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Rodney S. Marion
Director

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August 23, 2013

TO: Financial and Administrative Committee Members

FROM: Rodney Marion, Human Resources Director

RE: Process explanation for the authorization of one year contracts, plus renewals, with Blue Cross Blue Shield of Illinois and Express Scripts for administration of the health insurance plan.

On Wednesday, August 29, 2013 the Human Resources Department will be requesting your approval to enter into a contract with Blue Cross and Blue Shield (health insurance administration) and Express Scripts (prescription drug administration) to finalize fixed fee rates. Fixed fees represent the cost to pay claims, aggregate (umbrella) and specific (individual stop/loss) excess insurance coverage, access fees, physician service fee, HMO manage care fees, prescription rebate fee, Health Savings Account access fee and Affordable Care Act fee. The following are the rates we have received through the RFP process:

Fixed Fees	
PPO/CDHP	$ 1,192,000
HMO	3,740,000
Blue Advantage	1,130,000
Total Fixed Fees	$ 6,062,000

The Human Resources department will present a preliminary recommendation to the Committee on September 25th and final recommendations will be presented on October 2nd. These will establish monthly health insurance premiums (to include the County's and employee's share), plan design, projected percentage increase and the projected total cost of the health insurance program. On September 25th the Human Resources Department will present its preliminary recommendation and respond to any questions regarding the recommendations. Questions that cannot be answered on the 25th and any plan design changes requested by the Committee will be addressed in the October 2nd meeting.

If you have any questions please contact me at (847) 377-2750.

Sincerely,

Rodney S. Marion
Human Resources Director