An Employee Benefits Renewal

presented to

Berkeley Township

BERKELEY TOWNSHIP 1875 NEW JERSEY

January 2025

Renewal Summary

CONNER STRONG & BUCKELEW

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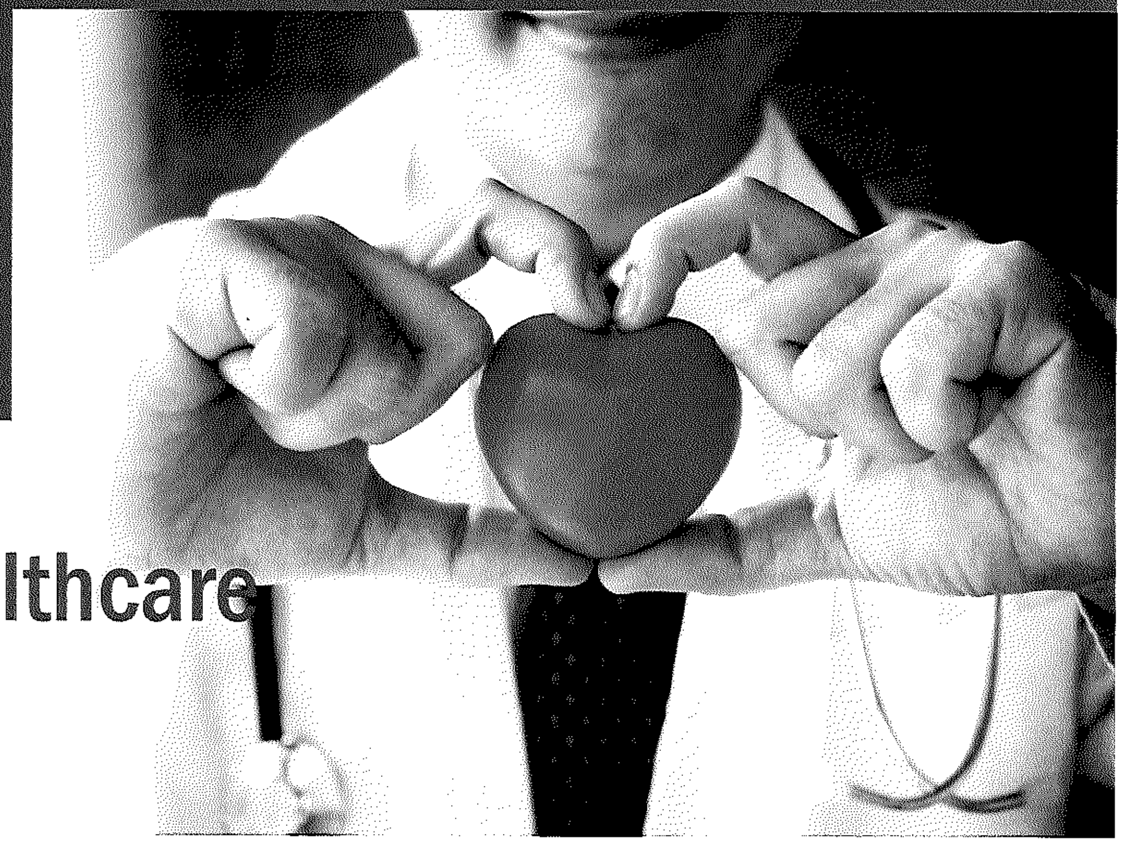

