

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

778



FROM: Human Resources Department

SUBMITTAL DATE:
July 27, 2010

SUBJECT: 2011 Medical, Dental and Vision Plan Rates; and Carrier and Benefit Changes for Riverside County Employees and Early Retirees

RECOMMENDED MOTION: That the Board of Supervisors 1) approve the 2011 Medical, Dental and Vision plan rates listed in Attachment "A" through "C" for active employees; 2) approve the 2011 Medical rates listed in Attachment "D" for early retirees; 3) approve the offering of the Health Net Elect Open Access (EOA) plan for active employees and early retirees as a replacement of the Blue Shield HMO plan, effective January 1, 2011; 4) approve the offering of the Health Net Preferred Provider Organization (PPO) plan for active employees and early retirees as a replacement of the Exclusive Care Point of Service (POS) plan, effective January 1, 2011; 5) approve the offering of the Delta Dental HMO and PPO plans for active employees and early retirees as a replacement of the United Concordia and Freedom Dental Plans, effective January 1, 2011; and 6) approve the benefit changes to Exclusive Care EPO, Kaiser Permanente (Attachment "E" and "F") in response to the Health Care Reform.

S. Atin

Shawn Atin, Asst. Human Resources Dir. for
Barbara A. Olivier
Asst. County Executive Officer/Human Resources Dir.

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010/11

SOURCE OF FUNDS: Employee and Retiree Health Premiums	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: *Karen L. Johnson*
Karen L. Johnson

County Executive Office Signature

- Consent
- Policy
- Consent
- Policy

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Buster, seconded by Supervisor Tavaglione and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: August 10, 2010
xc: HR

Kecia Harper-Ihem
Clerk of the Board
By: _____
Deputy

Prev. Agn. Ref.:

District: ALL

Agenda Number:

3.47

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

Departmental Concurrence

Dep't Recomm.:

Per Exec. Ofc.:

BACKGROUND:

Request For Proposal (RFP)

In response to escalating health care costs and benefit changes required by the new law, Human Resources collaborated with Aon, our benefits consultant and Padgett Insurance, our dental consultant to conduct a Request For Proposal (RFP) to solicit offers from qualified medical and dental organizations to provide comparable Health Maintenance Organizations (HMO) and Preferred Provider Organizations (PPO) programs for County of Riverside active employees and retirees. The County last solicited bids from medical organizations in 2004 and 1998 for dental organizations.

A Benefits Selection Committee comprised of a Service Employees International Union (SEIU) representative, a Laborers International Union of North America (LIUNA) representative, and management representatives was formed to evaluate proposals using the assistance of consultant analysis tools to narrow down the vendor options and evaluate network disruption. The Selection Committee reviewed RFP responses and made finalist recommendations to Joint Healthcare Labor-Management Committee (JHLMC). The JHLMC, which is comprised of management, retiree and union representatives reviewed and approved the Selection Committees' finalist recommendation.

For medical organizations, Human Resources in conjunction with the JHLMC recommends Health Net Elect Open Access (EOA) as the replacement for the Blue Shield HMO plan and the Health Net PPO to replace Exclusive Care POS. For dental organizations it is recommended that Delta Dental HMO and PPO replace United Concordia and Freedom Dental plans, but that the Local Advantage plans continue as alternative dental plans.

Health Net and Delta Dental were most responsive to the RFP and have shown capability to effectively administer the plans and manage costs without sacrificing quality or member satisfaction. The County received five (5) responses to the medical RFP and ten (10) responses to the dental RFP. RFP responses were evaluated on the following criteria: 1) Experience and Ability; 2) Service; 3) Cost; 4) Provider Network; 5) Minimal Disruption; and 6) Similar Benefit Plan Design.

Health Net offered the most competitive and cost-efficient plans. The selection of Health Net HMO as a replacement to Blue Shield HMO will save County employees and early retirees an estimated \$6 million in premium payments during 2011. Blue Shield's best and final combined active and early retiree rates were 12.1% over Health Net rates. Additionally, Health Net has provided a 12.5% second year combined active and early retiree rate increase cap. Health Net provides a similar plan design as the Blue Shield HMO plan with minimal disruption providing 99.2% of the same provider network. Proposed medical rates for active employees are listed in Attachment A.

