

**Joint Legislative Committee on Performance
Evaluation and Expenditure Review (PEER)**

Report to
the Mississippi Legislature



Assessment of Opportunities for Local Political Subdivisions' Employee Health Insurance Coverage

MISS. CODE ANN. Section 25-15-3 et seq. (1972) established the State and School Employees' Life and Health Insurance Plan. The law presently limits participation in the plan to employees of state agencies (including the Legislature, the courts, and their respective staff) and educational institutions (such as universities, school districts, and libraries). Employees of local political subdivisions are not eligible to participate.

If the Legislature amended the definition of "eligible employee" in MISS. CODE ANN. Section 25-15-3 (1972) to include employees of local political subdivisions, these employees could participate in the state health plan. However, because the contract for the state health plan's current provider network was based on the current number of covered lives and their claims experience, local political subdivisions could not utilize the state health plan's negotiation potential and provider network and retain their own plan administrators.

The feasibility of incorporating employees of local political subdivisions into the state health plan cannot be determined without an actuarial analysis first being conducted in order to formulate premium rate estimates based on the addition of this new population. If these employees are not immediately added to the state health plan, a separate statewide group health plan for local political subdivisions could be a potential cost-effective option, although several factors would first need to be addressed:

- basic requirements to complete the feasibility analysis (such as contracting an actuary to formulate premiums based on local claims experience and determining the number of potential additional covered lives);
- potential challenges (such as upcoming changes in federal health care reform and assuring widespread participation); and,
- potential benefits (such as potential cost savings in administration and the shift in funding philosophies from fully insured local political subdivisions to the state health plan).

August 6, 2013

PEER: The Mississippi Legislature's Oversight Agency

The Mississippi Legislature created the Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER Committee) by statute in 1973. A joint committee, the PEER Committee is composed of seven members of the House of Representatives appointed by the Speaker and seven members of the Senate appointed by the Lieutenant Governor. Appointments are made for four-year terms, with one Senator and one Representative appointed from each of the U. S. Congressional Districts and three at-large members appointed from each house. Committee officers are elected by the membership, with officers alternating annually between the two houses. All Committee actions by statute require a majority vote of four Representatives and four Senators voting in the affirmative.

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PEER provides a variety of services to the Legislature, including program evaluations, economy and efficiency reviews, financial audits, limited scope evaluations, fiscal notes, special investigations, briefings to individual legislators, testimony, and other governmental research and assistance. The Committee identifies inefficiency or ineffectiveness or a failure to accomplish legislative objectives, and makes recommendations for redefinition, redirection, redistribution and/or restructuring of Mississippi government. As directed by and subject to the prior approval of the PEER Committee, the Committee's professional staff executes audit and evaluation projects obtaining information and developing options for consideration by the Committee. The PEER Committee releases reports to the Legislature, Governor, Lieutenant Governor, and the agency examined.

The Committee assigns top priority to written requests from individual legislators and legislative committees. The Committee also considers PEER staff proposals and written requests from state officials and others.

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August 6, 2013

Honorable Phil Bryant, Governor
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On August 6, 2013, the PEER Committee authorized release of the report entitled **Assessment of Opportunities for Local Political Subdivisions' Employee Health Insurance Coverage.**

A handwritten signature in cursive script that reads "Ray Rogers".

Representative Ray Rogers, Chair

This report does not recommend increased funding or additional staff.

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Exhibit

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Assessment of Opportunities for Local Political Subdivisions' Employee Health Insurance Coverage

Executive Summary

Introduction

PEER received a legislative request to determine whether it would be feasible to allow Mississippi's counties and municipalities either to participate in the State and School Employees' Health Insurance Plan (also referred to in this document as the state health plan) or to utilize the plan's broad negotiation potential, but retain their own plan administrators.

Current Health Insurance Coverage and Benefits for State and School Employees

MISS. CODE ANN. Section 25-15-3 et seq. (1972) established the State and School Employees' Life and Health Plan, which is administered by the State and Public School Employees Health Management Board and is self-insured. A third-party administrator (currently Blue Cross and Blue Shield of Mississippi) processes medical claims.

State law presently limits participation in the plan to employees of state agencies (including the Legislature, the courts, and their respective staffs) and educational institutions; employees of local political subdivisions are not eligible to participate. The plan provides active employees with two choices in health insurance coverage (i. e., base or select) that differ in monthly premium costs and deductible thresholds.

Possibility and Feasibility of Incorporating Local Political Subdivisions into the State Health Plan

Local Political Subdivisions' Participation in the State Health Plan: Possibility vs. Feasibility

For purposes of this report, PEER defines "possibility" as whether an option for health insurance for employees of

local political subdivisions could be implemented based on legal requirements or insurance industry standard practices. “Feasibility” is defined as whether incorporation of local political subdivisions into the state health plan would be a logical approach for providing more cost-effective health insurance coverage or achieving an optimal cost-benefit ratio at the local level.

Possibility of Participation

If the Legislature amended the definition of “eligible employee” in MISS. CODE ANN. Section 25-15-3 (1972) to include employees of local political subdivisions, these employees could participate in the state health plan. However, because the contract for the state health plan’s current provider network was based on the current number of covered lives and their claims experience, local political subdivisions could not utilize the state health plan’s negotiation potential and provider network while retaining their own plan administrators.

Feasibility of Participation

The feasibility of incorporating employees of local political subdivisions into the state health plan cannot be determined without an actuarial analysis first being conducted in order to formulate premium rate estimates based on the addition of this new population. If these employees are not immediately added to the state health plan, a separate statewide group health plan for local political subdivisions could be a potential cost-effective option.

While the current feasibility of incorporating local political subdivisions into the state health plan is unknown, PEER identified multiple key factors that should be taken into consideration in completing a comprehensive feasibility analysis in the future. These key factors include:

- the need for an actuarial analysis to formulate monthly premium rates;
- upcoming changes in response to federal health care reform;
- the potential number of additional covered lives (i. e., the risk pool);
- how to assure widespread participation;
- a possible reduction in administrative costs;
- the potential difference in funding philosophies of the state health plan or separate statewide group health

plan in comparison to the funding philosophies of fully insured local political subdivisions; and,

- the interest level of local political subdivisions and potential changes at the local level.

The report provides details on each of these key factors.

How Counties and Municipalities Currently Provide Health Insurance Coverage to Their Employees

Low Survey Response Rate Inhibited PEER's Comparison of Local Insurance Coverage to the State Health Plan

In conducting this review, PEER developed a health insurance coverage survey instrument to obtain information from counties and municipalities regarding their current health insurance coverage, health insurance benefits, and interest in a statewide group health plan. PEER administered the survey to all eighty-two counties and to a sample of municipalities.

Because of a low response rate for the survey, PEER was not able to make an extensive comparison of the health insurance practices of and benefits currently provided by counties and municipalities to the benefits of the State and School Employees' Life and Health Plan. Of the 164 counties and municipalities surveyed, seventy-five responded, a response rate of 45.7%.

Appendices H and I, pages 40 and 42, summarize the counties' survey responses and Appendix G, page 39, lists those counties that did not respond to the survey. Appendices J and K, pages 67 and 68, summarize the municipalities' survey responses and Appendix G, page 39, lists those municipalities that did not respond to the survey.

PEER's Inability to Determine Cost-Benefit Ratios for Counties' and Municipalities' Current Health Plans

Again, due to the low survey response rate, PEER could not determine cost-benefit ratios for counties' and municipalities' current premium rates and benefits. These cost-benefit ratios would be necessary for an actuary to use in determining the fiscal feasibility of incorporating local political subdivisions into the state health plan or into a separate statewide group health plan.

Little Interest Expressed in a Statewide Group Health Plan for Local Political Subdivisions

Of those counties and municipalities responding to PEER's survey, most did not provide an answer to the question regarding their level of interest in creation of a statewide group health plan. PEER assumes that this could be because the person who completed the survey response was not in a position to make that decision on behalf of the entity or because estimates of potential cost savings were not presented.

Recommendations

1. a. In view of the fact that there is considerable uncertainty in the insurance market following the implementation of federal health care reform (i. e., the Patient Protection and Affordable Care Act), the Legislature should not take any action regarding a health insurance plan for local political subdivisions until after January 1, 2015 (one year after all provisions of the federal health care reform act become effective, including those provisions that make health insurance available to local political subdivisions with fewer than fifty employees).
- b. After January 1, 2015, should the Legislature deem it advisable to take action on establishing a health insurance plan for local political subdivisions; it should take the following steps:
 - Appropriate sufficient funds to the Department of Finance and Administration's Office of Insurance to conduct an actuarial study of the potential costs of either creating a plan solely for local political subdivisions or placing them in the same plan with state employees and teachers. Such a study should attempt to determine the premium amounts for both options.
 - Require through general law that local political subdivisions cooperate in the actuarial study, including providing the Department of Finance and Administration with access to claims history information for all group health insurance plans currently administrated for the benefit of the employees of local political subdivisions.
 - Consider adopting penalties or providing a means of civilly enforcing the duty to cooperate with the Department of Finance and Administration.

- c. Following completion of the actuarial study, the Department of Finance and Administration should prepare a report to the Legislature containing recommendations for future action. Should the report recommend that there be either a separate health plan for local political subdivisions or that these employees be placed in the state employees' and teachers' plan, the department should address the following matters:
- *Mandating levels of participation*--such a mandate could include a requirement of 100% participation or a deadline for opting into or out of the plan;
 - *Subsidies*--a short-term state subsidy, no longer in duration than thirty-six months, to assist local political subdivisions whose premiums may be higher under the plan than under their current group plans; and,
 - *Optional levels of coverage*--since local governments bear the cost of providing coverage to their employees, a state plan could offer options to local governments that could allow them to control costs by picking the amount of coverage they wish to procure for their employees and dependents.

Further, the department should report on any other matters it determines to be relevant to the issue of providing health insurance for employees of local political subdivisions.

2. Should the Legislature decline to pursue the statewide group health plan option, local political subdivisions with fewer than fifty employees could still explore the option of seeking coverage through the federal insurance marketplaces. Starting January 1, 2016, local political subdivisions with fewer than one hundred employees can explore this option.

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Assessment of Opportunities for Local Political Subdivisions' Employee Health Insurance Coverage

Introduction

Authority

PEER conducted the review pursuant to the authority granted by MISS. CODE ANN. Section 5-3-51 et seq. (1972).

Problem Statement

According to the Kaiser Family Foundation, in 2010, health care expenditures in the United States had increased more than ten times since 1980, from \$256 billion to \$2.6 trillion. Kaiser also notes that employer-sponsored health coverage for family health insurance premiums has increased by 97% since 2002. The America's Health Insurance Plans Association notes that the growth in health insurance premiums has tracked directly with the growth in medical costs.

These conditions have the potential of causing a greater financial burden on local political subdivisions within the state. These employers may already have high employee health insurance premiums due to a relatively small number of employees (i. e., a limited number of lives and thus a smaller risk pool, with the potential for higher costs).

PEER received a legislative request to determine whether it would be feasible to allow Mississippi's counties and municipalities either to participate in the State and School Employees' Health Insurance Plan or to utilize the plan's broad negotiation potential, but retain their own plan administrators.

Scope and Purpose

PEER sought to address the following objectives:

- describe the health insurance portion of the current State and School Employees' Life and Health Insurance

Plan (also referred to in this report as the state health plan) and statutes governing the implementation of the plan and the State and School Employees Health Insurance Management Board;

- determine whether it would be possible to incorporate local political subdivisions into the state health plan;
- determine whether it would be possible to allow local political subdivisions to utilize the state health plan's provider network, but retain their own plan administrators;
- determine whether incorporation of local political subdivisions into the state health plan would be a feasible cost-saving option and identify key factors that should be addressed in order to complete a feasibility analysis; and,
- compile a profile of the current form(s) of health insurance coverage provided by counties and municipalities to their employees in order to establish cost/benefit ratios that could be used in formulating actuarially sound premium rates for this population.

Scope Limitations

PEER notes the following scope limitations in this project:

- Due to the cost involved, PEER did not perform an actuarial analysis when conducting this project, which would be needed to estimate the premium rates for a statewide group health insurance plan for counties and municipalities that would be similar in benefits to the State and School Employees' Life and Health Insurance Plan.¹ Also, it is unknown to what extent the federal health insurance marketplaces (formerly referred to as "exchanges") and health insurance market reforms that go into effect on January 1, 2014, will impact the cost of health insurance available to counties and municipalities (see discussion on page 15).
- PEER did not obtain claims experience data from the counties or municipalities, which would be needed to estimate the premium rates for a statewide group

¹PEER believes that the type of comprehensive actuarial analysis needed to complete a feasibility study of including local political subdivisions in the state health plan could cost up to \$100,000 due to the time and labor involved in collecting and analyzing the claims data that would be needed from the local political subdivisions to establish claims experience. As a point of comparison, the Department of Finance and Administration's staff has noted that the department periodically contracts out two actuarial studies for the state health plan (one for the calendar year and one for the state fiscal year) at an approximate cost of \$40,000 to \$50,000 per study for analyzing readily accessible claims data.

health insurance plan for counties and municipalities that would be similar in benefits to the State and School Employees' Life and Health Insurance Plan.