Horizon / UnitedHealthcare Renewal Analysis

CONNER STRONG & BUCKELEW

2025 Horizon (Medical Only)

Actives

Plan	Tier	Current Enrollment	Horizon January 2024 Rates	Horizon July 2024 Rates	2025 Horizon Renewal	2025 SHBP	January 2024 Premiums *	July 2024 Premiums *	2025 Horizon Premiums	2025 SHBP Premiums
Horizon Direct 10	Single	2	$1,040.79	$1,009.57	$1,009.57	$1,274.96	$2,081.58	$2,019.14	$2,019.14	$2,549.92
	Parent/Child	0	$1,863.00	$1,807.11	$1,807.11	$2,282.18	$0.00	$0.00	$0.00	$0.00
	2Adults	2	$2,081.56	$2,019.11	$2,019.11	$2,549.92	$4,163.12	$4,038.22	$4,038.22	$5,099.84
	Family	0	$2,903.79	$2,816.68	$2,816.68	$3,557.14	$0.00	$0.00	$0.00	$0.00
	TOTAL	4								
	Monthly Premium						*$6,244.70*	*$6,057.36*	*$6,057.36*	$7,649.76
	6-Month Premiums						*$37,468.20*	*$36,344.16*	*$72,688.32*	$91,797.12
Horizon Direct 15	Single	36	$991.11	$961.38	$961.38	$1,214.10	$35,679.96	$34,609.68	$34,609.68	$43,707.60
	Parent/Child	15	$1,774.08	$1,720.86	$1,720.86	$2,173.27	$26,611.20	$25,812.90	$25,812.90	$32,599.05
	2Adults	12	$1,982.21	$1,922.74	$1,922.74	$2,428.20	$23,786.52	$23,072.88	$23,072.88	$29,138.40
	Family	64	$2,765.19	$2,682.23	$2,682.23	$3,387.34	$176,972.16	$171,662.72	$171,662.72	$216,789.76
	TOTAL	127								
	Monthly Premium						*$263,049.84*	*$255,158.18*	*$255,158.18*	$322,234.81
	6-Month Premiums						*$1,578,299.04*	*$1,530,949.08*	*$3,061,898.16*	$3,866,817.72
Horizon Direct 2030	Single	38	$903.68	$876.57	$876.57	$1,107.01	$34,339.84	$33,309.66	$33,309.66	$42,066.38
	Parent/Child	12	$1,617.61	$1,569.08	$1,569.08	$1,981.55	$19,411.32	$18,828.96	$18,828.96	$23,778.60
	2Adults	8	$1,807.38	$1,753.16	$1,753.16	$2,214.02	$14,459.04	$14,025.28	$14,025.28	$17,712.16
	Family	14	$2,521.29	$2,445.65	$2,445.65	$3,088.56	$35,298.06	$34,239.10	$34,239.10	$43,239.84
	TOTAL	72								
	Monthly Premium						*$103,508.26*	*$100,403.00*	*$100,403.00*	$126,796.98
	6-Month Premiums						*$621,049.56*	*$602,418.00*	*$1,204,836.00*	$1,521,563.76
Monthly Total - Medical							*$372,802.80*	*$361,618.54*	*$361,618.54*	$456,681.55
							$2,236,816.80	*$2,169,711.24*		
Annual Total - Active Medical							***$4,406,528.04***		***$4,339,422.48***	$5,480,178.60
$ Difference to Current									***-$67,105.56***	$1,073,650.56
% Difference to Current									-1.5%	24.37%