Active Employees Medical Rates

The County was successful in obtaining renewal rates that are substantially below both the national market trend and rate increases experienced by CalPERS. According to Aon the national market trend increase for medical premiums is 10.50% during calendar year 2010. The average rate increase for active County employees will be 0.1% for calendar year 2011. Exclusive Care will remain the most affordable health plan with a 5.6% rate increase. Kaiser will have a 1.4% rate decrease; Health Net EOA, when compared to 2010 Blue Shield HMO, will have a rate decrease of 1.6%; and Health Net PPO when compared to 2010 Exclusive Care Select POS will have a 34.3% decrease

Health Net

Health Net is among the most respected health care companies in California, with an extensive network of 49,000 physicians, 750 physician groups and affiliates, and 4,400 pharmacies, serving 2.5 million members

in California for over 20 years. Health Net offers HMO plan options, PPO plans and an EOA plan.

Health Net Elect Open Access (EOA)

The Health Net EOA plan provides similar benefits to the Blue Shield HMO plan. The plan covers preventive procedures with no copayment and offers members the option to self-refer to any doctor in the Health Net statewide Preferred Provider Organization (PPO) Network for a slightly higher copayment. Refer to Attachment G for a complete plan design comparison.

The EOA offers two tiers:

Tier 1 – Provides comprehensive coverage as an HMO plan through the Health Net Network (locations available throughout California) with a \$15.00 office visit co-payment.

Tier 2 – Provides an option for second opinions or to avoid the referral process in addition to routine care when a member is sick. The \$30.00 office visit co-payment allows for provider care outside of the HMO network for preventive procedures, laboratory, x-rays and physical therapy.

Health Net Preferred Provider Organization (PPO)

The Health Net PPO plan mirrors the CalPERS PERSChoice plan design (refer to Attachment H). Health Net was only one of two respondents to the RFP who quoted PPO rates. Said rates were 52.7% below Blue Shield PPO quoted rates and 29.4% below Exclusive Care POS rates. Health Net PPO uses the First Health Network to provide PPO providers for members in-state and out-of-state. Health Net PPO will replace the Exclusive Care POS plan and save employees and early retirees an estimated \$600,000 in 2011. It should be noted that current participation levels in the plan are low, as a result, premiums are subject to greater volatility.

There are two benefit levels available to members of Health Net PPO:

In-Network – Provides coverage through the Health Net network with the lowest cost for deductibles, coinsurance and copayments (80/20 coverage of Network contracted rates); identical to the CalPERS PERSChoice PPO plan.

Out-of-Network – Provides coverage with any licensed provider not contracted with Health Net or the First Health Network. This coverage has a higher out-of-pocket cost to the member (60/40 coverage of plan allowable charges). However, this option gives the member access to any licensed provider within the United States.

Early Retirees (non-Medicare) Medical Rates

On September 12, 2006 the Board of Supervisors adopted a policy position that effective January 1, 2011 the County will establish a separate medical rate for all non-Medicare retirees, thereby ending the “implicit subsidy” incurred by allowing non-Medicare retirees to receive health care coverage at the same premium rates as active employees. Calendar year 2011 will be the first year in which all non-Medicare retirees will have separate medical premium rates. Retirees who retired prior to March 31, 2009 (April 15, 2009 for certain Special Districts) were eligible for the subsidy until January 1, 2011. The rate decreases and moderate rate increases for active employees are in part a result of non-Medicare employees who were previously in the “active” pool now being separated. The average rate increase for non-Medicare eligible retirees is less than 1%. Rates are listed in Attachment D.

Retiree rates for the Medicare "Risk" plans offered by Health Net, Kaiser, PacifiCare and SCAN will be available after the Centers for Medicare and Medicaid Services (CMS) releases its reimbursement rates, usually in September. These rates will be brought to the Board at that time.

Dental Plans

Dental Rates and Benefit Plan Changes

Human Resources, in conjunction with the JHLMC recommends Delta Dental as the replacement for the United Concordia (UCCI) and Freedom dental plans. Delta Dental was most responsive to the RFP. Compared to 2010 rates, Delta Dental is lower than UCCI by 7.9% for the lower option (11A) HMO and 10.4% for the higher option (10A) HMO. The Delta Dental PPO will be self funded, as was the UCCI PPO. Aon has actuarially calculated a 0.7% rate decrease based on projected deeper Delta Dental provider discounts.

The change in carriers is estimated to save County participants \$284,016 annually based on final RFP rates (see Attachment B). Delta Dental has agreed to a three year rate guarantee.

Delta Dental has been serving public-sector business since the mid 1960's. The organization offers the largest national dental provider network, a full range of dental care programs, including PPO and Premier plans featuring freedom of choice to visit any dentist while controlling costs and offering cost-effective dental HMO plans.

