

## Commissioners consider DVIT (Aetna) as County's health insurer

Every year at budget time Levy Court grapples with employee/retiree health insurance options and associated costs, but that process could be transformed if Commissioners move forward with a proposal to join a municipal health insurance shared risk pool – Delaware Valley Insurance Trust.

DVIT made an informative presentation to Levy Court on December 5, 2017 about the self-insured non-profit cooperative controlled by member jurisdictions and its utilization of the Aetna medical network. A major feature of the DVIT program is an exceptional wellness benefits program, which includes cash rewards for annual biometric screenings, colonoscopy, mammograms, well women exams, certain health education classes, and healthcare consumerism. In addition, reimbursements are offered for gym membership fees, race registration fees, weight watchers program, bike helmets, etc.

According to DVIT, 99.45% of the providers currently used by County employees are in the Aetna network and they have nearly 20 years of experience managing the seamless transition from one health provider network to another.

As a self-insured pool, the Trust develops the annual premiums for each type plan offered by a member jurisdiction based upon that employee group's claims history. An attractive feature of the DVIT shared risk pool is the Rate Stabilization Fund, which is the difference between premiums paid by the 140+ member public entities and the actual costs for claims and administration. The Stabilization Fund can be used to mitigate any premium increases the following year. According to DVIT, while health insurance expenses have increased 224% since 1999, the Health Trust's cumulative increase (net of the RSF) is 69.4% - averaging only 2-4% increases each year.

Rate stability is a very beneficial feature of the DVIT shared risk pool, since unpredictable health insurance premium spikes may be avoided. In exchange for the predictability, member jurisdictions have a reduced opportunity to market healthcare in the future and a disincentive related to RSF assets. Essentially, the County would be obliged to remain in the pool and in the provider network (currently Aetna) and would preclude the necessity for future RFPs.

Under DVIT, like now, Levy Court would retain full control over health insurance plan designs (PPO, HMO, EPO, HRA, HDHP, copays, deductibles, cost share, etc.) offered to employees/retirees and the monthly rate charged to employees/retirees. The actual health insurance premium figures for FY2019 will not be available from DVIT until March or April 2018.

The DVIT presentation is available on the County website in the Employee Portal under the "Resources" tab.

The next step in the process will be formal action by Levy Court to join the Delaware Valley Health Trust, which is expected to happen in early 2018 unless significant concerns are expressed by employees/retirees/citizens. If you have questions or concerns about this issue, please contact the Personnel Office for more information.

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