2025 Horizon/United Healthcare

Retirees

Plan	Tier	Current Enrollment	January 2024	July 2024	2025 Horizon/UHC Renewal	2025 SHBP	January 2024 Premiums	July 2024 Premiums	2025 Horizon/UHC Premiums	2025 SHBP Premiums
Horizon Direct 10	Single	10	$ 1,572.23	$ 1,525.06	$ 1,525.06	$ 1,803.29	$15,722.30	$15,250.60	$15,250.60	$18,032.90
	2Adults	3	$ 3,427.54	$ 3,324.71	$ 3,324.71	$ 3,931.31	$10,282.62	$9,974.13	$9,974.13	$11,793.93
	Parent/Child	12	$ 2,201.13	$ 2,135.10	$ 2,135.10	$ 2,524.65	$26,413.56	$25,621.20	$25,621.20	$30,295.80
	Family	7	$ 3,899.19	$ 3,782.22	$ 3,782.22	$ 4,472.28	$27,294.33	$26,475.54	$26,475.54	$31,305.96
	TOTAL	32								
				Monthly Premium			$79,712.81	$77,321.47	$77,321.47	$91,428.59
				6-Month Premiums			$478,276.86	$463,928.82	$927,857.64	$1,097,143.08
Horizon Direct 15	Single	13	$ 1,494.48	$ 1,449.64	$ 1,449.64	$ 1,713.99	$19,428.24	$18,845.32	$18,845.32	$22,281.87
	2Adults	4	$ 3,258.04	$ 3,160.30	$ 3,160.30	$ 3,736.61	$13,032.16	$12,641.20	$12,641.20	$14,946.44
	Parent/Child	5	$ 2,092.29	$ 2,029.52	$ 2,029.52	$ 2,399.62	$10,461.45	$10,147.60	$10,147.60	$11,998.10
	Family	9	$ 3,706.36	$ 3,595.17	$ 3,595.17	$ 4,250.78	$33,357.24	$32,356.53	$32,356.53	$38,257.02
	TOTAL	31								
				Monthly Premium			$76,279.09	$73,990.65	$73,990.65	$87,483.43
				6-Month Premiums			$457,674.54	$443,943.90	$887,887.80	$1,049,801.16
Horizon Direct 1525	Single	1	$ 1,431.17	$ 1,388.23	$ 1,388.23	$ 1,641.36	$1,431.17	$1,388.23	$1,388.23	$1,641.36
	2Adults	1	$ 3,120.06	$ 3,026.46	$ 3,026.46	$ 3,578.29	$3,120.06	$3,026.46	$3,026.46	$3,578.29
	Parent/Child	2	$ 2,003.71	$ 1,943.60	$ 1,943.60	$ 2,297.99	$4,007.42	$3,887.20	$3,887.20	$4,595.98
	Family	0	$ 3,549.40	$ 3,442.92	$ 3,442.92	$ 4,070.67	$0.00	$0.00	$0.00	$0.00
	Single (over 65)	6	$ 579.35	$ 561.97	$ 561.97	$ 592.98	$3,476.10	$3,371.82	$3,371.82	$3,557.88
	P/C (over 65)	0	$ 917.33	$ 889.81	$ 889.81	$ 1,249.61	$0.00	$0.00	$0.00	$0.00
	2Adults - 1+	0	$ 1,311.18	$ 1,271.85	$ 1,271.85	$ 2,529.91	$0.00	$0.00	$0.00	$0.00
	2Adults - 2+	1	$ 1,067.69	$ 1,035.66	$ 1,035.66	$ 1,185.96	$1,067.69	$1,035.66	$1,035.66	$1,185.96
	Family - 1+	0	$ 2,248.47	$ 2,181.02	$ 2,181.02	$ 3,022.29	$0.00	$0.00	$0.00	$0.00
	Family - 2+	0	$ 1,789.08	$ 1,735.40	$ 1,735.40	$ 1,973.91	$0.00	$0.00	$0.00	$0.00
	TOTAL	11								
				Monthly Premium			$13,102.44	$12,709.37	$12,709.37	$14,559.47
				6-Month Premiums			$78,614.64	$76,256.22	$152,512.44	$174,713.64
Horizon Direct 2030	Single	1	$ 1,275.83	$ 1,237.07	$ 1,237.07	$ 1,564.96	$1,275.83	$1,237.07	$1,237.07	$1,564.96
	2Adults	0	$ 2,780.33	$ 2,696.92	$ 2,696.92	$ 3,411.74	$0.00	$0.00	$0.00	$0.00
	Parent/Child	0	$ 1,785.50	$ 1,731.93	$ 1,731.93	$ 2,190.99	$0.00	$0.00	$0.00	$0.00
	Family	1	$ 3,162.91	$ 3,068.03	$ 3,068.03	$ 3,881.20	$3,162.91	$3,068.03	$3,068.03	$3,881.20
	TOTAL	14								
				Monthly Premium			$4,438.74	$4,305.10	$4,305.10	$5,446.16
				6-Month Premiums			$26,632.44	$25,830.60	$51,661.20	$65,353.92
UHC Medicare Advantage *	Single (over 65)	160	$381.78		$482.68	$471.00	$61,084.80		$77,228.80	$75,360.00
						Monthly Total - Retiree Medical/Rx	*$234,617.88*	*$229,411.39*	*$245,555.39*	$274,277.65
						6-Month Total - Retiree Medical/Rx	***$1,407,707.28***	***$1,376,468.34***		
						Total Annual	***$2,784,175.62***		**$2,946,664.68**	**$3,291,331.80**
						$ Difference to Current			**$162,489.06**	$507,156.18
						% Difference to Current			5.8%	18.2%

