

INDIAN RIVER COUNTY
MEMORANDUM

TO: Jason Brown
County Administrator

FROM: Suzanne Boyll
Human Resources Director

DATE: August 12, 2020

SUBJECT: Approval of Blue Medicare Advantage Renewal

BACKGROUND:

Under Florida Statute, retirees of the County are eligible to continue health insurance under the County’s self-insured Group Medical Insurance Program. Beginning in 2008, retirees who attain age 65 are provided the option to enroll in the Blue Medicare Advantage Plan. The Board of County Commissioners approved the current Blue Medicare Group PPO 2 RX 1 plan in 2019 at a monthly premium of \$295.11.

Staff received a renewal evaluation for the plan year beginning October 1, 2020, providing for two renewal options. The first option maintains the same benefits at a reduced premium of \$250.23 per member per month. The second renewal option provides for additional benefits providing dental, vision, and hearing aid coverage and is also at a reduced premium of \$257.24 per member per month.

Staff recommended the second renewal option to include the addition of dental, vision and hearing aid benefits at a monthly premium of \$257.24 per member per month and retaining the PPO 2 RX 1 plan benefits as reflected in the attached proposal.

In order to provide retirees with the renewal information, the County Administrator has approved this recommendation under Resolution 2020-54 and the item is presented to the Board for ratification.

FINANCIAL IMPACT:

Currently, six retirees and two spouses participate in the Medicare Advantage Plan. A breakdown of the financial impact of the renewal proposal is listed below:

	Monthly Premium	Annual MAP Premium	Annual Retiree Premium	Annual IRC Subsidy
Current	\$295.11	\$28,330.56	\$24,293.40	\$4,037.16
Renewal	\$257.24	\$24,695.04	21,176.04	\$3,519.00
\$ Change	\$ (37.87)	\$ (3,635.52)	\$ (3,117.36)	\$ (518.16)

The annual retiree premium is reduced and the County's subsidy amount is also reduced. This expense is funded from the OPEB Trust fund account 701038-368010.

RECOMMENDATION:

Staff recommends and respectfully requests that the Board approve the renewal of the current Blue Medicare PPO 2 RX 1 plan effective October 1, 2020 through September 30, 2021 and authorize the Chairman to execute the renewal agreement.

ATTACHMENTS:

- Indian River County Retiree Medicare Advantage Renewal Evaluation effective October 1, 2020