



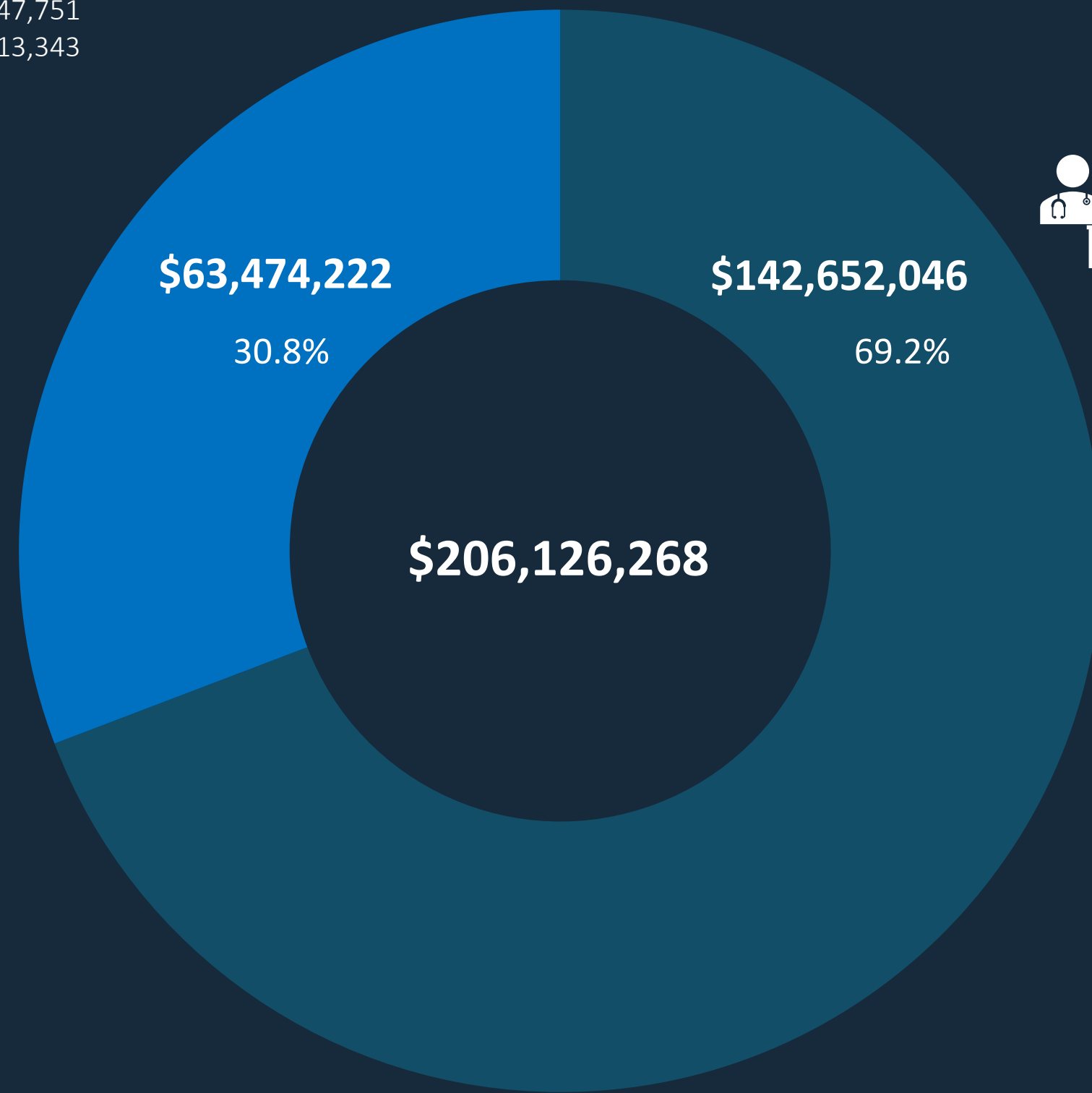
**Collier**  
*Be assured.*

**AR** BENEFITS

2019

### Arkansas State Employees

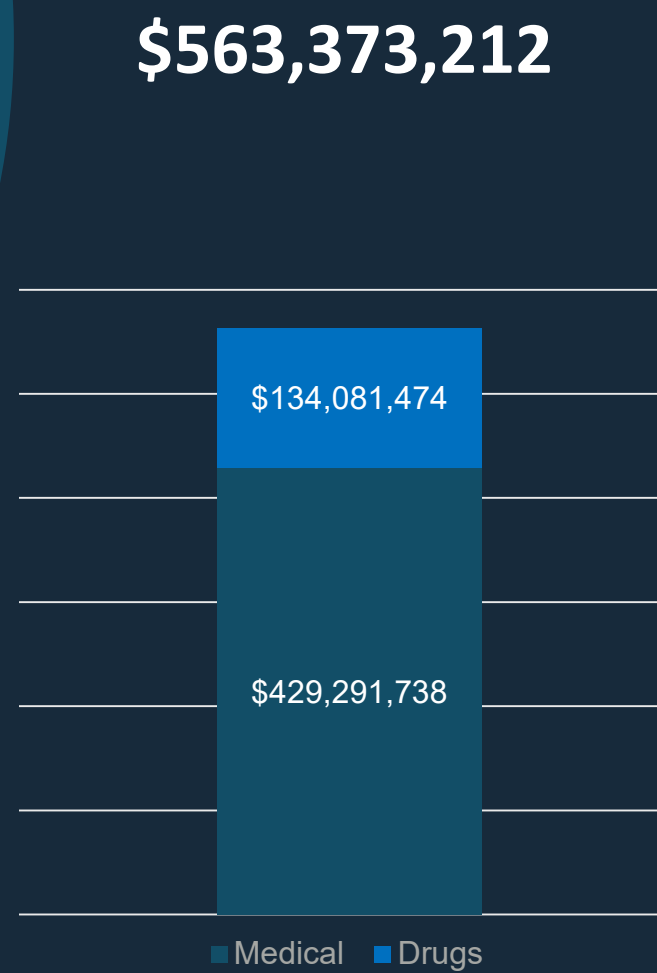
Active Membership 47,751  
Post-65 Retirees 13,343



