



LAKE HAVASU UNIFIED SCHOOL DISTRICT EMPLOYEE BENEFIT TRUST

NOTICE OF PUBLIC MEETING

NOTICE OF PUBLIC MEETING OF THE LAKE HAVASU UNIFIED SCHOOL DISTRICT EMPLOYEE BENEFIT TRUST BOARD OF TRUSTEES

Pursuant to A.R.S. §38-431.02 notice is hereby given to the members of the Lake Havasu Unified School District Employee Benefit Trust Board of Trustees and to the general public that the LHSEBT of LHUSD will hold a Work Session meeting open to the public on Wednesday, February 05, 2020 at 9:00 a.m. in the Boardroom of the District Office in Building C, located at 2200 Havasupai Boulevard, Lake Havasu City, Arizona. MEMBERS OF THE LAKE HAVASU UNIFIED SCHOOL DISTRICT EMPLOYEE BENEFIT TRUST BOARD OF TRUSTEES WILL ATTEND EITHER IN PERSON OR BY TELEPHONE CONFERENCE CALL.

Due to the length of the meeting, we will be limiting discussion from the public to two (2) minutes per person at the beginning of the Work Session.

AGENDA

WORK SESSION

9:00 a.m.

- 1. Routine Opening of Meeting - Call to Order**
 - 1.1 Roll Call
 - 1.2 Pledge of Allegiance/Moment of Silence

Chairperson

2. Call to the Public

Chairperson

*(Form BEDH-E is required to address the Board during Call to the Public. Form must be turned in to the Secretary before the meeting starts. **Members of the Public who wish to be heard on any item, including an item on the Agenda, will only be permitted to make their comment during this "Call to the Public" section of the meeting.** The Trustees reserve the right, as authorized by open meeting laws, to limit the length of comments and to also limit the number of speakers if the speakers are merely going to repeat the comment already made by multiple other members of the public. **There will be a two (2) minute time limit.** Because of restrictions imposed by A.R.S. §38.431.01, discussion and action on items brought before the Board during this time will be limited to directing staff to study the matter or rescheduling the matter for further consideration and decision at a later date.)*

3. Discussion re Language of Lake Havasu Unified School District #1 Employee Benefit Trust Document Section 4.02

Vice Chairperson

4. Vendor Presentations

- 4.1 Opening Remarks and Agenda Review
- 4.2 2019 Medical Claims Review
- 4.3 2019 BCBSAZ Network Review

Jaime Schulenberg,
ECA
Sarah Perrin, Gilsbar
Rachele Martin,
BCBSAZ

- | | | |
|------|--|---------------------------------------|
| 4.4 | 2019 Pre-Certification and Case Management Review | Ray Jennings, AHG |
| 4.5 | 2019 Rx Claims Review | Chris Schanz,
National Cooperative |
| 4.6 | 2019 Dental Claims Review | Rich Hanna, Ameritas |
| 4.7 | 2019 Vision Claims Review | James Totten, UHC |
| 4.8 | 2019 Teladoc Review | Courtney Heeley,
Teladoc |
| 4.9 | Financial Update | Mike Bonney, GDK |
| | <i>Lunch Break</i> | Storm Kinion, ECA |
| 4.10 | Actuarial Rate Methodology | Michael Schionning,
Cheiron |
| 4.11 | Budget Building/Discussion re 2020-21 Benefits/Rates | Jaime Schulenberg,
ECA |

5. Adjournment

Chairperson

**NEXT SCHEDULED REGULAR MEETING OF
THE LHSEBT TRUST BOARD**

February 06, 2020 @ 4:00 p.m.



**Lake Havasu Unified School District Employee Benefit Trust
Annual Renewal Meeting Agenda**

**February 05, 2020
2200 Havasupai Blvd. Lake Havasu City, AZ**

9:00 a.m. – 9:10 a.m.	Opening Remarks and Agenda Review <i>Jaime Schulenberg - ECA, Inc.</i>
9:10 a.m. – 9:20 a.m.	Public Comments
9:20 a.m. – 9:35 a.m.	Information and Discussion of Trust Document Section 4.02
9:35 a.m. – 10:05 a.m.	2019 Medical Claims Review <i>Sarah Perrin – Gilsbar</i>
10:05 a.m. - 10:20 a.m.	2019 BCBSAZ Review <i>Rachele Martin – Blue Cross Blue Shield of Arizona</i>
10:20 a.m. – 10:40 a.m.	2019 Pre-Certification and Case Management Review <i>Ray Jennings – American Health Group</i>
10:40 a.m. – 10:50 a.m.	Break
10:50 a.m. – 11:20 a.m.	2019 Rx Claims Review <i>Chris Schanz – National Cooperative Rx</i>
11:20 a.m. - 11:40 a.m.	2019 Dental Claims Review <i>Rich Hanna - Ameritas</i>
11:40 a.m. – 12:00 p.m.	2019 Vision Claims Review <i>James Totten, United Healthcare</i>
12:00 p.m. – 12:15 p.m.	2019 Teladoc Review <i>Courtney Heeley, Teladoc</i>
12:15 p.m. – 1:00 p.m.	Lunch Break
1:00 p.m. – 1:30 p.m.	Financial Update <i>Mike Bonney – GDK CPA, LLC</i> <i>Storm Kinion - ECA</i>
1:30 p.m. – 1:45 p.m.	Actuarial Rate Methodology <i>Michael Schionning - Cheiron</i>
1:45 p.m. – 2:00 p.m.	Presentation re NAEBT <i>Jaime Schulenberg, ECA</i>
2:00 p.m.	Budget Building re 2020-21 Benefits/Rates <i>Jaime Schulenberg, ECA</i>

**Please note, all times are estimated.*

- f. To reimburse the Trustees for any other expenses necessarily or properly incurred by them in the performance of their duties under this Trust Agreement; and
- g. To empower the Trustees to enter into (or to authorize the LHUSD#1 Business Services Director to enter into) contracts, procure insurance policies, or provide such benefits through self-funding to place into effect and maintain a desirable and fiduciary-responsible Schedule of Benefits, in accordance with statutory and regulatory requirements.

The foregoing expressions of purpose are not exhaustive and, in addition to other related objectives reasonably inferred from that list, the Trust shall have such other objectives as may be lawful under Arizona law.

3.02 - Principal Office

The Trust shall have its principal office at 2200 Havasupai Blvd, the District's central administrative offices, in Lake Havasu City, County of Mohave, State of Arizona (hereinafter referred to as the "Principal Office").

ARTICLE IV - TRUSTEES AND SUCCESSOR TRUSTEES

4.01 - Authority and Selection

The Trust shall be administered by the Trustees. The Trustees shall be selected by the School District Governing Board.

4.02 - Composition

The Trust shall be administered by either five (5) or seven (7) voting Trustees, appointed by the School District Governing Board for no more than two (2) consecutive, three (3) year terms. One (1) Trustee, but no more than one (1) Trustee may be a member of the School District Governing Board who shall serve in an Ex-Officio (non-voting) capacity. One (1) Trustee, but no more than one (1) of the voting Trustees may be an "Employee" of the School District. All other voting Trustees must live within the School District boundaries.

4.03 - Trustee Bonds

As a qualification of continued service, each Trustee must be bonded, pursuant to A.RS§ 15-382(C). The bond amount is \$1 million per Trustee.

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Storm Kinion, Group Benefits Specialist

DATE: January 29, 2020

RE: 2019 Medical Claims Review

Please find attached a copy of Gilsbar's presentation which outlines the Trust's medical claims utilization for the period July 2014 – December 2019. Sarah Perrin will be at the meeting to present and review this report with Trustees.

If you have any questions between now and the date of the meeting, I can be reached at (928) 753-4700 ext. 305 or via email at stormk@ecollinsandassociates.com.

Lake Havasu Employee Benefit Trust



Presented by: **Gilsbar**

Presented on: **February 5, 2020**

Lake Havasu Employee Benefit Trust

Medical Plan Review

By Issued Plan Year

Paid Dollars				
1	2	3	4	5
Time Period	Medical Claims	Estimated Fixed Cost	Paid in Excess of Spec Ded	Net Plan Cost (2+3+4)
July 2014 - June 2015	\$2,353,456	\$637,507	(\$221,699)	\$2,769,264
July 2015 - June 2016	\$2,996,257	\$591,648	(\$41,261)	\$3,546,645
July 2016 - June 2017	\$2,692,732	\$570,634	(\$124,866)	\$3,138,500
July 2017 - June 2018	\$3,141,584	\$551,835	(\$729,247)	\$2,964,172
July 2018 - June 2019	\$4,132,929	\$753,544	(\$991,276)	\$3,895,197
July 2019 - December 2019	\$2,239,200	\$549,844	(\$47,212)	\$2,741,831

Paid Dollars (PMPM)				
1	2	3	4	5
Time Period	Medical Claims	Estimated Fixed Cost	Paid in Excess of Spec Ded	Net Plan Cost (2+3+4)
July 2014 - June 2015	\$219	\$59	(\$21)	\$257
July 2015 - June 2016	\$295	\$58	(\$4)	\$350
July 2016 - June 2017	\$282	\$60	(\$13)	\$329
July 2017 - June 2018	\$322	\$57	(\$75)	\$304
July 2018 - June 2019	\$432	\$79	(\$104)	\$407
July 2019 - December 2019	\$461	\$113	(\$10)	\$565

Analysis does not include prescription claims

Lake Havasu Employee Benefit Trust

Pareto Analysis

Issued July 2019 – December 2019

Bucket	Number of Members	Issued Dollars	Issued Dollars as % of Total	% Total Members	AZ BOB - Issued Dollars as % of Total	AZ BOB - % Total Members
>\$15,000	21	\$1,684,792	75 %	3 %	65 %	3%
\$12,500-\$15,000	3	\$42,653	2 %	0 %	2 %	0%
\$10,000-\$12,500	5	\$56,016	3 %	1 %	4 %	1%
\$7,500-\$10,000	12	\$103,845	5 %	1 %	4 %	1%
\$5,000-\$7,500	14	\$87,942	4 %	2 %	5 %	2%
\$2,500-\$5,000	29	\$104,458	5 %	4 %	7 %	5%
\$0-\$2,500	725	\$159,493	7 %	90 %	13 %	88%
Total	809	\$2,239,200	100%	100%	100%	100%

Analysis does not include fees or prescription claims

Lake Havasu Employee Benefit Trust

Top Major Diagnostic Categories – Medical Claims Only

Issued July 2019 – December 2019

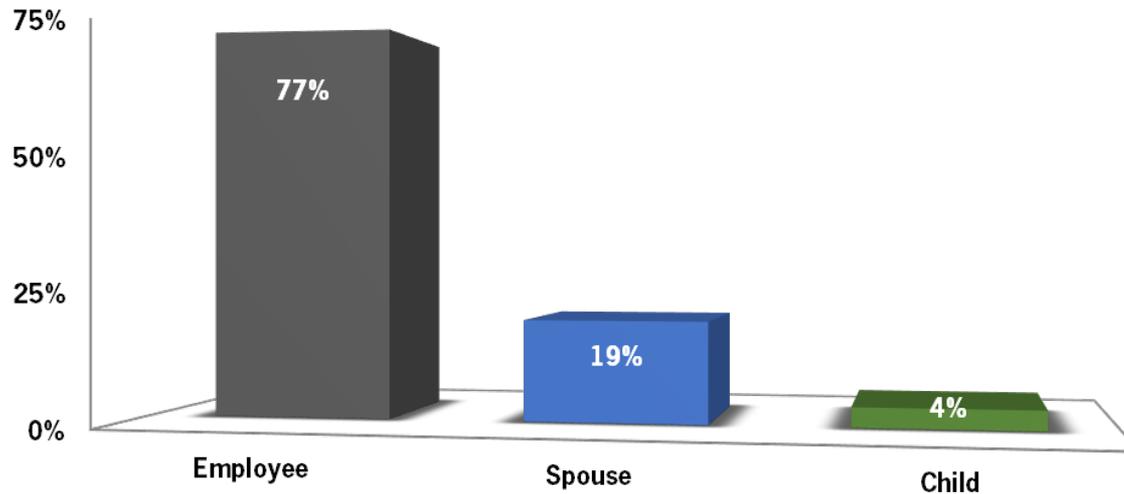
Major Diagnostic Category	Issued	PMPM	AZ Benchmark
Neoplasms	\$635,016	\$131	\$43
Influenza	\$344,582	\$71	\$64
Nervous	\$301,844	\$62	\$29
Musculoskeletal	\$252,040	\$52	\$50
Ill-Defined	\$151,774	\$31	\$26
Injury or Poison	\$126,794	\$26	\$26
Genitourinary	\$96,780	\$20	\$20
Congenital	\$61,233	\$13	\$6
Endocrine	\$52,909	\$11	\$15
Digestive	\$46,109	\$9	\$31
All Other MDC	\$170,120	\$35	\$90
Total	\$2,239,200	\$461	\$401

Analysis does not include fees or prescription claims

Lake Havasu Employee Benefit Trust

Employee vs Dependent Claims – Medical Claims Only

Issued July 2019 – December 2019



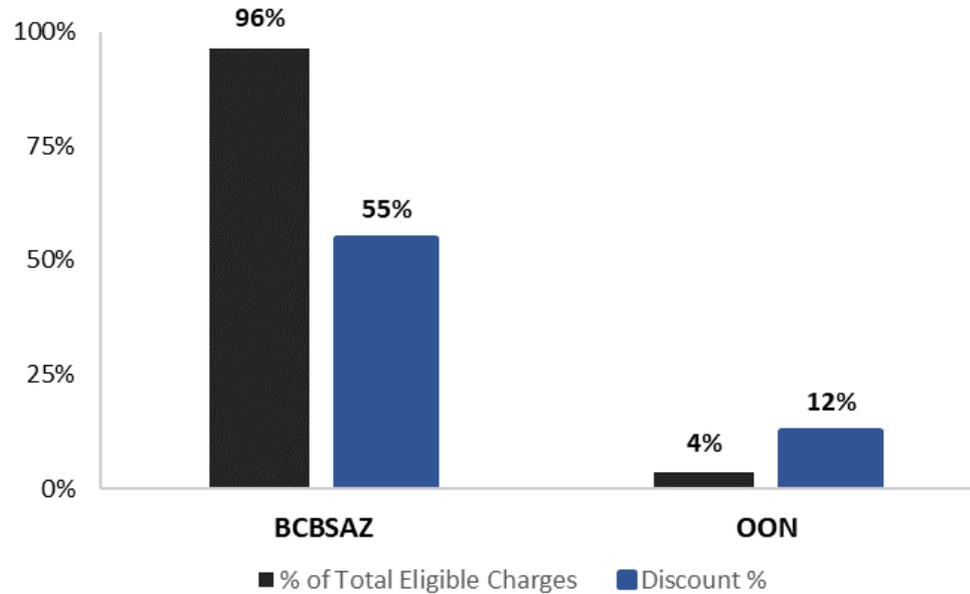
July 2019 - December 2019	Employee	Spouse	Child	Total
Total Med Issued	\$1,720,845	\$432,288	\$86,068	\$2,239,200
Percent of Total	77%	19%	4%	100%
Total Number of Members	489	112	208	809
PMPM	\$587	\$643	\$69	\$461
Benchmark Percent of Total	54%	27%	19%	100%
Benchmark PMPM	\$460	\$577	\$223	\$401

Analysis does not include fees or prescription claims

Lake Havasu Employee Benefit Trust

Discount Evaluation

Issued July 2018 – June 2019 (Last Full Plan Year)



Network	Eligible Charges	Discounts	Total Paid	% Disc
BCBSAZ	\$10,071,902	\$5,522,986	\$3,849,532	55%
OON	\$365,810	\$45,541	\$283,397	12%
Total	\$10,437,712	\$5,568,527	\$4,132,929	53%

Analysis does not include fees or prescription claims

Lake Havasu Employee Benefit Trust

EE/ER Cost Share

By Issued Plan Year

Employee Share	July 2015 - June 2016	July 2016 - June 2017	July 2017 - June 2018	July 2018 - June 2019	July 2019 - December 2019
Deductibles	\$168,435	\$277,037	\$308,066	\$396,730	\$133,758
Copays	\$111,768	\$91,885	\$96,531	\$121,469	\$66,876
Coinsurance	\$226,031	\$194,009	\$180,571	\$237,095	\$140,733
COB Savings	\$9,415	\$10,909	\$29,083	\$525	\$24,690
Total Employee Cost	\$515,649	\$573,840	\$614,251	\$755,819	\$366,057
PMPM	\$51	\$60	\$63	\$79	\$75
Employer Share	July 2015 - June 2016	July 2016 - June 2017	July 2017 - June 2018	July 2018 - June 2019	July 2019 - December 2019
Fixed Cost	\$591,648	\$570,634	\$551,835	\$753,544	\$549,844
Plan Med Paid Claims	\$2,996,257	\$2,692,732	\$3,141,584	\$4,132,929	\$2,239,200
Reinsurance Reimbursements	(\$41,261)	(\$124,866)	(\$729,247)	(\$991,276)	(\$47,212)
Total Employer Cost	\$3,546,645	\$3,138,500	\$2,964,172	\$3,895,197	\$2,741,832
PMPM	\$350	\$329	\$304	\$407	\$565
EE Share as % of Covered and Fixed	13%	15%	17%	16%	12%
ER Share as % of Covered and Fixed	87%	85%	83%	84%	88%

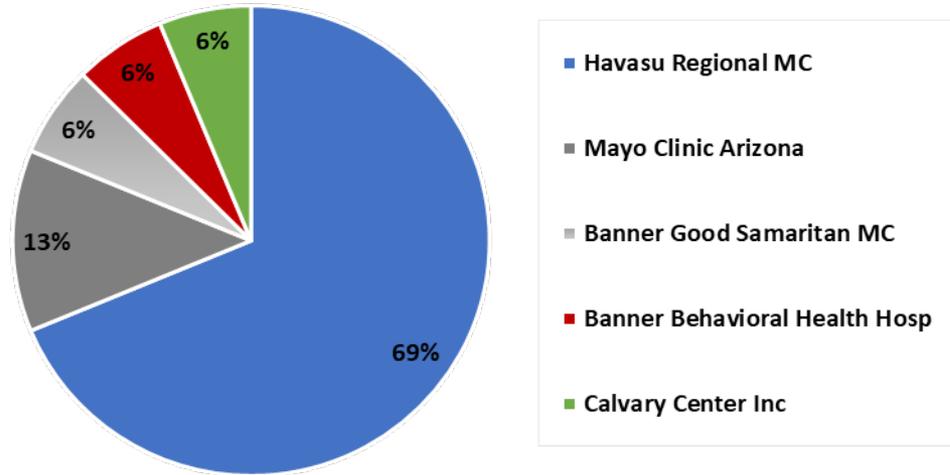
# of Employees	518	488	496	487	489
# of Members	845	796	812	798	809

Analysis does not include prescription claims

Lake Havasu Employee Benefit Trust

Inpatient Admits

Issued July 2019 – December 2019



Facility Name	Admits	Avg / Admit
Havasu Regional MC	11	\$2,512
Mayo Clinic Arizona	2	\$29,011
Banner Good Samaritan MC	1	\$25,649
Banner Behavioral Health Hosp	1	\$16,249
Calvary Center Inc	1	\$1,824
Total	16	\$7,610

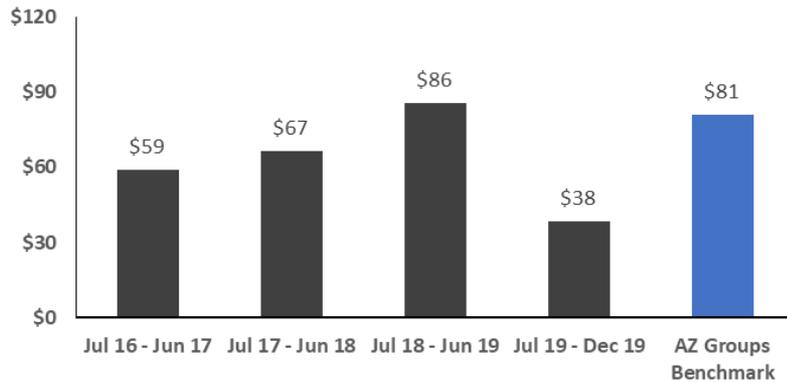
Analysis does not include fees or prescription claims

Lake Havasu Employee Benefit Trust

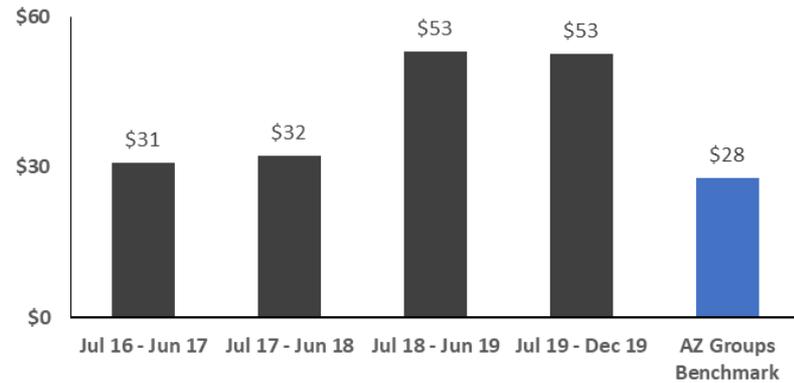
Utilization Analysis – PMPM

By Issued Plan Year

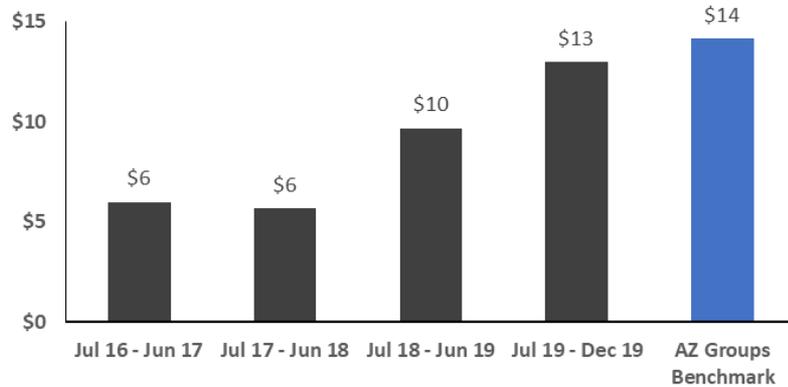
Inpatient Hospital



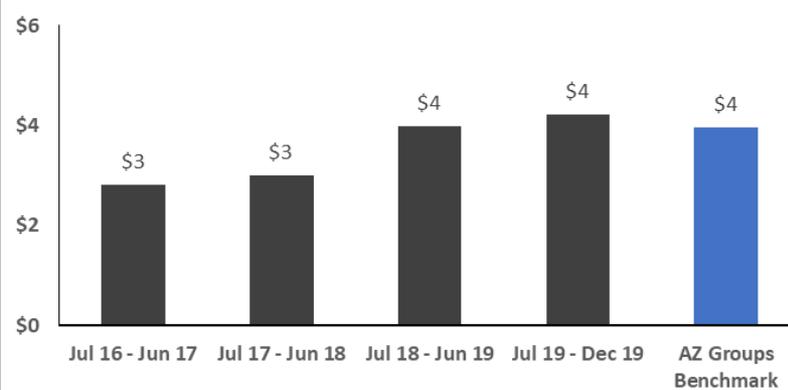
Emergency Hospital



Office Visits



Routine Wellness Office Visits

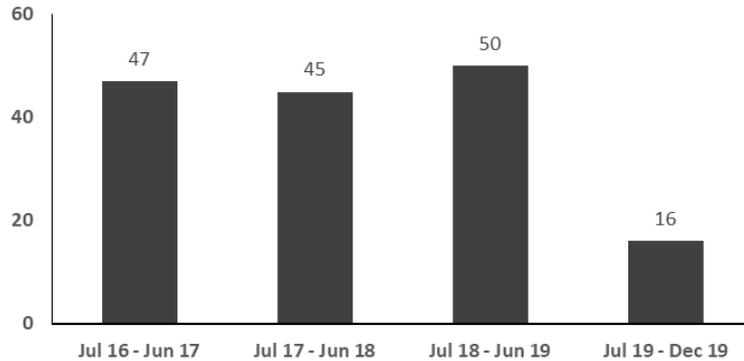


Lake Havasu Employee Benefit Trust

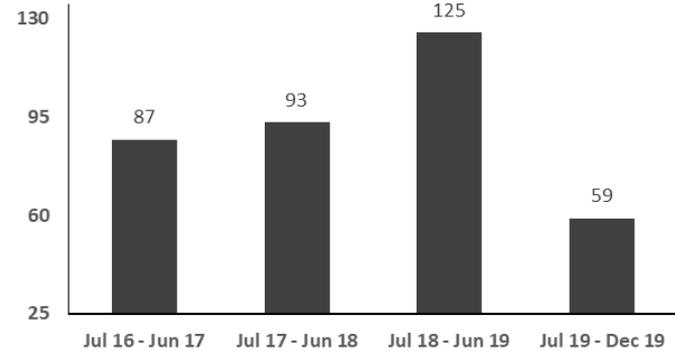
Utilization Analysis – Admits / Cases

By Issued Plan Year

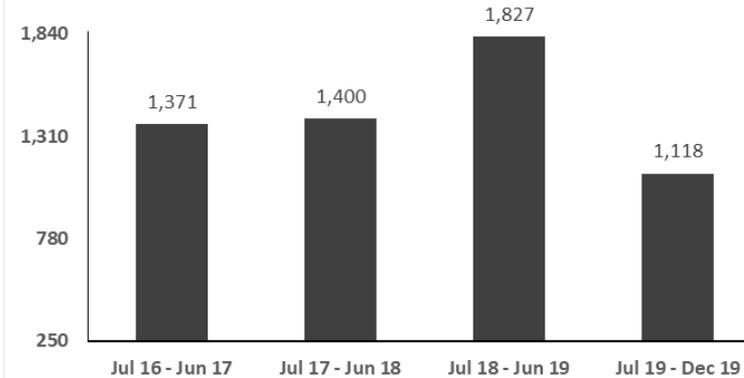
Inpatient Hospital Admits



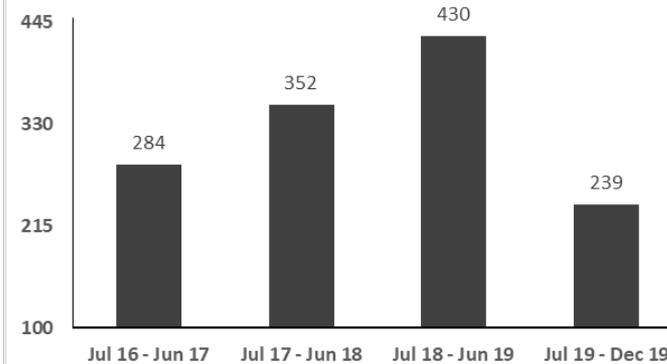
Emergency Hospital



Office Visits



Routine Wellness Office Visits

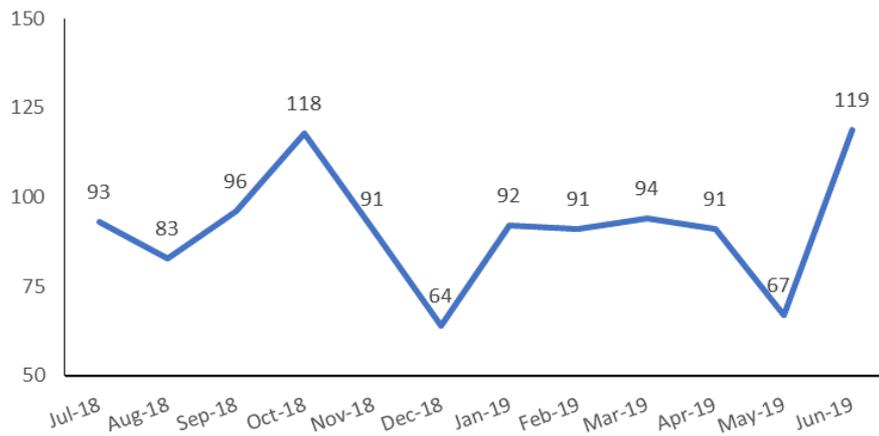


Lake Havasu Employee Benefit Trust

Customer Contact Calls and myGilsbar.com Logins

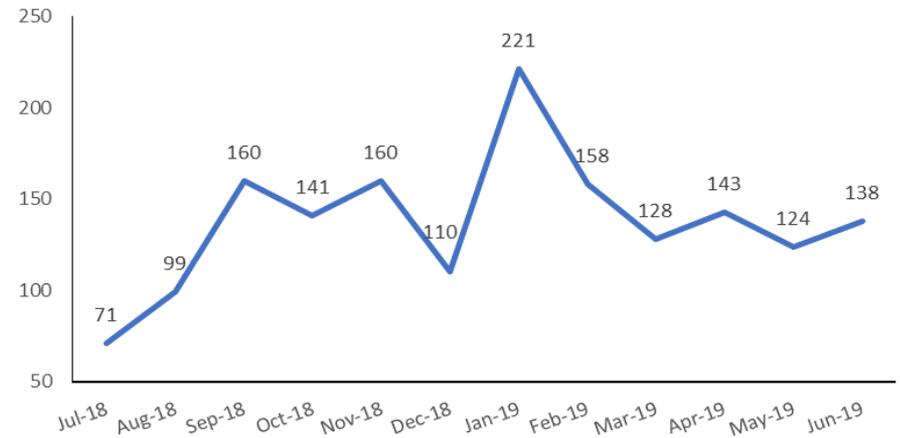
By Issued Plan Year

Customer Contact Calls



Average % of Total Members Contacting the CCC = 11%

myGilsbar.com Logins



Average % of Total Members Logging into myGilsbar.com = 17%

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Storm Kinion, Group Benefits Specialist

DATE: January 29, 2020

RE: 2019 BlueCross BlueShield AZ (BCBSAZ) Review

Please find attached a copy of BCBSAZ's presentation and savings reports for 2019. Rachele Martin will be at the meeting to present and review this report with Trustees.

If you have any questions between now and the date of the meeting, I can be reached at (928) 753-4700 ext. 305 or via email at stormk@ecollinsandassociates.com.



BlueCross
BlueShield
of Arizona



L.H. Unified
School District #1
Employee Benefit Trust

Lake Havasu Unified School
District #1
Annual Trustee Meeting
February 5th
Lake Havasu, AZ

- I. Who is your BCBSAZ Team?
- II. Value of BCBSAZ Network
 - I. Renewal Rates
- III. Service Enhancements
- IV. Appendix



Rachele Martin
Strategic Relationship Executive
602-864-4044
Rachele.Martin@azblue.com



Stefanie Hill
Client Service Manager
602-864-5711
Stefanie.hill@azblue.com

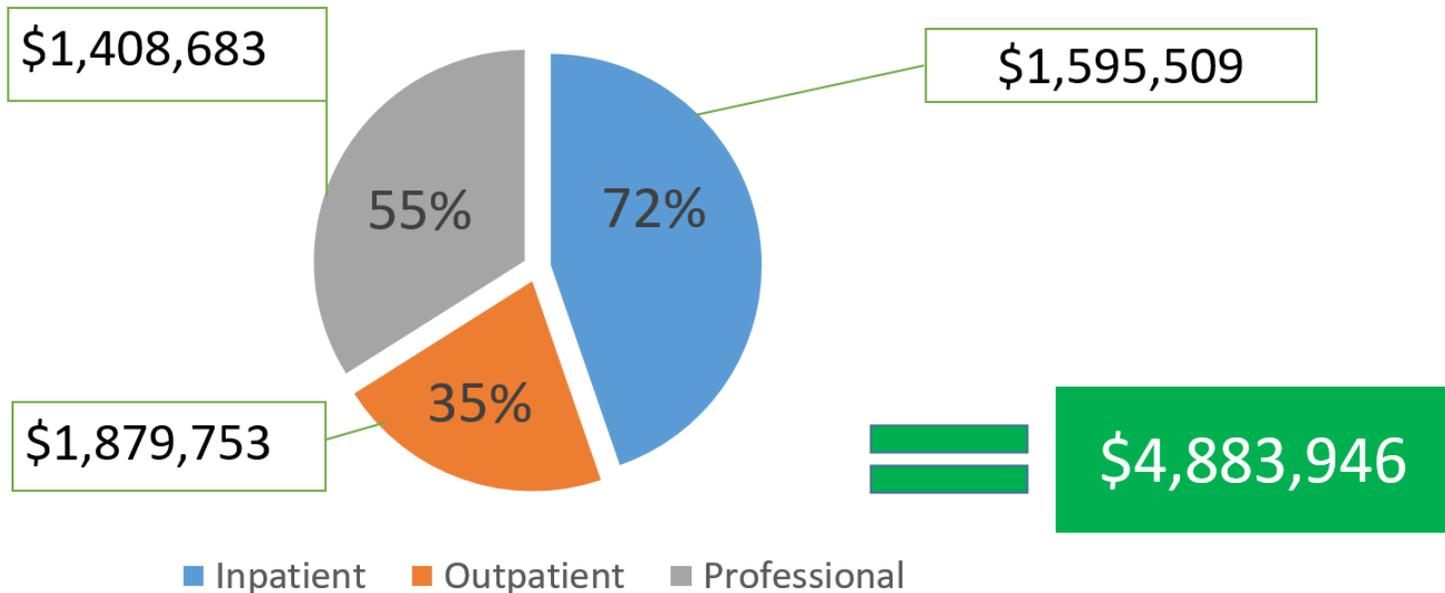


Jen Edmonson
Operations Manager
602-864-2038
Jen.Edmonson@azblue.com

Value of Blue Discount

Time Period 1/1/2019-12/31/2019

Medical Claims Savings %



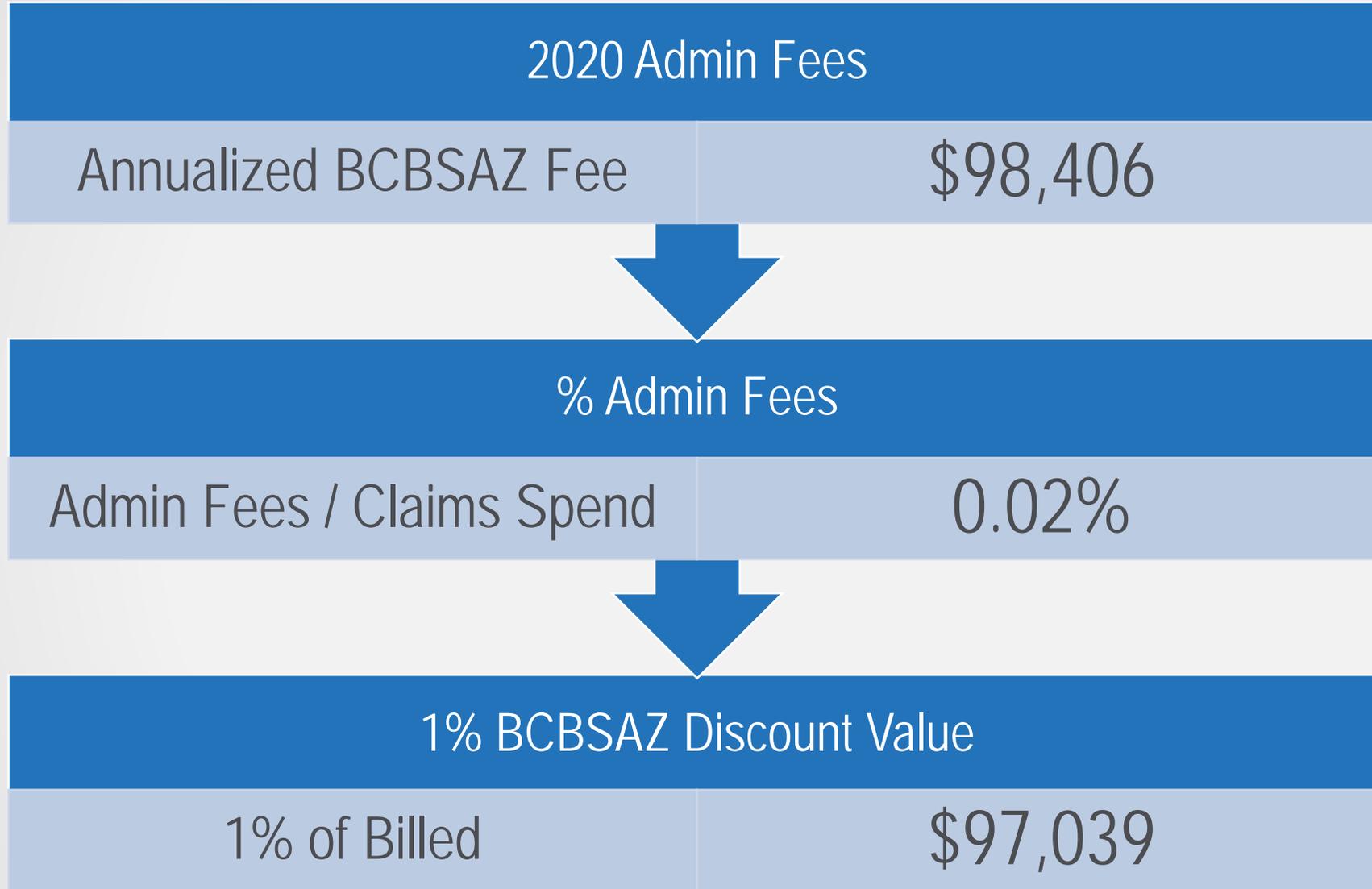
Call Outs:

- Outpatient setting led the discount savings with 72% or \$1.5M for LHSEBT
- Over half of Inpatient claims (29) have a discount of at least 80%

Place of Service	# Claims	Dollars
Inpatient	53	\$1,595,509
Outpatient	396	\$1,408,683
Professional	6,743	\$1,879,753

Value of Blue Discount

Time Period 1/1/2019-12/31/2019



Value of Blue Discount

Time Period 1/1/2019-12/31/2019



In Year 2 of Multiyear Renewal Guarantee:

- July 1, 2020 through June 30, 2021 - \$16.50
- July 1, 2021 through June 30, 2022 - \$17.50



1. Claims Processing time and submission to TPA within 48 hours of receipt. Advantages for you include:

- **First price rate** 98% of all claims are priced systematically without human intervention
- **Turn-Around-Time** 97% of all claims are priced within 48 hours of receipt and sent to your TPA

2. Paper claims

In 2019 BCBSAZ is now accepting all paper claims from providers which enables TPAs to reduce the amount of paper they must price manually, or have converted to an electronic format. Advantages for you include:

- Decreased administrative burden for TPA to receive, key, and transmit claims
- Improved claims quality and processing time

3. TPA Reporting

- In 2019 BCBSAZ focused on the detail of the various reports submitted by the TPA on behalf of the group and these reports work together to meet the contractual obligations of the group. This includes created and delivered a training program that details the reporting requirements and provides simple useable templates for TPA's. Advantages for you include:
 - Collaborative partner to ensure TPA complies with the terms of your contract with Blue Cross Blue Shield of Arizona

4. Velocity Systems Enhancements

- This is BCBSAZ Enterprise effort, mentioned last year, that our new senior leadership is championing. Specifically for CHS, we are working to improve on the already outstanding service we provide to TPAs and Providers. CHS is currently working toward a 2020 roll out of new systems and capabilities. Advantages for you include:
 - Automation of claim processing
 - Offer more services for network only



Appendix

We have an exclusive website for our Network partners. You can access this at www.azblue.com/CHSnetwork

The landing page includes the following:

- *A link to the Online BCBSAZ Provider Directory*
- *Find your Blue Distinction Total Care Provider to manage your care*



Find a Doctor | Corporate Health Services (CHS)

Search for a Provider

Quickly find a doctor, hospital or other healthcare providers.

Arizona PPO

Find a Doctor

Corporate Health Services (CHS)

Through CHS from Blue Cross Blue Shield of Arizona (BCBSAZ), you have access to BCBSAZ’s provider networks. Your employer group is one of many in Arizona that have chosen CHS to give their participants access to BCBSAZ-contracted doctors, hospitals and other healthcare providers. We are committed to giving you a best-in-class network; one of the largest in Arizona -- 20,000-plus and

Choose a Blue Distinction Center

As you search for a new hospital, doctor, or other healthcare provider, consider a Blue Distinction Center (BDC).





[Settings](#)



Dashboard

LOCATION [Lake Havasu City, AZ](#) PLAN [Arizona PPO](#)

Hello,

What are you searching for today?



Doctors by Name



Doctors by Specialty



Places by Name



Places by Type

Search all

Advanced search



Settings



Dashboard / Doctors by Specialty / "Internal Medicine"

LOCATION [Lake Havasu City, AZ](#) PLAN [Arizona PPO](#)

1-10 of 14 results for "Internal Medicine" within 25 miles of Lake Havasu City, AZ for Arizona PPO

Redo Search in Map

Why are markers missing?

Create Directory

Sort: Best Match



Noronha, Shirley, MD

Internal Medicine

★★★★★ (1)

Compare

1 2082 Mesquite Ave
Ste 106
Lake Havasu City, AZ 86403
0.6 miles [Get directions](#)

(928) 680-4233

Today 8:00 AM - 5:00 PM

Accepting new patients

Primary Care Provider

Quality Reports

PCMH

Refine your results

Miles from starting point

**Lake Havasu Unified School District #1
Employee Benefit Trust
Claims Savings Report
For Claims Processed 1/1/2019 - 12/31/2019**

Reflects only the allowed amount as priced by BCBSAZ and does not account for denials, claims edits, etc. applied by the TPA

<u>Claim Type</u>	<u>Claim Count</u>	<u>Billed</u>	<u>Allowed</u>	<u>\$ Savings</u>	<u>% Savings</u>
Inpatient	53	\$2,204,507	\$608,998	\$1,595,509	72.4%
Outpatient	396	4,083,529	2,674,846	1,408,683	34.5%
Facility Subtotal	449	\$6,288,036	\$3,283,844	\$3,004,192	47.8%
Professional	6,743	\$3,415,832	\$1,536,078	\$1,879,753	55.0%
Medical Total	7,192	\$9,703,868	\$4,819,922	\$4,883,946	50.3%

Every 1% in Medical Savings is Worth: \$97,039 (= 1% of Billed)

This means that if a competitor has even a 1% less favorable discount than BCBSAZ (i.e., 49.3%), it will cost the group an additional \$97,039 per year.

If a competitor has, for example, a 5% less favorable discount than BCBSAZ (i.e., 45.3%), it will cost the group an additional \$485,193 per year.

- Notes:**
- 1) Data excludes claims that appear to be duplicates (may not be the same exclusions as determined by the TPA).
 - 2) Data includes claims for contracted providers only.
 - 3) The Billed amount reflects the total charges billed by the provider and as such may include non-covered charges (which are determined by the TPA).
 - 4) The Allowed amount is the BCBSAZ contractual priced amount prior to any benefits being applied by the TPA.



**Lake Havasu Unified School District #1
Employee Benefit Trust
Top 25 Inpatient Claims**

(Based on Highest Billed Charges)

For Claims Processed 1/1/2019 - 12/31/2019

Reflects only the allowed amount as priced by BCBSAZ and does not account for denials, claims edits, etc. applied by the TPA

<u>Claim #</u>	<u>Billed</u>	<u>Allowed</u>	<u>\$ Savings</u>	<u>% Savings</u>
1	\$175,442	\$48,699	\$126,744	72.2%
2	\$151,532	\$57,335	\$94,197	62.2%
3	\$110,206	\$94,997	\$15,209	13.8%
4	\$106,890	\$18,974	\$87,917	82.3%
5	\$106,708	\$11,234	\$95,475	89.5%
6	\$102,955	\$18,314	\$84,641	82.2%
7	\$89,558	\$25,846	\$63,712	71.1%
8	\$88,745	\$18,974	\$69,771	78.6%
9	\$88,374	\$18,974	\$69,400	78.5%
10	\$85,441	\$18,974	\$66,467	77.8%
11	\$78,238	\$39,786	\$38,452	49.2%
12	\$77,047	\$11,810	\$65,237	84.7%
13	\$70,275	\$17,654	\$52,621	74.9%
14	\$59,377	\$26,290	\$33,087	55.7%
15	\$55,547	\$7,865	\$47,682	85.8%
16	\$49,600	\$15,345	\$34,255	69.1%
17	\$40,104	\$5,744	\$34,361	85.7%
18	\$39,720	\$7,603	\$32,117	80.9%
19	\$37,461	\$5,024	\$32,437	86.6%
20	\$36,348	\$5,744	\$30,604	84.2%
21	\$35,302	\$5,024	\$30,278	85.8%
22	\$34,270	\$7,622	\$26,648	77.8%
23	\$33,408	\$5,744	\$27,664	82.8%
24	\$31,722	\$9,849	\$21,874	69.0%
25	\$29,069	\$12,250	\$16,819	57.9%

Top 25 Total	\$1,813,341	\$515,672	\$1,297,669	71.6%
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	<u>Claim Count</u>	<u>Billed</u>	<u>Allowed</u>	<u>\$ Savings</u>	<u>% Savings</u>
Inpatient Total	53	\$2,204,507	\$608,998	\$1,595,509	72.4%

Lake Havasu Unified School District #1 Employee Benefit Trust Claims Savings Report For Claims Processed 1/1/2019 - 12/31/2019

Reflects only the allowed amount as priced by BCBSAZ and does not account for denials, claims edits, etc. applied by the TPA

<u>Claim Type</u>	<u>Claim Count</u>	<u>Billed</u>	<u>Allowed</u>	<u>\$ Savings</u>	<u>% Savings</u>
Inpatient	53	\$2,204,507	\$608,998	\$1,595,509	72.4%
Outpatient	<u>396</u>	<u>4,083,529</u>	<u>2,674,846</u>	<u>1,408,683</u>	<u>34.5%</u>
Facility Subtotal	449	\$6,288,036	\$3,283,844	\$3,004,192	47.8%
Professional	6,743	\$3,415,832	\$1,536,078	\$1,879,753	55.0%
Medical Total	7,192	\$9,703,868	\$4,819,922	\$4,883,946	50.3%

Every 1% in Medical Savings is Worth: \$97,039 (= 1% of Billed)

This means that if a competitor has even a 1% less favorable discount than BCBSAZ (i.e., 49.3%), it will cost the group an additional \$97,039 per year.

If a competitor has, for example, a 5% less favorable discount than BCBSAZ (i.e., 45.3%), it will cost the group an additional \$485,193 per year.

Notes:

- 1) Data excludes claims that appear to be duplicates (may not be the same exclusions as determined by the TPA).
- 2) Data includes claims for contracted providers only.
- 3) The Billed amount reflects the total charges billed by the provider and as such may include non-covered charges (which are determined by the TPA).
- 4) The Allowed amount is the BCBSAZ contractual priced amount prior to any benefits being applied by the TPA.

Lake Havasu Unified School District #1
Employee Benefit Trust
Top 25 Inpatient Claims
(Based on Highest Billed Charges)
For Claims Processed 1/1/2019 - 12/31/2019

*Reflects only the allowed amount as priced by BCBSAZ and does not account for denials, claims edits, etc.
applied by the TPA*

<u>Claim #</u>	<u>Billed</u>	<u>Allowed</u>	<u>\$ Savings</u>	<u>% Savings</u>
1	\$175,442	\$48,699	\$126,744	72.2%
2	\$151,532	\$57,335	94,197	62.2%
3	\$110,206	\$94,997	15,209	13.8%
4	\$106,890	\$18,974	87,917	82.3%
5	\$106,708	\$11,234	95,475	89.5%
6	\$102,955	\$18,314	84,641	82.2%
7	\$89,558	\$25,846	63,712	71.1%
8	\$88,745	\$18,974	69,771	78.6%
9	\$88,374	\$18,974	69,400	78.5%
10	\$85,441	\$18,974	66,467	77.8%
11	\$78,238	\$39,786	38,452	49.2%
12	\$77,047	\$11,810	65,237	84.7%
13	\$70,275	\$17,654	52,621	74.9%
14	\$59,377	\$26,290	33,087	55.7%
15	\$55,547	\$7,865	47,682	85.8%
16	\$49,600	\$15,345	34,255	69.1%
17	\$40,104	\$5,744	34,361	85.7%
18	\$39,720	\$7,603	32,117	80.9%
19	\$37,461	\$5,024	32,437	86.6%
20	\$36,348	\$5,744	30,604	84.2%
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23	\$33,408	\$5,744	27,664	82.8%
24	\$31,722	\$9,849	21,874	69.0%
25	\$29,069	\$12,250	16,819	57.9%
Top 25 Total	\$1,813,341	\$515,672	\$1,297,669	71.6%

	<u>Claim Count</u>	<u>Billed</u>	<u>Allowed</u>	<u>\$ Savings</u>	<u>% Savings</u>
Inpatient Total	53	\$2,204,507	\$608,998	\$1,595,509	72.4%

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Storm Kinion, Group Benefits Specialist

DATE: January 29, 2020

RE: 2019 American Health Group (AHG) Review

Please find attached a copy of AHG's presentation on pre-certification and case managment for 2019. Ray Jennings and Jennifer Huppenthal will be at the meeting to present and review this report with Trustees.

If you have any questions between now and the date of the meeting, I can be reached at (928) 753-4700 ext. 305 or via email at stormk@ecollinsandassociates.com.



