

**Preliminary Findings from JFO's Analysis of the Cost to Employers
of Various Health Care Plans for Vermont's Public School Personnel**

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Comparison of Health Care Plans for Public Education Personnel: Total Cost to Employers, millions of dollars										
		FY18 if 12 mo	FY19	FY20	FY21	FY22	FY23	FY24		
Old plans		Estimates		Projected by JFO						
1	Baseline Plan in Early 2017 - Gold CDHP as priced by actuaries 80/20 premium, all HRA with rollover to cover 75% of OOP or \$1875; relinquish HRA if leave employer	152.1	161.1	167.6	175.2	183.5	192.1	201.0		
2	Governor's 2017 Target Plan - Gold CDHP 80/20 premium, all HRA to cover 84% of OOP or \$2100, EE pays 1st \$400 (see Note 1)	155.0	168.0	182.5	196.4	211.3	220.2	229.4		
Current plans		Actual								
3	Plans as Implemented (Bargained) - Mix of plans, on average 91.5% Gold CDHP, 81.9%/18.1% premium, most HRA no rollover to cover 84% of OOP or \$2100 (see Note 2)	161.9	175.1	190.4	204.8	220.3	229.4	239.0		
Proposed plans		Estimates								
4	H.858 from 2018 if in effect CY 2018 Gold CDHP, 80/20 premium, all H.S.A. for 84% of OOP or \$2100 (see Note 1)	171.9	184.6	199.2	213.5	228.7	237.9	247.5		
Difference from Current Plans (Costs positive, Savings negative); these plans would require legislative action									Cumulative Costs (Savings)	
	H.858 beginning in FY20	0.0	0.0	8.8	8.7	8.5	8.5	8.5	42.9	
	Governor's 2017 Target Plan beginning in FY20	0.0	0.0	-8.0	-8.4	-8.9	-9.3	-9.6	-44.3	
NOTES										
	1. CDHP = Consumer Driven Health Plan; HRA = Health Reimbursement Arrangement; H.S.A. = Health Savings Account									
	2. JFO's projection of the cost of the Governor's Target Plan, current plans, and H.858 plan is based on current enrollment and plan design data									
	3. JFO's cost of current plans reflects nonavailability of family plans for some support staff									
	4. Proposed plans do not include income sensitivity									
	5. The Governor's proposed \$62 million in savings is not supported by JFO's analysis									
SOURCES										
	VEHI provided actual premium amounts for FY18 and FY19 and suggested likely double-digit premium increases for FY20									
	JFO compiled data on actual current plans by school district; VEHI provided aggregate enrollments									
	The Consensus CPI forecast was used to increase HRA/H.S.A. amounts starting in FY20									
	JFO used 4.5% cost inflation for private insurance premiums beginning FY20 based on long-term projections of 4.7% from CMS/National Health Expenditures, adjusted downward for Vermont's individual mandate									