Delta Dental HMO

DeltaCare is the Delta Dental HMO plan that features set copayments, no annual deductibles and no maximums for in-network benefits. Many diagnostic and preventive services are available at no cost or with very low copayments. Members select a primary care dentist from a list of network providers. DeltaCare network features over 14,400 contracted facilities nationwide and offers over 90% of the current participant provider network. The County will offer both a lower option (11A) HMO and higher option (10A) HMO to meet the needs of County employees. Refer to Attachment J for a comparison of dental HMO plans. Note that while Delta Dental out-of-pocket cost appear higher in comparison with UCCI, Delta Dental copayments listed include all services with the procedure and total out-of-pocket payment may in fact be lower.

Delta Dental PPO

Delta Dental PPO plan provides freedom to visit any licensed dentist in-network or out-of-network. The PPO plan is a self-funded plan with a combination of two networks: Delta Dental PPO and Delta Dental Premier. Each network offers cost leveraging and quality of service protection for members. Discounts are significant and contracted dentists agree not to balance bill members and agree to cap dental charges.

Local Advantage Plus

It is recommended that the Local Advantage dental plans be retained as alternatives to Delta Dental. The Local Advantage plans utilize local providers including: Riverside Dental group and Hospitality Dental groups which are popular alternatives. Local Advantage rates will increase 13.7% for the 2011 plan year.

The Local Advantage plans have a two (2) year rate guarantee and two year fee schedule guarantee with the Riverside and Hospitality Dental group plans.

Vision

No benefit changes are recommended for the County's vision plans. The County provides the employer paid self-funded Vision Service Plan (VSP) to employees in certain bargaining units. A 3.4% rate increase is recommended for the VSP plan.

The Medical Eye Services (MES) vision plan is a voluntary vision program offered to all other employees. No rate change is recommended for participants in the MES plan. Vision rates are listed in Attachment C.

Wellness

On January 1, 2010, the County implemented the Optimal Health and Wellness Program (OHWP). The OHWP offers programs to reduce the cost of healthcare and the rate of absenteeism in the workplace by providing employees the opportunity and incentive to improve their health and wellness.

The program is designed to reward healthy lifestyle choices based on verifiable action plans. 1,745 employees are currently enrolled in the program. Of those enrolled, 1,301 completed the classes. The County's healthcare carriers fund administrative expenses and employee premium funds incentives to OHWP participants. Kaiser, Exclusive Care and Health Net will each fund \$100,000 to support the Wellness program; health premiums also include a \$3.50 per month fee to provide incentive payments to participants who have successfully completed the Wellness program. The incentive is paid to participants as a reduction to their health premiums in the year following the completion of a wellness plan. Human Resources anticipates that the OHWP will in the long term result in lower health premiums for all County employees as a result of healthier lifestyles leading to lower claim costs.

Health Care Reform Benefit Changes

Federal Health Care Reform legislation, known as the Patient Protection and Affordable Care Act (PPACA), was signed by President Obama on March 23, 2010. An additional bill, the Health Care and Education Reconciliation Act, was approved by Congress and also signed by the President a week later. As a result of this legislation, Human Resources recommends the following benefit changes effective January 1, 2011:

- **Coverage for Adult Children (Required by PPACA for Medical plans, recommended for Dental and Vision).** Employees will be able to cover their adult children as dependents under the County's health plans until they reach age 26, unless their dependent child is eligible for health insurance coverage through his or her employer.
- **No Lifetime Limits on Benefits (Required by PPACA, Medical plans only).** The Exclusive Care medical plans have a lifetime maximum benefit of \$1,000,000 per person. The plans will be amended to eliminate this limit.
- **No Copay for Preventive Care (Recommended for Medical plans only).** Eliminates copayments for preventive services such as: periodic health evaluations, well child/baby care and well woman care and exempts preventive services from deductibles. (Attachments E and F)

Conclusion

The annual cost of medical, dental and vision plans for active employees will decrease from \$112 million in 2010 to an estimated \$108 million in 2011, a decrease of \$3.5 million or 3.13%. Employees pay premiums for medical, dental and vision coverage with their Flexible Benefits Credits, supplemented by their own contributions, so there is no direct cost to the County for changes in rates for 2011. If approved, plan changes will be communicated to employees through Open Enrollment that is scheduled from

October 4, 2010 through October 28, 2010 for active employees and October 13, 2010 through November 10, 2010 for retirees. CalPERS Open Enrollment is scheduled from September 13, 2010 through October 8, 2010.

Human Resources will keep the Board and employees informed of Health Care Reform provisions that will affect our plans, and we will provide additional details in the 2011 Annual Enrollment guides. The 2011 retiree rates and complete plan documentation for the Medicare "Risk" plans will be brought to the Board after Medicare releases its' reimbursable rates to the carriers later in September.