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The AHG Advantage

LHSEBT TRUST RENEWAL MEETING

FEBRUARY 5, 2020

Elements

- AHG Value
- Utilization Management Report Summary
- Case Management Report Summary
- Highlight - Clinical Quality Results
- Highlight – Customer Experience Results
- Highlight – Financial Results
- AHG Advantage

We Bring Value

Innovation

Post-Discharge Calls

Call made to patient within a week of DC from hospital. Medication adherence is a predictor (30%+) of 30-day readmissions

- LHSEBT all cause readmission rates (8.1% HEDIS PPO Commercial Population. 2017)
 - 2016 – 3.7%
 - 2017 – 6.9%
 - 2018 – 6.6%
 - 2019 – 4.1%

Infusion Transitions

- Infusion transition savings
 - BOB 2019 – Over \$1,200,000 in net annual savings; making it the most convenient and cost-effective option for patient care and a triumph for our Clients
- Specialty Pharmacy Coordination

We Bring Value

Innovation

Patient Advocacy

- PPO steering
 - 4 R's for Services
 - *Right time*
 - *Right place*
 - *Right amount*
 - *Right price*



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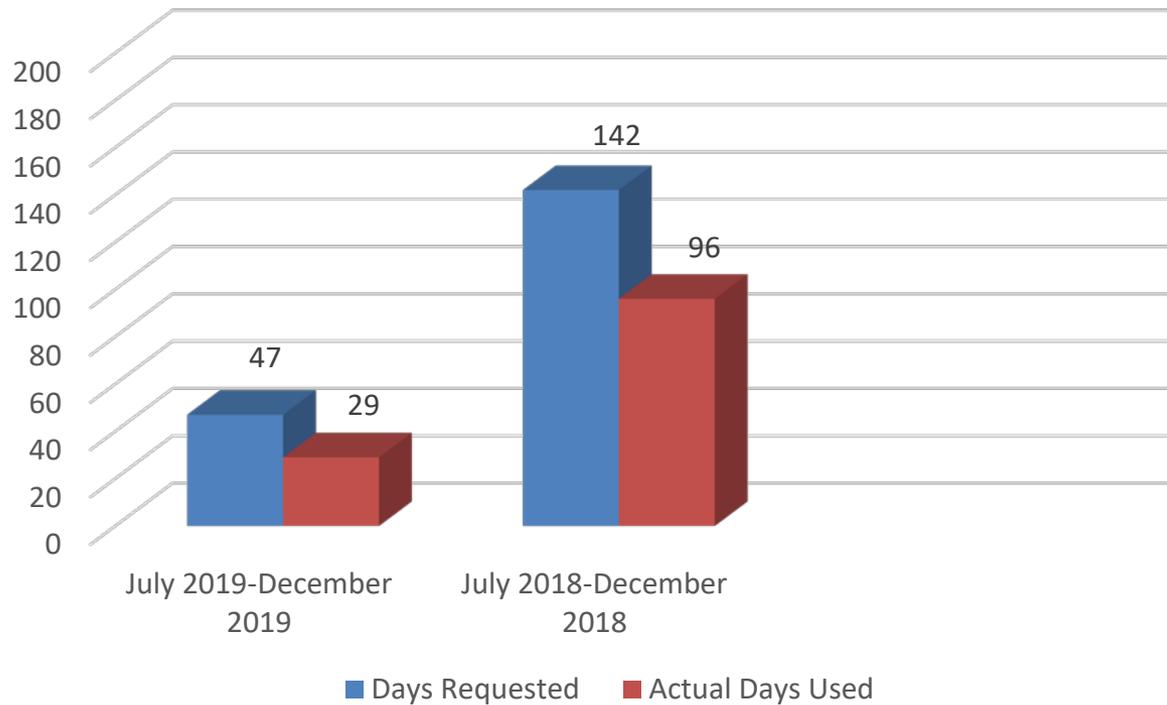
LAKE HAVASU UNIFIED SCHOOLS DISTRICT #1

UTILIZATION MANAGEMENT SUMMARY REPORT

JULY 2019 - DECEMBER 2019

Inpatient Profile:	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	YTD Total
Admission Summary	1	1	2	2	2	1							9
Days Requested	10	3	8	8	14	4							47
Days Approved	8	1	4	4	10	2							29
Actual Days Used	8	1	4	4	10	2							29
Average LOS	8.00	1.00	2.00	2.00	5.00	2.00							3.22

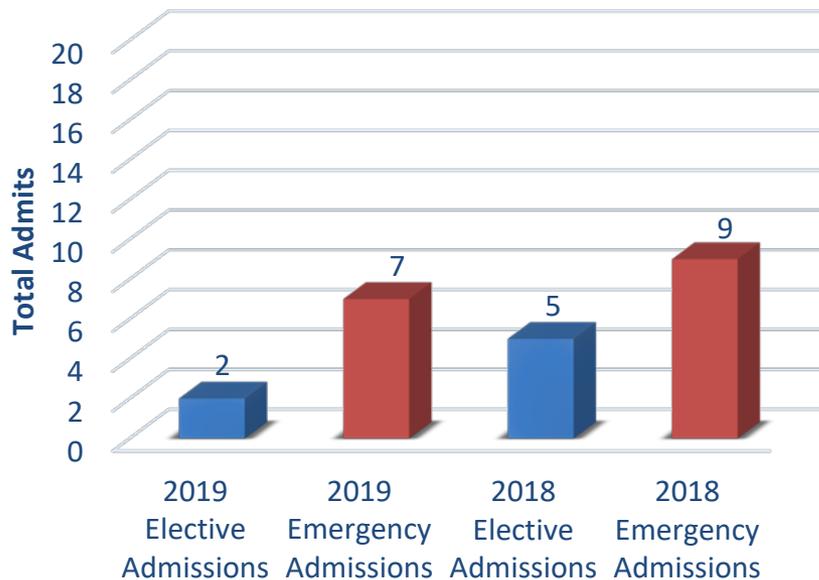
Inpatient Admission Summary



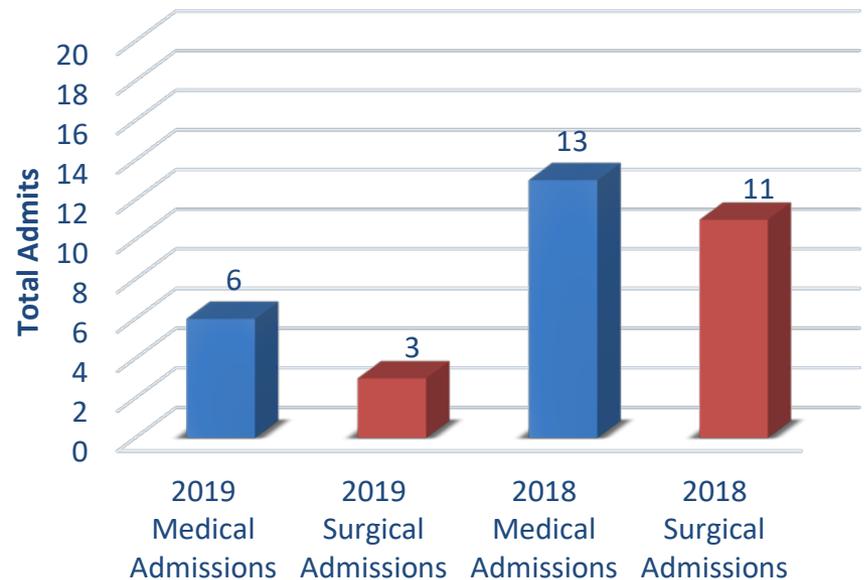
Inpatient Profile:	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	YTD Total
Elective Admits	0	1	0	0	1	0							2
Emergency Admits	1	0	2	2	1	1							7
Medical Admits	0	0	2	2	1	1							6
Surgical Admits	1	1	0	0	1	0							3
Projected Savings	\$1,200	\$1,200	\$2,400	\$2,400	\$2,400	\$1,200							\$10,800

*Savings Based on the \$600 per Hospital Day

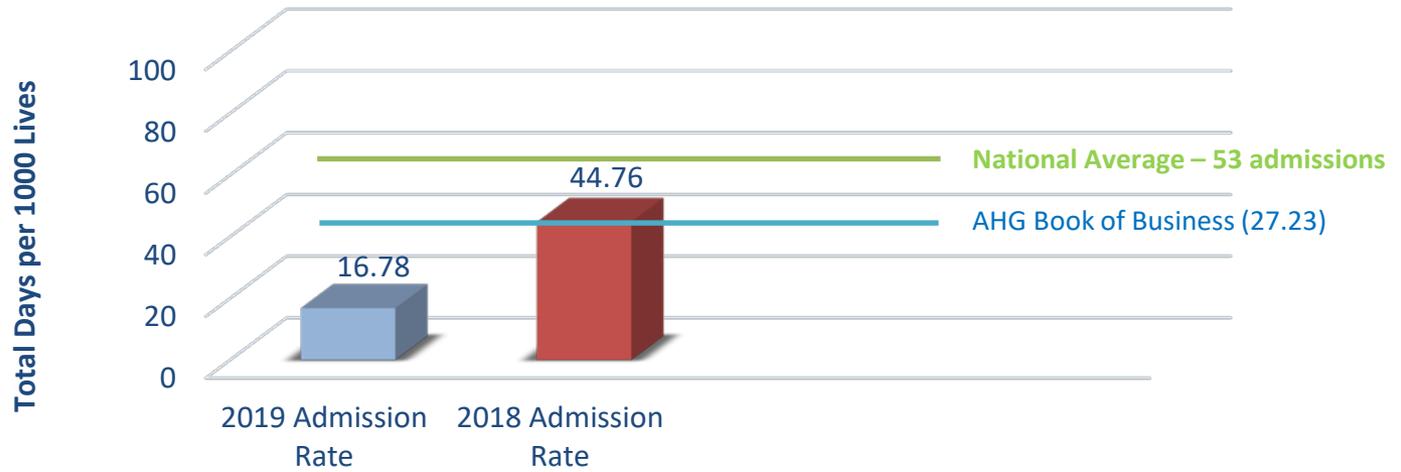
Admission Breakdown



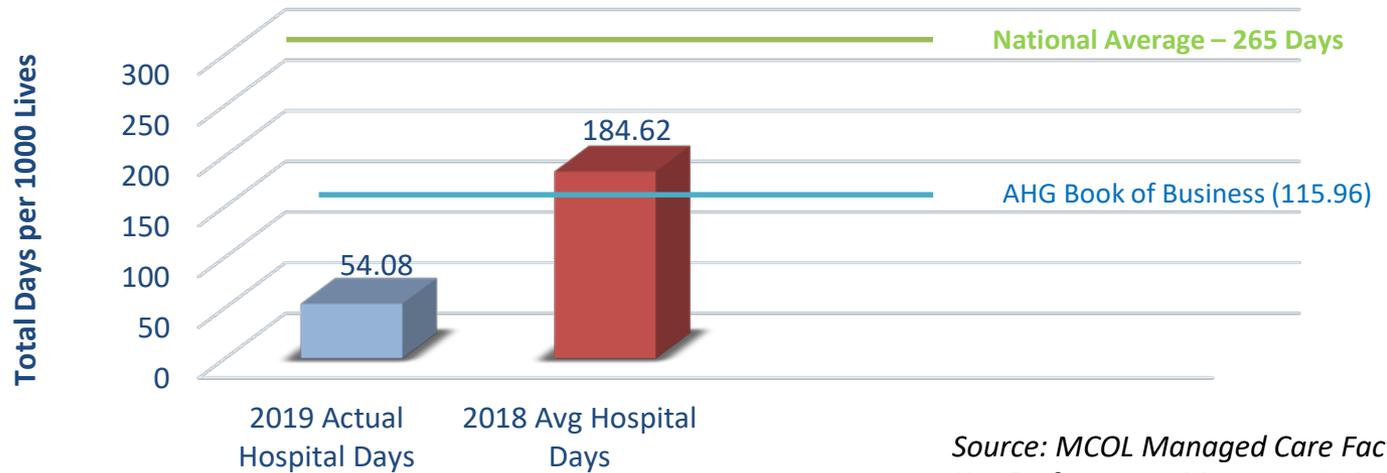
Admission Type Breakdown



Admission Rate



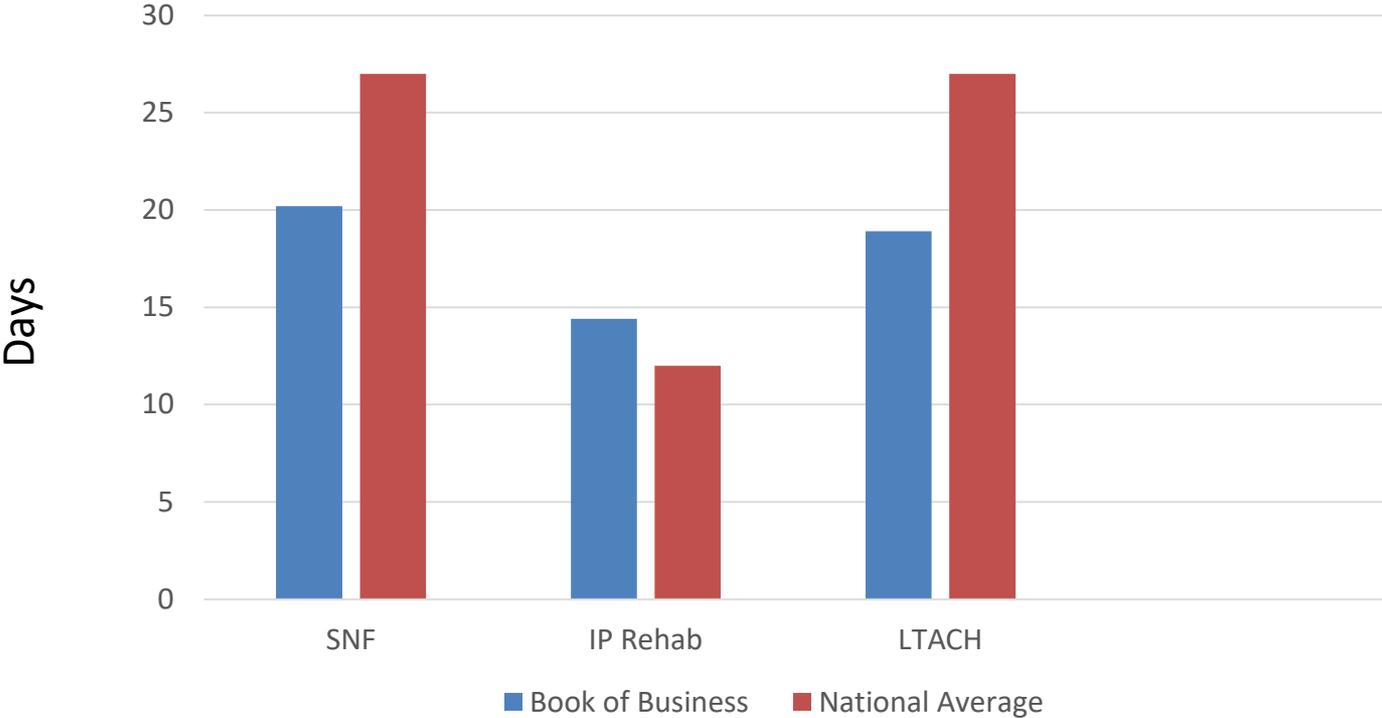
Hospital Days



Source: MCOL Managed Care Fact Sheet – Key Performance Measures 2018

Utilization Management Performance

Post Acute Care Average LOS



*National Avg Source: Trend watch American Hospital Association, 2015



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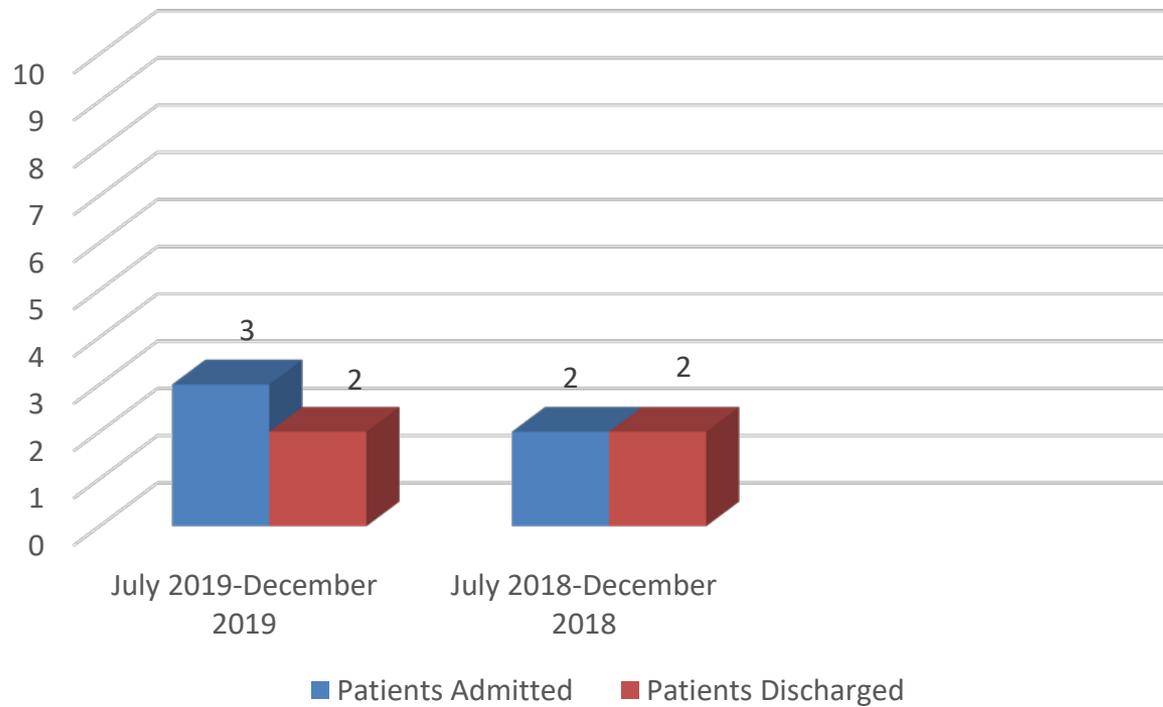
LAKE HAVASU UNIFIED SCHOOLS DISTRICT #1

CASE MANAGEMENT SUMMARY REPORT

JULY 2019 - DECEMBER 2019

Population Profile:	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	YTD Total
Patients Admitted	0	0	2	0	1	0							3
Patients Discharged	0	1	1	0	0	0							2

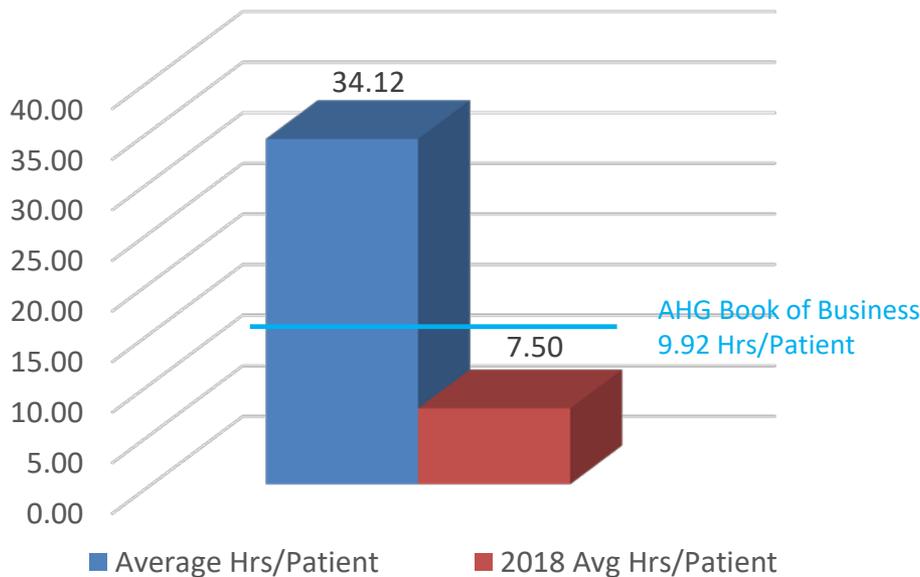
Case Management Summary



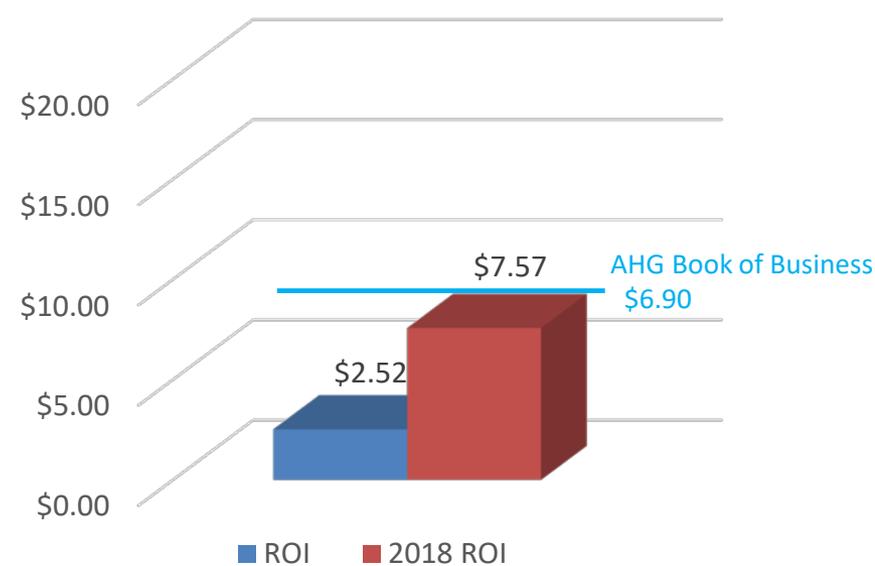
Case Management Performance

Population Profile:	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	YTD Total
Total Billed Hours	0.00	8.25	60.00	0.00	0.00	0.00							68.25
Average Hrs/Patient	0.00	8.25	60.00	0.00	0.00	0.00							34.12
2018 Avg Hrs/Patient	0.00	7.50	0.00	0.00	0.00	8.25							7.88
Projected Savings	\$0	\$12,675	\$4,500	\$0	\$0	\$0							\$17,175
ROI	\$0.00	\$15.36	\$0.75	\$0.00	\$0.00	\$0.00							\$2.52
2018 ROI	\$0.00	\$13.00	\$0.00	\$0.00	\$0.00	\$2.64							\$7.57
Average LOS	0.00	90.00	660.00	0.00	0.00	0.00							375.00
2018 Average LOS	0.00	63.00	0.00	0.00	0.00	66.00							64.50

Average Hours Per Patients
July 2019 – December 2019



Return-on-Investment (ROI)
July 2019 – December 2019



Case Management- \$2.50 savings for every \$1 spent on CM. Source: January 2011
Healthcare Intelligence Network Case Management Survey

Clinical Quality Results

Acute Care Hospital Average Length of Stay (LOS) (4.50-day average reported in MCOL Managed Care Fact Sheet – Key Performance Measures 2018)

- LHSEBT 2016 – ALOS 3.85 days
- LHSEBT 2017 – ALOS 3.90 days
- LHSEBT 2018 – ALOS 4.36 days
- LHSEBT 2019 – ALOS 2.60 days

Financial ROI

Utilization Management

- **Impatient Admissions/1000** (57 admissions/1000 MCOL Managed Care Fact Sheet, Key Performance Indicators, 2018)
 - LHSEBT 2016 – 28/1000
 - LHSEBT 2017 – 32/1000
 - LHSEBT 2018 – 42/1000
 - LHSEBT 2019 – 24/1000
- **Inpatient Days/1000** (255 days/1000 MCOL Managed Care Fact Sheet, Key Performance Indicators, 2018)
 - LHSEBT 2016 – 108/1000
 - LHSEBT 2017 – 126/1000
 - LHSEBT 2018 – 188/1000
 - LHSEBT 2019 – 117/1000

Customer Experience Results

Member/Patient Experience (5-year average)

1. Overall satisfaction
 - 93.75% rating in the outstanding/excellent category
2. Compare services to other CM firms
 - 95% rating in outstanding/excellent category

Provider Experience (5-year average)

1. Overall satisfaction
 - 93.75% rating in the outstanding/excellent category
2. How do we compare to other insurance entities
 - 85% rating in the outstanding/excellent category

The AHG Advantage

- ❖ We are data-driven and rapidly respond to the unique needs of our members and Clients and customize products to best serve their needs
- ❖ Cost-effective rates
- ❖ Unwavering commitment to customer and member experiences and clinical results
- ❖ Collaboration with TPA, PBM, provider network and reinsurance carrier to ensure members achieve the highest quality health care with the most efficient use of each dollar
- ❖ Elevated patient engagement yields lower readmission rates
- ❖ Relentless effort made to steer members to PPO providers
- ❖ Prior authorizations efficiently completed under 3 business days
- ❖ Fully integrated utilization management platform



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LAKE HAVASU UNIFIED SCHOOLS DISTRICT #1

UTILIZATION MANAGEMENT & CASE MANAGEMENT REPORTS
JULY 2019 - DECEMBER 2019

SPOTLIGHT

January – December 2019



Our unwavering commitment to engagement has created remarkable clinical quality, cost savings, and member experience results

Clinical Quality

IP Readmission within **30 days 5.1%** (8.1% HEDIS PPO Commercial Population 2017)

Refusal of case management services was **7%** (17% refused rate based on URAC 2017 Case Management Performance Measures)

Cost Savings

Infusion Setting Program Savings

Steering patients from a hospital to home/AIC and shifting providers from buy/bill to the PBM has led **to over \$1.200,000 net in annual savings**, making it the most convenient and cost-effective option for patient care and **a triumph for the Plans**

Member Experience

- “**My case manager was excellent**, especially in helping me **navigate** through health and **financial tangles**, making a big difference.” – **Ed S.**
- “She **was caring, helpful** with information, **very responsive** to any questions/concerns and **intentional** in her interactions. She brought a comfort knowing I had **an advocate on my side** during this **unexpected** health care journey. Everyone would want her on their **team to beat cancer!**” – **John M.**
- “My case manager made the whole **insurance process much easier** during a very difficult health issue. I felt like she was truly **concerned with my health and welfare.**” – **Suzanne E.**
- Going the **extra mile** on anything I needed. We love her Without her **some things would not have been taken care of.**” – **Sharon F.**



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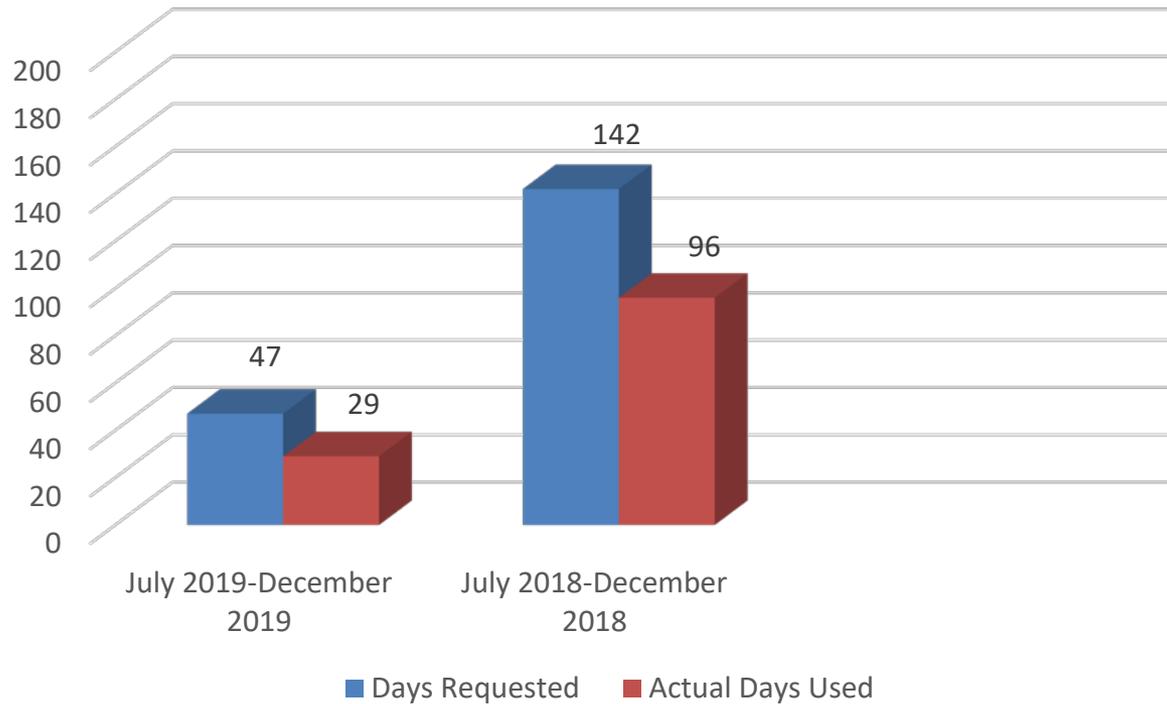
LAKE HAVASU UNIFIED SCHOOLS DISTRICT #1

UTILIZATION MANAGEMENT SUMMARY REPORT

JULY 2019 - DECEMBER 2019

Inpatient Profile:	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	YTD Total
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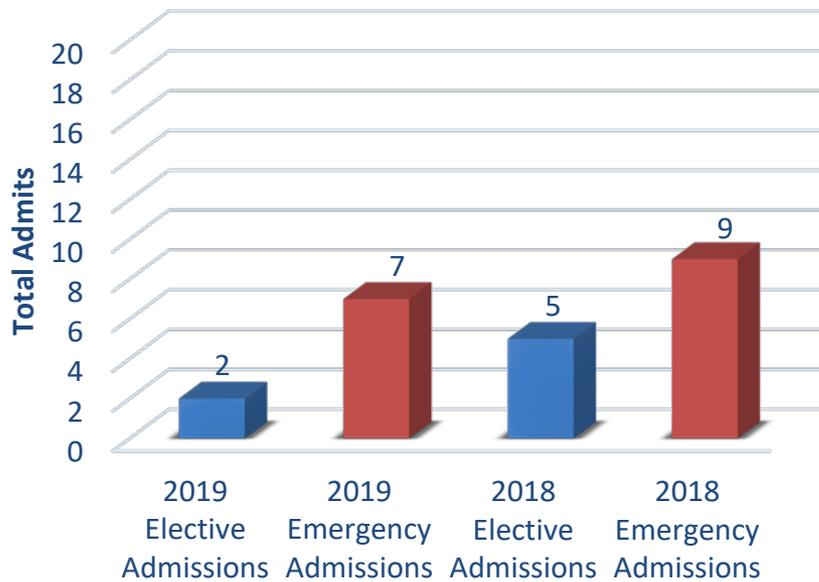
Inpatient Admission Summary



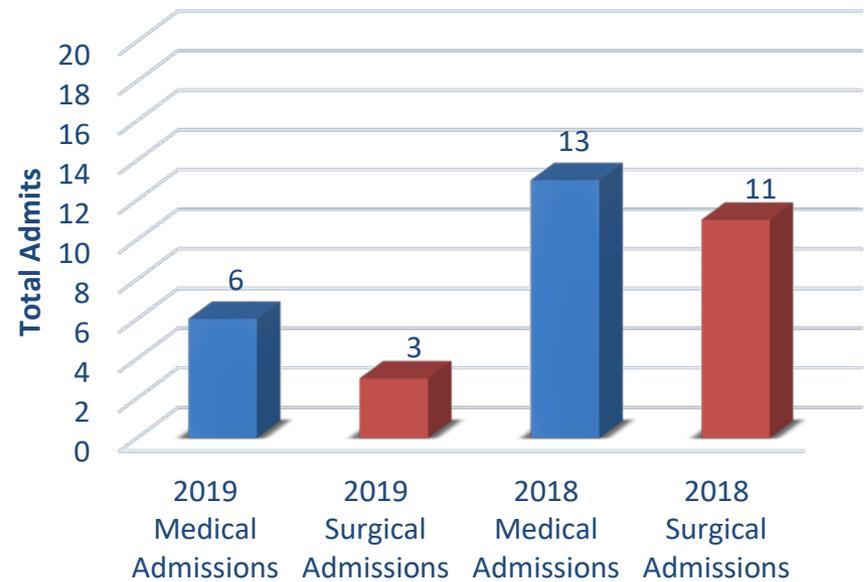
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Emergency Admits	1	0	2	2	1	1							7
Medical Admits	0	0	2	2	1	1							6
Surgical Admits	1	1	0	0	1	0							3
Projected Savings	\$1,200	\$1,200	\$2,400	\$2,400	\$2,400	\$1,200							\$10,800

*Savings Based on the \$600 per Hospital Day

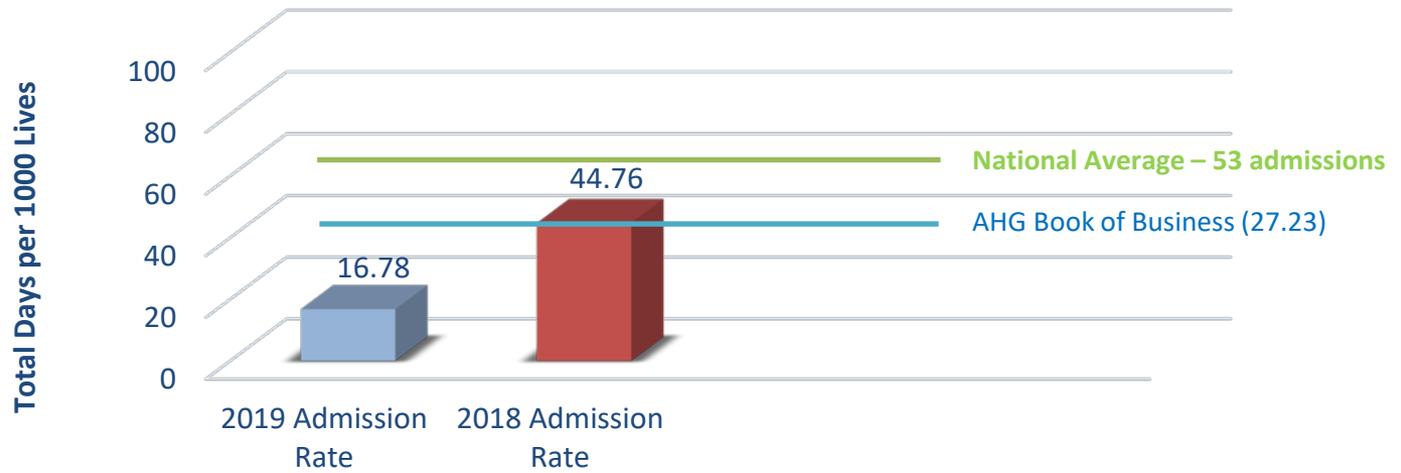
Admission Breakdown



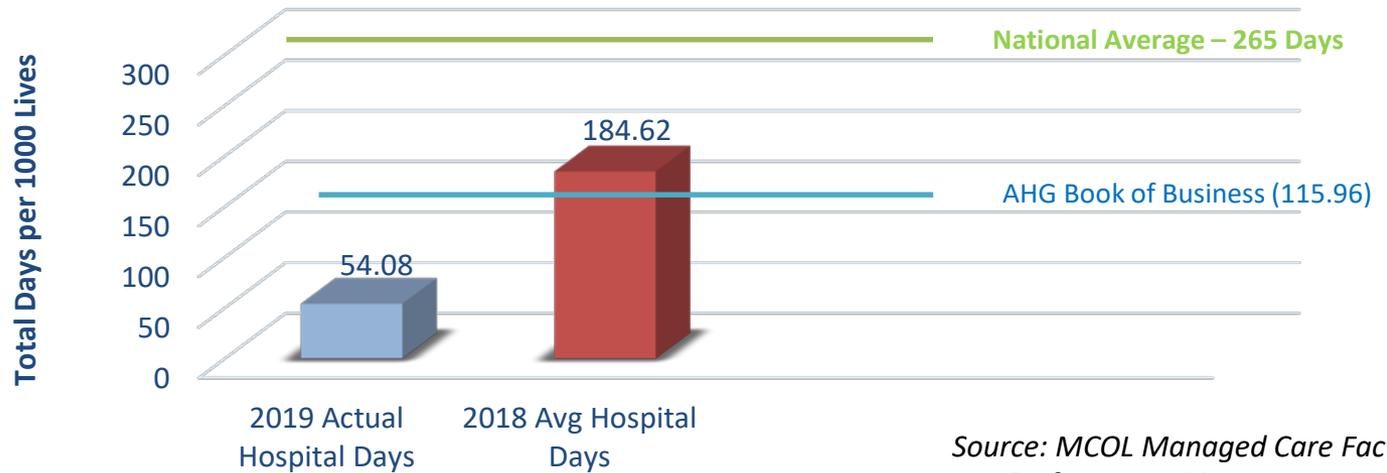
Admission Type Breakdown



Admission Rate



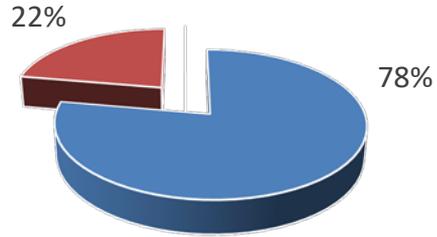
Hospital Days



Source: MCOL Managed Care Fact Sheet – Key Performance Measures 2018

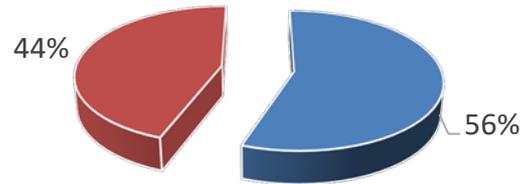
Inpatient Profile

Utilization Profile 2019



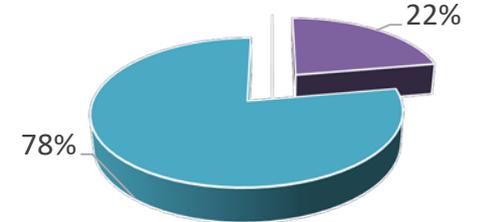
■ Employee ■ Spouse ■ Dependent

Gender Utilization Profile 2019



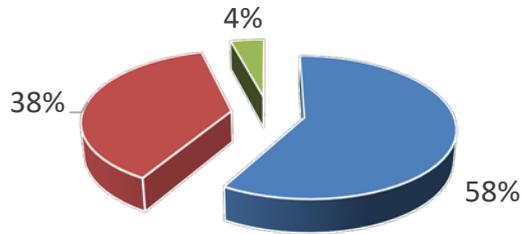
■ Male ■ Female

Age Utilization Profile 2019



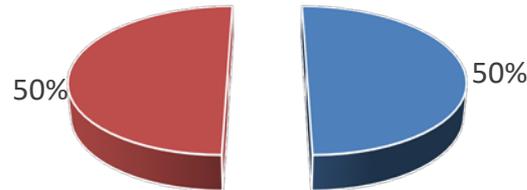
■ 0-5 ■ 6-17 ■ 18-26 ■ 27-40 ■ 41-64 ■ 65+

Utilization Profile 2018



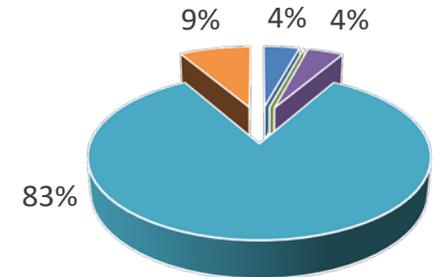
■ Employee ■ Spouse ■ Dependent

Gender Utilization Profile 2018



■ Male ■ Female

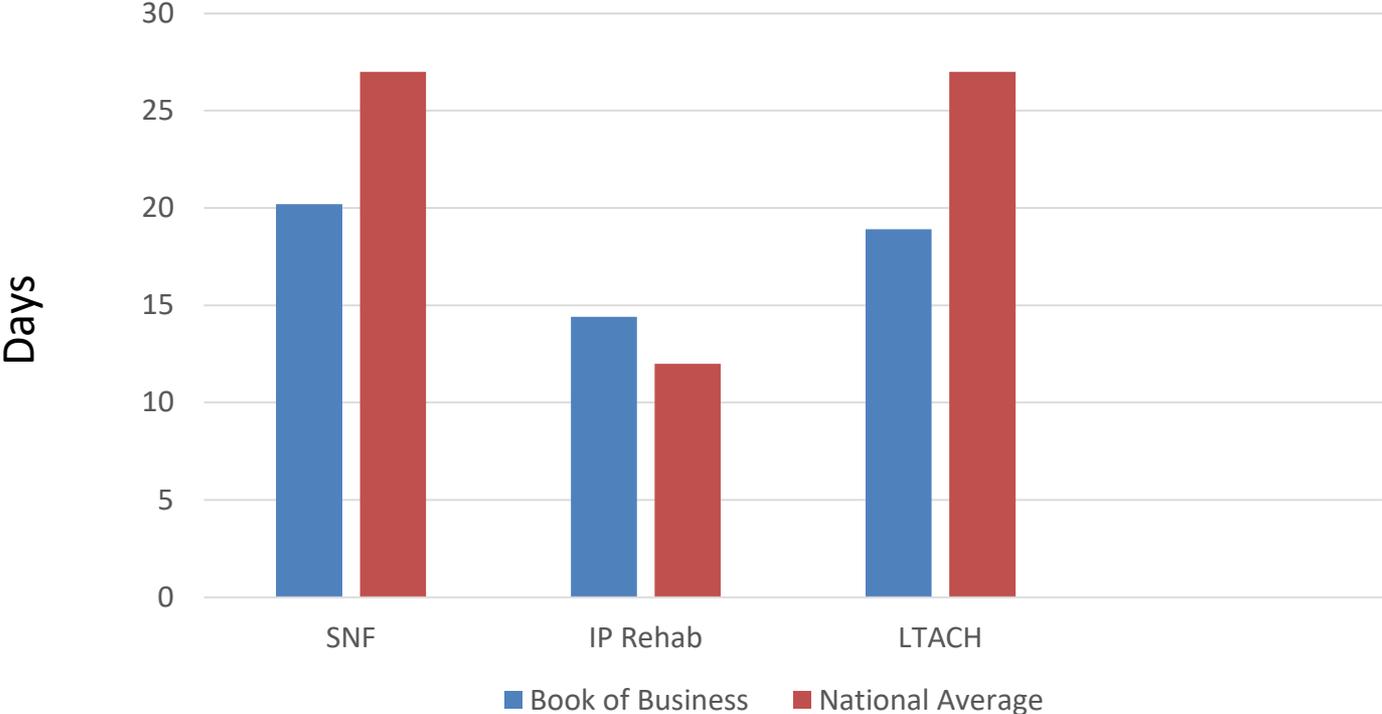
Age Utilization Profile 2018



■ 0-5 ■ 6-17 ■ 18-26 ■ 27-40 ■ 41-64 ■ 65+

Utilization Management Performance

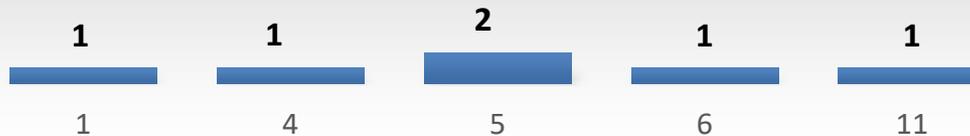
Post Acute Care Average LOS



*National Avg Source: Trend watch American Hospital Association, 2015

Top 5 Medical Disease Categories 2019

Total Admissions



- 01 Diseases And Disorders Of The Nervous System***
- 04 Diseases And Disorders Of The Respiratory System***
- 05 Diseases And Disorders Of The Circulatory System***
- 06 Diseases And Disorders Of The Digestive System***
- 11 Diseases And Disorders Of The Kidney And Urinary Tract***



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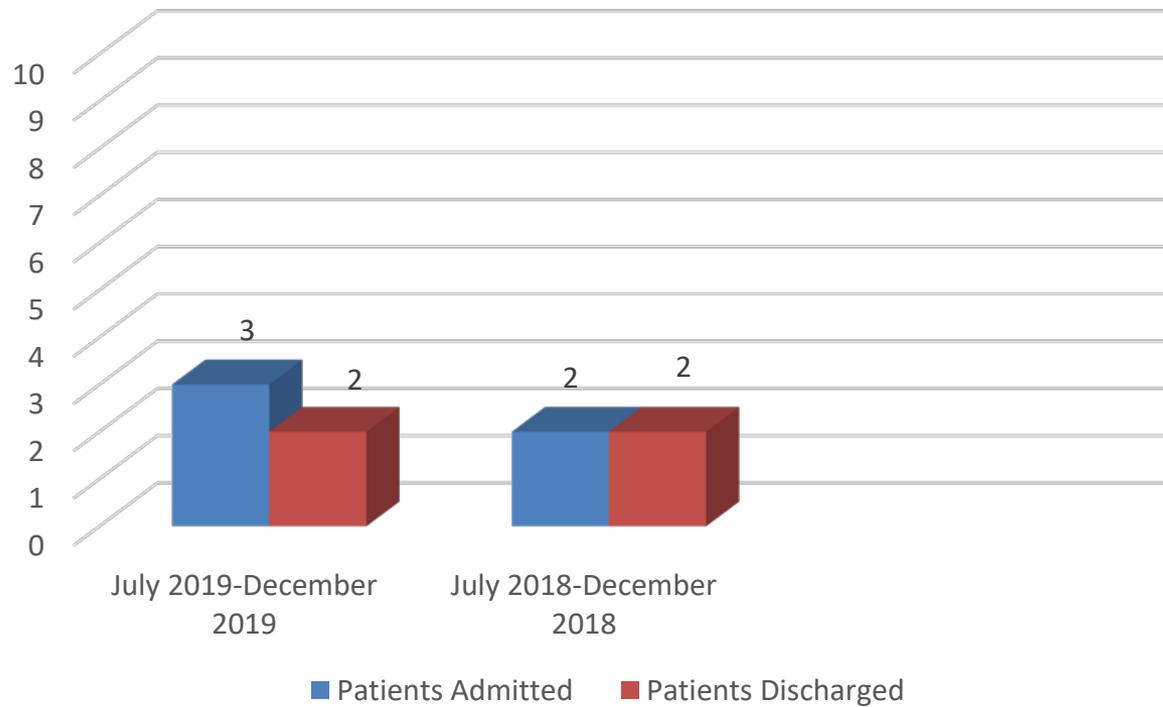
LAKE HAVASU UNIFIED SCHOOLS DISTRICT #1

CASE MANAGEMENT SUMMARY REPORT

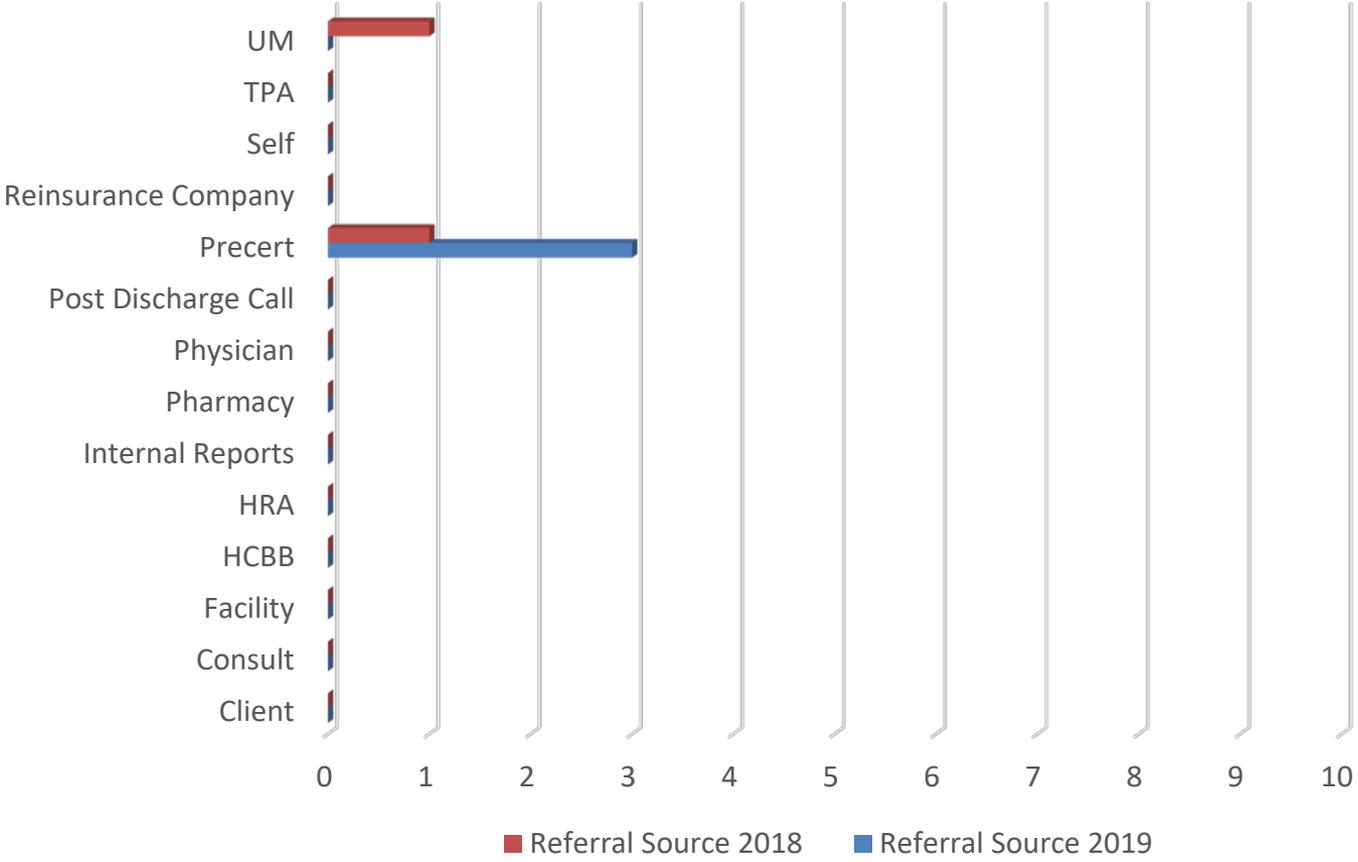
JULY 2019 - DECEMBER 2019

Population Profile:	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	YTD Total
Patients Admitted	0	0	2	0	1	0							3
Patients Discharged	0	1	1	0	0	0							2

Case Management Summary

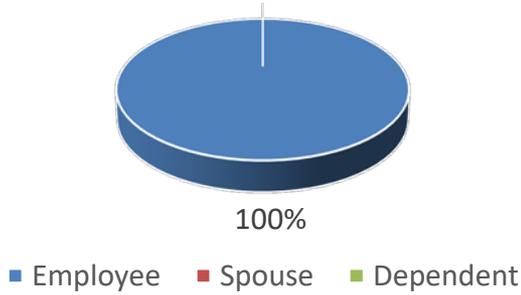


Case Management Referral Source

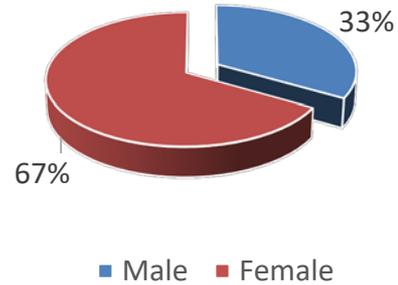


Case Management Patient Profile

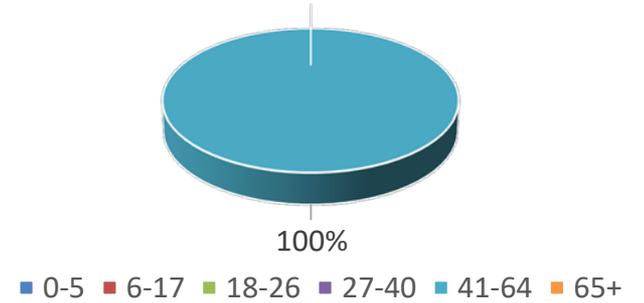
CM Admission Profile 2019



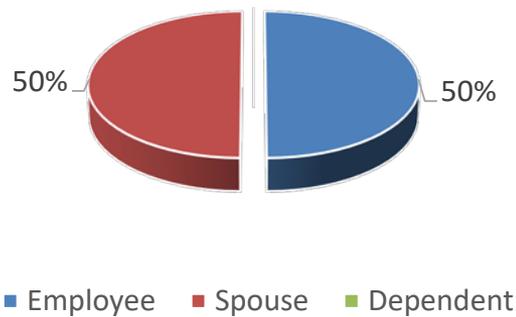
CM Gender Profile 2019



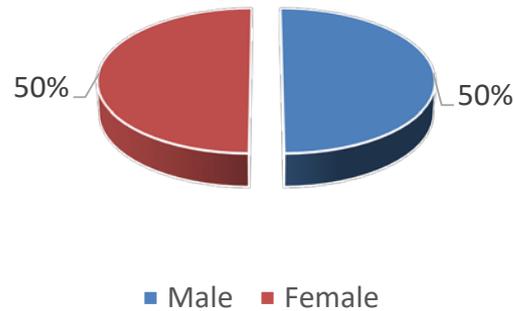
CM Age Profile 2019



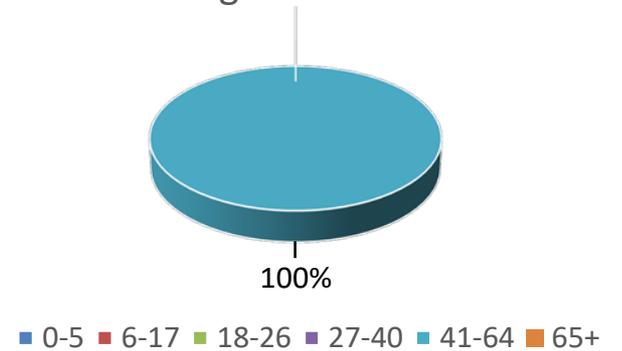
CM Admission Profile 2018



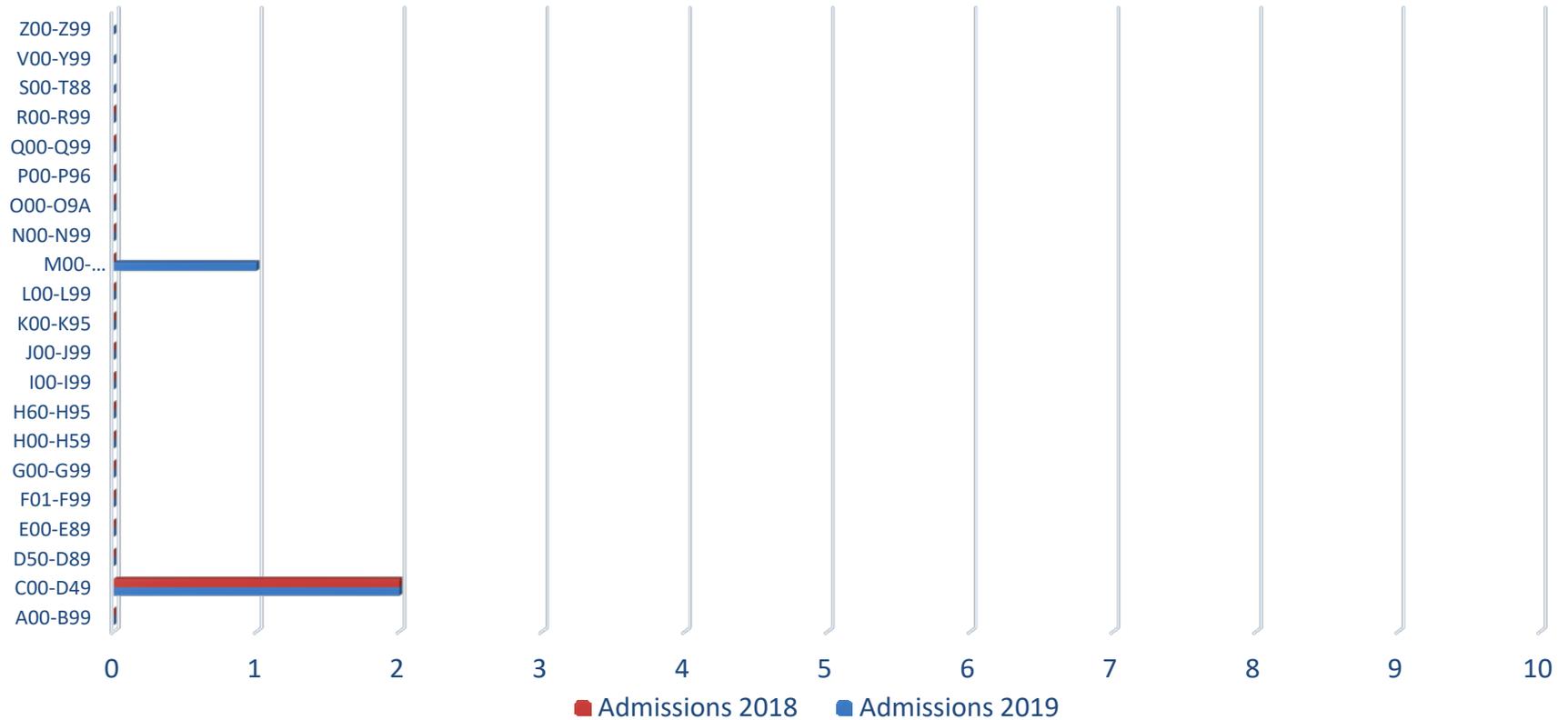
CM Gender Profile 2018



CM Age Profile 2018



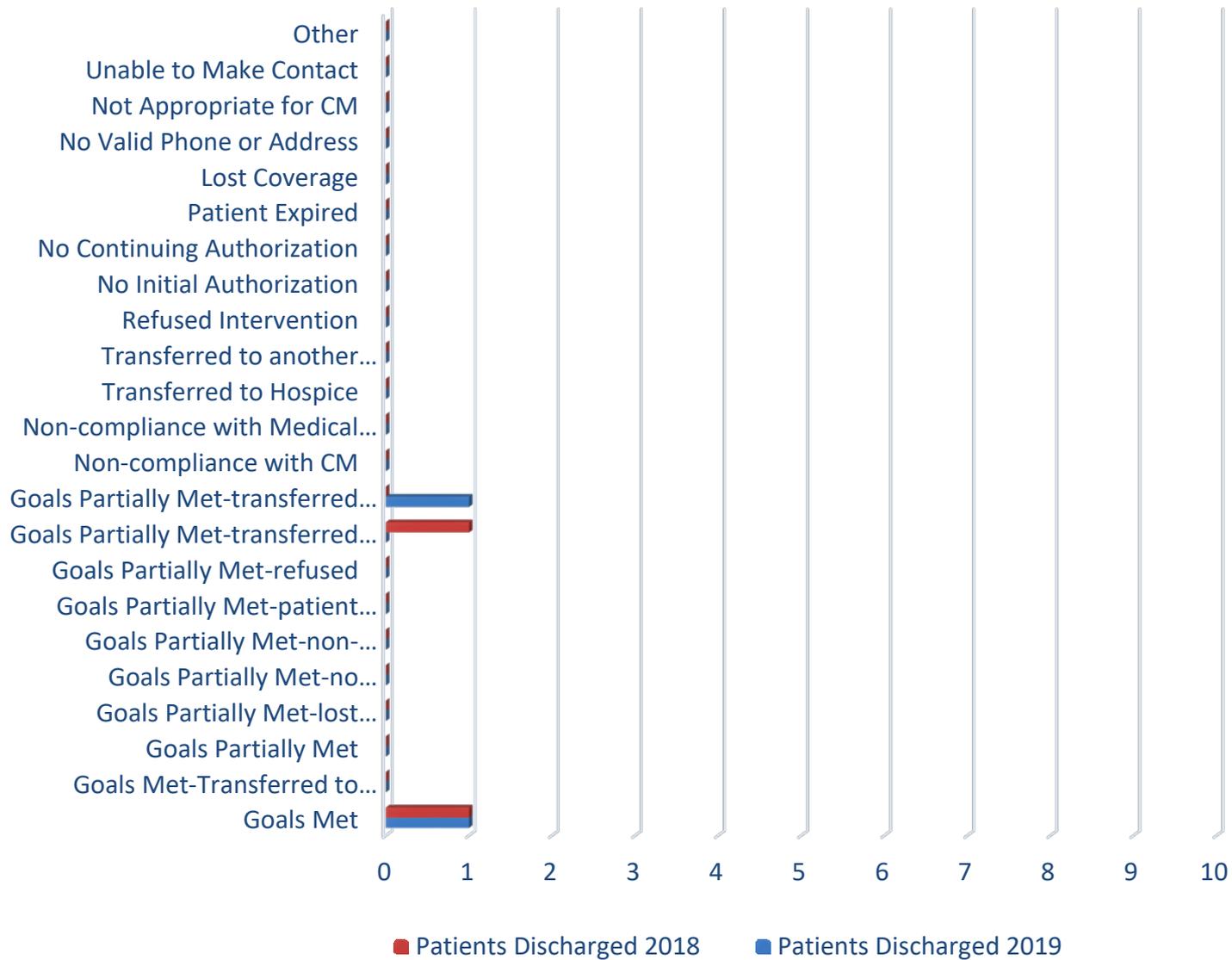
Case Management Admissions by ICD10 Category



- (A00 –B99) Certain Infectious, Parasitic Diseases**
- (C00 -D49) Neoplasms**
- (D50 -D89) Diseases of Blood**
- (E00 -E89) Endoc, Nutrit, Metabolic**
- (F01 -F99) Mental, Behav, Neurodevelopmental**
- (G00 -G99) Diseases of the Nervous System**
- (H00 -H59) Diseases of the Eye**
- (H60 -H95) Diseases of the Ear**
- (I00 -I99) Disease of the Circulatory System**
- (J00 -J99) Diseases of the Respiratory System**
- (K00 -K95) Diseases of the Digestive System**

- (L00 -L99) Diseases of the Skin and Sub Tissue**
- (M00 -M99) Diseases of the Musculoskeletal System**
- (N00 -N99) Diseases of the Genitourinary System**
- (O00 -O9A) Pregnancy, Childbirth, and the Puerperium**
- (P00 -P96) Certain Conditions Originating Perinatal Period**
- (Q00 -Q99) Congenital Malformations, Deformations**
- (R00 -R99) Symptoms, Signs, Abnormal Findings**
- (S00 -T88) Injury, Poisoning, External Causes**
- (V00 -Y99) External Causes of Morbidity**
- (Z00 -Z99) Factors Influencing Health Status**

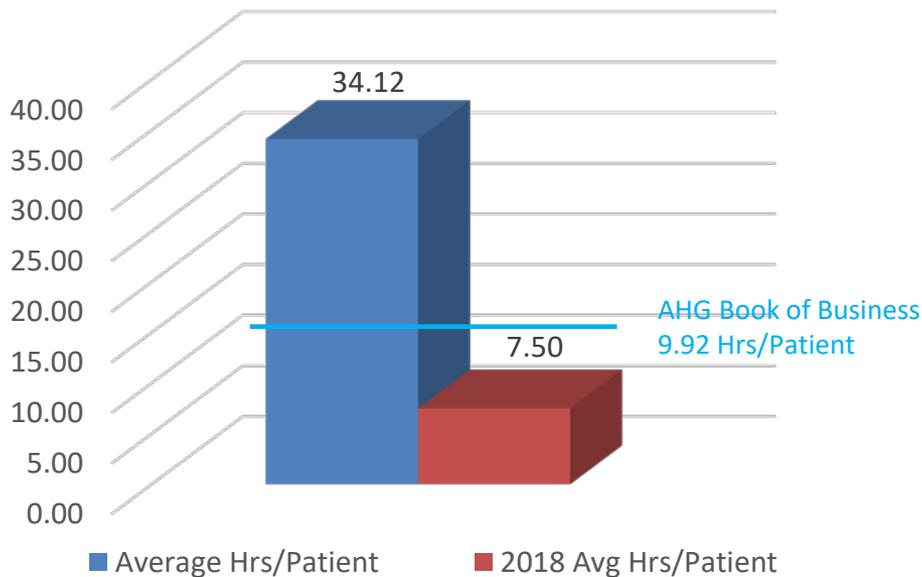
Patient Discharge Reason Summary



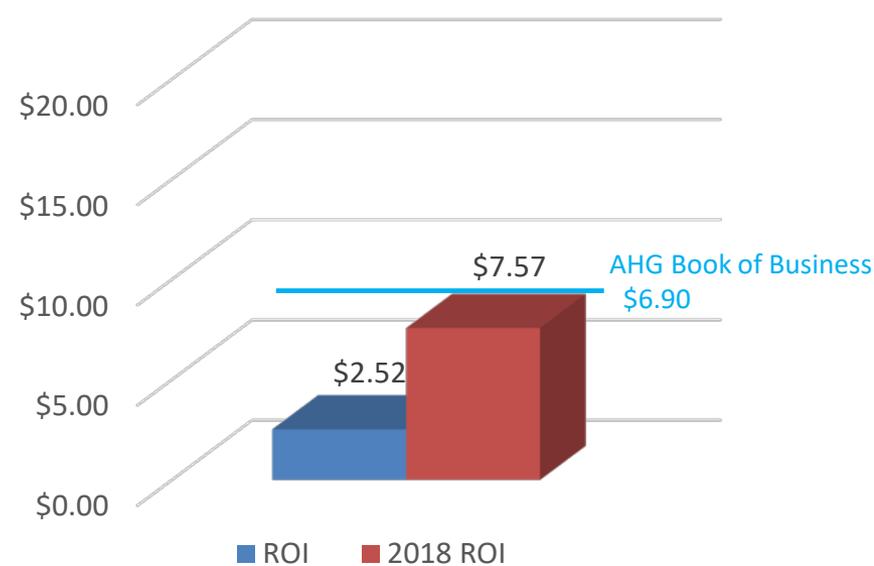
Case Management Performance

Population Profile:	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	YTD Total
Total Billed Hours	0.00	8.25	60.00	0.00	0.00	0.00							68.25
Average Hrs/Patient	0.00	8.25	60.00	0.00	0.00	0.00							34.12
2018 Avg Hrs/Patient	0.00	7.50	0.00	0.00	0.00	8.25							7.88
Projected Savings	\$0	\$12,675	\$4,500	\$0	\$0	\$0							\$17,175
ROI	\$0.00	\$15.36	\$0.75	\$0.00	\$0.00	\$0.00							\$2.52
2018 ROI	\$0.00	\$13.00	\$0.00	\$0.00	\$0.00	\$2.64							\$7.57
Average LOS	0.00	90.00	660.00	0.00	0.00	0.00							375.00
2018 Average LOS	0.00	63.00	0.00	0.00	0.00	66.00							64.50

Average Hours Per Patients
July 2019 – December 2019



Return-on-Investment (ROI)
July 2019 – December 2019



Case Management- \$2.50 savings for every \$1 spent on CM. Source: January 2011
Healthcare Intelligence Network Case Management Survey

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Storm Kinion, Group Benefits Specialist

DATE: January 29, 2020

RE: 2019 Prescription Claims Review

Please find attached a copy of National Cooperative Rx's presentation which outlines the Trust's prescription claims utilization for the period January – December 2019. Chris Schanz will be at the meeting to present and review this report with Trustees as well as the handouts attached.