- PEER obtained data from the Public Employees' Retirement System (PERS) to determine the number of persons who might potentially be covered by a statewide group health insurance plan for local political subdivisions (see page 17). The data file provided by PERS included only employees whose positions are covered by PERS and not dependents who might potentially be covered by such a plan.
- Profiles of the counties' and municipalities' current health insurance coverage are based solely on information from responses PEER received to a survey of counties' and municipalities' employee health insurance coverage. As discussed on page 22, PEER could not make an extensive comparison of benefits currently received by counties and municipalities to benefits of the State and School Employees' Life and Health Insurance Plan due to the limited number of benefit summaries provided with the survey responses.

Method

In conducting this review, PEER:

- reviewed applicable state laws governing the implementation of the State and School Employees' Life and Health Insurance Plan and the State and School Employees Health Insurance Management Board;
- interviewed personnel and examined records of the Department of Finance and Administration regarding the history of changes to the state health plan and its current implementation;
- reviewed a feasibility study on the creation of a statewide group health insurance plan for local political subdivisions of the state prepared by an actuary on December 16, 1998;
- interviewed personnel with the Mississippi Association of Supervisors and the Mississippi Municipal League to determine the best methods of contacting and surveying counties and municipalities regarding their current health insurance coverage for employees;
- developed a health insurance coverage survey instrument to obtain information from the counties and municipalities regarding their current health insurance coverage, health insurance benefits, and interest in a statewide group health plan and administered the survey instrument to all eighty-two

counties and a sample of municipalities (see Appendix A, page 29, and Appendix F, page 37);

- compiled health insurance survey responses from the counties and municipalities to develop a profile of the current forms of health insurance coverage and to help in identifying options; and,
- interviewed personnel and examined data from the Public Employees' Retirement System (PERS) to determine the potential number of covered lives, as well as demographic data, for a statewide group health insurance plan for local political subdivisions.

Overview of Current Health Insurance Coverage and Benefits for State and School Employees

This chapter seeks to address the following objective:

- Describe the health insurance portion of the current State and School Employees' Life and Health Insurance Plan (also referred to in this report as the state health plan) and statutes governing the implementation of the plan and the State and School Employees Health Insurance Management Board.

To address this objective, PEER answered the following questions:

- Who administers the state health plan?
- How is the state health plan funded and how are services provided?
- Who is eligible to participate in the state health plan and what coverage is available?

MISS. CODE ANN. Section 25-15-3 et seq. (1972) established the State and School Employees' Life and Health Insurance Plan, which is administered by the State and Public School Employees Health Management Board and is self-insured. A third-party administrator (currently Blue Cross and Blue Shield of Mississippi) processes medical claims. State law presently limits participation in the plan to employees of state agencies (including the Legislature, the courts, and their respective staffs) and educational institutions (such as universities, school districts, and libraries); employees of local political subdivisions are not eligible to participate.

Who administers the state health plan?

The State and School Employees Health Insurance Management Board is responsible for administering the state health plan. MISS. CODE ANN. Section 25-15-303 (1972) states that the board, through the State Insurance Administrator, is responsible for day-to-day management and administration of the plan.

MISS. CODE ANN. Section 25-15-303 (1972) created the State and School Employees Health Insurance Management Board to administer the state health plan, to adopt and promulgate rules and regulations for its administration, and to administer procedures for selecting third-party administrators. The board is also responsible for defining the scope and coverage provided by the plan.

The board's membership includes state agency executive directors and two gubernatorial appointees who have expertise in insurance matters. Also, chairs of the Senate

and House appropriations and insurance committees serve as nonvoting advisory members. (See Appendix B, page 31, for the statutory requirements for board composition.)

MISS. CODE ANN. Section 25-15-5 (1972) requires the board to develop a five-year strategic plan for the state health plan that shall address:

- changing trends in the health care industry and how they affect delivery of services;
- alternative service delivery systems;
- foreseeable problems with the present system of delivering and administering health care benefits; and,
- the development of options and recommendations for changes in the plan.

MISS. CODE ANN. Section 25-15-303 (1972) requires the Department of Finance and Administration to employ a State Insurance Administrator who shall be responsible for the day-to-day management and administration of the plan.

How is the state health plan funded and how are services provided?

The state health plan is a self-insured plan and the state bears financial responsibility for its own employee benefits, including claims and other expenses associated with providing health care coverage. The plan has contracts with a third-party administrator (currently Blue Cross and Blue Shield of Mississippi) for claims processing, a provider network (currently AHS, a Blue Cross and Blue Shield subsidiary), and a pharmacy benefit manager (currently Catamaran).

The state health plan is a self-insured plan,² which means that the state of Mississippi bears the financial responsibility for the plan. The state is responsible for paying claims and other expenses associated with providing employees with health insurance coverage. (Employees pay premiums for their dependents' health insurance coverage. Retirees and their dependents also may purchase coverage under the plan.)

²The U. S. Bureau of Labor Statistics defines a *fully insured* health insurance plan as “a plan where the employer contracts with another organization to assume financial responsibility for the enrollees’ medical claims and for all incurred administrative costs.” The bureau defines a *self-insured* health insurance plan as “a plan offered by employers who directly assume the major cost of health insurance for their employees. Some self-insured plans bear the entire risk. Other self-insured employers insure against large claims by purchasing stop-loss coverage. Some self-insured employers contract with insurance carriers or third party administrators for claims processing and other administrative services; other self-insured plans are self-administered.”

As noted previously, the State and School Employees Health Insurance Management Board determines the plan benefits and establishes the plan premiums. All costs associated with the state health plan are paid from the money collected from premiums; there is no direct appropriation of state funds to the state health plan.

The board is responsible for seeking proposals for services and selecting service providers through competitive processes. The third-party administrator, currently Blue Cross and Blue Shield of Mississippi, processes medical claims.

The AHS State Network (a subsidiary of Blue Cross and Blue Shield of Mississippi) is the currently contracted provider network. This network consists of physicians, hospitals, and other health care providers who agree to accept the allowable charges set by AHS and to file claims for state health plan enrollees. AHS also is charged with responsibility for recruiting, credentialing, and communicating with providers that participate in the network.

Catamaran is the current pharmacy benefit manager for the state health plan's prescription drug program. According to the state health plan document, Catamaran is responsible for:

- developing and maintaining a network of participating pharmacies;
- negotiating with pharmaceutical manufacturers;
- managing the prescription drug home delivery program;
- developing a list of preferred drugs;
- processing prescription claims from participating pharmacies; and,
- processing prescription claims when an enrollee files a paper claim.

Who is eligible to participate in the state health plan and what coverage is available?

For purposes of the state health plan, MISS. CODE ANN. Section 25-15-3 (1972) defines an eligible employee as one who works full time for the State of Mississippi or for any higher education institution, school district, community/junior college, public library, or who is a regular nonstudent bus driver. The state health plan provides active employees with two choices in health insurance coverage that differ in monthly premium costs and deductible thresholds.

MISS. CODE ANN. Section 25-15-3 (1972) defines an employee who is eligible to participate in the state health plan:

“Employee” means a person who works full time for the State of Mississippi and receives his compensation in a direct payment from a department, agency or institution of the state government, and any person who works full time for any school district, community/junior college, public library, university-based program...for deaf, aphasic and emotionally disturbed children, or any regular nonstudent bus driver. This term includes legislators, employees of the legislative branch and the judicial branch of the state, full-time salaried judges and full-time district attorneys and their staff, and full-time compulsory school attendance officers...

The state health plan provides two primary levels of coverage for active employees: base coverage and select coverage. The state pays 100% of the employee’s monthly premium for base coverage (currently \$356 per month). For select coverage, the employee pays a portion of the monthly premium (currently \$20 per month for employees hired before January 1, 2006, and \$38 per month for employees hired on or after January 1, 2006) in exchange for a lower annual deductible and a separate prescription drug deductible. The state pays the remainder of the employee’s monthly premium cost (\$356). (For a summary of the provisions for base and select coverage, see Appendix C on page 32.)

The state health plan’s base coverage meets the federal government’s criteria for a high-deductible plan, with an annual individual deductible of \$1,800, with prescription drug costs also included within this deductible. For select coverage, the annual individual deductible is \$1,000, with a separate annual prescription drug deductible of \$75. For

base coverage, the annual deductible must be met before co-payments apply for prescription drugs. For a brief comparison of the premium rates associated with base and select coverage, see Appendix D on page 34.

Possibility and Feasibility of Incorporating Local Political Subdivisions Into the State Health Plan

This chapter seeks to address the following objectives:

- Determine whether it would be possible to incorporate local political subdivisions into the state health plan.
- Determine whether it would be possible to allow local political subdivisions to utilize the state health plan’s provider network, but retain their own plan administrators.
- Determine whether incorporation of local political subdivisions into the state health plan would be a feasible cost-saving option and identify any key factors that should be addressed in order to complete a feasibility analysis.

Local Political Subdivisions’ Participation in the State Health Plan: Possibility vs. Feasibility

For purposes of this report, PEER defines “possibility” as whether either of the above options could be implemented based on legal requirements or insurance industry standard practices. “Feasibility” is defined as whether incorporation of local political subdivisions into the state health plan would be a logical approach for providing more cost-effective health insurance coverage or achieving an optimal cost-benefit ratio at the local level.

When PEER set out to analyze the potential for incorporating local political subdivisions into the state health plan or utilizing the state health plan provider network while retaining their own plan administrators, the Committee first set out to determine the possibility of these options. For purposes of this report, *possibility* is defined as whether either of the above options could be implemented based on legal requirements or insurance industry standard practices. To determine this, PEER answered the following questions:

- Would it be *possible* for local political subdivisions to participate in the state health plan?
- Would it be *possible* for local political subdivisions to utilize the state health plan’s provider network, but retain its own plan administrators?

Next, PEER set out to determine the feasibility of these options. *Feasibility*, for purposes of this report, is defined as whether incorporation of local political subdivisions into the state health plan would be a logical approach for providing more cost-effective health insurance coverage or achieving an optimal cost-benefit ratio at the local level. PEER answered the following questions:

- Is it currently *feasible* for employees of local political subdivisions to participate in the state health plan?
- Would it be *feasible* in the future for employees of local political subdivisions to participate in the state health plan?

Possibility of Participation

If the Legislature amended the definition of “eligible employee” in MISS. CODE ANN. Section 25-15-3 (1972) to include employees of local political subdivisions, these employees could participate in the state health plan. However, because the contract for the state health plan’s current provider network was based on the current number of covered lives and their claims experience, local political subdivisions could not utilize the state health plan’s negotiation potential and provider network while retaining their own plan administrators.

Would it be possible for local political subdivisions to participate in the state health plan?

By amending the definition of “eligible employee” within MISS. CODE ANN. Section 25-15-3 (1972) to include employees of local political subdivisions, it would be possible for these employees in the state health plan.

As noted on page 8, MISS. CODE ANN. Section 25-15-3 (1972) does not include employees of local political subdivisions within the definition of an employee eligible to participate in the state health plan. In order for these employees to be incorporated into the state health plan, the Legislature would have to amend the CODE to reflect such.

Would it be possible for local political subdivisions to utilize the state health plan’s provider network, but retain its own plan administrators?

Because contracts and payment rates for medical services are negotiated specific to the current population covered within the state health plan, the local political subdivisions would not be able to utilize the state health plan provider network while retaining their own plan administrators.

Similar to the way premium rates are calculated through rating practices specific to the population covered by the state health plan, contracts and payment rates for services of the provider network are negotiated based on the

population currently covered. According to staff of the Department of Finance and Administration, the payment rate for provider services is negotiated exclusively for the population currently covered by the state health plan and therefore local political subdivisions would not be permitted to utilize the state health plan network and its rates.

Feasibility of Participation

The feasibility of incorporating employees of local political subdivisions into the state health plan cannot be determined without an actuarial analysis first being conducted in order to formulate premium rate estimates based on the addition of this new population. If these employees are not immediately added to the state health plan, a separate statewide group health plan for local political subdivisions could be a potential cost-effective option, although several factors would first need to be addressed.

Is it currently feasible for employees of local political subdivisions to participate in the state health plan?

Because the state health plan pays for claims from premium contributions based on contractual rates set for the current number of covered lives and their respective claims experience, it would not be feasible for employees of local political subdivisions to be incorporated into the state health plan without first establishing actuarial rates to determine how this additional population would affect rates and premiums.

The primary reason that incorporating employees of local political subdivisions into the current state health plan would not be immediately feasible is because the current contract for the state health plan is based on actuarially established premium rates for the current number of covered lives and their respective claims experience. Before incorporating employees of local political subdivisions into the existing state health plan, an actuarial study of the new employee group would be needed to recalculate premiums. If an actuarial study found that incorporating employees of local political subdivisions into the existing state health plan would cause that plan's rates to increase or would increase rates for local political subdivisions beyond that which they are currently paying, such a merger would be less attractive to either or both groups.

Would it be feasible in the future for employees of local political subdivisions to participate in the state health plan?

A precedent is in place for a method to create a separate statewide group health plan (as was done with teachers and school employees prior to their incorporation into the current state health plan in 1999). Creation of a separate statewide group health plan for local political subdivisions could be

utilized as a way to obtain claims experience data for that population in order for actuarially sound premium rates to be formulated and compared to the state health plan.

