

**CLEVELAND PUBLIC LIBRARY**

**Finance Committee**

November 17, 2020

**RESOLUTION AUTHORIZING CONTRACT WITH MEDICAL MUTUAL OF OHIO FOR  
EMPLOYEE HEALTHCARE BENEFITS**

WHEREAS, The Cleveland Public Library has purchased employee health insurance from Medical Mutual of Ohio Since October 2012; and

WHEREAS, The Library's current contract with Medical Mutual provides for employee healthcare coverage from January 1, 2020 through December 31, 2020 under the National and CleCare plans; and

WHEREAS, Medical Mutual's renewal premium effective January 1, 2021 through December 31, 2021 is the same as the premium paid by the Library for the 2020 calendar year; now therefore be it

RESOLVED, That the Board of Library Trustees hereby authorizes the Executive Director, CEO or his designee to enter into an agreement with Medical Mutual of Ohio for employee health insurance benefits for a 12 month term from January 1, 2021 through December 31, 2021 at the rates reflected in the attached proposal, which agreement shall be subject to the review and approval of the Director of Legal Affairs.



MEDICAL MUTUAL®

Prepared For:  
**CLEVELAND PUBLIC LIBRARY**

Effective Date: 1/1/2021  
End Date: 12/31/2021  
County: Cuyahoga  
State: Ohio

Quote ID: 0083561-04

Tuesday, September 29, 2020  
9:44 AM



**MEDICAL MUTUAL®**

As part of the Affordable Care Act, health insurance issuers and group health plans are required to provide a Summary of Benefits and Coverage (SBC) to all participants (and their dependents if they reside at a different address).

The SBC(s) applicable to your current plan(s) will be available on EmployerLink or from your sales representative or broker. As the plan sponsor, you are responsible for distributing SBCs to your participants with other written application materials during open enrollment. An SBC must be provided for each benefit package in which a participant or dependent is eligible. If you do not require a written application from your participants to renew, you must provide each participant with the SBC specific to the plan in which he or she is enrolled no later than 30 days prior to the first day of the new plan or policy year.

Please review your applicable SBC(s) carefully. If you make a change that affects the information in your SBC, please contact your sales representative or broker to initiate the change and ensure new SBCs are available for your open enrollment period.



## Federal Definitions

**Full-Time Employee** – Section 4980H provides that full-time employee status is determined on a monthly basis. Under § 4980H, a full-time employee with respect to any month is an employee (including a seasonal employee) who is employed, on average, at least 30 hours of service per week (or, under the rules contemplated to be included in proposed regulations, at least 130 hours of service in the calendar month). An employee who is not a full-time employee under this standard (including a seasonal employee) for a given month is taken into account in the FTE calculation. Section 4980H(c)(2)(E).

**Full-Time Equivalent Employee** – In determining whether an employer is an applicable large employer for the current calendar year, § 4980H provides that the employer is required to calculate the number of FTEs it employed during the preceding calendar year and count each such FTE as one FT employee for that year. All employees (including seasonal employees) who were not full-time employees for any month in the preceding calendar year are included in calculating the employer's FTEs for that month. The number of FTEs for each calendar month in the preceding calendar year would be determined using the following steps:

(1) Calculate the aggregate number of hours of service (but not more than 120 hours of service for any employee) for all employees who were not full-time employees for that month.

(2) Divide the total hours of service in step (1) by 120. This is the number of FTEs for the calendar month.

In determining the number of FTEs for each calendar month, fractions would be taken into account. For example, if in a calendar month employees who are not full-time employees work 1,260 hours, there would be 10.5 FTEs for that month. However, after adding the 12 monthly full-time employee and FTE totals, and dividing by 12 (the amount in Section IV.E, step (4) below), all fractions would be disregarded. For example, 49.9 FT employees for the preceding calendar year would be rounded down to 49 FT employees (and thus the employer would not be an applicable large employer in the current calendar year).