2025 Horizon/UHC – In Summary

	Actives	Retirees	Total	$ Difference to Current	% Difference to Current
January - June 2024	$2,684,955.24	$1,407,707.28	$4,092,662.52		
July - December 2024	$2,617,849.68	$1,376,468.34	$3,994,318.02		
Total Health 2024	$5,302,804.92	$2,784,175.62	$8,086,980.54		
Total Health 2025	$5,369,244.62	$2,946,664.68	$8,315,909.30	$228,928.76	2.8%
2025 SHBP	$ 6,605,009.76	$ 3,291,331.80	$9,896,341.56	$1,580,432.26	19.00%

CMS Changes Medicare Prescription Drug Plans

Effective January 1, 2025

- The following are key CMS changes that will be impacting all Prescription Drug Plans as they will be substantially richer in benefit and will increase the value of the plan vs. prior years:
  - CMS is implementing a $2,000 Out-of-Pocket Maximum – currently $8,000
    - Members will reach the $2,000 faster which will increase utilization due to no cost benefits after OOPM has been met.
  - Removal of the coverage gap/donut hole
    - Currently there is full coverage in the gap but will go away completely effective 1/1/2025 – members will go from the Initial Coverage State of paying copays until they reach the $2,000 Rx OOPM which they will then pay $0.
  - CMS funding will shift from reinsurance to direct subsidy
- The following are key CMS funding changes impacting all Medicare Advantage plans:
  - CMS changed the Growth Rate calculations related to indirect and direct medical education costs associated with services furnished to MA members.
    - This technical adjustment will be phased in over 3 years and has a negative reduction impact of 0.8% applied to years, 2024, 2025, and 2026.
  - The Risk Adjustment Model has been restructured moving from ICD-9 to ICD-10 codes which is merely CMS catching up to the market
    - In doing so, 2,000+ codes were removed from the model which will impact the funding carriers receive from CMS for various disease states.
    - The size of this impact varies by client group and is based on each group's specific mix of disease states within its population.
  - Lastly, the Risk Adjustment Coding change in the Risk Adjustment Model will further reduce the funding MA plans receive over time for new conditions as they emerge.
    - This reduces the initial funding as well as reduce the "MA Risk Score Trend", which is a new item CMS added 2 years ago.

