

**GLOUCESTER COUNTY INSURANCE COMMISSION
AGENDA**

SPECIAL MEETING

TUESDAY, NOVEMBER 12, 2019

**2 SOUTH BROAD STREET
WOODBURY, NJ
10:00 AM**

**To attend the meeting via teleconference please dial 1- 866-921-5493
and enter passcode 6364276#**

OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE

In accordance with the Open Public Meetings Act, notice of this meeting was given by:

- I. Sending sufficient notice to South Jersey Times and Courier Post, NJ**
- II. Filing advance written notice of this meeting with the Commissioners of the Gloucester County Insurance Commission,**
- III. Posting notice on the Public Bulletin Board at the office of the County Clerk.**

**GLOUCESTER COUNTY INSURANCE COMMISSION
AGENDA
OPEN PUBLIC MEETING: November 12, 2019
WOODBURY, NJ
10:00 AM**

MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ

ROLL CALL OF COMMISSIONERS

EXECUTIVE DIRECTOR/ADMINISTRATOR -PERMA

Executive Director's ReportPage 2

OLD BUSINESS

NEW BUSINESS

PUBLIC COMMENT

MEETING ADJOURNMENT

**NEXT SCHEDULED MEETING: December 12, 2019, 9:30 AM
2 South Broad Street, Woodbury, NJ**

GLOUCESTER COUNTY INSURANCE COMMISSION

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Date: November 12, 2019

Memo to: Commissioners of the Gloucester County Insurance Commission

From: PERMA Risk Management Services

Subject: Executive Director's Report

2020 Vision Plan– Attached to the agenda is a copy of Connor Strong & Buckelew’s 2020 Vision Plan Marketing Presentation. Ms. Bleiberg of CSB will review the presentation with the Commissioners.

Motion to approve a change in the Vision Carrier to Vision Benefits of America, (VBA)



2020 Vision Plan Marketing

October 25, 2019



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Executive Summary



Executive Summary

- Gloucester County's current vision plan provider is NVA
- The County notified Conner Strong & Buckelew (CSB) that they had received several vision claim grievances from union members regarding the plan benefits
- Gloucester County asked CSB to request bids from vision carriers with the following benefits:
 - Equal to or Better Than the current plan and
 - Optional plan that includes elective contact lenses
- CSB solicited proposals from the following vision carriers:
 - EyeMed
 - Vision Benefits of America (VBA)
 - Vision Service Plan (VSP)
- Two carriers submitted competitive proposals with benefits that match the current vision reimbursement plan and provide some enhanced features:
 - NVA
 - VBA
- Eyemed declined to quote since they weren't able to offer a vision plan that will provide equal or better benefits at a competitive price
- VSP provided quotes for plans that don't match the current benefits

Executive Summary

- A summary of the loss ratios for recent time periods is provided below:

Policy Period	Premium	Paid Claims	Loss Ratio
1/1/2016 - 12/31/16	\$34,190	\$17,701	51.8%
1/1/17 - 12/31/17	\$34,132	\$20,613	60.4%
1/1/18 - 12/31/18	\$33,079	\$16,666	50.4%
1/1/19 - 6/30/19	\$10,840	\$7,475	69.0%

- CSB confirmed that the claim figures shown above include claims paid for elective contact lenses and therefore we included elective lenses in the benefits for the RFP
- Two types of plans were obtained from the marketing
 - Renewal option with benefit levels for lenses and frames that match the current plan with the following exceptions:
 - Inclusion of elective contacts
 - Removal of “contacts in lieu of glasses” provision
 - Plans similar to the above with the addition of 100% coverage for exams and glasses



Renewal & Marketing Analysis



Marketing & Renewal Analysis

CARRIER	Current		Proposed			
	National Vision Administrators		National Vision Administrators		Vision Service Plan	
BENEFIT	In-network	Out-of-network	In-network	Out-of-network	Access Indemnity	Out-of-network
Benefit Frequency Exam/Lenses/Frames	12/24/24***		12/24/24***		12/12/24***	
EXAMINATION	Covered up to \$30	Reimbursed up to \$30	Covered up to \$30	Reimbursed up to \$30	\$0 Copay	Reimbursed up to \$45
LENSES	Single up to \$30 Bifocal up to \$40 Trifocal up to \$50 Lenticular up to \$100	Reimbursed: Single up to \$30 Bifocal up to \$40 Trifocal up to \$50 Lenticular up to \$100	Single up to \$30 Bifocal up to \$40 Trifocal up to \$50 Lenticular up to \$100	Reimbursed: Single up to \$30 Bifocal up to \$40 Trifocal up to \$50 Lenticular up to \$100	Single up to \$30 Bifocal up to \$40 Trifocal up to \$50 Lenticular up to \$100 20% discount off lens enhancements	Reimbursed: Single up to \$30 Bifocal up to \$40 Trifocal up to \$50 Lenticular up to \$100
FRAMES	Covered up to \$20 20% discount remaining balance (discount not available at Walmart or Sam's Club)	Reimbursed up to \$20	Covered up to \$20 20% discount remaining balance (discount not available at Walmart or Sam's Club)	Reimbursed up to \$20	Covered up to \$20 20% discount off lens enhancements	Reimbursed up to \$20
CONTACT LENSES ELECTIVE *	Not covered		Covered up to \$200	Reimbursed up to \$200	Covered up to \$130 15% off contact lens exam (in lieu of lenses/frames)	Reimbursed up to \$130 (in lieu of lenses/frames)
CONTACT LENSES MEDICALLY NECESSARY**	Covered up to \$200 (Prior authorization required)		Covered in full	Reimbursed up to \$200	Covered up to \$200	Reimbursed up to \$200
CONTACT LENSES EXAM & FITTING	Contact lens exam & fitting costs included in benefit amount		Contact lens exam & fitting costs included in benefit amount (15% off UCR)	Contact lens exam & fitting costs included in benefit amount	15% off contact lens exam services	N/A
Monthly Rates	Current		NVA		VSP	
Employee	331	\$0.78	\$2.89		\$2.02	
Family	728	\$2.22	\$8.22		\$5.58	
Total Enrollment	1,059					
Annual Premium	\$22,492		\$83,289		\$56,770	
Difference over Current \$			\$60,797		\$34,278	
Difference over Current %			270%		152%	
Rate Guarantee			36 Months		48 Months	