■ Medical ■ Savings ■ Rx Usage

### Public School Employees

Active Membership 82,388  
Post-65 Retirees 14,277



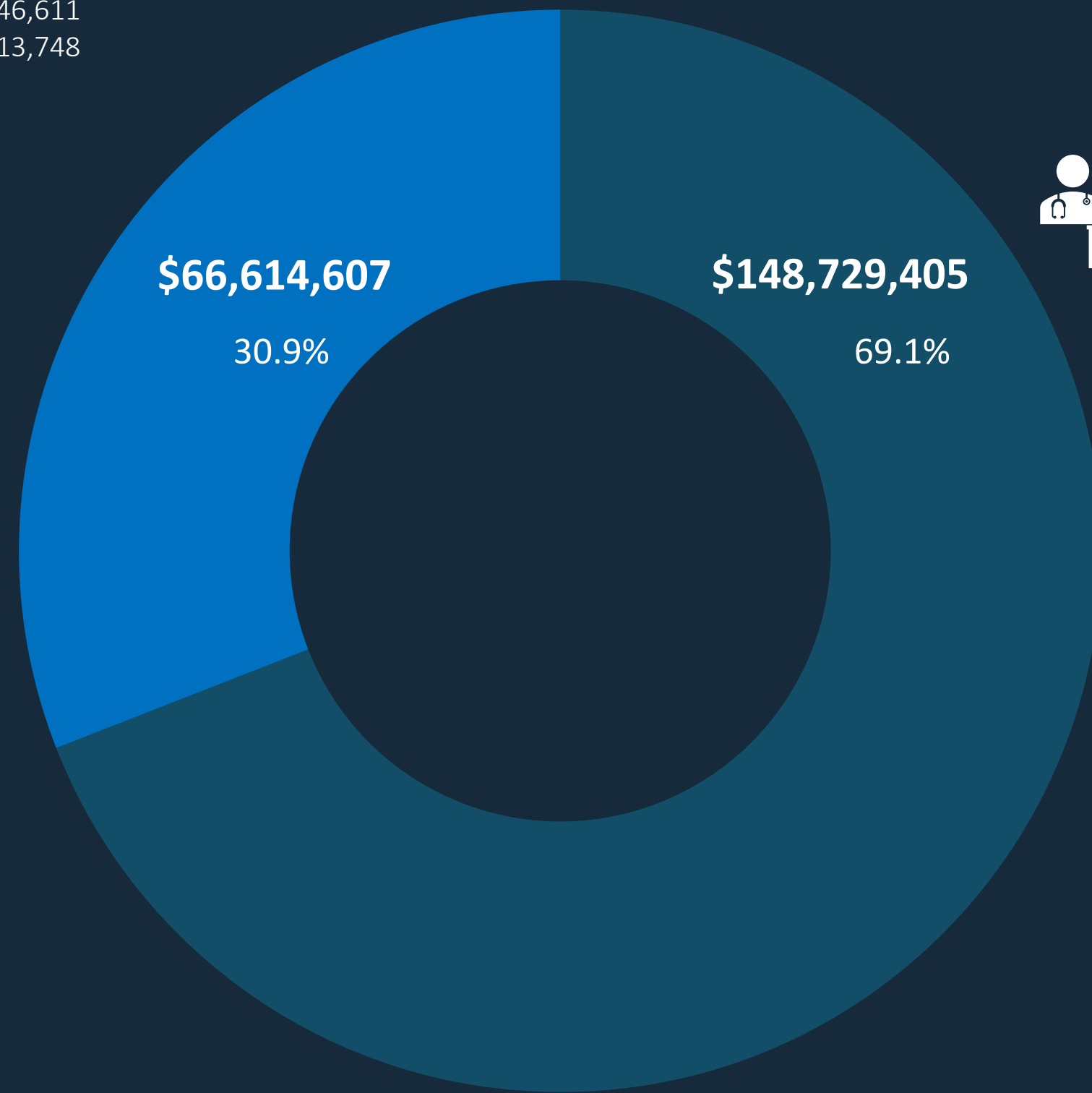
■ Medical ■ Drugs

■ Medical ■ Savings ■ Rx Usage

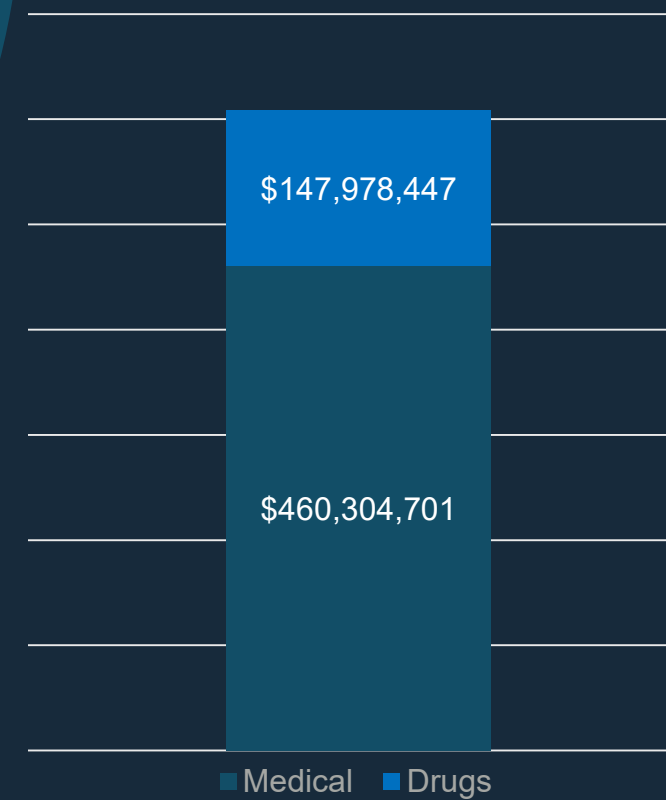
2020

### Arkansas State Employees

Active Membership 46,611  
Post-65 Retirees 13,748



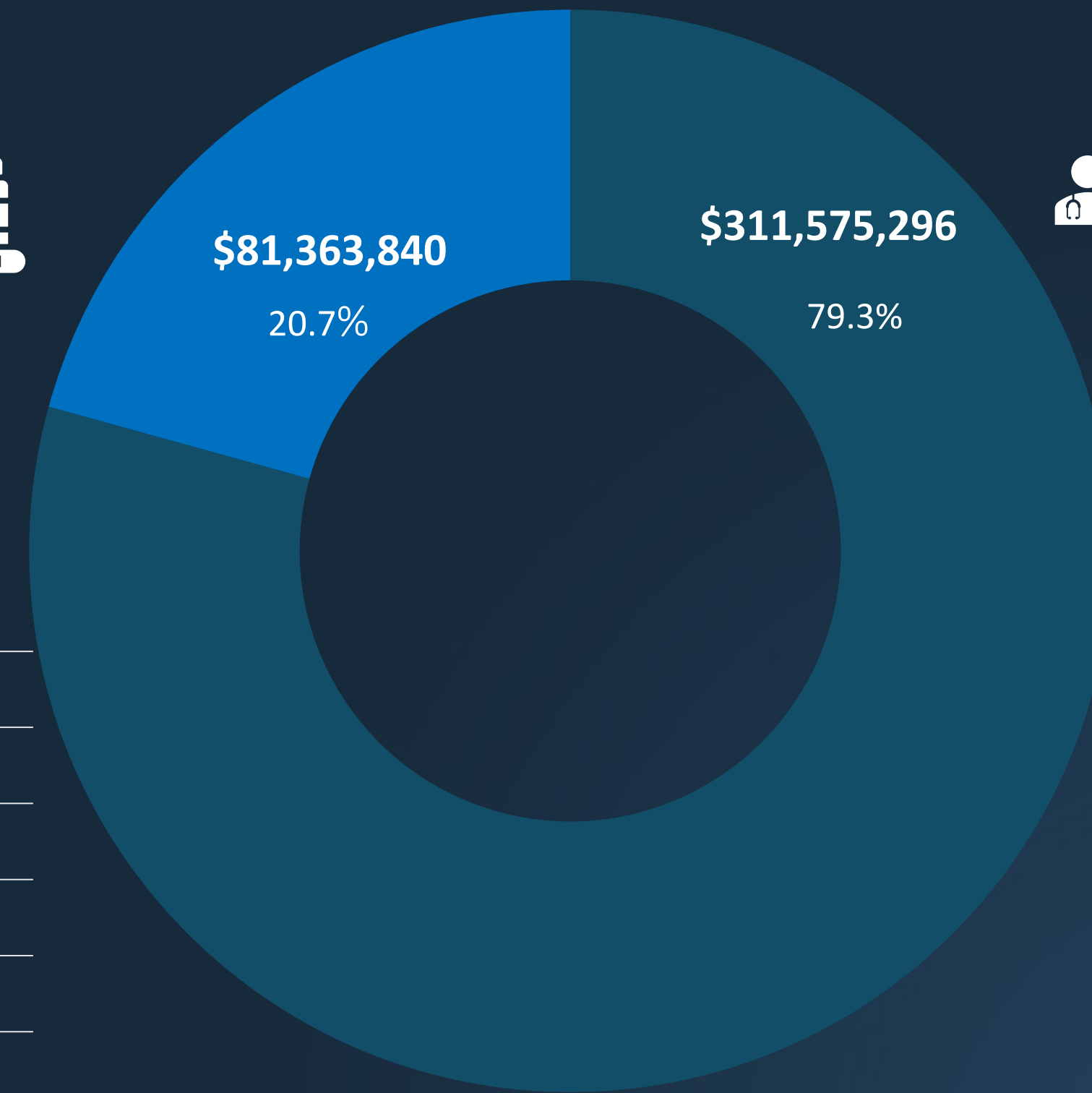
\$608,283,148



■ Medical ■ Savings ■ Rx Usage