County of Riverside
2011 Medical Monthly Rates
Actives Rates Unblended

Active Employees	Enrollment	2010 Current	2011 Proposed	Dollar Increase	Percent Increase
Exclusive Care (EPO)					
EPO - Actives Only					
Single	3051	\$354,86	\$376,10	\$21,24	6.0%
Two-Party	868	\$724,26	\$763,98	\$39,72	5.5%
Family	1207	\$911,10	\$960,16	\$49,06	5.4%
Sub-Total	5116	\$2,803,791	\$2,961,889	\$158,098	5.6%
Health Net (EOA)*					
HMO - Actives Only					
Single	2469	\$487,30	\$480,48	-\$6,82	-1.4%
Two-Party	711	\$972,58	\$955,46	-\$17,12	-1.8%
Family	838	\$1,263,76	\$1,240,44	-\$23,32	-1.8%
Sub-Total	4018	\$2,953,679	\$2,905,126	-\$48,553	-1.6%
Kaiser Permanente					
HMO - Actives Only					
Single	2324	\$469,00	\$463,50	-\$5,50	-1.2%
Two-Party	670	\$936,00	\$920,50	-\$15,50	-1.7%
Family	543	\$1,216,00	\$1,195,50	-\$20,50	-1.7%
Sub-Total	3537	\$2,377,364	\$2,343,066	-\$34,299	-1.4%
Exclusive Care Select (POS) For Active Employees					
POS - Actives Only					
Single	25	\$1,020,98	\$0,00		
Two-Party	3	\$2,041,38	\$0,00		
Family	2	\$2,653,18	\$0,00		
Sub-Total	30	\$36,955			
Health Net (PPO)**					
PPO - Actives Only					
Single	25		\$671,98	-\$349,00	-34.3%
Two-Party	3		\$1,338,46	-\$702,92	-34.5%
Family	2		\$1,738,34	-\$914,84	-34.5%
Sub-Total	30		\$24,292	-\$12,663	-34.3%
Annual Total	12701	\$98,061,463	\$98,812,464	\$751,001	0.8%

*The 2010 Current Plan Rate for the Health Net (EOA) plan, represents the 2010 Blue Shield HMO plan rate.
 **Represents a 34.3% decrease below the 2010 Exclusive Care Select (POS) active rates.

**County of Riverside
2011 Dental Monthly Rates
Actives and Retirees**

	Enrollment	2010 Current	2011 Proposed	Dollar Increase	Percent Increase
Plus					
Single	641	\$41,92	\$47,68	\$5,76	13.7%
Two-Party	274	\$83,44	\$94,90	\$11,46	13.7%
Family	260	\$123,54	\$140,52	\$16,97	13.7%
Sub-Total	1,175	\$81,854	\$93,101	\$11,247	13.7%
Percentage - Blythe					
Single	19	\$29,90	\$34,02	\$4,11	13.7%
Two-Party	16	\$54,12	\$61,56	\$7,43	13.7%
Family	10	\$82,92	\$94,32	\$11,39	13.7%
Sub-Total	45	\$2,263	\$2,575	\$311	13.8%
Dental PPO*					
Single	2,232	\$43,87	\$43,58	-\$0,31	-0.7%
Two-Party	1,411	\$78,57	\$78,02	-\$0,56	-0.7%
Family	1,243	\$114,48	\$113,68	-\$0,80	-0.7%
Sub-Total	4,886	\$351,079	\$348,661	-\$2,418	-0.7%
Delta Dental PPO 10A**					
Single	3,733	\$19,92	\$18,34	-\$1,58	-7.9%
Two-Party	1,998	\$30,40	\$27,98	-\$2,42	-8.0%
Family	2,203	\$47,80	\$44,00	-\$3,80	-7.9%
Sub-Total	7,934	\$240,404	\$221,299	-\$19,105	-7.9%
Delta Dental PPO 10B***					
Single	514	\$14,78	\$13,24	-\$1,54	-10.4%
Two-Party	233	\$22,28	\$19,98	-\$2,30	-10.3%
Family	227	\$34,68	\$31,08	-\$3,60	-10.4%
Sub-Total	974	\$20,661	\$18,516	-\$2,145	-10.4%
Annual Total	15,014	\$8,355,122	\$8,209,816	-\$145,305	-1.7%

* 2010 Current rate represents the UCCI PPO plan.

