

Distribution:
County Board
County Administrator
Human Resources

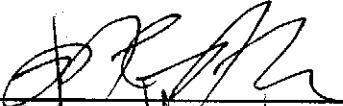
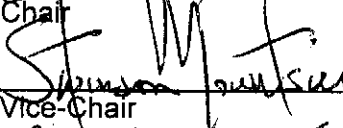
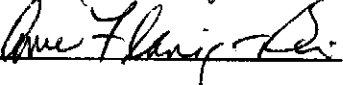

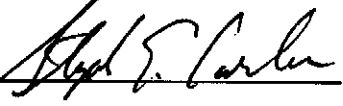
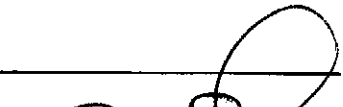

STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

COUNTY BOARD, LAKE COUNTY, ILLINOIS
REGULAR SEPTEMBER, A.D., 2005 SESSION
SEPTEMBER 13, A.D., 2005

MADAM CHAIRMAN AND MEMBERS OF THE COUNTY BOARD:

Your Financial and Administrative Committee present herewith a Resolution approving the County's health, life and dental insurance plan for fiscal year 2006 and requests its adoption.

Respectfully submitted,

	Aye	Nay
 Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>
 Vice-Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
 Financial & Administrative Committee	<input checked="" type="checkbox"/>	<input type="checkbox"/>

RESOLUTION

WHEREAS, the Human Resources Department recommends that the FY06 coverages for medical services, prescription co-pays, deductibles, out-of-pocket maximums, etc. remain at FY05 levels for the County's medical (HMO & PPO) insurance plans; and

WHEREAS, Human Resources recommends that the County add a new HMO "Nested" Plan to its Medical Insurance Program;

WHEREAS, Human Resources recommends that the County's FY06 PPO dental insurance plan increase orthodontic maximum coverage from \$1200 to \$1250;

WHEREAS, Human Resources recommends that the County's FY06 PPO dental insurance plan increase the annual coverage maximum from \$1500 to \$1750 for in network utilization;

NOW, THEREFORE, BE IT RESOLVED, BY THIS County Board of Lake County, Illinois, that the County's health, life and dental insurance plan for fiscal year 2006 is hereby approved.

DATED, at WAUKEGAN, LAKE COUNTY, ILLINOIS, on this 13th day of September, A.D., 2005.

FY06 Health, Life, Dental Recommendation
Sept 7, 2005

Medical:

PPO:

- ◆ Projected claim increase of 13%
- ◆ Employer liability increasing by \$1.6 million
- ◆ Increase employee cost sharing by 1.5%
- ◆ No plan changes this year; co-pays and deductibles will remain the same

HMO:

- ◆ Projected claim increase of 21.5%
- ◆ Employer liability increasing by \$1.2 million
- ◆ Increase employee cost sharing by 1.5%
- ◆ Offering an additional HMO option called HMO Nested

New HMO Plan description:

HMO Nested limits the employees' choice when selecting HMO doctors and hospitals to those that have a cost containment agreement with BCBS.

Currently 75% of our HMO participants are seeing doctors within this network. Hospitals covered in this network include Victory, St. Therese, Condell, and Highland Park Hospital.

Employee cost sharing for this plan will remain at the current level:

Dental:

- ◆ Projected claim increase of 5.5%
- ◆ Employer liability increasing by \$264,000
- ◆ Increasing Plan coverage:
 - Annual Coverage maximum increase from \$1500 to \$1750 for in network utilization.
 - Orthodontics maximum increases from \$1200 to \$1250

Employee Premium Rates are Attached

FY06 Health, Life, Dental Recommendations
September 7, 2005

PPO

Employee Monthly Premium		Current	Proposed	Increase
Single PPO		24.80	35.79	10.99
Single + 1 PPO		63.23	86.06	22.83
Family PPO		113.51	149.06	35.55

Retiree Monthly Premium		Current	Proposed	Increase
Single PPO		450.87	511.34	60.47
Single + 1 PPO		843.13	956.22	113.09
Family PPO		1194.80	1355.08	160.28

Note: Rates decrease when retirees become eligible for Medicare

HMO

HMO Regular-Employee Monthly Premium		Current	Proposed	Increase
Single HMO		11.06	19.85	8.79
Single + 1 HMO		30.43	48.62	18.19
Family HMO		62.83	94.67	31.84

HMO Regular -Retiree Monthly Premium		Current	Proposed	Increase
Single HMO		316.14	396.92	80.78
Single + 1 HMO		553.24	694.61	141.37
Family HMO		837.77	1051.84	214.07

Note: Rates decrease when retirees become eligible for Medicare

HMO Nested

HMO Nested-Employee Monthly Premium		Current	Proposed	Increase
Single HMO		N/A	11.98	
Single + 1 HMO		N/A	32.93	
Family HMO		N/A	68.00	

HMO Nested-Retiree Monthly Premium		Current	Proposed	Increase
Single HMO		N/A	342.15	
Single + 1 HMO		N/A	598.76	
Family HMO		N/A	906.69	

Note: Rates decrease when retirees become eligible for Medicare

Dental

Employee Monthly Dental Premiums		Current	Proposed	Increase
Single		5.42	8.26	2.84
Single + 1		22.53	23.77	1.24
Family		38.84	40.98	2.14

Retiree Monthly Dental Premiums		Current	Proposed	Increase
Single		29.30	30.91	1.61
Single + 1		65.20	68.79	3.59
Family		81.23	85.70	4.47