### Public School Employees

Active Membership 84,191  
Post-65 Retirees 15,009

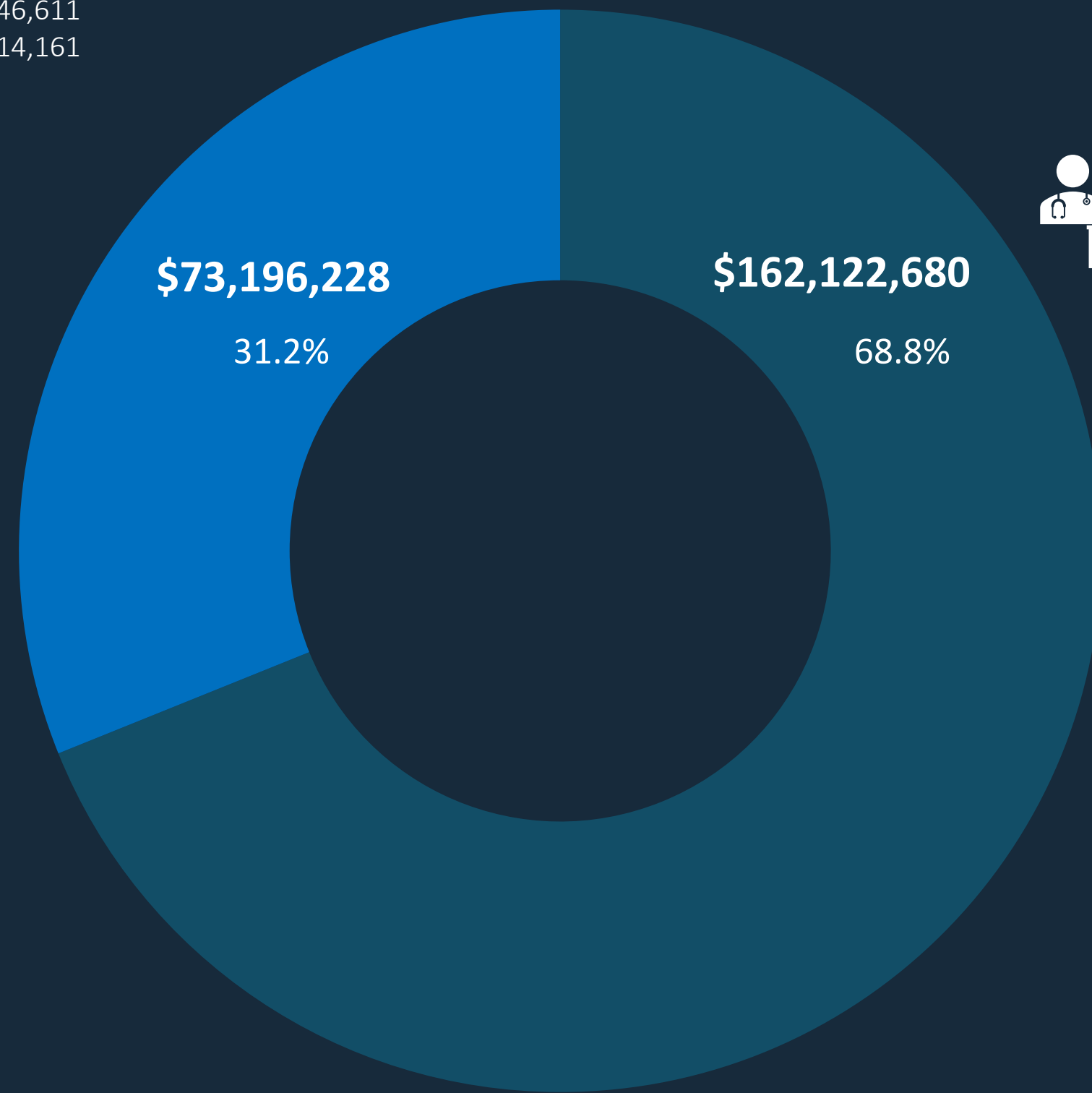


■ Medical ■ Savings ■ Rx Usage

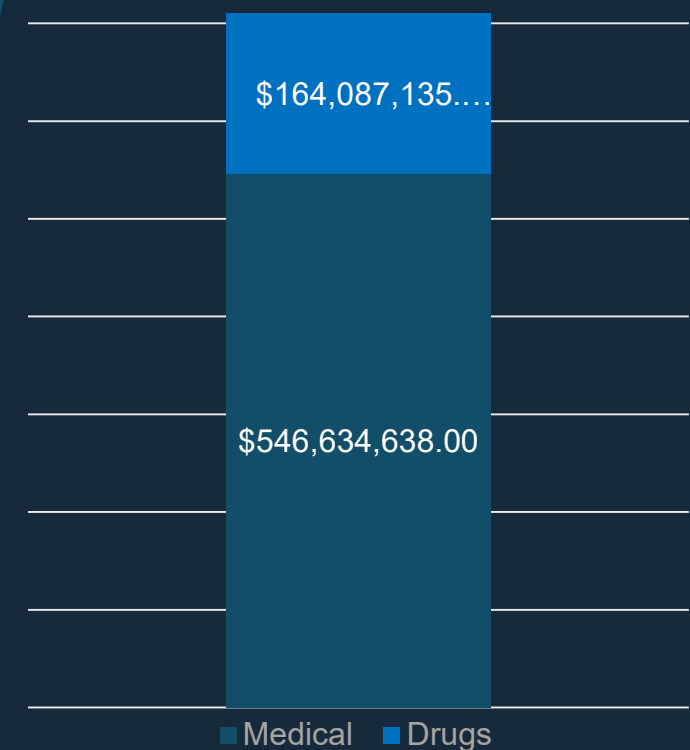
2021

### Arkansas State Employees

Active Membership 46,611  
Post-65 Retirees 14,161



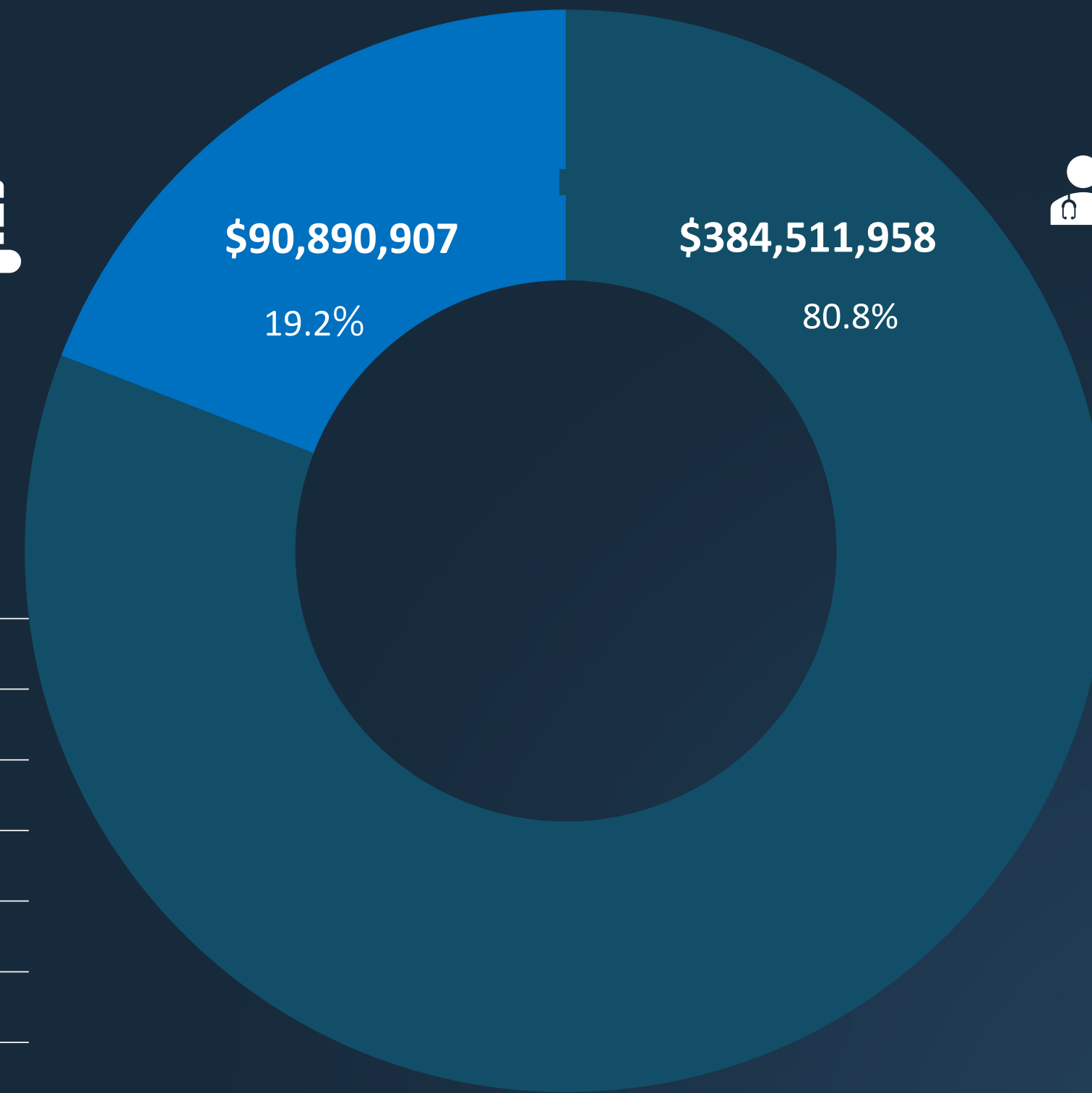
\$710,721,773



■ Medical ■ Savings ■ Rx Usage

### Public School Employees

Active Membership 86,597  