**2010 Current rate represents the UCCI TCA 21 (high) plan.

***2010 Current rate represents the UCCI TCA 36 (low) plan.

County of Riverside
2011 Vision Renewal Monthly Rates

	Enrollment	2010 Current	2011 Renewal	Dollar Increase	Percent Increase
Self-Funded					
Self-Funded Fee		13% of claims	13% of claims	N/A	N/A
Recommended funding level		\$12.48	\$12.91	\$0.43	3.4%
Sub-Total	2195	\$27,394	\$28,337	\$944	3.4%
MS - HMO/FAO ONLY					
Single	386	\$7.98	\$7.98	\$0.00	0.0%
Two-Party	94	\$12.72	\$12.72	\$0.00	0.0%
Family	90	\$17.54	\$17.54	\$0.00	0.0%
Sub-Total	570	\$5,854	\$5,854	\$0	0.0%
MS - FSA/FAO ONLY					
Single	4015	\$9.46	\$9.46	\$0.00	0.0%
Two-Party	1769	\$14.28	\$14.28	\$0.00	0.0%
Family	1995	\$19.32	\$19.32	\$0.00	0.0%
Sub-Total	7779	\$101,787	\$101,787	\$0	0.0%
Annual Total	10544	\$1,620,406	\$1,631,733	\$11,326	0.7%

**County of Riverside
2011 Early Retirees (Unsubsidized) Medical Monthly Rates**

Early Retirees (Unsubsidized Rates)	Enrollment	2010 Current	2011 Proposed	Dollar Increase	Percent Increase
Exclusive Care (EOA)					
EPO - Early Retirees (Unsubsidized Rates)					
Single	111	\$563.16	\$628.95	\$65.79	11.7%
Two-Party	28	\$1,149.43	\$1,283.69	\$134.26	11.7%
Family	4	\$1,445.95	\$1,614.86	\$168.91	11.7%
Sub-Total	143	\$100,479	\$112,216	\$11,738	11.7%
Health Net (EOA)*					
HMO - Early Retirees (Unsubsidized Rates)					
Single	287	\$770.73	\$728.72	-\$42.01	-5.5%
Two-Party	86	\$1,539.35	\$1,455.42	-\$83.93	-5.5%
Family	19	\$2,000.61	\$1,891.46	-\$109.15	-5.5%
Sub-Total	392	\$391,595	\$370,247	-\$21,349	-5.5%
Kaiser Permanente					
HMO - Early Retirees (Unsubsidized Rates)					
Single	215	\$726.00	\$712.00	-\$14.00	-1.9%
Two-Party	63	\$1,450.00	\$1,421.00	-\$29.00	-2.0%
Family	2	\$1,884.00	\$1,846.00	-\$38.00	-2.0%
Sub-Total	280	\$251,208.00	\$246,295.00	-\$4,913.00	-2.0%
Exclusive Care Select POS					
HMO - Early Retirees (Unsubsidized Rates)					
Single	35	\$650.53	\$0.00		
Two-Party	11	\$1,181.88	\$0.00		
Family	1	\$1,701.09	\$0.00		
Sub-Total	47	\$37,470			
Health Net (EOA) In State CA					
HMO - Early Retirees (Unsubsidized Rates)					
Single	35	\$896.26	\$245.73		37.8%
Two-Party	11	\$1,629.55	\$447.67		37.9%
Family	1	\$2,336.02	\$634.93		37.3%
Sub-Total	47	\$51,630	\$14,160		37.8%
Health Net (EOA) Out of State					
HMO - Early Retirees (Unsubsidized Rates)					
Single		\$809.16	\$158.63		24.4%
Two-Party		\$1,471.03	\$289.15		24.5%
Family		\$2,108.70	\$407.61		24.0%
Sub-Total	0				
Annual Total	909	\$9,369,025	\$9,364,655	-\$4,371	0.00%

*The 2010 Current Plan Rate for the Health Net (EOA) plan, represents the 2010 Blue Shield HMO plan rate.

**Represents an increase from the 2010 Exclusive Care Select (POS) rates, does not show Blue Shields projected rates for 2011.