**Seasonal Employee** - Section 4980H provides that seasonal employees are employees who perform labor or services on a seasonal basis as defined by the Secretary of Labor, including seasonal workers covered by 29 C.F.R. § 500.20(s)(1) and retail workers employed exclusively during holiday seasons. Section 4980H(c)(2)(B)(ii). If an employer's workforce exceeds 50 FT employees for 120 days or fewer during a calendar year, and the employees in excess of 50 who were employed during that period of no more than 120 days were seasonal employees, the employer would not be an applicable large employer. It is contemplated that, for this purpose only, four calendar months would be treated as the equivalent of 120 days.



**MEDICAL MUTUAL®**  
**Renewal Form**

To comply with various new components of healthcare reform, Medical Mutual needs to gather the following information in order to correctly process your group's renewal. Please review the definitions section before completing the form.

Please complete the following information for the renewing group policy:

**Group Information**

Group Name: CLEVELAND PUBLIC LIBRARY

Group Number: # 227377

**Group Certification**

1. Total number of people employed by your company (exclude COBRA/retirees):
  - a. \_\_\_\_\_ # of full-time
  - b. \_\_\_\_\_ # of part-time
  - c. \_\_\_\_\_ # of FTEs (full-time equivalent employees)
  
2. Total number of covered persons:
  - a. \_\_\_\_\_ # electing COBRA
  - b. \_\_\_\_\_ # who are retired
  
3. Minimum work hours per week:
  - a. \_\_\_\_\_ # of employees working 25 or more hours per week
  - b. \_\_\_\_\_ # of hours an employee must work to be eligible for coverage under this renewing group policy
  - c. \_\_\_\_\_ # of employees working the minimum number of hours disclosed in statement 3-b
  
4. Total number of eligible employees residing outside of Ohio: \_\_\_\_\_
  
5. Total number of eligible waivers (ie: employees not applying for coverage): \_\_\_\_\_
  - Examples of waivers include employees covered:
    - in a spouse's employer sponsored health plan
    - as an active eligible employee or retiree in another health plan sponsored by a second employer
    - covered under a parent's plan
    - covered by Medicare and/or a Medicare Supplement plan
    - in a government-sponsored plan such as: TRICARE, Medicaid or Veteran's Administration (VA) coverage
    - in subsidy-eligible individual coverage
  
6. Do you offer spousal coverage:
  - a.  Yes
  - b.  Yes, only if no other coverage is available
  - c.  No



# MEDICAL MUTUAL®

## Renewal Form

### Outside Vendor Information

1. Health Savings Account (HSA)
  - A.  Not applicable
  - B.  Name of administrator \_\_\_\_\_
  - C. \$ / %  Employer contribution toward single coverage
  - D. \$ / %  Employer contribution toward family coverage
2. Health Reimbursement Account (HRA)
  - A.  Not applicable
  - B.  Name of administrator \_\_\_\_\_
  - C. \$  Employer contribution toward single coverage
  - D. \$  Employer contribution toward family coverage
  - E. Who pays first?  Employee  Employer  Other
3. Name of Pharmacy Benefit Manager (PBM): \_\_\_\_\_
4. Name of Stop Loss Carrier: \_\_\_\_\_

### Employer Contribution

1. Employer contribution toward employee coverage: \$ \_\_\_\_\_
2. Employer contribution toward family/dependent coverage: \$ \_\_\_\_\_
3. Has your company decreased its level of contributions toward health premium by more than 5 percent below the contribution rate on March 23, 2010, for any tier of coverage and any class of similarly situated individuals?  
 Yes  No

### Renewal Acceptance

Group Official/Broker/Consultant/Medical Mutual Rep signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

*This form must be returned no later than five business days before the effective date of the group's renewal*