In response to a legislative request, an actuary prepared a feasibility study on the creation of a statewide group health insurance plan for local political subdivisions of the state on December 16, 1998, the overall conclusion of which was:

In general, it does appear that the development of a State-sponsored health insurance plan, similar in benefits to the State Employees and Public School Employees Plans, is feasible, particularly if features are included in the enabling legislation which result in widespread participation among all political subdivisions.

A statewide group health plan similar in benefits to the state employee health plan was created for teachers and school employees during the mid 1990s. Once the statewide group health plan for teachers and school employees was formed, it was operated similarly to the state employee health plan in order to obtain data regarding the number of claims and claims experience of the covered lives. Then an actuary analyzed this data to see how the premiums and rates compared to that of the state health plan. According to DFA staff, the premiums and rates of the school employees' health plan and state employees' health plan were so similar that there was no longer a need for the state to administer two separate health plans, since the state was bearing financial responsibility for both plans. Ultimately, the Legislature amended MISS. CODE ANN. Section 25-15-3 (1972) and the two plans and the respective populations covered were combined into the State and School Employees' Health Insurance Plan.

While the school employees' plan was merged with the state employees' health plan in 1999, this is not necessarily the same process that a statewide group health plan for local political subdivisions would follow because the ultimate fiscal responsibility for funding the type of plan in question would still be at the local political subdivision level. The state could make limited financial contributions over a temporary, specified timeframe to offset the costs for those entities that might initially pay a higher premium by participating in a statewide option than for their existing health insurance coverage. However, as noted previously, if an actuarial study found that incorporating employees of local political subdivisions into the existing state health plan would cause that plan's rates to increase or would increase rates for local political subdivisions beyond that which they are currently paying,

such a merger would be less attractive to either or both groups.

Key Factors to Consider in Completing the Feasibility Analysis

While the current feasibility of incorporating local political subdivisions into the state health plan is unknown, PEER identified multiple key factors that should be taken into consideration in completing a comprehensive feasibility analysis in the future. These key factors address the following: basic requirements to complete the feasibility analysis (such as contracting an actuary to formulate premiums based on local claims experience and determining the number of potential additional covered lives), potential challenges (such as upcoming changes in federal health care reform and assuring widespread participation), and potential benefits (such as potential cost savings in administration and the shift in funding philosophies from fully insured local political subdivisions to the state health plan).

While it is presently unknown whether it would be feasible to incorporate the employees of local political subdivisions into the state health plan or to create a separate statewide group health plan for employees of local political subdivisions similar in benefits to the state health plan, PEER identified several key factors that should be addressed in completing a formal feasibility analysis of this subject. These key factors include:

- the need for an actuarial analysis to formulate monthly premium rates;
- upcoming changes in response to federal health care reform;
- the potential number of additional covered lives (i. e., the risk pool);
- how to assure widespread participation;
- a possible reduction in administrative costs;
- the potential difference in funding philosophies of the state health plan or separate statewide group health plan in comparison to the funding philosophies of fully insured local political subdivisions; and,
- the interest level of local political subdivisions and potential changes at the local level.

The following sections discuss these key factors.

Need for an Actuarial Analysis

For either incorporation of the employees of local political subdivisions into the state health plan or creation of a separate statewide group health plan,

an actuarial analysis would be needed in order to formulate estimated monthly premium rates and to determine the fiscal feasibility of the proposed plan in comparison to costs of current health insurance plans and practices.

In order to determine the feasibility of incorporating the employees of local political subdivisions into the state health plan or of providing health insurance coverage to these employees through a separate statewide group health plan, an actuary would need to formulate premium rates for the population to be covered.

An actuary would calculate premiums based on rating practices that take into consideration factors such as age and gender, occupation, health status, and claims experience. These rating practices help insurers predict how much money they will spend for those people covered by a health plan in the year ahead. Once premium rates are established for this new population, these rates could then be compared to the rates for the state health plan and the rates for the current health insurance coverage provided by local political subdivisions to determine which would be the best option.

Upcoming Changes in Response to Federal Health Care Reform

PEER does not know to what extent the newly created federal health insurance marketplaces and health insurance market reforms will affect the health insurance coverage options and costs associated with the new premium rate setting guidelines.

Upcoming changes in response to federal health care reform include creation of individual and small business health insurance marketplaces (formerly referred to as exchanges) and new premium adjustment rules.

Creation of Individual and Small Business Health Insurance Marketplaces

One key component of the Patient Protection and Affordable Care Act (PPACA) is that each state is required to create a health insurance marketplace (formerly referred to as an exchange) for both individuals and small businesses by January 1, 2014. Because the United States Department of Health and Human Services (HHS) rejected Mississippi's blueprint for a state-facilitated marketplace (exchange) on February 7, 2013, Mississippi will have a federally facilitated marketplace.

Open enrollment for qualified health plans eligible to be purchased through the marketplaces begins October 1, 2013, with effective coverage beginning January 1, 2014. Individuals will have the option to purchase health insurance through the individual marketplace. Small businesses, defined as fewer than fifty full-time equivalent

(FTE) employees, will have the option to purchase insurance through a new market, called the Small Business Health Options Program (SHOP). Beginning January 1, 2016, all SHOPS will be open to employers with fewer than 100 FTE employees. Neither individuals nor small businesses will be required to purchase through the individual or SHOP marketplace and will still have the option to purchase private insurance through an agent.

The individual marketplace will be a newly created option for any local political subdivision that does not currently offer any form of health insurance coverage to its employees. (For example, the municipality of Silver Creek responded to PEER's survey that it does not provide health insurance to its employees.) Furthermore, the PPACA established subsidies for those eligible for the health insurance exchange with household incomes (for a family of four) from 100% to 400% of the federal poverty line³ (from approximately \$23,550 to approximately \$94,200). These federal subsidies will function as advance payment tax credits that will be provided to those seeking insurance through the individual marketplace program. These tax credits will pay the difference in an individual's monthly premium using a sliding scale, where the individual will be required to pay from 2 percent to 9.5 percent of annual household income for health insurance coverage and the tax credit will cover the remaining balance. Because these subsidies function as advance payment tax credits, it will be important to estimate household income properly. Otherwise there will be the potential for those receiving subsidies to owe an increased amount in taxes for the following year when filing a tax return.

The creation of a new small business health insurance marketplace (SHOP) could potentially provide local political subdivisions with fewer than fifty (fewer than 100 starting in 2016) FTE employees with additional health insurance coverage options that were previously unavailable. With the creation of new options would come the possibility that some of these newly available health plans could be more cost-effective to local political subdivisions in comparison to their current respective health insurance plans.

The primary challenge regarding the individual and SHOP marketplaces is that to what extent these would affect the current insurance market is still unknown. While creation of new marketplaces might open up more options to local

³*Federal poverty line* refers to the federal poverty guidelines issued by the U. S. Department of Health and Human Services. Section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)) requires the Secretary of the Department of Health and Human Services to update the poverty guidelines at least annually, adjusting them on the basis of the Consumer Price Index for All Urban Consumers (CPI-U). This update is accomplished by increasing the latest published Census Bureau poverty thresholds by the relevant percentage change in the CPI-U. These federal poverty guidelines are typically used for administrative purposes, such as determining eligibility for participation in a particular program.

political subdivisions, the qualified health plans provided through these markets could be of greater cost to employers than their existing plans or benefits could be reduced.

New Premium Adjustment Rules

Another change facilitated by the PPACA focuses on health insurance market reforms. Beginning January 1, 2014, insurance companies must meet minimum premium rating rules for health plans for individuals and small businesses. Health plans will be allowed to adjust premiums based only on the following factors:

- individual vs. family enrollment;
- geographic area;
- age; and,
- tobacco use.

Current federal law does not limit the ways that insurers may set their premium rates.

Potential Number of Additional Covered Lives

According to a data file provided by the Public Employees' Retirement System, approximately 41,194 local political subdivision employees actively contributing to the retirement system could be added to the state health plan or covered under a statewide group health plan. Also, assuming that the same rate of dependents to active employees within the state health plan could be applied to the number of active employees in PERS, this could result in approximately 14,418 dependents that might also be added.

One key factor in determining the feasibility of incorporating the employees of local political subdivisions into the state health plan or setting up a separate statewide group health plan is to know how many additional covered lives this would involve (i. e., establishing the risk pool).

To obtain an estimate of the number of additional covered lives, PEER contacted personnel of the Public Employees' Retirement System (PERS), since most of Mississippi's local political subdivisions participate in the state retirement system. PERS provided PEER with a data file for those employees of local political subdivisions who were contributing to the PERS as of June 30, 2012. This data file contained information regarding the local political subdivision name and type and the age and gender of their respective employees.

Because PEER does not have an actuary on staff to calculate an estimated rate associated with creating a statewide group health insurance plan for counties and cities based on claims experience data, PEER followed the

layout and presentation of the demographic data provided within the 1998 feasibility study and analyzed the PERS data. The Exhibit, below, shows the employee count by local political subdivision type based on the PERS data file.

Exhibit: Number of Employees Actively Participating in PERS by Local Political Subdivision Type, as of June 30, 2012

Local Political Subdivision Type	Number of Employees
Cities and towns	18,726
Counties	15,133
Hospitals	3,589
Other*	3,746
Total	41,194

**Other* includes entities such as mental health facilities, airports, and miscellaneous municipal/county boards, commissions, and districts.

SOURCE: PEER analysis of PERS data.

The majority of the employees in the PERS data file worked for cities, towns, and counties, totaling 33,859 (82.2%). The remaining 7,335 (17.8%) of the employees belonged to the hospitals and other categories.

Regarding an overview of demographic trends, there was a greater percentage of male employees (62%) than female employees (38%) when looking at the total for all types of local political subdivisions. This is attributed to the large composition of male employees within the cities and towns and counties categories (76.3% and 60.9%, respectively). There was a greater percentage of female employees within the hospitals and other categories (80.9% and 64.2%, respectively). (For additional information on the number of local political subdivision employees and demographic trends regarding age and gender, see Appendix E, page 35.)

One limitation of the PERS data is that it does not provide any information regarding family and dependents that could be covered under this option. Therefore, PEER took the current number of active employees and respective dependents enrolled in the state health plan in state Fiscal Year 2012 and, using this information, assumed that the same rate of dependents to employees could be applied to the potential number of active local political subdivision employees. For state Fiscal Year 2012, DFA enrollment data noted that 41,691 dependents were associated from 117,457 active employees. Based on these figures, PEER assumed that each local political subdivision active employee would be associated with 0.35 dependents. This assumption ultimately resulted in an estimate of 14,418 dependents that could be covered.

Assuring Widespread Participation

Assuring widespread participation in either incorporation of local political subdivision employees into the state health plan or creation of a separate statewide group health plan is a critical component in completing a feasibility analysis.

As noted in the conclusion of the 1998 feasibility study, widespread participation in the statewide group health plan at the employer and employee levels would need to be assured in order for the plan to remain a cost-effective insurance method for most of the local political subdivisions. (This would also apply if employees of local political subdivisions were allowed to participate in the state health plan.) In order to achieve this, the Legislature could mandate participation in the plan or allow for a one-time opt-in or opt-out period by employer, whereby a local political subdivision would choose whether to enroll all of its respective employees into the statewide plan. This would allow for a definitive pool of employees to be covered within the plan in order to obtain more accurate premium rate.

A primary challenge in assuring that widespread participation is achieved would be that local political subdivisions might choose not to participate in the existing state health plan or a statewide group health plan because they believe that they can obtain more cost-effective coverage through the private market. For example, a county or municipality with a larger employee risk pool might already have lower premium rates based on more favorable claims experience and demographic considerations. In order to ensure that the plan would be solvent, the premium rate costs would be spread out over the number of people insured. Therefore, while some local political subdivisions would experience more favorable rates through the existing state health plan or statewide group health plan, there would also be those whose rates would be more expensive.

The Legislature would also need to ensure that whatever option is presented to the local political subdivisions would reduce the likelihood of these entities choosing not to participate. For example, the Legislature could establish temporary, time-limited (e. g., for thirty-six months) state-paid contributions per employee covered within the plan on behalf of those local political subdivisions that had a difference in the amount of their current monthly premium coverage cost in comparison to the monthly premium coverage cost of participating in the statewide plan.

In addition to comparing the premium costs of the current coverage provided by local political subdivisions, the benefits provided through each plan must also be

compared to any benchmark plan (i. e., the benefits provided through the state health plan). This would allow for a cost-benefit ratio to be established whereby local political subdivisions could determine whether they believe the benefit package is feasible in relation to the cost of the proposed option. As noted in the discussion of PEER's survey results on page 22, because of the limited number of health benefit summary responses from the counties and municipalities, PEER made no comparison of health benefits currently provided to the benefits provided by the state health plan. Therefore, it is possible that even if a local political subdivision were currently paying more (i. e., a higher deductible or higher premium), it could have enhanced benefits provided through the statewide plan with more favorable cost-sharing options (e. g., co-pays).

Another factor to consider in assuring widespread participation is that some local political subdivisions that are currently self-insured noted in their survey responses that they would not want to lose control of establishing their own benefit structures.

Possible Reduction in Administrative Costs

If local political subdivisions were incorporated into the existing state health plan or another statewide group health plan, administrative costs for these entities could potentially be lower.

Incorporating local political subdivisions into the existing state health plan or another statewide group health plan could potentially reduce administrative costs by shifting from administration for a separate plan for each local political subdivision to a single statewide request for proposals process. This was noted as a potential area of cost savings in the 1998 feasibility study.