If you have any questions between now and the date of the meeting, I can be reached at (928) 753-4700 ext. 305 or via email at stormk@ecollinsandassociates.com.



**L.H. Unified
School District #1**
Employee Benefit Trust

February 5, 2020

Christopher Schanz
Strategic Account Executive



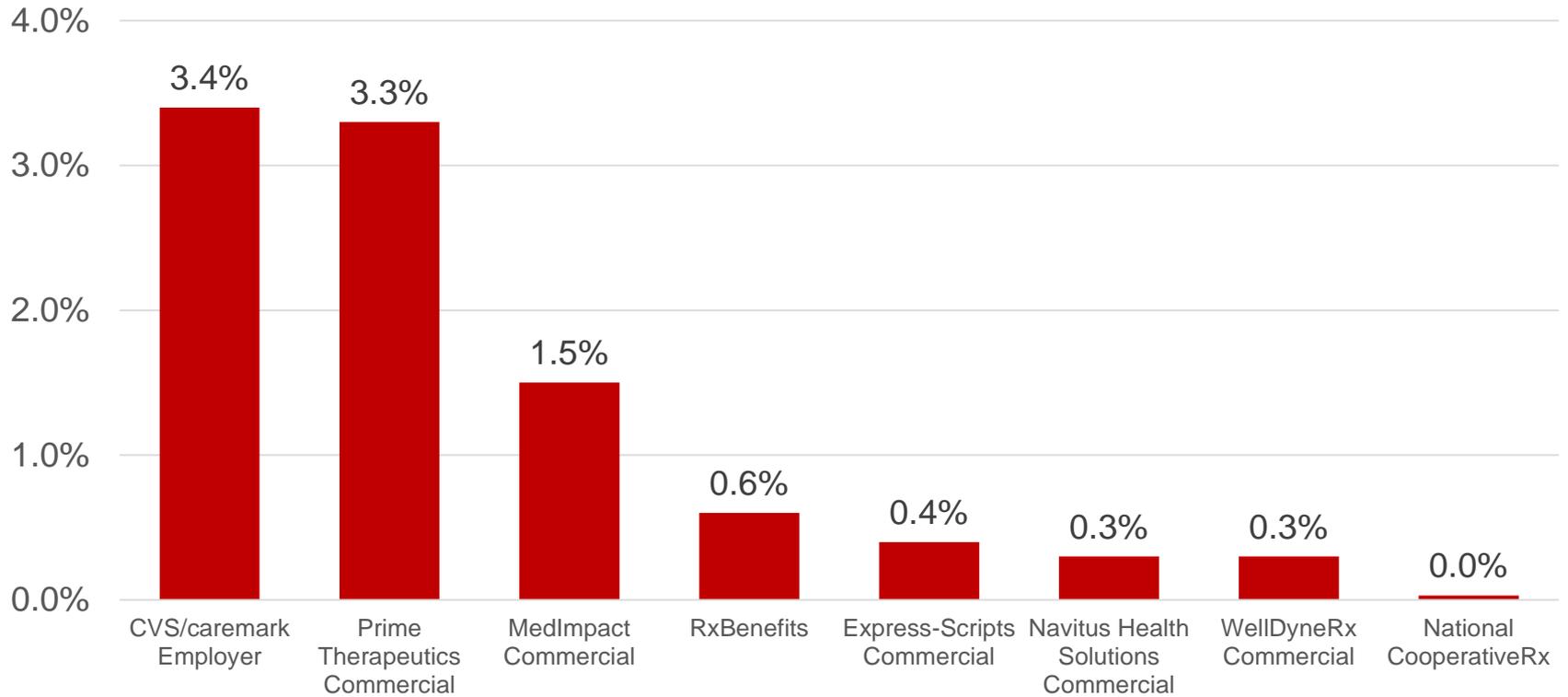
NATIONAL COOPERATIVEVERX GROWTH

Year	Member Lives
2016	210,000
2017	256,000
2018	283,000
2019	319,000
2020	370,000



LOWER TREND

2018 Trend Net of Rebates



THE COOPERATIVE EXPERIENCE

Unparalleled Customer Service

An Experienced Account Management and Clinical Team Working for Your Participants to Make a Direct Impact on Your Bottom Line



Deb Thomsen
Vice President,
Coalition Development



Wayne Salverda, R.Ph.
Senior Director of
Clinical Services



Jocelyn Kerl, PharmD.
Clinical Services
Manager



Erica Guetzlaff, PharmD.
Clinical Services
Manager



Luke Bowman
Strategic Account
Executive



Matt Dengel
Strategic Account
Executive



Doug Finney
Strategic Account
Executive



Christopher Schanz
Strategic Account
Executive



Adam Terrell
Account Manager



National Cooperative CLINICAL PROGRAMS IN DEVELOPMENT



PERSONALIZED MEDICATION REVIEWS

FORMULARY DRUG INFORMATION TOOLKIT

DOSE OPTIMIZATION

CUSTOM FORMULARY



PERSONALIZED MEDICATION REVIEWS

The goal of a personalized medication review is to maximize the benefits of a medication regimen.

To Qualify

- Taking at least 5 chronic (daily) medications
- Having prescriptions from multiple prescribers or multiple pharmacies
- Low health literacy
- Struggling to pay for prescriptions

Recommendations

- Dose is too high for patient's kidney function
- Higher value medication alternative available (i.e., same efficacy, lower cost)
- Unnecessary medication (no longer indicated)
- Duplicate therapy
- Missing therapy



FORMULARY DRUG INFORMATION TOOLKIT

MIGRAINE RESCUE TREATMENTS:

DRUG NAME	NOTES	FORMULARY TIER
Sumatriptan (Imitrex®) Tablets, Nasal spray & Injectable	Most commonly used "triptan"; tablets very inexpensive; nasal spray and injectable helpful if migraines come on or "peak" quickly, begin while sleeping, or if nausea/vomiting tend to occur.	Tier 1 (\$)
Naratriptan (Amerge®)	Long-acting; helpful if your migraine tends to come back after the first dose of your current "triptan"	Tier 1 (\$\$)
Almotriptan (Axert®)		Tier 2 (\$\$\$)
Rizatriptan (Maxalt®)	Available in "melting" tabs which are helpful if you have nausea or vomiting	Tier 1 (\$)
Eletriptan (Relpax®)	Fastest-acting tablet	Tier 1 (\$\$)
Frovatriptan (Frova®)	Longest-acting; helpful if your migraine tends to come back after the first dose of another "triptan"	Tier 2 (\$\$\$)
Zolmitriptan (Zomig®)	Available in "melting" tabs which are helpful if you have nausea or vomiting, and as nasal spray if your headaches tend to come on quickly or with vomiting	Tier 1 (\$\$)
"NSAID" medications: Ibuprofen, naproxen	Lower strength formulations available without prescription	Tier 1 (\$) (prescription strength)
Dihydroergotamine (Migranal®)	Available as nasal spray and injectable; many drug interactions; used when a triptan cannot be used	Tier 1 (\$\$\$\$)
Sumatriptan + naproxen combo tablet (Treximet®)	Combination of an NSAID + "triptan" shown to be more effective than either drug alone. NO data to suggest the pricey "all-in-one" tablet is more effective than the two drugs taken separately, though.	Not Covered (\$\$\$) (separate products available at Tier 1)
<i>**Opioids are a treatment of last resort for migraines because of their high risk of "rebound" headache and abuse potential.</i>		



FORMULARY DRUG INFORMATION TOOLKIT

- Migraine
- Topical steroids
- High cholesterol
- Allergies
- Asthma/COPD
- Inflammatory bowel disease
- ADHD
- Non-steroidal anti-inflammatory drugs (NSAIDs)
- Herbal and alternative therapies
- Acne

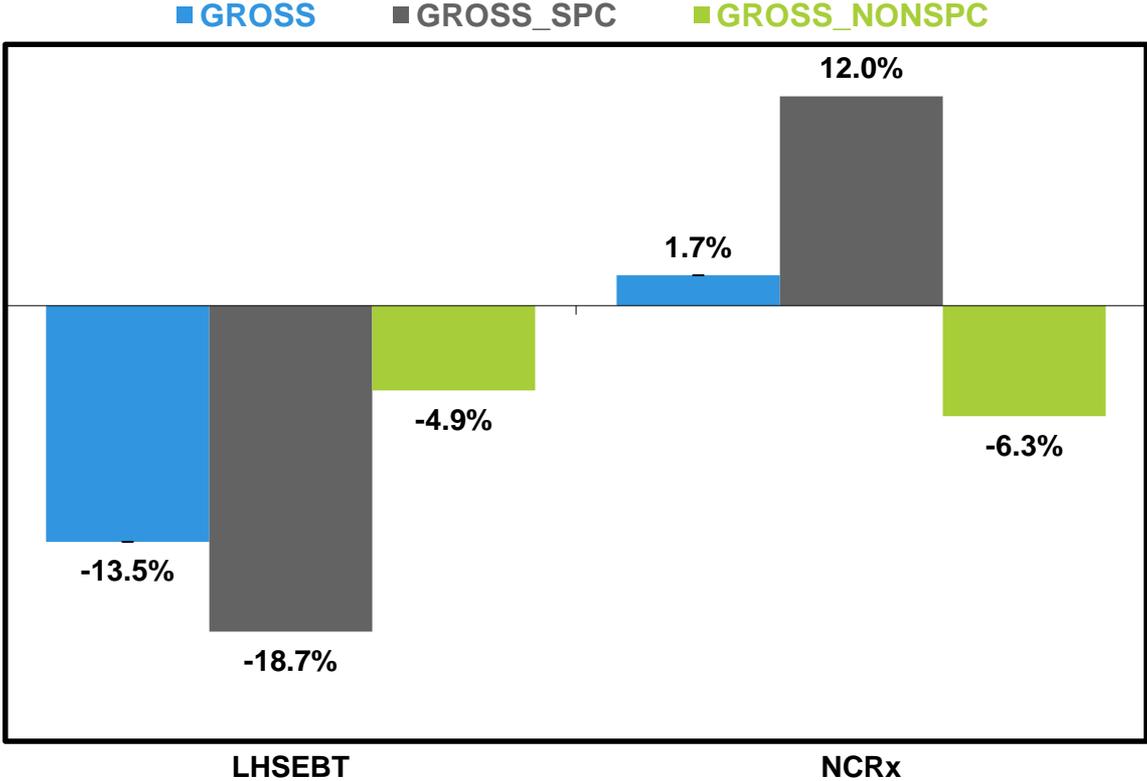


LHSEBT PLAN PERFORMANCE

	JUL - DEC (2018)	JUL - DEC (2019)
Gross Cost	\$ 701,375	\$ 641,123
Net Cost (Plan Paid)	\$ 650,575	\$ 590,650
Member Paid	\$ 50,800	\$ 50,473
Number of Members	820	867
Number of Prescriptions	3,302	3,758
Generic Dispensing Rate	87.2%	83%



LHSEBT PLAN PERFORMANCE TREND



LHSEBT REBATES

Rebates	Q1 Rebate	Q2 Rebate	Q3 Rebate	Q4 Rebate	Total
2011	---	---	---	\$7,684.44	\$7,684.44
2012	\$8,314.19	\$8,104.47	\$6,157.48	\$6,309.23	\$28,885.37
2013	\$6,813.46	\$6,172.51	\$5,398.74	\$12,608.04	\$30,992.75
2014	\$9,998.86	\$9,733.11	\$8,891.96	\$9,166.93	\$37,790.86
2015	\$9,759.20	\$9,557.40	\$9,757.16	\$10,376.84	\$39,450.60
2016	\$24,601.99	\$22,451.10	\$20,262.76	\$22,195.85	\$89,511.70
2017	\$27,362.38	\$33,514.54	\$27,641.54	\$30,789.10	\$119,307.56
2018	\$41,609.76	\$45,296.19	\$39,775.24	\$50,313.09	\$176,994.28
2019	\$60,836.00				\$60,836.00



LHSEBT REBATE COMPARISON

	# RX
Retail	2,741
Retail 90	950
Mail	24
Specialty	43
Specialty (HEP C)	

2019	2020 PRE-MARKET CHECK	2020 POST-MARKET CHECK
\$125,824.91	\$139,075.06	\$142,447.15



TOP 5 THERAPEUTIC CLASSES

Therapeutic Class	Total Gross Cost	Gross Cost PMPM	Gross Trend	GDR (Client Specific)	Total Distinct Utilizers
Respiratory Agents - Misc.	\$198,676	\$38.19	0.3%	0.0%	1
Antidiabetics	\$79,954	\$15.37	-6.4%	44.8%	37
Dermatologicals	\$62,339	\$11.98	458.9%	82.3%	51
Analgesics - Anti-Inflammatory	\$55,522	\$10.67	-41.1%	96.2%	59
Antiasthmatic And Bronchodilator Agents	\$32,780	\$6.30	-4.1%	59.3%	57



TOP MEDICATIONS (COST) NON-SPECIALTY

Drug Name	Dispense Type	Therapeutic Class	Gross Cost	Total Utilizers	Total Rxs	Gross Cost Per Day
Trulicity	Brand	Antidiabetics	\$13,799	3	9	\$25.65
Novolog Flexpen	Brand	Antidiabetics	\$11,690	5	10	\$25.41
Advair Diskus	Brand	Antiasthmatic And Bronchodilator Agents	\$10,962	8	19	\$11.42
Levemir Flextouch	Brand	Antidiabetics	\$8,218	2	12	\$22.83
Victoza	Brand	Antidiabetics	\$7,634	2	5	\$23.13
Breo Ellipta	Brand	Antiasthmatic And Bronchodilator Agents	\$7,249	6	19	\$11.51
Januvia	Brand	Antidiabetics	\$6,916	4	8	\$14.41
Basaglar Kwikpen	Brand	Antidiabetics	\$5,580	3	7	\$9.79
Tresiba Flextouch	Brand	Antidiabetics	\$5,290	2	4	\$20.04
Flucelvax Quadrivalent 20	Brand	Vaccines	\$5,261	210	210	\$3.47
Ozempic	Brand	Antidiabetics	\$4,577	1	6	\$27.25
Jardiance	Brand	Antidiabetics	\$4,323	2	7	\$16.01
Venlafaxine Hydrochloride	Generic	Antidepressants	\$3,867	6	12	\$4.96
Omnipod Dash 5 Pack	Brand	Medical Devices	\$3,838	1	2	\$21.32
Pramipexole Dihydrochloride	Generic	Antiparkinson Agents	\$3,784	1	4	\$21.02



TOP MEDICATIONS (QUANTITY) NON-SPECIALTY

Drug Name	Dispense Type	Therapeutic Class	Gross Cost	Total Utilizers	Total Rx's	Gross Cost Per Day
Lisinopril	Generic	Antihypertensives	\$313	43	82	\$0.05
Amos Levothyroxine Sodium	Generic	Thyroid Agents	\$1,689	31	83	\$0.32
Levothyroxine Sodium	Generic	Thyroid Agents	\$1,389	32	78	\$0.27
Losartan Potassium	Generic	Antihypertensives	\$656	28	54	\$0.15
Metformin Hydrochloride	Generic	Antidiabetics	\$149	23	49	\$0.04
Atorvastatin Calcium	Generic	Antihyperlipidemics	\$929	23	53	\$0.27
Escitalopram Oxalate	Generic	Antidepressants	\$408	24	60	\$0.13
Hydrochlorothiazide	Generic	Diuretics	\$190	22	41	\$0.06
Amlodipine Besylate	Generic	Calcium Channel Blockers	\$108	21	56	\$0.04
Simvastatin	Generic	Antihyperlipidemics	\$161	16	35	\$0.06
Montelukast Sodium	Generic	Antiasthmatic And Bronchodilator	\$478	22	44	\$0.19
Sertraline Hcl	Generic	Antidepressants	\$190	19	41	\$0.08
Omeprazole	Generic	Ulcer Drugs	\$188	17	37	\$0.08
Duloxetine Hcl	Generic	Antidepressants	\$1,821	14	29	\$1.00
Fluticasone Propionate	Generic	Nasal Agents - Systemic And Topical	\$627	21	42	\$0.37



TOP MEDICATIONS (COST) SPECIALTY

Prior Rank	Current Rank	Drug Name	Specialty Class	Total Gross Cost	Utilizing Members	Total Prescriptions	Gross Cost Per Days' Supply
1	1	Symdeko	Cystic Fibrosis	\$110,547	1	5	\$789.62
3	2	Humira	Rheumatoid Arthritis	\$54,809	2	4	\$195.75
NA	3	Trikafta	Cystic Fibrosis	\$47,172	1	2	\$842.36
6	4	Pulmozyme	Cystic Fibrosis	\$40,957	1	6	\$227.54
NA	5	Taltz	Psoriasis	\$39,004	1	6	\$232.17
5	6	Cayston	Cystic Fibrosis	\$27,372	1	3	\$244.39
8	7	Bethkis	Cystic Fibrosis	\$24,124	1	4	\$107.70
9	8	Makena	Pre-Term Birth	\$15,466	1	5	\$110.47
NA	9	Dupixent	Atopic Dermatitis	\$8,832	1	3	\$126.17
4	10	Tecfidera	Multiple Sclerosis	\$7,519	1	1	\$250.62
10	11	Prolia	Osteoporosis	\$1,214	1	1	\$6.75
NA	12	Capecitabine	Oncology	\$861	1	1	\$30.74
11	13	Mycophenolate Mofetil	Transplant	\$357	1	2	\$1.98



SPECIALTY PHARMACY TREND

	JUL – DEC (2018)	JUL – DEC 2019
Specialty Utilizers	9	10
Specialty Prescriptions	44	43
Cost per Specialty Users	\$ 48,894	\$ 37,823
Specialty Gross Cost	\$ 440,047	\$ 378,233



Pharmacy Name	Total Rx	% of Total Rx	Total Utilizers
CVS PHARMACY	1,108	29.49%	194
WALGREENS	975	25.95%	174
SMITH'S PHARMACY	716	19.06%	101
KMART PHARMACY	315	8.38%	211
BASHAS' UNITED DRUGS #116	166	4.42%	30
SAFEWAY PHARMACY	114	3.03%	29
ALBERTSONS PHARMACY	98	2.61%	16
WALMART PHARMACY	76	2.02%	18
CAREMARK PRESCRIPTION SVC-CHI	24	0.64%	7
FOOD CITY	24	0.64%	10
SUNWEST LTC PHARMACY	22	0.59%	1
SUNRISE PHARMACY	20	0.53%	2
LISKAS APOTHECARY SHOP	19	0.51%	8
CVS/SPECIALTY	14	0.37%	4
CAREMARK SPECIALTY PHARMACY	13	0.35%	3
MAYO CLINIC BUILDING PHOENIX	9	0.24%	1
CVS SPECIALTY	7	0.19%	3
FRY'S FOOD & DRUG	7	0.19%	1
WALGREENS SPECIALTY PHARMACY	6	0.16%	1
WINNER HEALTH MART PHCY, INC	6	0.16%	1
OSCO PHARMACY	4	0.11%	2
ALLIANCERX WALGREENS PRIME	3	0.08%	1
MAYO HOSPITAL OUTPATIENT PHCY	3	0.08%	1
YAKIMA VLY FARM WORKERS CLINIC	3	0.08%	1
RITE AID PHARMACY	2	0.05%	2
BIOLOGICS INC	1	0.03%	1
COSTCO PHARMACY	1	0.03%	1
DIABETIC APOTHECARY LLC	1	0.03%	1

Questions?



Thank You

Chris Schanz

Strategic Account Executive

cschanz@nationalcooperativerx.com





CVS Health Repricing Summary

Lake Havasu Schools EBT

National CooperativeRx 2020 Traditional Pricing Arrangement

Claims Period: November 2018 - October 2019

CVS Health Repricing for Lake Havasu Schools EBT

Claims Period: November 2018 - October 2019

All totals are based on the claims period

			Current Pricing					CVS Health Proposed Pricing					Savings	
Delivery System	Brand / Generic	Rxs	Ingredient Cost	Dispensing Fees	Gross Cost	Estimated Rebate	Gross Cost - Estimated Rebate	Ingredient Cost	Dispensing Fees	Gross Cost	Estimated Rebate	Gross Cost + Admin Fees - Estimated Rebate	Estimated Total Savings (Rebates Not Included)	Percent Savings
Retail														
Retail	Brand	622	\$500,562	\$384	\$500,946	N/A	N/A	\$496,380	\$311	\$496,691	\$12,521	\$484,170	\$4,255	0.8%
Retail	Generic	4,162	\$102,360	\$2,153	\$104,513	N/A	N/A	\$85,135	\$2,081	\$87,216	\$83,781	\$3,435	\$17,297	16.5%
Retail Total		4,784	\$602,923	\$2,537	\$605,459	N/A	N/A	\$581,515	\$2,392	\$583,907	\$96,302	\$487,605	\$21,552	3.6%
Retail 90														
Retail 90	Brand	160	\$115,970	\$34	\$116,004	N/A	N/A	\$115,485	\$0	\$115,485	\$8,051	\$107,433	\$520	0.4%
Retail 90	Generic	1,927	\$82,877	\$24	\$82,902	N/A	N/A	\$95,034	\$0	\$95,034	\$96,967	-\$1,932	-\$12,133	-14.6%
Retail 90 Total		2,087	\$198,848	\$59	\$198,906	N/A	N/A	\$210,519	\$0	\$210,519	\$105,018	\$105,501	-\$11,613	-5.8%
Mail														
Mail	Brand	12	\$16,813	\$0	\$16,813	N/A	N/A	\$16,813	\$0	\$16,813	\$837	\$15,977	\$0	0.0%
Mail	Generic	26	\$3,296	\$0	\$3,296	N/A	N/A	\$1,234	\$0	\$1,234	\$1,812	-\$578	\$2,061	62.5%
Mail Total		38	\$20,109	\$0	\$20,109	N/A	N/A	\$18,048	\$0	\$18,048	\$2,649	\$15,399	\$2,061	10.3%
Specialty														
Specialty	Brand	56	\$497,662	\$3	\$497,665	N/A	N/A	\$485,403	\$0	\$485,403	\$90,474	\$394,929	\$12,262	2.5%
Specialty	Generic	5	\$1,591	\$0	\$1,591	N/A	N/A	\$2,232	\$0	\$2,232	\$4,404	-\$2,172	-\$641	-40.3%
Specialty Total		61	\$499,253	\$3	\$499,256	N/A	N/A	\$487,635	\$0	\$487,635	\$94,878	\$392,757	\$11,621	2.3%
Grand Total		6,970	\$1,321,133	\$2,598	\$1,323,731	N/A	N/A	\$1,297,717	\$2,392	\$1,300,109	\$298,847	\$1,001,262	\$23,622	1.8%

Rebate Savings: N/A

Total Savings (Rebates Not Included)	\$23,622
Savings %	1.8%

Every effort is made by CVS Health and its advisors to maintain the highest level of accuracy in its projections; however, in lieu of and because of the variability of numerous factors, which are not under the control of CVS Health, we cannot guarantee the estimated results shown.

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Notes:

- (1) National CooperativeRx 2020 Traditional Pricing Arrangement used in this exhibit based on:
 - Retail Brand: AWP - 18.50%, \$0.50 dispensing fee
 - Retail Generic Guarantee: AWP - 83.00% or Greater, \$0.50 dispensing fee
 - Retail 90 Brand: AWP - 21.50%, \$0.00 dispensing fee
 - Retail 90 Generic Guarantee: AWP - 83.00% or Greater, \$0.00 dispensing fee
 - Mail Brand: AWP - 25.50%, \$0.00 dispensing fee
 - Mail Generic Guarantee: AWP - 87.75% or Greater, \$0.00 dispensing fee
 - Specialty Brand: AWP - 19.50%, \$0.00 dispensing fee
 - Specialty Generic: Non-MAC AWP - 19.50%, MAC, \$0.00 dispensing fee
 - Single-Source Generic Guarantees (SSG): Retail AWP - 18.50%, Retail 90 AWP - 21.50%, Mail AWP - 25.50%
 - Rebates Per Rx: Retail \$20.13, Retail 90 \$50.32, Mail \$69.71, Specialty (non-Hep C) \$880.88, Specialty (Hep C) \$14,595.80
- (2) Pricing assumes adoption of CVS Health's National Retail Network and Exclusive Specialty Network
- (3) Rebates based on the following:
 - Opt In to CVS Health's Standard Formulary with Advance Control Formulary on Specialty
 - Adoption of a 3 Tier Qualifying Plan Design
 - Adoption of CVS Health's Specialty Preferred Drug Strategy and Specialty Guideline Management
- (4) Single Source Generics have been included in the Generic Effective Rate Guarantees
- (5) Trend assumptions have not been applied to the data
- (6) Generic pipeline has not been incorporated into this repricing analysis
- (7) Shifting of drugs as a result of a formulary change has not been incorporated into this repricing analysis
- (8) Repriced Gross Cost figures include dispensing fees when applicable and excludes sales tax
- (9) Repricing is based on AWP or MAC prices
- (10) Effect of U&C was not taken into account
- (11) Retail claims greater than or equal to 84 days supply were given the Retail 90 pricing and rebates
- (12) All figures shown are for estimation purposes only and in no way represent contractual guarantees
- (13) Any changes in pricing or rebates in the future may offset the estimated results
- (14) Excluded Claims:
 - 10 claims where the AWP was Missing or Could Not Be Determined were excluded from this analysis
 - 5 claims where the Drug was Identified as a Compound/Powder were excluded from this analysis
 - 15 claims where the Quantity Exceeded 1,000 were excluded from this analysis

National Cooperative 

RxInsights[®]

Lake Havasu Schools Employee Benefit Trust

Prescription Benefit Review

Jul 2019 - Dec 2019

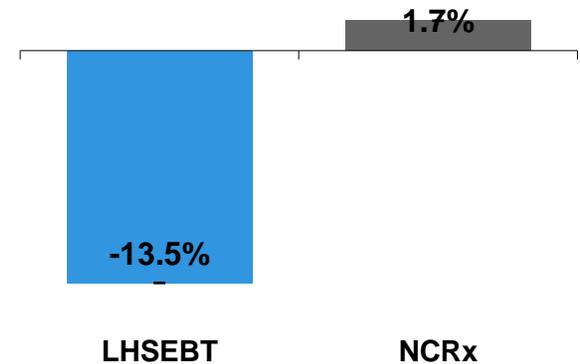


Executive Summary

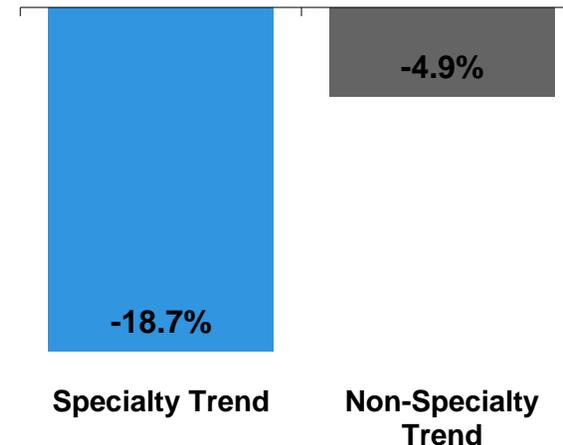
SNAPSHOT

Eligibility	Jul-Dec 18	% Change	Jul-Dec 19	NCRx
Average Eligible Members per Month	820	5.7%	867	
Avg. Monthly Utilizers as % of Members	30.1%	9.5%	33.0%	30.3%
Average Member Age	39.2	-0.8%	38.8	33.4
Cost				
Total Gross Cost	\$701,375	-8.6%	\$641,123	
Total Net Cost	\$650,575	-9.2%	\$590,650	
Gross Cost PMPM	\$143	-13.5%	\$123	\$99
Net Cost PMPM	\$132	-14.1%	\$114	\$91
Member Cost Share	7.2%	8.7%	7.9%	8.5%
Drug Mix				
% Single Source Brands	11.5%	36.1%	15.7%	11.5%
% Multi Source Brands	1.3%	-4.0%	1.3%	1.0%
Generic Dispensing Rate	87.2%	-4.7%	83.0%	87.5%
Generic Substitution Rate	98.5%	0.0%	98.5%	98.9%
Utilization				
Total Prescriptions	3,302	13.8%	3,758	
% Retail Prescriptions	72.7%	1.9%	74.1%	79.4%
% Mail Prescriptions	0.4%	62.2%	0.6%	5.4%
% Retail 90 Prescriptions	26.9%	-6.1%	25.3%	15.2%
Days' Supply PMPM	29	2.6%	30	27
Specialty				
Specialty Total Gross Cost	\$440,047	-14.0%	\$378,233	
Specialty Utilizers as % of Members	1.1%	5.1%	1.2%	1.2%
Specialty Gross Cost PMPM	\$89	-18.7%	\$73	\$48
Specialty % of Total Gross Cost	62.7%	-6.0%	59.0%	48.4%
Specialty % of Total Prescriptions	1.3%	-14.1%	1.1%	1.3%
% Specialty Member Cost Share	2.3%	29.6%	3.0%	3.0%
% Non-Specialty Member Cost Share	15.6%	-4.2%	15.0%	13.6%

YOUR GROSS TREND

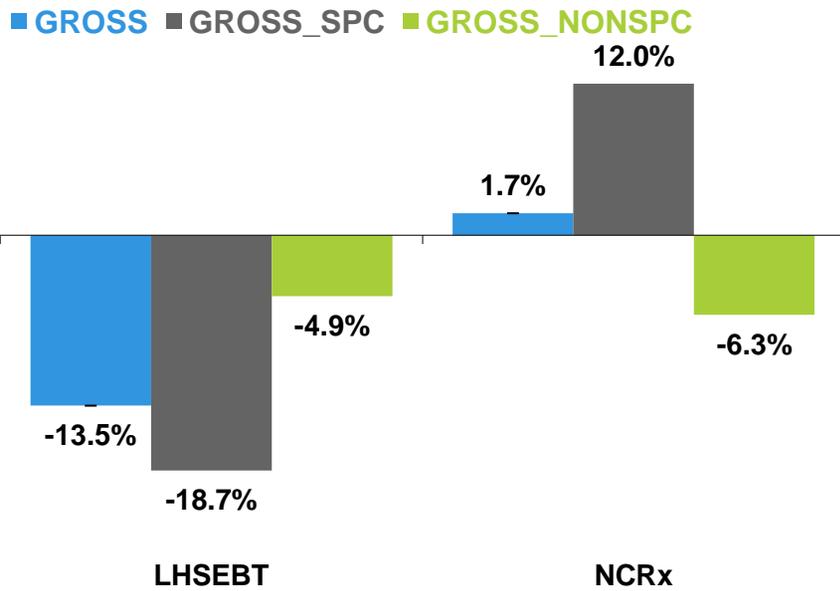


YOUR SPECIALTY VS. NON-SPECIALTY TREND

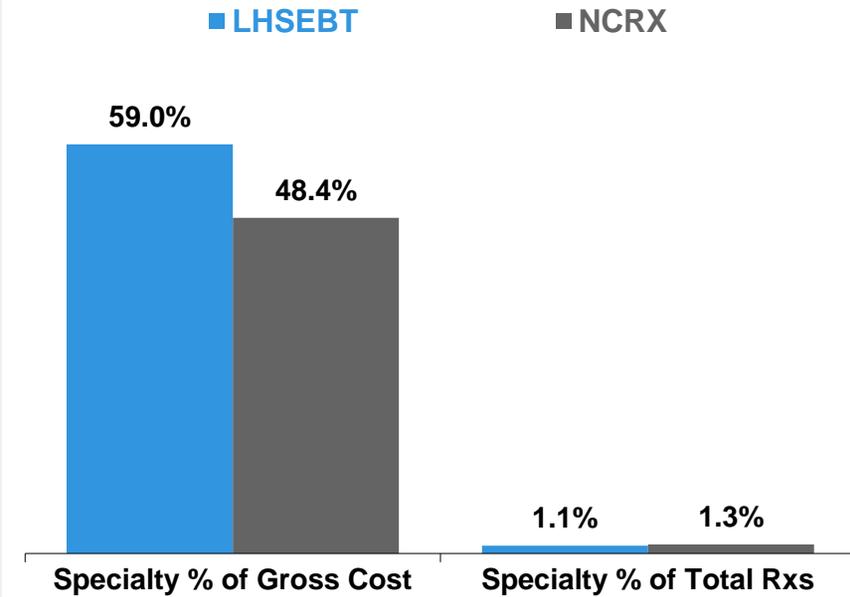


Your Executive Summary

YOUR GROSS TREND



SPECIALTY PHARMACY COST & UTILIZATION



Trend

Your Jul-Dec 19 Gross Trend was -13.5%. Drug Mix is the primary driver for your trend.

Specialty Pharmacy

Your Executive Summary

TOP THERAPEUTIC CLASS

Therapeutic Class	Total Gross Cost	Gross Cost PMPM	Gross Trend	GDR (Client Specific)	Total Distinct Utilizers
Respiratory Agents - Misc.	\$198,676	\$38.19	0.3%	0.0%	1
Antidiabetics	\$79,954	\$15.37	-6.4%	44.8%	37
Dermatologicals	\$62,339	\$11.98	458.9%	82.3%	51
Analgesics - Anti-Inflammatory	\$55,522	\$10.67	-41.1%	96.2%	59
Antiasthmatic And Bronchodilator Agents	\$32,780	\$6.30	-4.1%	59.3%	57

Top Therapeutic Categories

Your Top Five Therapeutic Categories represent 67.0% of your Total Gross Cost. The class representing the highest number of utilizing members was Vaccines.

PHARMACY CHOICE

	Jul-Dec 18	% Change	Jul-Dec 19	NCRx Jul-Dec 19
Total Prescriptions	3,302	13.8%	3,758	
% Retail Prescriptions	72.7%	1.9%	74.1%	79.4%
% Mail Prescriptions	0.4%	62.2%	0.6%	5.4%
% Retail 90 Prescriptions	26.9%	-6.1%	25.3%	15.2%

Pharmacy Choice

Your retail utilization as a percent of days' supply was 43.6%, versus 43.3% for the previous time period. Your mail utilization as a percent of days' supply was 1.3%, versus 0.8% for the previous time period.

RETAIL90 Prescription utilization as a percent of days' supply was 55.0%, versus 55.9% for the previous time period.

Your Executive Summary

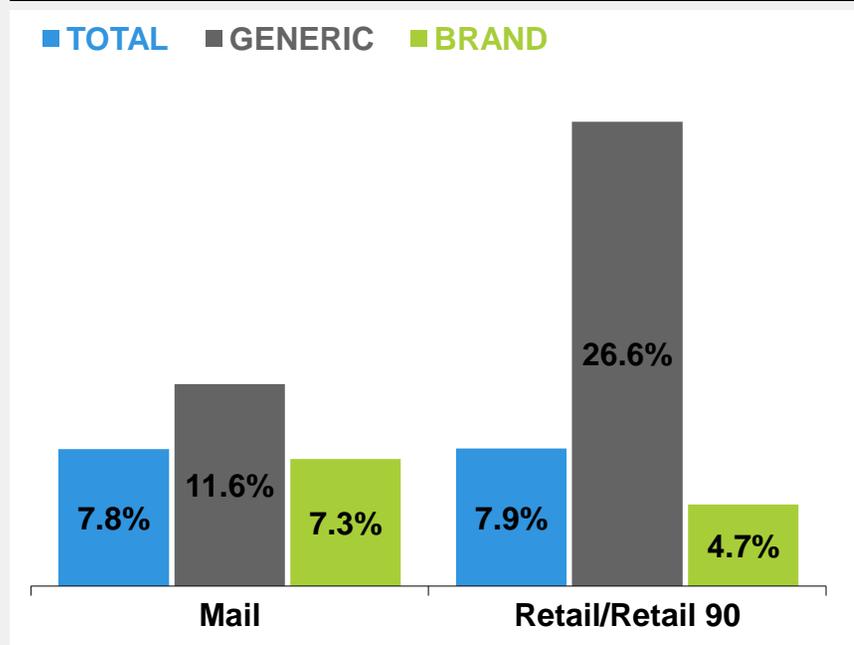
PHARMACY UTILIZATION

Prescription Activity	Prescriptions	Percentage of Gross Cost	% of Total Days' Supply
Total Retail Network Claims	2,784	84.7%	43.6%
CVS Non Maintenance Choice® Retail Claims	745	14.8%	13.4%
CVS Caremark Mail Claims	24	2.0%	1.3%
% Retail 90 Claims	950	7.4%	55.0%

Pharmacy Utilization

29.5% of your retail claims were processed at a CVS/pharmacy.

MEMBER COST SHARE BY DELIVERY SYSTEM AND DRUG TYPE

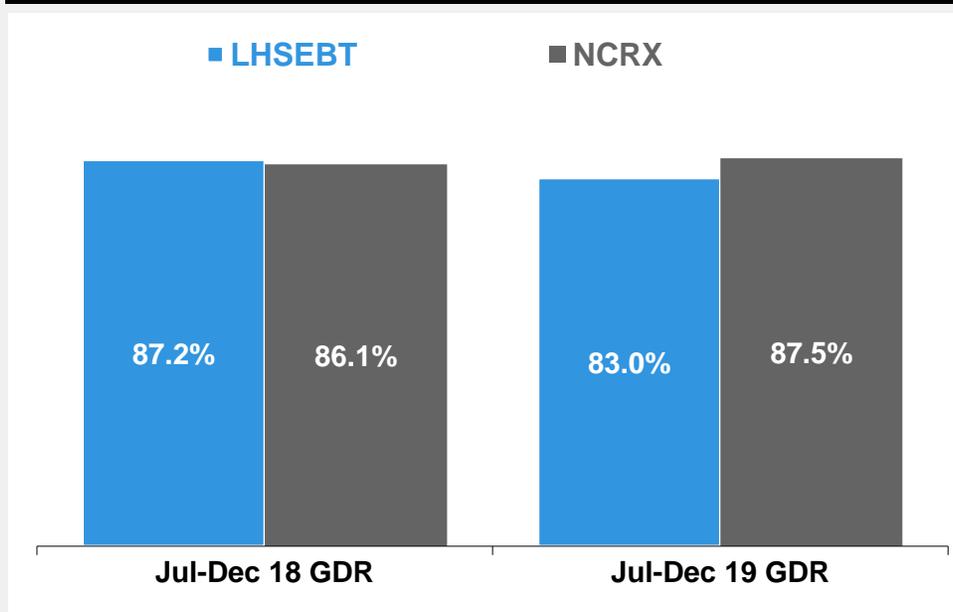


Cost Share

Your Member Cost Share for Retail increased 20.8% from Jul 2019-Dec 2019. Your Member Cost Share for Mail decreased 7.1% for the same period.

Your Executive Summary

GENERIC DISPENSING RATE

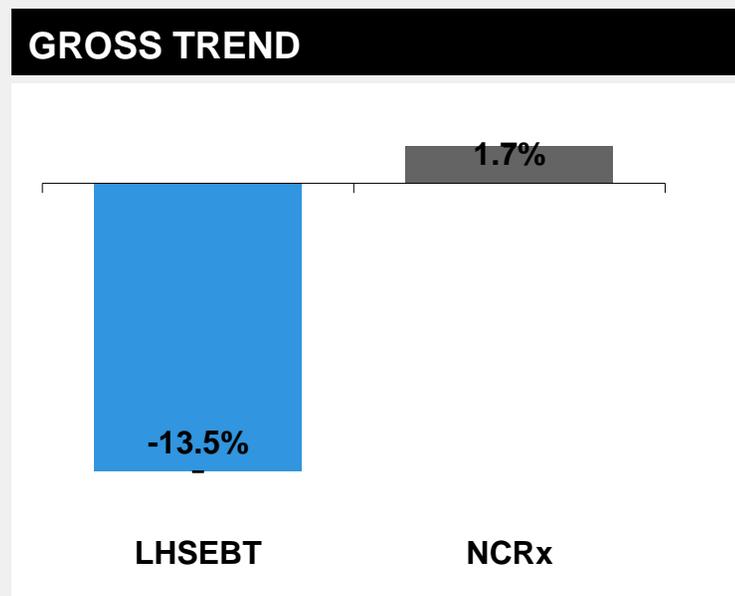


Generics

Your Generic Dispensing Rate decreased from 87.2% to 83.0%.