County of Riverside
Exclusive Care Exclusive Provider Organization (EPO)
Plan Design Changes for Plan Year 2011

ATTACHMENT E

	2010	2011
Benefit Change:	Current	Proposed
Preventive Care Copayments		
Periodic Health Evaluations	100% after \$5 copay/visit	100%, \$0 copay/visit
Well Child/Baby Care	100% after \$5 copay/visit	100%, \$0 copay/visit
Well Woman Care	100% after \$5 copay/visit	100%, \$0 copay/visit

**County of Riverside
Kaiser Plan Design Changes for Plan Year 2011**

ATTACHMENT F

	2010	2011
Benefit Change:	Current	Proposed
Preventive Care Copayments		
Routine Physicals	\$15 copay/visit	100%, \$0 copay/visit
Well Child/Baby Care	\$15 copay/visit	100%, \$0 copay/visit
Well Woman Care	\$15 copay/visit	100%, \$0 copay/visit

County of Riverside
Health Net Elect Open Access (EOA)
Plan Design Summary Comparison

COUNTY MEDICAL PLANS COMPARISON CHART

These benefit summaries only highlight your benefits. They are not Summary Plan Descriptions (SPDs). If any discrepancy exists between these benefit summaries and the official plan documents, the official plan documents will prevail.

Current Plan	Proposed Plan
Blue Shield Access+ HMO Network Only	Health Net EOA Network Only
Choice of physician Any Blue Shield HMO network physician	
Deductible None	
Calendar year out-of-pocket maximum \$1,500 / person \$3,000 / family	
Lifetime maximum benefit None	
Pre-existing condition limitation Fully covered	
Office Visit Benefits	
100%	100%
Physician hospital visits \$15 copay per admission	100%
Physician office visit 100% after \$15 copay; 100% after \$30 copay for self-referred specialist visits	100% after \$15 copay; 100% after \$30 copay for self-referred specialist visits
Physician exam	100% for screening and refraction
Well-baby care	100%
Well-women care	100%
Prescription Drugs	
Network retail pharmacies (30-34 day supply) Brand: \$25 copay Nonpreferred Generic: \$10 copay Preferred	Brand: \$50 copay Generic: \$20 copay
Network mail order (90 day supply) Preferred Brand: \$ 20 copay Preferred Brand: \$ 50 copay Nonpreferred Brand: \$100 copay	Preferred Brand: \$ 20 copay Preferred Brand: \$ 50 copay Nonpreferred Brand: \$100 copay
Hospital and Emergency Room Benefits	
100%	100%
Ambulance (medically necessary)	100%
Ambulatory surgical center	100%
Physician hospital visits	100%
Inpatient hospital	\$100 copay per admission
Outpatient hospital	100%
Emergency room services	100% after \$100 copay; waived if admitted
Urgent care	100% after \$35 copay; waived if admitted
Other Benefits	
Allergy testing & treatment	100% after \$15 copay
Chiropractic	Not covered
Durable medical equipment	50%, up to a maximum benefit of \$2,000 / Calendar year
Family planning	\$100 copay
- Elective pregnancy termination	50% of allowed charges
- Inertility services	50% of allowed charges
- Tubal ligation	\$100 Copay
- Vasectomy	\$75 Copay
Home health care	100% after \$15 copay
Hospice - routine home and inpatient respite care	100%
Hospice - 24 hour continuous home care and general inpatient care	100%
Physical therapy	100% after \$15 copay
Skilled nursing facility	\$100 copay; up to 100 days / calendar year

