

Distribution:
County Board
County Administrator
Human Resources


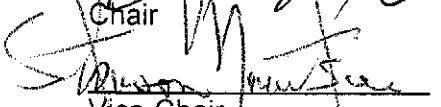
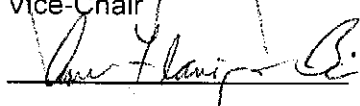
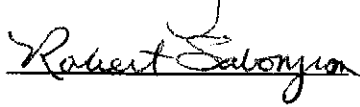
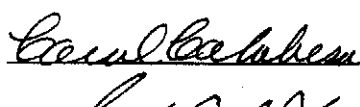
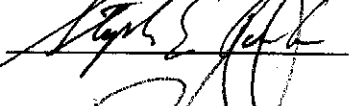
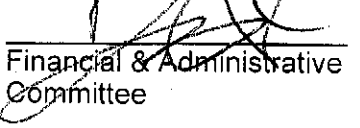
STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

COUNTY BOARD, LAKE COUNTY, ILLINOIS
REGULAR SEPTEMBER, A.D., 2006 SESSION
SEPTEMBER 12, A.D., 2006

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 2007 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 type="checkbox"/>	<input type="checkbox"/>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
 Financial & Administrative Committee	<input checked="" type="checkbox"/>	<input type="checkbox"/>

RESOLUTION

WHEREAS, the Human Resources Department recommends that the FY07 coverage for medical services, prescription co-pays, deductibles, out-of-pocket maximums, etc. remain at FY06 levels for the County's medical (HMO & PPO) insurance plans; and

WHEREAS, Human Resources recommends that the County add a new Retiree Low PPO Plan option to its Medical Insurance Program;

WHEREAS, Human Resources recommends that the County's FY07 PPO medical insurance plan increase physical therapy maximum coverage from \$3000 to \$4500;

WHEREAS, Human Resources recommends that the County's FY06 PPO medical insurance plan increase the annual outpatient mental visits coverage maximum from 20 visits to 26 visits per year;

WHEREAS, Human Resources recommends that the County's FY06 PPO medical insurance plan amends the current speech therapy coverage to include coverage for individuals with genetic/permanent disabilities;

WHEREAS, Human Resources recommends that the 2007 Wellness program, for employees covered by Lake County's medical insurance, transition from a premium reimbursement to a point basis program where one (1) point earned equates to \$1.00, with a maximum incentive payout of \$300 per insured employees

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 2007, is hereby approved.

DATED, at WAUKEGAN, LAKE COUNTY, ILLINOIS, on this 12th day of September, A.D., 2006.

**FY06 Health, Life, Dental Recommendations
September 7, 2005**

PPO

Employee Monthly Premium		Current	Proposed	Increase
	Single PPO	35.79	42.87	7.08
	Single + 1 PPO	86.06	100.22	14.16
	Family PPO	149.06	170.43	21.37
Retiree Monthly Premium				
	Single PPO	511.34	535.92	24.58
	Single + 1 PPO	956.22	1002.19	45.97
	Family PPO	1355.08	1420.22	65.14

Note: Rates decrease when retirees become eligible for Medicare

Low PPO

Retiree Monthly Premium			
	Single PPO	N/A	485.44
	Single + 1 PPO	N/A	907.79
	Family PPO	N/A	1286.45

Note: Rates decrease when retirees become eligible for Medicare

HMO

HMO Regular-Employee Monthly Premium		Current	Proposed	Increase
	Single HMO	19.85	25.35	5.50
	Single + 1 HMO	48.62	59.15	10.53
	Family HMO	94.67	111.97	17.30
HMO Regular-Retiree Monthly Premium				
	Single HMO	377.07	422.50	45.43
	Single + 1 HMO	645.99	739.37	93.38
	Family HMO	957.17	1119.62	162.45

Note: Rates decrease when retirees become eligible for Medicare

HMO Nested

HMO Nested-Employee Monthly Premium		Current	Proposed	
	Single HMO	11.98	16.39	4.41
	Single + 1 HMO	32.93	41.43	8.50
	Family HMO	68	82.03	14.03
HMO Nested-Retiree Monthly Premium				
	Single HMO	342.15	364.20	22.05
	Single + 1 HMO	598.76	637.34	38.58
	Family HMO	906.69	965.11	58.42

