

San Francisco Health Service System Health Service Board

Rates & Benefits

Kaiser Permanente 2018 Multi-State Regional Rates
Presentation—Early Retirees and Medicare Retirees

June 8, 2017

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Renewal Summary

Kaiser Permanente's (Kaiser) has provided the San Francisco Health Service System (SFHSS) a set of multi-state regional rates for early retirees and Medicare retirees for the Northwest, Washington and Hawaii

When setting the total Kaiser premiums, the following SFHSS costs are included:

- The VSP vision
- The Healthcare Sustainability Fee which is \$3.00 per employee per month for 2018
- Best Doctors (second opinion benefit) which is \$1.40 per employee per month for 2018

Renewal Summary

The multi-state regional rates provided by Kaiser are early release rates, therefore the same reconciliation process will be followed as is the case for Kaiser California where the actual Medicare Advantage rate is compared to the provided billed rate and the difference is added to the subsequent year's billed rates

The following pages show the rate cards for the three multi-state regions

2018 Kaiser Permanente Monthly Rate Card

Washington Rates and Contributions

	Early Retirees			MAPD			
	Retiree without Medicare	Retiree & Spouse w/o Medicare	Retiree & Family	Retiree with Medicare	Retiree and Spouse w/ Medicare	Retiree and Spouse all Medicare	Retiree and Family
Premium ¹	\$1,224.21	\$2,448.42	\$3,464.52	\$389.17	\$778.34	\$1,167.51	\$1,794.44
Vision	\$3.95	\$7.92	\$11.20	\$3.95	\$7.92	\$11.20	\$11.20
Expense	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Best Doctors ²	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40
Total	\$1,232.56	\$2,460.74	\$3,480.12	\$397.52	\$790.66	\$1,183.11	\$1,810.04

10-County Amount (Early Retirees and Retirees Only) ³	\$649.17	\$0.00	\$0.00	\$397.52	\$0.00	\$0.00	\$0.00
Single Retiree Offset ⁴	\$0.00	\$649.17	\$649.17	\$0.00	\$397.52	\$397.52	\$397.52
"Actuarial Difference" ⁵	\$583.39	\$583.39	\$583.39	\$0.00	\$0.00	\$0.00	\$0.00
Prop. E Subsidy ⁶	\$0.00	\$614.09	\$614.09	\$0.00	\$196.57	\$196.57	\$196.57
Subtotal City Contributions	\$1,232.56	\$1,846.65	\$1,846.65	\$397.52	\$594.09	\$594.09	\$594.09
Non-Bargained Contribution Rate	\$0.00	\$614.09	\$1,633.47	\$0.00	\$196.57	\$589.02	\$1,215.95

Final Member Contribution 2018	\$0.00	\$614.09	\$1,633.47	\$0.00	\$196.57	\$589.02	\$1,215.95
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Final Member Contribution 2017 Kaiser CA	\$0.00	\$289.08	\$768.95	\$0.00	\$172.36	\$516.18	\$652.23
Difference	\$0.00	\$325.01	\$864.52	\$0.00	\$24.21	\$72.84	\$563.72

NOTE—Footnotes 1 – 6 defined on pages 11-13

2018 Kaiser Permanente Monthly Rate Card

Northwest Rates and Contributions

	Early Retirees			MAPD			
	Retiree without Medicare	Retiree & Spouse w/o Medicare	Retiree & Family	Retiree with Medicare	Retiree and Spouse w/ Medicare	Retiree and Spouse all Medicare	Retiree and Family
Premium ¹	\$1,375.66	\$2,751.32	\$3,893.12	\$382.86	\$765.72	\$1,148.58	\$2,024.45
Vision	\$3.95	\$7.92	\$11.20	\$3.95	\$7.92	\$11.20	\$11.20
Expense	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Best Doctors ²	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40
Total	\$1,384.01	\$2,763.64	\$3,908.72	\$391.21	\$778.04	\$1,164.18	\$2,040.05