Benecard Renewal

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Benecard Rx - Actives

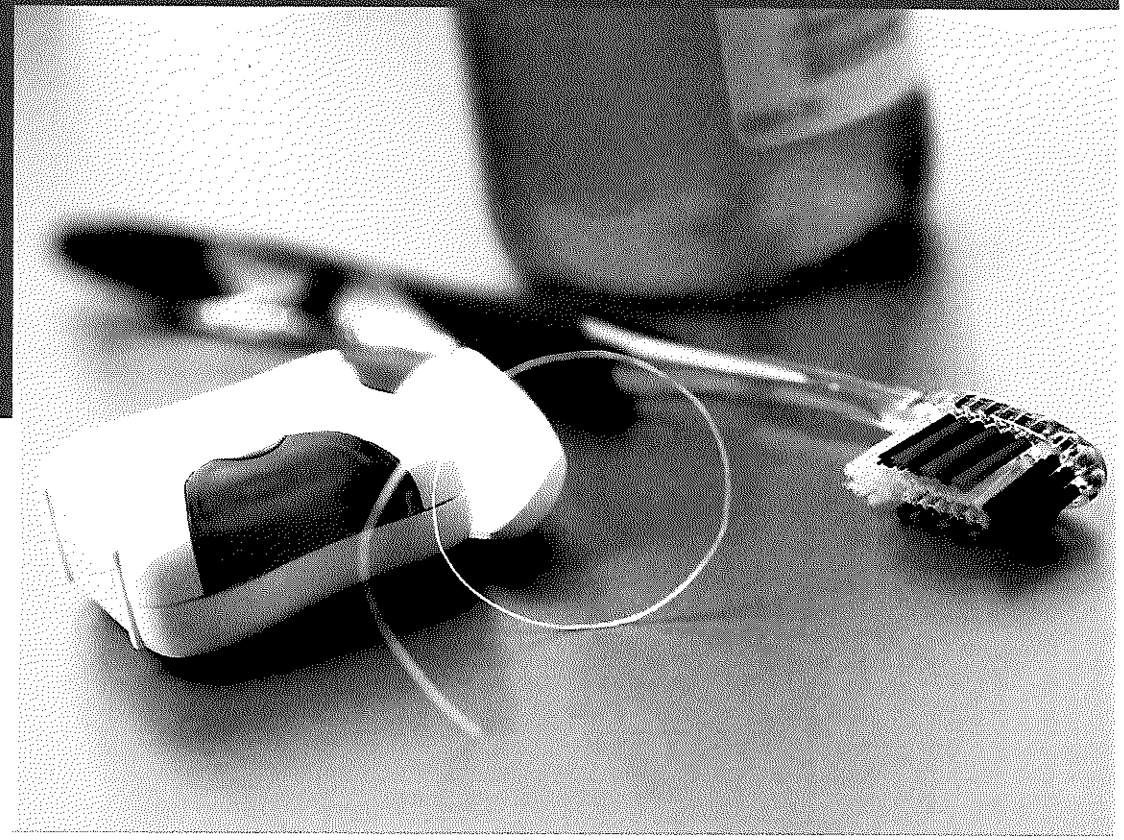
	2024 Benecard	2025 Benecard	2025 SHBP
Monthly Rates			
Single	$193.54	$222.38	$236.39
Parent/Child(ren)	$327.08	$375.81	$423.14
2 Adults	$387.06	$444.73	$472.78
Family	$520.84	$598.45	$659.53
Enrollment			
Single	82	82	82
Parent/Child(ren)	30	30	30
2 Adults	23	23	23
Family	77	77	77
Monthly Premium			
Single	$15,870.28	$18,234.95	$19,383.98
Parent/Child(ren)	$9,812.40	$11,274.45	$12,694.20
2 Adults	$8,902.38	$10,228.83	$10,873.94
Family	$40,104.68	$46,080.28	$50,783.81
Total Monthly Premium	**$74,689.74**	**$85,818.51**	**$93,735.93**
Total Annual Premium	**$896,276.88**	**$1,029,822.14**	**$1,124,831.16**
Difference to Current ($)		**$133,545.26**	**$228,554.28**
Difference to Current (%)		**14.9%**	**25.5%**

* The SHBP's prescription program is not equal to or better than the Township's offering.

The SHBP has the following requirements:

- Mandatory Generics Program
- Restricted Preferred Medication Program
- Mandatory Mail Order for Specialty Medications subject to 90-day supply and mail order copay.

Dental Renewal



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Horizon Dental Renewal

Current 2024 vs 2025 Renewal

	Current DOP 1	Current DOP 2	Current PPO Access	Current Dental Choice	Renewal DOP 1	Renewal DOP 2	Renewal PPO Access	Renewal Dental Choice
Monthly Rates:								
Single	$7.27	$41.98	$7.92	$18.63	$7.27	$41.98	$7.92	$15.64
Parent/Child	$14.50	$86.01	$17.54	$35.34	$14.50	$86.01	$17.54	$29.66
2 Adults	$0.00	$86.12	$16.88	$35.99	$0.00	$86.12	$16.88	$30.21
Family	$21.33	$135.33	$27.74	$52.67	$21.33	$135.33	$27.74	$44.21
No. in Class:								
Single	2	43	12	33	2	43	12	33
Parent/Child	0	16	2	9	0	16	2	9
2 Adults	0	24	0	10	0	24	0	10
Family	2	39	3	24	2	39	3	24
Monthly Premium:								
Single	$14.54	$1,805.14	$95.04	$614.79	$14.54	$1,805.14	$95.04	$516.12
Parent/Child	$0.00	$1,376.16	$35.08	$318.06	$0.00	$1,376.16	$35.08	$266.94
2 Adults	$0.00	$2,066.88	$0.00	$359.90	$0.00	$2,066.88	$0.00	$302.10
Family	$42.66	$5,277.87	$83.22	$1,264.08	$42.66	$5,277.87	$83.22	$1,061.04
Total Monthly Premium	$57.20	$10,526.05	$213.34	$2,556.83	$57.20	$10,526.05	$213.34	$2,146.20
Total Annual Premium	$686.40	$126,312.60	$2,560.08	$30,681.96	$686.40	$126,312.60	$2,560.08	$25,754.40
COMBINED Annual Premium	$160,241.04				$155,313.48			
$ Difference to Current					-$4,927.56			
% Difference to Current					-3.08%			

Above renewal premiums are guaranteed for 2 years. Next renewal will be January 2027.

