

City of Denton

January 1, 2018 Administration Proposals

Third Party Administrator Network	UHC Current 80% Rebate	UHC Fixed Rebate	Aetna	BCBS of TX	CIGNA
Medical Administration-1,396	\$41.53	\$39.80	\$47.88	\$38.28	\$13.75
Rx Administration	Included	Included	Included	Included	Included
Network Access Fee	Included	Included	Included	Included	\$22.95
Pre-Certification	Included	Included	Included	Included	Included
Disease Management	Included	Included	Included	\$3.00	Included
SL Interface (3rd party)	Included	Included	Included	\$0.30	\$4.00
Additional Fee	Included	Included	\$0.25	\$2.95	\$5,400.00
Workterra Svc. (Annual Cost)			\$61,266.50	\$61,266.50	\$61,266.50
Total Admin Fees	\$41.53	\$39.80	\$48.13	\$44.53	\$40.70
Rate Guarantee	--	3 Years w/ 3% increases on years 4 & 5	1 Year w/ 3% increases years 2-5	1 year w/ 7% increase yr 2 & 3% increase year 3-5	3 Years w 3% increase yr 4 & 0% increase year 5
Total Monthly Admin Fee	\$57,975.88	\$55,560.80	\$67,189.48	\$62,163.88	\$56,817.20
Annual Admin Fee	\$695,710.56	\$666,729.60	\$867,540.26	\$807,233.06	\$748,472.90
\$ Difference over current	--	-\$28,980.96	\$171,829.70	\$111,522.50	\$52,762.34
% over/under current	--	-4.17%	24.70%	16.03%	7.58%
Med Re-Pricing Total Claims	\$18,824,526.00	\$18,236,569.00	\$18,868,422.00	\$18,220,267.00	\$18,874,838.00
\$ Difference	--	-\$587,957.00	\$43,896.00	-\$604,259.00	\$50,312.00
% over/under current	--	-3.12%	0.23%	-3.21%	0.27%
Total Charges (Admin & Clms)	\$19,520,236.56	\$18,903,298.60	\$19,735,962.26	\$19,027,500.06	\$19,623,310.90
Total \$\$ Difference/current	--	-\$616,937.96	\$215,725.70	-\$492,736.50	\$103,074.34
Total % Difference/current	--	-3.16%	1.11%	-2.52%	0.53%
Rx Re-Pricing Total Claims	\$4,734,097.23	\$4,335,758.00	\$4,505,828.92	\$4,288,159.00	\$4,207,655.00
Rx Expected Rebates	\$714,895.00	\$689,000.00	\$743,956.32	\$499,712.16	\$541,510.00
Total Rx (Costs-Rebates)	\$4,146,806.00	\$3,694,861.00	\$3,809,975.60	\$3,839,004.99	\$3,709,437.70
Total Charges Med & Rx	\$23,667,042.56	\$22,598,159.60	\$23,545,937.86	\$22,866,505.05	\$23,332,748.60
Total \$\$ Difference/current	--	-\$1,068,882.96	-\$121,104.70	-\$800,537.51	-\$334,293.96
Total % Difference/current	--	-4.52%	-0.51%	-3.38%	-1.41%
Total Cost - Credits	\$23,667,042.56	\$22,548,159.60	\$23,270,937.86	\$22,766,505.05	\$22,832,748.60
Total % Difference/current	--	-4.73%	-1.67%	-3.81%	-3.53%

	Addl DM 2.0 Program - \$3.52 PEPM \$50,000 Wellness Credit	3rd Party Rx-\$10,000 + \$.60 PEPM	\$75,000 for Wellness and Implementation combined (1 year)	City retains 100% of rebates
				29% of Savings Retained
Analytics & Recovery - 25% of savings	Analytics & Recovery - 25% of savings	\$40,000 Implementation Allowance	3 month premium holiday up to \$11.75 PEPM (\$13.25 PEPM Mature). Estimated \$50k	\$325,000/150K/100K Fee Credit Reporting/ Service Fund - \$25,000
Subrogation-33% of savings	Subrogation-33% of savings	\$200,000 Wellness/Clinic Credit		Wellness Fund - \$25,000
Fraud - 32.5% of recovery	Fraud - 32.5% of recovery	\$75,000/\$25,000 Addl Allowance for Online enrollment/wellness/clinic	Subrogation: 25% of recovery	Implementation Fund - \$50,000
Facility R&C Charge-35% of savings	Facility R&C Charge-35% of savings		Stop Loss Integration: \$5,000	Onsite Wellness Coord - \$125,000
				Behavioral Health Fixed Fee - \$4 PEPM (Addl Fee)
Admin Fee Includes: -UBH MH/SA Nurseline	Admin Fee Includes: -UBH MH/SA Nurseline		PBM Carve Out: \$2,000 + \$0.42 per contract per month	Includes: Your Health First 200,
Bariatric Resources	Bariatric Resources	Subrogation/COB-30% of recovery	BVA - \$2.50 PEPM, BCC \$3 PEPM	Motivate Me (Base), Total Behavioral Health, Preferred Cared
Claims Fiduciary	Claims Fiduciary	Teladoc - \$.25 PEPM + \$3.00/consult	EDI Feeds - \$2,200 + \$450/month	Management, One Guide Concierge Services, Teladoc
Online Enrollment Program - \$29,485	Online Enrollment Program - \$29,485	Performance Guarantees on Claims, Service, Rx Service	Performance Guarantees on Claims, Service, Implementation	\$75,000 at risk w/ Performance Guarantees
	Perf. Guarantees - \$84,000 at risk			