Post-65 Retirees 15,909



■ Medical ■ Savings ■ Rx Usage

# WHERE WILL YOU BE IN 6 YEARS?

Trend

AR BENEFITS Avg. Milliman Increase 6%

AR BENEFITS

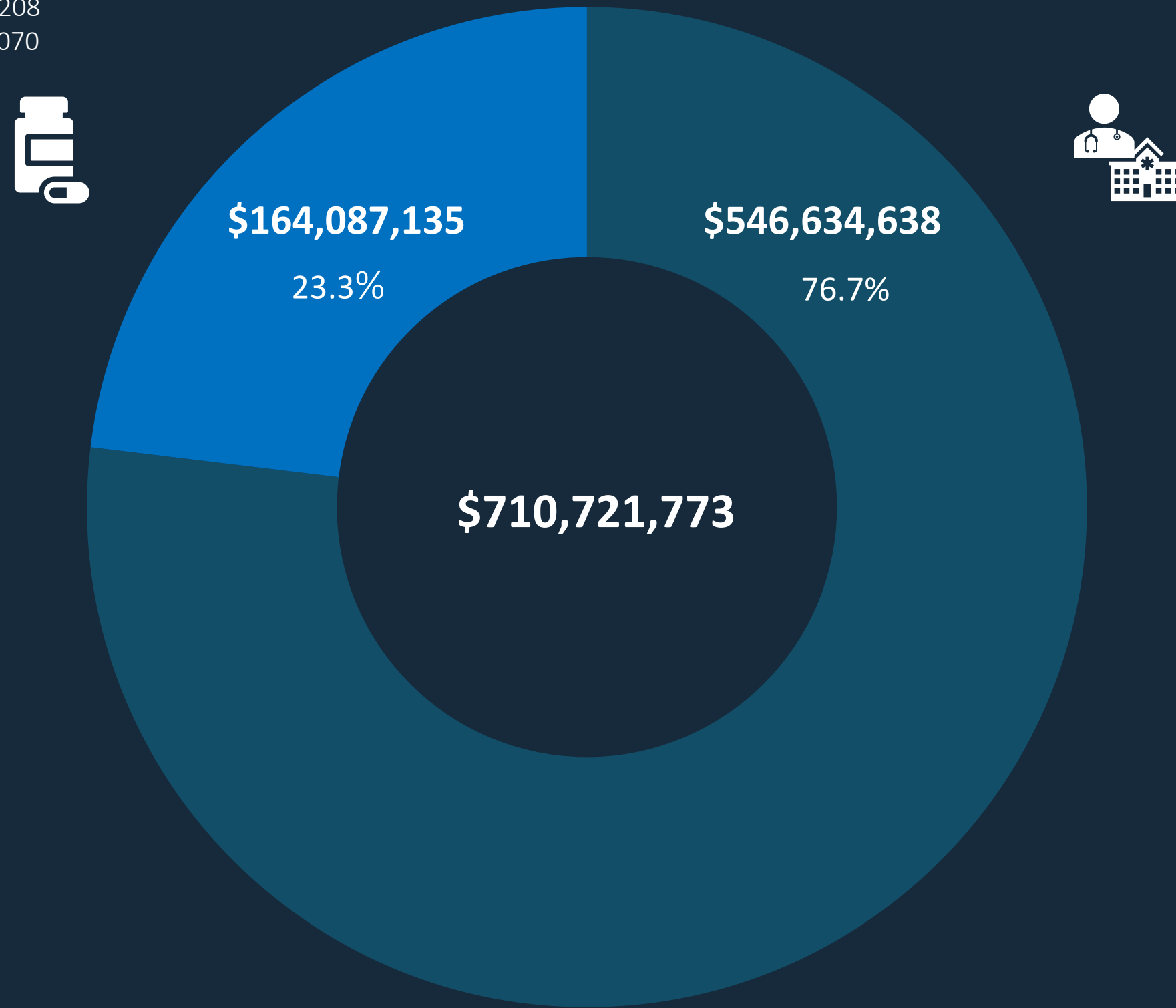
\$1,068,662,764



2021

# Public School Employees Arkansas State Employees

Active Membership 133,208  
Post-65 Retirees 30,070



■ Medical ■ Savings ■ Rx Usage

Do the following recommendations positively impact claims on Medical and Rx?

Do they effect the long-term sustainability of the plan?

## Board Action

Increase employee contributions for Active employees, Pre-65 retirees, and Post-65 retirees by 5%.

\$25 per month stipend for Post-65 retirees opting out of pharmacy coverage

Change wellness credit from \$75 per month to \$50 per month for Active employees

Increase State funding from \$420 per eligible per month to \$450 per eligible per month