County of Riverside
2011 Health Net PPO Plan Design Summary Comparison

Provider Network	Exclusive Care Point of Service (EOS) - Current Plan			Health Net Preferred Provider Organization (PPO) - Proposed Plan	
	Tier 1 Exclusive Care	Tier 2 Nationwide Provider	Tier 3 Out-of-Network	Tier 1 In-Network	Tier 2 Out-of-Network
Choice of Physician	Any Exclusive Care Contracted Provider	Any Nationwide Network Provider	Any Licensed Provider	Any First Health Network Provider	Any Licensed Provider
Calendar Year Deductible	\$250/Person \$750/Family	\$500/Person \$1,500/Family	\$1,000/Person \$3,000/Family	\$500/Person \$1,000/Family	\$300/Person \$1,000/Family
Calendar Year Out-of-Pocket Maximum	\$1,500/Person \$4,500/Family	\$2,500/Person \$7,500/Family	\$5,000/Person \$15,000/Family	\$3,000/Person \$6,000/Family	\$3,000/Person \$6,000/Family
Maximum Lifetime Benefit		\$0			\$0
Pre-existing Condition Limitation	Fully Covered	Fully Covered	Fully Covered	Fully Covered	Fully Covered
Prescription Drug Benefits	WHAT THE PLAN PAYS Generic Drugs: 100% after \$15 Copy Brand-name Formulary: 100% after \$25 Copy Nonpreferred Drugs: 100% after \$40 Copy Generic Drugs: 100% after \$30 Copy Brand-name Formulary: 100% after \$50 Copy Nonpreferred Drugs: 100% after \$80 Copy				
Network Mail Order (90 Day Supply)	WHAT THE PLAN PAYS Generic Drugs: 100% after \$30 Copy Brand-name Formulary: 100% after \$50 Copy Nonpreferred Drugs: 100% after \$80 Copy				
Office Visit Benefits	WHAT THE PLAN PAYS 90% After Deductible 100% After \$10 Copy ² 90% After Deductible 100% After \$10 Copy ² 90% After Deductible 100% After \$10 Copy ² Primary Care Physician: 100% After Deductible 100% After \$10 Copy ²				
Diagnostic X-Ray & Lab	90% After Deductible	80% After Deductible	60% After Deductible ¹	80% After Deductible	60% ¹
Immunizations	100% After \$10 Copy ²	100% After \$25 Copy ²	Not Covered	No Charge; Deductible Waived	60% ¹
Maternity Care	90% After Deductible	80% After Deductible	60% After Deductible ¹	80% After Deductible	60% ¹
Periodic Health Evaluations/Physicals	100% After \$10 Copy ²	100% After \$25 Copy ²	Not Covered	No Charge; Deductible Waived	60% ¹
Physician Office Visits	Primary Care Physician: 100% After Deductible 100% After \$10 Copy ²	Primary Care Physician: 100% After Deductible 100% After \$25 Copy ²	60% After Deductible ¹	\$20 Copy	60%
Well Baby Care	100% After \$10 Copy ²	100% After \$25 Copy ²	Not Covered	No Charge; Deductible Waived	60% ¹
Hospital & Emergency Room Services	WHAT THE PLAN PAYS 90% After Deductible 100% After \$20 Copy ^{2,3}				
Ambulance (Medically Necessary)	90% After Deductible	80% After Deductible	80% After Deductible ¹	80% After Deductible	60% ¹
Ambulatory Surgical Center	90% After Deductible ³	80% After Deductible ³	60% After Deductible ³	80% After Deductible	60% ¹
Physician Outpatient Hospital Visits	100% After \$10 Copy ²	100% After \$25 Copy ²	60% After Deductible ¹	\$20 Copy	60%
Inpatient Room and Board	90% After Deductible ³	80% After Deductible ³	60% After Deductible ³	80% Deductible Waived	60% ¹
Outpatient Hospital	90% After Deductible ³	80% After Deductible ³	60% After Deductible ^{1,3}	80% After Deductible	60% ¹
Hospital Emergency Room	90% After \$50 Copy ²	80% After \$100 Copy ²	80% After \$100 Copy ²	80% Copy; \$50 copy; waived if admitted	60% ¹
Urgent Care	100% After \$20 Copy/Visit ²	100% after \$50 Copy/Visit ²	60% After Deductible ^{1,2}	80% Copy; \$20 copy; waived if admitted	60% ¹
Severe Mental Health Treatment ⁴	WHAT THE PLAN PAYS 90% After Deductible ³				
Inpatient Benefit	90% After Deductible ³	80% After Deductible ³	60% After Deductible ^{1,3}	80% After Deductible	60% (\$600 per day max)
Outpatient Benefit	100% After \$20 Copy ^{2,3}	80% After Deductible ³	60% After Deductible ^{1,3}	\$20 copy; 1 Deductible Waived	60% ¹
Substance Abuse	90% After Deductible ³	80% After Deductible ³	60% After Deductible ^{1,3}	80% After Deductible	60% (\$600 per day max)
Inpatient	90% After Deductible ³	80% After Deductible ³	60% After Deductible ^{1,3}	\$20 copy; Deductible Waived	60% ¹
Outpatient Office Visits	100% After \$20 Copy ^{2,3}	80% After Deductible ³	60% After Deductible ^{1,3}	80% After Deductible	60% ¹
Other Benefits	WHAT THE PLAN PAYS 90% After Deductible				
Allergy Testing & Treatment	90% After Deductible	80% After Deductible	Not Covered	\$20 Copy	60% ¹
Chiropractic	Not Covered	Not Covered	Not Covered	80% of Negotiated Rate	60% ¹
Durable Medical Equipment	90% After Deductible up to combined max of \$1000/calendar year	80% After Deductible up to combined max of \$1000/calendar year	60% After Deductible up to combined max of \$1000/calendar year	80% of Negotiated Rate	60% ¹
Family Planning	90% After Deductible	80% After Deductible	Not Covered	80% of Negotiated Rate	60% ¹
Elective Pregnancy Termination	Not Covered	Not Covered	Not Covered	80% of Negotiated Rate	60% ¹
Inertility Services	90% After Deductible up to combined max of 26 days/calendar year	80% After Deductible up to combined max of 26 days/calendar year	60% After Deductible up to combined max of 26 days/calendar year	80% of Negotiated Rate	60% ¹
Home Health Care	90% After Deductible; Limited to 20 visits per calendar year	80% After Deductible; Limited to 20 visits per calendar year	60% After Deductible; Limited to 20 visits per calendar year	max of \$110/day; max 120 days/year	60% of MAA
Physical Therapy	90% After Deductible; Limited to 20 visits per calendar year	80% After Deductible; Limited to 20 visits per calendar year	60% After Deductible; Limited to 20 visits per calendar year	80% After Deductible; Limited to 20 visits per calendar year	60% After Deductible; Limited to 20 visits per calendar year
Skilled Nursing Facility	90% After Deductible; up to combined max of 100 days/calendar year	80% After Deductible; up to combined max of 100 days/calendar year	60% After Deductible; up to combined max of 100 days/calendar year	80% of Negotiated Rate	60% ¹