Notes:

* Coverage for contacts and/or glasses totals \$200 every benefit period.

**Medically necessary requirements: □

NVA: After cataract surgery, anisometropia, keratoconus, vision can't be corrected to 20/70 with spectacle lenses in a frame and other visual acuity problems.

VSP: Conditions covered include aphakia, aniridia, anisometropia, corneal transplant, high ametropia, nystagmus, keratoconus, heredity corneal dystrophies and other eye conditions that make contact lenses necessary.

*****Lenses and Medically Necessary Contacts Frequency:**

NVA: Lenses and medically necessary contacts frequency is twice within 24 months.

VSP: Lenses and medically necessary contacts frequency is once within 12 months.

Marketing & Renewal Analysis

CARRIER	Current		Proposed			
	National Vision Administrators		National Vision Administrators		VBA	
BENEFIT	In-network	Out-of-network	In-network	Out-of-network	In-network	Out-of-network
Benefit Frequency Exam/Lenses/Frames	12/24/24***		12/12/24		12/12/24	
EXAMINATION	Covered up to \$30	Reimbursed up to \$30	Covered in full	Reimbursed up to \$30	Covered in full	Reimbursed up to \$30
LENSES	Single up to \$30 Bifocal up to \$40 Trifocal up to \$50 Lenticular up to \$100	Reimbursed: Single up to \$30 Bifocal up to \$40 Trifocal up to \$50 Lenticular up to \$100	Covered in full	Reimbursed: Single up to \$30 Bifocal up to \$40 Trifocal up to \$50 Lenticular up to \$100	Covered in full	Reimbursed: Single up to \$30 Bifocal up to \$40 Trifocal up to \$50 Lenticular up to \$100
FRAMES	Covered up to \$20 20% discount remaining balance (discount not available at Walmart or Sam's Club)	Reimbursed up to \$20	Wholesale allowance up to \$10 (provider charges difference between wholesale cost and plan allowance plus 25%)	Reimbursed up to \$20	Covered within the program's \$10 wholesale allowance (approximately \$25 to \$30 retail)	Reimbursed up to \$20
CONTACT LENSES ELECTIVE*	Not covered		Covered up to \$200	Reimbursed up to \$200	Covered up to \$200	Reimbursed up to \$200
CONTACT LENSES MEDICALLY NECESSARY**	Covered up to \$200 (Prior authorization required)		Covered in full	Reimbursed up to \$200	Covered in full	Reimbursed up to \$200
CONTACT LENSES EXAM & FITTING	Contact lens exam & fitting costs included in benefit amount		Contact lens exam & fitting costs included in benefit amount	N/A	Fitting covered as part of the \$200 allowance (\$15% off UCR)	N/A
Monthly Rates	Current		NVA		VBA	
Employee	331	\$0.78	\$4.45		\$1.09	
Family	728	\$2.22	\$11.99		\$2.84	
Total Enrollment	1,059					
Annual Premium	\$22,492		\$122,420		\$29,140	
Difference over Current \$			\$99,928		\$6,648	
Difference over Current %			444%		30%	
Rate Guarantee			48 Months		48 Months	

Notes:

* Coverage for contacts and/or glasses totals \$200 every benefit period.

**Medically necessary requirements:

NVA: After cataract surgery, anisometropia, keratoconus, vision can't be corrected to 20/70 with spectacle lenses in a frame and other visual acuity problems.

VBA: Following cataract surgery without intraocular lens, anisometropia of 4 diopters or more, keratoconus when the patient is not correctable to 20/70 in either or both eyes using spectacle lenses and certain extreme visual acuity problems that cannot be corrected with spectacle lenses

***Lenses and Medically Necessary Contacts Frequency:

NVA: Lenses and medically necessary contacts frequency is twice within 24 months.