No plan design changes

# Retirees

Help Coordinate with Medicare and Supplemental Market

## Retiree Under 65

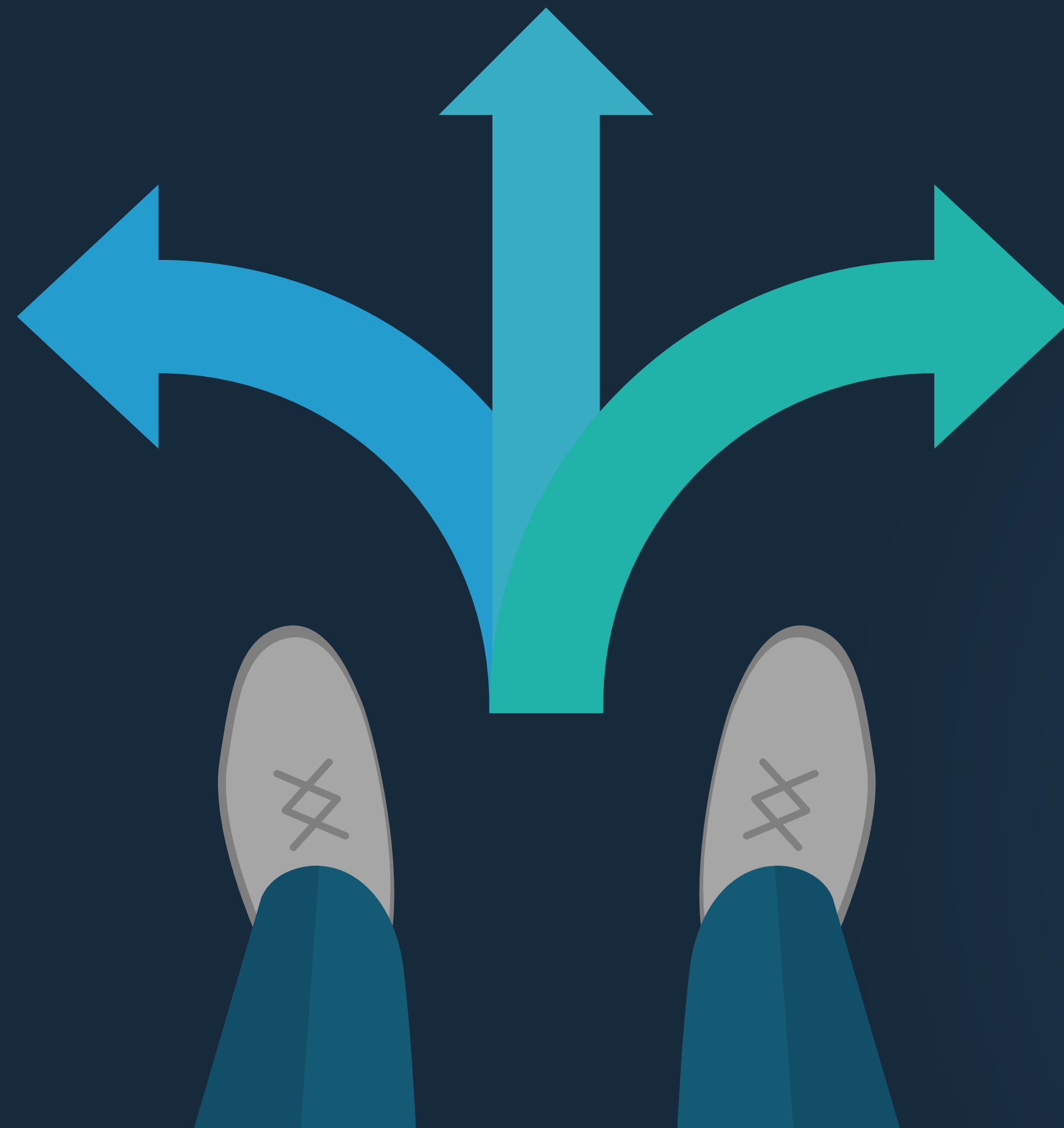
Keep the same plan and benefits

## Retiree Over 65

- Navigate eligible Retirees to Medicare A, B,
- Offer supplemental programs like Medicare C, D and other comprehensive Medicare Supplements

## Retiree over 65 with Dependents

- Keep under 65 Dependents eligible for the plan.
- Over 65 spouses navigate to Medicare
- Offer supplemental programs like Medicare C, D and other comprehensive Medicare Supplements