**MEDICAL MUTUAL®**

**CLEVELAND PUBLIC LIBRARY  
ALL SECTIONS  
INSURED RENEWAL DEVELOPMENT**

Effective January 1, 2021, through December 31, 2021

Experience Period:  
July 1, 2019, through June 30, 2020

	<u>MEDICAL</u>	<u>DRUG</u>	<u>TOTAL</u>
ESTIMATED INCURRED CLAIMS	\$4,279,570	\$1,099,011	\$5,378,581
POOLING ADJUSTMENT	(\$358,213)	N/A	(\$358,213)
CLAIMS TO ANNUALIZE	\$94,562	N/A	\$94,562
BENEFIT/ENROLLMENT CHANGES	(\$192,691)	(\$48,686)	(\$241,377)
CREDIBILITY & RISK ADJUSTMENTS	\$20,570	(\$9,985)	\$10,599
APPLICABLE TREND	1.1631	1.1758	1.1658
# months	18.0	18.0	
Annual	10.70%	11.40%	10.85%
PROJECTED INCURRED CLAIMS	\$4,470,722	\$1,223,232	\$5,693,954
ADMINISTRATION & COMMISSION	\$481,660	\$46,740	\$528,400
PREMIUM TAX	\$0	\$0	\$0
MANDATED FEES*	\$3,676	\$0	\$3,676
RENEWAL PREMIUM	\$4,956,058	\$1,269,972	\$6,226,030
REVISED RENEWAL PREMIUM	\$4,828,218	\$963,869	\$5,792,087
PREMIUM AT CURRENT RATES	\$4,828,218	\$963,869	\$5,792,087
CHANGE IN PREMIUM	2.65%	31.76%	7.49%
REVISED CHANGE IN PREMIUM	0.00%	0.00%	0.00%

Based on Average Enrollment of:

Single  
Family

305  
153

304  
152

Rates reflect the federally mandated fees as listed below. All fees are subject to state premium tax. Fees are subject to change. When a contract period spans more than one calendar year, the fees are averaged over the length of the period. See notes for rate details.

Mandated Fees

PCORI:	\$2,075
Reinsurance:	\$0
Market Share:	\$0
MCO Fee	\$1,601
Total:	\$3,676



**CLEVELAND PUBLIC LIBRARY  
ALL SECTIONS  
INSURED RENEWAL RATES**

Effective January 1, 2021, through December 31, 2021

#		Monthly Enrollment	Current Rates	Renewal Rates
# 227377				
CMM I	\$450 Ded / 80% Coins / \$2,700 MOOP	258 132	\$581.56 \$1,522.90	\$581.56 \$1,522.90
HMO I	CleCare: \$450 Ded / 80% Coins / \$2,700 MOOP	47 21	\$518.74 \$1,358.43	\$518.74 \$1,358.43
DRUG I	Retail Copays: \$10 / \$20 / \$40 / \$70	258 132	\$119.16 \$297.90	\$119.16 \$297.90
DRUG II	CleCare: Retail Copays: \$10 / \$20 / \$40 / \$70	46 20	\$106.30 \$265.73	\$106.30 \$265.73

Rates include PCORI, Reinsurance and Market Share fees, when applicable, which are federally mandated. All fees are subject to premium tax. When a contract spans more than one calendar year, the fees are averaged over the length of the period.

**Rate Acceptance**

Group Official Initial: \_\_\_\_\_ Please initial next to the benefits that have been selected by the group.

Group Official Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_





CLEVELAND PUBLIC LIBRARY
ALL SECTIONS
DISCLAIMERS AND NOTES

Effective January 1, 2021, through December 31, 2021

- 1 - All rates are subject to the terms and conditions specified in the Group Contract.
2 - Change in total enrollment or in any one plan of more than 10% or the elimination of a plan may require rates to be adjusted.
3 - Medical rates include Essential only.
4 - In accordance with respective state laws, coverage for dependents beyond the federal limiting age of 26 may necessitate additional premium on insured plans.
5 - Employers must disclose any funding of deductibles or coinsurance provided to employees. If funding is not disclosed, Medical Mutual reserves the right to adjust rates at any time during the contract period. This may result in higher than anticipated rate adjustments.
6 - As required by the Affordable Care Act, employees must be notified at least 60 days before the effective date of a material modification (made other than in conjunction with a renewal) if it impacts the contents of the Summary of Benefits and Coverage (SBC). Please be aware of this requirement when considering an off-renewal plan change or a change in carrier.
7 - Quote includes Medical Mutual's comprehensive suite of population health programs, which are designed to promote healthy lifestyle behaviors and encourage your employees to get well and stay well. Our programs help your employees understand their health, identify risk factors for disease, manage their conditions and make positive changes to improve their well-being. Covered employees will automatically have access to Medical Mutual's health and wellness initiatives, which may include, but not be limited to, online health resources and Health Assessment, Disease Management programs, 24/7 Nurse Line , tobacco QuitLine, Maternity program, fitness center discounts, and Weight Watchers@ discounts.
8 - Use of a third party Pharmacy Benefits Manager (PBM) will require additional fees and additional lead time to implement. Please contact your Medical Mutual representative for further details and explanation.
9 If a non-Medical Mutual ancillary carrier, other than Superior Dental, is added for COBRA services, a fee of \$0.34 per employee per month will be charged.
10 - The renewal assumes enrollment in COSE Medical Mutual will require receipt of written confirmation
11 of the group's COSE membership number for rates to apply.

