Proposed Retirement Health Care Changes

SUMMARY OF IMPACT

RESULTING SAVINGS IF IMPLEMENTED - $5.08 MILLION

PLAN CHANGE ALONE REPRESENTS ¾ OF THE ANNUAL BENEFIT COST ($1.5 MILLION)

IMPLEMENT SEVERAL OF THE COMMITTEE RECOMMENDATIONS

ALTERNATIVE FINANCING

$1,700,000 PROPOSED FROM SETTLEMENT
$1,000,000 FROM 2011 FUND BALANCE
$ 150,000 ADMIN FEE SAVINGS

PLAN DESIGN/REDESIGN

$386,000 PPO 8
$1,046,000 DRUG COPAY CHANGES
   (FROM $15/$30/$45 TO $10/$40/$80)
$800,000 COUNTY MATCH ON PAYROLL

CONTINUE TO PURSUE OTHER RECOMMENDATIONS

- CONTRIBUTE INCOME FROM ASSETS SOLD
- POTENTIAL USE OF EMPLOYEE GROUP WAIVER PLAN
- CONTINUE PERFORMING ELIGIBILITY AND CLAIMS AUDITS
- STUDY POTENTIAL BUYOUT OF TARGETED GROUPS
- COORDINATE SPOUSAL COVERAGE; ELIMINATE DUPLICATE COVERAGE
- CHANGE THE DEFINITION OF INCOME FOR CERTAIN SUBSIDIZED BENEFITS FOR LOW INCOME PARTICIPANTS