For example, instead of paying administrative costs for multiple third-party administrators for local political subdivision health plans, there would need to be only a single third-party administrator contracted to process medical claims for a statewide group health plan.

Potential Difference in Funding Philosophies

The funding philosophy of the existing state health plan is to cover the costs of claims while maintaining a reasonable surplus. A shift away from the multiple health insurance plans at the local level would reduce the costs associated with private sector profits (such as agent commissions and premium taxes).

Incorporation of local political subdivision employees into the state health plan or shifting to a separate statewide group health plan similar to the state health plan could lower health insurance costs at the local level because the funding philosophy of the existing state health plan is to

have enough funding available to cover claim costs and predict any documented potential liability costs. Since the separate statewide group health plan would most likely have a similar funding philosophy to the state health plan, the costs associated with private sector profits, such as agent commissions and premium taxes, would be reduced if local political subdivisions were incorporated. This would especially be true for the fully insured local political subdivisions.

Level of Interest and Potential Local Changes

The level of interest in a statewide plan at the local political subdivision level and what potential changes could result should be factored into the feasibility determination.

As noted on page 13, the 1998 feasibility study on the creation of a statewide group health plan for local political subdivisions reached the conclusion that it would be a feasible option if widespread participation in the plan was assured. However, as noted on page 24 in the discussion of results of PEER's survey of local political subdivisions' health insurance coverage, only five out of the 164 entities surveyed (3%) expressed interest in creation of a statewide group health plan. Therefore, a potentially feasible option might still not succeed if the majority of local political subdivisions are not interested.

The changes that would likely result at the local level, based on the option presented, could factor into the feasibility of the option. For example, while the shift from multiple health insurance plans for local political subdivisions to a single plan could potentially lower annual administrative costs, some of these entities might not want to eliminate the localized agent approach that they are used to with their current coverage.

How Counties and Municipalities Currently Provide Health Insurance Coverage to Their Employees

This chapter seeks to address the following objective:

- Compile a profile of the current form(s) of health insurance coverage provided by counties and municipalities to their employees in order to establish cost/benefit ratios that could be used in formulating actuarially sound premium rates for this population.

Low Survey Response Rate Inhibited PEER's Comparison of Local Insurance Coverage to the State Health Plan

PEER was not able to make an extensive comparison of the health insurance practices of and benefits currently provided by counties and municipalities to the benefits of the State and School Employees' Life and Health Insurance Plan due to the low response rate for the survey. Of the 164 counties and municipalities surveyed, seventy-five responded, a response rate of 45.7%. In multiple instances, counties and municipalities did not respond to certain survey questions, such as providing health plan benefit summaries.

As noted previously, PEER had originally planned to determine how counties and municipalities currently provide health insurance coverage to their employees in order to make comparisons with the coverage provided by the existing state health plan. To do so, PEER administered a survey to counties and municipalities. (See Appendix A, page 29, for a description of the survey's administration and Appendix F, page 37, for a copy of the survey instrument.)

However, due to a low response to the survey, PEER was unable to use the survey results as originally intended.

- PEER surveyed all eighty-two counties and received responses from forty-seven, a response rate of 57.3%.⁴ In some instances, information was absent or incomplete for some survey questions. Appendix G, page 39, lists those counties that did not respond to the survey and Appendices H and I, pages 40 and 42, summarize the counties' survey responses.

⁴Tishomingo County submitted a late response to PEER's survey. Although PEER presents that information in Appendices H and I, it was not included in the analysis of counties' responses.

- PEER surveyed a sample of eighty-two municipalities and received survey responses from twenty-eight, a response rate of 34%. As with the counties' responses, in some instances, information was absent or incomplete for some survey questions. Appendix G, page 39, lists those municipalities that did not respond to the survey and Appendices J and K, pages 67 and 68, summarize the municipalities' survey responses.

Because of the low rate of response to the survey, PEER could not determine cost-benefit ratios for counties' and municipalities' current health plans. Also, PEER notes that when asked specifically about their level of interest in a statewide group health plan for local political subdivisions, counties and municipalities responding to the survey expressed little interest.

PEER's Inability to Determine Cost-Benefit Ratios for Counties' and Municipalities' Current Health Plans

Due to the low survey response rate, PEER could not determine cost-benefit ratios for counties' and municipalities' current premium rates and benefits. These cost-benefit ratios would be necessary for an actuary to use in determining the fiscal feasibility of incorporating local political subdivisions into the state health plan or into a separate statewide group health plan.

As noted previously, PEER surveyed counties regarding:

- insurance coverage type and provider;
- employee participation;
- premiums and deductibles;
- benefits; and,
- level of interest in a statewide group health plan for local political subdivisions.

As noted previously, the purpose of this survey was to obtain information on local political subdivisions' current group health plans in order to establish cost-benefit ratios and obtain other information that could potentially be useful in conducting a formal actuarial analysis.

Information on monthly premium costs and other employee costs (such as deductibles, co-payments, and co-insurance), in combination with benefit packages, could be compared to the current state health plan in order to determine whether there is potential for cost savings at the local level by incorporating employees into the state health plan. Cost-benefit ratios developed from this information could be utilized in an actuarial analysis to determine the fiscal feasibility and potential cost savings of creating a statewide group health plan for local political

subdivisions similar in benefits to the current state health plan.

Other participation information (number of active employees, dependents, and retirees) could be utilized to provide a more accurate count on the potential population (number of covered lives in the risk pool) that would be added to the state health plan or covered by a separate statewide group health plan. However, due to the low response rate to the survey, PEER could not determine cost-benefit ratio information. The overall response rate for the counties and municipalities combined was 45.7%.

Little Interest Expressed in a Statewide Group Health Plan for Local Political Subdivisions

Of those counties and municipalities responding to PEER's survey, most did not provide an answer to the question regarding their level of interest in creation of a statewide group health plan. PEER assumes that this could be because the person who completed the survey response was not in a position to make that decision on behalf of the entity or because estimates of potential cost savings were not presented.

One question in PEER's survey was designed to obtain feedback on the level of interest in creation of a statewide group health plan for local political subdivisions similar in benefits and structure to the current state health plan. Only eight out of the 164 entities surveyed (4.9%) responded regarding their level of interest in the creation of such a plan (i. e., either "interested" or "not interested").

Three counties reported that they would be interested in the creation of this plan due to rising health insurance premium rates. Three counties reported that they would not be interested in the creation of this plan, two stating that they were satisfied with its current health insurance and the other stating that it would not want to lose any control over its health insurance (a self-insured county). Only two municipalities reported that they would be interested in creation of such a plan.

As noted on page 19, creation of a statewide group health plan for local political subdivisions would most likely only be feasible with widespread participation. Based on the limited number of survey responses received regarding this potential option, it is likely that there is a general lack of interest in this option for potential two reasons. One assumption is that the person who completed the survey might not have been in a position to state a level of interest on the entity's behalf. The other assumption is that because there was no estimated amount of cost savings presented, the local political subdivision did not want to respond one way or the other.

This situation is a potential challenge in completing the feasibility analysis. An actuary would need the information provided by the survey responses to formulate the most accurate premium rate for the statewide group health option and show potential cost savings. However, the local political subdivisions might still be hesitant to respond to a similar survey in the future or to express any interest in this potential option without being presented with an idea of the amount of potential cost savings.

Recommendations

1. a. In view of the fact that there is considerable uncertainty in the insurance market following the implementation of federal health care reform (i. e., the Patient Protection and Affordable Care Act), the Legislature should not take any action regarding a health insurance plan for local political subdivisions until after January 1, 2015 (one year after all provisions of the federal health care reform act become effective, including those provisions that make health insurance available to local political subdivisions with fewer than fifty employees).
- b. After January 1, 2015, should the Legislature deem it advisable to take action on establishing a health insurance plan for local political subdivisions; it should take the following steps:
 - Appropriate sufficient funds to the Department of Finance and Administration's Office of Insurance to conduct an actuarial study of the potential costs of either creating a plan solely for local political subdivisions or placing them in the same plan with state employees and teachers. Such a study should attempt to determine the premium amounts for both options.
 - Require through general law that local political subdivisions cooperate in the actuarial study, including providing the Department of Finance and Administration with access to claims history information for all group health insurance plans currently administrated for the benefit of the employees of local political subdivisions.
 - Consider adopting penalties or providing a means of civilly enforcing the duty to cooperate with the Department of Finance and Administration.
- c. Following completion of the actuarial study, the Department of Finance and Administration should prepare a report to the Legislature containing recommendations for future action. Should the report recommend that there be either a separate health plan for local political subdivisions or that these employees be placed in the State and School

Employees' Life and Health Insurance Plan, the department should address the following matters:

- *Mandating levels of participation*--such a mandate could include a requirement of 100% participation or a deadline for opting into or out of the plan;
- *Subsidies*--a short-term state subsidy, no longer in duration than thirty-six months, to assist local political subdivisions whose premiums may be higher under the plan than under their current group plans; and,
- *Optional levels of coverage*--since local governments bear the cost of providing coverage to their employees, a state plan could offer options to local governments that could allow them to control costs by picking the amount of coverage they wish to procure for their employees and dependents.

Further, the department should report on any other matters it determines to be relevant to the issue of providing health insurance for employees of local political subdivisions.

2. Should the Legislature decline to pursue the statewide group health plan option, local political subdivisions with fewer than fifty employees could still explore the option of seeking coverage through the federal insurance marketplaces. Starting January 1, 2016, local political subdivisions with fewer than one hundred employees can explore this option.

Appendix A: PEER's Administration of a Survey of Counties' and Municipalities' Health Insurance Coverage for Employees

As noted previously, PEER developed a two-page survey instrument to administer to all eighty-two counties and a sample of the state's municipalities in order to collect information on the health insurance currently provided to their employees. The survey requested information such as insurance type, insurance provider, number of employees covered, employer/employee premiums, and employee deductibles. (For a copy of the survey instrument administered to both the counties and municipalities, see Appendix F, page 37.)

Survey of Counties

PEER interviewed personnel of the Mississippi Association of Supervisors to determine the best method of contacting the counties regarding their current health insurance coverage for employees. The association's staff noted that either the county administrator or the chancery clerk of each county would be the best point of contact to administer the survey and that faxing would be the best method of receiving responses in a timely manner.

Based on this information, PEER obtained the fax numbers for contacts at the eighty-two counties from both the association's staff and from its current directory of county officials. Depending on when the survey was faxed to the counties, PEER staff allowed ten to fourteen days for the counties to complete the survey instrument. County survey responses were incorporated into the profile results if received prior to June 21, 2013, even if submitted after the due date.

Survey of Municipalities

PEER interviewed personnel of the Mississippi Municipal League to determine the best method of contacting the municipalities regarding their current health insurance coverage for employees. The league's staff noted that the municipal clerk would be the best point of contact at each municipality to administer the survey and that faxing would be the best method to receive responses in a timely manner.

Based on this information, PEER obtained the fax numbers for a sample of eighty-two of the 289 municipalities listed in the directory of the Mississippi Municipal League. This sample size was selected based on population and geographic distribution within the state.

- First, PEER obtained population estimates according to the 2010 U.S. Census data and divided the municipalities into three primary categories: large (greater than 10,000 people); medium (between 2,000 and 9,999 people); and, small (less than 2,000 people).
- Once these categories were separated, PEER then selected all of the large municipalities to survey (forty-one) and a sample of the medium-sized municipalities (twenty-five) and small municipalities (sixteen) by geographic distribution within the state.

The overall goal of this sample was to survey municipalities that would represent a majority of the population of the state while ensuring that all geographic locations within the state were included.

Depending on when the survey was faxed to the municipalities, PEER allowed ten to fourteen days for the municipalities to complete the survey instrument. Municipalities' survey responses were incorporated into the profile results if received prior to June 21, 2013, even if submitted after the due date.

SOURCE: PEER.

Appendix B: Membership of the State and Public School Employees Health Insurance Management Board

According to MISS. CODE ANN. §25-15-303 (1972), the State and Public School Employees Health Insurance Management Board shall consist of the following:

- the Chair of the Workers' Compensation Commission;
- the State Personnel Director;
- the Commissioner of Insurance (or his designee);
- the Commissioner of Higher Education;
- the State Superintendent of Public Education;
- the Executive Director of the Department of Finance and Administration;
- the Executive Director of the State Board for Community and Junior Colleges;
- the Executive Director of the Public Employees' Retirement System;
- two appointees of the Governor whose terms shall be concurrent with that of the Governor, one of whom shall have experience in providing actuarial advice to companies that provide health insurance to large groups and one of whom shall have experience in the day-to-day management and administration of a large self-funded health insurance group;
- the Chair of the Senate Insurance Committee or designee;
- the Chair of the House of Representatives Insurance Committee or designee;
- the Chair of the Senate Appropriations Committee or designee; and,
- the Chairman of the House of Representatives Appropriations Committee or designee.

This CODE section also states that the legislators, or their designees, shall serve as ex officio, nonvoting members of the board. Furthermore, the Executive Director of the Department of Finance and Administration shall be the chairman of the board.

SOURCE: MISS. CODE ANN. §25-15-303 (1972).