City of Denton PBM Comparison

Third Party Administrator PBM	UHC CURRENT Traditional	UHC Traditional	Aetna	BCBS of TX	CIGNA Traditional	CVS	ScriptCare
Admin. Fees Per Script	Per Script	Per Script	Per Script	Per Script	Per Script	Per Script	Per Script
Electronic - 50,100	\$1.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4.50 PEPM to 12K max	\$2.90
Paper Claim - 32	\$1.00	\$0.00	\$0.00	\$2.50	\$0.00	\$1.50	\$3.00
Annual Total	\$51,120.00	\$0.00	\$0.00	\$50.00	\$0.00	\$12,000.00	\$148,308.00
Third Party Administrator PBM							
RX Dispensing Fees / Script	Per Script	Per Script	Per Script	Per Script	Per Script	Per Script	Per Script
Brand (Scripts) - 7,715	\$1.59	\$1.00	\$1.00	\$1.05	\$0.90	\$0.55	\$1.75
Generic (Scripts) - 40,388	\$1.59	\$1.00	\$1.00	\$1.05	\$0.90	\$0.55	\$1.75
Mail Order Brand (Scripts) - 284	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Mail Order Generic (Scripts) - 1,753	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Annual Total	\$76,483.77	\$48,103.00	\$48,103.00	\$50,508.15	\$43,292.70	\$26,456.65	\$84,180.25
Third Party Administrator PBM							
RX Rebate							
Retail (Scripts) - 48103		\$112.09	\$44.41 PEPM	\$29.83 PEPM	\$79.23	\$165.04	\$54.80
Mail Order (Scripts) - 2038		\$205.85			\$266.88	\$520.24	\$54.80
Annual Total	\$714,895.00	\$689,000.00	\$743,956.32	\$499,712.16	\$541,510.00	\$1,424,644.00	\$474,745.00
Third Party Administrator PBM							
RX Discount	Per Script	Per Script	Per Script	Per Script	Per Script	Per Script	Per Script
Brand	AWP -15.4%	16.70%	AWP - 16%	AWP - 18%	AWP - 18%	AWP - 17.5%	AWP - 17.25%
Generic	AWP -75.3%	77.00%	AWP - 76.5%	AWP - 79.25%	AWP - 79%	AWP - 79%	AWP - 79%
Mail Order Brand	AWP - 24.1%	23.30%	AWP - 24%	AWP - 23%	AWP - 24.75%	AWP - 25%	AWP - 23/25%
Mail Order Generic	AWP -63%	81.00%	AWP - 79%	AWP - 83%	AWP - 80.5%	AWP - 83.5%	AWP - 79%
2,000 Rx excluded from formulary							
Repricing - Total Claims Repriced	51140	51140	51140	51140	51140	51140	51140
Repriced Claims	\$4,734,097.23	\$4,335,758.00	\$4,505,828.92	\$4,288,159.00	\$4,207,655.00	\$3,458,476.97	\$4,190,464.93
Per Claim Cost	\$92.57	\$84.78	\$88.11	\$83.85	\$82.28	\$67.63	\$81.94
Dollar Difference Over Current	\$0.00	-\$398,339.23	-\$228,268.31	-\$445,938.23	-\$526,442.23	-\$1,275,620.26	-\$543,632.30
% Difference Over Current	0.00%	-8.41%	-4.82%	-9.42%	-11.12%	-26.95%	-11.48%
Claims + Admin + Disp - Rebates	\$4,146,806.00	\$3,694,861.00	\$3,809,975.60	\$3,839,004.99	\$3,709,437.70	\$2,072,289.62	\$3,948,208.18
Dollar Difference Over Current	--	-\$1,039,236.23	-\$924,121.63	-\$895,092.24	-\$1,024,659.53	-\$2,661,807.61	-\$785,889.05