10-County Amount (Early Retirees and Retirees Only) ³	\$649.17	\$0.00	\$0.00	\$391.21	\$0.00	\$0.00	\$0.00
Single Retiree Offset ⁴	\$0.00	\$649.17	\$649.17	\$0.00	\$391.21	\$391.21	\$391.21
"Actuarial Difference" ⁵	\$734.84	\$734.84	\$734.84	\$0.00	\$0.00	\$0.00	\$0.00
Prop. E Subsidy ⁶	\$0.00	\$689.82	\$689.82	\$0.00	\$193.42	\$193.42	\$193.42
Subtotal City Contributions	\$1,384.01	\$2,073.83	\$2,073.83	\$391.21	\$584.63	\$584.63	\$584.63
Non-Bargained Contribution Rate	\$0.00	\$689.81	\$1,834.89	\$0.00	\$193.41	\$579.55	\$1,455.42

Final Member Contribution 2018	\$0.00	\$689.81	\$1,834.89	\$0.00	\$193.41	\$579.55	\$1,455.42
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Final Member Contribution 2017 Kaiser CA	\$0.00	\$289.08	\$768.95	\$0.00	\$172.36	\$516.18	\$652.23
Difference	\$0.00	\$400.73	\$1,065.94	\$0.00	\$21.05	\$63.37	\$803.19

NOTE—Footnotes 1 – 6 defined on pages 11-13

2018 Kaiser Permanente Monthly Rate Card

Hawaii Rates and Contributions

	Early Retirees			MAPD			
	Retiree without Medicare	Retiree & Spouse w/o Medicare	Retiree & Family	Retiree with Medicare	Retiree and Spouse w/ Medicare	Retiree and Spouse all Medicare	Retiree and Family
Premium ¹	\$836.83	\$1,673.65	\$2,368.22	\$350.68	\$701.36	\$1,052.04	\$1,538.19
Vision	\$3.95	\$7.92	\$11.20	\$3.95	\$7.92	\$11.20	\$11.20
Expense	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Best Doctors ²	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40
Total	\$845.18	\$1,685.97	\$2,383.82	\$359.03	\$713.68	\$1,067.64	\$1,553.79

10-County Amount (Early Retirees and Retirees Only) ³	\$649.17	\$0.00	\$0.00	\$359.03	\$0.00	\$0.00	\$0.00
Single Retiree Offset ⁴	\$0.00	\$649.17	\$649.17	\$0.00	\$359.03	\$359.03	\$359.03
"Actuarial Difference" ⁵	\$196.01	\$196.01	\$196.01	\$0.00	\$0.00	\$0.00	\$0.00
Prop. E Subsidy ⁶	\$0.00	\$420.40	\$420.40	\$0.00	\$177.33	\$177.33	\$177.33
Subtotal City Contributions	\$845.18	\$1,265.58	\$1,265.58	\$359.03	\$536.36	\$536.36	\$536.36
Non-Bargained Contribution Rate	\$0.00	\$420.39	\$1,118.24	\$0.00	\$177.32	\$531.28	\$1,017.43

Final Member Contribution 2018	\$0.00	\$420.39	\$1,118.24	\$0.00	\$177.32	\$531.28	\$1,017.43
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Final Member Contribution 2017 Kaiser CA	\$0.00	\$289.08	\$768.95	\$0.00	\$172.36	\$516.18	\$652.23
Difference	\$0.00	\$131.31	\$349.29	\$0.00	\$4.96	\$15.10	\$365.20

NOTE—Footnotes 1 – 6 defined on pages 11-13

Recommendation

- Aon recommends that the Health Service Board (HSB) approve the Kaiser Permanente rates and premium contributions for multi-state regional rates for early retirees and Medicare retirees for Washington, Northwest and Hawaii as presented

Appendix- 2018 Kaiser Permanente Monthly Rate Card

Washington Rates and Contributions With Costco Plan Provisions

	Early Retirees			MAPD			
	Retiree without Medicare	Retiree & Spouse w/o Medicare	Retiree & Family	Retiree with Medicare	Retiree and Spouse w/ Medicare	Retiree and Spouse all Medicare	Retiree and Family
Premium ¹	\$1,224.21	\$2,448.42	\$3,464.52	\$389.17	\$778.34	\$1,167.51	\$1,794.44
Vision	\$4.13	\$8.28	\$11.70	\$4.13	\$8.28	\$11.70	\$11.70
Expense	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Best Doctors ²	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40
Total	\$1,232.74	\$2,461.10	\$3,480.62	\$397.70	\$791.02	\$1,183.61	\$1,810.54