Your Trend

TREND			
	Jul-Dec 18	Jul-Dec 19	NCRx
Total Gross Trend	22.6%	-13.5%	1.7%
Gross Age-Adjusted Trend (PMPM)	-32.3%	-10.2%	
Non Specialty Gross Trend (PMPM)	11.2%	-4.9%	-6.3%
Specialty Gross Trend (PMPM)	30.6%	-18.7%	12.0%
TOTAL GROSS TREND COMPONENTS			
Price Inflation	4.9%	-1.3%	-2.0%
Utilization (PMPM)	38.4%	2.6%	0.5%
Drug Mix	-15.6%	-14.6%	3.4%



Impacting Pharmacy Trend

Plan Design

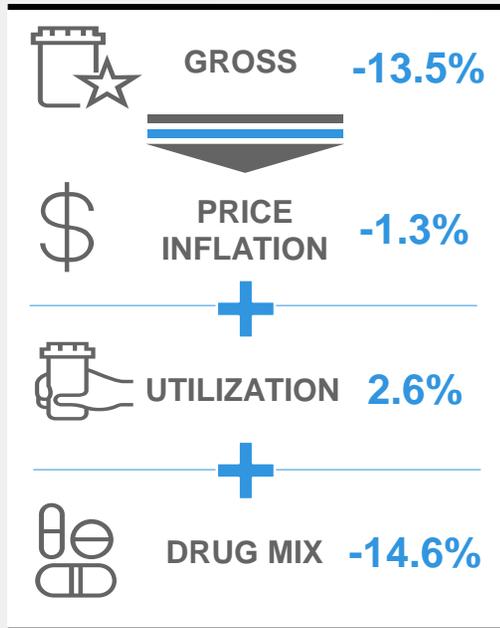
- Reduce non-essential utilization and help drive desired behaviors such as generic and preferred drug choice, as well as use of 90-day mail pricing
- To control overall costs: focus on high-value drug therapies and high-risk plan members; optimize essential care

Clinical Solutions

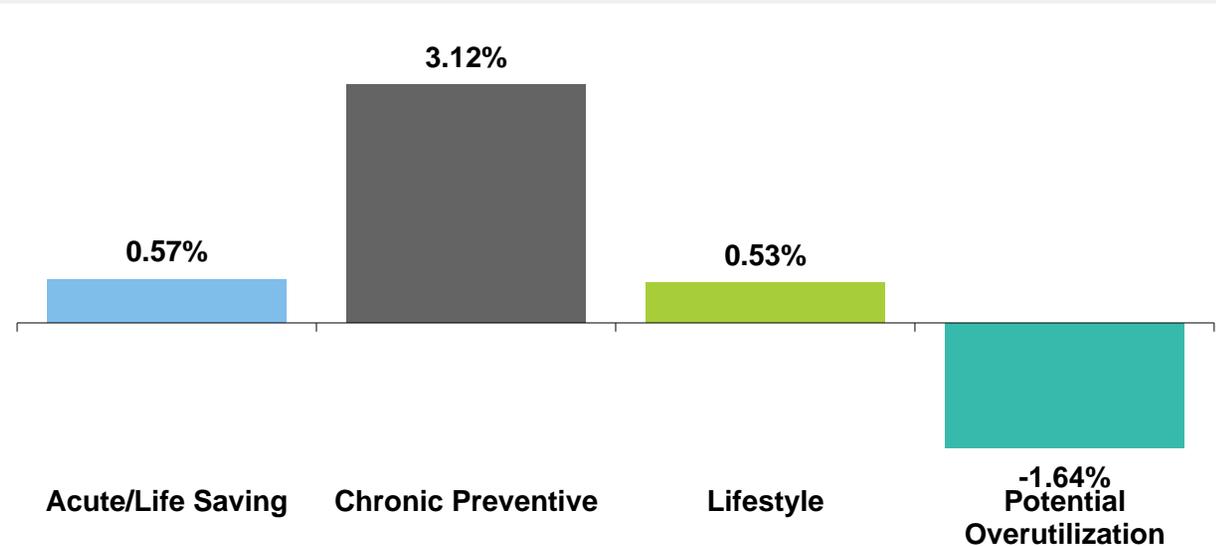
- Safety initiatives, utilization management savings, and health management strategies

Member Experience

Your Gross Trend Component Drivers



CATEGORIES DRIVING YOUR UTILIZATION TREND



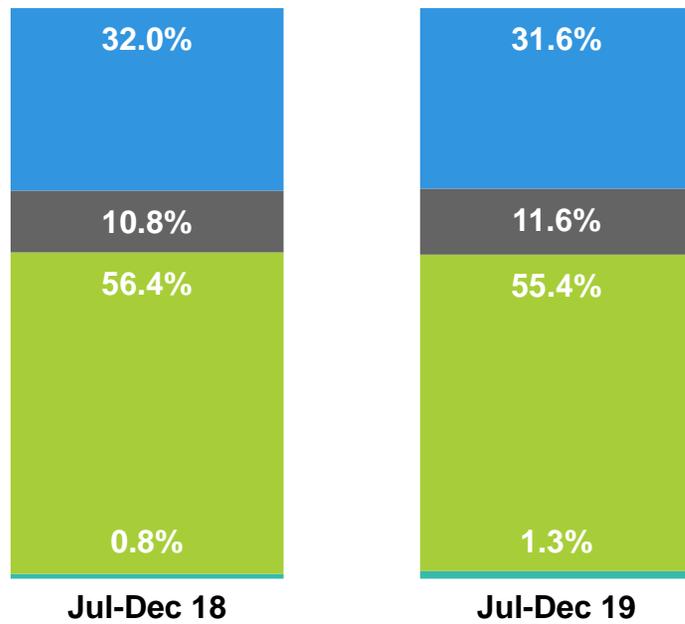
DRIVERS

Price Inflation	Jul-Dec 18	% Change	Jul-Dec 19	NCRx
Overall AWP Inflation	3.8%		1.5%	2.2%
Brand AWP Inflation	6.1%		2.7%	5.1%
Generic AWP Inflation	0.4%		-0.2%	-0.3%
Specialty AWP Inflation	5.7%		2.6%	4.5%
Utilization				
Average Member Age	39.2	-0.8%	38.8	33.4
Average Monthly Member Utilization as % of Eligible Members	30.12%	9.5%	32.99%	30.26%
Average 30-Day Prescriptions per Eligible Member Per Month (PMPM)	0.97	2.6%	1.00	0.89
Drug Mix				
Generic Dispensing Rate	87.2%	-4.7%	83.0%	87.5%
Single Source Brand Dispensing Rate	11.5%	36.1%	15.7%	11.5%
Multi Source Brand Dispensing Rate	1.3%	-4.0%	1.3%	1.0%
Specialty Percentage of Total Gross Cost	62.7%	-6.0%	59.0%	48.4%

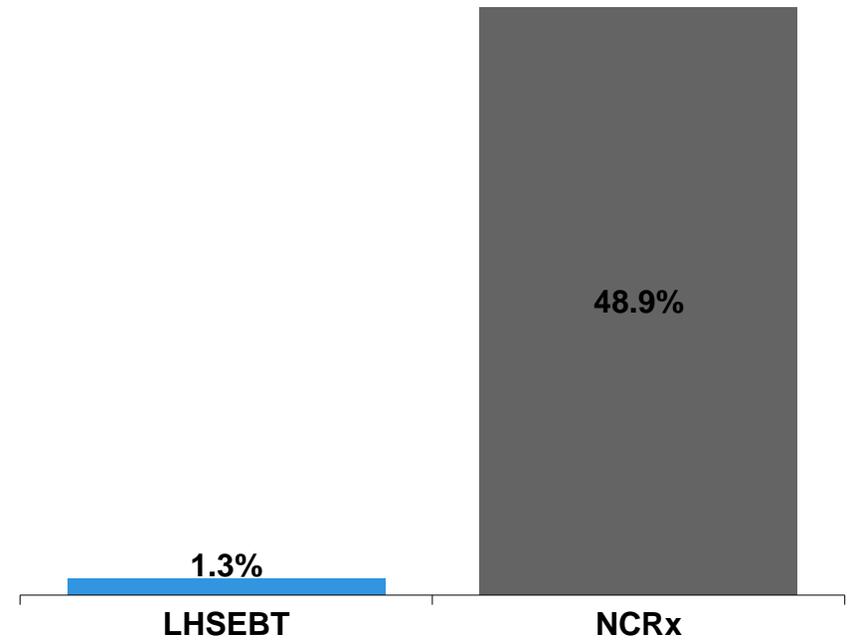
Your Pharmacy Utilization: An Overview

YOUR NON SPECIALTY DAYS' SUPPLY

- RETAIL MAINTENANCE %
- RETAIL ACUTE %
- MC %
- MAIL %



YOUR % DAYS' SUPPLY AT 90-DAY MAIL PRICING*

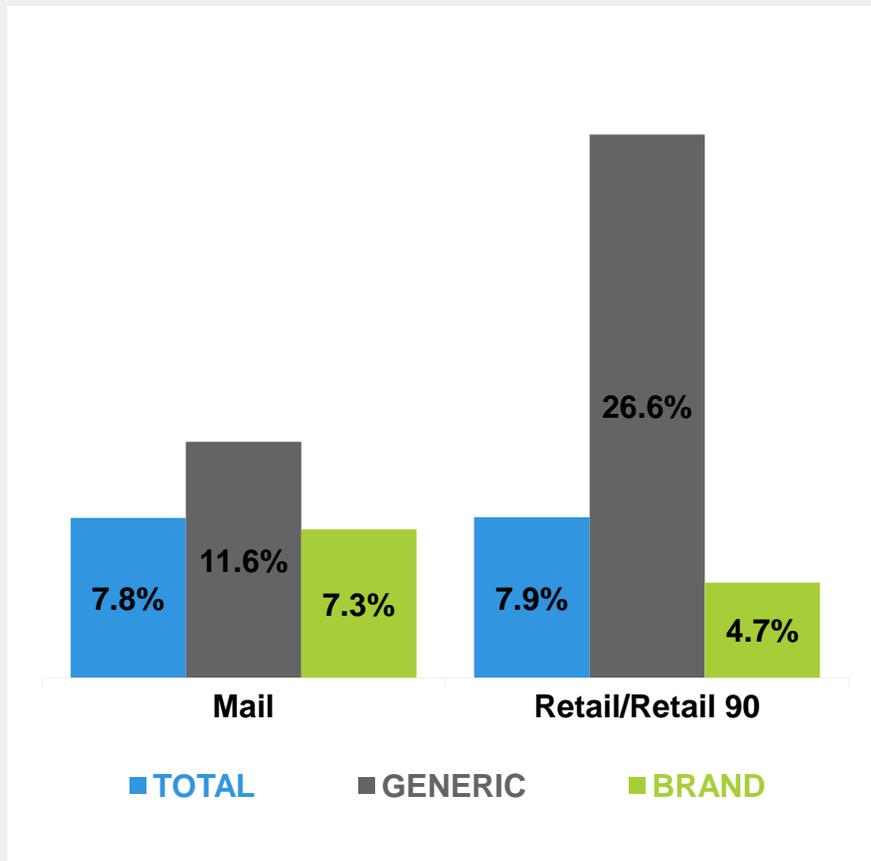


* Excluding Specialty Claims

Your Utilization by Delivery Channel

Delivery Channel Comparison by Gross Cost

MEMBER COST-SHARE BY DELIVERY SYSTEM AND DRUG TYPE



DELIVERY CHANNEL

	Jul-Dec 18	% Change	Jul-Dec 19	Jul-Dec 19 NCRx
Total Prescriptions	3,302	13.8%	3,758	
% Retail Prescriptions	72.7%	1.9%	74.1%	79.4%
% Mail Prescriptions	0.4%	62.2%	0.6%	5.4%
% Retail 90 Prescriptic	26.9%	-6.1%	25.3%	
MAIL UTILIZATION				
% Days' Supply	0.8%	66.0%	1.3%	12.0%
% Total Gross Cost	0.9%	117.1%	2.0%	6.5%
% RETAIL 90 UTILIZATION				
% Days Supply	55.9%	-1.5%	55.0%	36.4%
% Total Net Cost	6.7%	11.1%	7.4%	12.4%

Your Top 10 Therapeutic Class Review

Trend Analysis by Gross Cost

PERCENTAGE CHANGE PERIOD-OVER-PERIOD

Prior Rank	Current Rank	Therapeutic Class	GDR	Total Rx	Total Gross Cost	Utilizing Members	Gross Cost PMPM	Gross PMPM	Cost Components		Utilization Components	
									Utilization	Drug Mix/Inflation	Utilizing Members	Density of Use
									Days' Supply PMPM	Gross Cost per Day		Days' Supply/Utilizing Member
1	1	Respiratory Agents - Misc.	0.0%	13	\$198,676	1	\$38.19	0.3%	-5.4%	6.1%	-5.4%	0.0%
3	2	Antidiabetics	44.8%	145	\$79,954	37	\$15.37	-6.4%	7.1%	-12.6%	2.9%	4.1%
11	3	Dermatologicals	82.3%	96	\$62,339	51	\$11.98	458.9%	40.3%	298.3%	7.2%	30.9%
2	4	Analgesics - Anti-Inflammatory	96.2%	105	\$55,522	59	\$10.67	-41.1%	-20.8%	-25.6%	-8.5%	-13.4%
7	5	Antiasthmatic And Bronchodilator Agents	59.3%	172	\$32,780	57	\$6.30	-4.1%	2.1%	-6.1%	3.7%	-1.5%
6	6	Anti-Infective Agents - Misc.	92.5%	40	\$27,711	29	\$5.33	-28.5%	12.8%	-36.6%	24.7%	-9.5%
9	7	Aminoglycosides	0.0%	4	\$24,124	1	\$4.64	33.8%	26.1%	6.1%	-5.4%	33.3%
8	8	Progestins	80.8%	26	\$16,432	12	\$3.16	-10.9%	33.5%	-33.3%	41.9%	-5.9%
10	9	Antidepressants	99.5%	371	\$14,710	130	\$2.83	-5.3%	6.6%	-11.2%	6.9%	-0.3%
39	10	Vaccines	0.0%	274	\$10,974	237	\$2.11	1141.1%	9561.2%	-87.2%	1145.3%	675.8%
Subtotal of Top 10			62.1%	1,246	\$523,222	410	\$100.58	1.7%	10.2%	-3.5%	49.1%	-26.1%
All Other Categories			93.5%	2,533	\$122,178	483	\$23.49	-47.5%	-0.5%	-47.2%	0.2%	-0.6%
Total			83.0%	3,758	\$641,123	586	\$124.07	-13.6%	2.5%	-15.8%	17.2%	-7.5%

Top 10 Therapeutic Classes as a Percent of Gross Cost 81.6%

Your Top Therapeutic Class Review

BY GROSS COST

Class Therapeutic Class	Cost							Utilization		
	Total Gross Cost	% Total Gross Cost	Total Gross Cost	Gross Trend	Total Net Cost	Total Net Cost	Net Trend	Utilizing Members	% Utilizing Members	Utilization Trend
Respiratory Agents - Misc.	\$198,676	31.0%	\$38.19	0.3%	\$196,511	\$37.78	0.5%	1	0.1%	-5.4%
Antidiabetics	\$79,954	12.5%	\$15.37	-6.4%	\$75,572	\$14.53	-5.1%	37	4.3%	7.1%
Dermatologicals	\$62,339	9.7%	\$11.98	458.9%	\$58,460	\$11.24	470.0%	51	5.9%	40.3%
Analgesics - Anti-Inflammatory	\$55,522	8.7%	\$10.67	-41.1%	\$51,906	\$9.98	-42.5%	59	6.8%	-20.8%
Antiasthmatic And Bronchodilator Agents	\$32,780	5.1%	\$6.30	-4.1%	\$29,567	\$5.68	2.7%	57	6.6%	2.1%
Anti-Infective Agents - Misc.	\$27,711	4.3%	\$5.33	-28.5%	\$27,419	\$5.27	-28.5%	29	3.3%	12.8%
Aminoglycosides	\$24,124	3.8%	\$4.64	33.8%	\$23,224	\$4.46	35.9%	1	0.1%	26.1%
Progestins	\$16,432	2.6%	\$3.16	-10.9%	\$14,713	\$2.83	-11.8%	12	1.4%	33.5%
Antidepressants	\$14,710	2.3%	\$2.83	-5.3%	\$11,121	\$2.14	-1.1%	130	15.0%	6.6%
Vaccines	\$10,974	1.7%	\$2.11	1141.1%	\$10,974	\$2.11	1141.1%	237	27.3%	9561.2%
All Others	\$117,901	18.4%	\$22.66	-47.5%	\$91,183	\$17.53	-53.4%	483	55.7%	-0.5%
Total	\$641,123		\$123.25		\$590,650	\$113.54				

Your Top 25 Drugs

BY GROSS COST

Prior Rank	Current Rank	Drug Name	Dispense Type	Therapeutic Class	Percent AWP Change	Generic Launch Date*	Gross Cost	Total Utilizers	Total Rxs	Gross Cost Per Day
1	1	Symdeko	Specialty	Respiratory Agents - Misc.	NA	NA	\$110,547	1	5	\$789.62
3	2	Humira	Specialty	Analgesics - Anti-Inflammatory	6.2%	NA	\$54,809	2	4	\$195.75
NA	3	Trikafta	Specialty	Respiratory Agents - Misc.	NA	NA	\$47,172	1	2	\$842.36
6	4	Pulmozyme	Specialty	Respiratory Agents - Misc.	0.0%	NA	\$40,957	1	6	\$227.54
NA	5	Taltz	Specialty	Dermatologicals	NA	NA	\$39,004	1	6	\$232.17
5	6	Cayston	Specialty	Anti-Infective Agents - Misc.	4.9%	NA	\$27,372	1	3	\$244.39
8	7	Bethkis	Specialty	Aminoglycosides	9.0%	NA	\$24,124	1	4	\$107.70
9	8	Makena	Specialty	Progestins	NA	NA	\$15,466	1	5	\$110.47
13	9	Trulicity	Brand	Antidiabetics	4.0%	NA	\$13,799	3	9	\$25.65
10	10	Novolog Flexpen	Brand	Antidiabetics	0.0%	NA	\$11,690	5	10	\$25.41
11	11	Advair Diskus	Brand	Antiasthmatic And Bronchodilator Agents	0.0%	NA	\$10,962	8	19	\$11.42
NA	12	Dupixent	Specialty	Dermatologicals	NA	NA	\$8,832	1	3	\$126.17
16	13	Levemir Flextouch	Brand	Antidiabetics	4.9%	NA	\$8,218	2	12	\$22.83
22	14	Victoza	Brand	Antidiabetics	5.9%	NA	\$7,634	2	5	\$23.13
4	15	Tecfidera	Specialty	Psychotherapeutic And Neurological Agents - Misc	6.0%	NA	\$7,519	1	1	\$250.62
15	16	Breo Ellipta	Brand	Antiasthmatic And Bronchodilator Agents	3.0%	NA	\$7,249	6	19	\$11.51
14	17	Januvia	Brand	Antidiabetics	5.0%	NA	\$6,916	4	8	\$14.41
23	18	Basaglar Kwikpen	Brand	Antidiabetics	0.0%	NA	\$5,580	3	7	\$9.79
18	19	Tresiba Flextouch	Brand	Antidiabetics	4.9%	NA	\$5,290	2	4	\$20.04
NA	20	Flucelvax Quadrivalent 20	Brand	Vaccines	NA	NA	\$5,261	210	210	\$3.47
NA	21	Ozempic	Brand	Antidiabetics	NA	NA	\$4,577	1	6	\$27.25
NA	22	Jardiance	Brand	Antidiabetics	NA	NA	\$4,323	2	7	\$16.01
297	23	Venlafaxine Hydrochloride	Generic	Antidepressants	0.0%	NA	\$3,867	6	12	\$4.96
NA	24	Omnipod Dash 5 Pack	Brand	Medical Devices	NA	NA	\$3,838	1	2	\$21.32
20	25	Pramipexole Dihydrochlor	Generic	Antiparkinson Agents	0.00%	NA	\$3,784	1	4	\$21.02
Subtotal of Top 25 Drugs							\$478,789	239	373	\$1.03
All Other Drugs							\$162,335	521	3,385	\$1.27
Total							\$641,123	586	3,758	\$1.09

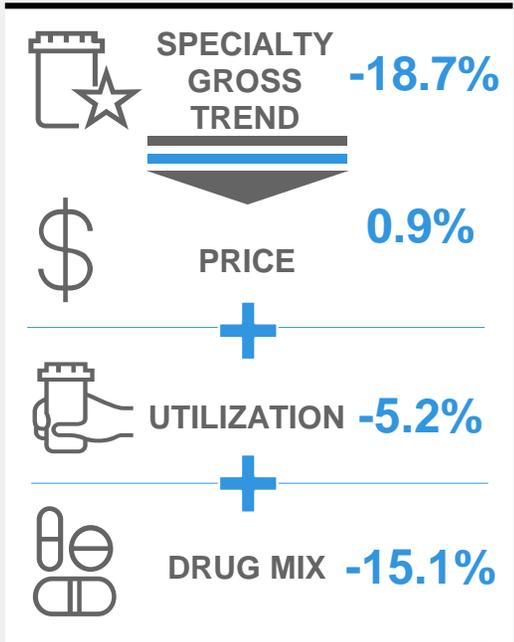
* Generic launch date is based on numerous market factors and is an estimation. "NA" means that no estimate launch date is available at the time of this report.

Your Top 25 Drugs

BY DAYS' SUPPLY

Prior Rank	Current Rank	Drug Name	Dispense Type	Therapeutic Class	Gross Cost	% of Total Days' Supply	Total Utilizers	Total Rxs	Gross Cost Per Day
1	1	Lisinopril	Generic	Antihypertensives	\$313	4.1%	43	82	\$0.05
5	2	Amos Levothyroxine Sodiun	Generic	Thyroid Agents	\$1,689	3.4%	31	83	\$0.32
2	3	Levothyroxine Sodium	Generic	Thyroid Agents	\$1,389	3.3%	32	78	\$0.27
11	4	Losartan Potassium	Generic	Antihypertensives	\$656	2.8%	28	54	\$0.15
10	5	Metformin Hydrochloride	Generic	Antidiabetics	\$149	2.3%	23	49	\$0.04
13	6	Atorvastatin Calcium	Generic	Antihyperlipidemics	\$929	2.2%	23	53	\$0.27
7	7	Escitalopram Oxalate	Generic	Antidepressants	\$408	2.0%	24	60	\$0.13
8	8	Hydrochlorothiazide	Generic	Diuretics	\$190	1.9%	22	41	\$0.06
6	9	Amlodipine Besylate	Generic	Calcium Channel Blockers	\$108	1.9%	21	56	\$0.04
4	10	Simvastatin	Generic	Antihyperlipidemics	\$161	1.7%	16	35	\$0.06
10	11	Montelukast Sodium	Generic	Antiasthmatic And Bronchodilator Agents	\$478	1.7%	22	44	\$0.19
16	12	Sertraline Hcl	Generic	Antidepressants	\$190	1.6%	19	41	\$0.08
3	13	Omeprazole	Generic	Ulcer Drugs	\$188	1.5%	17	37	\$0.08
18	14	Duloxetine Hcl	Generic	Antidepressants	\$1,821	1.2%	14	29	\$1.00
12	15	Fluticasone Propionate	Generic	Nasal Agents - Systemic And Topical	\$627	1.1%	21	42	\$0.37
27	16	Atenolol	Generic	Beta Blockers	\$121	1.1%	12	25	\$0.07
25	17	Ranitidine Hydrochloride	Generic	Ulcer Drugs	\$518	1.1%	14	31	\$0.31
21	18	Vitamin D	Generic	Vitamins	\$128	1.0%	16	21	\$0.08
18	19	Duloxetine Hydrochloride	Generic	Antidepressants	\$1,421	1.0%	10	22	\$0.91
14	20	Estradiol	Generic	Estrogens	\$1,357	1.0%	12	29	\$0.88
23	21	Trazodone Hydrochloride	Generic	Antidepressants	\$166	1.0%	10	23	\$0.11
NA	22	Flucelvax Quadrivalent 20	Brand	Vaccines	\$5,261	1.0%	210	210	\$3.47
NA	23	Albuterol Sulfate Hfa	Generic	Antiasthmatic And Bronchodilator Agents	\$3,071	0.9%	30	45	\$2.10
15	24	Bupropion Hydrochloride E	Generic	Antidepressants	\$797	0.9%	10	26	\$0.55
33	25	Meloxicam	Generic	Analgesics - Anti-Inflammatory	\$109	0.9%	12	31	\$0.08
Subtotal for Top 25 Drugs					\$22,242	42.5%	385	1,247	\$0.34
All Others					\$618,881	57.5%	473	2,511	\$6.92
Total					\$641,123		586	3,758	\$4.12

Specialty Pharmacy Trend, Cost and Utilization Metrics



Use Multiple Strategies to Manage Specialty Spend in the Pharmacy Benefit:

- Help control **PRICE** with Exclusive Pharmacy Network
- Help manage **UTILIZATION** with Specialty Guideline Management
- Help control **DRUG MIX** with

YOUR SPECIALTY UTILIZATION METRICS

	Jul-Dec 18	% Change	Jul-Dec 19	NCRx
Specialty Prescriptions	44	-2.3%	43	
% of Specialty Total Prescriptions	1.3%	-14.1%	1.1%	1.3%
% CVS Caremark Specialty Pharmacy Prescriptions	75.0%	5.4%	79.1%	
Specialty Utilizers	9	11.1%	10	
% of Specialty Utilizers	1.8%	-5.2%	1.7%	
Average Age per Specialty Utilizer	41.8	7.5%	45.0	

YOUR SPECIALTY COST METRICS

	Jul-Dec 18	% Change	Jul-Dec 19	NCRx
Specialty Gross Cost	\$440,047	-14.0%	\$378,233	
% Specialty Prescriptions By Gross Cost	62.7%	-6.0%	59.0%	48.4%
Specialty Net Cost	\$430,029	-14.6%	\$367,074	
% Specialty Prescriptions By Net Cost	66.1%	-6.0%	62.1%	51.3%
Specialty Member Cost	\$10,018	11.4%	\$11,158	
% Specialty Member Cost Share	2.3%	29.6%	3.0%	3.0%
Gross Cost per Specialty Utilizer	\$48,894	-22.6%	\$37,823	
Specialty Utilizers as % of Members	1.1%	5.1%	1.2%	

Your Top 25 Specialty Therapeutic Class Review

BY GROSS COST

Prior Rank	Current Rank	Specialty Class	Total Gross Cost*	% Specialty Gross Cost	Total Gross Cost PMPM	Total Utilizing Members	% Change in Utilizing Members	Total Gross Cost Per Utilizer	Total Number of Prescriptions
1	1	CYSTIC FIBROSIS	\$250,172	66.1%	\$48.09	1	0.0%	\$250,172	20
NA	2	PSORIASIS	\$48,969	12.9%	\$9.41	2	NA	\$24,485	7
2	3	RHEUMATOID ARTHRITIS	\$44,844	11.9%	\$8.62	2	-33.3%	\$22,422	3
5	4	PRE-TERM BIRTH	\$15,466	4.1%	\$2.97	1	0.0%	\$15,466	5
NA	5	ATOPIC DERMATITIS	\$8,832	2.3%	\$1.70	1	NA	\$8,832	3
4	6	MULTIPLE SCLEROSIS	\$7,519	2.0%	\$1.45	1	0.0%	\$7,519	1
6	7	OSTEOPOROSIS	\$1,214	0.3%	\$0.23	1	0.0%	\$1,214	1
NA	8	ONCOLOGY	\$861	0.2%	\$0.17	1	NA	\$861	1
7	9	TRANSPLANT	\$357	0.1%	\$0.07	1	0.0%	\$357	2

Percentage of Top 25 Specialty Therapeutic Classes Gross Spend/Total Specialty Gross Spend	100.0%
Percentage Total Specialty Gross Spend/Total Gross	59.0%

* The Total Gross Cost represents pharmacy claims only

Your Top 25 Specialty Drugs

BY GROSS COST

Prior Rank	Current Rank	Drug Name	Specialty Class	Total Gross Cost	% of Total Specialty Gross Cost	Utilizing Members	Total Prescriptions	Gross Cost Per Days' Supply
1	1	Symdeko	Cystic Fibrosis	\$110,547	29.23%	1	5	\$789.62
3	2	Humira	Rheumatoid Arthritis	\$54,809	14.49%	2	4	\$195.75
NA	3	Trikafta	Cystic Fibrosis	\$47,172	12.47%	1	2	\$842.36
6	4	Pulmozyme	Cystic Fibrosis	\$40,957	10.83%	1	6	\$227.54
NA	5	Taltz	Psoriasis	\$39,004	10.31%	1	6	\$232.17
5	6	Cayston	Cystic Fibrosis	\$27,372	7.24%	1	3	\$244.39
8	7	Bethkis	Cystic Fibrosis	\$24,124	6.38%	1	4	\$107.70
9	8	Makena	Pre-Term Birth	\$15,466	4.09%	1	5	\$110.47
NA	9	Dupixent	Atopic Dermatitis	\$8,832	2.34%	1	3	\$126.17
4	10	Tecfidera	Multiple Sclerosis	\$7,519	1.99%	1	1	\$250.62
10	11	Prolia	Osteoporosis	\$1,214	0.32%	1	1	\$6.75
NA	12	Capecitabine	Oncology	\$861	0.23%	1	1	\$30.74
11	13	Mycophenolate Mofetil	Transplant	\$357	0.09%	1	2	\$1.98
Total Top Gross Specialty Drugs								\$378,233
Percentage Top Gross Specialty Drugs/Overall Biotech Specialty Drugs								100.0%

Lake Havasu Schools Employee Benefits Trust

Summary of Rebates and Patronage

Carrier: 4929

Effective: 10/1/2011

Rebates	Q1 Rebate	Q2 Rebate	Q3 Rebate	Q4 Rebate	Total
2011	---	---	---	\$7,684.44	\$7,684.44
2012	\$8,314.19	\$8,104.47	\$6,157.48	\$6,309.23	\$28,885.37
2013	\$6,813.46	\$6,172.51	\$5,398.74	\$12,608.04	\$30,992.75
2014	\$9,998.86	\$9,733.11	\$8,891.96	\$9,166.93	\$37,790.86
2015	\$9,759.20	\$9,557.40	\$9,757.16	\$10,376.84	\$39,450.60
2016	\$24,601.99	\$22,451.10	\$20,262.76	\$22,195.85	\$89,511.70
2017	\$27,362.38	\$33,514.54	\$27,641.54	\$30,789.10	\$119,307.56
2018	\$41,609.76	\$45,296.19	\$39,775.24	\$50,313.09	\$176,994.28
2019	\$60,836.00	\$56,045.34			\$116,881.34

True-Up		
2011 & 2012	\$15,346.70	Paid in 2014
2013	\$15,308.86	Paid in 2015
2014	\$37,760.10	Paid in 2016
2015	\$71,861.17	Paid in 2017
2016	\$14,282.14	Paid in 2018
2017	\$14,971.65	Paid in 2019

Patronage	Cash	Equity	Total
2011	\$276.74	\$645.71	\$922.45
2012	\$350.47	\$817.76	\$1,168.23
2013	\$969.91	\$0.00	\$969.91
2014	\$418.72	\$977.00	\$1,395.72
2015	\$784.23	\$1,829.88	\$2,614.11
2016	\$599.60	\$1,399.06	\$1,998.66
2017	\$434.53	\$1,013.89	\$1,448.42
2018	\$568.38	\$1,326.21	\$1,894.59

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Storm Kinion, Group Benefits Specialist

DATE: January 29, 2020

RE: 2019 Dental Claims Review

Please find attached a copy of Ameritas' presentation which outlines the Trust's dental claims utilization for the period January – December 2019. Rich Hanna will be at the meeting to present and review this report with Trustees.

If you have any questions between now and the date of the meeting, I can be reached at (928) 753-4700 ext. 305 or via email at stormk@ecollinsandassociates.com.

February 2020
Reporting July-
December 2019

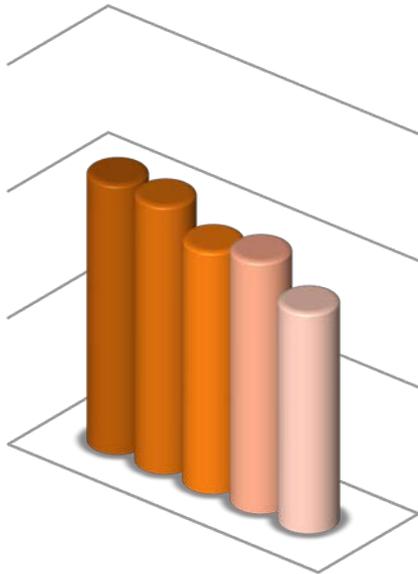
LAKE HAVASU
SCHOOLS EBT
#301248



LHSEBT – PAID CLAIMS

2019 Claims Paid

- 2015 ■ 2016 ■ 2017
- 2018 ■ 2019



<u>2019 Claims Paid</u>					<u>Annual Trend</u>	<u>% Change Year vs Year</u>
2015	2016	2017	2018	2019	Since Inception	
\$106,399	\$105,767	\$95,525	\$99,336	\$86,937	-0.1%	-12.5%

<u>2019 Claims Paid PEPY</u>					<u>Annual Trend</u>	<u>% Change Year vs Year</u>
2015	2016	2017	2018	2019	Since Inception	
\$402.14	\$436.15	\$382.99	\$402.03	\$344.19	+1.2%	-14.4%

LHSEBT - PAID CLAIMS MONTHLY REPORT

Claims PEPM



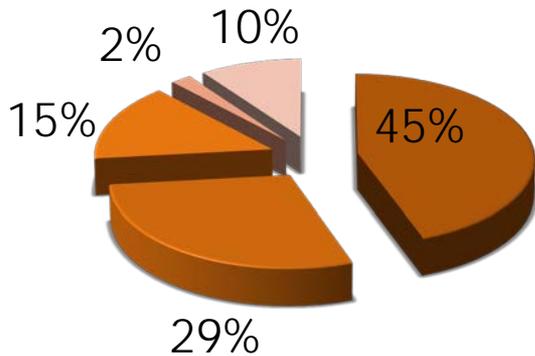
■ 2015 ■ 2016
■ 2017 ■ 2018

<u>Month</u>	<u>Fees</u>	<u>Paid Claims</u>	<u>Enrolled Employees</u>	<u>PEPM</u>
July	\$1,534	\$15,982	498	\$32.09
August	\$1,599	\$14,722	495	\$29.74
September	\$1,635	\$15,760	503	\$31.33
October	\$1,586	\$12,607	510	\$24.72
November	\$1,658	\$9,147	511	\$17.90
December	\$1,677	\$18,720	514	\$36.42
Total	\$9,688	\$86,937	3,031	\$28.68
Average	\$1,615	\$14,490	505	-

LHSEBT – PAID CLAIMS DETAIL

2019 Paid Claims

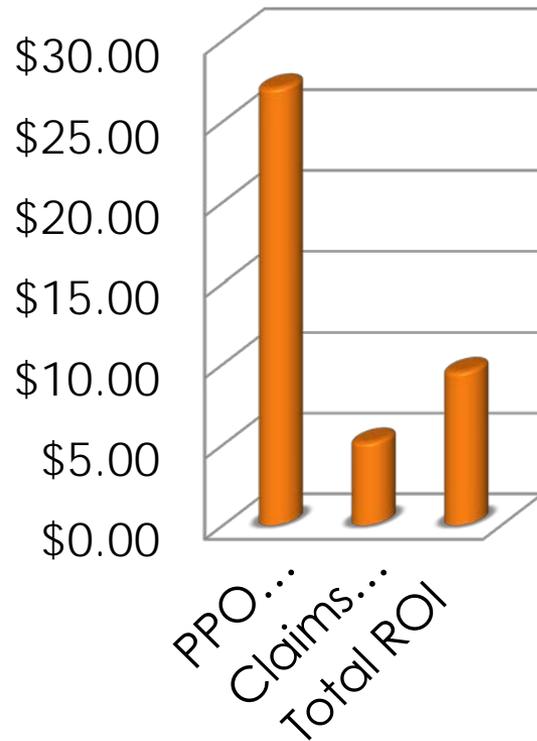
- Benefits Paid
- PPO Savings
- Claims Savings
- Total Deductible
- Total Coinsurance



<u>Total Submitted Claims</u>	<u>Benefits Paid</u>	<u>PPO Savings</u>	<u>Claims Savings</u>	<u>Total Deductible</u>	<u>Total Coinsurance</u>
				Paid by member	Paid by member
\$192,811	\$86,937	\$55,120	\$28,326	\$3,350	\$19,077
2015	52%	21%	14%	2%	11%
2016	46%	20%	20%	2%	13%
2017	48%	23%	17%	2%	10%
2018	41%	25%	22%	2%	10%
2019	45%	29%	15%	2%	10%

LHSEBT – RETURN ON INVESTMENT

ROI



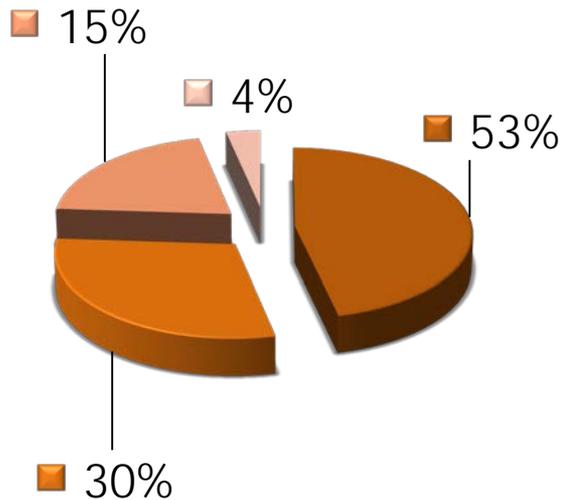
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>Totals</u>	<u>ROI Per \$1 spent</u>
PPO Savings	\$43,107	\$44,762	\$46,786	\$61,263	\$55,120	\$251,038	\$27.01
Claims Savings	\$29,030	\$45,019	\$33,596	\$54,121	\$28,326	\$190,092	\$5.11
Total Fixed Costs	\$9,174	\$8,425	\$9,634	\$9,558	\$9,688	\$46,479	\$9.49

LHSEBT – PAID CLAIMS BY PROCEDURE TYPE

Paid Claims by

Type

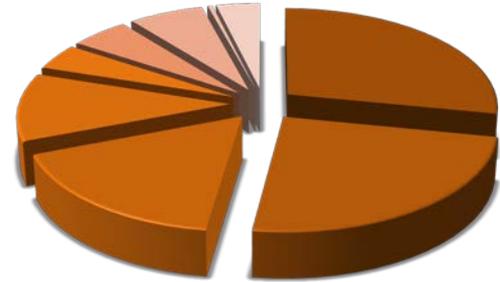
- Type 1
- Type 2
- Type 3
- Ortho



<u>Dental Procedure Type</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>Average</u>	<u>2019 Paid</u>
Type 1	52.3%	42.1%	51.1%	53.9%	52.6%	50.4%	\$45,760
Type 2	29.5%	35.7%	32.2%	27.0%	29.5%	30.8%	\$25,619
Type 3	16.4%	20.6%	14.1%	16.7%	14.7%	16.5%	\$12,766
<u>Ortho</u>	<u>1.8%</u>	<u>1.9%</u>	<u>2.7%</u>	<u>2.4%</u>	<u>3.8%</u>	<u>2.5%</u>	<u>\$3,280</u>
Total	100%*	100%*	100%*	100%*	100%*	100%*	\$86.936*

* Includes Claims credits for 2020

LHSEBT- PAID CLAIMS BY PROCEDURE GROUP



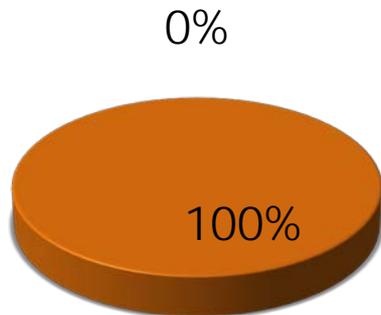
- Exams/X-rays
- Cleanings / Sealants/ Appl
- Restorative
- Endodontics
- Periodontics
- Prostodontics
- Oral Surgery /Anesthesia
- General Services
- Orthodontics

<u>Procedure Group</u>	<u>Proc Count</u>	<u>Total Current Claims Paid</u>	<u>Average Cost Per Procedure</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Exams/X-rays	808	\$24,653	\$30.51	26.6%	21.9%	26.4%	27.7%	28.4%
Cleanings / Sealants/ Appl	429	\$21,117	\$49.22	25.7%	20.2%	24.7%	26.2%	24.3%
Restorative	121	\$14,758	\$121.97	26.4%	30.1%	24.5%	24.6%	17.0%
Endodontics	23	\$9,640	\$419.13	4.3%	5.2%	6.2%	3.3%	11.1%
Periodontics	60	\$3,755	\$62.58	6.5%	5.3%	3.8%	5.8%	4.3%
Prostodontics	16	\$4,464	\$279.00	3.1%	6.2%	2.7%	2.8%	5.1%
Oral Surgery /Anesthesia	55	\$5,609	\$101.98	5.4%	9.4%	9.2%	7.1%	6.5%
General Services/TMD	34	\$339	\$9.97	0.2%	(0.2%)	0.0%	0.1%	0.4%
<u>Ortho</u>	<u>21</u>	<u>\$3,280</u>	<u>\$156.19</u>	<u>1.8%</u>	<u>1.9%</u>	<u>2.7%</u>	<u>2.4%</u>	<u>3.8%</u>
Total	1,567	\$86,936	\$55.48	100%	100%	100%	100%	100%

LHSEBT- IN NETWORK VS OUT OF NETWORK CLAIMS

2019 PPO Claims

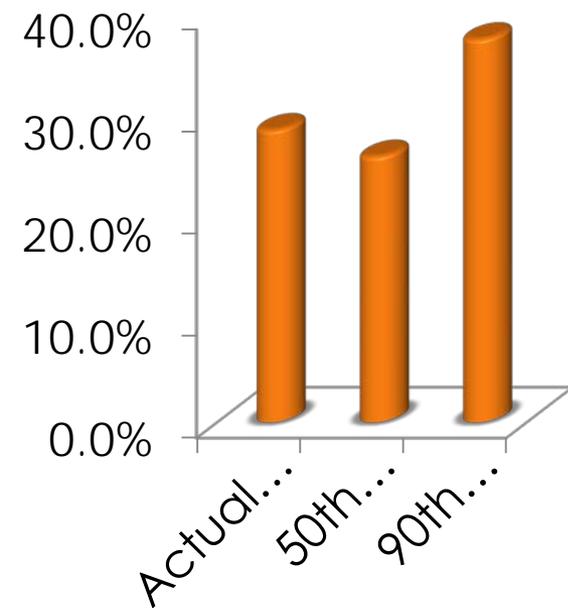
- In-Network
- Out of Network



<u>PPO</u>	<u>Proc Count</u>	<u>Total Current Claims Paid</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Yes	1,540	\$86,574	99.8%	99.8%	99.7%	99.1%	99.6%
<u>No</u>	<u>27</u>	<u>\$364</u>	<u>0.2%</u>	<u>0.2%</u>	<u>0.3%</u>	<u>0.9%</u>	<u>0.4%</u>
Total	1,567	\$86,937	100%	100%	100%	100%	100%

LHSEBT - PPO SAVINGS

% Savings

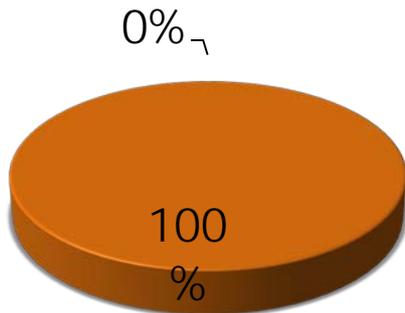


	<u>Submitted Claims</u>	<u>PPO Savings</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Actual Submitted Claims	\$192,811	\$55,120	21.0%	19.5%	23.4%	25.1%	28.6%
50 th Percentile U&C	\$186,014	\$48,323	23.7%	20.5%	22.1%	21.7%	26.0%
90 th Percentile U&C	\$220,330	\$82,639	34.8%	32.5%	34.3%	34.7%	37.5%

LHSEBT - TOP PROVIDER UTILIZATION

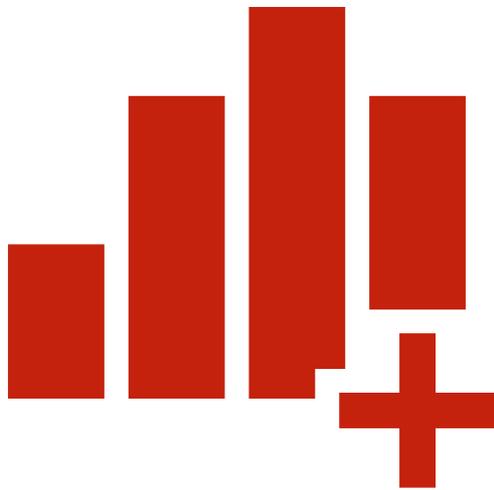
Current PPO Claims

- In-Network
- Out of Network



Provider Name	Provider City	PPO Claim	Total Submitted Claims
CARVER,JEFFERY ALAN	LK HAVASU CTY	Y	51,153.00
KAUSHESH,ASHUTOSH	LK HAVASU CTY	Y	34,451.40
BARRUGA,VERNON DELACRUZ	LK HAVASU CTY	Y	33,266.00
KURTZ,RYAN MICHAEL	LK HAVASU CTY	Y	31,379.00
SORKIN,EDOUARD	LK HAVASU CTY	Y	30,670.00
SHAMOS,ILAN HIRAM	LK HAVASU CTY	Y	30,655.00
LAVENE,RYAN MATTHEW	LK HAVASU CTY	Y	22,775.00
TOMAS,IKE ARTHUR WENCESLAO	LK HAVASU CTY	Y	19,452.00
LUNDIN,LARRY C	LK HAVASU CTY	Y	17,133.00
RUIZ,CARLOS R	LK HAVASU CTY	Y	12,791.00
YOLE,JASON J	LK HAVASU CTY	Y	12,131.00
CURRIVAN,ROBERT	LK HAVASU CTY	Y	11,125.00
AHN,EDWARD B	LK HAVASU CTY	Y	8,968.00
MEAD,C REESE	LK HAVASU CTY	Y	8,749.00
BULLEN,RYAN N	LK HAVASU CTY	Y	7,380.00
URQUHART,N NATHANIEL	LK HAVASU CTY	Y	7,270.89
LYSDALE,JEFFREY S	LK HAVASU CTY	Y	7,048.00
COBURN,RICHARD RYAN	LK HAVASU CTY	Y	6,954.00
BARBER,ILLIAN NATHAN	LK HAVASU CTY	Y	6,885.00
YETTER,NATHAN R	LK HAVASU CTY	Y	6,499.74
CHAPMAN,BRETT N	LK HAVASU CTY	Y	4,843.00
SCOTT,JAY D	LK HAVASU CTY	Y	3,896.00
BOYD JR,KEITH E	BULLHEAD CITY	Y	3,238.00
BROUMAND,VISHTASB	PHOENIX	Y	2,743.00
NELSON,DARRIN JOHN	LK HAVASU CTY	Y	2,545.00
Various Other Dentists			\$52,369.97
TOTALS			\$436,317.00

QUESTIONS?



- Lake Havasu Schools EBT
- January 2020
- Reporting July to December 2019

our report

on LAKE HAVASU UNIFIED SCHOOL DISTRICT

Presented by
RICH HANNA
11811 N TATUM BLVD
STE P-184
PHOENIX AZ 85028-6047
602-953-1903

01/14/2020



We're Ameritas. We're for people.™

LAKE HAVASU UNIFIED SCHOOL DISTRICT

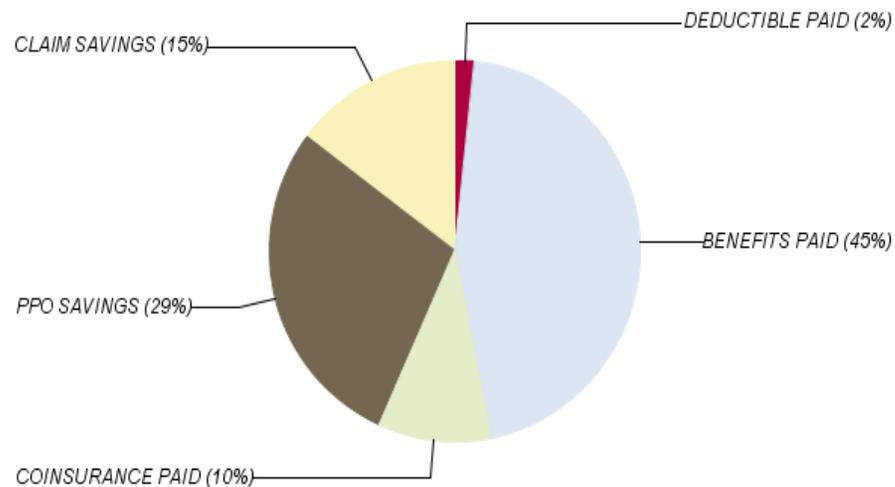
Claim Payment Summary



Policy #: 301248 07/01/2019 through 12/31/2019

<u>Procedure Count</u>	<u>Total Claims</u>	<u>PPO Savings</u>	<u>Claim Savings</u>	<u>Remaining Eligible Charge</u>	<u>Total Deductible Paid by Member</u>	<u>Total Coinsurance Paid by Member</u>	<u>Total Claims Paid</u>
1,567	\$192,811	\$55,120	\$28,326	\$109,365	\$3,350	\$19,077	\$86,937

Claim Payment Summary



LAKE HAVASU UNIFIED SCHOOL DISTRICT

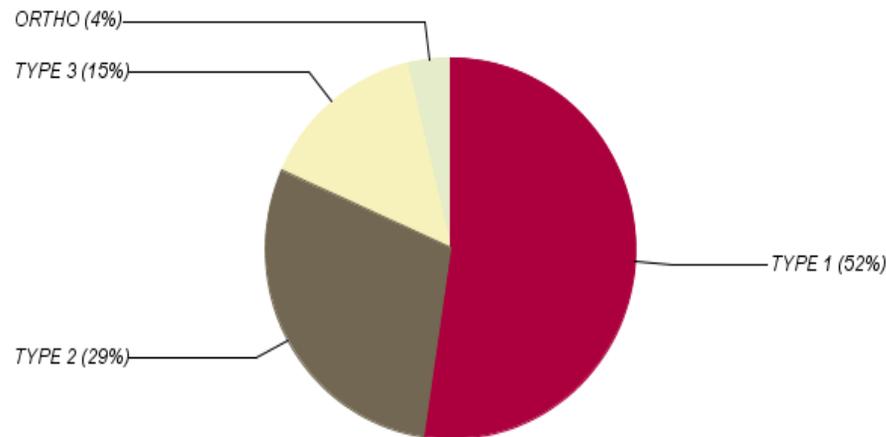
Claim Payment Breakdown by Procedure Type



Policy #: 301248 07/01/2019 through 12/31/2019

Dental Procedure Type	Proc Count	Total Claims	PPO Savings	Claim Savings	Remaining Eligible Charge	Total Deductible Paid by Member	Total Coinsurance Paid by Member	Total Claims Paid	% Total Ben Paid
TYPE 1	1,224	\$73,297	\$22,085	\$5,041	\$46,170	\$100	\$311	\$45,760	52.6%
TYPE 2	214	\$54,046	\$16,362	\$7,277	\$30,407	\$2,800	\$1,988	\$25,619	29.5%
TYPE 3	59	\$48,928	\$16,287	\$6,359	\$26,282	\$450	\$13,066	\$12,766	14.7%
ORTHO	21	\$6,994	\$0	\$0	\$6,994	\$0	\$3,714	\$3,280	3.8%
NONCLASSIFIED	47	\$9,547	\$386	\$9,161	\$0	\$0	\$0	\$0	.0%
CREDITS	2	\$0	\$0	\$489	-\$489	\$0	\$0	-\$489	-.6%
TOTAL	1,567	\$192,812	\$55,120	\$28,326	\$109,364	\$3,350	\$19,079	\$86,936	100.0%

Claim Payment Breakdown by Procedure Type



LAKE HAVASU UNIFIED SCHOOL DISTRICT

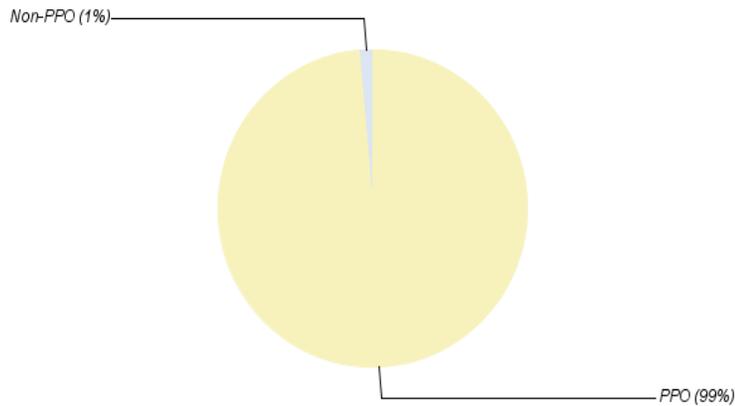
Claim Summary - PPO vs. Non-PPO



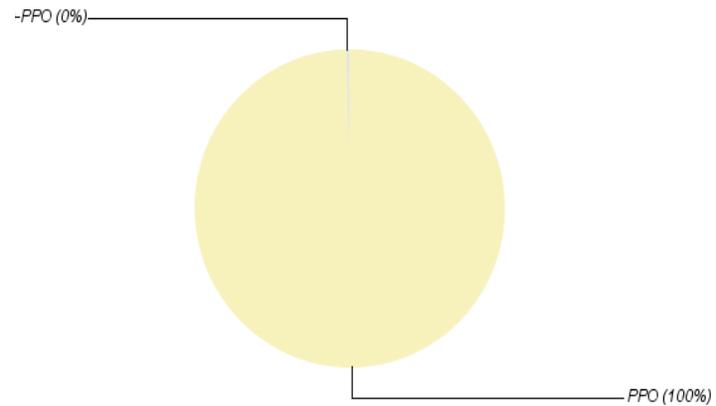
Policy #: 301248 07/01/2019 through 12/31/2019

PPO	Proc Count	Total Claims	PPO Savings	Claim Savings	Remaining Eligible Charge	Total Deductible Paid by Member	Total Coinsurance Paid by Member	Total Claims Paid	% Total Ben Paid
Yes	1,540	\$190,079	\$55,120	\$26,527	\$108,432	\$3,250	\$18,608	\$86,574	99.6%
No	27	\$2,732	\$0	\$1,799	\$933	\$100	\$470	\$364	.4%
Total	1,567	\$192,811	\$55,120	\$28,326	\$109,365	\$3,350	\$19,077	\$86,937	100.0%

Actual Submitted Claims - PPO vs. Non-PPO



Total Benefits Paid - PPO vs. Non-PPO



LAKE HAVASU UNIFIED SCHOOL DISTRICT

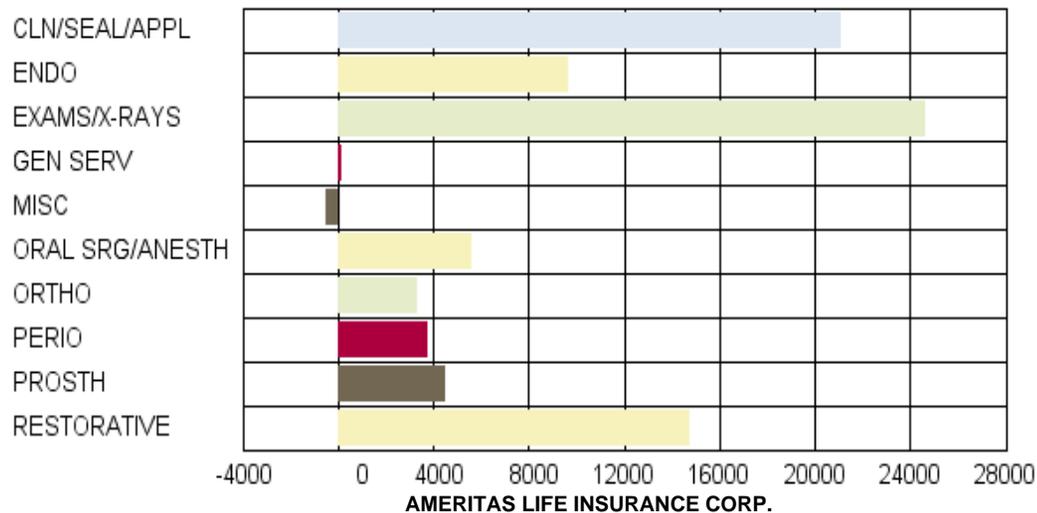
Claim Payment Analysis by Procedure Group



Policy #: 301248 07/01/2019 through 12/31/2019

Procedure Group	Proc Count	Total Claims	PPO Savings	Claim Savings	Remaining Eligible Charge	Total Deductible Paid by Member	Total Coinsurance Paid by Member	Total Claims Paid	% Total Ben Paid
EXAMS/X-RAYS	808	\$42,758	\$13,812	\$3,955	\$24,990	\$119	\$218	\$24,653	28.4%
CLN/SEAL/APPL	429	\$31,402	\$8,591	\$1,571	\$21,240	\$31	\$92	\$21,117	24.3%
RESTORATIVE	121	\$50,802	\$16,921	\$8,143	\$25,739	\$1,780	\$9,201	\$14,758	17.0%
ENDO	23	\$16,809	\$4,136	\$1,899	\$10,774	\$520	\$614	\$9,640	11.1%
PERIO	60	\$10,053	\$2,514	\$3,225	\$4,314	\$250	\$309	\$3,755	4.3%
PROSTH	16	\$16,965	\$4,970	\$3,068	\$8,927	\$0	\$4,464	\$4,464	5.1%
ORAL SRG/ANESTH	55	\$14,176	\$3,791	\$3,660	\$6,725	\$650	\$466	\$5,609	6.5%
GEN SERV	7	\$1,634	\$0	\$1,484	\$150	\$0	\$0	\$150	.2%
MISC	27	\$1,218	\$386	\$1,321	-\$489	\$0	\$0	-\$489	-.6%
ORTHO	21	\$6,994	\$0	\$0	\$6,994	\$0	\$3,714	\$3,280	3.8%
TOTAL	1,567	\$192,811	\$55,120	\$28,326	\$109,365	\$3,350	\$19,077	\$86,937	100.0%

Total Benefits Paid by Procedure Group



LAKE HAVASU UNIFIED SCHOOL DISTRICT

Claim Payment Analysis by Category within Procedure Group



Policy #: 301248 07/01/2019 through 12/31/2019

Procedure Group	Procedure Category	Proc Count	Total Claims	PPO Savings	Claim Savings	Remaining Eligible Charge	Total Deductible Paid by Member	Total Coinsurance Paid by Member	Total Claims Paid	% Total Ben Paid
EXAMS/X-RAYS	ROUTINE EXAMS	260	\$13,176	\$3,702	\$938	\$8,536	\$22	\$70	\$8,444	9.7%
	LTD ORAL EXAMS	51	\$3,945	\$1,451	\$1,502	\$992	\$50	\$0	\$942	1.1%
	BITEWING XRAYS	207	\$11,040	\$3,500	\$358	\$7,181	\$21	\$65	\$7,095	8.2%
	FMX/PANO XRAYS	77	\$9,026	\$3,043	\$900	\$5,083	\$16	\$59	\$5,009	5.8%
	OTHER XRAYS	213	\$5,570	\$2,115	\$256	\$3,198	\$10	\$25	\$3,164	3.6%
CLN/SEAL/APPL	PROPHYS/FLUOR	388	\$29,539	\$8,210	\$1,571	\$19,758	\$31	\$92	\$19,635	22.6%
	SEALANTS	40	\$1,355	\$308	\$0	\$1,047	\$0	\$0	\$1,047	1.2%
	SPACE MAINTAINR	1	\$508	\$73	\$0	\$435	\$0	\$0	\$435	.5%
RESTORATIVE	AMALGAM RESTORE	1	\$124	\$25	\$0	\$99	\$50	\$5	\$44	.1%
	RESIN RESTORE	72	\$15,636	\$5,576	\$1,957	\$8,103	\$1,200	\$720	\$6,183	7.1%
	SS CROWNS	3	\$464	\$0	\$0	\$464	\$30	\$43	\$391	.4%
	CROWNS	25	\$29,324	\$9,243	\$5,458	\$14,623	\$413	\$7,255	\$6,955	8.0%
	CORE BUILD-UP	17	\$4,574	\$1,770	\$534	\$2,270	\$37	\$1,117	\$1,117	1.3%
	POST AND CORE	1	\$350	\$156	\$194	\$0	\$0	\$0	\$0	.0%
	CRN/PARTDEN REP	1	\$260	\$139	\$0	\$121	\$0	\$61	\$61	.1%
	RECEMENT	1	\$70	\$12	\$0	\$58	\$50	\$0	\$8	.0%
ENDO	ROOT CANALS	17	\$16,328	\$4,136	\$1,734	\$10,458	\$500	\$584	\$9,374	10.8%
	OTHER ENDO	3	\$316	\$0	\$0	\$316	\$20	\$30	\$266	.3%
	PULP CAP	3	\$165	\$0	\$165	\$0	\$0	\$0	\$0	.0%
PERIO	OTHER PERIO SER	39	\$4,996	\$1,162	\$1,879	\$1,955	\$150	\$97	\$1,708	2.0%
	NON-SURG PERIO	18	\$3,806	\$1,352	\$95	\$2,359	\$100	\$212	\$2,047	2.4%
	SURG PERIO	3	\$1,251	\$0	\$1,251	\$0	\$0	\$0	\$0	.0%
PROSTH	PROSTH-FIXED	13	\$14,070	\$4,970	\$173	\$8,927	\$0	\$4,464	\$4,464	5.1%
	IMPLANTS	2	\$2,400	\$0	\$2,400	\$0	\$0	\$0	\$0	.0%
	IMPLANTSERVICES	1	\$495	\$0	\$495	\$0	\$0	\$0	\$0	.0%
ORAL SRG/ANESTH	NON-SURG EXTRAC	13	\$2,167	\$1,030	\$81	\$1,056	\$400	\$67	\$589	.7%
	SURG EXTRACT	21	\$6,128	\$2,153	\$505	\$3,470	\$232	\$285	\$2,953	3.4%
	ANESTH-GEN/IV	14	\$2,961	\$608	\$154	\$2,199	\$18	\$114	\$2,067	2.4%
	ANESTH-LOC/NITR	1	\$40	\$0	\$40	\$0	\$0	\$0	\$0	.0%

