$3,000 $6,000	Unlimited Unlimited
	The family **prescription out-of-pocket maximum** is embedded - any number of family members may help to meet the family **prescription out-of-pocket** amount, however, in no event will any one **covered individual** pay more than the individual **prescription out-of-pocket**.	

OVERVIEW OF BENEFITS – HDHP/HSA PLAN

The plan is designed to provide levels of benefits based on the choices you make. Benefits that are payable are subject to the terms and conditions of the plan as indicated in the following pages.

	Network	Non-Network
Deductible - calendar year - applies to essential and non-essential benefits. • Individual • Family (embedded)	$4,000 $8,000	$8,000 $16,000
	The family **deductible** is embedded - any number of family members may help to meet the family **deductible** amount, however, in no event will any one **covered individual** pay more than the individual **deductible**.	
Out-Of-Pocket Maximum - calendar year- applies to essential and non-essential benefits (includes deductible and coinsurance). • Individual • Family (embedded)	$4,000 $8,000	$10,000 $20,000
	The family **medical out-of-pocket maximum** is embedded - any number of family members may help to meet the family **medical out-of-pocket** amount, however, in no event will any one **covered individual** pay more than the individual **medical out-of-pocket**.	

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The section titled "PLAN STRUCTURE" has been deleted and replaced with the following:

PLAN STRUCTURE

What Is The Plan Deductible?

The **deductible** is the specific dollar amount that you must pay (or "satisfy") before the plan pays its share of covered charges each calendar year. The **deductible** is satisfied on a calendar year basis with expenses from January through December. For **deductible** amount(s) and other specific benefit information, please refer to the section titled "Overview of Benefits."

Your **deductible** varies based on the plan option you have elected and whether you choose to receive services from a **network** or **non-network provider**. When you enroll in the plan with individual coverage, your individual **deductible** will apply. However, when you enroll with family coverage, your family **deductible** will apply. Eligible expenses, including **prescription drugs**, contribute to the **deductible**.

The family **deductible** is embedded. This means any number of family members may help to meet the family **deductible**. However, no one family member will exceed the individual **deductible** amount.

The individual **deductible** will apply to each family member and will also apply to the family **deductible**. Once the family **deductible** has been satisfied the **deductible** will be considered satisfied for all family members for the calendar year.

Expenses applied toward the Network **deductible** will not be used to satisfy the Non-Network **deductible**, and expenses applied to the Non-Network **deductible** will not be applied to the Network **deductible**.

Expenses that cannot be used to satisfy the plan's calendar year **deductible** are:

- Plan co-pays
- Plan penalties
- **Prescription drug** co-pays

What Is Your Out Of Pocket Maximum?

PPO Plan

Applicable to the PPO Plan option

Medical out-of-pocket maximum

This plan is designed to limit your out-of-pocket expense. The **medical out-of-pocket maximum** limits are for covered services rendered during each calendar year. Your **medical out-of-pocket maximum** varies based on the plan option you have elected and whether you choose to receive services from a **network** or **non-network provider**. For **medical out-of-pocket maximum** amount(s) and other specific benefit information, refer to the section titled "Overview of Benefits."

The family **medical out-of-pocket maximum** is embedded. This means any number of family members may help to meet the family **medical out-of-pocket maximum**. However, no one family member will exceed the individual **medical out-of-pocket maximum** amount.

For services rendered during the remainder of the calendar year after a **covered individual** reaches their **medical out-of-pocket maximum** limit, this plan will pay 100% of the **reasonable and customary** charges for subsequent expenses which would otherwise be paid at a percentage other than 100%.

Expenses applied toward the Network **medical out-of-pocket maximum** will not be used to satisfy the Non-Network **medical out-of-pocket maximum**, and expenses applied to the Non-Network **medical out-of-pocket maximum** will not be applied to the Network **medical out-of-pocket maximum**.

Expenses that cannot be used to satisfy the **medical out-of-pocket maximum** limit and not eligible for 100% payments even if the **medical out-of-pocket maximum** is met are:

- **Prescription drug** co-pays
- Plan Penalties

Prescription out-of-pocket maximum

The **prescription out-of-pocket maximum** limits your share of the costs of **prescription drugs** dispensed by a pharmacy or mail order pharmacy. For services rendered during the remainder of the calendar year after a **covered individual** reaches their **prescription out-of-pocket maximum** limit, this plan will pay 100% of the negotiated rate for covered **prescription drugs** dispensed by a pharmacy or mail order pharmacy.

The family **prescription out-of-pocket maximum** is embedded. This means any number of family members may help to meet the family **prescription out-of-pocket maximum**. However, no one family member will exceed the individual **prescription out-of-pocket maximum** amount.

HDHP/HSA Plan

Applicable to the HDHP/HSA Plan option

The **out-of-pocket maximum** limits are for covered services rendered during each calendar year. Your **out-of-pocket maximum** varies based on the plan option you have elected and whether you choose to receive services from a **network** or **non-network provider**. Under the HDHP/HSA plan, all expenses including **prescription drugs**, are applied to the **deductible** first. Once the deductible is satisfied, all other eligible expenses including coinsurance amounts will then apply to the **out-of-pocket maximum**. For **out-of-pocket maximum** amount(s) and other specific benefit information, refer to the section titled "Overview of Benefits."

The HDHP/HSA plan **out-of-pocket maximum** is embedded. This means any number of family members may help to meet the family **out-of-pocket maximum**. However, no one family member will exceed the individual **out-of-pocket maximum** amount.

For services rendered during the remainder of the calendar year after the family **out-of-pocket maximum** is reached, this plan will pay 100% of the **reasonable and customary** charges for subsequent expenses which would otherwise be paid at a percentage other than 100%.

Expenses applied toward the Network **out-of-pocket maximum** will not be used to satisfy the Non-Network **out-of-pocket maximum**, and expenses applied to the Non-Network **out-of-pocket maximum** will not be applied to the Network **out-of-pocket maximum**.

Expenses that cannot be used to satisfy the **out-of-pocket maximum** limit and not eligible for 100% payments even if the **out-of-pocket maximum** is met are:

- Plan Penalties

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IN WITNESS WHEREOF, Gunnison County, Colorado has adopted this First Amendment to the Plan, this _____ day of _____, 2017.

GUNNISON COUNTY, COLORADO

BY: _____

TITLE: _____