Appendix C: Summary of Base and Select Coverage Provisions of the State and School Employees' Health Insurance Plan, as of June 2013

Base Coverage		
	In-Network	Out-of-Network
Calendar Year Deductible - Individual Coverage	\$1,800	
Calendar Year Deductible - Family Coverage	\$3,000	
Coinsurance/Co-payment Maximum - Individual Coverage	\$2,500	\$4,000
Coinsurance/Co-payment Maximum - Family Coverage	\$5,000	\$8,000

Under Base Coverage, there is no separate deductible for prescription drugs. If the covered individual has employee-only coverage, he or she must meet the individual deductible (\$1,800) before the plan begins paying benefits for medical and/or prescription drugs. For employees with dependent/family coverage, there is no individual deductible or coinsurance/co-payment maximum; rather, the family deductible (\$3,000) must be met before any benefits (medical and/or prescription drugs) will be paid.

After the appropriate deductible (\$1,800 or \$3,000) under Base Coverage has been met, the plan will pay 80% of allowable charges for covered medical services when the individual uses participating providers. Prescription drug co-payments will apply after the deductible is met.

Once an individual with employee-only coverage has paid the coinsurance/co-payment maximum (\$2,500 or \$4,000), benefits will be paid at 100% of the allowable charge. For participants with family coverage, benefits will be paid at 100% of the allowable charge after the family coinsurance/co-payment maximum (\$5,000 or \$8,000) has been met.

The state pays 100% of the active employee premium for employees enrolled in Base Coverage.

Select Coverage

	In-Network	Out-of-Network
Calendar Year Deductible - Individual Coverage	\$1,000	\$2,000
Calendar Year Deductible - Family Coverage	\$2,000	\$4,000
Individual Medical Coinsurance Maximum	\$2,500	\$3,500
Individual Prescription Drug Deductible	\$75	

Under Select Coverage, there are separate deductibles for medical and prescription drug benefits. The prescription drug benefit deductible (\$75) is applied on an individual basis, regardless of whether the employee has employee-only or family coverage. Once a covered individual has met his/her prescription drug deductible, co-payments (\$12, \$40, or \$65) will apply.

If an individual has employee-only coverage, the individual must meet the individual deductible (\$1,000) before the plan begins paying benefits for covered medical services. For employees with dependent/family coverage, all covered participants in the family will have satisfied their medical deductibles once a family has paid the family deductible (\$2,000 or \$4,000).

After the appropriate deductible has been met, the plan will pay 80% of allowable charges for covered medical services when the individual uses participating providers. Once the individual medical coinsurance maximum is met, benefits will be paid at 100% of the allowable charge or all covered medical services for that individual. There is no family coinsurance maximum under Select Coverage. The prescription drug deductible and co-payment amounts will not apply toward the medical calendar year deductible or coinsurance maximum.

SOURCE: Department of Finance and Administration.

Appendix D: State Health Plan Monthly Premium Rates

Effective January 1, 2012

Legacy - Initially hired before 1/1/2006

Horizon - Initially hired on or after 1/1/2006

ACTIVE EMPLOYEE	LEGACY EMPLOYEES				HORIZON EMPLOYEES			
	BASE		SELECT		BASE		SELECT	
	TOTAL PREMIUM	EMPLOYEE PORTION	TOTAL PREMIUM	EMPLOYEE PORTION	TOTAL PREMIUM	EMPLOYEE PORTION	TOTAL PREMIUM	EMPLOYEE PORTION
Employee*	\$356	\$0	\$376	\$20	\$356	\$0	\$394	\$38
Employee + Spouse	\$745	\$389	\$819	\$463	\$745	\$389	\$837	\$481
Employee + Spouse & Child(ren)	\$949	\$593	\$1,023	\$667	\$949	\$593	\$1,041	\$685
Employee + Child	\$457	\$101	\$531	\$175	\$457	\$101	\$549	\$193
Employee + Children	\$614	\$258	\$688	\$332	\$614	\$258	\$706	\$350

*The State pays 100% of the employee's premium for Base Coverage. Active employees enrolling in Select Coverage must pay a portion of the employee premium.

RETIRED EMPLOYEE < 65 and NON-MEDICARE ELIGIBLE	LEGACY RETIREES		HORIZON RETIREES	
	BASE	SELECT	BASE	SELECT
Retiree	\$409	\$432	\$597	\$620
Retiree + Spouse (Non-Medicare)	\$856	\$941	\$1,232	\$1,317
Retiree + Spouse & Child(ren) (Non-Medicare)	\$1,091	\$1,176	\$1,387	\$1,472
Retiree + Child	\$525	\$587	\$690	\$775
Retiree + Children	\$706	\$744	\$847	\$932
Retiree + Spouse (Medicare)	N/A	\$622	N/A	\$810
Retiree + Spouse & Child(ren) (One or more Medicare)	N/A	\$777	N/A	\$965
DISABLED RETIREE < 65 and NON-MEDICARE ELIGIBLE	BASE	SELECT	BASE	SELECT
Retiree	\$409	\$432	\$597	\$620
Retiree + Spouse (Non-Medicare)	\$856	\$941	\$1,232	\$1,317
Retiree + Spouse & Child(ren) (Non-Medicare)	\$1,091	\$1,176	\$1,387	\$1,472
Retiree + Child	\$525	\$587	\$690	\$775
Retiree + Children	\$706	\$744	\$847	\$932
Retiree + Spouse (Medicare)	N/A	\$622	N/A	\$810
Retiree + Spouse & Child(ren) (One or more Medicare)	N/A	\$777	N/A	\$965
DISABLED RETIREE < 65 and MEDICARE ELIGIBLE	BASE	SELECT	BASE	SELECT
Retiree	N/A	\$190	N/A	\$190
Retiree + Spouse (Non-Medicare)	N/A	\$699	N/A	\$887
Retiree + Spouse & Child(ren) (Non-Medicare)	N/A	\$934	N/A	\$1,042
Retiree + Child	N/A	\$345	N/A	\$345
Retiree + Children	N/A	\$502	N/A	\$502
Retiree + Spouse (Medicare)	N/A	\$380	N/A	\$380
Retiree + Spouse & Child(ren) (One or more Medicare)	N/A	\$535	N/A	\$535
RETIRED EMPLOYEE > or = 65 and MEDICARE ELIGIBLE	BASE	SELECT	BASE	SELECT
Retiree	N/A	\$190	N/A	\$190
Retiree + Spouse (Non-Medicare)	N/A	\$699	N/A	\$887
Retiree + Spouse & Child(ren) (Non-Medicare)	N/A	\$934	N/A	\$1,042
Retiree + Child	N/A	\$345	N/A	\$345
Retiree + Children	N/A	\$502	N/A	\$502
Retiree + Spouse (Medicare)	N/A	\$380	N/A	\$380
Retiree + Spouse & Child(ren) (One or more Medicare)	N/A	\$535	N/A	\$535
RETIRED NON-MEDICARE MARRIED TO ACTIVE	BASE	SELECT	BASE	SELECT
Retiree	\$409	\$432	\$409	\$432
Retiree + Child	\$510	\$587	\$510	\$587
Retiree + Children	\$667	\$744	\$667	\$744

COBRA	LEGACY PARTICIPANTS		HORIZON PARTICIPANTS	
	BASE	SELECT	BASE	SELECT
Participant	\$363	\$383	\$363	\$401
Participant + Spouse	\$759	\$835	\$759	\$853
Participant + Spouse & Child(ren)	\$967	\$1,043	\$967	\$1,061
Participant + Child	\$466	\$541	\$466	\$559
Participant + Children	\$626	\$701	\$626	\$720
COBRA DISABILITY EXTENSION	BASE	SELECT	BASE	SELECT
Participant	\$534	\$564	\$534	\$591
Participant + Spouse	\$1,117	\$1,228	\$1,117	\$1,255
Participant + Spouse & Child(ren)	\$1,423	\$1,534	\$1,423	\$1,561
Participant + Child	\$685	\$796	\$685	\$823
Participant + Children	\$921	\$1,032	\$921	\$1,059

SOURCE: Department of Finance and Administration (Rates Effective January 1, 2012).

Appendix E: Local Political Subdivisions' Employee Demographics

Gender and Age Comparison

PEER analyzed the June 30, 2012, PERS data file to provide a breakout of the number of employees for each local political subdivision by gender and the average age of the employees by gender. The information regarding age was provided in the format of date of birth. Because PEER calculated the age of the employees based on June 2013, there is some potential that employees reflected in this information may or may not still be actively contributing to PERS due to retirement or change of employer.

Local Political Subdivision Type	Number of Male Employees	Number of Female Employees	Percent Male Employees	Percent Female Employees	Average Age (Male and Female)	Average Age Male	Average Age Female
Cities and Towns	14,286	4,440	76.3%	23.7%	43.3 yrs	43.7 yrs	46.1 yrs
Counties	9,217	5,916	60.9%*	39.1%	47.1 yrs	47.6 yrs	46.3 yrs
Hospitals	685	2,904	19.1%	80.9%	42.2 yrs	42.4 yrs	42.1 yrs
Other	1,342	2,404	35.8%	64.2%	44.0 yrs	45.7 yrs	43.0 yrs
All Types	25,530	15,664	62%*	38%	45.1 yrs	45.2 yrs	45.0 yrs

*Three of the employees within the PERS data file employed by the county did not have a gender field completed. Therefore, these three employees were considered as male for simplified calculations.

PEER found a greater percentage of male employees (62%) than female employees (38%) when looking at the total for all types of local political subdivisions. This is attributed to the large composition of male employees seen within the cities and towns and counties categories (76.3% and 60.9%, respectively). There was a greater percentage of female employees within the hospitals and other categories (80.9% and 64.2%, respectively).

In regard to the average age of employees, the average age for all employees (both male and female combined) was 45.1 years old. There was not much variation between the average age of male employees and female employees for each category. There was a slightly older employee population noted within the counties category and a slightly younger employee population within the hospitals category.

Comparison of Enrollment by Age and Gender

For each of the local political subdivision types, the PERS data file included some employees (a total of seventeen employees) listed as less than eighteen years of age (ranging from 1 year old to 17 years old). Therefore, because many of these employees likely had an error on the birth date listed within the data file provided to PEER, they were excluded from the following age breakouts.

Cities and Towns	Age 18-44 years	Age 45-70 years	Age 71+ years
# Male	7,561	6,532	188
# Female	1,971	2,404	65

Counties	Age 18-44 years	Age 45-70 years	Age 71+ years
# Male	3,770	5,190	253
# Female	2,526	3,321	68

Hospitals	Age 18-44 years	Age 45-70 years	Age 71+ years
# Male	384	295	6
# Female	1,635	1,258	9

Other	Age 18-44 years	Age 45-70 years	Age 71+ years
# Male	595	728	18
# Female	1,316	1,065	19

Totals, All Types of Local Political Subdivisions	Age 18-44 years	Age 45-70 years	Age 71+ years
# Male	12,310	12,745	465
# Female	7,448	8,048	161

Overall, PEER found a slightly larger number of male employees ages 45 to 70 (12,745) in comparison to those age 18 to 44 (12,310) for the “all types of local political subdivisions” category. A similar trend was seen for female employees age 45 to 70 (8,048) in comparison to those age 18 to 44 (7,448). Specific to the cities and towns, there were approximately 1,000 more male employees within ages 18 to 44 in comparison to ages 45 to 70. The opposite was noted in male employees for the counties, where there were approximately 1,400 more male employees ages 45 to 70 in comparison to ages 18 to 44.

For both cities and towns and counties, there were approximately 400 more female employees and approximately 800 female employees, respectively, ages 45 to 70, in comparison to female employees ages 18 to 44.

SOURCE: PEER analysis of Public Employees' Retirement System Data (data as of June 30, 2012).

Appendix F: Instrument Used in PEER's Survey of Counties' and Municipalities' Health Insurance for Employees

POLITICAL SUBDIVISION NAME: _____

SECTION A: INSURANCE PLAN TYPE

Please select the health insurance coverage type and provide the name of the insurance company or third-party administrator (if applicable).

Fully Insured Plan (i.e., your local political subdivision purchases health coverage from an insurance company)

Name of Insurance Company: _____

Self-Insured Plan (i.e., your local political subdivision funds its own health benefits, but contracts out the claims processing to a third-party administrator)

Name of Plan Administrator: _____

No Health Insurance (i.e., your local political subdivision does NOT provide health insurance coverage to employees)

SECTION B: PREMIUMS/CONTRIBUTIONS

Please provide the following premium costs (in dollars). If there is no cost to either the employer or the employee, please put a zero in the appropriate box.

Insurance Coverage Recipient	Monthly Employer Cost (\$)	Monthly Employee Cost (\$)	Total Monthly Cost (\$)
Employee Only			
Spouse Only			
Children Only			
Spouse plus Children			

SECTION C: NUMBER OF EMPLOYEES

Please provide the total number of employees eligible for insurance coverage, as well as the total number of employees who participate in the health insurance plan.

Number of Employees Eligible: _____ Number of Employees Participating: _____

Number of Family Plan Participants: _____ Number of Retirees Participating: _____

SECTION D: PLAN DEDUCTIBLES

Please complete the following fields with the dollar amounts of any applicable deductibles associated with the health insurance benefits.