Marketing & Renewal Analysis

	NVA	VBA	VSP
Carrier Retail Chains (subject to change)	America's Best Boscov's Optical For Eyes Optical JC Penney Optical Pearle Vision Sam's Club Sears Walmart VisionWorks	Boscov's Optical Costco For Eyes Optical JC Penney Optical Pearle Vision Sears Optical Target Optical	Walmart Shopko MyEyeDr Rosin EyeCare WisconsinVision Cohen's Optyx Pearle Vision Visionworks

■ Marketing & Renewal Analysis

Current Benefit Plan Option:

- NVA's plan provides in-network and out-of-network benefits
 - Lenses and contacts are covered twice in a two-year benefit period
 - Contacts are not in lieu of glasses and elective contacts are covered
 - When utilizing in-network benefits members do not have to submit claims for reimbursement
 - Discounts available at in-network providers

Option Two:

- Both NVA and VBA cover an eye exam and glasses every year
 - Lenses and contacts are covered once in a 12-month benefit period
 - Contacts are not in lieu of glasses and elective contacts are covered
 - In-network claims do not have to be submitted for reimbursement
 - Discounts available at in-network providers

Marketing & Renewal Analysis

- Gloucester County has two options available:
 - Renew with NVA (including benefit improvements) at higher rates; an additional \$60,797 in premium compared to current rates, or
 - Change to VBA's plan with improved benefits and slightly higher rates than current (an additional \$6,648 in premium compared to current rates)
- CSB recommends that Gloucester County elect VBA as their new vision carrier
 - VBA provides the lowest cost plan that exceeds the current benefits
 - Estimated premium for VBA is \$6,648 higher than the current NVA premium, but lower than the prior carrier 4Ever Life's premium (\$33,524) by \$4,384
 - VBA's network includes many retail chains and many private eye care providers
 - A list of area providers is available



Next Steps



■ Next Steps

- Due to the time frame for implementation, confirmation of a new vision carrier is needed soon
 - File feed and billing set up requires at least 60 days
- CSB can provide custom communications announcing the carrier change

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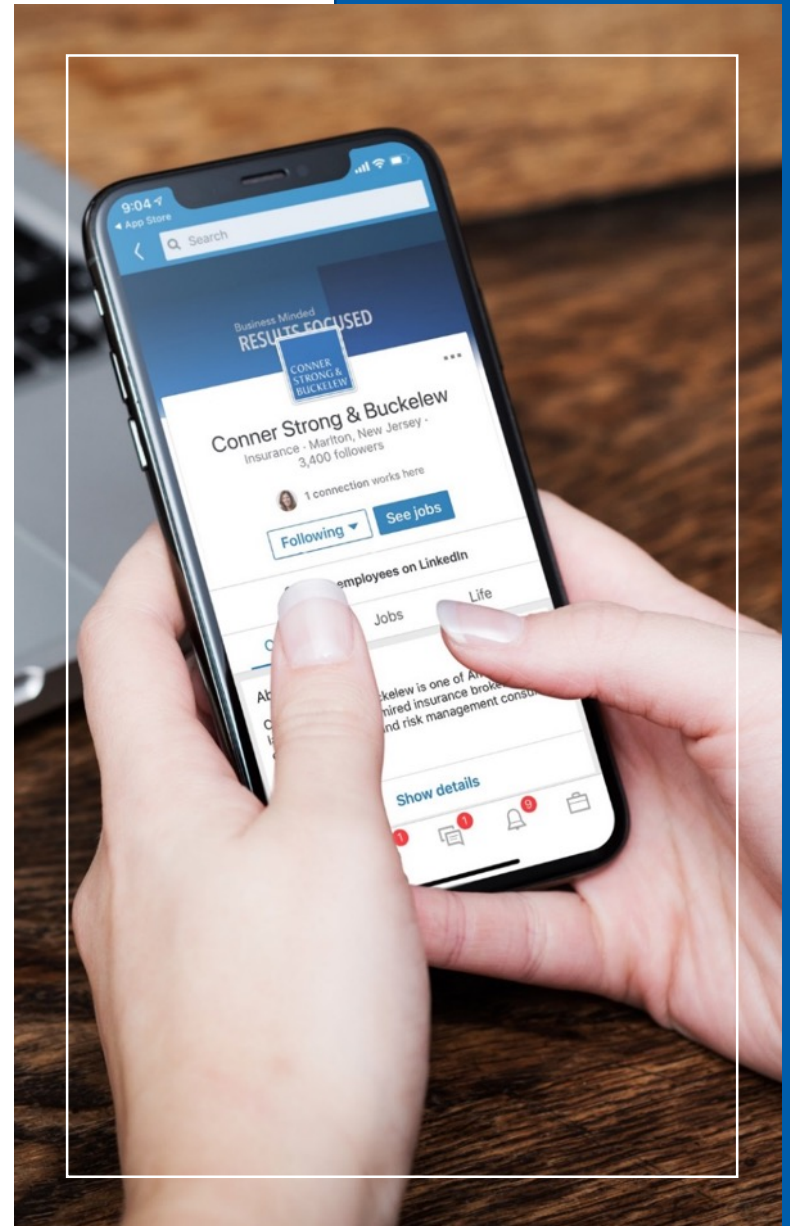
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Questions? Comments?

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