Rate Acceptance

Group Official Initial: \_\_\_\_\_ Please initial next to the benefits that have been selected by the group.

Group Official Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**CLEVELAND PUBLIC LIBRARY  
ALL SECTIONS  
DISCLAIMERS AND NOTES**

Effective January 1, 2021, through December 31, 2021

**CLE-Care HMO Disclaimers**

- 1 CLE-Care HMO does not include out-of-network benefits, except for emergency care and care confirmed as unavailable within the network. Referral is required for services outside the MetroHealth network.
- 2 CLE-Care HMO includes all MetroHealth facilities and providers.
- 3 CLE-Care drug plans may include a separate copay tier when prescriptions are filled at MetroHealth pharmacies. Drug copays described in the benefit descriptions reflect copays at non-MetroHealth pharmacies. Please see the detailed benefit descriptions or contact your Medical Mutual sales representative for further details.
- 4 CLE-Care requires that both medical and drug benefits be purchased together through MMO.
- 5 For fully insured plans where MMO is the sole carrier, there is no minimum enrollment in CLE-Care. For fully insured plans where CLE-Care is offered alongside another carrier, a minimum of 51 must be enrolled in CLE-Care.
- 6 All plans are subject to minimum enrollment as outlined above. Rates are subject to change or withdrawal if minimum
- 7 Rates include standard reporting and administration.
- 8 CLE-Care enrollment requires members to select a MetroHealth PCP.
- 9 CLE-Care rates are subject to revision if quoted as a dual option with a PPO plan and a stand-alone CLE-Care plan is elected.

**Rate Acceptance**

Group Official Initial: \_\_\_\_\_ *Please initial next to the benefits that have been selected by the group.*

Group Official Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**CLEVELAND PUBLIC LIBRARY  
ALL SECTIONS  
LEGISLATIVE UPDATES**

Effective January 1, 2021, through December 31, 2021

- Your rates may be adjusted to account for coverage mandated by federal or state law.
- Pursuant to Ohio House Bill 463, based on your current Autism Spectrum Disorder benefits, your renewal (effective 1/1/18 or later) has been adjusted for compliance with the law, where applicable.
- In order to comply with the United State Preventive Task Force final recommendations effective with plan years beginning 12/1/2017, your renewal has been adjusted to reflect changes to your non-grandfathered plan benefits effective with your next plan year on or after 12/1/2017.
- The rates in this proposal may include Patient-Centered Outcomes Research Institute Fee (PCORI), Reinsurance Fee, Exchange Fee, and Market Share Fee when applicable which are federally mandated. Additionally, this policy, Medical Mutual, or you as a Plan Sponsor may become subject to taxes, fees or other charges imposed by State, Local, or Federal governments (collectively, "fees"). Medical Mutual reserves the right to adjust your premium or funding rate (or add the fees to the invoice) consistent with the effective date of the new fees imposed by the government. Adjustments may or may not be noted in a line item on monthly invoices. All fees are subject to change during the contract period.
- Rates and premiums for periods beginning January 1, 2022 do not include potential or actual exposure due to section 49801 of the Internal Revenue Code -- Excise Tax on High Cost Employer-Sponsored Health Coverage under the Affordable Care Act. Any Excise tax determined to be payable on your plan(s) will be billed separately from health plan premium rates.

**Rate Acceptance**

Group Official Initial: \_\_\_\_\_ *Please initial next to the benefits that have been selected by the group.*

Group Official Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_