LAKE HAVASU UNIFIED SCHOOL DISTRICT

Claim Payment Analysis by Category within Procedure Group



Policy #: 301248 07/01/2019 through 12/31/2019

Procedure Group	Procedure Category	Proc Count	Total Claims	PPO Savings	Claim Savings	Remaining Eligible Charge	Total Deductible Paid by Member	Total Coinsurance Paid by Member	Total Claims Paid	% Total Ben Paid
ORAL SRG/ANESTH	BONAUGMENTATION	6	\$2,880	\$0	\$2,880	\$0	\$0	\$0	\$0	.0%
GEN SERV	OCCLUSAL GUARD	2	\$1,182	\$0	\$1,182	\$0	\$0	\$0	\$0	.0%
	DRUGS	4	\$302	\$0	\$302	\$0	\$0	\$0	\$0	.0%
	PROF SERVICES	1	\$150	\$0	\$0	\$150	\$0	\$0	\$150	.2%
MISC	MISC (DENY)	5	\$235	\$154	\$81	\$0	\$0	\$0	\$0	.0%
	MISC PREV	10	\$498	\$232	\$266	\$0	\$0	\$0	\$0	.0%
	MISC BASIC	3	\$90	\$0	\$90	\$0	\$0	\$0	\$0	.0%
	MISC(TAX & OTH)	7	\$0	\$0	\$489	-\$489	\$0	\$0	-\$489	-.6%
	RARELY COVERED	2	\$395	\$0	\$395	\$0	\$0	\$0	\$0	.0%
ORTHO	ORTHO	21	\$6,994	\$0	\$0	\$6,994	\$0	\$3,714	\$3,280	3.8%
TOTAL		1,567	\$192,811	\$55,120	\$28,326	\$109,365	\$3,350	\$19,077	\$86,937	100.0%

LAKE HAVASU UNIFIED SCHOOL DISTRICT

Claim Payment Analysis by Procedure within Category



Policy #: 301248 07/01/2019 through 12/31/2019

Procedure Category	Procedure *	Proc Count	Total Claims	PPO Savings	Claim Savings	Remaining Eligible Charge	Total Deductible Paid by Member	Total Coinsurance Paid by Member	Total Claims Paid	% Total Ben Paid
ROUTINE EXAMS	D0120	201	\$9,003	\$2,287	\$765	\$5,950	\$10	\$25	\$5,915	6.8%
	D0145	1	\$70	\$33	\$0	\$37	\$0	\$0	\$37	.0%
	D0150	47	\$3,545	\$1,297	\$112	\$2,137	\$12	\$45	\$2,080	2.4%
	D0180	11	\$558	\$85	\$61	\$411	\$0	\$0	\$411	.5%
Totals		260	\$13,176	\$3,702	\$938	\$8,536	\$22	\$70	\$8,444	9.7%
LTD ORAL EXAMS	D0140	50	\$3,945	\$1,451	\$1,502	\$992	\$50	\$0	\$942	1.1%
	D0171	1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	.0%
Totals		51	\$3,945	\$1,451	\$1,502	\$992	\$50	\$0	\$942	1.1%
BITEWING XRAYS	D0270	11	\$322	\$167	\$25	\$130	\$0	\$0	\$130	.1%
	D0272	43	\$1,613	\$450	\$78	\$1,085	\$0	\$0	\$1,085	1.2%
	D0273	1	\$59	\$31	\$0	\$28	\$0	\$0	\$28	.0%
	D0274	152	\$9,046	\$2,852	\$255	\$5,939	\$21	\$65	\$5,853	6.7%
Totals		207	\$11,040	\$3,500	\$358	\$7,181	\$21	\$65	\$7,095	8.2%
FMX/PANO XRAYS	D0210	40	\$4,879	\$1,547	\$81	\$3,251	\$0	\$0	\$3,251	3.7%
	D0330	37	\$4,147	\$1,496	\$819	\$1,833	\$16	\$59	\$1,758	2.0%
Totals		77	\$9,026	\$3,043	\$900	\$5,083	\$16	\$59	\$5,009	5.8%
OTHER XRAYS	D0220	131	\$3,571	\$1,345	\$132	\$2,094	\$5	\$13	\$2,075	2.4%
	D0230	74	\$1,812	\$770	\$31	\$1,011	\$5	\$11	\$995	1.1%

LAKE HAVASU UNIFIED SCHOOL DISTRICT

Claim Payment Analysis by Procedure within Category



Policy #: 301248 07/01/2019 through 12/31/2019

Procedure Category	Procedure *	Proc Count	Total Claims	PPO Savings	Claim Savings	Remaining Eligible Charge	Total Deductible Paid by Member	Total Coinsurance Paid by Member	Total Claims Paid	% Total Ben Paid
OTHER XRAYS	D0240	8	\$187	\$0	\$93	\$93	\$0	\$0	\$93	.1%
Totals		213	\$5,570	\$2,115	\$256	\$3,198	\$10	\$25	\$3,164	3.6%
PROPHYS/FLUOR	D1110	275	\$24,468	\$6,949	\$886	\$16,632	\$31	\$92	\$16,509	19.0%
	D1120	59	\$3,256	\$663	\$145	\$2,449	\$0	\$0	\$2,449	2.8%
	D1206	29	\$1,182	\$503	\$402	\$277	\$0	\$0	\$277	.3%
	D1208	25	\$633	\$95	\$138	\$400	\$0	\$0	\$400	.5%
Totals		388	\$29,539	\$8,210	\$1,571	\$19,758	\$31	\$92	\$19,635	22.6%
SEALANTS	D1351	33	\$1,355	\$308	\$0	\$1,047	\$0	\$0	\$1,047	1.2%
	D1354	7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	.0%
Totals		40	\$1,355	\$308	\$0	\$1,047	\$0	\$0	\$1,047	1.2%
SPACE MAINTAINR	D1516	1	\$508	\$73	\$0	\$435	\$0	\$0	\$435	.5%
Totals		1	\$508	\$73	\$0	\$435	\$0	\$0	\$435	.5%
AMALGAM RESTORE	D2150	1	\$124	\$25	\$0	\$99	\$50	\$5	\$44	.1%
Totals		1	\$124	\$25	\$0	\$99	\$50	\$5	\$44	.1%
RESIN RESTORE	D2330	4	\$578	\$162	\$0	\$416	\$100	\$0	\$316	.4%
	D2331	3	\$580	\$178	\$0	\$402	\$25	\$36	\$341	.4%

LAKE HAVASU UNIFIED SCHOOL DISTRICT

Claim Payment Analysis by Procedure within Category



Policy #: 301248 07/01/2019 through 12/31/2019

Procedure Category	Procedure *	Proc Count	Total Claims	PPO Savings	Claim Savings	Remaining Eligible Charge	Total Deductible Paid by Member	Total Coinsurance Paid by Member	Total Claims Paid	% Total Ben Paid
RESIN RESTORE	D2332	4	\$964	\$380	\$146	\$438	\$34	\$0	\$404	.5%
	D2335	2	\$894	\$591	\$0	\$303	\$50	\$0	\$253	.3%
	D2391	19	\$3,137	\$1,006	\$748	\$1,383	\$296	\$198	\$889	1.0%
	D2392	29	\$6,308	\$1,908	\$837	\$3,564	\$532	\$396	\$2,635	3.0%
	D2393	10	\$2,875	\$1,234	\$187	\$1,454	\$140	\$90	\$1,225	1.4%
	D2394	1	\$300	\$118	\$40	\$142	\$22	\$0	\$120	.1%
Totals		72	\$15,636	\$5,576	\$1,957	\$8,103	\$1,200	\$720	\$6,183	7.1%
SS CROWNS	D2930	3	\$464	\$0	\$0	\$464	\$30	\$43	\$391	.4%
Totals		3	\$464	\$0	\$0	\$464	\$30	\$43	\$391	.4%
CROWNS	D2740	15	\$18,388	\$5,629	\$5,115	\$7,644	\$173	\$3,885	\$3,586	4.1%
	D2750	4	\$4,726	\$1,872	\$193	\$2,661	\$90	\$1,285	\$1,285	1.5%
	D2751	1	\$941	\$300	\$0	\$641	\$0	\$321	\$321	.4%
	D2752	4	\$4,304	\$1,217	\$99	\$2,988	\$100	\$1,444	\$1,444	1.7%
	D2790	1	\$965	\$225	\$51	\$689	\$50	\$320	\$320	.4%
Totals		25	\$29,324	\$9,243	\$5,458	\$14,623	\$413	\$7,255	\$6,955	8.0%
CORE BUILD-UP	D2950	17	\$4,574	\$1,770	\$534	\$2,270	\$37	\$1,117	\$1,117	1.3%
Totals		17	\$4,574	\$1,770	\$534	\$2,270	\$37	\$1,117	\$1,117	1.3%
POST AND CORE	D2954	1	\$350	\$156	\$194	\$0	\$0	\$0	\$0	.0%
Totals		1	\$350	\$156	\$194	\$0	\$0	\$0	\$0	.0%

LAKE HAVASU UNIFIED SCHOOL DISTRICT

Claim Payment Analysis by Procedure within Category



Policy #: 301248 07/01/2019 through 12/31/2019

Procedure Category	Procedure *	Proc Count	Total Claims	PPO Savings	Claim Savings	Remaining Eligible Charge	Total Deductible Paid by Member	Total Coinsurance Paid by Member	Total Claims Paid	% Total Ben Paid
CRN/PARTDEN REP	D2980	1	\$260	\$139	\$0	\$121	\$0	\$61	\$61	.1%
Totals		1	\$260	\$139	\$0	\$121	\$0	\$61	\$61	.1%
RECEMENT	D2920	1	\$70	\$12	\$0	\$58	\$50	\$0	\$8	.0%
Totals		1	\$70	\$12	\$0	\$58	\$50	\$0	\$8	.0%
ROOT CANALS	D3320	5	\$4,466	\$1,268	\$1,255	\$1,943	\$100	\$147	\$1,696	2.0%
	D3330	9	\$9,862	\$2,407	\$69	\$7,386	\$300	\$397	\$6,689	7.7%
	D3332	2	\$500	\$0	\$410	\$90	\$50	\$40	\$0	.0%
	D3348	1	\$1,500	\$461	\$0	\$1,039	\$50	\$0	\$989	1.1%
Totals		17	\$16,328	\$4,136	\$1,734	\$10,458	\$500	\$584	\$9,374	10.8%
OTHER ENDO	D3220	3	\$316	\$0	\$0	\$316	\$20	\$30	\$266	.3%
Totals		3	\$316	\$0	\$0	\$316	\$20	\$30	\$266	.3%
PULP CAP	D3110	1	\$35	\$0	\$35	\$0	\$0	\$0	\$0	.0%
	D3120	2	\$130	\$0	\$130	\$0	\$0	\$0	\$0	.0%
Totals		3	\$165	\$0	\$165	\$0	\$0	\$0	\$0	.0%
OTHER PERIO SER	D4346	3	\$304	\$75	\$0	\$229	\$150	\$9	\$70	.1%
	D4910	36	\$4,692	\$1,087	\$1,879	\$1,726	\$0	\$88	\$1,639	1.9%
Totals		39	\$4,996	\$1,162	\$1,879	\$1,955	\$150	\$97	\$1,708	2.0%

LAKE HAVASU UNIFIED SCHOOL DISTRICT

Claim Payment Analysis by Procedure within Category



Policy #: 301248 07/01/2019 through 12/31/2019

Procedure Category	Procedure *	Proc Count	Total Claims	PPO Savings	Claim Savings	Remaining Eligible Charge	Total Deductible Paid by Member	Total Coinsurance Paid by Member	Total Claims Paid	% Total Ben Paid
NON-SURG PERIO	D4341	13	\$3,140	\$1,128	\$0	\$2,012	\$100	\$143	\$1,769	2.0%
	D4342	5	\$666	\$224	\$95	\$347	\$0	\$69	\$277	.3%
Totals		18	\$3,806	\$1,352	\$95	\$2,359	\$100	\$212	\$2,047	2.4%
SURG PERIO	D4263	1	\$350	\$0	\$350	\$0	\$0	\$0	\$0	.0%
	D4265	1	\$100	\$0	\$100	\$0	\$0	\$0	\$0	.0%
	D4266	1	\$801	\$0	\$801	\$0	\$0	\$0	\$0	.0%
Totals		3	\$1,251	\$0	\$1,251	\$0	\$0	\$0	\$0	.0%
PROSTH-FIXED	D6058	1	\$1,300	\$209	\$0	\$1,091	\$0	\$546	\$546	.6%
	D6242	2	\$1,996	\$730	\$39	\$1,227	\$0	\$614	\$614	.7%
	D6245	2	\$2,234	\$878	\$0	\$1,356	\$0	\$678	\$678	.8%
	D6740	4	\$4,548	\$1,868	\$116	\$2,564	\$0	\$1,282	\$1,282	1.5%
	D6752	4	\$3,992	\$1,285	\$18	\$2,689	\$0	\$1,344	\$1,344	1.5%
Totals		13	\$14,070	\$4,970	\$173	\$8,927	\$0	\$4,464	\$4,464	5.1%
IMPLANTS	D6010	1	\$1,550	\$0	\$1,550	\$0	\$0	\$0	\$0	.0%
	D6057	1	\$850	\$0	\$850	\$0	\$0	\$0	\$0	.0%
Totals		2	\$2,400	\$0	\$2,400	\$0	\$0	\$0	\$0	.0%
IMPLANTSERVICES	D6190	1	\$495	\$0	\$495	\$0	\$0	\$0	\$0	.0%
Totals		1	\$495	\$0	\$495	\$0	\$0	\$0	\$0	.0%

LAKE HAVASU UNIFIED SCHOOL DISTRICT

Claim Payment Analysis by Procedure within Category



Policy #: 301248 07/01/2019 through 12/31/2019

Procedure Category	Procedure *	Proc Count	Total Claims	PPO Savings	Claim Savings	Remaining Eligible Charge	Total Deductible Paid by Member	Total Coinsurance Paid by Member	Total Claims Paid	% Total Ben Paid
NON-SURG EXTRAC	D7140	13	\$2,167	\$1,030	\$81	\$1,056	\$400	\$67	\$589	.7%
Totals		13	\$2,167	\$1,030	\$81	\$1,056	\$400	\$67	\$589	.7%
SURG EXTRACT	D7210	15	\$4,167	\$1,878	\$505	\$1,784	\$204	\$69	\$1,512	1.7%
	D7230	4	\$1,301	\$233	\$0	\$1,068	\$18	\$152	\$898	1.0%
	D7240	2	\$660	\$42	\$0	\$618	\$10	\$64	\$544	.6%
Totals		21	\$6,128	\$2,153	\$505	\$3,470	\$232	\$285	\$2,953	3.4%
ANESTH-GEN/IV	D9222	4	\$969	\$156	\$0	\$813	\$7	\$43	\$763	.9%
	D9223	8	\$1,838	\$452	\$0	\$1,386	\$11	\$71	\$1,304	1.5%
	D9248	2	\$154	\$0	\$154	\$0	\$0	\$0	\$0	.0%
Totals		14	\$2,961	\$608	\$154	\$2,199	\$18	\$114	\$2,067	2.4%
ANESTH-LOC/NITR	D9230	1	\$40	\$0	\$40	\$0	\$0	\$0	\$0	.0%
Totals		1	\$40	\$0	\$40	\$0	\$0	\$0	\$0	.0%
BONAUGMENTATION	D7953	6	\$2,880	\$0	\$2,880	\$0	\$0	\$0	\$0	.0%
Totals		6	\$2,880	\$0	\$2,880	\$0	\$0	\$0	\$0	.0%
OCCLUSAL GUARD	D9940	1	\$797	\$0	\$797	\$0	\$0	\$0	\$0	.0%
	D9945	1	\$385	\$0	\$385	\$0	\$0	\$0	\$0	.0%
Totals		2	\$1,182	\$0	\$1,182	\$0	\$0	\$0	\$0	.0%

LAKE HAVASU UNIFIED SCHOOL DISTRICT

Claim Payment Analysis by Procedure within Category



Policy #: 301248 07/01/2019 through 12/31/2019

Procedure Category	Procedure *	Proc Count	Total Claims	PPO Savings	Claim Savings	Remaining Eligible Charge	Total Deductible Paid by Member	Total Coinsurance Paid by Member	Total Claims Paid	% Total Ben Paid
DRUGS	D9612	1	\$155	\$0	\$155	\$0	\$0	\$0	\$0	.0%
	D9630	3	\$147	\$0	\$147	\$0	\$0	\$0	\$0	.0%
Totals		4	\$302	\$0	\$302	\$0	\$0	\$0	\$0	.0%
PROF SERVICES	D9310	1	\$150	\$0	\$0	\$150	\$0	\$0	\$150	.2%
Totals		1	\$150	\$0	\$0	\$150	\$0	\$0	\$150	.2%
MISC (DENY)	D1330	5	\$235	\$154	\$81	\$0	\$0	\$0	\$0	.0%
Totals		5	\$235	\$154	\$81	\$0	\$0	\$0	\$0	.0%
MISC PREV	D0350	9	\$498	\$232	\$266	\$0	\$0	\$0	\$0	.0%
	D0485	1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	.0%
Totals		10	\$498	\$232	\$266	\$0	\$0	\$0	\$0	.0%
MISC BASIC	D9911	3	\$90	\$0	\$90	\$0	\$0	\$0	\$0	.0%
Totals		3	\$90	\$0	\$90	\$0	\$0	\$0	\$0	.0%
MISC(TAX & OTH)	D9999	7	\$0	\$0	\$489	-\$489	\$0	\$0	-\$489	-.6%
Totals		7	\$0	\$0	\$489	-\$489	\$0	\$0	-\$489	-.6%

LAKE HAVASU UNIFIED SCHOOL DISTRICT

Claim Payment Analysis by Procedure within Category



Policy #: 301248 07/01/2019 through 12/31/2019

Procedure Category	Procedure *	Proc Count	Total Claims	PPO Savings	Claim Savings	Remaining Eligible Charge	Total Deductible Paid by Member	Total Coinsurance Paid by Member	Total Claims Paid	% Total Ben Paid
RARELY COVERED	D0365	1	\$195	\$0	\$195	\$0	\$0	\$0	\$0	.0%
	D0367	1	\$200	\$0	\$200	\$0	\$0	\$0	\$0	.0%
Totals		2	\$395	\$0	\$395	\$0	\$0	\$0	\$0	.0%
ORTHO	D8060	4	\$1,615	\$0	\$0	\$1,615	\$0	\$1,024	\$591	.7%
	D8080	17	\$5,379	\$0	\$0	\$5,379	\$0	\$2,690	\$2,690	3.1%
Totals		21	\$6,994	\$0	\$0	\$6,994	\$0	\$3,714	\$3,280	3.8%
TOTAL		1,567	\$192,811	\$55,120	\$28,326	\$109,365	\$3,350	\$19,077	\$86,937	100.0%

LAKE HAVASU UNIFIED SCHOOL DISTRICT

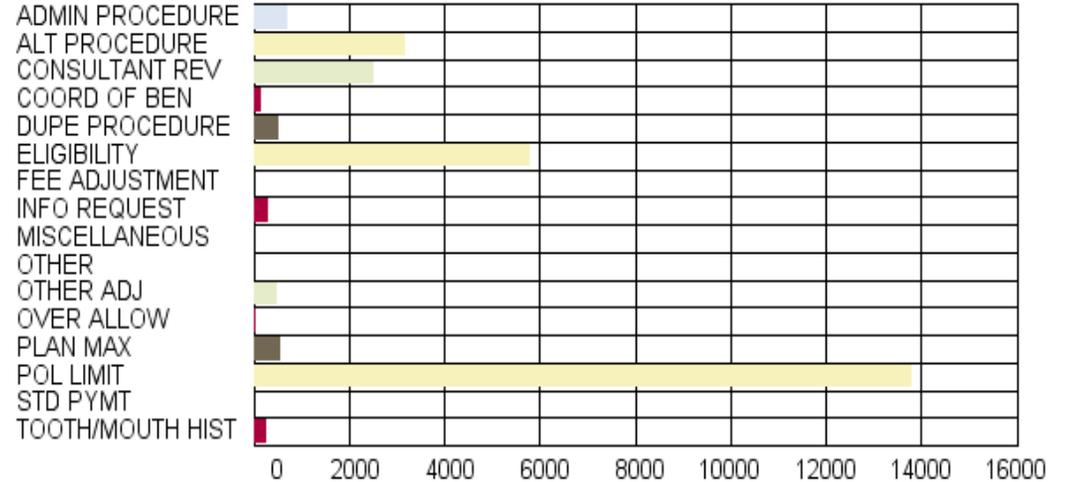
Claim Savings Categories



Policy #: 301248 07/01/2019 through 12/31/2019

Claim Savings Categories	Claim Savings	Claim Savings %
ADMINISTRATIVE PROCEDURE	\$695	2.5%
ALTERNATE PROCEDURE	\$3,184	11.2%
CONSULTANT REVIEW	\$2,529	8.9%
COORDINATION OF BENEFITS	\$149	.5%
DUPLICATE PROCEDURE	\$525	1.9%
ELIGIBILITY	\$5,788	20.4%
FEE ADJUSTMENT	\$0	.0%
INFORMATION REQUEST	\$285	1.0%
MISCELLANEOUS	\$0	.0%
OTHER	\$0	.0%
OTHER ADJUSTMENTS	\$489	1.7%
OVER ALLOWANCE	\$43	.2%
PLAN MAXIMUM	\$570	2.0%
POLICY LIMITATION	\$13,820	48.8%
STANDARD PAYMENT	\$0	.0%
TOOTH/MOUTH HISTORY	\$250	.9%
TOTAL	\$28,326	100.0%

Claim Savings by Category



LAKE HAVASU UNIFIED SCHOOL DISTRICT

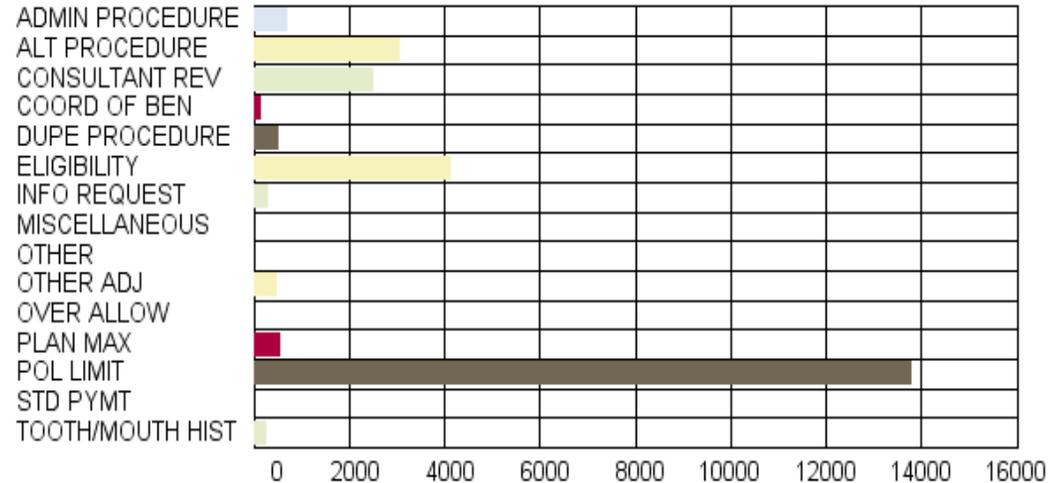
Claim Savings Categories - PPO



Policy #: 301248 07/01/2019 through 12/31/2019

Claim Savings Categories	Claim Savings	Claim Savings %
ADMINISTRATIVE PROCEDURE	\$695	2.6%
ALTERNATE PROCEDURE	\$3,085	11.6%
CONSULTANT REVIEW	\$2,529	9.5%
COORDINATION OF BENEFITS	\$149	.6%
DUPLICATE PROCEDURE	\$525	2.0%
ELIGIBILITY	\$4,131	15.6%
INFORMATION REQUEST	\$285	1.1%
MISCELLANEOUS	\$0	.0%
OTHER	\$0	.0%
OTHER ADJUSTMENTS	\$489	1.8%
OVER ALLOWANCE	\$0	.0%
PLAN MAXIMUM	\$570	2.1%
POLICY LIMITATION	\$13,820	52.1%
STANDARD PAYMENT	\$0	.0%
TOOTH/MOUTH HISTORY	\$250	.9%
TOTAL	\$26,527	100.0%

Claim Savings by Category



LAKE HAVASU UNIFIED SCHOOL DISTRICT

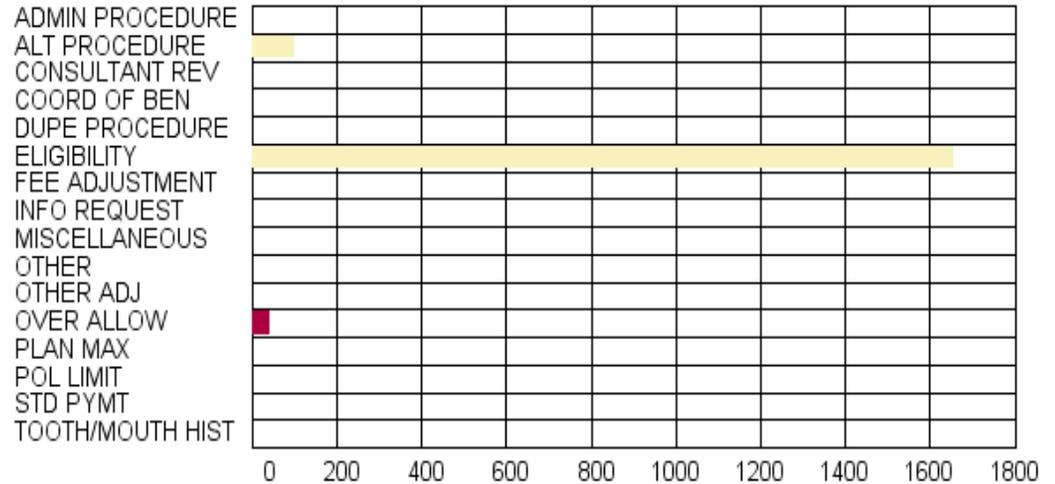
Claim Savings Categories - Non-PPO



Policy #: 301248 07/01/2019 through 12/31/2019

<u>Claim Savings Categories</u>	<u>Claim Savings</u>	<u>Claim Savings %</u>
ADMINISTRATIVE PROCEDURE	\$0	.0%
ALTERNATE PROCEDURE	\$99	5.5%
CONSULTANT REVIEW	\$0	.0%
COORDINATION OF BENEFITS	\$0	.0%
DUPLICATE PROCEDURE	\$0	.0%
ELIGIBILITY	\$1,657	92.1%
FEE ADJUSTMENT	\$0	.0%
INFORMATION REQUEST	\$0	.0%
MISCELLANEOUS	\$0	.0%
OTHER	\$0	.0%
OTHER ADJUSTMENTS	\$0	.0%
OVER ALLOWANCE	\$43	2.4%
PLAN MAXIMUM	\$0	.0%
POLICY LIMITATION	\$0	.0%
STANDARD PAYMENT	\$0	.0%
TOOTH/MOUTH HISTORY	\$0	.0%
TOTAL	\$1,799	100.0%

Claim Savings by Category



LAKE HAVASU UNIFIED SCHOOL DISTRICT

PPO Savings Illustration



Policy #: 301248 07/01/2019 through 12/31/2019

	Submitted Claims	PPO Savings	Percentage of Total PPO Savings
Actual Submitted Claims	\$192,811	\$55,120	28.6%
50th Percentile U & C	\$186,014	\$48,323	26.0%
90th Percentile U & C	\$220,330	\$82,639	37.5%

*PPO Savings is the difference between a provider's usual charge and the lesser charge a provider agrees to when becoming an Ameritas/First Ameritas PPO provider. Many providers submit claims using PPO charges rather than usual charges, causing actual PPO savings to be understated. To illustrate more accurate savings, Ameritas/First Ameritas has calculated savings based on the 50th and 90th percentile usual and customary charges in an area.

LAKE HAVASU UNIFIED SCHOOL DISTRICT

Monthly Experience Summary



Policy #: 301248 07/01/2019 through 12/31/2019

<u>LOB</u>	<u>Month</u>	<u>Fees</u>	<u>Paid Claims \$</u>	<u>Paid L/R</u>	<u>EE Lives</u>	<u>Dep Units</u>
DEN	Dec 2019	\$1,677	\$18,720	1116%	514	0
DEN	Nov 2019	\$1,658	\$9,147	552%	511	0
DEN	Oct 2019	\$1,586	\$12,607	795%	510	0
DEN	Sep 2019	\$1,635	\$15,760	964%	503	0
DEN	Aug 2019	\$1,599	\$14,722	921%	495	0
DEN	Jul 2019	\$1,534	\$15,982	1042%	498	0
TOTAL		\$9,688	\$86,937		3,031	0

Paid Claims : \$86,937 Change in Reserves: \$0 = Incurred Claims: \$86,937

** Incurred Claims = Paid Claims + Change in Reserves

HOME OFFICE USE ONLY

AMERITAS LIFE INSURANCE CORP.
 LAKE HAVASU UNIFIED SCHOOL DISTRICT
 Policy: 301248 Division: All
 Run Date: 01/01/2019 - 12/31/2019

Provider Name	Provider City	ST	Zip	PPO Claim	Specialist	Total Charges Submitted
CARVER,JEFFERY ALAN	LK HAVASU CTY	AZ	86403-6894	Y	General Dentist	51,153.00
KAUSHESH,ASHUTOSH	LK HAVASU CTY	AZ	86403-0926	Y	General Dentist	34,451.40
BARRUGA,VERNON DELACRUZ	LK HAVASU CTY	AZ	86403-9307	Y	General Dentist	33,266.00
KURTZ,RYAN MICHAEL	LK HAVASU CTY	AZ	86403-6118	Y	General Dentist	31,379.00
SORKIN,EDOUARD	LK HAVASU CTY	AZ	86403-5652	Y	General Dentist	30,670.00
SHAMOS,ILAN HIRAM	LK HAVASU CTY	AZ	86406-7707	Y	General Dentist	30,655.00
LAVENE,RYAN MATTHEW	LK HAVASU CTY	AZ	86403-6805	Y	Endodontist	22,775.00
TOMAS,IKE ARTHUR WENCESLAO	LK HAVASU CTY	AZ	86403-5991	Y	General Dentist	19,452.00
LUNDIN,LARRY C	LK HAVASU CTY	AZ	86403-5690	Y	General Dentist	17,133.00
RUIZ,CARLOS R	LK HAVASU CTY	AZ	86406-7707	Y	General Dentist	12,791.00
YOLE,JASON J	LK HAVASU CTY	AZ	86403-6869	Y	General Dentist	12,131.00
CURRIVAN,ROBERT	LK HAVASU CTY	AZ	86442-5904	Y	Oral Surgeon	11,125.00
AHN,EDWARD B	LK HAVASU CTY	AZ	86403-0962	Y	General Dentist	8,968.00
MEAD,C REESE	LK HAVASU CTY	AZ	86403-5789	Y	General Dentist	8,749.00
BULLEN,RYAN N	LK HAVASU CTY	AZ	86403-5722	Y	Orthodontist	7,380.00

URQUHART,N NATHANIEL	LK HAVASU CTY	AZ	86404-8536	Y	General Dentist	7,270.89
LYSDALE,JEFFREY S	LK HAVASU CTY	AZ	86403-5772	Y	General Dentist	7,048.00
COBURN,RICHARD RYAN	LK HAVASU CTY	AZ	86403-6925	Y	General Dentist	6,954.00
BARBER,ILLIAN NATHAN	LK HAVASU CTY	AZ	86403-9307	Y	General Dentist	6,885.00
YETTER,NATHAN R	LK HAVASU CTY	AZ	86403-5811	Y	Orthodontist	6,499.74
CHAPMAN,BRETT N	LK HAVASU CTY	AZ	86403-6925	Y	Pedodontist	4,843.00
SCOTT,JAY D	LK HAVASU CTY	AZ	86403-6925	Y	General Dentist	3,896.00
BOYD JR,KEITH E	BULLHEAD CITY	AZ	86442-7802	Y	Periodontist	3,238.00
BROUMAND,VISHTASB	PHOENIX	AZ	85050-4269	Y	Oral Surgeon	2,743.00
NELSON,DARRIN JOHN	LK HAVASU CTY	AZ	86403-9307	Y	General Dentist	2,545.00

CONFIDENTIALITY STATEMENT:

IMPORTANT: Be advised that this report and the information contained herein is of a confidential and proprietary nature. As such, this report may not be in any way reproduced, whether in whole or in part, for any reason except as expressly permitted in writing by Ameritas Life Insurance Corp.

Lake Havasu United School District
010-301248
Renewal/Rate Change Date: 07/01/2020

	EE's	Spouse	Child(ren)	Family	EOB's	EOB's Per Employee	Paid Claims	Paid Claims Per Employee	Paid Claims Per EOB
11/2016	509	48	43	53	120	2.829	17,650	34.68	147.08
12/2016	510	46	45	53	120	2.824	11,655	22.85	97.13
01/2017	503	47	46	53	162	3.865	18,012	35.81	111.19
02/2017	504	45	45	53	104	2.476	12,186	24.18	117.17
03/2017	507	44	46	53	124	2.935	14,089	27.79	113.62
04/2017	507	44	47	53	99	2.343	15,050	29.68	152.02
05/2017	506	44	48	52	96	2.277	17,050	33.70	177.60
06/2017	474	43	44	50	123	3.114	19,667	41.49	159.89
07/2017	466	45	44	51	173	4.455	23,457	50.34	135.59
08/2017	467	45	47	52	116	2.981	15,865	33.97	136.77
09/2017	515	47	47	57	92	2.144	11,050	21.46	120.11
10/2017	515	47	48	57	117	2.726	14,469	28.10	123.67
12 mos Avg	5,983	545	550	637	1,446	2.900	190,200	31.79	131.54
	499	45	46	53	121				
						Average EOB per Employee	2.900		
						Average Paid Claim per Emp	31.79		
						Average Claim per EOB	131.54		
11/2017	515	48	48	57	103	2.400	11,833	22.98	114.88
12/2017	512	48	44	58	116	2.719	18,852	36.82	162.52
01/2018	506	44	43	58	154	3.652	21,683	42.85	140.80
02/2018	504	44	42	58	110	2.619	11,084	21.99	100.76
03/2018	506	44	43	58	128	3.036	20,085	39.69	156.91
04/2018	509	44	43	58	103	2.428	18,948	37.23	183.96
05/2018	509	44	44	57	131	3.088	14,471	28.43	110.47
06/2018	476	41	41	56	61	1.538	10,192	21.41	167.08
07/2018	467	44	43	55	203	5.216	28,089	60.15	138.37
08/2018	467	43	43	55	136	3.495	17,755	38.02	130.55
09/2018	505	43	45	59	93	2.210	9,634	19.08	103.59
10/2018	508	42	46	58	97	2.291	15,039	29.60	155.04
12 mos Avg	5,984	529	525	687	1,435	2.878	197,665	33.03	137.75
	499	44	44	57	120				
						Average EOB per Employee	2.878	99.2%	
						Average Paid Claim per Emp	33.03	103.9%	
						Average Claim per EOB	137.75	104.7%	
11/2018	503	41	46	55	110	2.624	14,733	29.29	133.94
12/2018	507	41	47	55	103	2.438	14,086	27.78	136.76
01/2019	502	41	44	56	142	3.394	22,088	44.00	155.55
02/2019	502	41	44	57	104	2.486	13,577	27.05	130.55
03/2019	505	42	44	57	97	2.305	12,708	25.16	131.01
04/2019	501	42	44	58	108	2.587	13,279	26.50	122.95
05/2019	504	42	44	59	142	3.381	15,147	30.05	106.67
06/2019	479	41	43	59	134	3.357	20,462	42.72	152.70
07/2019	483	54	47	56	135	3.354	15,982	33.09	118.39
08/2019	479	53	47	57	95	2.380	14,722	30.73	154.97
09/2019	507	53	48	60	95	2.249	15,759	31.08	165.88
10/2019	511	54	50	60	118	2.771	12,607	24.67	106.84
12 mos Avg	5,983	545	548	689	1,383	2.774	185,150	30.95	133.88
	499	45	46	57	115				
						Average EOB per Employee	2.774	96.4%	
						Average Paid Claim per Emp	30.95	93.7%	
						Average Claim per EOB	133.88	97.2%	

Estimated EOB's/EE for 07/01/2020 to 07/01/2021 = **2.818**

Ameritas Life Insurance Corporation
- Dental ASO Renewal Worksheet
Lake Havasu United School District
Policy #: 010-301248

CURRENT PLAN

Experience Periods:	11/2018 11/2019	11/2017 11/2018	11/2016 11/2017
(A) Covered Employees	5,983	5,984	5,983
(B) Paid Claims	\$ 185,150	\$ 197,665	\$ 190,200
(C) Paid Claims Per Employee	\$ 30.95	\$ 33.03	\$ 31.79
(D) Beginning IBNR	\$ 9,883	\$ 9,510	\$ 9,035
(E) Ending IBNR IBNR = 5.0% of Claims	\$ 9,258	\$ 9,883	\$ 9,510
(F) Incurred Claims	\$ 184,524	\$ 198,038	\$ 190,676
(G) Benefit Adjustments	1,000	1,000	1,000
(H) Adjusted Incurred Claims	\$ 184,524	\$ 198,038	\$ 190,676
(I) Cumulative Trend for Renewal Period	1.048	1.078	1.110
(J) Trended Incurred Claims	\$ 193,289	\$ 213,386	\$ 211,650
(K) Projected Incurred Claims per Employee	\$ 32.31	\$ 35.66	\$ 35.38
	1 Year Calculation	2 Year Calculation	3 Year Calculation
(L) Weighting Factors	100	70/30	60/30/10
(M) Experience / Pooled Claim Cost	\$ 32.31	\$ 33.31	\$ 33.62
(N) Credibility	100%	100%	100%
(O) Estimated Inc Claims Costs Per Employee/Month	\$ 32.31	\$ 33.31	\$ 33.62
(P) Projected Annualized Inc Claims	\$ 198,103	\$ 204,271	\$ 206,153
(Q) Renewal Administration Fees Per Employee/Month	\$ 3.25	\$ 3.25	\$ 3.25
(R) Renewal Annual Administration Fees	\$ 19,929	\$ 19,929	\$ 19,929
(S) Illustrative Grand Composite Ghost Rates	\$ 35.56	\$ 36.56	\$ 36.87
(T) Total Projected Costs for 07/01/2020 to 07/01/2021	\$ 218,032	\$ 224,200	\$ 226,082

For Illustration Only -- Ghost Rates for Lake Havasu United School District

Coverage	Illustrative Rates			
	Current Enrollment	Claims Estimate	ASO Fee	Funding Estimate
Employee Only:	347	\$ 18.43	\$ 3.25	\$ 21.68
Employee & Spouse:	54	\$ 45.28		\$ 48.53
Employee & Child:	50	\$ 61.15		\$ 64.40
Employee & Family:	60	\$ 88.00		\$ 91.25
Grand Composite:		\$ 33.62	\$ 3.25	\$ 36.87
Monthly Estimates:		\$ 17,179	\$ 1,661	\$ 18,840
Annual Estimates:		\$ 206,153	\$ 19,929	\$ 226,082

Claims Estimates Based on: **3-Year Calculation**

Company: LAKE HAVASU UNIFIED SCHOOL DISTRICT EMPLOYEE BENEFIT TRUST

Units EE: 511 Spouse: 54 Child: 50 Sp + Ch: 60

<u>% Claims by Type</u>		<u>Grouping Name</u>		<u>Procedure Category</u>		<u>% Claims by Categories</u>	
Type 1	51.60%	1	Exams/XRays	Oral Eval		13.60%	
Type 2	34.40%	2	Exams/XRays	Limit Oral Eval		0.70%	
Type 3	11.40%	3	Exams/XRays	Bitewing Xrays		7.40%	
Type 4	0.00%	4	Exams/XRays	PanoXrays		4.80%	
Ortho	2.60%	5	Exams/XRays	Other Xrays		3.40%	
Totals	100.00%	6	Exams/XRays	Oral Path/Lab		0.00%	
		7	CLN/Seal/Appl	Prophy/Fluoride		21.60%	
		8	CLN/Seal/Appl	Sealants		0.60%	
		9	CLN/Seal/Appl	Spc Maintainers		0.10%	
		10	Restorative	Amalgam Restor		0.90%	
		11	Restorative	Resin Restor		14.60%	
		12	Restorative	Stainless Steel Crwns		0.30%	
		13	Restorative	Sedative Filling		0.00%	
		14	Restorative	Inlay Restor		0.00%	
		15	Restorative	Onlay Restor		0.10%	
		16	Restorative	Crown Single Restor		8.00%	
		17	Restorative	Temp Crown		0.00%	
		18	Restorative	Veneers		0.00%	
		19	Restorative	Core Build up		0.70%	
		20	Restorative	Post & Core		0.30%	
		21	Restorative	Fixed Crwn/Prl Denture		0.00%	
		22	Restorative	Recement		0.20%	
		23	Restorative	Crwn Lengthening		0.10%	
		24	ENDO	Endo Therapy		5.80%	
		25	ENDO	Surg Endo		0.10%	
		26	ENDO	Endo Misc		0.20%	
		27	ENDO	Pulp Cap		0.00%	
		28	PERIO	Other Perio Ser		1.20%	
		29	PERIO	Full Mouth Debridement		0.20%	
		30	PERIO	NonSurg Perio		2.50%	
		31	PERIO	Surg Perio		0.40%	
		32	PROSTH	Denture Adjust		0.00%	
		33	PROSTH	Denture Rebase		0.00%	
		34	PROSTH	Denture Reline		0.00%	
		35	PROSTH	Denture Repair		0.00%	
		36	PROSTH	Tissue Conditioning		0.00%	
		37	PROSTH	Prostiodontics-Fixed/Rmvl		0.70%	
		38	PROSTH	Prostiodontics-Fixed		1.40%	
		39	PROSTH	Cast Post/Core partials		0.00%	
		40	PROSTH	Add Tooth/Clasp Existing partial		0.00%	
		41	PROSTH	Implants		0.00%	
		42	Oral Srg/Anesth	NonSurg Extract		1.90%	
		43	Oral Srg/Anesth	Surg Extraction		3.80%	
		44	Oral Srg/Anesth	Other Oral Surgery		0.30%	
		45	Oral Srg/Anesth	Biopsy Oral Tissue		0.00%	
		46	Oral Srg/Anesth	Anesthesia-General IV		0.90%	
		47	Oral Srg/Anesth	Anesthesia-Local Nitrous		0.00%	
		48	Gen Serv	Applicance Therapy		0.00%	
		49	Gen Serv	Palliative		0.10%	
		50	Gen Serv	Occlusal Adjust		0.00%	
		51	Gen Serv	Occlusal Guard		0.00%	
		52	Gen Serv	Therapeutic Drug		0.00%	
		53	Gen Serv	Prof Consult/Visit/Srvc		0.20%	
		54	Gen Serv	Bleaching		0.00%	
		55	TMD	TMD-NonSurg		0.00%	
		56	TMD	TMD - Surgery		0.00%	
		57	PROSTH	Implant Services		0.00%	
		58	PROSTH	Bone Augmentation		0.00%	
		59	Gen Serv	Pre-Diagnostic Test		0.00%	
		60	MISC	Vision Exam		0.00%	
		61	MISC	Other Proc Related Adj		0.00%	
		62	Ortho	Ortho		2.60%	
							Totals 100.00%

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Storm Kinion, Group Benefits Specialist

DATE: January 29, 2020

RE: 2019 Vision Claims Review

Please find attached a copy of United Healthcare's presentation which outlines the Trust's vision utilization for the periods July 2018 – June 2019 and July 2019 – December 2019. James Totten will be at the meeting to present and review these reports with Trustees.

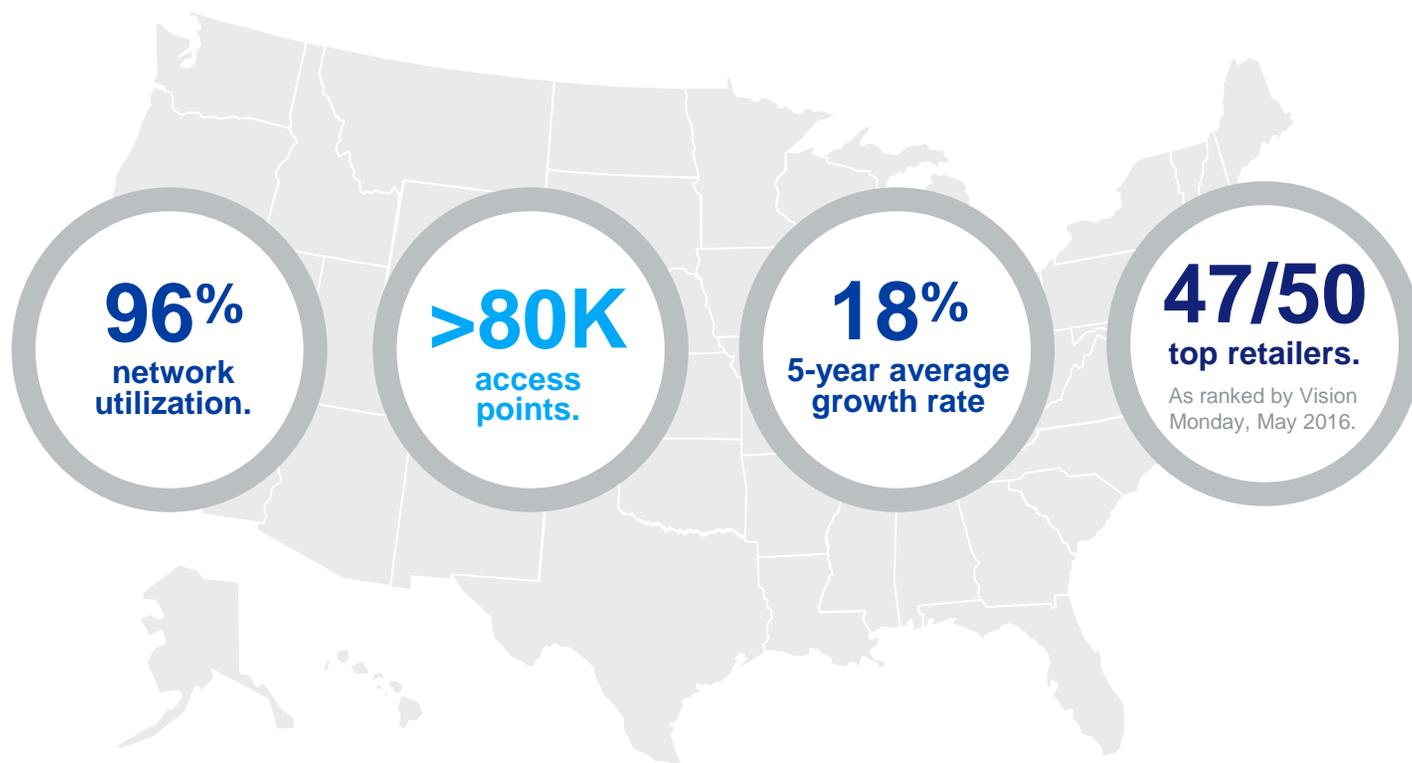
If you have any questions between now and the date of the meeting, I can be reached at (928) 753-4700 ext. 305 or via email at stormk@ecollinsandassociates.com.

Executive Summary for Lake Havasu Schools Employee Benefit Trust February 2020



UnitedHealthcare Vision

Total coverage with our national vision network.



AMERICA'S BEST
CONTACTS & EYEGLASSES

FOR EYES

COSTCO
OPTICAL

Walmart

Visionworks

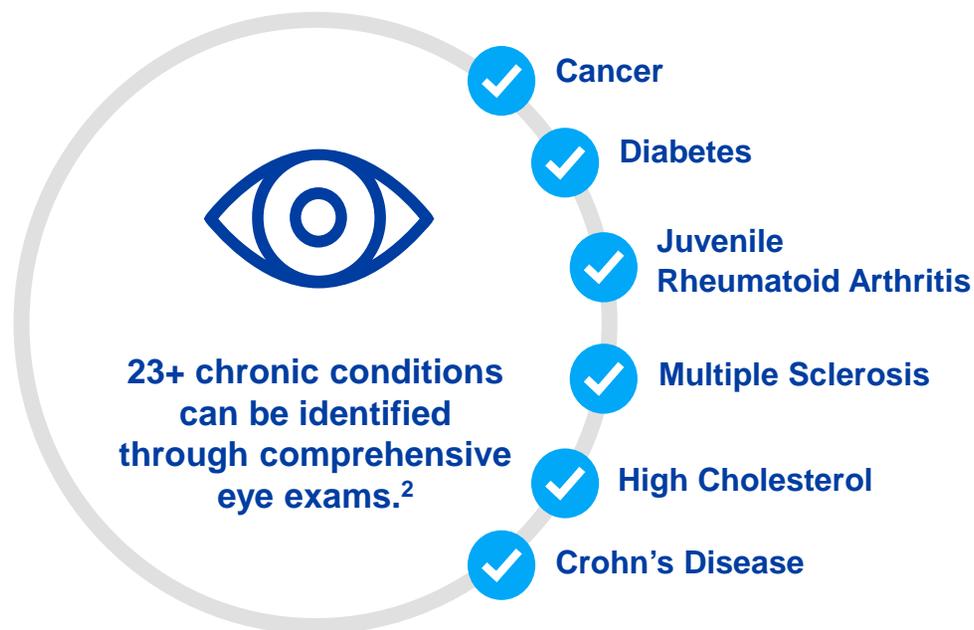
99% of members in major markets have access to a network provider within two miles of their home.



Source: Spectera Eyecare Networks as of August 2017

Increase productivity through the eyes-body connection.

Vision benefits are used more than other coverages, making eye care providers a front-line resource to monitor overall health.¹



57%

of patients with chronic conditions who receive eye exams re-engage with a health provider to manage their illness.²

1. UnitedHealthcare. "Impact of Eye Exams in Identifying Chronic Conditions," 2014.

2. Chous, Linda M., Christopher, Kim K. UnitedHealthcare "Eye Exam Impacts on Re-engagement for Chronic Conditions." 2015.

Help promote optimal eye health with a pediatric vision benefit.



Good to know.

UnitedHealthcare's Children's Eye Care Program leads the industry in pediatric vision care coverage with no additional premium charges.¹ This benefit is for children up to age 13.

¹ UnitedHealthcare Vision Industry Report, 2017.

Our plans feature discounts to increase overall value.



Contact lens benefit.

Automatic 10 percent discount on all contact lens orders through uhccontacts.com.*



Discount on premium digital hearing aids.

60 percent off Hearing Aids from Hi HealthInnovations®.



Discounted laser vision correction.

15 percent off, or 5 percent below any special offer, and low set prices at LasikPlus.

An exceptional employee experience means no surprises at point of purchase.

You and your employees save money through our transparent pricing menu.

	With a UnitedHealthcare Vision Plan	Retail Estimate	
Coatings	Standard Scratch Coating	No charge	\$30
	Standard Anti-Reflective Coating	\$40	\$60
	Premium Anti-Reflective Coating	\$80 Includes blue-light protection	\$90
	Platinum Anti-Reflective Coating	\$90	\$125
Materials	Polycarbonate (Children)	No charge	\$85
	Polycarbonate (Adults)	\$33	\$85
	UV/Tint	\$14–16	\$30
Lenses	Standard Progressives	\$70	\$150–250
	Deluxe Progressives	\$110	\$250–325
	Premium Progressives	\$150	\$325–425
	Platinum Progressives	\$250	\$425–460



Price caps on lens options—20–60 percent off retail. Exclusions and limitations may apply.

myuhcvision.com.

Help make it convenient for your employees to learn about and maximize their benefits. Here are just a sampling of what they can do:

Print Vision plan ID cards.

Find providers nearby or search for new locations.

View their benefit summary.

See what lens options and contacts are covered.

Save money on contacts, Lasik and hearing aids.

Get answers to frequently asked questions.

View claim history.

Contact member services.

Watch videos or download fliers on common vision and eye health topics.

Optimized for smartphone use.
View ID card, locate providers and verify benefits with ease.

How we help deliver a superior employee experience.



170+ languages.



Service for the deaf and hearing impaired.



24/7 IVR with provider locator, benefit details and eligibility information.



Extended service hours.

Service metrics.¹

- First call resolution: **98%**
- Average speed to answer: **13.6 sec**
- Service level: **87% of calls answered < 30 sec**
- Claims processed within 10 business days: **98.5%**
- Auto adjudication: **74%**
- Financial accuracy: **99.9%**



Expanding technology.²

- Secure email.
- Texting (SMS).³
- Co-browsing.
- Click to Chat (2018).



1. Service metric report, September 2017
 2. May not be available to some customers.
 3. Data rates may apply

We value our network.

Relationships are key.



Field representatives that make on-site visits and assist with provider training and ongoing service needs.



We get their feedback on formulary design and new ideas around product development.



We have a Professional Advisory Committee.



We work with our providers on new and innovative solutions to improve the member experience.

	Frequency	Benefits
Comprehensive Eye Exam	Every 12 months	\$10 copay
A complete pair of eyeglass lenses* Covered-in-full contact lenses (lens fitting included)* <i>*after copay</i>	Every 12 months	\$10 copay
<ul style="list-style-type: none"> • Frame 	Every 12 months	\$100 allowance
<ul style="list-style-type: none"> • Single vision, lined bi-focal, lined tri-focal or lined lenticular lenses (Other lens options available at a discounted rate) 	Every 12 months	Covered in full
<ul style="list-style-type: none"> • Standard scratch coating 	Covered in full	Covered in full
Lens Options	See benefit summary for details	
Elective Contact Lenses		
<ul style="list-style-type: none"> • Contact lenses that fall outside the covered-in-full selection. (Copay does not apply) 	Every 12 months	\$105 allowance
Additional Materials	20% off	

Vision Plan

Examination up to **\$40.00**

Lenses:

Single Vision up to **\$40.00**

Bifocals up to **\$60.00**

Trifocal up to **\$80.00**

Lenticular up to **\$80.00**

Frames up to **\$45.00**

\$105.00 allowance for contact lenses
(in lieu of glasses)



Help employees get designer quality for their copay with **Warby Parker.**

UnitedHealthcare vision members can purchase designer-quality prescription eyeglasses or sunglasses from Warby Parker.