Questions & Answers

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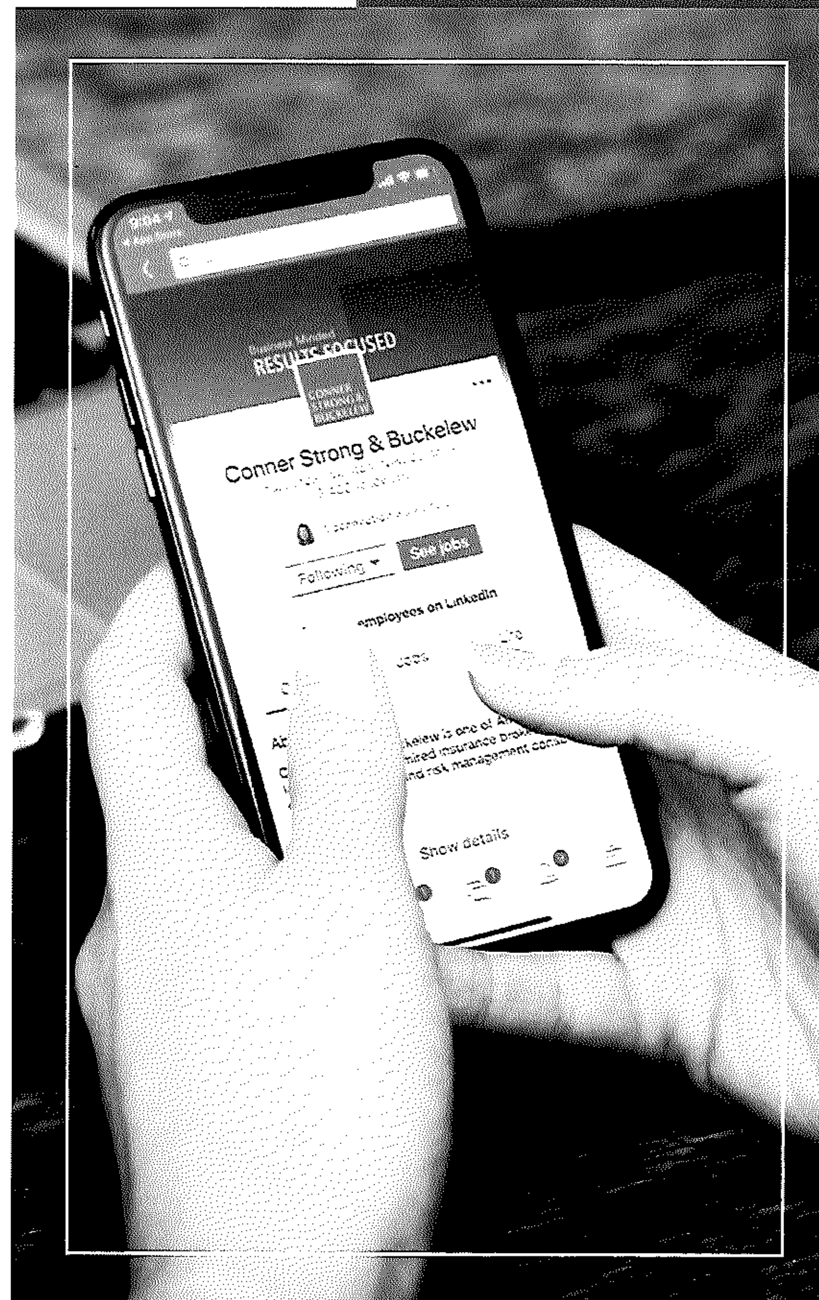

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Questions? Comments?

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