Individual Deductible: \$_____ Family Deductible: \$_____

Out-of Pocket Maximum (once the deductible has been met): \$_____

SECTION E: PHARMACY BENEFITS

Please select one of the following for the plan's pharmacy benefits, as well as any deductible or co-pay amounts in dollars (if applicable).

- Pharmacy Benefits are NOT Covered
- Pharmacy Benefits are Covered with a Co-Pay
- Generic Brand Co-Pay: \$_____ Name Brand Co-Pay: \$_____
- Pharmacy Benefits are Covered with a Deductible of \$_____

SECTION F: OTHER INFORMATION

If your health insurance plan cannot be adequately described by Sections A through E of this survey, please use the space below to describe your health insurance plan/coverage. You also may comment on the general level of satisfaction with your current health plan and the general level of interest in the possibility of a statewide group health plan for political subdivisions.

SECTION G: SUMMARY OF BENEFITS AND COVERAGE

Please ATTACH a copy of the Summary of Benefits and Coverage for each Plan Type. Please note that this summary is typically found in the leading pages of a health insurance plan

- document/benefit manual per requirement of the Patient Protection and Affordable Care Act.

The Summary of Benefits and Coverage is Attached.

COMPLETED BY: _____

DATE: _____

TELEPHONE #: _____

E-MAIL ADDRESS: _____

If there is not enough room on the survey to answer the questions, or if there is specific information you would like to add that is not included within the survey, please provide this as an attachment.

Please return completed surveys and any applicable attachments by either fax, mail, or email.

FAX: 601-359-1457

MAIL:
PEER
ATTN: Insurance Survey
P.O. Box 1204
Jackson, MS 39215

E-MAIL: lonnie.edgar@peer.ms.gov

SOURCE: PEER.

Appendix G: Counties and Municipalities Not Responding to PEER's Survey

PEER did not receive a response to its survey of health insurance coverage from the following counties:

Adams	Kemper	Sunflower
Bolivar	Lawrence	Tallahatchie
Calhoun	Leake	Walthall
Coahoma	Leflore	Warren
Copiah	Lincoln	Wayne
Franklin	Lowndes	Webster
Holmes	Marion	Wilkinson
Humphreys	Montgomery	Winston
Jasper	Noxubee	Yalobusha
Jefferson	Oktibbeha	Yazoo
Jefferson Davis	Sharkey	
Jones	Stone	

PEER did not receive a response to its survey of health insurance coverage from the following municipalities within its sample:

Aberdeen	Indianola	Ridgeland
Ashland	Itta Bena	Rolling Fork
Biloxi	Laurel	Ruleville
Blue Mountain	Leakesville	Scooba
Booneville	Lena	Senatobia
Brandon	Long Beach	Shelby
Brookhaven	Lumberton	Smithville
Canton	Macon	Southaven
Clarksdale	McComb	Starkville
Columbia	Meadville	Tupelo
D'Lo	Meridian	Utica
Flowood	Oxford	Water Valley
Forest	Pearl	Wesson
French Camp	Philadelphia	West Point
Gautier	Picayune	Woodville
Grenada	Pittsboro	Yazoo City
Gulfport	Plantersville	
Hernando	Port Gibson	
Horn Lake	Quitman	

Appendix H: Counties' Health Insurance Coverage Profiles
Compiled from Survey Responses

County Name	Insurance Type	Provider/TPA	Total # Employees	# Employees Enrolled	# Family Participants	# Retiree Participants*	Level of Interest
Alcorn	Fully Insured	BCBSMS	175	173	2	2	No Response
Amite	Fully Insured (GAP)	BCBSMS (AM First)	65	64	19	0	No Response
Attala	Fully Insured (GAP)	BCBSMS	61	61	26	2	No Response
Benton	Fully Insured	BCBSMS	51	47		2	No Response
Carroll	Fully Insured (GAP)	BCBSMS (American Public)	120	120	3	4	No Response
Chickasaw	Fully Insured		126	123	18	5	No Response
Choctaw	Fully Insured	BCBSMS	54	52	1	1	No Response
Claiborne	Fully Insured						No Response
Clarke	Fully Insured	UnitedHealthcare	112	105	1	0	No Response
Clay	Fully Insured	BCBSMS	90	88	31	4	Not Interested
Covington	Fully Insured (GAP)	BCBSMS (Gulf Guaranty)	82	82	17	0	No Response
DeSoto	Self-Insured	Humana	525	525	1100	0	No Response
Forrest	Fully Insured	UnitedHealthcare	340	338	88	0	No Response
George	Fully Insured		115	108	22	0	No Response
Greene	Fully Insured	UnitedHealthcare	73	61	8	0	No Response
Grenada	Fully Insured (GAP)	BCBSMS (American Public)	99	96	6	0	No Response
Hancock	Self-Insured	Fox-Everett	290	241	93	0	No Response
Harrison	Self-Insured		657	641	166	6	No Response
Hinds	Fully Insured	UnitedHealthcare	950	714	104	10	Interested
Issaquena	Fully Insured (GAP)	BCBSMS (Morgan White Admin, Inc.)	59	58	1	2	No Response
Itawamba	Fully Insured	BCBSMS	90	78	4	0	No Response
Jackson	Self-Insured	Lockard & Williams, P.A.	702	647	327	9	No Response
Lafayette	Fully Insured	BCBSMS	179	179	47	6	No Response
Lamar	Fully Insured	UnitedHealthcare	235	222	28	5	No Response
Lauderdale	Self-Insured	Benefits Management Group	300	289	69	0	No Response

SOURCE: PEER analysis of survey results.

County Name	Insurance Type	Provider/TPA	Total # Employees	# Employees Enrolled	# Family Participants	# Retiree Participants*	Level of Interest
Lee	Self-Insured	MS Public Entity Employee Benefits Trust	345	342	40	2	No Response
Madison	Self-Insured					0	No Response
Marshall	Fully Insured	Aetna	180	180	0	2	No Response
Monroe	Self-Insured	Galloway Chandler McKinney	191	168	35	2	No Response
Neshoba	Fully Insured	BCBSMS	110	86	1	0	No Response
Newton	Fully Insured		94	94	3	0	No Response
Panola	Fully Insured	BCBSMS	177	167	48	0	No Response
Pearl River	Fully Insured	UnitedHealthcare	217	212	22	0	No Response
Perry	Fully Insured	BCBSMS	86	82	5	0	No Response
Pike	Self-Insured	BCBSMS	200	144	50	0	No Response
Pontotoc	Fully Insured	BCBSMS	143	120	7	3	No Response
Prentiss	Fully Insured (GAP)	BCBSMS (AM First)			0	0	No Response
Quitman	Fully Insured	BCBSMS	60	53	0	0	No Response
Rankin	Self-Insured	BCBSMS	399	180	213	4	Not Interested
Scott	Fully Insured		134	134	46		Interested
Simpson	Fully Insured	BCBSMS	128	127	25	6	No Response
Smith	Fully Insured	UnitedHealthcare	80	80	13	0	No Response
Tate	Fully Insured	Aetna	150	116	12	0	Not Interested
Tippah	Fully Insured	Humana	105	88	4	0	No Response
Tishomingo**	Fully Insured	BCBSMS	110	100	15 to 20	1	No Response
Tunica	Self-Insured	Cigna Healthcare	319	319	48	6	Interested
Union	Fully Insured		115	108	0	0	No Response
Washington	Self-Insured		366	366	61	21	No Response

BCBSMS=Blue Cross Blue Shield of Mississippi

Shaded areas denote a survey question left blank/did not respond.

*Retirees do not include COBRA

**Tishomingo County submitted a late response to PEER's survey. Although PEER presents that information in Appendices H and I, it was not included in the analysis of counties' responses.

Appendix I: Counties' Deductibles and Monthly Premium Rates, as of June 2013

The following tables provide an overview of the costs associated with current health insurance coverage that counties reported through their survey responses. **PEER presents this data exactly as was reported by the counties responding to the survey but adds a clarifying note when necessary.** Any area shaded in gray denotes that the question on the survey was left blank/not completed.

Alcorn County:

Individual Deductible	\$1,000
Family Deductible	\$3,000
Out of Pocket Maximum (post-deductible)	\$2,000 individual/\$6,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$533.36	0	\$533.36
Spouse Only	0	\$694.68	\$1,228.04
Children Only	0	\$301.77	\$835.13
Spouse plus Children	0	\$1,040.71	\$1,574.07

Amite County:

Individual Deductible	\$4,000 (\$450*)
Family Deductible	\$12,000 (\$450*)
Out of Pocket Maximum (post-deductible)	\$ 1,500

*The effective deductible is \$450 per person with a gap insurance plan.

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$500.97	0	\$500.97
Spouse Only	\$500.97	\$270.42	\$771.39
Children Only	\$500.97	\$270.42	\$771.39
Spouse plus Children	\$500.97	\$270.42	\$771.39

Attala County:

Individual Deductible*	\$7,500 (\$2,500)
Family Deductible	\$3,000
Out of Pocket Maximum (post-deductible)	\$1,500

*Effective individual deductible is \$2,500 with a gap insurance plan.

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$622.24	0	\$622.24
Spouse Only	0	\$255.49	\$255.49
Children Only	0	\$255.49	\$255.49
Spouse plus Children	0	\$255.49	\$255.49

Benton County:

Individual Deductible	
Family Deductible	
Out of Pocket Maximum (post-deductible)	

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$365.79	0	\$365.79
Spouse Only			
Children Only			
Spouse plus Children			

Carroll County:

Individual Deductible*	
Family Deductible	
Out of Pocket Maximum (post-deductible)	\$ 1,000

*Carroll County noted that gap insurance is purchased in addition to the primary health plan.

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$405.22	0	\$405.22
Spouse Only		\$459.32	\$459.32
Children Only		\$257.70	\$257.70
Spouse plus Children		\$739.34	\$739.34

Chickasaw County:

Individual Deductible	
Family Deductible*	\$7,500 (\$2,000)
Out of Pocket Maximum (post-deductible)	\$1,000

*Effective deductible is approximately \$2,000 for family coverage with the gap plan.

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$418.05	0	\$418.05
Spouse Only*	\$459.55	\$459.55	\$459.55
Children Only*	\$244.03	\$244.03	\$244.03
Spouse plus Children*	\$703.58	\$703.58	\$703.58

*PEER assumed that these costs are paid by the employee only in comparison to the total cost.

Choctaw County:

Individual Deductible	\$750
Family Deductible	\$750 (per person)
Out of Pocket Maximum (post-deductible)	\$1,500

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only			\$444.76
Spouse Only			\$469.13
Children Only			\$264.53
Spouse plus Children			\$777.22

Claiborne County:

Individual Deductible	\$1,500
Family Deductible	\$4,500
Out of Pocket Maximum (post-deductible)	\$1,500 individual/\$4,500 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only		\$408.26*	\$408.26
Family (Spouse or spouse plus children)	\$245.34		\$245.34

*PEER notes that this is the only county that reported 100% of the total monthly cost is attributed to the employee and that this may be a reporting error based on other responses received.

Clarke County:

Individual Deductible	\$2,500
Family Deductible	\$7,500
Out of Pocket Maximum (post-deductible)	\$5,000 individual/\$15,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$507.94	0	\$507.94
Spouse Only			
Children Only			
Spouse plus Children	\$507.94	\$854.66	\$1,362.60

Clay County:

Individual Deductible	\$1,000
Family Deductible	\$3,000
Out of Pocket Maximum (post-deductible)	\$2,000 individual/\$6,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$573.82	0	\$573.82
Spouse Only	0	\$177.30	\$177.30
Children Only	0	\$177.30	\$177.30
Spouse plus Children	0	\$177.30	\$177.30

Covington County:

Individual Deductible*	\$5,000 (\$500)
Family Deductible	\$15,000
Out of Pocket Maximum (post-deductible)	\$500

*Effective deductible is \$500 for an individual with the gap plan.

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$627.69	0	\$627.69
Spouse Only	0	0	0
Children Only	0	0	0
Spouse plus Children	\$627.69	\$398.12	\$1,025.81

DeSoto County:

Individual Deductible	\$750
Family Deductible	\$2,250
Out of Pocket Maximum (post-deductible)	\$1,000 individual/\$3,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$575	0	\$575
Spouse Only	0	\$247	0*
Children Only	0	\$223	0*
Spouse plus Children	0	\$271	0*

*PEER assumed that the total monthly costs would be the same as the monthly employee costs.

Forrest County:

Individual Deductible	\$500
Family Deductible	\$500
Out of Pocket Maximum (post-deductible)	\$2,500

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$653.30	0	\$653.30
Spouse Only	\$653.30	\$286.88	\$940.18
Children Only	\$653.30	\$286.88	\$940.18
Spouse plus Children	\$653.30	\$286.88	\$940.18

George County:

Individual Deductible	\$250
Family Deductible	\$750
Out of Pocket Maximum (post-deductible)	\$1,000 individual/\$3,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$627.07	0	\$627.07
Spouse Only	0	\$350.27	\$350.27
Children Only	0	\$350.27	\$350.27
Spouse plus Children	0	\$412.92	\$412.92

Greene County:

Individual Deductible	\$250
Family Deductible	\$750
Out of Pocket Maximum (post-deductible)	0 (in provider network)

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$610.39	0	\$610.39
Spouse Only	\$610.39	\$618.66	\$1,229.05
Children Only	\$610.39	\$278.27	\$888.66
Spouse plus Children	\$610.39	\$833.05	\$1,443.44

Grenada County:

Individual Deductible	\$5,000
Family Deductible	\$15,000
Out of Pocket Maximum (post-deductible)	\$1,000 individual/\$3,000 family

Insurance Coverage Recipient	Monthly Employer Cost*	Monthly Employee Cost*	Total Monthly Cost*
Employee Only	\$400.74 / 462.77	0	\$400.74 / 462.77
Spouse Only	0	\$478.67 / 559.32	\$478.67 / 559.32
Children Only	0	\$217.50 / 292.75	\$217.50 / 292.75
Spouse plus Children	0	\$714.17 / 870.02	\$714.17 / 870.02

*Monthly costs vary based on age (under 54 years old/over 54 years old).