# Walk



2021

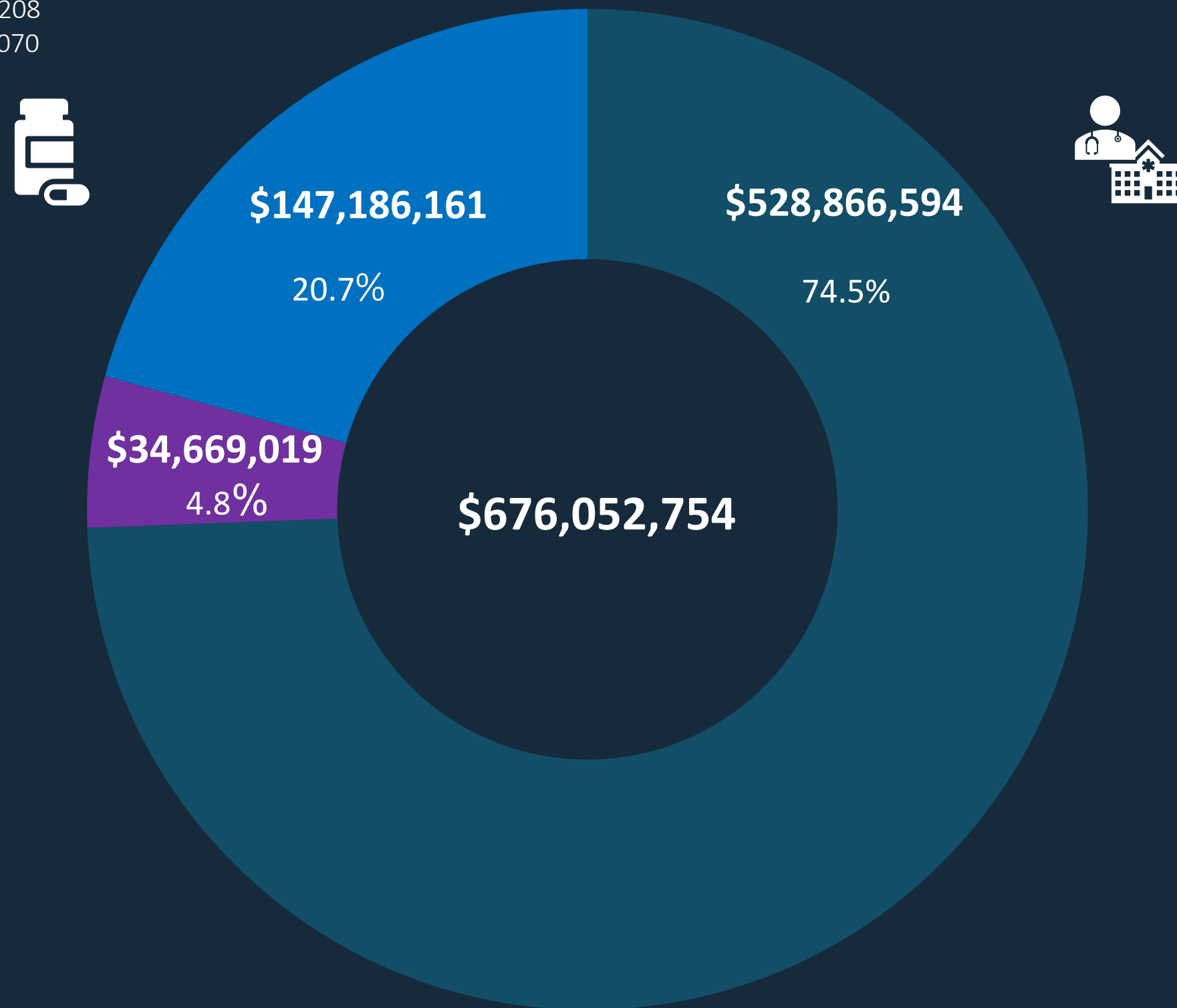
# Public School Employees Arkansas State Employees



## 163,278 Avg. Employees

## \$710,721,773

Active Membership 133,208  
Post-65 Retirees 30,070



- 2.3% Savings Rx from programs not utilized \$16,900,974.90
- 2.5% Savings in High Performance Networks \$17,768,044.30
- ?.% Savings in Claims Accuracy
- ?.% Savings in Dependent Audit
- ?.% Savings in Retiree Changes
- ?.% Savings in High Performance Cancer
- ?.% Savings in Dialysis Center Direct Contracts