- The copay cost includes:
 - Frame
 - Lenses (either single-vision or progressive)
 - High-index lenses
 - Anti-reflective coating
 - Smudge-resistant, scratch-resistant and UV-protective treatments are also included at no extra cost.
- All lenses come with a 1-year no-scratch guarantee.
- Free shipping, returns and exchanges.

Where to shop.

Employees can shop and order using their insurance at any of Warby Parker's 60+ U.S. retail locations or at **warbyparker.com**. (It's the first and only place that members are able to use UnitedHealthcare vision benefits online.)

Employees can also try on frames at home before they buy with a free Home Try-On and no obligation to purchase.



For every pair of Warby Parker glasses or sunglasses purchased, a pair of glasses is distributed to someone in need.

WARBY PARKER

Client Experience and Utilization

7/1/2017 To 6/30/2018



Current Effective Date: 07/01/2017 Current Term Date: 12/31/2999
 Current Renew Date: 07/01/2017
 Client Policy ID: 0911496

Selection Parameters **Values on Report**
 ClientID: 423780
 Incurred Date Range: 7/1/2017 To 6/30/2018 07/2017 To 06/2018
 Business Category: Stand Alone Stand Alone

Lake Havasu Schools Employee

Incurred Month	Number of Subscribers	Number of Members	Collected Revenue	Incurred Claim*	BCR	Claim Count	Average Cost Per Incurred Claim*
07/2017	461	703	\$3,335.97	\$3,366.49	100.9%	49	\$68.70
08/2017	462	706	\$3,349.61	\$6,016.10	179.6%	34	\$176.94
09/2017	508	767	\$3,643.85	\$2,002.46	55.0%	30	\$66.75
10/2017	509	771	\$3,658.43	\$3,937.72	107.6%	59	\$66.74
11/2017	509	773	\$3,663.60	\$3,200.75	87.4%	25	\$128.03
12/2017	507	769	\$3,644.78	\$1,543.14	42.3%	23	\$67.09
01/2018	501	759	\$3,593.02	\$3,514.49	97.8%	41	\$85.72
02/2018	501	758	\$3,593.02	\$1,925.50	53.6%	27	\$71.31
03/2018	503	760	\$3,609.97	\$2,738.40	75.9%	43	\$63.68
04/2018	505	761	\$3,620.33	\$2,389.24	66.0%	35	\$68.26
05/2018	506	761	\$3,625.51	\$2,051.56	56.6%	28	\$73.27
06/2018	472	720	\$3,406.12	\$3,270.33	96.0%	51	\$64.12
Totals:			\$42,744.21	\$35,956.18	84.1%	445	\$80.80

* Incurred claims include a reserve/IBNR (incurred but not reported)

Client Experience and Utilization

7/1/2018 To 6/30/2019



Current Effective Date: 07/01/2017 **Current Term Date:** 12/31/2999
Current Renew Date: 07/01/2017
Client Policy ID: 0911496

Selection Parameters
ClientID: 423780
Incurred Date Range: 7/1/2018 To 6/30/2019
Business Category: Stand Alone

Values on Report
 07/2018 To 06/2019
 Stand Alone

Lake Havasu Schools Employee

Incurred Month	Number of Subscribers	Number of Members	Collected Revenue	Incurred Claim*	BCR	Claim Count	Average Cost Per Incurred Claim*
07/2018	465	722	\$3,392.45	\$4,955.12	146.1%	75	\$66.07
08/2018	463	715	\$3,376.45	\$2,189.48	64.8%	34	\$64.40
09/2018	501	770	\$3,625.49	\$2,228.85	61.5%	36	\$61.91
10/2018	504	770	\$3,623.16	\$2,096.23	57.9%	32	\$65.51
11/2018	501	759	\$3,584.10	\$5,023.50	140.2%	31	\$162.05
12/2018	505	764	\$3,604.82	\$1,389.38	38.5%	21	\$66.16
01/2019	498	754	\$3,553.51	\$3,967.47	111.6%	35	\$113.36
02/2019	498	754	\$3,553.51	\$1,321.66	37.2%	19	\$69.56
03/2019	501	757	\$3,569.99	\$1,963.93	55.0%	29	\$67.72
04/2019	497	755	\$3,561.03	\$2,401.07	67.4%	36	\$66.70
05/2019	500	757	\$3,575.63	\$1,439.51	40.3%	22	\$65.43
06/2019	478	732	\$3,461.67	\$3,670.08	106.0%	58	\$63.28
Totals:			\$42,481.81	\$32,646.28	76.8%	428	\$76.28

* Incurred claims include a reserve/IBNR (incurred but not reported)

Client Experience and Utilization

7/1/2018 To 12/31/2019



Current Effective Date: 07/01/2017 **Current Term Date:** 12/31/2999
Current Renew Date: 07/01/2017
Client Policy ID: 0911496

Selection Parameters
ClientID: 423780
Incurred Date Range: 7/1/2019 To 12/31/2019
Business Category: Stand Alone

Values on Report
 07/2019 To 12/2019
 Stand Alone

Lake Havasu Schools Employee

Incurred Month	Number of Subscribers	Number of Members	Collected Revenue	Incurred Claim*	BCR	Claim Count	Average Cost Per Incurred Claim*
07/2019	467	749	\$3,505.28	\$5,901.82	168.4%	89	\$66.31
08/2019	463	745	\$3,485.98	\$3,073.79	88.2%	40	\$76.84
09/2019	492	789	\$3,666.75	\$2,733.36	74.5%	41	\$66.67
10/2019	496	792	\$3,675.70	\$3,241.12	88.2%	47	\$68.96
11/2019	498	795	\$3,686.06	\$2,622.32	71.1%	35	\$74.92
12/2019	499	797	\$3,685.11	\$3,865.11	104.9%	31	\$124.68
Totals:			\$21,704.88	\$21,437.53	98.8%	283	\$75.75

* Incurred claims include a reserve/IBNR (incurred but notreported)

7/1/2017 To 6/30/2018

Paid Claim Dollars by Network Type with Accessing & Eligible Members



Client Effective Date: 07/01/2017
 Client Renew Date: 07/01/2017
 Client Policy ID: 0911496

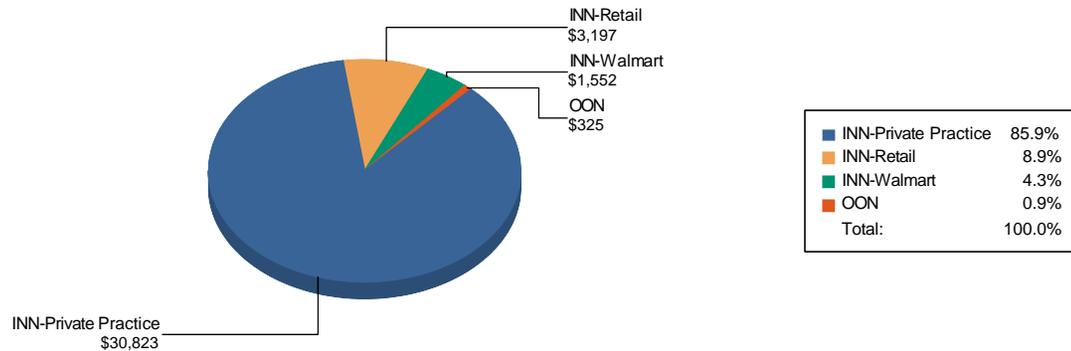
Selection Parameters
 Client ID: 423780
 Date of Service Range: 7/1/2017 To 6/30/2018

Values on Report
 423780
 7/5/2017 To 6/29/2018

Lake Havasu Schools Employee

	Exam	Related Service	Lens	Fit	Single	Bifocal	Trifocal	Progressive	Multifocal	Options	Co-Pay	Provider Network	Provider Network	
INN-Private Practice	\$13,315	\$0	\$4,202	\$8,999	\$2,183	\$930	\$240	\$0	\$625	\$0	\$330	\$3,260	\$30,823	85.87%
INN-Retail	\$936	\$0	\$92	\$605	\$159	\$180	\$0	\$0	\$312	\$0	\$81	\$460	\$3,197	8.91%
INN-Walmart	\$40	\$0	\$92	\$184	\$0	\$83	\$40	\$0	\$280	\$0	\$0	\$150	\$1,552	4.32%
In Network Services	\$14,291	\$0	\$6,050	\$9,787	\$2,342	\$1,193	\$280	\$0	\$1,217	\$0	\$411	\$3,870	\$35,571	99.09%
OON	\$40	\$0	\$128	\$105	\$0	\$40	\$0	\$0	\$10	\$0	\$2	\$0	\$325	0.91%
Out of Network Services	\$40	\$0	\$128	\$105	\$0	\$40	\$0	\$0	\$10	\$0	\$2	\$0	\$325	0.91%
Client Total Services	\$14,331	\$0	\$6,178	\$9,892	\$2,342	\$1,233	\$280	\$0	\$1,227	\$0	\$413	\$3,870	\$35,896	100.00%
Accessing Rate														
Client % of Services	39.92%	0.00%	17.21%	27.56%	6.52%	3.43%	0.78%	0.00%	3.42%	0.00%	1.15%	\$3,870	\$35,896	100.00%
Member Count			270				751				35.97%			

Claim Amount by Office Type



Client Effective Date: 07/01/2017
 Client Renew Date: 07/01/2017
 Client Policy ID: 0911496

Selection Parameters
 Client ID: 423780
 Date of Service Range: 7/1/2018 To 6/30/2019

Values on Report
 423780
 7/2/2018 To 6/28/2019

Lake Havasu Schools Employee

	Exam	Related Service	Lens	Fit	Single	Bifocal	Trifocal	Progressive	Multifocal	Options	Dollars	Services		
INN-Costco	\$0	\$0	\$100	\$0	\$0	\$0	\$0	\$28	\$0	\$0	\$10	\$128	0.39%	
INN-Private Practice	\$11,820	\$0	\$3,595	\$7,756	\$1,500	\$780	\$275	\$0	\$525	\$0	\$396	\$2,890	\$26,647	81.71%
INN-Retail	\$1,540	\$0	\$1,745	\$400	\$224	\$360	\$0	\$0	\$507	\$0	\$108	\$790	\$4,885	14.98%
INN-Walmart	\$40	\$0	\$600	\$0	\$0	\$75	\$40	\$0	\$120	\$0	\$0	\$100	\$875	2.68%
In Network Services	\$13,400	\$0	\$6,040	\$8,156	\$1,724	\$1,215	\$315	\$0	\$1,180	\$0	\$504	\$3,790	\$32,535	99.77%
OON	\$0	\$0	\$0	\$76	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$76	0.23%
Out of Network Services	\$0	\$0	\$0	\$76	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$76	0.23%
Client Total Services	\$13,400	\$0	\$6,040	\$8,232	\$1,724	\$1,215	\$315	\$0	\$1,180	\$0	\$504	\$3,790	\$32,610	100.00%
Client % of Services	41.09%	0.00%	18.52%	25.24%	5.29%	3.73%	0.97%	0.00%	3.62%	0.00%	1.55%	\$3,790	\$32,610	100.00%

Accessing Rate

Accessing Members

Average Eligible Members

Accessing Members / Avg. Eligible Members

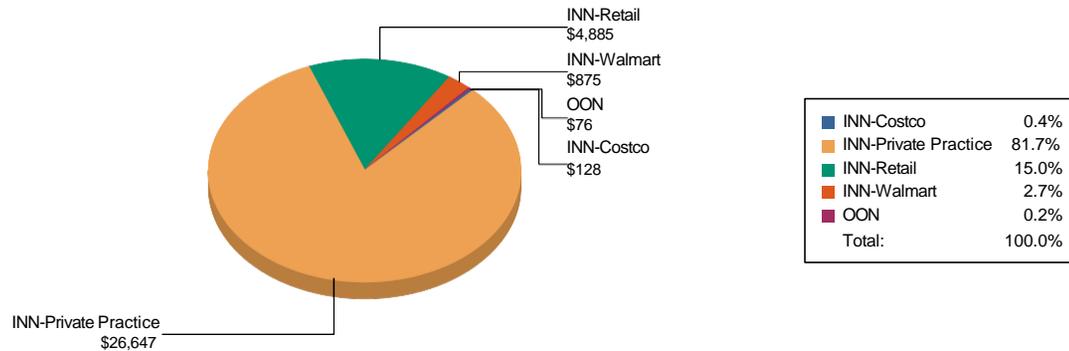
Member Count

261

751

34.77%

Claim Amount by Network Type



Client Effective Date: 07/01/2017
 Client Renew Date: 07/01/2017
 Client Policy ID: 0911496

Selection Parameters
 Client ID: 423780
 Date of Service Range: 7/1/2019 To 12/31/2019

Values on Report
 423780
 7/1/2019 To 12/23/2019

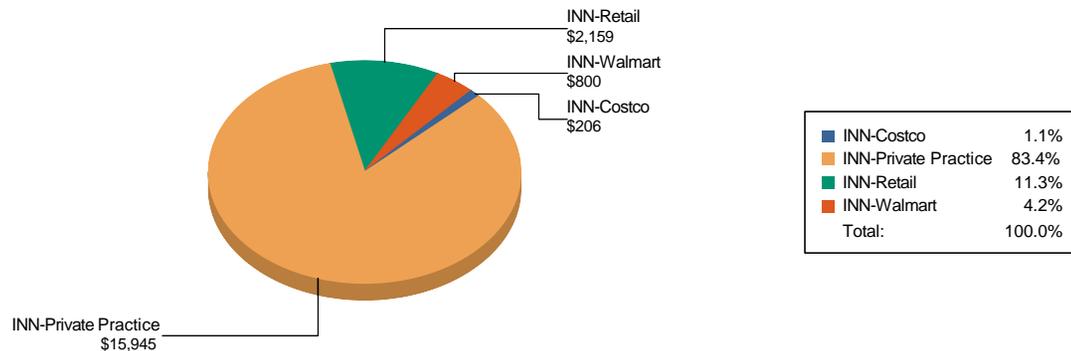
Lake Havasu Schools Employee

	Exam	Related Service	Lens	Fit	Single	Bifocal	Trifocal	Progressive	Multifocal	Options	Dollars	Services		
INN-Costco	\$0	\$0	\$170	\$0	\$36	\$0	\$0	\$0	\$0	\$0	\$20	\$206	1.08%	
INN-Private Practice	\$9,745	\$0	\$2,070	\$2,109	\$854	\$532	\$75	\$0	\$418	\$0	\$142	\$2,100	\$15,945	83.44%
INN-Retail	\$665	\$0	\$522	\$488	\$160	\$60	\$0	\$0	\$264	\$0	\$0	\$300	\$2,159	11.30%
INN-Walmart	\$0	\$0	\$482	\$185	\$0	\$53	\$40	\$0	\$40	\$0	\$0	\$60	\$800	4.19%
In Network Services	\$10,410	\$0	\$3,244	\$2,782	\$1,014	\$681	\$115	\$0	\$722	\$0	\$142	\$2,480	\$19,110	100.00%
Client Total Services	\$10,410	\$0	\$3,244	\$2,782	\$1,014	\$681	\$115	\$0	\$722	\$0	\$142	\$2,480	\$19,110	100.00%
Client % of Services	54.47%	0.00%	16.98%	14.56%	5.31%	3.56%	0.60%	0.00%	3.78%	0.00%	0.74%	\$2,480	\$19,110	100.00%

Accessing Rate

Member Count	Accessing Members	Average Eligible Members	Accessing Members / Avg. Eligible Members
	196	778	25.20%

Claim Amount by Network Type



Thank you

Client Experience and Utilization



Current Effective Date: 07/01/2017 **Current Term Date:** 12/31/2999
Current Renew Date: 07/01/2017
Client Policy ID: 0911496

Selection Parameters
Client ID: 423780
Incurred Date Range: 1/1/1753 To 12/31/2999
Business Category: Stand Alone

Values on Report
 07/2017 To 12/2019
 Stand Alone

Lake Havasu Schools Employee

Incurred Month	Number of Subscribers	Number of Members	Collected Revenue	Incurred Claim*	BCR	Claim Count	Average Cost Per Incurred Claim*
07/2017	461	703	\$3,335.97	\$3,366.49	100.9%	49	\$68.70
08/2017	462	706	\$3,349.61	\$6,016.10	179.6%	34	\$176.94
09/2017	508	767	\$3,643.85	\$2,002.46	55.0%	30	\$66.75
10/2017	509	771	\$3,658.43	\$3,937.72	107.6%	59	\$66.74
11/2017	509	773	\$3,663.60	\$3,200.75	87.4%	25	\$128.03
12/2017	507	769	\$3,644.78	\$1,541.60	42.3%	23	\$67.03
01/2018	501	759	\$3,593.02	\$3,514.49	97.8%	41	\$85.72
02/2018	501	758	\$3,593.02	\$1,921.65	53.5%	27	\$71.17
03/2018	503	760	\$3,609.97	\$2,730.18	75.6%	43	\$63.49
04/2018	505	761	\$3,620.33	\$2,414.68	66.7%	36	\$67.07
05/2018	506	761	\$3,625.51	\$2,096.30	57.8%	29	\$72.29
06/2018	472	720	\$3,406.12	\$3,247.44	95.3%	51	\$63.68
07/2018	465	722	\$3,392.45	\$4,955.12	146.1%	75	\$66.07
08/2018	463	715	\$3,376.45	\$2,189.48	64.8%	34	\$64.40
09/2018	501	770	\$3,625.49	\$2,228.85	61.5%	36	\$61.91
10/2018	504	770	\$3,623.16	\$2,096.23	57.9%	32	\$65.51
11/2018	501	759	\$3,584.10	\$5,023.50	140.2%	31	\$162.05
12/2018	505	764	\$3,604.82	\$1,389.38	38.5%	21	\$66.16
01/2019	498	754	\$3,553.51	\$3,967.47	111.6%	35	\$113.36
02/2019	498	754	\$3,553.51	\$1,321.66	37.2%	19	\$69.56
03/2019	501	757	\$3,569.99	\$1,963.93	55.0%	29	\$67.72
04/2019	497	755	\$3,561.03	\$2,401.07	67.4%	36	\$66.70
05/2019	500	757	\$3,575.63	\$1,439.51	40.3%	22	\$65.43
06/2019	478	732	\$3,461.67	\$3,670.08	106.0%	58	\$63.28
07/2019	467	749	\$3,505.28	\$5,901.82	168.4%	89	\$66.31
08/2019	463	745	\$3,485.98	\$3,073.79	88.2%	40	\$76.84
09/2019	492	789	\$3,666.75	\$2,733.36	74.5%	41	\$66.67

Client Experience and Utilization



Current Effective Date: 07/01/2017 **Current Term Date:** 12/31/2999
Current Renew Date: 07/01/2017
Client Policy ID: 0911496

Selection Parameters
Client ID: 423780
Incurred Date Range: 1/1/1753 To 12/31/2999
Business Category: Stand Alone

Values on Report
 07/2017 To 12/2019
 Stand Alone

Lake Havasu Schools Employee

Incurred Month	Number of Subscribers	Number of Members	Collected Revenue	Incurred Claim*	BCR	Claim Count	Average Cost Per Incurred Claim*
10/2019	496	792	\$3,675.70	\$3,241.12	88.2%	47	\$68.96
11/2019	498	795	\$3,686.06	\$2,622.32	71.1%	35	\$74.92
12/2019	499	797	\$3,685.11	\$3,865.11	104.9%	31	\$124.68
Totals:			\$106,930.90	\$90,073.67	84.2%	1,158	\$77.78

* Incurred claims include a reserve/IBNR (incurred but not reported)

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Storm Kinion, Group Benefits Specialist

DATE: January 29, 2020

RE: 2019 Teladoc Review

Please find attached a copy of Teladoc's presentation for 2019. Courtney Heeley will be at the meeting to present and review this report with Trustees.

If you have any questions between now and the date of the meeting, I can be reached at (928) 753-4700 ext. 305 or via email at stormk@ecollinsandassociates.com.

LHEBT Renewal

Teladoc Health
January 2020



How did we do?

July-December 2019
83 visits

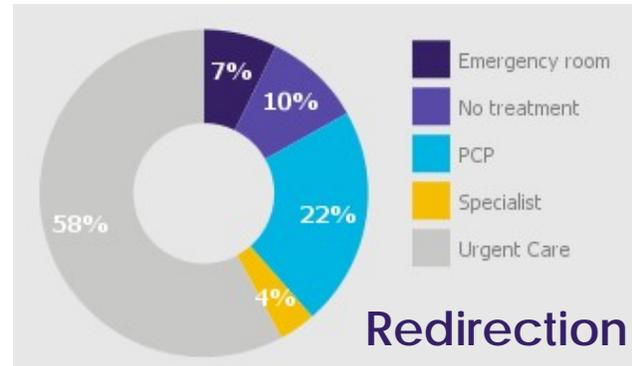


Saving in medical claims
\$42,911

*ROI is based on a \$517 savings per consultation. Teladoc VeracityStudy

Annualized UtilizationROI 34.2%

YTD Total Visits X 12 / # months accrued
YTD/YTD Average Subscribers



Most common diagnoses in 2019

1. Upper respiratoryinfection
2. Acute bronchitis
3. Acute pharyngitis
4. Rash and other nonspecific skin eruption
5. Urinary tract infection

Most commonly prescribed in 2019

1. Benzonatate 200 mg oral capsule
2. Tessalon Perles 100 mg oral capsule
3. Medrol Dosepak 4 mg oral tablet
4. Amoxicillin-Clavuanate 875 mg-125 mg oral tablet
5. Macrobid Macrocrystals-monohydrate 100mg oral capsule

YTD member activity stats!



Average call back time
12 minutes

2019 Business



Primary Members
486



Dependents
319



Total Lives Covered
805

Standard Renewal

PPO

Current PEPM: \$4.25
Adjusted PEPM: \$4.50

HDHP

Current PEPM: \$3.00
Adjusted PEPM: \$3.25
Consult Fee: \$49

Add-On Options (PPO)

Dermatology

Additional PEPM: \$0.00
Adjusted PEPM: \$4.50

Behavioral Health

Additional PEPM: \$0.00
Adjusted PEPM: \$4.50

Dermatology visit fee: \$75
Psychiatrist Initial Consultation: \$200
Follow Up: \$95
Psychologist/Therapist/Counselor: \$85

Add-On Options (HDHP)

Dermatology

Additional PEPM: \$0.00
Adjusted PEPM: \$3.25

Behavioral Health

Additional PEPM: \$0.00
Adjusted PEPM: \$3.25

*Consultation Fees associated with each visits.
Can be absorbed by either member or LHSEBT

Alternative Renewal

All inclusive option: HealthiestYou

HealthiestYou Complete Bundle

PEPM: \$8.25

All Services listed have a \$0
Consult Fee

HealthiestYou Complete provides a comprehensive virtual care offering for your members. The experience is intuitive and easy to use and designed to provide care for all medical needs regardless of how acute or complex.

HealthiestYou offers convenient access to the following virtual care solutions:



General Medical

Convenient, high-quality healthcare available 24/7 from U.S. board-certified doctors by phone or video.



Behavioral Health Care

Members have access to licensed mental health professionals, with the option to receive ongoing care from a provider of their choice seven days a week.



Dermatology

U.S. board-certified dermatologists review images and provide a diagnosis and treatment plan in two business days.



Back Care

Customized back care programs with videos and access to certified health coaches.



Expert Medical Services

In-depth reviews of existing diagnoses and treatment plans from the world's leading experts.



Intelligent Alerts

Location-sensitive alerts delivering benefits reminders increase utilization of services.



Find a Provider

The HealthiestYou app can identify providers and facilities near the member's current location.



Price Transparency Tools

Price comparison engines help members make informed choices and save money on procedures and prescriptions.



Client Success Team

From implementation timelines to communication strategy and follow up, our dedicated Client Success Team will lay out the roadmap to ensure that every group is equipped with the tools to succeed.



Telehealth Utilization Report

July - December 2019

Lake Havasu Schools Employee Benefit
Trust

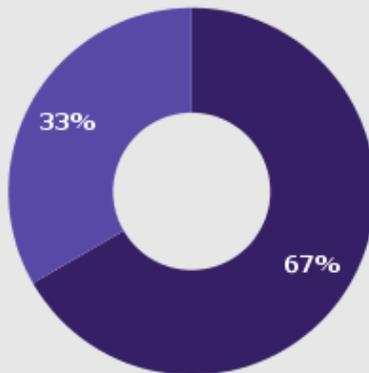
Summary

	Visits		Utilization*
	Report Period	YTD	Annualized
Total General Medical	83	83	34.2%
Total Behavioral Health	N/A	N/A	N/A
Total Dermatology	N/A	N/A	N/A

Total Net Claim Savings

General Medical
\$42,911

Overall member satisfaction



■ Excellent
 ■ Poor

Number of Respondents: 3

Gender

General Medical


81% Female


19% Male

Behavioral Health

Product not included in plan design

Dermatology

Product not included in plan design

* Behavioral Health utilization is calculated assuming 20% of the population needs care in a given year. This is in accordance to a Kaiser Family Foundation Analysis of the 2015 National Survey on Drug Use and Health. Dermatology utilization is calculated assuming a 25% portion of the population needs care. This is in accordance to the American Academy of Dermatology in a 2013 report, Burden of Skin Disease



General Medical

Claim savings & utilization

Annualized Utilization
 YTD Total Visits X 12 / # months accrued
 YTD / YTD Average Subscribers

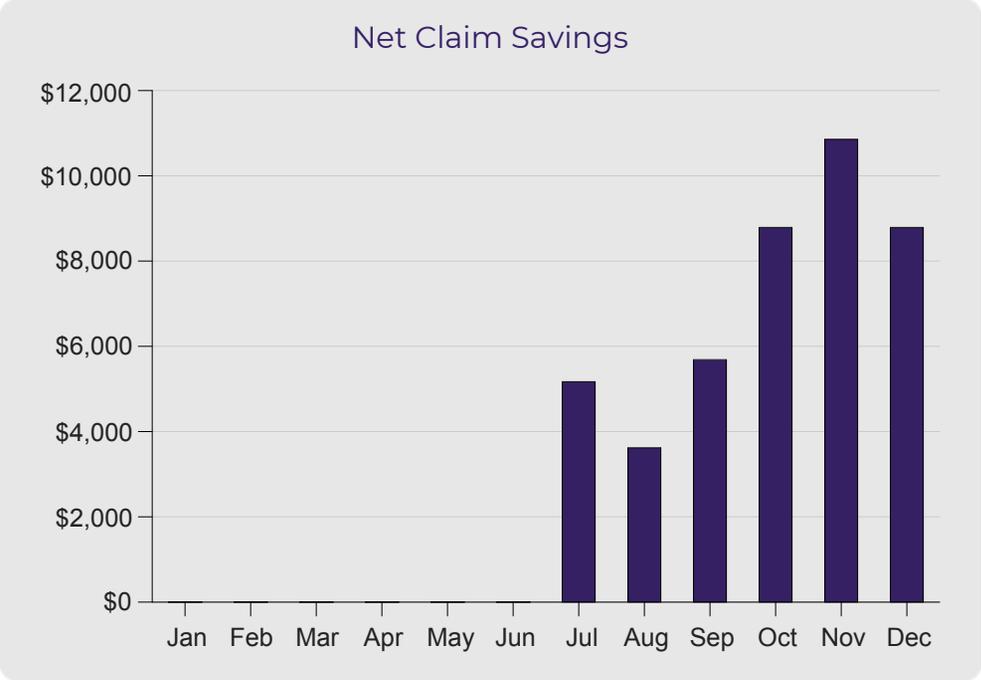
34.2%

Claim Savings Per Episode

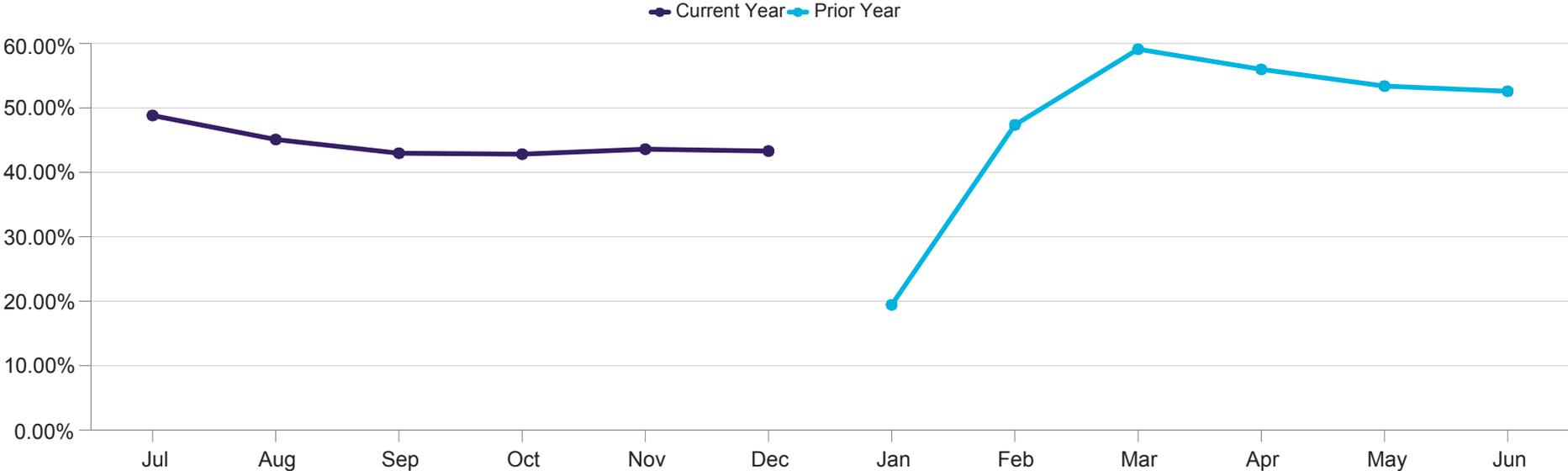
\$517

Total Net Claim Savings YTD
 Claim Savings Per Episode X
 Number of Visits YTD

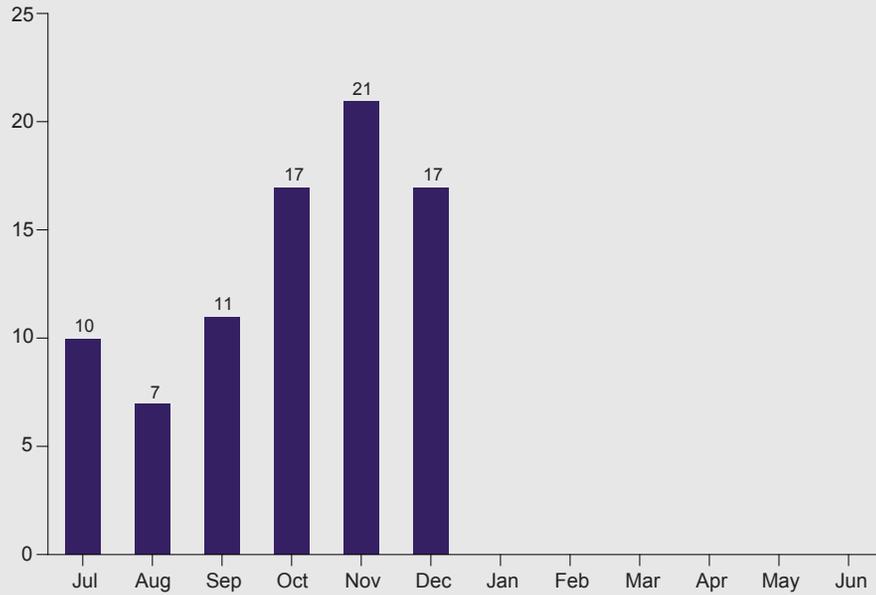
\$42,911



Annualized utilization trend

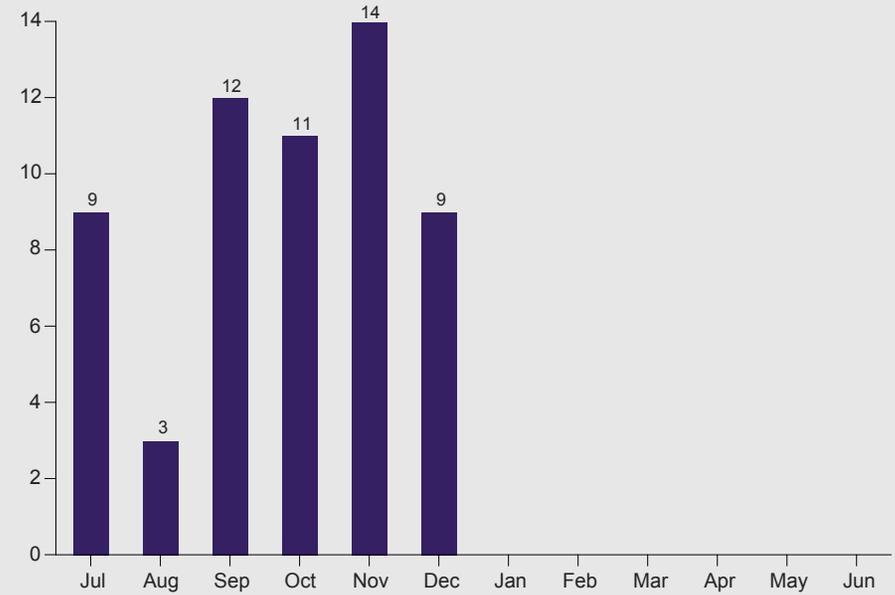


Visits this period **83**



YTD **83**

Registrations this period **58**



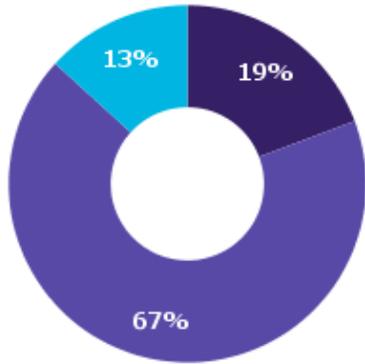
YTD **58**

	VISITS		MEMBERSHIP		REGISTRATIONS		MEDICAL HISTORY COMPLETIONS	
	Report Period	YTD	Report Period	YTD AVG	Report Period	Since Inception	Report Period	Since Inception
Primaries	63	63	486	486	41	221	39	154
Dependents	20	20	319	319	17	78	10	60
Eligible Lives	83	83	805	805	58	299	49	214

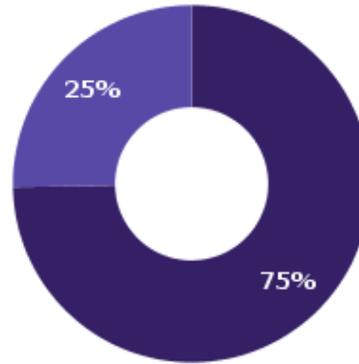
*YTD Average: Sum of each month's eligible lives divided by the number of calendar months the account is effective. Eligible Lives: All members with access to the service (primaries & dependents).

How your members received care YTD

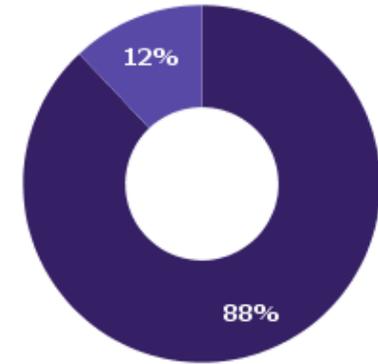
Visit request method



Visit method

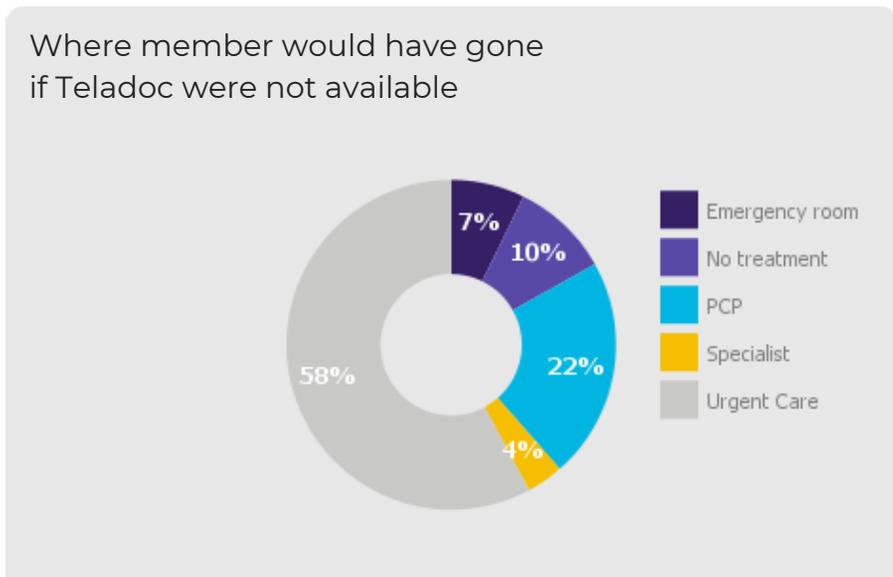
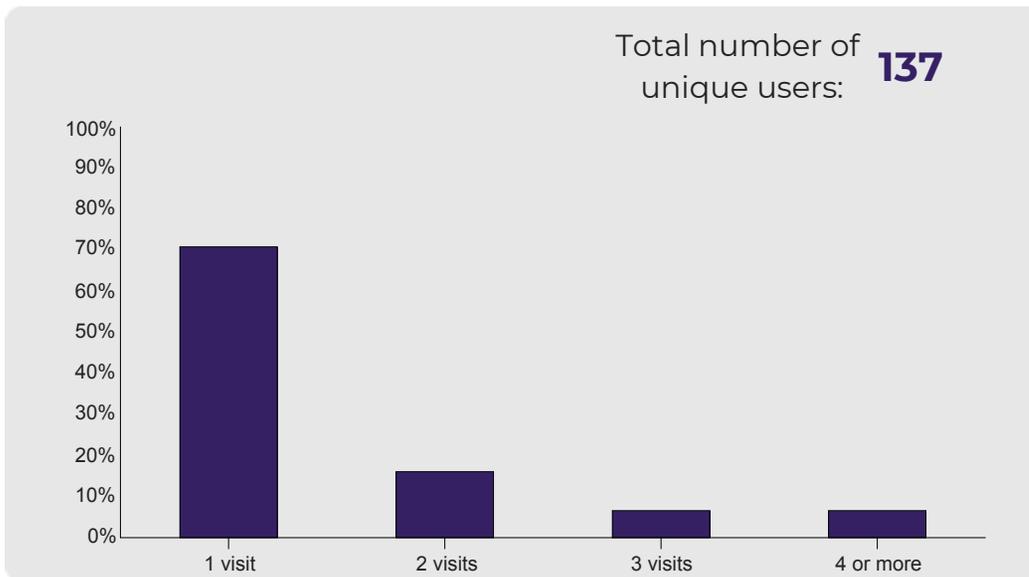


On demand vs scheduled



- Website
- Mobile app
- Call center
- Phone
- Visualized
- On demand
- Scheduled

Visit frequency



Who received care and when YTD

Gender

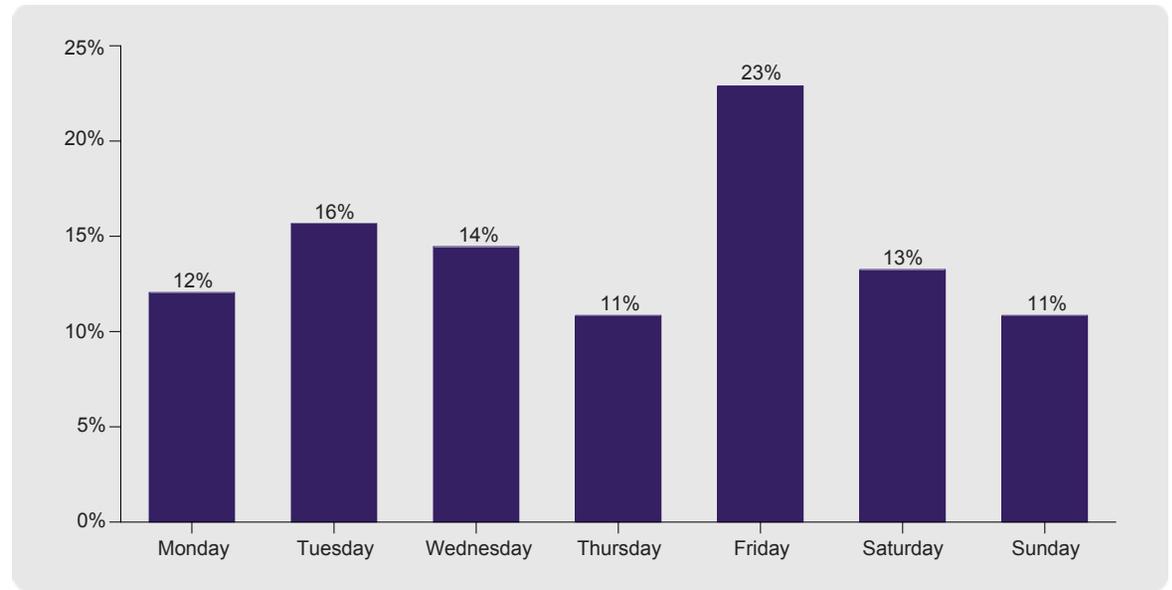


81% Female

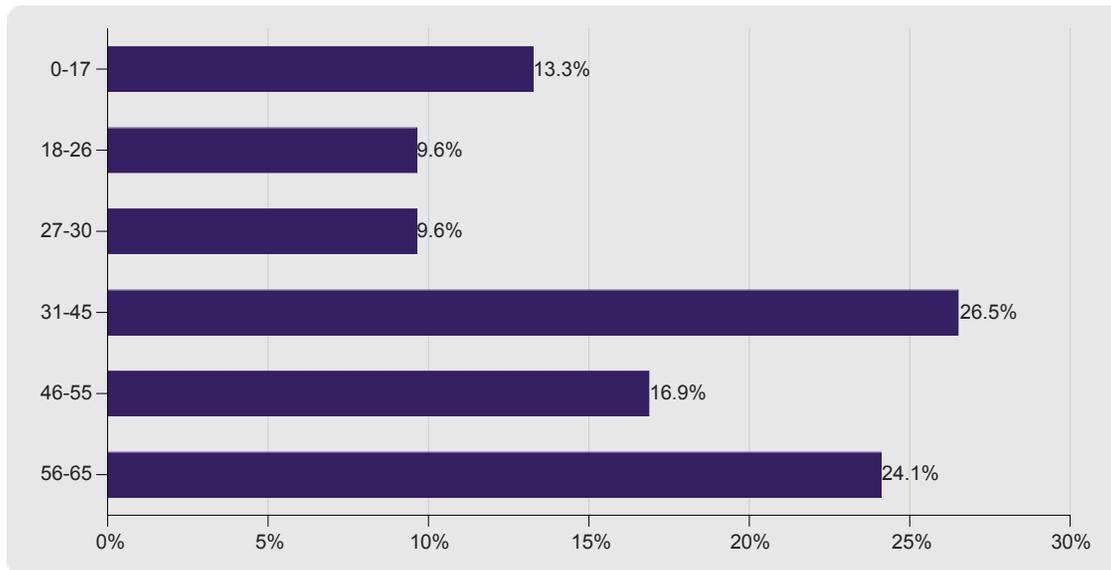


19% Male

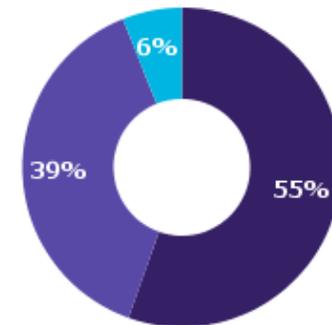
Day of week



Utilization by age



Time of day*



8am - 4pm 4pm - 12am 12am - 8am

* Times in CST

Where your members received care YTD



AVERAGE RESPONSE TIME YTD

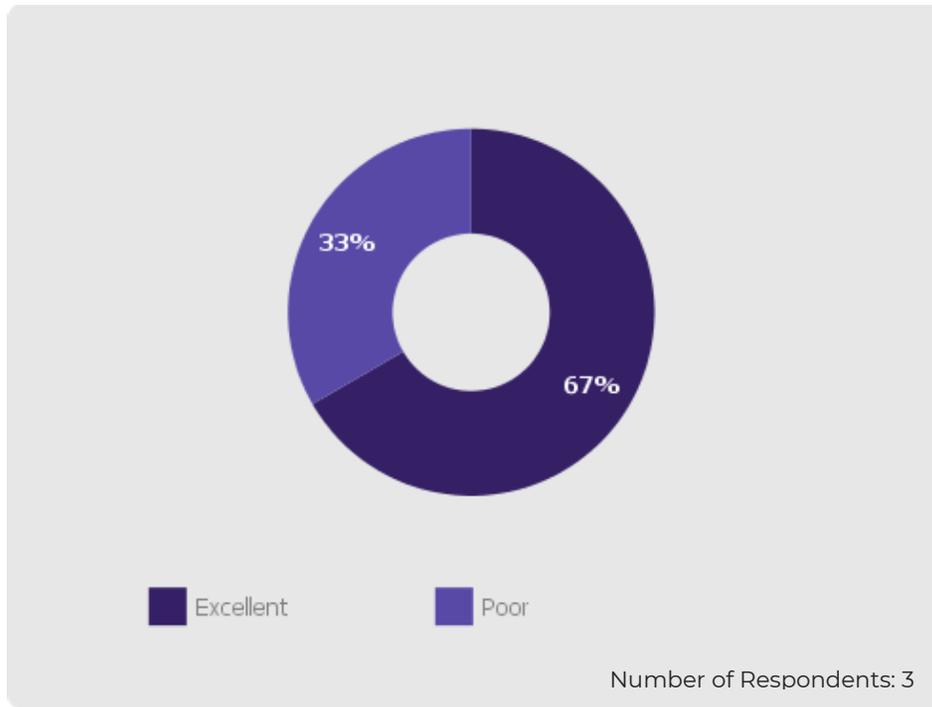
The time between the visit request and when the physician contacted the member

12 minutes

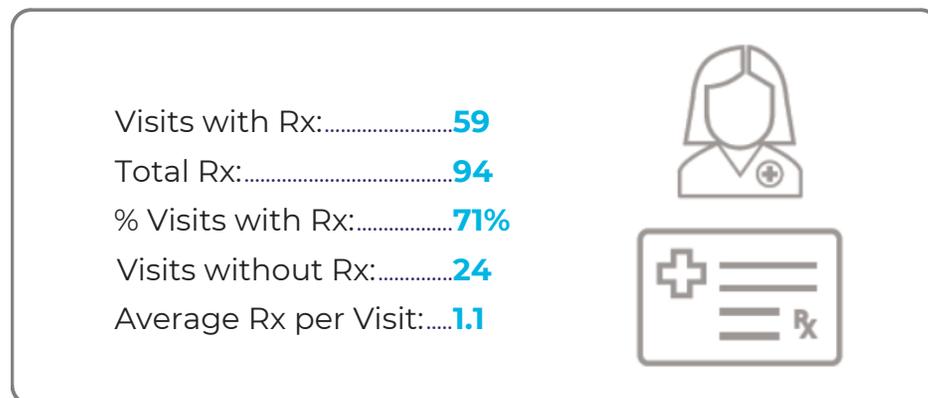
REPORT PERIOD: 12 min

<u>State</u>	<u>Visits</u>	<u>% Visits</u>
Arizona	79	95.2%
California	2	2.4%
Colorado	1	1.2%
Pennsylvania	1	1.2%

Member satisfaction



Prescriptions by visit



Top diagnoses

Acute upper respiratory infection, unspecified	12%
Acute bronchitis, unspecified	7%
Acute pharyngitis, unspecified	6%
Rash and other nonspecific skin eruption	6%
Urinary tract infection, site not specified	5%
Acute nasopharyngitis [common cold]	4%
Acute cystitis without hematuria	2%
Acute follicular conjunctivitis, bilateral	2%
Cough	2%
Dermatitis, unspecified	2%

Top prescriptions written

benzonatate 200 mg oral capsule	10%
Tessalon Perles 100 mg oral capsule	9%
Medrol Dosepak 4 mg oral tablet	4%
Amoxicillin-Clavulanate 875 mg-125 mg oral tablet	3%
Macrobid macrocrystals-monohydrate 100 mg oral capsule	3%
albuterol 90 mcg/inh inhalation aerosol	2%
Amoxicillin 500 mg oral capsule	2%
Amoxicillin 500 mg oral tablet	2%
amoxicillin 875 mg oral tablet	2%
doxycycline hyclate 100 mg oral tablet	2%

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Storm Kinion, Group Benefits Specialist

DATE: January 29, 2020

RE: Financial Status

Please find attached a copy of the December Compilation Report from GDK CPA, LLC. Mike Bonney will be at the meeting to present and review this report with Trustees.

Please also find attached a copy of a financial presentation which summarizes the Trust's financial position as of December 31, 2019 as it relates to budget. ECA will review this presentation with Trustees.

If you have any questions between now and the date of the meeting, I can be reached at (928) 753-4700 ext. 305 or via email at stormk@ecollinsandassociates.com.

Compilation Report

Financial Statements

Lake Havasu Unified School District #1
Employee Benefit Trust

For the six months
ended December 3, 2019 and 2018

Prepared By:

GDK CPA, LLC
90 S. Acoma Blvd, Suite 100
Lake Havasu City, AZ 86403



GDK CPA, LLC

90 Acoma Blvd S, Suite 100 • Lake Havasu City, AZ 86403
Office: (928) 680-1994 • Fax: (928) 680-2933
Email: mike@gdkcpa.com • Website: www.gdkcpa.com

INDEPENDENT ACCOUNTANT'S REPORT

Lake Havasu Unified School District #1
Employee Benefit Trust
Lake Havasu City, Arizona 86403

Management is responsible for the accompanying financial statements of Lake Havasu Unified School District #1 Employee Benefit Trust which comprise the statement of net assets, as of December 31, 2019 and, and the related statement of activities for the six months then ended and six months ended December 31, 2018, and for determining that the modified cash basis of accounting is an acceptable financial framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles accepted in the United States of America.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Lake Havasu Unified School District #1 Employee Benefit Trust.

GDK CPA, LLC

GDK CPA, LLC
January 24, 2020

Lake Havasu Unified School District #1

Statement of Net Assets

December 31, 2019

ASSETS

Current Assets

Checking/Savings

Wells Fargo 8200 \$ 2,653,510

Wells Fargo Checking 6509 1,073,425

Total Checking/Savings 3,726,935

Total Current Assets 3,726,935

Fixed Assets

Leasehold Improvements 278,772

Accumulated Depreciation (278,772)

Total Fixed Assets -

TOTAL ASSETS \$ 3,726,935

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities \$ -

Total Current Liabilities -

Total Liabilities -

Equity

Unrestricted Net Assets 3,348,735

Net Assets 378,200

Total Equity 3,726,935

TOTAL LIABILITIES AND NET ASSETS \$ 3,726,935

Lake Havasu Unified School District #1
Statement of Revenues and Expenses
For the six months ended December 31, 2019 and December 31, 2018

	<u>2019</u>	<u>2018</u>
Ordinary Income/Expense		
Income		
Dividend Income	\$ -	\$ 114
Claim Refund Income	6,038	15,784
Cobra Income	5,378	12,344
Dependent Contributions	143,277	587,777
District Contributions	2,542,605	2,051,933
Reinsurance Income	542,909	-
Retiree Contributions	113,795	105,196
RX Rebates	133,879	101,623
Stoploss Reimbursement	-	135,077
Other Types of Income	51,511	-
Reimbursements	12,446	-
Total Income	<u>3,551,837</u>	<u>3,009,848</u>
Gross Profit	3,551,837	3,009,848
Expense		
Computers and Software	-	243
Licenses and Fees	-	1,571
Claim Payments		
Medical	2,438,092	2,266,748
Vision	3,014	13,261
Claim Payments - Other	1,164	-
Total Claim Payments	<u>2,442,271</u>	<u>2,280,009</u>
Cleaning	-	7,020
Insurance		
Dental	85,886	104,993
Life	96,954	50,255
Insurance - Other	22,023	24,651
Total Insurance	<u>204,862</u>	<u>179,900</u>
Landscaping	-	1,000
Mammography Fees	-	170
Pest Control	-	300
Professional Fees		
Consulting Fee	549,929	375,193
Benefit Management	-	294,998
Accounting	1,225	2,100
Legal	1,450	15,288
Professional Fees - Other	3,283	-
Total Professional Fees	<u>555,887</u>	<u>687,579</u>
Property Taxes	-	4,590
Rent Expense	-	19,650
Repairs and Maintenance	265	981

See accompanying accountant's report which is an integral part of these financial statements.

