

Financial Services
Mr. Ron Y. Steiger, Chief Financial Officer

SUBJECT: APPROVAL OF THE DISTRICT'S SELF-INSURED HEALTHCARE PROGRAM COMPOSITE RATE FOR CALENDAR YEAR 2025, AND CONFIRMATION OF COVERAGES AVAILABLE TO MEDICARE ELIGIBLE RETIREES

COMMITTEE: FISCAL ACCOUNTABILITY & GOVERNMENT RELATIONS

LINK TO STRATEGIC PLAN: EFFECTIVE AND SUSTAINABLE OPERATIONAL PRACTICES

In order to properly structure a self-funded healthcare program, it is necessary to approve individual stop loss (ISL) premiums and necessary expenses on an annual basis. This item establishes the self-funded healthcare program composite rate effective January 1, 2025 through December 31, 2025 and confirms coverages available to Medicare eligible retirees.

Individual Stop Loss (ISL)

Since the inception of the Self-Insured Medical Program, the Board has carried Individual Stop Loss (ISL) insurance to insulate the District from catastrophic medical claims. The current attachment point of the ISL policy is \$1,500,000. Based on the plan's loss history and maturity, staff recommends that the attachment point be increased to \$1,750,000. The difference between the two attachment points will result in savings to the Board of approximately \$1.36M. The ISL premium for 2025 for an attachment point of \$1,750,000 is \$3.94 PEPM.

The composite rate for 2025 will be \$5.19 PEPM.

	2025
Administrative Services Only (ASO) Fee	\$ 22.32*
Pharmaceutical Rebate Decrement	(\$ 22.32)
Individual Stop Loss (ISL) Premium	\$ 3.94
Healthcare Bluebook Admin Fee	\$ 1.25
Total Monthly Composite Rate	\$ 5.19

*\$25.82 PEPM for employees enrolled in the SureFit plan

**REVISED
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Medicare-Eligible Retiree Healthcare Options

As part of the award of RFP 018-058-MT, District Healthcare Benefits Program, Medicare healthcare offerings were also approved with an effective date of January 1, 2020 through December 31, 2024, with the ability to extend, by mutual agreement, for one (1) additional two (2) year extension period.

Medicare Supplement plans provided by private companies are required to receive approval from the Center for Medicare & Medicaid Services (CMS) and cover services required by Medicare. These plans may also offer some extra benefits that original Medicare does not cover. These Medicare Plan offerings and associated premiums for calendar year 2025 are subject to final approval by CMS.

Due to the Medicare Reduction Act, effective January 1, 2025, all Medicare plans will include a \$2,000 cap on the maximum out of pocket limit for prescription drug costs. As a result, the carriers have either increased the monthly premium or included plan design changes.

The Medicare Plan offerings for calendar year 2025 are as follows:

	Medicare Advantage Plan - Prescription Drug Plans			Medicare Supplement Plans				UHC 4-Tier High PDP	UHC 4-Tier Low PDP	UHC 5-Tier PDP
	Zero Premium	Passive PPO	Differential PPO	Plan A	Plan F	Plan G	Plan N			
United Healthcare		\$392.38	\$267.53	✓*	✓*	✓*	✓*	\$351.92	\$163.00	\$169.81
Humana	\$0.00	\$448.91	\$308.91							
AvMed Choice HMO	\$0.00									
AvMed Circle HMO	\$0.00									
AvMed Access HMO-POS	\$0.00									
AvMed One HMO	\$0.00									

} REVISED

*The Premium associated with these plans is subject to individual rating based on factors including but not limited to age, income, zip code, gender, and smoker/non-smoker.

RECOMMENDED: That The School Board of Miami-Dade County, Florida:

1. approve the following composite rate structure for the District’s self-funded healthcare program for calendar year 2025, with the Individual Stop Loss premium’s attachment point of \$1,750,000; and

	2025
Administrative Services Only (ASO) Fee	\$ 22.32*
Pharmaceutical Rebate Decrement	(\$ 22.32)
Individual Stop Loss (ISL) Premium	\$ 3.94
Healthcare Bluebook Admin Fee	\$ 1.25
Total Monthly Composite Rate	\$ 5.19

*\$25.82 PEPM for employees enrolled in the narrow network plan

2. confirm Medicare Group plan offerings as referenced below. } REVISED

	Medicare Advantage Plan - Prescription Drug Plans			Medicare Supplement Plans						
	Zero Premium	Passive PPO	Differential PPO	Plan A	Plan F	Plan G	Plan N	UHC 4-Tier High PDP	UHC 4-Tier Low PDP	UHC 5-Tier PDP
United Healthcare		\$392.38	\$267.53	✓*	✓*	✓*	✓*	\$351.92	\$163.00	\$169.81
Humana	\$0.00	\$448.91	\$308.91							
AvMed Choice HMO	\$0.00									
AvMed Circle HMO	\$0.00									
AvMed Access HMO-POS	\$0.00									
AvMed One HMO	\$0.00									

*The Premium associated with these plans is subject to individual rating based on factors including but not limited to age, income, zip code, gender, and smoker/non-smoker.

RYS:mf