## \$34,669,019.20 in annual savings

■ Medical   ■ Savings   ■ Rx Usage



# Run

2021

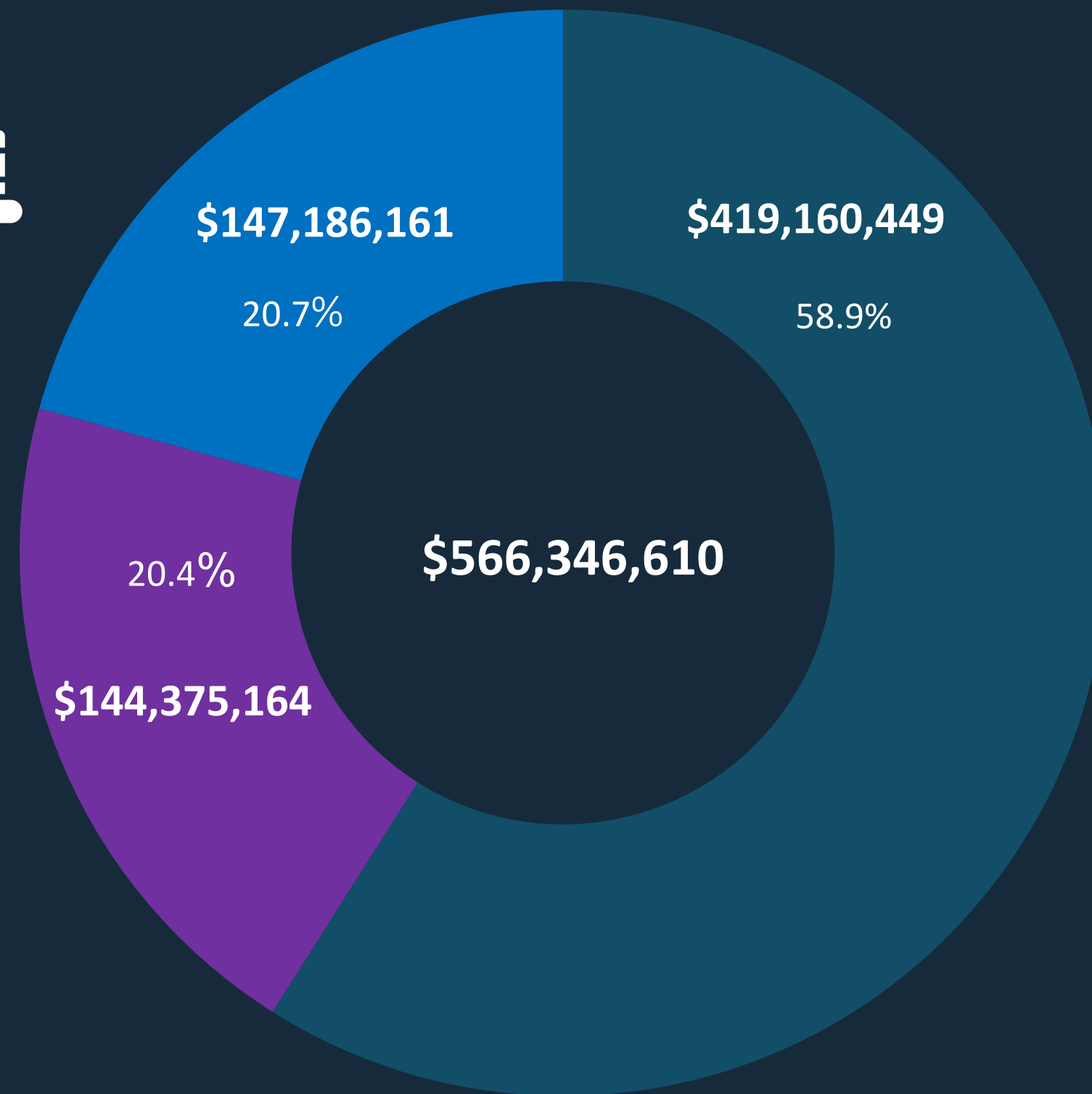
# Public School Employees Arkansas State Employees



## 163,278 Avg. Employees

## \$710,721,773

Active Membership 133,208  
Post-65 Retirees 30,070



- 2.3% Savings Rx from programs not utilized \$16,900,974.90
- 2.5% Savings in High Performance Networks \$17,768,044.30
- 14.5% Savings in Negotiations vs. Current Network \$109,706,144.89
- ?.% Savings in Claims Accuracy
- ?.% Savings in Dependent Audit
- ?.% Savings in Retiree Changes
- ?.% Savings in High Performance Cancer
- ?.% Savings in Dialysis Center Direct Contracts

## \$144,375,164.09 in annual savings

■ Medical    ■ Savings    ■ Rx Usage



# Defeating Trend



# Your Financial Impact

## Self Funded Medical Trend



1.40%



3.00%

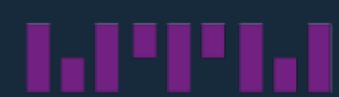


6.40%



6.80%

*Blended trend for ASE & PSE per 12/16/2020*



Willis  
Towers  
Watson

7.30%



# WHERE WILL YOU BE IN 6 YEARS?



Trend Walk Run

**Avg. Milliman Group 6.8% Blended trend for ASE & PSE per 12/16/2020**

**Avg. Walk Cost Containment 3.0% Trend**

**Avg. Run Cost Containment playbook 1.4% Trend**