Note: Rates decrease when retirees become eligible for Medicare

Dental

Employee Monthly Dental Premiums		Current	Proposed	Increase
	Single	8.26	8.50	0.24
	Single + 1	23.77	24.48	0.71
	Family	40.98	42.22	1.24
Retiree Monthly Dental Premiums				
	Single	30.91	31.84	0.93
	Single + 1	68.79	70.84	2.05
	Family	85.70	88.27	2.57

FY07 Health, Life, Dental Recommendation
Sept 6, 2006

Medical:

PPO and HMO

- ◆ Projected claim increase of 8.42%
- ◆ Employer liability increasing by \$1.8 million
- ◆ Increase employee cost sharing by 1%
- ◆ PPO plan changes this year;
 - Increase physical therapy maximum from \$3000-\$4500
 - Increase yearly mental outpatient visit maximum from 20 visits to 26 visits
 - Amend speech therapy coverage to provide therapy to individuals with genetic/permanent disabilities.

New Retiree Low PPO Plan description:

Optional PPO plan for retirees which provides the following coverage:

\$750/1500 deductible
80/20 cost sharing
\$30 Office visit co-pay
\$500 credit for preventive coverage
same Rx co-pays as current PPO plan

The Retiree Focus Group requested the ability to have an optional medical insurance plan choice that would provide an opportunity for them to have adequate coverage at a lower monthly premium. They were provided three alternative plan designs:

- ◆ PPO high deductible
- ◆ Low PPO with deductible on prescription drugs
- ◆ Low PPO with same prescription drug co-pays as current plan

Based on the plan designs the Retiree Focus Group requested that the Low PPO plan be added to their benefit offerings as an alternative option.

Dental:

- ◆ Projected claim increase of 3%
- ◆ Employer liability increasing by \$40,000

Employee Premium Rates are Attached

2007 Wellness Programs –

The 2007 Wellness program has been designed to encourage individuals to either develop or maintain a healthy lifestyle. Each point represents \$1. An insured individual must participate in two (2) Lake County Wellness programs, participate in the HRA and obtain the minimum of 100 points to be eligible for a monetary incentive.

Point levels:

Gold 201-300
Silver 151-200
Bronze 100-150

Lake County Wellness Programs- 25 points per event Spouse: 5 points per event

Keep Moving Weight Management Challenge 5K Walk/Run

Fitness Challenge (2 events) 10 points per event
5 additional points for baseline improvement

Lake County Sponsored Events

Health Risk Assessment 35 points Spouse participation: 10 points
Wellness Fair 10 points

Self-Reporting Activities: minimum 15 points ;maximum 25 points

To be eligible for earning points for these activities an individual must register for one of the Wellness program identified, and complete an activity log showing the date and duration of activity. Minimum of 30 hours of activity to receive points.

5k/Fitness Challenge/Keep Moving (Choose One)

Jogging	Biking	Skating
Running	Spinning	Aerobics
Walking	Rowing	Skiing
Marshall Arts	Tennis	Weight Training
Pilates	Swimming	Yoga
Team Sports	Charity Walk/Runs	Team Sports

****Individuals may not do self-reporting during the time frame of Keep Moving, if that is one of the programs chosen to satisfy requirements.**

Lectures

Disease Management	5 points per lecture	(maximum 15 points)
Health Education	2 points per lecture	(maximum 6 points)
Psychological	2 points per lecture	(maximum 6 points)
Financial Wellness	2 points per lecture	(maximum 6 points)

Additional Ways to Earn Points:

Annual Physical	15 points (Employee and dependent)	10 points (Employee)
Annual Dental Exam	15 points (Employee and dependent)	10 points (Employee)
Annual Vision Exam	15 points (Employee and dependent)	10 points (Employee)

Fitness Membership 5 points per month (maximum 50 points)
(8 visits per month)

Weight Management 1 point per each week of participation
(must be a certified program)

Smoking Cessation 25 points (once per year)
(must be a certified program)

Sanctioned Walks/Runs 1 point per mile

Recruiting insured coworkers
and mentoring them during the program 2 points per program