Lake Havasu Unified School District #1

Statement of Revenues and Expenses

For the six months ended December 31, 2019 and December 31, 2018

	<u>2019</u>	<u>2018</u>
Security	-	367
Supplies	-	44
Telephone	-	4,070
Utilities	-	3,712
Total Expense	<u>3,203,285</u>	<u>3,191,205</u>
Net Ordinary Income	348,552	(181,357)
Other Income/Expense		
Other Income		
Gain (Loss) on sale of assets	1,000	-
Interest Income	37,946	25,465
Unrealized gain(loss) on invest	(9,299)	10,323
Total Other Income	<u>29,648</u>	<u>35,788</u>
Net Other Income	<u>29,648</u>	<u>35,788</u>
Revenues (expenses) in excess of expenses (revenues)		
	<u><u>\$ 378,200</u></u>	<u><u>\$ (145,569)</u></u>

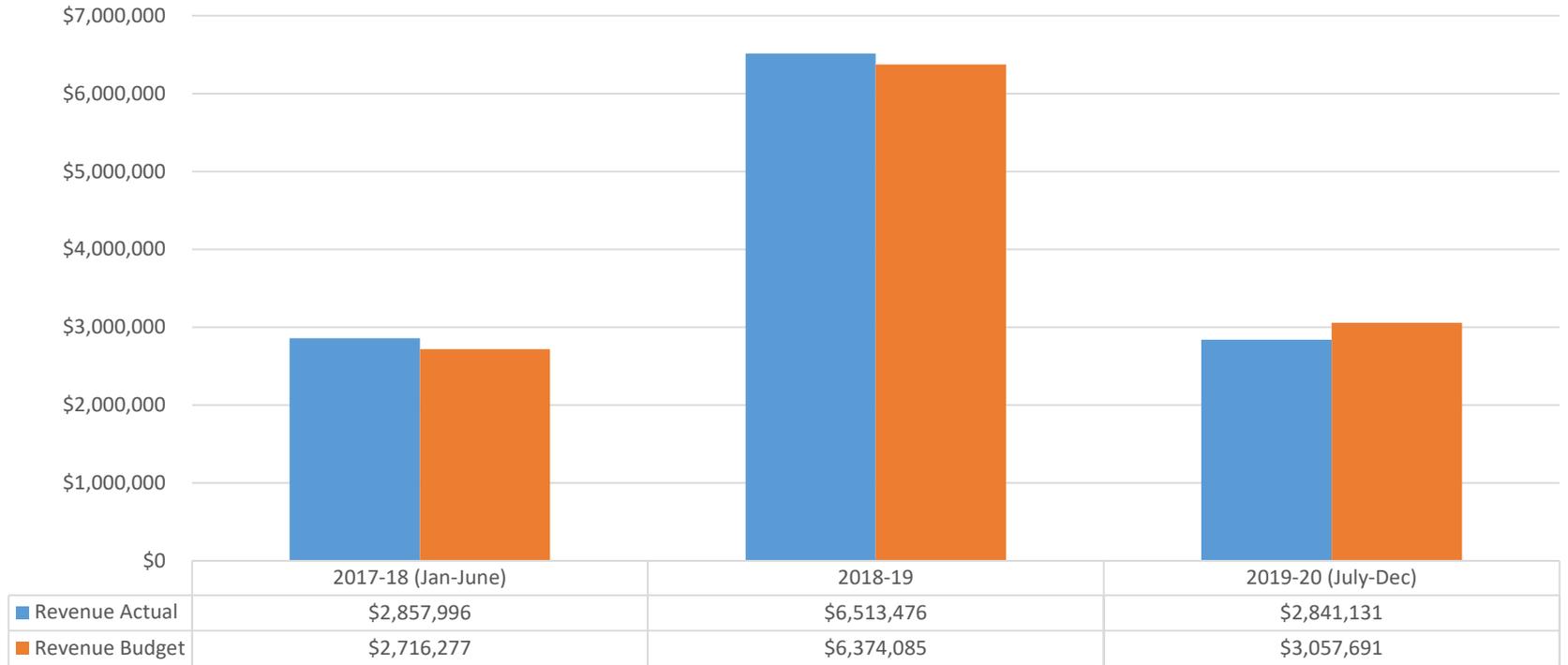
- **Financial Summary**
 - **Revenue**
 - **Expenses**
 - **Cash Position**
 - **Claims**
 - **Large Claims**
 - **Plan Type Enrollment**

- **Questions**

Presented by Storm Kinion
Group Benefits Specialist
ECA, Inc.



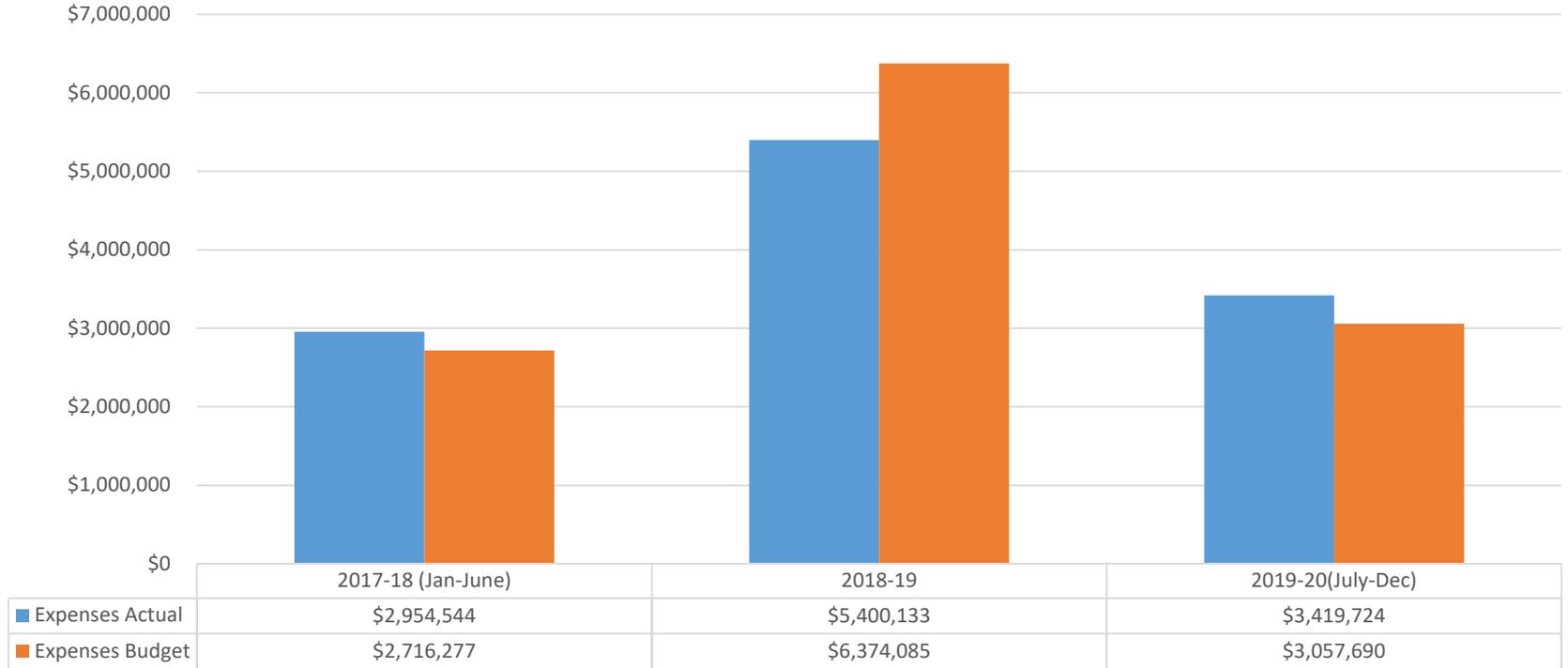
Revenue



REVENUE (CONTRIBUTIONS AND INTEREST)



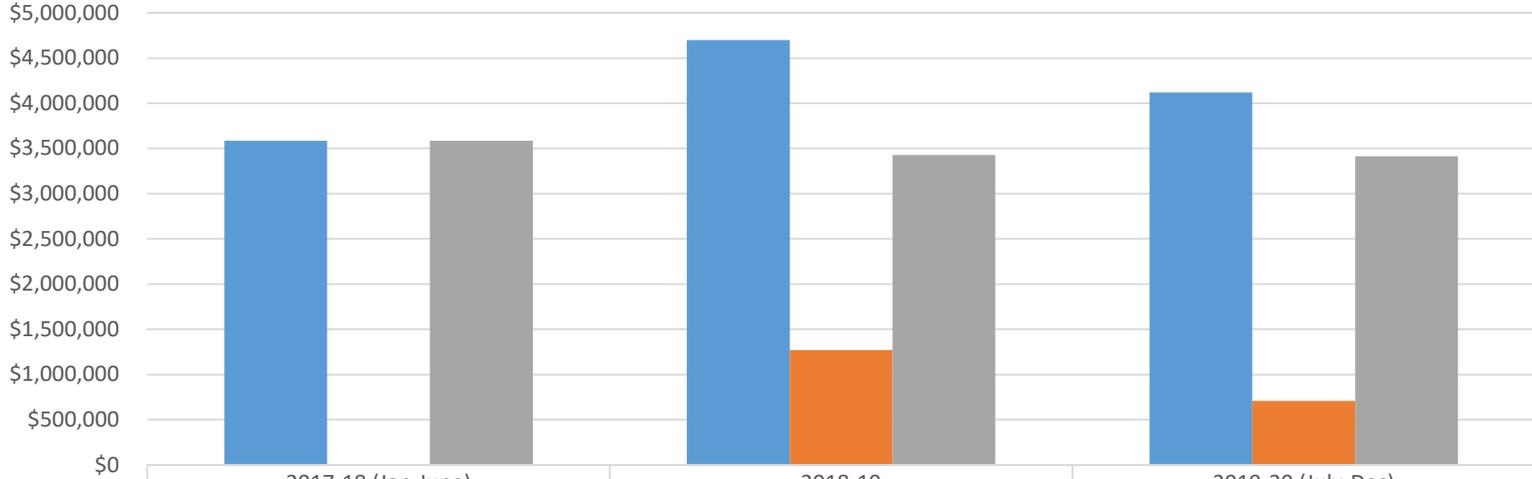
Expenses



EXPENSES (CLAIM FUNDS, PREMIUMS, CLAIM ADMINISTRATION & GENERAL OPERATING)



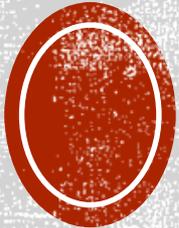
LHSEBT
Cash Position
3 Year History



- All-Years Cash Position
- Estimated IBNP Liability
- Surplus for All-Years

	2017-18 (Jan-June)	2018-19	2019-20 (July-Dec)
All-Years Cash Position	\$3,584,631	\$4,697,974	\$4,119,381
Estimated IBNP Liability	\$0	\$1,269,109	\$706,113
Surplus for All-Years	\$3,584,631	\$3,428,865	\$3,413,268

CASH POSITION





**FINANCIAL
SUMMARY
CLAIMS COMPARISON
(3 YEARS)**

	As of Dec 2019	As of June 2019	As of June 2018
Total Medical/Rx Claims	Over budget at 123%	Over budget at 133%	Over budget at 149%
Medical Claims	Over budget at 131%	Over budget at 124%	Over budget at 181%
Prescription Claims	Over budget at 115%	Over budget at 141%	Over budget at 117%
Dental Claims	Under budget at 78%	Under budget at 89%	Over budget at 109%

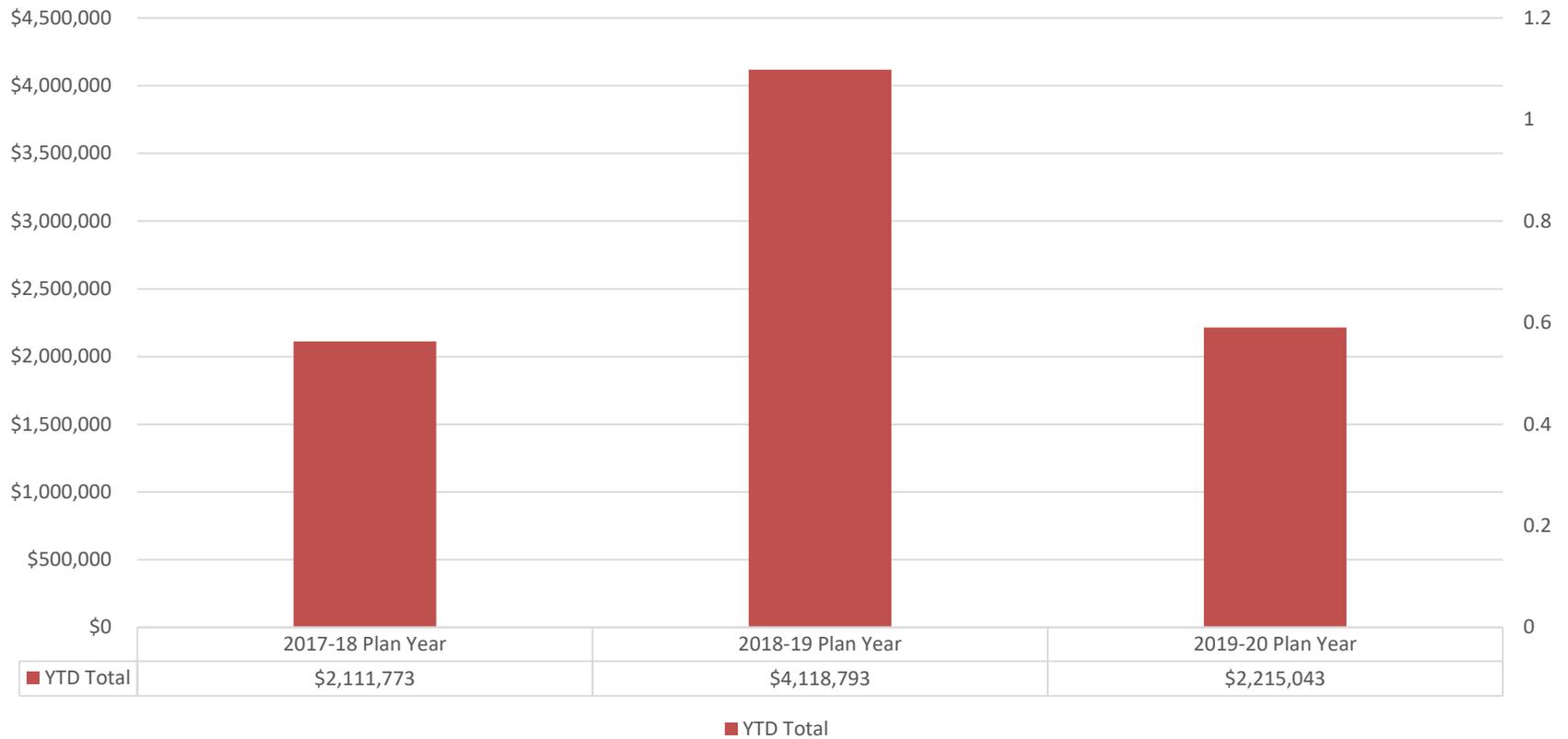




LARGE CLAIMS

(3 — YEAR COMPARISON)

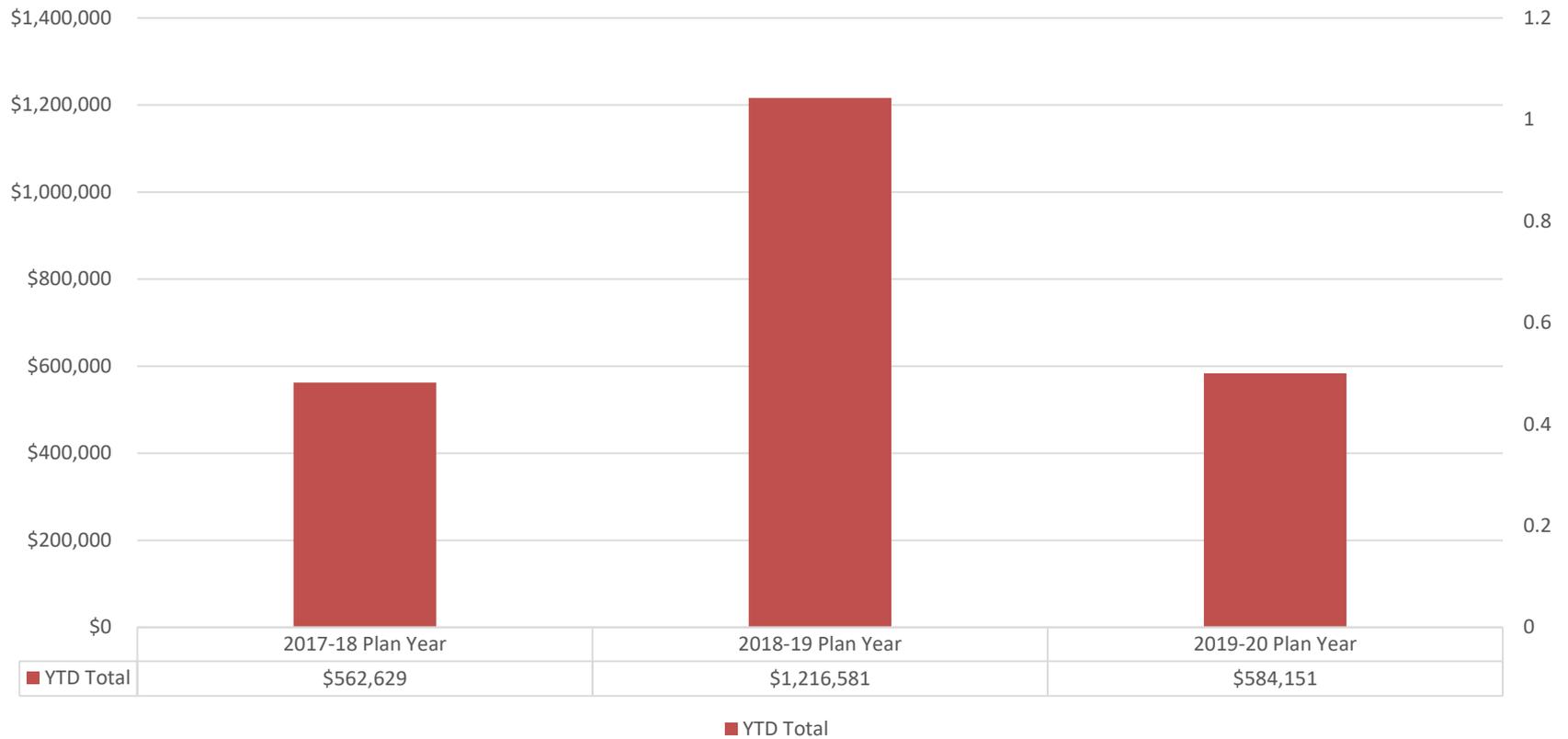




MEDICAL CLAIMS

(3 — YEAR COMPARISON)





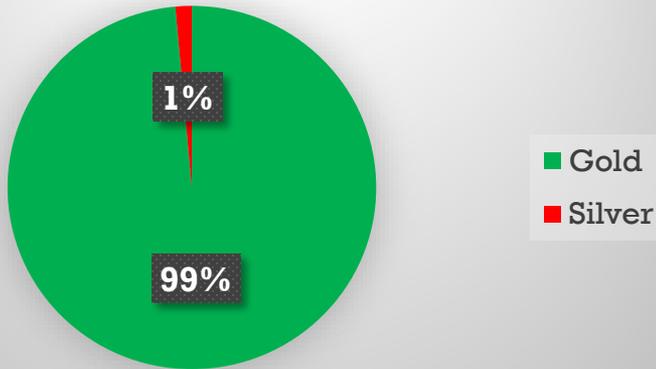
PRESCRIPTION CLAIMS

(3 – YEAR COMPARISON)

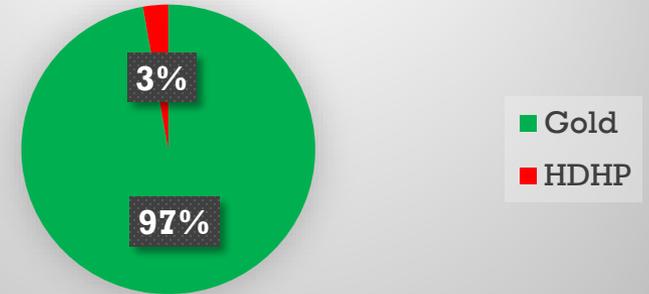


PLAN TYPE ENROLLMENT

Plan Type - 2018/2019

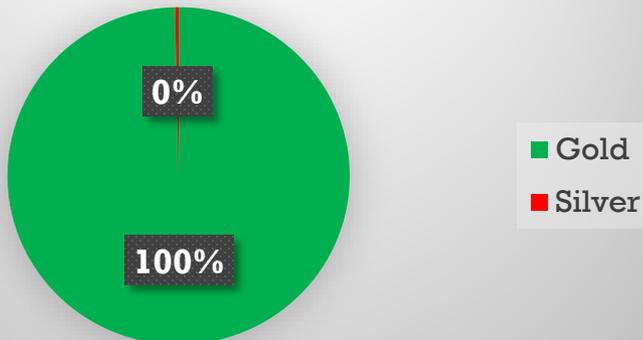


Plan Type - 2019-2020 YTD

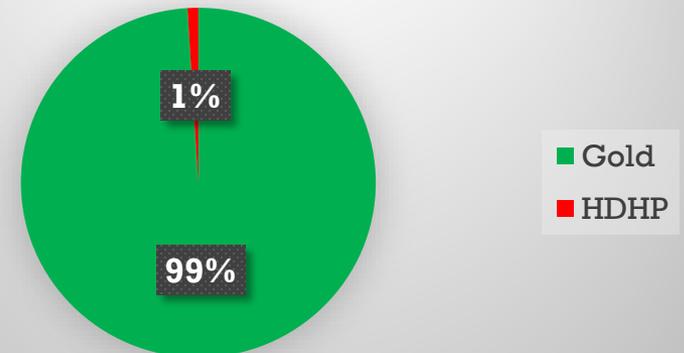


MEDICAL/RX CLAIMS

Medical/Rx Claims 2018/2019



Medical/Rx Claims 2019/2020 YTD





QUESTIONS?



MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Storm Kinion, Group Benefits Specialist

DATE: January 29, 2020

RE: 2020-21 Rate Development

Please find attached a copy of Cheiron's presentation and actuarial analysis on the development of rates for the 2020-21 plan year. Mike Schionning will be at the meeting to present and review this report with Trustees.

If you have any questions between now and the date of the meeting, I can be reached at (928) 753-4700 ext. 305 or via email at stormk@ecollinsandassociates.com.

Lake Havasu Schools Employee Benefit Trust



Actuarial Rate Development for the Plan Year Beginning July 1, 2020

February 5, 2020

Michael Schionning, FSA, MAAA





- Proposed Claim Funding Rates
- Proposed Benefit Design Changes
- Required Disclosures

Proposed Claim Funding Rates

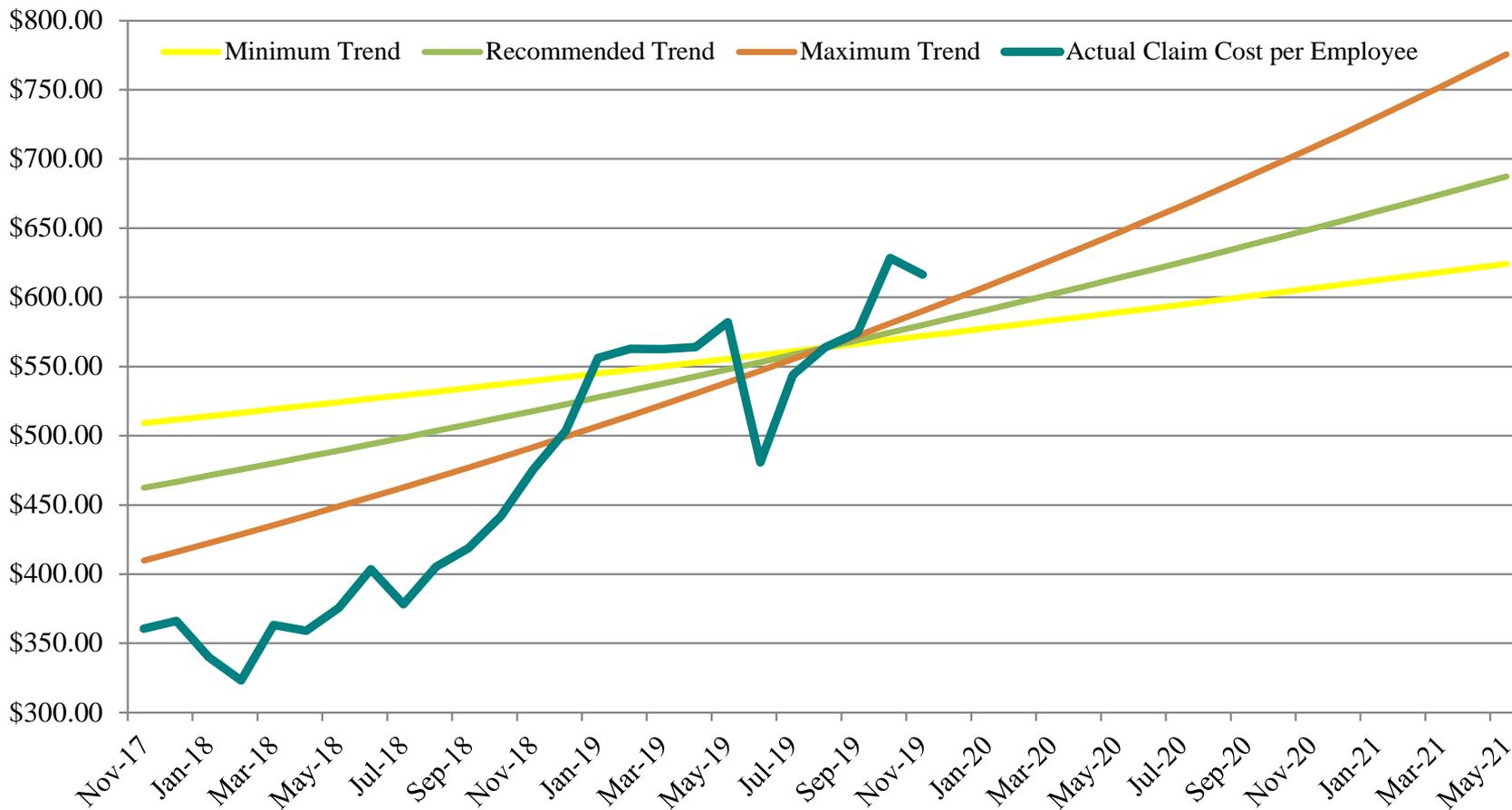


- Projection Methodology
- Plan Experience Graphs
- Recommended Claim Funding Rates
- Minimum Claim Funding Rates



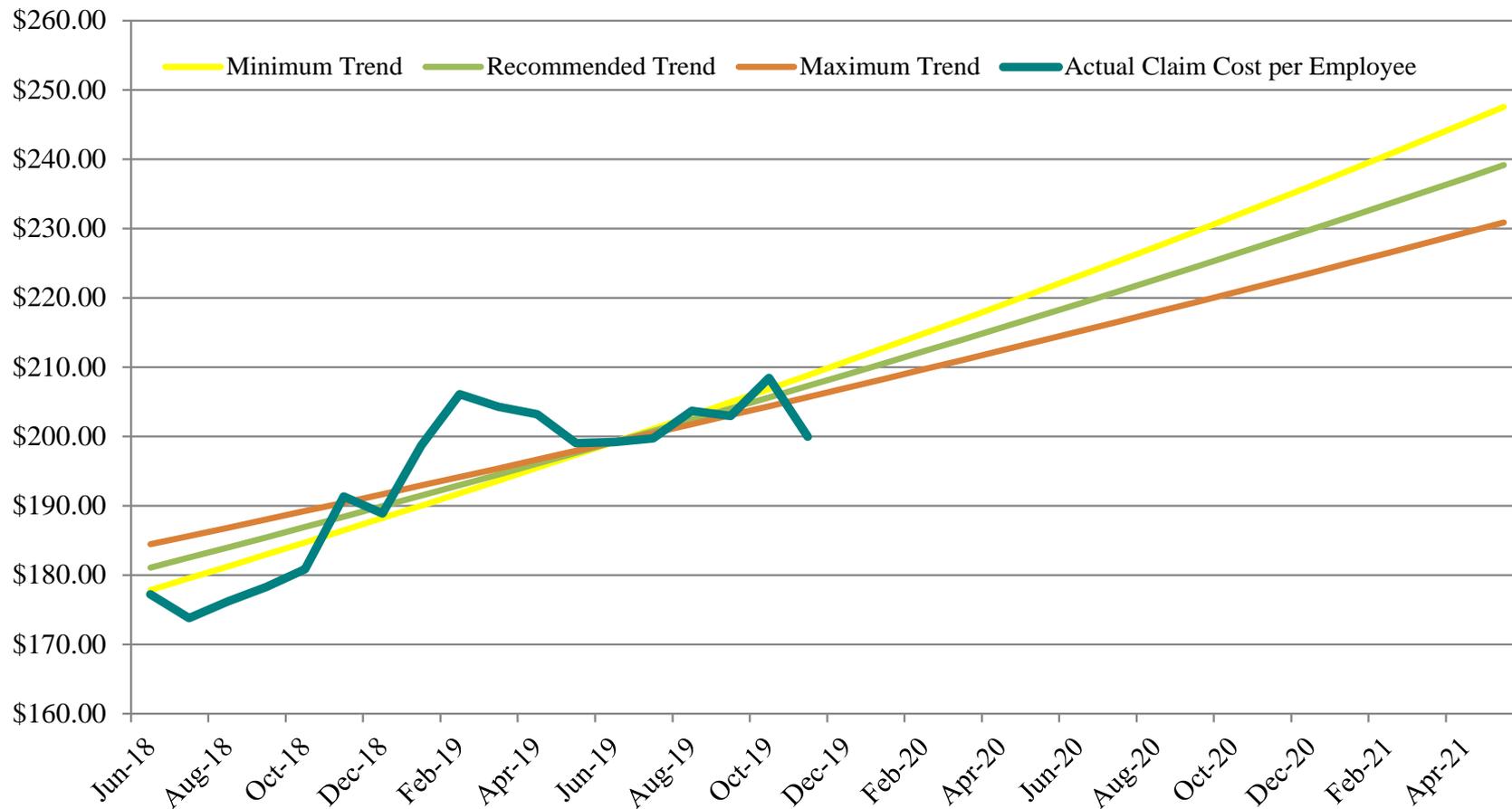
- Trend rates developed using rolling 12-month periods
 - Most recent 12 periods (24 months of data)
 - Most recent 24 periods (36 months of data)
 - Recommended trend rates based on a review of the data
- Separate analyses for:
 - Medical
 - Prescription Drug
 - Dental
- Developed on a per employee per month (PEPM) basis

Medical Plan



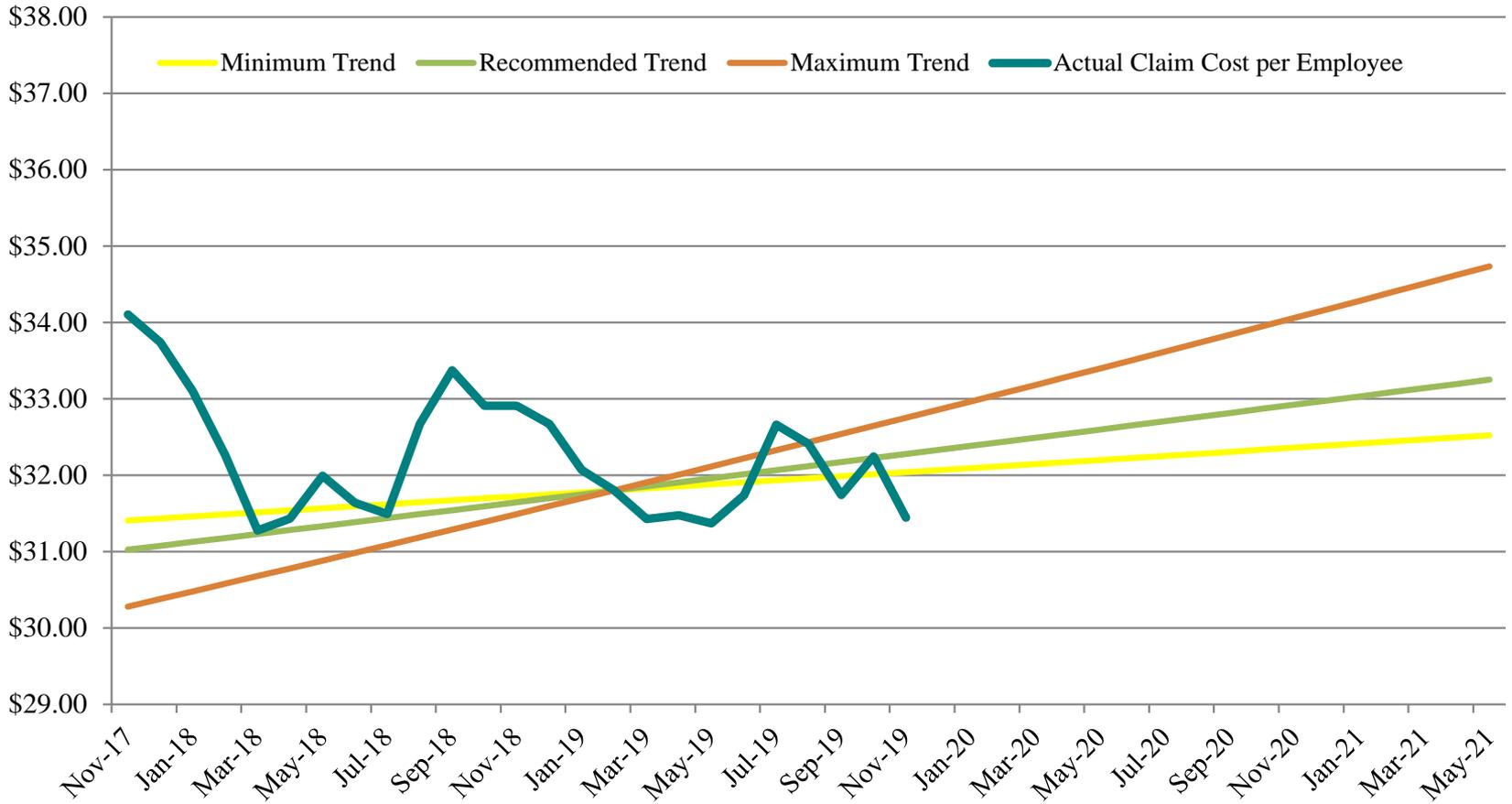
February 5, 2020

Prescription Drug Plan



February 5, 2020

Dental Plan





- The charts on the following pages show the development of the recommended and minimum claim funding factors
- In total, the recommended factors are:
 - 14.7% higher than the current factors for medical/rx
 - 9.4% lower than the current factors for dental
- In total, the minimum factors are:
 - 10.2% higher than the current factors for medical/rx
 - 10.6% lower than the current factors for dental

Development of Funding Factors



Recommended Factors - Medical and Rx

	12 Months Ending Nov-18			12 Months Ending Nov-19		
	<u>Medical</u>	<u>Prescriptions</u>	<u>Total</u>	<u>Medical</u>	<u>Prescriptions</u>	<u>Total</u>
Employee Exposure Months (2 Month Lag Medical) (1 Month Lag Rx, 0 Month Lag Clinic)	6,039	5,979		5,857	5,854	
Total Paid Claims (Net of Stop Loss Recoveries)	\$2,871,740	\$984,064	\$3,855,804	\$3,610,273	\$946,845	\$4,557,119
Estimated Incurred Claims PEPM	\$475.53	\$164.59	\$640.12	\$616.40	\$161.74	\$778.15
Trend Projections						
Annual Factor	10.0%	8.0%		10.0%	8.0%	
Number of Months of Trend	33	32		21	20	
Trend Factor	1.2997	1.2278		1.1815	1.1369	
Benefit Changes	1.0074	1.0074		1.0074	1.0074	
Projected Incurred Claims PEPM	\$622.60	\$203.58	\$826.18	\$733.68	\$185.24	\$918.92
Weighing Factors			50.0%			50.0%
Weighted Projected Incurred Claims PEPM				\$678.14	\$194.41	\$872.55
Historical Funding						\$760.48
Needed Rate Change						14.7%

February 5, 2020

Development of Funding Factors



Minimum Factors - Medical and Rx

	12 Months Ending Nov-18			12 Months Ending Nov-19		
	<u>Medical</u>	<u>Prescriptions</u>	<u>Total</u>	<u>Medical</u>	<u>Prescriptions</u>	<u>Total</u>
Employee Exposure Months (2 Month Lag Medical) (1 Month Lag Rx, 0 Month Lag Clinic)	6,039	5,979		5,857	5,854	
Total Paid Claims (Net of Stop Loss Recoveries)	\$2,871,740	\$984,064	\$3,855,804	\$3,610,273	\$946,845	\$4,557,119
Estimated Incurred Claims PEPM	\$475.53	\$164.59	\$640.12	\$616.40	\$161.74	\$778.15
Trend Projections						
Annual Factor	8.0%	6.0%		8.0%	6.0%	
Number of Months of Trend	33	32		21	20	
Trend Factor	1.2357	1.1681		1.1442	1.1020	
Benefit Changes	1.0074	1.0074		1.0074	1.0074	
Projected Incurred Claims PEPM	\$591.97	\$193.68	\$785.64	\$710.49	\$179.56	\$890.05
Weighing Factors			50.0%			50.0%
Weighted Projected Incurred Claims PEPM				\$651.23	\$186.62	\$837.85
Historical Funding						\$760.48
Needed Rate Change						10.2%

February 5, 2020

Development of Funding Factors



	Recommended		Minimum	
	12 Months Ending <u>Nov-18</u>	12 Months Ending <u>Nov-19</u>	12 Months Ending <u>Nov-18</u>	12 Months Ending <u>Nov-19</u>
Employee Exposure Months (1 Month Lag)	6,014	6,051	6,014	6,051
Total Paid Claims	\$197,670	\$185,151	\$197,670	\$185,151
Estimated Incurred Claims PEPM	\$32.87	\$30.60	\$32.87	\$30.60
Adjustment to Current Benefits	1.0000	1.0000	1.0000	1.0000
Trend Projections				
Annual Factor	4.0%	4.0%	3.0%	4.0%
Number of Months of Trend	32	20	32	20
Trend Factor	1.1103	1.0676	1.0820	1.0676
Projected Incurred Claims PEPM	\$36.49	\$32.67	\$35.56	\$32.67
Weighing Factors	50.0%	50.0%	50.0%	50.0%
Weighted Projected Incurred Claims PEPM		\$34.58		\$34.11
Current Funding Factor		\$38.16		\$38.16
Needed Rate Change		-9.4%		-10.6%

Development of Funding Factors



Fiscal Year 20-21 Funding Rates

	Current Claim <u>Funding</u>	Minimum <u>Funding</u>	Recommended <u>Funding</u>
Medical/Prescription Drug Plan			
<i>Gold Plan</i>			
Employee Only	\$546.70	\$602.32	\$627.26
Employee/Spouse	\$983.14	\$1,083.16	\$1,128.02
Employee/Child	\$875.07	\$964.09	\$1,004.02
Employee/Child(ren)	\$1,160.99	\$1,279.10	\$1,332.08
Employee/Family	\$1,470.40	\$1,619.99	\$1,687.09
<i>HDHP Plan</i>			
Employee Only	\$521.22	\$574.25	\$598.03
Employee/Spouse	\$935.75	\$1,030.95	\$1,073.65
Employee/Child	\$833.08	\$917.83	\$955.85
Employee/Child(ren)	\$1,105.49	\$1,217.96	\$1,268.40
Employee/Family	\$1,398.69	\$1,540.98	\$1,604.81
Dental			
Employee Only	\$23.75	\$23.75	\$23.75
Employee/Spouse	\$52.75	\$52.75	\$52.75
Employee/Child	\$43.75	\$43.75	\$43.75
Employee/Child(ren)	\$69.75	\$69.75	\$69.75
Employee/Family	\$98.75	\$98.75	\$98.75

Proposed Benefit Changes



- Based on list of changes supplied by the trustees
- Benefit changes for the medical and prescription drug plans
- Developed both the percentage impact and rate impact of the proposed changes using the recommended and minimum rates
- Specific rate impact will be discussed using exhibits developed by ECA



For EPO Plan

- Increase Deductible from \$750/\$1,500 to:
 - \$800/\$1,600
 - \$900/\$1,800
 - \$1,000/\$2,000
- Increase Med. out-of-pocket from \$4,000/\$8,000 to:
 - \$4,500/\$9,000
 - \$5,000/\$10,000
- Increase PCP Copay to \$30
- Cover psychotherapy subject to copay
- Increase Emergency Room Copay from \$200 to:
 - \$225
 - \$200
- Increase Urgent Care Copay to \$60



For EPO Plan (Continued)

- Increase Retail 30 day drug copay to \$12/\$37/\$67
- Increase Retail 30 day drug copay to \$15/\$40/\$70
- Increase Mail/Retail 90 day drug copay to \$24/\$74/\$134
- Increase Mail/Retail 90 day drug copay to \$30/\$80/\$140
- Increase specialty copay to 20% coinsurance with \$325 maximum copay
- Increase specialty copay to 20% coinsurance with \$350 maximum copay



For EPO and HDHP Plan

- Eliminate mandatory use of MOM for mammograms
- Remove the limitation on semi-private rooms for hospital/facility stays
- Cover newborns under their own deductibles and coinsurance rather than the mother's

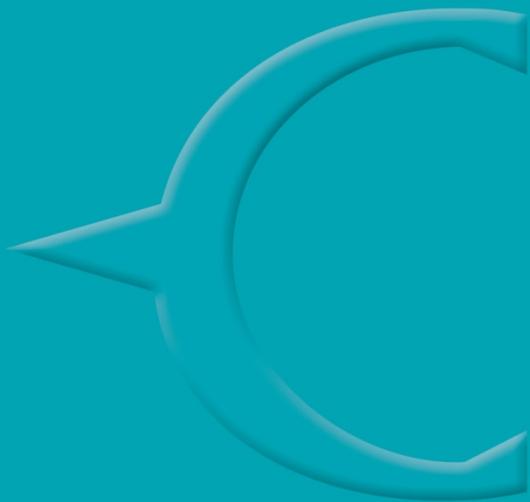


Required Disclosures



- The purpose of the presentation is to provide the Trustees of the Lake Havasu Schools Employee Benefit Trust with suggested claim funding rates for the 2020-2021 plan year. This presentation is not intended to benefit any third party, and Cheiron assumes no duty or liability to any such party.
- In preparing the information in this presentation, we relied on information (some written and some oral) provided by Erin P. Collins and Associates. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.
- Future results may differ significantly from the current results presented in this report due to such factors as the following: plan experience differing from that anticipated by the assumptions; changes in assumptions; and changes in plan provisions or applicable law.
- This presentation and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and my understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as a credentialed actuary I meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this presentation.
- This presentation does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

Michael Schionning, FSA, MAAA
Principal Consulting Actuary



Lake Havasu Schools Employee Benefit Trust

Actuarial Rate Development for the Plan Year Beginning July 1, 2020

Produced by Cheiron

January 2020

TABLE OF CONTENTS

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Via Electronic Mail

January 9, 2020

Board of Trustees
Lake Havasu Schools Employee Benefit Trust
c/o Erin P. Collins & Associates, Inc.
1115 Stockton Hill Road #101
Kingman, Arizona 86401

Re: Actuarial Rate Development for the Plan Year Beginning July 1, 2020

Dear Trustees:

The purpose of this report is to present the results of our development of the recommended claim funding rates for the July 2020 to June 2021 plan year for the Lake Havasu Schools Employee Benefit Trust (LHSEBT).

In preparing our report, we relied on information (some oral and some written) supplied by Erin P. Collins & Associates, Inc., the Trust administrator. This information includes, but is not limited to plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

This report was prepared exclusively for LHSEBT for the purpose described herein. Other users of this report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

The results of this report relies on future plan experience conforming to the underlying assumptions and methods outlined in this report. To the extent that the actual plan experience deviates from the underlying assumptions and methods, or there are any changes in plan provisions or applicable laws, the results would vary accordingly.

This report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and my understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as a credentialed actuary, I meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. I am not an attorney and our firm does not provide any legal services or advice.

Sincerely,
Cheiron

Michael W. Schionning, FSA, MAAA
Principal Consulting Actuary

**LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020**

SECTION I – SUMMARY OF RESULTS

The Lake Havasu Schools Employee Benefit Trust (LHSEBT) has engaged Cheiron to develop recommended claim funding rates for the plan year beginning July 1, 2020. The primary purpose of this report is to:

- Develop the recommended claim funding rates for the plan year beginning July 1, 2020
- Provide the estimated impact of potential plan changes on the developed claim funding rates

The claim funding rates are based on the historical claim experience of the Trust and the underlying health care trend experience.

The first step in the analysis is the development of the projected claim funding rates for the plan year beginning July 1, 2020. These rates are based on an analysis of the financial experience of the Trust over the 24-month period ending November 30, 2019. The claim experience for the medical, prescription drug, and dental plans is studied and the underlying claim trends are developed for each plan. We develop trend rates using the most recent 12 months of rolling claim years and the most recent 24 months of rolling claim years as well as our expectations of future trends. We then combine the historical trends and our expectations to develop the recommended, minimum, and maximum trend rates. Funding rates are developed using the recommended and minimum trend rates.

For all benefits, total paid claims (net of reinsurance recoveries for the medical and prescription drug benefits) for the 24 months ended November 30, 2019 are used to develop the estimates of the needed claim funding rates. In addition, the claims are adjusted for changes in benefits that have occurred over time.

Overall, all benefit plans indicate that the funding factors for the medical and prescription drug benefits need to be increased by 14.7% on a recommended basis and 10.2% on a minimum basis. The funding rates for dental could be decreased by 9.4% on a recommended basis and 10.6% on a minimum basis; however we recommend keeping these funding rates unchanged.

The remainder of this report provides additional supporting detail of our analysis.

**LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020**

SECTION II – RATE DEVELOPMENT

This section of the report presents the development of the recommended claim funding rates for the plan year beginning July 1, 2020.

We begin by reviewing the historical financial experience of the Trust of the 24-month period ending November 30, 2019. The claim and covered enrollment experience is developed on a monthly basis, and the underlying claim trend rates are developed by reviewing the claims per employee basis on a rolling 12-month basis.

Exhibit I summarizes the results of this analysis. The exhibit first shows the claim funding rates in effect for the plan year ending June 30, 2020. It then shows the claim funding rates for the 2020-21 plan year based on our analysis, using both the recommended and minimum trend rates.

The recommended trend rate is 8.0% for medical, 6.0% for prescription drugs, and 4.0% for dental, based on our review of the historical experience and our expectations for future trends.

Exhibit II provides a summary of the development of the proposed claim funding rates for the medical and prescription drug plans. The exhibit shows the calculated claim cost per employee for each of the last two 12-month periods for which claims data is available. These claims are then trended forward to the rating year at the recommended and minimum trend rates. The two trend years are weighted together and the results are used to develop the needed claim funding rates.

Exhibit III provides a summary of the development of the proposed claim funding rates for the dental plans. The exhibit shows the calculated claim cost per employee for each of the last two 12-month periods for which claims data is available. These claims are then trended forward to the rating year at the recommended and minimum trend rates. The two trend years are weighted together and the results are used to develop the needed claim funding rates.

Exhibit IV shows the development of the rolling year claim costs that were used to develop the projected trend rates. For each rolling year, the exhibit shows the average number of employees, the net paid claims (adjusted for stop loss recoveries), and the resulting claims cost per employee per month. Rolling paid claims are based on a two-month lag for medical and a one-month lag for all other benefits.

The graphs in **Appendix A** show the historical rolling year claim costs developed in Exhibit III, along with the trend lines indicating conservative (or maximum), aggressive (or minimum), and recommended trend rates based on the underlying claims data. The trend lines show the projected results through the 12-month period ending June 2021, or the end of the plan year for which we develop claim funding rates.

**LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020**

SECTION III – BENEFIT CHANGES

As requested, we have calculated the estimated impact of the following benefit changes. **Exhibit V** summarizes the estimated cost impact on the recommended and minimum funding rates for the plan year beginning July 1, 2020.

Both Plans

1. Eliminate mandatory use of MOM for mammograms
2. Remove the limitation on semi-private rooms for hospital/facility stays
3. Cover newborns under their own deductibles and coinsurance rather than the mother's

EPO Plan

1. Increase deductible to \$800/\$1,600
2. Increase deductible to \$900/\$1,800
3. Increase deductible to \$1,000/\$2,000
4. Increase out of pocket maximum to \$4,500/\$9,000
5. Increase out of pocket maximum to \$5,000/\$10,000
6. Increase PCP Copay to \$30
7. Cover psychotherapy subject to copay
8. Increase Retail 30 day drug copay to \$12/\$37/\$67
9. Increase Retail 30 day drug copay to \$15/\$40/\$70
10. Increase Mail/Retail 90 day drug copay to \$24/\$74/\$134
11. Increase Mail/Retail 90 day drug copay to \$30/\$80/\$140
12. Increase specialty copay to 20% coinsurance with \$325 maximum copay
13. Increase specialty copay to 20% coinsurance with \$350 maximum copay
14. Increase ER Copay to \$225
15. Increase ER Copay to \$250
16. Increase Urgent Care Copay to \$60

**LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020**

EXHIBIT I – PROPOSED CLAIM FUNDING RATES

	Fiscal Year 20-21 Funding Rates		
	Current		
	Claim	Minimum	Recommended
	<u>Funding</u>	<u>Funding</u>	<u>Funding</u>
Medical/Prescription Drug Plan			
<i>Gold Plan</i>			
Employee Only	\$546.70	\$602.32	\$627.26
Employee/Spouse	\$983.14	\$1,083.16	\$1,128.02
Employee/Child	\$875.07	\$964.09	\$1,004.02
Employee/Child(ren)	\$1,160.99	\$1,279.10	\$1,332.08
Employee/Family	\$1,470.40	\$1,619.99	\$1,687.09
<i>HDHP Plan</i>			
Employee Only	\$521.22	\$574.25	\$598.03
Employee/Spouse	\$935.75	\$1,030.95	\$1,073.65
Employee/Child	\$833.08	\$917.83	\$955.85
Employee/Child(ren)	\$1,105.49	\$1,217.96	\$1,268.40
Employee/Family	\$1,398.69	\$1,540.98	\$1,604.81
Dental			
Employee Only	\$23.75	\$23.75	\$23.75
Employee/Spouse	\$52.75	\$52.75	\$52.75
Employee/Child	\$43.75	\$43.75	\$43.75
Employee/Child(ren)	\$69.75	\$69.75	\$69.75
Employee/Family	\$98.75	\$98.75	\$98.75

**LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020**

EXHIBIT II – DEVELOPMENT OF PROPOSED MEDICAL/RX CLAIM FUNDING RATES

Recommended Factors - Medical and Rx

	12 Months Ending Nov-18			12 Months Ending Nov-19		
	<u>Medical</u>	<u>Prescriptions</u>	<u>Total</u>	<u>Medical</u>	<u>Prescriptions</u>	<u>Total</u>
Employee Exposure Months (2 Month Lag Medical) (1 Month Lag Rx, 0 Month Lag Clinic)	6,039	5,979		5,857	5,854	
Total Paid Claims (Net of Stop Loss Recoveries)	\$2,871,740	\$984,064	\$3,855,804	\$3,610,273	\$946,845	\$4,557,119
Estimated Incurred Claims PEPM	\$475.53	\$164.59	\$640.12	\$616.40	\$161.74	\$778.15
Trend Projections						
Annual Factor	10.0%	8.0%		10.0%	8.0%	
Number of Months of Trend	33	32		21	20	
Trend Factor	1.2997	1.2278		1.1815	1.1369	
Benefit Changes	1.0074	1.0074		1.0074	1.0074	
Projected Incurred Claims PEPM	\$622.60	\$203.58	\$826.18	\$733.68	\$185.24	\$918.92
Weighing Factors			50.0%			50.0%
Weighted Projected Incurred Claims PEPM				\$678.14	\$194.41	\$872.55
Historical Funding						\$760.48
Needed Rate Change						14.7%

**LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020**

EXHIBIT II – DEVELOPMENT OF PROPOSED MEDICAL/RX CLAIM FUNDING RATES

Minimum Factors - Medical and Rx

	12 Months Ending Nov-18			12 Months Ending Nov-19		
	<u>Medical</u>	<u>Prescriptions</u>	<u>Total</u>	<u>Medical</u>	<u>Prescriptions</u>	<u>Total</u>
Employee Exposure Months (2 Month Lag Medical) (1 Month Lag Rx, 0 Month Lag Clinic)	6,039	5,979		5,857	5,854	
Total Paid Claims (Net of Stop Loss Recoveries)	\$2,871,740	\$984,064	\$3,855,804	\$3,610,273	\$946,845	\$4,557,119
Estimated Incurred Claims PEPM	\$475.53	\$164.59	\$640.12	\$616.40	\$161.74	\$778.15
Trend Projections						
Annual Factor	8.0%	6.0%		8.0%	6.0%	
Number of Months of Trend	33	32		21	20	
Trend Factor	1.2357	1.1681		1.1442	1.1020	
Benefit Changes	1.0074	1.0074		1.0074	1.0074	
Projected Incurred Claims PEPM	\$591.97	\$193.68	\$785.64	\$710.49	\$179.56	\$890.05
Weighing Factors			50.0%			50.0%
Weighted Projected Incurred Claims PEPM				\$651.23	\$186.62	\$837.85
Historical Funding						\$760.48
Needed Rate Change						10.2%

**LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020**

EXHIBIT III – DEVELOPMENT OF PROPOSED DENTAL CLAIM FUNDING RATES

	Recommended		Minimum	
	12 Months Ending <u>Nov-18</u>	12 Months Ending <u>Nov-19</u>	12 Months Ending <u>Nov-18</u>	12 Months Ending <u>Nov-19</u>
Employee Exposure Months (1 Month Lag)	6,014	6,051	6,014	6,051
Total Paid Claims	\$197,670	\$185,151	\$197,670	\$185,151
Estimated Incurred Claims PEPM	\$32.87	\$30.60	\$32.87	\$30.60
Adjustment to Current Benefits	1.0000	1.0000	1.0000	1.0000
Trend Projections				
Annual Factor	4.0%	4.0%	3.0%	4.0%
Number of Months of Trend	32	20	32	20
Trend Factor	1.1103	1.0676	1.0820	1.0676
Projected Incurred Claims PEPM	\$36.49	\$32.67	\$35.56	\$32.67
Weighing Factors	50.0%	50.0%	50.0%	50.0%
Weighted Projected Incurred Claims PEPM		\$34.58		\$34.11
Current Funding Factor		\$38.16		\$38.16
Needed Rate Change		-9.4%		-10.6%

**LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020**

EXHIBIT IV – ANALYSIS OF HISTORICAL CLAIMS EXPERIENCE

Medical and Prescription Drugs

Rolling 12 Months <u>Ending</u>	Average Number of <u>Employees</u>	Average Number of <u>Ees w Deps</u>	Total <u>Paid Claims</u>	Stop Loss <u>Recovery</u>	Net <u>Paid Claims</u>	Monthly Claim Cost <u>Per Employee</u>
Jul 2017	538	170	3,546,090	124,204	3,421,885	529.70
Aug 2017	540	171	3,434,969	124,204	3,310,765	511.16
Sep 2017	542	171	3,603,244	124,204	3,479,039	534.91
Oct 2017	543	172	3,664,286	124,204	3,540,081	543.54
Nov 2017	543	172	3,627,710	267,241	3,360,468	515.49
Dec 2017	540	172	3,644,454	394,713	3,249,741	501.66
Jan 2018	537	171	3,835,958	370,043	3,465,914	538.35
Feb 2018	532	170	3,837,518	427,887	3,409,632	533.84
Mar 2018	528	169	3,983,108	484,161	3,498,947	552.15
Apr 2018	524	168	4,242,716	601,184	3,641,532	579.31
May 2018	520	167	4,161,652	723,343	3,438,309	551.28
Jun 2018	518	166	4,330,467	729,247	3,601,220	579.91
Jul 2018	513	164	4,397,206	729,247	3,667,959	595.74
Aug 2018	509	163	4,518,693	729,247	3,789,446	620.51
Sep 2018	503	161	4,745,104	729,247	4,015,857	664.99
Oct 2018	498	160	4,859,076	729,247	4,129,829	690.72
Nov 2018	493	158	5,253,337	786,240	4,467,098	754.45
Dec 2018	492	157	5,199,376	658,768	4,540,609	768.55
Jan 2019	492	157	5,174,533	652,564	4,521,970	766.57
Feb 2019	491	156	5,263,169	743,953	4,519,216	767.01
Mar 2019	490	156	5,309,171	714,575	4,594,596	780.86
Apr 2019	490	156	5,284,876	1,288,517	3,996,360	679.65
May 2019	489	155	5,523,190	1,160,544	4,362,646	743.34
Jun 2019	488	155	5,652,293	1,153,840	4,498,453	767.65
Jul 2019	489	156	5,716,456	1,153,840	4,562,615	777.81
Aug 2019	489	157	6,063,894	1,153,840	4,910,054	836.61
Sep 2019	488	158	5,957,731	1,176,645	4,781,086	816.30

**LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020**

EXHIBIT IV – ANALYSIS OF HISTORICAL CLAIMS EXPERIENCE

Dental

Rolling 12 Months <u>Ending</u>	Average Number of <u>Employees</u>	Average Number of <u>Ees w Deps</u>	Total <u>Paid Claims</u>	Stop Loss <u>Recovery</u>	Net <u>Paid Claims</u>	Monthly Claim Cost <u>Per Employee</u>
Jul 2017	494	143	188,736	n/a	188,736	31.82
Aug 2017	496	144	190,199	n/a	190,199	31.93
Sep 2017	497	145	184,381	n/a	184,381	30.91
Oct 2017	498	146	184,565	n/a	184,565	30.91
Nov 2017	498	146	185,404	n/a	185,404	31.02
Dec 2017	499	147	194,901	n/a	194,901	32.55
Jan 2018	499	147	191,896	n/a	191,896	32.05
Feb 2018	499	147	196,932	n/a	196,932	32.89
Mar 2018	499	147	198,830	n/a	198,830	33.22
Apr 2018	499	147	193,635	n/a	193,635	32.37
May 2018	499	147	180,370	n/a	180,370	30.14
Jun 2018	501	147	192,594	n/a	192,594	32.01
Jul 2018	502	147	199,298	n/a	199,298	33.08
Aug 2018	502	147	194,463	n/a	194,463	32.27
Sep 2018	502	147	197,670	n/a	197,670	32.85
Oct 2018	501	146	200,564	n/a	200,564	33.35
Nov 2018	501	146	195,799	n/a	195,799	32.60
Dec 2018	500	145	196,204	n/a	196,204	32.68
Jan 2019	500	144	198,697	n/a	198,697	33.12
Feb 2019	500	144	191,320	n/a	191,320	31.89
Mar 2019	500	144	185,652	n/a	185,652	30.95
Apr 2019	500	143	186,327	n/a	186,327	31.04
May 2019	500	143	196,598	n/a	196,598	32.78
Jun 2019	500	143	184,491	n/a	184,491	30.76
Jul 2019	502	145	181,458	n/a	181,458	30.12
Aug 2019	504	147	187,584	n/a	187,584	31.01
Sep 2019	504	148	185,151	n/a	185,151	30.61
Oct 2019	504	149	185,151	n/a	185,151	30.60

**LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020**

EXHIBIT V – BENEFIT CHANGES

Recommended Increase

	Percent Impact	Funding Impact - Recommended Change				
		<u>EO</u>	<u>ES</u>	<u>EC</u>	<u>EC+</u>	<u>EF</u>
Medical/Prescription Drug Plan						
Gold Plan						
Eliminate mandatory use of MOM for mammograms	-0.37%	(\$2.31)	(\$4.15)	(\$3.69)	(\$4.90)	(\$6.21)
Remove the limitation on semi-private rooms for Hospital/Facility inpatient stays	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cover newborns under their own deductible and co-insurance instead of under mom	-0.50%	(\$3.14)	(\$5.64)	(\$5.02)	(\$6.66)	(\$8.44)
Increase deductible to \$800/\$1,600	-0.15%	(\$0.97)	(\$1.75)	(\$1.56)	(\$2.06)	(\$2.61)
Increase deductible to \$900/\$1,800	-0.31%	(\$1.94)	(\$3.50)	(\$3.11)	(\$4.13)	(\$5.23)
Increase deductible to \$1,000/\$2,000	-0.63%	(\$3.97)	(\$7.14)	(\$6.35)	(\$8.43)	(\$10.68)
Increase out of pocket maximum to \$4,500/\$9,000	-0.88%	(\$5.53)	(\$9.94)	(\$8.85)	(\$11.74)	(\$14.87)
Increase out of pocket maximum to \$5,000/\$10,000	-1.65%	(\$10.38)	(\$18.67)	(\$16.62)	(\$22.04)	(\$27.92)
Increase PCP Copay to \$30	-0.15%	(\$0.92)	(\$1.66)	(\$1.47)	(\$1.96)	(\$2.48)
Cover psychotherapy subject to copay	0.01%	\$0.04	\$0.07	\$0.06	\$0.08	\$0.11
Increase Retail 30 day drug copay to \$12/\$37/\$67	-0.88%	(\$5.49)	(\$9.87)	(\$8.79)	(\$11.66)	(\$14.76)
Increase Retail 30 day drug copay to \$15/\$40/\$70	-2.00%	(\$12.55)	(\$22.56)	(\$20.08)	(\$26.64)	(\$33.74)
Increase Mail/Retail 90 day drug copay to \$24/\$74/\$134	-0.16%	(\$1.01)	(\$1.82)	(\$1.62)	(\$2.15)	(\$2.72)
Increase Mail/Retail 90 day drug copay to \$30/\$80/\$140	-0.37%	(\$2.34)	(\$4.22)	(\$3.75)	(\$4.98)	(\$6.30)
Increase specialty copay to 20% coinsurance with \$325 maximum copay	-0.31%	(\$1.95)	(\$3.51)	(\$3.13)	(\$4.15)	(\$5.25)
Increase specialty copay to 20% coinsurance with \$350 maximum copay	-0.57%	(\$3.58)	(\$6.44)	(\$5.73)	(\$7.60)	(\$9.63)
Increase ER Copay to \$225	-0.08%	(\$0.53)	(\$0.96)	(\$0.85)	(\$1.13)	(\$1.43)
Increase ER Copay to \$250	-0.17%	(\$1.06)	(\$1.91)	(\$1.70)	(\$2.25)	(\$2.85)
Increase Urgent Care Copay to \$60	-0.01%	(\$0.04)	(\$0.07)	(\$0.06)	(\$0.08)	(\$0.11)
HDHP Plan						
Eliminate mandatory use of MOM for mammograms	-0.37%	(\$2.31)	(\$4.15)	(\$3.69)	(\$4.90)	(\$6.21)
Remove the limitation on semi-private rooms for Hospital/Facility inpatient stays	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cover newborns under their own deductible and co-insurance instead of under mom	-0.50%	(\$2.99)	(\$5.37)	(\$4.78)	(\$6.34)	(\$8.02)

**LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020**

EXHIBIT V – BENEFIT CHANGES

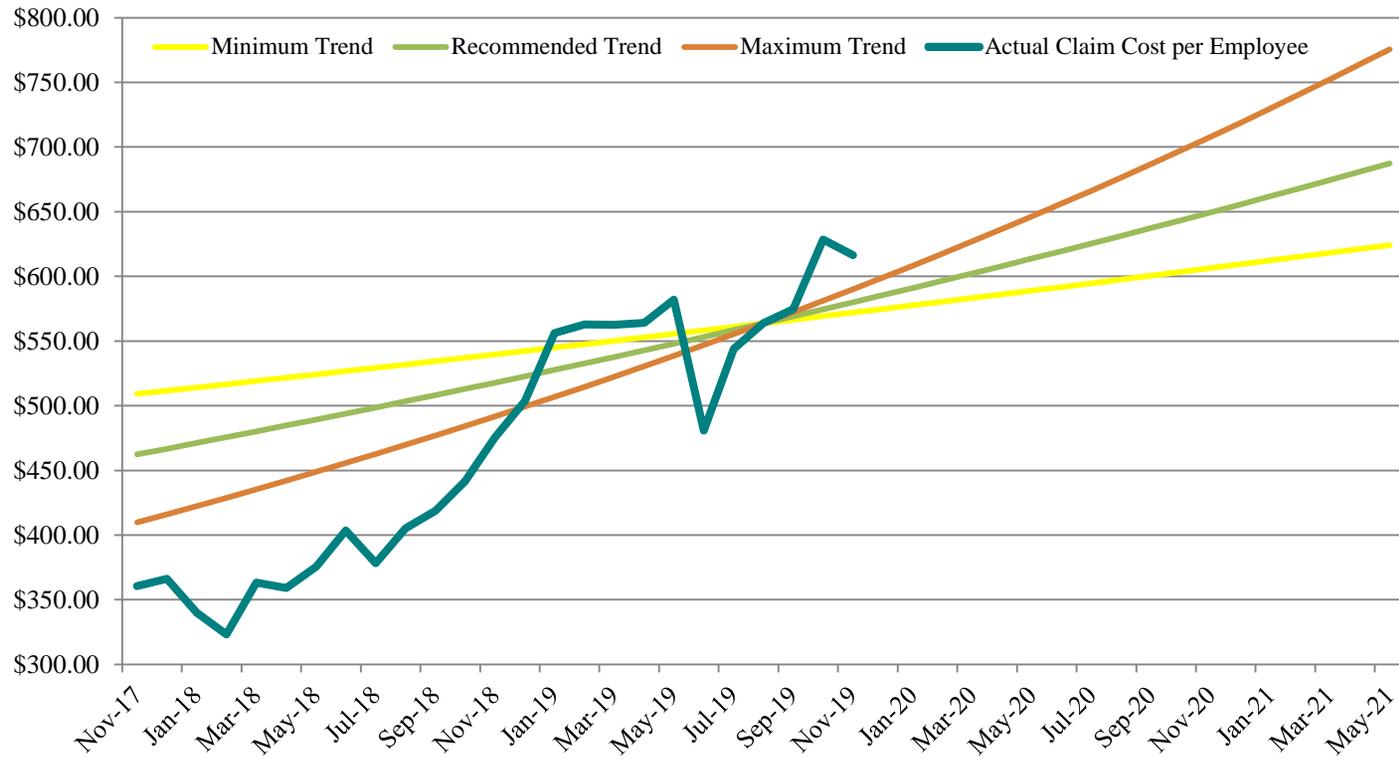
Minimum Increase

	Percent Impact	Funding Impact - Minimum Change				
		EO	ES	EC	EC+	EF
Medical/Prescription Drug Plan						
Gold Plan						
Eliminate mandatory use of MOM for mammograms	-0.37%	(\$2.22)	(\$3.99)	(\$3.55)	(\$4.71)	(\$5.96)
Remove the limitation on semi-private rooms for Hospital/Facility inpatient stays	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cover newborns under their own deductible and co-insurance instead of under mom	-0.50%	(\$3.01)	(\$5.42)	(\$4.82)	(\$6.40)	(\$8.10)
Increase deductible to \$800/\$1,600	-0.15%	(\$0.93)	(\$1.68)	(\$1.49)	(\$1.98)	(\$2.51)
Increase deductible to \$900/\$1,800	-0.31%	(\$1.87)	(\$3.36)	(\$2.99)	(\$3.96)	(\$5.02)
Increase deductible to \$1,000/\$2,000	-0.63%	(\$3.81)	(\$6.85)	(\$6.10)	(\$8.09)	(\$10.25)
Increase out of pocket maximum to \$4,500/\$9,000	-0.88%	(\$5.31)	(\$9.55)	(\$8.50)	(\$11.27)	(\$14.28)
Increase out of pocket maximum to \$5,000/\$10,000	-1.65%	(\$9.97)	(\$17.93)	(\$15.95)	(\$21.17)	(\$26.81)
Increase PCP Copay to \$30	-0.15%	(\$0.88)	(\$1.59)	(\$1.42)	(\$1.88)	(\$2.38)
Cover psychotherapy subject to copay	0.01%	\$0.04	\$0.07	\$0.06	\$0.08	\$0.10
Increase Retail 30 day drug copay to \$12/\$37/\$67	-0.88%	(\$5.27)	(\$9.48)	(\$8.44)	(\$11.19)	(\$14.18)
Increase Retail 30 day drug copay to \$15/\$40/\$70	-2.00%	(\$12.05)	(\$21.67)	(\$19.28)	(\$25.58)	(\$32.40)
Increase Mail/Retail 90 day drug copay to \$24/\$74/\$134	-0.16%	(\$0.97)	(\$1.75)	(\$1.56)	(\$2.07)	(\$2.62)
Increase Mail/Retail 90 day drug copay to \$30/\$80/\$140	-0.37%	(\$2.25)	(\$4.05)	(\$3.60)	(\$4.78)	(\$6.05)
Increase specialty copay to 20% coinsurance with \$325 maximum copay	-0.31%	(\$1.88)	(\$3.37)	(\$3.00)	(\$3.98)	(\$5.04)
Increase specialty copay to 20% coinsurance with \$350 maximum copay	-0.57%	(\$3.44)	(\$6.18)	(\$5.50)	(\$7.30)	(\$9.24)
Increase ER Copay to \$225	-0.08%	(\$0.51)	(\$0.92)	(\$0.82)	(\$1.09)	(\$1.38)
Increase ER Copay to \$250	-0.17%	(\$1.02)	(\$1.83)	(\$1.63)	(\$2.16)	(\$2.74)
Increase Urgent Care Copay to \$60	-0.01%	(\$0.04)	(\$0.07)	(\$0.06)	(\$0.08)	(\$0.10)
HDHP Plan						
Eliminate mandatory use of MOM for mammograms	-0.37%	(\$2.22)	(\$3.99)	(\$3.55)	(\$4.71)	(\$5.96)
Remove the limitation on semi-private rooms for Hospital/Facility inpatient stays	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cover newborns under their own deductible and co-insurance instead of under mom	-0.50%	(\$3.01)	(\$5.42)	(\$4.82)	(\$6.40)	(\$8.10)

LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020

APPENDIX A – TREND GRAPHS

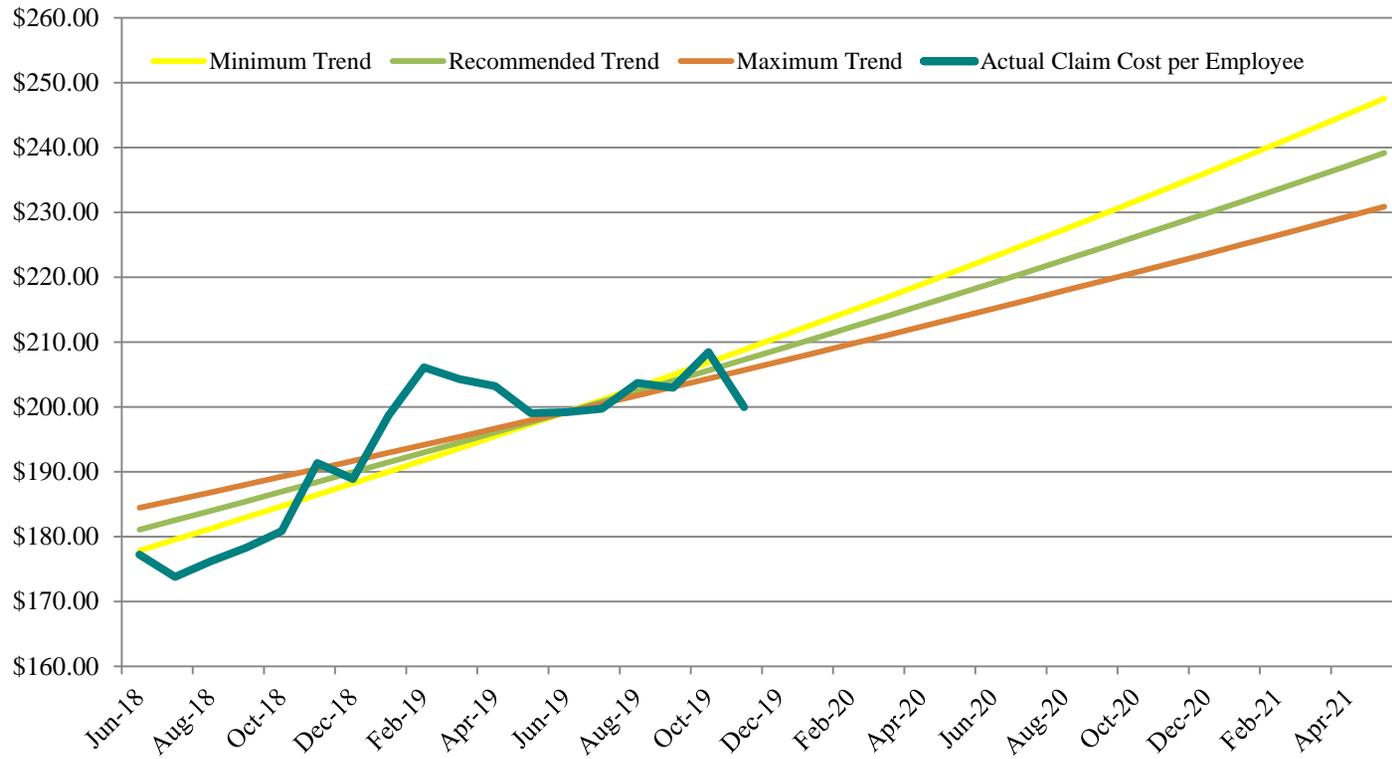
MEDICAL PLAN



LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020

APPENDIX A – TREND GRAPHS

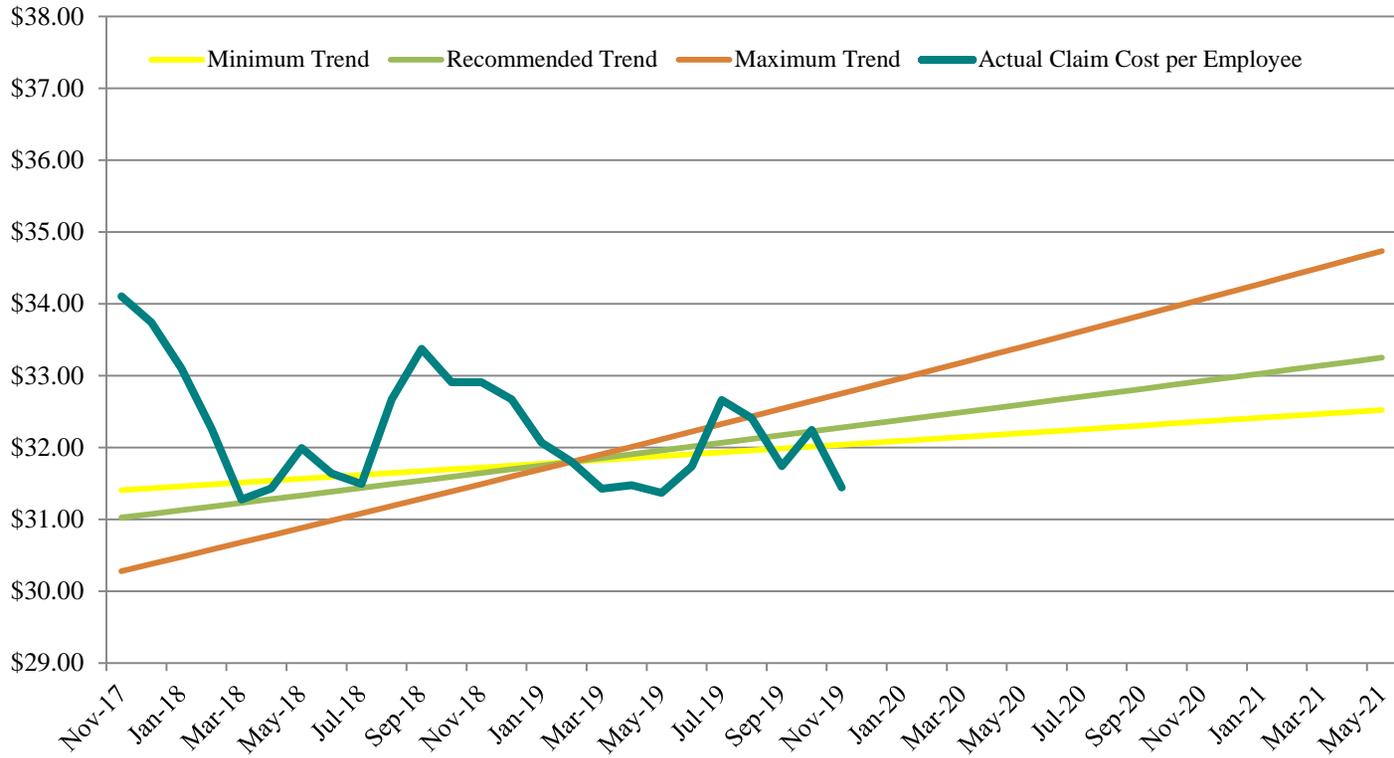
PRESCRIPTION DRUG PLAN



LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020

APPENDIX A – TREND GRAPHS

DENTAL PLAN





Classic Values, Innovative Advice

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Storm Kinion, Group Benefits Specialist

DATE: January 29, 2020

RE: Presentation re Northwest AZ Employee Benefit Trust (NAEBT)

Jaime Schulenberg from ECA will present information regarding NAEBT, a local, multi-employer pool that has offered membership to LHUSD#1.

If you have any questions between now and the date of the meeting, I can be reached at (928) 753-4700 ext. 305 or via email at stormk@ecollinsandassociates.com.



NORTHWEST
ARIZONA
EMPLOYEE BENEFIT
TRUST
(NAEBT)



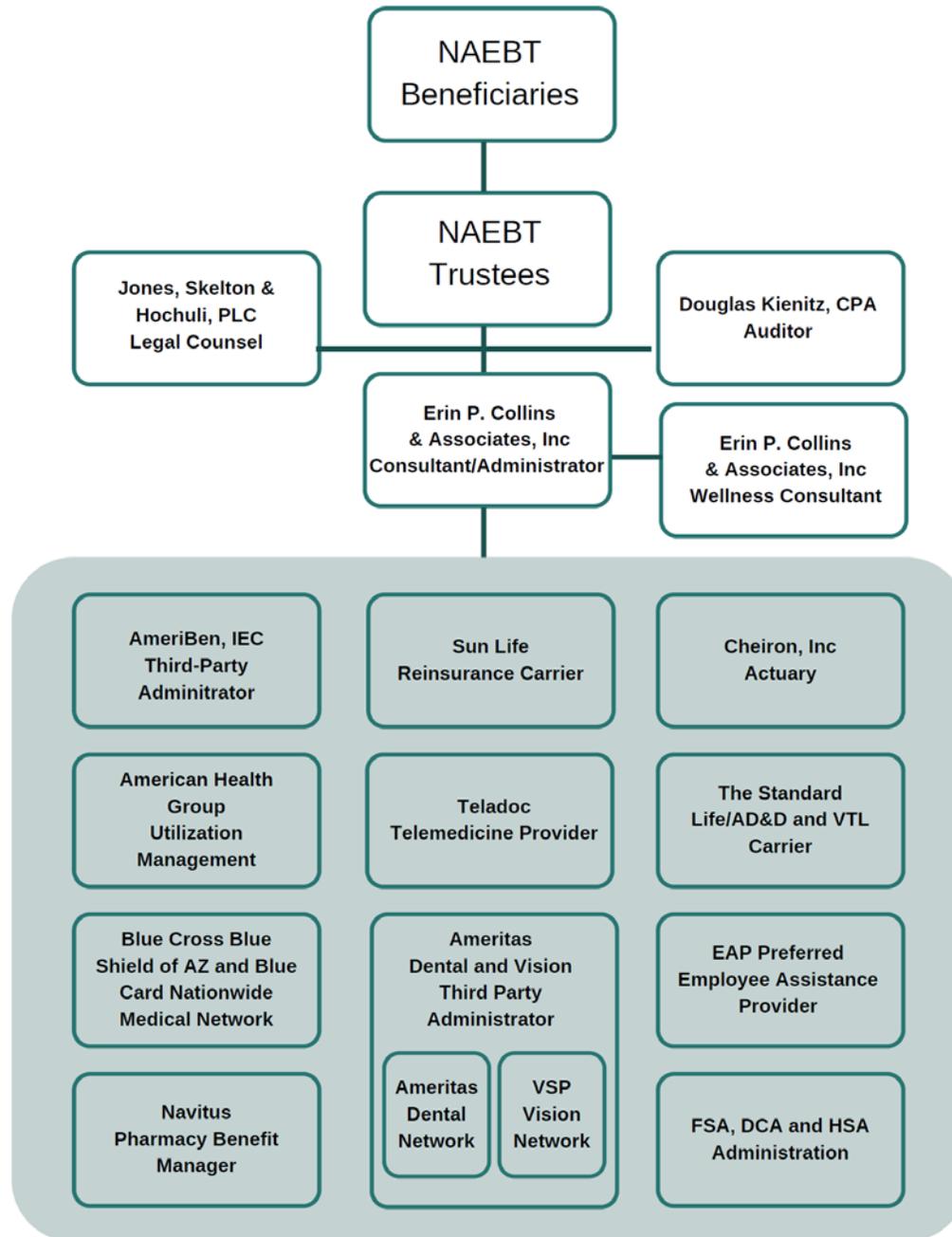
EMPLOYEE BENEFIT TRUST

About NAEBT

- Multi-employer trust formed and operating under ARS §11-952.01
- Formed 07/01/12 by Cities of Bullhead, Kingman and Lake Havasu
- Covers 1,068 Employees and 2,618 Members
- Provides Medical/Rx, Dental, Vision, Life/AD&D, Telemedicine, EAP and Wellness
 - 2 Medical/Rx Plans – BCBSAZ / Blue Card (Nationwide Access)
 - EPO
 - HDHP
 - **Mayo NOT Covered**
 - 1 Dental Plan – Ameritas
 - 1 Vision Plan – VSP (via Ameritas)
 - Life/AD&D – The Standard
 - Telemedicine – Teladoc
 - EAP – EAP Preferred
 - Wellness - ECA

About NAEBT (continued)

- Governance & Membership
 - Trust Board
 - One Trustee from Each Entity – CEO or Equivalent (Superintendent)
 - One Alternate Trustee – HR Manager or Equivalent (Business Director)
 - 3-Year Minimum Term
 - Penalties apply for early departure
 - No re-entry for 3 years following voluntary departure
 - No Buy-In
 - Surplus/Deficit Allocation from Date of Membership
 - Meetings subject to AZ Open Meeting Law
 - Contracts for products and services awarded through competitive process
 - All contracts held in name of Trust



Organizational Structure

Proposed Medical/Rx Rates

Active EE	EO	ES	EC1	EC+	EF
Current Gold	\$719.42	\$1,245.54	\$1,116.77	\$1,402.69	\$1,823.20
NAEBT EPO*	\$716.21	\$1,375.09	\$1,115.77	\$1,336.68	\$1,873.74
2020-21 Gold	\$830.63	\$1,443.49	\$1,293.62	\$1,621.68	\$2,115.56
Current HDHP	\$692.69	\$1,196.90	\$1,073.53	\$1,345.94	\$1,750.24
NAEBT HDHP*	\$660.96	\$1,263.56	\$1,030.16	\$1,228.98	\$1,712.25
2020-21 HDHP	\$800.15	\$1,387.87	\$1,244.20	\$1,556.75	\$2,032.33

*Subject to renewal adjustments for 2020-21 (Est. at 2.5% Max)

Proposed Medical/Rx Rates (continued)

Retiree	RO	RS	RC1	RC+	RF
Current Gold	\$719.42	\$1,245.54	\$1,116.77	\$1,402.69	\$1,823.20
NAEBT EPO*	\$1,073.18	\$2,097.92	\$1,670.03	\$2,034.53	\$2,920.53
2020-21 Gold	\$830.63	\$1,443.49	\$1,293.62	\$1,621.68	\$2,115.56
Current HDHP	\$692.69	\$1,196.90	\$1,073.53	\$1,345.94	\$1,750.24
NAEBT HDHP*	\$982.02	\$1,913.89	\$1,528.78	\$1,856.83	\$2,654.23
2020-21 HDHP	\$800.15	\$1,387.87	\$1,244.20	\$1,556.75	\$2,032.33

*Subject to renewal adjustments for 2020-21 (Est. at 2.5% Max)

NAEBT 2019-20 Dental & Vision Rates

	Dental	Vision
Employee/Retiree Only	\$36.61	\$11.10
Employee/Retiree + Spouse	\$74.40	\$19.25
Employee/Retiree+Child(ren)	\$70.62	\$20.28
Employee/Retiree+Family	\$111.97	\$24.66



BENEFIT COMPARISON (SEE ATTACHMENT)

Offer of Membership

- Extended 01/28/20
- Requirements
 - Separate rate structure based on actuary's recommendation
 - Review of separate rate structure once every 3-years during renewal period until such time as rate aligns with the NAEBT rates
 - LHUSD retirees covered on separate, self-sustaining rate structure
 - Employer must contribute:
 - 80% of EO Coverage
 - 25% of DEP Coverage
 - All benefits must be taken:
 - Medical/Rx
 - Dental
 - Vision
 - Life
 - EAP
 - Wellness

Advantages

- Provides greater rate stability and increases negotiating power due to larger population
 - Greater spread of risk
 - Greater claims predictability
- Designed to meet local market needs
- Emphasis on Wellness
- No financial buy-in
- Opportunity to share in surpluses

Disadvantages

- Need for consensus
- Exposure to deficits

Next Steps

- Trustees can recommend joining (or not) to Governing Board
- Governing Board must approve via Resolution (timing is critical!)
- If membership offer is accepted, LHSEBT will continue through wind-down
 - Pay remaining claims, etc.
 - 12-18 months
 - Remaining funds in Trust revert back to District

NAEBT - LHSEBT Medical/Rx Plan Comparison
2019-20 Benefit Plan

Medical Benefit	NAEBT EPO	LHSEBT EPO	NAEBT HDHP		LHSEBT HDHP
	In-Network	In-Network	In-Network	Out-of-Network	In-Network
Maximum Lifetime Benefit Per Individual	Unlimited	Unlimited	Unlimited		Unlimited
Calendar Year Deductible			Non-Embedded Deductible		Embedded Deductible
<ul style="list-style-type: none"> Individual Family 	\$600 \$1,800	\$750 \$1,500	\$1,350 \$2,700	\$1,350 \$2,700	\$4,000 \$8,000
Annual Out-of-Pocket Maximum					
<ul style="list-style-type: none"> Individual Family Individual Rx (Separate OOP Max) Family Rx (Separate OOP Max) 	\$7,900 \$15,800	\$4,000 \$8,000 \$3,900 \$7,800	\$3,000 \$6,000	Unlimited Unlimited	\$4,000 \$8,000 N/A
Physician Services (In-Office)					
<ul style="list-style-type: none"> Office Visits Specialist 	\$30 Copay \$50 Copay	\$25 Copay \$50 Copay	20% after Deductible	50% after Deductible	\$0 after Deductible
Preventive Care					
<ul style="list-style-type: none"> Preventive Care Required by Healthcare Reform Preventive Care Not Covered by Healthcare Reform 	100%, No Deductible \$0 Co-Pay up to \$750 Plan Year Max Per Person	100%; No Deductible N/A	\$0 Copay \$0 Copay up to \$750 Plan Year Max Per Person	Not Covered	\$0 Copay N/A
Lab/X-ray					
<ul style="list-style-type: none"> Inpatient Physicians Office Free Standing Facility - Not Hospital Owned - Laboratory Free Standing Facility - Not Hospital Owned - Radiology Hospital 	20% after Deductible Office Visit Copay \$0 Copay 20% after Deductible	20% after Deductible \$50 Copay 20% after Deductible	20% after Deductible	50% after Deductible	\$0 after Deductible
Prescription Drugs					
<ul style="list-style-type: none"> Retail (30 day supply): <ul style="list-style-type: none"> Generic Tier 1 Preferred Brand Tier 2 Non-Preferred Brand Tier 3 Specialty Retail or Mail (90 day supply): <ul style="list-style-type: none"> Generic Preferred Brand Non-Preferred Brand 	\$10 Copay \$30 Copay 75% of Cost 20% up to \$150 \$20 Copay \$60 Copay 75% of Cost	\$10 Copay \$35 Copay \$65 Copay 20% up to \$300 \$20 Copay \$70 Copay \$130 Copay	20% after Deductible 75% after Deductible 20% after Deductible 20% after Deductible 75% of Cost	\$0 after Deductible	
Emergency Services					
<ul style="list-style-type: none"> Urgent Care Emergency Room Non-Emergency Medical Condition 	\$50 Copay \$150 Copay then 20% after Deductible (Copay waived if admitted) Not Covered	\$55 Copay \$200 Copay then 20% after Deductible (Copay waived if admitted) Not Covered	20% after Deductible 20% after Deductible Not Covered	50% after Deductible Not Covered	\$0 after Deductible Not Covered
Hospital Services					
<ul style="list-style-type: none"> Inpatient Services 	20% after Deductible	20% after Deductible	20% after Deductible	50% after Deductible	\$0 after Deductible
Outpatient Services					
<ul style="list-style-type: none"> CT Scan/MRI Surgery 	20% after Deductible	20% after Deductible	20% after Deductible	50% after Deductible	\$0 after Deductible
Mental Health & Substance Abuse					
<ul style="list-style-type: none"> Inpatient Services Outpatient Counseling** Outpatient Counseling - Specialist** 	20% after Deductible \$30 Copay \$50 Copay	20% after Deductible \$25 Copay	20% after Deductible	50% after Deductible	\$0 after Deductible
Chiropractic Care					
<ul style="list-style-type: none"> Chiropractic Care 	\$30 Copay 40 Visits per Benefit Year	\$50 Copay 30 Visits per Benefit Year; \$100 Max	20% after Deductible	50% after Deductible	\$0 after Deductible 30 Visits per Benefit Year; \$100 Max
Teladoc					
<ul style="list-style-type: none"> General Medicine Dermatologist Behavioral Health** Behavioral Health - Psychiatrist** 	First 4 visits \$0 then \$10 Copay \$50 Copay \$30 Copay \$50 Copay	\$0 Copay N/A	\$45 until Deductible Met, then \$0 \$75 per Consult until Deductible Met, then \$0 \$85 per Consult until Deductible Met, then \$0 \$200 Initial Eval then \$95 per Consult until Deductible Met, then \$0	\$0 after Deductible N/A	

** Limited to 30 visits per year including Outpatient and Teladoc

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Jaime Schulenberg, Senior Account Manager

DATE: January 29, 2020

RE: 2020-21 Budget Building

During this part of the discussion, we will review all the components that go into the annual benefit budget and discuss proposed benefits and rates for the 2020-21 plan year.

I have included a copy of the DRAFT 2020-21 LHSEBT budget which includes the actuary's recommended claim funding factors plus projected insurance and administrative fees as outlined below. The budget reflects an average Medical/Rx premium increase of 15.5% for the Gold and HDHP plans, an average increase of 8% on the Vision and a rate pass on Dental.

Recommended Claim Funding Rates

The Medical/Rx claim funding projections included in the draft budget are based on the Actuary's recommended funding factors as shown in Exhibit I on page 4 of the renewal report. Cheiron provided funding options which range from a recommended increase of 14.7% over current (which is what is reflected in the DRAFT) to a minimum increase of 10.2% for the Trust's consideration.

For Dental, the premiums also utilize the actuary's recommended funding factors which reflect a rate pass.

Insurance/Reinsurance

The Trust's insurance/reinsurance fees included in the draft budget, together with our assumptions, include:

1. Specific and Aggregate Stop Loss – We are estimating a 25% increase to the reinsurance rates based on the number of large claims in 2019-20. Final numbers will not be known until sometime between late May to mid-June, depending on how the large cases develop.

2. Vision – The Trust is currently fully insured through United Health Care. A 3-year rate guarantee expires 06/30/20 and UHC has proposed an 8% increase to the premiums for 2020-21 with a 3-year rate guarantee.
3. Life Insurance –Life/Accidental Death & Dismemberment (AD&D) is fully insured through Guardian. Guardian has offered a rate pass for the Basic Life/AD&D and Voluntary Life. To calculate the budget lines for these items, we estimated the total expenditure for 2019-20. It should be noted that these figures are not included in the calculation of the premiums as they are either paid by the District or the employee.
4. Short-Term Disability (STD) – STD is a voluntary benefit provided through Guardian that employees can purchase to protect their paycheck during qualified disabilities. Guardian has offered a rate pass for 2020-21. As with Life, we estimated this line item by projecting the total cost for 2019-20. Please note that these premiums are paid in full by employees.

Claim Administration and General Operating Fees

1. Third-Party Administrator (TPA) – LHSEBT took TPA services out to bid for a 07/01/20 effective date. Based on proposal responses and interviews, the Board will be making a contract award during the February 06 Trust meeting; it is anticipated that the contract will be awarded to AmeriBen. As such, the proposed fees are included in the budget as follows:

	2019-20
Medical Admin	\$20.00
COBRA Admin	\$1.00
FSA Admin	\$6.00
HSA Admin	\$2.50

2. National Cooperative/CVS (PBM) – The PBM fee is based on the actual charges incurred by the Trust through December 2019.
3. Ameritas (Dental Admin) – Ameritas has offered a rate pass for 2020-21; as a result, their fee will remain at \$3.25/PEPM.
4. BlueCross BlueShield of Arizona (BCBSAZ) (Network) – BCBSAZ has requested an increase to the network lease fee as follows:

	2019-20	2020-21	Increase
Network Lease	\$15.75	\$16.50	\$.75/PEPM - \$4,500 Annual

Last year, BCBSAZ offered a 3-year renewal that increases each year from \$15.75 to \$16.50 to \$17.50, or 15% over the 3-year period. We asked that they reconsider their rate for 2020-21, however, they declined.

5. American Health Group (AHG) (Utilization Review) – AHG has offered a rate pass through 06/30/22 and as such, the rate will remain at \$2.00/PEPM.
6. Erin P. Collins & Associates (ECA) (Broker/Consultant) – Per contract, ECA’s fee will remain unchanged through 06/30/20 at \$78,000/year.

7. Wellness – Although the Trust did not elect a Wellness Consultant in 2019-20, we have left the previously budgeted lines for consulting and programs in the 2020-21 budget. As a reminder, those expenses are contemplated as follows:

Wellness Consulting/Administration – This is a fee that the Trust would pay to a firm to consult on and/or administer a wellness program on behalf of the Plan. It would include scheduling on-site preventive screenings such as a Health Risk Assessment, Flu/Pneumonia shots, Mammograms, etc., as well as any specialized programming that might be of interest such as nutrition or weight loss programs. We based the fee in this line on ECA’s Wellness practice structure, however, that was simply to put a placeholder in the budget that is reflective of what services might be sought for this program.

Wellness Programs – We included \$50,000 which would be used to pay for site fees associated with on-site screenings, any programming not paid as a claim (i.e., nutrition or weight loss programs), incentives, etc.

8. Cheiron (Actuary) – Cheiron’s contract provides actuarial services on a “Not to Exceed” basis through June 30, 2020 in the amount of \$13,000.
9. GDK CPA (Accountant) – The Trust is currently utilizing the services of GDK to provide monthly financial reporting and Mr. Bonney has offered to keep his fee at \$325/mo.
10. Heinfeld Meech (Auditor) – We have removed the cost for this expense as no charges have been billed against this line.
11. Jones Skelton & Hochuli (Legal) – This line item is based on actual legal services provided through December 2019.
12. Telemedicine (Teladoc) – Teladoc is requesting an increase in fees as follows:

	2019-20	2020-21	Increase
Gold	\$4.25	\$4.50	\$.25PEPM - \$1,500 Annual
HDHP	\$3.00	\$3.25	\$.25/PEPM - \$1,500 Annual

Please note that Teladoc offers additional services, Behavioral Health and Dermatology, that can be added to the telemedicine plan at no additional PEPM cost. Members would have to pay consult fees as follows:

Psychiatrist Initial Consult	\$200
Psychiatrist Follow-Up	\$95
Psychologist/Therapist/Counselor	\$85
Dermatology	\$75

While these costs are higher than those under the medical plans, they do offer additional options and support for members who wish to utilize them.

13. General Admin Expenses – This line item is intended to capture the miscellaneous expenses associated with operation of the Trust which don't fall into these other specific categories. This includes such things as Trustee E&O Insurance, Training/Travel, Meeting Expenses, etc. We have increased this line by approximately \$41,000 to accommodate a TPA transition.

Benefit Change Options

Based on ECA's review of the Trust's current benefits, we requested that the actuary price several benefit changes for your consideration. A list of those options is attached for your reference.

We will be prepared to model various options the Trust may wish to consider in terms of both funding and benefit changes.

I look forward to discussing the budget and rate options with you during our renewal meeting. In the meantime, if you have any questions I can be reached at your convenience at (928) 753-4700 ext. 302 or via email at jaimes@ecollinsandassociates.com.

Lake Havasu Schools Employee Benefit Trust

20-21 Benefit Budget - DRAFT w/ Recommended Funding, No Benefit Changes & AmeriBen as TP/

(Actives + Retirees Separate Rates)

	Census Assumptions					
	EO	ES	EC1	EC+	EF	Total
Medical/Rx - Gold (Active)	296	42	21	35	60	454
Medical/Rx - Gold (Retiree)	23	7	0	0	0	30
Medical/Rx -HDHP (Active & Retiree)	8	3	2	0	1	14
Medical - Total	327	52	23	35	61	498
Dental	348	53	53	0	60	514
Vision	338	54	51	0	52	495
FSA	22	0	0	0	0	22
HSA	8	0	0	0	0	8

20-21 Proposed Premium Rates					
	EO	ES	EC1	EC+	EF
Medical/Rx - Gold (Active)	\$830.63	\$1,443.49	\$1,293.62	\$1,621.68	\$2,115.56
Medical/Rx - HDHP	\$800.15	\$1,387.87	\$1,244.20	\$1,556.75	\$2,032.03
Dental	\$27.00	\$56.00	\$47.00	\$73.00	\$102.00
Vision (United Health Care)	\$5.59	\$11.18	\$10.16	\$10.16	\$18.30

Dollar Difference 19-20 vs Proposed					
	EO	ES	EC1	EC+	EF
Medical/Rx - Gold (Active)	\$111.21	\$197.95	\$176.85	\$218.99	\$292.36
Medical/Rx - HDHP	\$107.46	\$190.97	\$170.67	\$210.81	\$281.79
Dental					
Vision (United Health Care)	\$0.41	\$0.83	\$0.75	\$0.75	\$1.36

Percentage Difference 19-20 vs Proposed					
	EO	ES	EC1	EC+	EF
Medical/Rx - Gold (Active)	15.0%	16.0%	16.0%	16.0%	16.0%
Medical/Rx - HDHP	15.5%	16.0%	15.9%	15.7%	16.1%
Dental					
Vision (United Health Care)	7.9%	8.0%	8.0%	8.0%	8.0%

	EO	ES	EC1	EC+	EF	Annual Budget	% of Total	
CLAIM FUNDS						\$5,461,533	77.13%	\$671,701
Medical/Rx - Gold	\$627.26	\$1,128.02	\$1,004.02	\$1,332.08	\$1,687.09	\$5,091,618		\$653,943
Medical/Rx - HDHP	\$598.03	\$1,073.65	\$955.85	\$1,268.40	\$1,604.81	\$138,260		\$17,758
Dental	\$23.75	\$52.75	\$43.75	\$69.75	\$98.75	\$231,654		\$0
PREMIUMS						\$1,083,443	15.30%	\$206,742
Specific Stop Loss (American Fidelity)	\$113.00	\$225.10	\$199.23	\$199.23	\$338.10	\$970,028		\$194,008
Aggregate Stop Loss (American Fidelity)	\$4.38	\$4.38	\$4.38	\$4.38	\$4.38	\$26,175		\$5,259
Vision (United Health Care)	\$5.59	\$11.18	\$10.16	\$10.16	\$18.30	\$47,555		\$3,508
Life and AD&D (Guardian)						\$39,686		\$3,967
VTL (Guardian)						\$94,735		\$35,474
STD (Guardian)						\$39,809		\$9,285
CLAIM ADMINISTRATION						\$266,109	3.76%	\$6,407
Medical Admin (Gilsbar)	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$119,520		\$12,550
Cobra Admin (Gilsbar)	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$5,976		(\$3,586)
Rx Admin (CVS Caremark/National Cooperative)	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35	\$2,092		\$60
Dental Admin (Ameritas)	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25	\$20,046		\$0
FSA Admin (Gilsbar)	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$1,584		\$396
HSA Admin (Gilsbar)	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$240		(\$144)
Rx Integration Fee (Gilsbar)						\$0		(\$5,080)
Medical Network (BCBSAZ)	\$16.50	\$16.50	\$16.50	\$16.50	\$16.50	\$98,604		\$4,482
Case Management (AHG)	\$1.02	\$1.02	\$1.02	\$1.02	\$1.02	\$6,096		(\$2,271)
Utilization Review (AHG)	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$11,952		\$0
GENERAL OPERATING						\$269,427	3.81%	\$36,693
Benefit Administrator (ECA)	\$13.05	\$13.05	\$13.05	\$13.05	\$13.05	\$77,987		\$1,614
Wellness Administrator	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50	\$32,868		\$0
Wellness Programs	\$8.37	\$8.37	\$8.37	\$8.37	\$8.37	\$50,019		(\$896)
Actuary (Cheiron)	\$2.18	\$2.18	\$2.18	\$2.18	\$2.18	\$13,028		(\$239)
Accountant (GDK CPA LLC)	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$3,884		(\$60)
Auditor (Heinfeld Meech)						\$0		(\$6,036)
Legal (J,S&H)	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$2,988		(\$9,263)
PCORI						\$0		(\$1,733)
Telemedicine-Gold (Teladoc)	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$26,136		(\$1,733)
Telemedicine-HDHP (Teladoc)	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25	\$546		\$1,452
General Administration	\$10.37	\$10.37	\$10.37	\$10.37	\$10.37	\$61,971		\$51,812
GRAND TOTAL BUDGET						\$7,080,512	100.00%	\$921,544

**LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020**

EXHIBIT V – BENEFIT CHANGES

Recommended Increase

	Percent Impact	Funding Impact - Recommended Change				
		<u>EO</u>	<u>ES</u>	<u>EC</u>	<u>EC+</u>	<u>EF</u>
Medical/Prescription Drug Plan						
Gold Plan						
Eliminate mandatory use of MOM for mammograms	-0.37%	(\$2.31)	(\$4.15)	(\$3.69)	(\$4.90)	(\$6.21)
Remove the limitation on semi-private rooms for Hospital/Facility inpatient stays	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cover newborns under their own deductible and co-insurance instead of under mom	-0.50%	(\$3.14)	(\$5.64)	(\$5.02)	(\$6.66)	(\$8.44)
Increase deductible to \$800/\$1,600	-0.15%	(\$0.97)	(\$1.75)	(\$1.56)	(\$2.06)	(\$2.61)
Increase deductible to \$900/\$1,800	-0.31%	(\$1.94)	(\$3.50)	(\$3.11)	(\$4.13)	(\$5.23)
Increase deductible to \$1,000/\$2,000	-0.63%	(\$3.97)	(\$7.14)	(\$6.35)	(\$8.43)	(\$10.68)
Increase out of pocket maximum to \$4,500/\$9,000	-0.88%	(\$5.53)	(\$9.94)	(\$8.85)	(\$11.74)	(\$14.87)
Increase out of pocket maximum to \$5,000/\$10,000	-1.65%	(\$10.38)	(\$18.67)	(\$16.62)	(\$22.04)	(\$27.92)
Increase PCP Copay to \$30	-0.15%	(\$0.92)	(\$1.66)	(\$1.47)	(\$1.96)	(\$2.48)
Cover psychotherapy subject to copay	0.01%	\$0.04	\$0.07	\$0.06	\$0.08	\$0.11
Increase Retail 30 day drug copay to \$12/\$37/\$67	-0.88%	(\$5.49)	(\$9.87)	(\$8.79)	(\$11.66)	(\$14.76)
Increase Retail 30 day drug copay to \$15/\$40/\$70	-2.00%	(\$12.55)	(\$22.56)	(\$20.08)	(\$26.64)	(\$33.74)
Increase Mail/Retail 90 day drug copay to \$24/\$74/\$134	-0.16%	(\$1.01)	(\$1.82)	(\$1.62)	(\$2.15)	(\$2.72)
Increase Mail/Retail 90 day drug copay to \$30/\$80/\$140	-0.37%	(\$2.34)	(\$4.22)	(\$3.75)	(\$4.98)	(\$6.30)
Increase specialty copay to 20% coinsurance with \$325 maximum copay	-0.31%	(\$1.95)	(\$3.51)	(\$3.13)	(\$4.15)	(\$5.25)
Increase specialty copay to 20% coinsurance with \$350 maximum copay	-0.57%	(\$3.58)	(\$6.44)	(\$5.73)	(\$7.60)	(\$9.63)
Increase ER Copay to \$225	-0.08%	(\$0.53)	(\$0.96)	(\$0.85)	(\$1.13)	(\$1.43)
Increase ER Copay to \$250	-0.17%	(\$1.06)	(\$1.91)	(\$1.70)	(\$2.25)	(\$2.85)
Increase Urgent Care Copay to \$60	-0.01%	(\$0.04)	(\$0.07)	(\$0.06)	(\$0.08)	(\$0.11)
HDHP Plan						
Eliminate mandatory use of MOM for mammograms	-0.37%	(\$2.31)	(\$4.15)	(\$3.69)	(\$4.90)	(\$6.21)
Remove the limitation on semi-private rooms for Hospital/Facility inpatient stays	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cover newborns under their own deductible and co-insurance instead of under mom	-0.50%	(\$2.99)	(\$5.37)	(\$4.78)	(\$6.34)	(\$8.02)

**LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
ACTUARIAL RATE DEVELOPMENT FOR THE PLAN YEAR BEGINNING JULY 1, 2020**

EXHIBIT V – BENEFIT CHANGES

Minimum Increase

	Percent Impact	Funding Impact - Minimum Change				
		EO	ES	EC	EC+	EF
Medical/Prescription Drug Plan						
Gold Plan						
Eliminate mandatory use of MOM for mammograms	-0.37%	(\$2.22)	(\$3.99)	(\$3.55)	(\$4.71)	(\$5.96)
Remove the limitation on semi-private rooms for Hospital/Facility inpatient stays	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cover newborns under their own deductible and co-insurance instead of under mom	-0.50%	(\$3.01)	(\$5.42)	(\$4.82)	(\$6.40)	(\$8.10)
Increase deductible to \$800/\$1,600	-0.15%	(\$0.93)	(\$1.68)	(\$1.49)	(\$1.98)	(\$2.51)
Increase deductible to \$900/\$1,800	-0.31%	(\$1.87)	(\$3.36)	(\$2.99)	(\$3.96)	(\$5.02)
Increase deductible to \$1,000/\$2,000	-0.63%	(\$3.81)	(\$6.85)	(\$6.10)	(\$8.09)	(\$10.25)
Increase out of pocket maximum to \$4,500/\$9,000	-0.88%	(\$5.31)	(\$9.55)	(\$8.50)	(\$11.27)	(\$14.28)
Increase out of pocket maximum to \$5,000/\$10,000	-1.65%	(\$9.97)	(\$17.93)	(\$15.95)	(\$21.17)	(\$26.81)
Increase PCP Copay to \$30	-0.15%	(\$0.88)	(\$1.59)	(\$1.42)	(\$1.88)	(\$2.38)
Cover psychotherapy subject to copay	0.01%	\$0.04	\$0.07	\$0.06	\$0.08	\$0.10
Increase Retail 30 day drug copay to \$12/\$37/\$67	-0.88%	(\$5.27)	(\$9.48)	(\$8.44)	(\$11.19)	(\$14.18)
Increase Retail 30 day drug copay to \$15/\$40/\$70	-2.00%	(\$12.05)	(\$21.67)	(\$19.28)	(\$25.58)	(\$32.40)
Increase Mail/Retail 90 day drug copay to \$24/\$74/\$134	-0.16%	(\$0.97)	(\$1.75)	(\$1.56)	(\$2.07)	(\$2.62)
Increase Mail/Retail 90 day drug copay to \$30/\$80/\$140	-0.37%	(\$2.25)	(\$4.05)	(\$3.60)	(\$4.78)	(\$6.05)
Increase specialty copay to 20% coinsurance with \$325 maximum copay	-0.31%	(\$1.88)	(\$3.37)	(\$3.00)	(\$3.98)	(\$5.04)
Increase specialty copay to 20% coinsurance with \$350 maximum copay	-0.57%	(\$3.44)	(\$6.18)	(\$5.50)	(\$7.30)	(\$9.24)
Increase ER Copay to \$225	-0.08%	(\$0.51)	(\$0.92)	(\$0.82)	(\$1.09)	(\$1.38)
Increase ER Copay to \$250	-0.17%	(\$1.02)	(\$1.83)	(\$1.63)	(\$2.16)	(\$2.74)
Increase Urgent Care Copay to \$60	-0.01%	(\$0.04)	(\$0.07)	(\$0.06)	(\$0.08)	(\$0.10)
HDHP Plan						
Eliminate mandatory use of MOM for mammograms	-0.37%	(\$2.22)	(\$3.99)	(\$3.55)	(\$4.71)	(\$5.96)
Remove the limitation on semi-private rooms for Hospital/Facility inpatient stays	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cover newborns under their own deductible and co-insurance instead of under mom	-0.50%	(\$3.01)	(\$5.42)	(\$4.82)	(\$6.40)	(\$8.10)

LHSEBT Benefit Changes/Comparison

	2015/16	2016-17	2017-18	2018-19	Jan-Jun 2019	2019-20
Deductible	\$1,175/\$3,525	\$2,000/\$4,000	\$2,000/\$4,000	\$2,500/\$5,000	\$2,500/\$5,000	\$750/\$1,500
Max Out-of-Pocket	\$4,000/\$8,500	\$6,000/\$12,000	\$6,000/\$12,000	\$6,500/\$13,000	\$6,500/\$13,000	\$4,000/\$8,000
Rx Max Out-of-Pocket	N/A	N/A	N/A	N/A	N/A	\$3,900/\$7,800
Coinsurance	80%/20%	80%/20%	80%/20%	80%/20%	80%/20%	80%/20%
Office Visit Copay	\$55	\$55	\$55	\$55	\$25/\$50	\$25/\$50
Urgent Care	\$55	\$55	\$55	\$55	\$55	\$55
ER	\$200 + 20%	\$200 + 20%	\$200 + 20%	\$200 + 20%	\$200 + 20%	\$200 + 20%
Rx Copays						
Retail 30	\$5/\$35/\$65	\$5/\$35/\$65	\$5/\$35/\$65	\$10/\$35/\$65	\$10/\$35/\$65	\$10/\$35/\$65
Retail 90	\$15/\$105/\$195	\$15/\$105/\$195	\$15/\$105/\$195	\$25/\$105/\$195	\$25/\$70/\$130	\$20/\$70/\$130
Specialty	\$195	\$195	\$195	20% Max of \$300	20% Max of \$300	20% Max of \$300