Hancock County:

Individual Deductible	\$1,000
Family Deductible	\$3,000
Out of Pocket Maximum (post-deductible)	\$1,000 individual/\$3,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$715.40	\$44.94	\$760.34
Spouse Only			
Children Only			
Spouse plus Children	\$715.40	\$160.10	\$875.50

Harrison County:

Individual Deductible	\$750
Family Deductible	\$2,250
Out of Pocket Maximum (post-deductible)	\$5,000

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$486.12	0	\$486.12
Spouse Only	0	\$278.40	\$278.40
Children Only	0	\$221.90	\$221.90
Spouse plus Children	0	\$351.26	\$351.26

Hinds County* – Plan I:

Individual Deductible	\$2,500
Family Deductible	\$5,000
Out of Pocket Maximum (post-deductible)	\$4,500 individual/\$9,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$556.66	\$73.23	\$629.89
Employee + One	\$556.66	\$211.80	\$768.46
Family (3 or more)	\$556.66	\$287.39	\$844.05

Hinds County* – Plan II:

Individual Deductible	\$1,000
Family Deductible	\$2,000
Out of Pocket Maximum (post-deductible)	\$3,000 individual/\$6,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$556.66	\$141.88	\$698.54
Employee + One	\$556.66	\$295.55	\$852.21
Family (3 or more)	\$556.66	\$379.38	\$936.04

*Hinds County offers two plans to its employees to allow them to select either a higher monthly premium contribution for a lower annual deductible plan option or a lower monthly premium contribution for a higher annual deductible plan option.

Issaquena County:

Individual Deductible	\$5,000*
Family Deductible	\$15,000
Out of Pocket Maximum (post-deductible)	\$1,500

*Issaquena County noted that gap plan insurance is purchased in addition to the primary health plan. The survey response noted the gap plan covers \$4,500.

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$433	0	\$433
Spouse Only	\$433	\$413.73	\$846.73
Children Only	\$433	\$206.20	\$639.20
Spouse plus Children	\$433	\$724.25	\$1,157.25

Itawamba County:

Individual Deductible	\$2,500
Family Deductible	\$7,500
Out of Pocket Maximum (post-deductible)	\$1,500 individual/\$4,500 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$366.15	0	\$366.15
Family Flat Rate	0	\$556.52	\$922.67

Jackson County:

Individual Deductible	\$500
Family Deductible	\$1,000
Out of Pocket Maximum (post-deductible)	\$2,000

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$651.72	\$17.00	\$668.72
Spouse Only	\$657.28	\$192.00	\$849.28
Children Only	\$647.28	\$112.00	\$759.28
Spouse plus Children	\$657.28	\$262.00	\$919.28

Lafayette County:

Individual Deductible	\$500
Family Deductible	\$500 (per person)
Out of Pocket Maximum (post-deductible)	\$2,000

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$475.12		
Spouse Only		\$161.36	
Children Only		\$256.27	
Spouse plus Children		\$446.10	

Lamar County:

Individual Deductible	\$1,000
Family Deductible	\$2,000
Out of Pocket Maximum (post-deductible)	\$3,000 individual/\$6,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$568.17	0	\$568.17
Spouse Only	0	\$318.20	\$318.20
Children Only	0	\$397.68	\$397.68
Spouse plus Children	0	\$397.68	\$397.68

Lauderdale County:

Individual Deductible	\$750
Family Deductible	\$1,500
Out of Pocket Maximum (post-deductible)	\$2,000

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$450.58	\$12.00	\$462.58
Spouse Only	0	\$350.42	\$350.42
Children Only	0	\$175.92	\$175.92
Spouse plus Children	0	\$477.08	\$477.08

Lee County:

Individual Deductible	\$500
Family Deductible	\$1,000
Out of Pocket Maximum (post-deductible)	\$1,000 individual/\$3,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$619.30	0	\$619.30
Spouse Only	0	\$268.93	\$268.93
Children Only	0	\$268.93	\$268.93
Spouse plus Children	0	\$418.76	\$418.76

Madison County:

Individual Deductible	\$1,000
Family Deductible	\$3,000
Out of Pocket Maximum (post-deductible)	\$2,000

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$595.30	\$34.06	\$629.36
Spouse Only	\$595.30	\$315.31	\$910.61
Children Only	\$595.30	\$221.56	\$816.86
Spouse plus Children	\$595.30	\$377.81	\$973.11

Marshall County:

Individual Deductible	\$300
Family Deductible	\$900
Out of Pocket Maximum (post-deductible)	\$1,000 individual/\$2,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$155,160.00*		\$155,160.00
Spouse Only		\$1,005.98	\$1,005.98
Children Only		\$482.49	\$482.49
Spouse plus Children		\$1,488.44	\$1,488.44

*PEER assumed that this is the total monthly cost for all employees instead of per employee.

Monroe County:

Individual Deductible	\$1,000
Family Deductible	\$1,000 per person
Out of Pocket Maximum (post-deductible)	\$2,500

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$614.38	\$46.24	\$660.62
Spouse Only	\$614.38	\$394.25	\$1,008.63
Children Only	\$614.38	\$370.64	\$985.02
Spouse plus Children	\$614.38	\$415.63	\$1,030.01

Neshoba County:

Individual Deductible	\$2,000
Family Deductible	\$4,500*
Out of Pocket Maximum (post-deductible)	\$ 1,500 individual/\$4,500 family

*Benefit plan noted a \$6,000 family deductible. This is possibly a reporting error on the survey.

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$296.48	\$42.50	\$338.98
Spouse Only		\$445.27	\$445.27
Children Only		\$227.93	\$227.93
Spouse plus Children		\$706.31	\$1,045.29

Newton County:

Individual Deductible	\$500
Family Deductible	\$1,500
Out of Pocket Maximum (post-deductible)	\$2,000 individual/\$6,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$311.28	0	\$311.28
Spouse Only	\$311.28	\$386.55	\$697.83
Children Only	\$311.28	\$164.74	\$476.02
Spouse plus Children	\$311.28	\$572.41	\$883.69

Panola County:

Individual Deductible	\$1,000
Family Deductible	\$3,000
Out of Pocket Maximum (post-deductible)	\$1,000 individual/\$3,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost*
Employee Only	\$488.81	0	\$81,631.27
Spouse Only	0	\$224.61	\$5,626.03
Children Only	0	\$125.03	\$2,500.60
Spouse plus Children	0	\$378.96	\$1,894.80

*PEER assumed that this is the total monthly cost for all employees instead of per employee.

Pearl River County:

Individual Deductible	\$500
Family Deductible	\$1,500
Out of Pocket Maximum (includes deductible)	\$2,500 individual/\$5,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$636.14	\$20.00	\$656.14
Spouse Only	\$636.14	\$433.38	\$1,069.52
Children Only	\$636.14	\$387.42	\$1,023.56
Spouse plus Children	\$636.14	\$512.12	\$1,148.26

Perry County:

Individual Deductible	\$500
Family Deductible	\$1,500
Out of Pocket Maximum (post-deductible)	\$2,500 individual/\$7,500 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$434.40	0	\$434.40
Spouse Only	0	\$429.01	\$429.01
Children Only	0	\$429.01	\$429.01
Spouse plus Children	0	\$429.01	\$429.01

Pike County:

Individual Deductible	\$750
Family Deductible	\$2,250
Out of Pocket Maximum (post-deductible)	\$1,500

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$560	0	\$560
Spouse Only			
Children Only			
Spouse plus Children	\$560	\$310	\$870

Pontotoc County:

Individual Deductible	\$5,000
Family Deductible	\$15,000
Out of Pocket Maximum (post-deductible)	\$2,000 (per person)

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$519.14	0	\$519.14
Spouse Only	0	\$625.15	\$625.15
Children Only	0	\$281.84	\$281.84
Spouse plus Children	0	\$943.15	\$943.15

Prentiss County:

Individual Deductible*	\$7,500 (\$1,500)
Family Deductible*	\$22,500 (\$4,500)
Out of Pocket Maximum (post-deductible)	\$2,000 individual/family

*Effective deductibles are \$1,500 for an individual and \$4,500 for a family with a gap plan.

Insurance Coverage Recipient	Monthly Employer Cost*	Monthly Employee Cost*	Total Monthly Cost
Employee Only	\$295.78 + 75.13	0	\$370.91
Spouse Only	0	\$359.26 + 85.74	\$445.00
Children Only	0	\$122.97 + 64.70	\$187.67
Spouse plus Children	0	\$485.59 + 224.86	\$710.45

*The "+ cost" amount is the monthly cost for the gap insurance plan.

Quitman County:

Individual Deductible	\$1,000
Family Deductible	\$3,000
Out of Pocket Maximum (post-deductible)	\$2,500

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$436.94	0	\$436.94
Spouse Only	0	\$700.72	\$700.72
Children Only	0	\$222.78	\$222.78
Spouse plus Children	0	\$884.15	\$884.15

Rankin County:

Individual Deductible	\$1,000
Family Deductible	\$3,000
Out of Pocket Maximum (post-deductible)	\$1,500 individual/\$4,500 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$537.65	\$21.66	\$559.31
Spouse Only	\$537.65	\$201.58	\$739.23
Children Only			
Spouse plus Children	\$537.65	\$235.15	\$772.80

Scott County:

Individual Deductible	\$500
Family Deductible	\$1,500
Out of Pocket Maximum (post-deductible)	\$1,500 individual/\$4,500 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$583.00	0	\$583.00
Spouse Only			
Children Only			
Spouse plus Children	\$612.00	\$260.00	\$872.00

Simpson County:

Individual Deductible	\$750
Family Deductible	\$2250
Out of Pocket Maximum (post-deductible)	\$5,000 individual/\$15,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$392.28	0	\$392.28
Spouse Only	0	\$439.54	\$439.54
Children Only	0	\$236.34	\$236.34
Spouse plus Children	0	\$701.18	\$701.18

Smith County:

Individual Deductible	\$500
Family Deductible	\$1,000
Out of Pocket Maximum (post-deductible)	\$1,500 individual/\$3,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$570.10	0	\$570.10
Spouse Only	\$570.10	\$371.62	\$941.72
Children Only	\$570.10	\$371.62	\$941.72
Spouse plus Children	\$570.10	\$371.62	\$941.72

Tate County:

Individual Deductible	\$1,500
Family Deductible	\$3,000
Out of Pocket Maximum (post-deductible)	0

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$708.25	\$80.00	\$788.25
Family Rate	\$1,179.01	\$565.00	\$1,744.01

Tippah County:

Individual Deductible*	\$5,000
Family Deductible	\$10,000
Out of Pocket Maximum (post-deductible)	\$1,000 individual/\$2,000 family

*Tippah County noted that gap insurance is purchased in addition to the primary health plan.

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$580.23	0	\$580.23
Spouse Only	\$580.23	\$611.15	\$1,191.38
Children Only	\$580.23	\$481.01	\$1,061.24
Spouse plus Children	\$580.23	\$1,081.63	\$1,661.86

Tishomingo County:*

Individual Deductible	\$1,000
Family Deductible	\$3,000
Out of Pocket Maximum (post-deductible)	\$3,000 individual/\$9,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$648		
Spouse Only		\$110.04	
Children Only		\$148.90	
Spouse plus Children		\$180.94	

* Tishomingo County submitted a late response to PEER's survey. Although PEER presents that information in Appendices H and I, it was not included in the analysis of counties' responses.

Tunica County:

Individual Deductible	\$500
Family Deductible	\$1,500
Out of Pocket Maximum (post-deductible)	\$2,000 individual/\$6,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$620.00	0	\$620.00
Spouse Only	\$620.00	\$162.28	\$782.28
Children Only	\$620.00	\$135.39	\$755.39
Spouse plus Children	\$620.00	\$277.30	\$897.30

Union County:

Individual Deductible	\$1,000
Family Deductible	\$3,000
Out of Pocket Maximum (post-deductible)	(Plan pays 100% post-deductible)

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$815.32	0	\$815.32
Spouse Only		\$1,127.28	
Children Only		Not applicable	
Spouse plus Children		Not applicable	

Washington County:

Individual Deductible	\$2,000
Family Deductible	\$6,000
Out of Pocket Maximum (post-deductible)	\$1,500

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$395.47	0	\$395.47
Spouse Only			
Children Only			
Spouse plus Children	\$395.47	\$236.45	\$631.92

SOURCE: PEER analysis of survey results.