FOOTNOTE: Limited Fee Schedule.

**County of Riverside
2011 CalPERS Medical Plan Renewal Rates
Active Early Retirees**

	Other Southern California Counties Region*			Los Angeles Region			Out-of-State Region		
	2010	2011	% Difference	2010	2011	% Difference	2010	2011	% Difference
ALHVO									
Employee Only	\$ 485.29	\$ 567.87	17.02%	\$ 424.69	\$ 496.93	17.01%		Plan Not Available	
Two-Party	\$ 970.58	\$ 1,135.74	17.02%	\$ 849.38	\$ 993.86	17.01%		Plan Not Available	
Family	\$ 1,261.75	\$ 1,476.46	17.02%	\$ 1,104.19	\$ 1,292.02	17.01%		Plan Not Available	
Blue Shield Medicare									
Employee Only	\$ 420.59	\$ 488.62	16.17%	\$ 368.06	\$ 427.58	16.17%		Plan Not Available	
Two-Party	\$ 841.18	\$ 977.24	16.17%	\$ 736.12	\$ 855.16	16.17%		Plan Not Available	
Family	\$ 1,093.53	\$ 1,270.41	16.18%	\$ 956.96	\$ 1,111.71	16.17%		Plan Not Available	
Riverside Permanente									
Employee Only	\$ 454.99	\$ 477.95	5.05%	\$ 413.17	\$ 434.00	5.04%	\$ 724.69	\$ 785.28	8.36%
Two-Party	\$ 909.98	\$ 955.90	5.05%	\$ 826.34	\$ 868.00	5.04%	\$ 1,449.38	\$ 1,570.56	8.36%
Family	\$ 1,182.97	\$ 1,242.67	5.05%	\$ 1,074.24	\$ 1,128.40	5.04%	\$ 1,884.19	\$ 2,041.73	8.36%
PERS Care PPO									
Employee Only	\$ 806.89	\$ 819.18	1.52%	\$ 772.05	\$ 787.24	1.97%	\$ 989.07	\$ 1,010.68	2.18%
Two-Party	\$ 1,613.78	\$ 1,638.36	1.52%	\$ 1,544.10	\$ 1,574.48	1.97%	\$ 1,978.14	\$ 2,021.36	2.18%
Family	\$ 2,097.91	\$ 2,129.87	1.52%	\$ 2,007.33	\$ 2,046.82	1.97%	\$ 2,571.58	\$ 2,627.77	2.19%
PERS Choice PPO									
Employee Only	\$ 472.83	\$ 516.28	9.19%	\$ 452.41	\$ 496.15	9.67%	\$ 579.58	\$ 636.97	9.90%
Two-Party	\$ 945.66	\$ 1,032.56	9.19%	\$ 904.82	\$ 992.30	9.67%	\$ 1,159.16	\$ 1,273.94	9.90%
Family	\$ 1,229.36	\$ 1,342.33	9.19%	\$ 1,176.27	\$ 1,289.99	9.67%	\$ 1,506.91	\$ 1,656.12	9.90%
FORAC									
Employee Only	\$ 484.00	\$ 527.00	8.88%	\$ 484.00	\$ 527.00	8.88%	\$ 484.00	\$ 527.00	8.88%
Two-Party	\$ 906.00	\$ 987.00	8.94%	\$ 906.00	\$ 987.00	8.94%	\$ 906.00	\$ 987.00	8.94%
Family	\$ 1,151.00	\$ 1,254.00	8.95%	\$ 1,151.00	\$ 1,254.00	8.95%	\$ 1,151.00	\$ 1,254.00	8.95%

*Includes Riverside, Orange, San Diego and Imperial counties