Appendix J: Municipalities' Health Insurance Coverage Profiles Compiled from Survey Responses

City Name	Insurance Type	Provider/TPA	Total # Employees	# Employees Enrolled	# Family Participants	# Retiree Participants*	Level of Interest
Amory	Fully Insured (GAP)	Aetna (Morgan White)	109	109	11	4	Interested
Bay St. Louis	Fully Insured	BCBS	85	79	23	0	No Response
Beaumont	Fully Insured	BCBS	6	6	1	0	No Response
Byram	Fully Insured	UnitedHealthcare	66	67	2	0	No Response
Cleveland	Self-Insured	Select Administrative Service	125	124	3	2	No Response
Clinton	Self-Insured	Fox Everett	206	185	27	0	No Response
Coffeerville	Fully Insured	BCBS	8	4	0	0	Interested
Corinth	Fully Insured	BCBS	175	175	0	1	No Response
Flora	Fully Insured	BCBS	12	12	0	0	No Response
Greenville	Fully Insured	BCBS	361	291	66	20	No Response
Greenwood	Self-Insured		266	265	11	0	No Response
Hattiesburg	Self-Insured	UnitedHealthcare	629	625	143	46	No Response
Jackson	Self-Insured	BCBS	2335	1200	835	220	No Response
Kosciusko	Fully Insured (GAP)	BCBS (Employee Benefit Services)	108	87	13	0	No Response
Liberty	Fully Insured	BCBS	17	16	0	1	No Response
Madison	Fully Insured	BCBS	208	206	37	0	No Response
Magee	Fully Insured		48	47	31	0	No Response
Moss Point	Fully Insured	BCBS	155	142	52	3	No Response
Natchez	Self-Insured	BCBS	220	217	25	1	No Response
Ocean Springs	Fully Insured	BCBS	181	168	66	0	No Response
Olive Branch	Fully Insured	Cigna	365	355	?	1	No Response
Pascagoula	Self-Insured	Lockard & Williams	227	224	64	0	No Response
Petal	Fully Insured	UnitedHealthcare	110	102	34	0	No Response
Shelby	Fully Insured	BCBS	12	12	0	0	No Response
Silver Creek	NONE						
Tishomingo	Fully Insured	BCBS	6	6	0	0	No Response
Vicksburg	Self-Insured	BCBS	479	461	257	3	No Response
Wiggins	Self-Insured	Lockard & Williams	46	43	1	0	No Response

*Retirees do not take into account COBRA

SOURCE: PEER analysis of survey results.

Appendix K: Municipalities' Deductibles and Monthly Premium Rates, as of June 2013

The following tables provide an overview of the costs associated with current health insurance coverage that counties reported through their survey responses. PEER presents this data exactly as was reported by the municipalities responding to the survey but adds a clarifying note when necessary. Any area shaded in gray denotes that the question on the survey was left blank/not completed.

Amory, MS:

Individual Deductible*	\$5,000 (\$1,000 with gap coverage)
Family Deductible	\$10,000 (\$2,000 with gap coverage)
Out of Pocket Maximum (post-deductible)	\$2,000 individual/\$4,000 family

*Amory reported having gap insurance coverage to lower the effective employee deductible.

Insurance Coverage Recipient	Monthly Employer Cost*	Monthly Employee Cost*	Total Monthly Cost
Employee Only	\$682.68 + \$50.62	0	\$733.30
Spouse Only	0	\$559.24 + \$59.14	\$618.38
Children Only	0	\$368.18 + \$45.91	\$414.09
Spouse plus Children	0	\$927.72 + \$104.37	\$1,032.09

*The additional "+ cost" is for the gap insurance plan coverage in addition to the primary health plan.

Bay St. Louis, MS:

Individual Deductible	\$3,000
Family Deductible	\$3,000
Out of Pocket Maximum (post-deductible)	\$8,000

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$486.22	0	\$486.22
Spouse Only*	\$217.61	\$217.61	\$217.61
Children Only*	\$156.12	\$156.12	\$156.12
Spouse plus Children*	\$386.62	\$386.62	\$386.62

*PEER assumed that these monthly costs were paid by the employee and that the survey question was completed incorrectly in comparison to the total costs.

Beaumont, MS:

Individual Deductible	\$750
Family Deductible	\$2,250
Out of Pocket Maximum (post-deductible)	\$1,000 individual/\$3,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$2,457.80*	0	\$2,457.80
Spouse Only			
Children Only	\$491.56	\$341.52	\$833.08
Spouse plus Children			

*PEER assumed that this monthly employer cost represents all covered employees instead of per employee.

Byram, MS:

Individual Deductible	\$1,000
Family Deductible	\$3,000
Out of Pocket Maximum (post-deductible)	\$3,500 individual/\$7,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$293.84	0	\$293.84
Spouse Only			
Children Only			
Spouse plus Children	0	\$767.90	\$769.90*

*PEER assumed that this difference in monthly employee cost and total monthly cost is a reporting error.

Cleveland, MS:

Individual Deductible	\$1,000
Family Deductible	\$1,500
Out of Pocket Maximum (post-deductible)	

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$441.67	0	\$441.67
Spouse Only	0	0	0
Children Only	0	0	0
Spouse plus Children	0	\$528.96	\$528.96

Clinton, MS:

Individual Deductible	\$500
Family Deductible	\$1,500
Out of Pocket Maximum (post-deductible)	\$1,500 individual/\$4,500 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$507.13	0	\$507.13
Spouse Only	0	\$367.74	\$367.74
Children Only	0	\$232.22	\$232.22
Spouse plus Children	0	\$552.88	\$552.88

Coffeeville, MS:

Individual Deductible	\$1,000
Family Deductible	Not applicable
Out of Pocket Maximum (post-deductible)	\$1,000

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$525.34	\$89.81	\$615.15
Spouse Only			
Children Only			
Spouse plus Children			

Corinth, MS:

Individual Deductible	\$1,000
Family Deductible	\$1,000
Out of Pocket Maximum (post-deductible)	

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$341.67	0	\$341.67
Spouse Only	0	\$482.40	\$482.40
Children Only	0	\$228.11	\$228.11
Spouse plus Children	0	\$741.01	\$741.01

Flora, MS:

Individual Deductible	\$1,500
Family Deductible	\$4,500
Out of Pocket Maximum (post-deductible)	\$1,000 individual/\$3,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$454.46	0	\$454.46
Spouse Only			
Children Only			
Spouse plus Children			

Greenville, MS:

Individual Deductible	\$5,000*
Family Deductible	\$15,000
Out of Pocket Maximum (post-deductible)	\$1,000 individual/\$3,000 family

*The survey response noted the individual deductible as \$50.00. However, PEER assumes this is a reporting error and that the individual deductible is \$5,000, as noted in the summary of benefits attached with the survey.

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$369.25	\$25.00	\$394.25
Spouse Only	0	\$338.87	\$338.87
Children Only	0	\$215.15	\$215.15
Spouse plus Children	0	\$530.16	\$530.16

Greenwood, MS:

Individual Deductible	\$500
Family Deductible	\$2,000
Out of Pocket Maximum (post-deductible)	

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$422.00	0	\$422.00
Spouse Only	0	\$391.57	\$391.57
Children Only	0	\$391.57	\$391.57
Spouse plus Children	0	\$391.57	\$391.57

Hattiesburg, MS:

Individual Deductible	\$1,000
Family Deductible	\$2,000
Out of Pocket Maximum (post-deductible)	\$2,000 individual/\$4,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$383.00	0	\$383.00
Spouse Only			
Children Only			
Spouse plus Children	0	\$250.00	\$250.00

Jackson, MS:

Individual Deductible	\$400
Family Deductible	\$1,200
Out of Pocket Maximum (post-deductible)	\$5,000

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$82.00	\$82.00	\$164.00
Spouse Only	\$190.00	\$190.00	\$380.00
Children Only	\$190.00	\$190.00	\$380.00
Spouse plus Children	\$270.00	\$270.00	\$540.00

Kosciusko, MS:

Individual Deductible	\$750*
Family Deductible	\$2,250*
Out of Pocket Maximum (post-deductible)	\$1,000 individual/ \$3,000 family

*Deductible amounts provided were for the gap insurance coverage.

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$346.91	\$88.83	\$435.74
Spouse Only			
Children Only			
Spouse plus Children			
Employee & Family*	\$741.54	\$416.00	\$1,157.54

*Although not one of PEER's category options in the survey, Kosciusko reported a premium option for "Employee + Family."

Liberty, MS:

Individual Deductible	\$250
Family Deductible	\$750
Out of Pocket Maximum (post-deductible)	\$1,000 individual/ \$3,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$439.11	0	\$439.11
Spouse Only	\$439.11	\$555.90	\$995.01
Children Only	\$439.11	\$256.11	\$695.22
Spouse plus Children	\$439.11	\$848.06	\$1,287.17

Madison, MS:

Individual Deductible	\$500
Family Deductible	\$1,500
Out of Pocket Maximum (post-deductible)	\$1,500 individual/ \$4,500 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$410.59	0	\$410.59
Spouse Only	0	\$416.01	\$416.01
Children Only	0	\$247.14	\$247.14
Spouse plus Children	0	\$690.60	\$690.60

Magee, MS:

Individual Deductible	\$1,500
Family Deductible	
Out of Pocket Maximum (post-deductible)	\$2,500

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only			\$300.04
Spouse Only			\$712.39
Children Only			\$522.34
Spouse plus Children			\$965.02

Moss Point, MS:

Individual Deductible	\$500
Family Deductible	\$1,500
Out of Pocket Maximum (post-deductible)	\$1,500 individual/\$4,500 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$473.87	\$24.94	\$498.81
Spouse Only	\$935.29	\$279.37	\$1,214.66
Children Only	\$664.36	\$198.44	\$862.80
Spouse plus Children	\$1,253.78	\$374.51	\$1,628.29

Natchez, MS:

Individual Deductible	\$1,500
Family Deductible	\$4,500
Out of Pocket Maximum (post-deductible)	\$500 individual/\$1,500 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$97.48	\$8.00	\$105.48
Spouse Only	\$52.46	\$220.00	\$272.46
Children Only	\$111.17	\$247.50	\$358.67
Spouse plus Children	\$111.17	\$247.50	\$358.67

Ocean Springs, MS:

Individual Deductible	\$1,000
Family Deductible	\$3,000
Out of Pocket Maximum (post-deductible)	\$1,500 individual/\$4,500 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$311.30	0	\$311.30
Spouse Only	\$522.31	\$180.00	\$702.31
Children Only	\$439.10	\$110.00	\$549.10
Spouse plus Children	\$638.47	\$280.00	\$918.47

Olive Branch, MS:

Individual Deductible	\$500
Family Deductible	\$1,000
Out of Pocket Maximum (post-deductible)	\$2,000 individual/\$4,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$366.88	0	\$366.88
Spouse Only	\$609.02	\$161.42	\$770.44
Children Only	\$553.98	\$124.74	\$678.72
Spouse plus Children	\$785.12	\$278.82	\$1,063.94

Pascagoula, MS:

Individual Deductible	\$500
Family Deductible	\$1,500
Out of Pocket Maximum (post-deductible)	\$2,500 individual/\$7,500 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$550.50	0	\$550.50
Spouse Only*	\$1,135.40	\$150.01	\$1,285.41
Children Only*	\$939.45	\$120.00	\$1,059.45
Spouse plus Children*	\$1,548.11	\$210.00	\$1,758.11

*In the case of this municipality, the premium includes the employee.

Petal, MS:

Individual Deductible	\$1,500
Family Deductible	\$3,000
Out of Pocket Maximum (post-deductible)	\$1,500 individual/\$3,000 family

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$426.25	0	\$426.25
Spouse Only	\$426.25	\$345.28	\$771.53
Children Only	\$426.25	\$345.28	\$771.53
Spouse plus Children	\$426.25	\$345.28	\$771.53

Shelby, MS:

Individual Deductible	
Family Deductible	Not applicable
Out of Pocket Maximum (post-deductible)	

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$6,282.10*		
Spouse Only			
Children Only			
Spouse plus Children			

*PEER assumed that this monthly employer cost represents all covered employees instead of per employee.

Silver Creek, MS:

Silver Creek reported that it does not provide health insurance coverage to employees.

Tishomingo, MS:

Individual Deductible	\$5,000*
Family Deductible	NA**
Out of Pocket Maximum (post-deductible)	

*Tishomingo noted that gap insurance is purchased in addition to the primary health plan.

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$469.84	\$49.60	\$519.44
Spouse Only**			
Children Only**			
Spouse plus Children**			

**Tishomingo noted that it has employee only health insurance coverage with no family plans.

Vicksburg, MS:

Individual Deductible	\$550
Family Deductible	\$1,650
Out of Pocket Maximum (post-deductible)	\$2,500

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$74.62	0	\$74.62
Spouse Only	\$124.36	\$156.00	\$280.36
Children Only	\$124.36	\$97.84	\$222.20
Spouse plus Children	\$124.36	\$224.30	\$348.66

Wiggins, MS:

Individual Deductible	\$750
Family Deductible	\$750
Out of Pocket Maximum (post-deductible)	\$2,500

Insurance Coverage Recipient	Monthly Employer Cost	Monthly Employee Cost	Total Monthly Cost
Employee Only	\$424.01	0	\$424.01
Spouse Only	0	\$391.38	\$391.38
Children Only	0	\$332.66	\$332.66
Spouse plus Children	0	\$861.04	\$861.04

SOURCE: PEER analysis of survey results.

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