10-County Amount (Early Retirees and Retirees Only) ³	\$649.17	\$0.00	\$0.00	\$397.70	\$0.00	\$0.00	\$0.00
Single Retiree Offset ⁴	\$0.00	\$649.17	\$649.17	\$0.00	\$397.70	\$397.70	\$397.70
"Actuarial Difference" ⁵	\$583.57	\$583.57	\$583.57	\$0.00	\$0.00	\$0.00	\$0.00
Prop. E Subsidy ⁶	\$0.00	\$614.18	\$614.18	\$0.00	\$196.66	\$196.66	\$196.66
Subtotal City Contributions	\$1,232.74	\$1,846.92	\$1,846.92	\$397.70	\$594.36	\$594.36	\$594.36
Non-Bargained Contribution Rate	\$0.00	\$614.18	\$1,633.70	\$0.00	\$196.66	\$589.25	\$1,216.18

Final Member Contribution 2018	\$0.00	\$614.18	\$1,633.70	\$0.00	\$196.66	\$589.25	\$1,216.18
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Final Member Contribution 2017 Kaiser CA	\$0.00	\$289.08	\$768.95	\$0.00	\$172.36	\$516.18	\$652.23
Difference	\$0.00	\$325.10	\$864.75	\$0.00	\$24.30	\$73.07	\$563.95

NOTE—Footnotes 1 – 6 defined on pages 11-13

Appendix- 2018 Kaiser Permanente Monthly Rate Card

Northwest Rates and Contributions With Costco Plan Provisions

	Early Retirees			MAPD			
	Retiree without Medicare	Retiree & Spouse w/o Medicare	Retiree & Family	Retiree with Medicare	Retiree and Spouse w/ Medicare	Retiree and Spouse all Medicare	Retiree and Family
Premium ¹	\$1,375.66	\$2,751.32	\$3,893.12	\$382.86	\$765.72	\$1,148.58	\$2,024.45
Vision	\$4.13	\$8.28	\$11.70	\$4.13	\$8.28	\$11.70	\$11.70
Expense	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Best Doctors ²	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40
Total	\$1,384.19	\$2,764.00	\$3,909.22	\$391.39	\$778.40	\$1,164.68	\$2,040.55

10-County Amount (Early Retirees and Retirees Only) ³	\$649.17	\$0.00	\$0.00	\$391.39	\$0.00	\$0.00	\$0.00
Single Retiree Offset ⁴	\$0.00	\$649.17	\$649.17	\$0.00	\$391.39	\$391.39	\$391.39
"Actuarial Difference" ⁵	\$735.02	\$735.02	\$735.02	\$0.00	\$0.00	\$0.00	\$0.00
Prop. E Subsidy ⁶	\$0.00	\$689.91	\$689.91	\$0.00	\$193.51	\$193.51	\$193.51
Subtotal City Contributions	\$1,384.19	\$2,074.10	\$2,074.10	\$391.39	\$584.90	\$584.90	\$584.90
Non-Bargained Contribution Rate	\$0.00	\$689.90	\$1,835.12	\$0.00	\$193.50	\$579.78	\$1,455.65

Final Member Contribution 2018	\$0.00	\$689.90	\$1,835.12	\$0.00	\$193.50	\$579.78	\$1,455.65
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Final Member Contribution 2017 Kaiser CA	\$0.00	\$289.08	\$768.95	\$0.00	\$172.36	\$516.18	\$652.23
Difference	\$0.00	\$400.82	\$1,066.17	\$0.00	\$21.14	\$63.60	\$803.42

NOTE—Footnotes 1 – 6 defined on pages 11-13

Appendix- 2018 Kaiser Permanente Monthly Rate Card

Hawaii Rates and Contributions With Costco Plan Provisions

	Early Retirees			MAPD			
	Retiree without Medicare	Retiree & Spouse w/o Medicare	Retiree & Family	Retiree with Medicare	Retiree and Spouse w/ Medicare	Retiree and Spouse all Medicare	Retiree and Family
Premium ¹	\$836.83	\$1,673.65	\$2,368.22	\$350.68	\$701.36	\$1,052.04	\$1,538.19
Vision Expense	\$4.13	\$8.28	\$11.70	\$4.13	\$8.28	\$11.70	\$11.70
Best Doctors ²	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40
Total	\$845.36	\$1,686.33	\$2,384.32	\$359.21	\$714.04	\$1,068.14	\$1,554.29

10-County Amount (Early Retirees and Retirees Only) ³	\$649.17	\$0.00	\$0.00	\$359.21	\$0.00	\$0.00	\$0.00
Single Retiree Offset ⁴	\$0.00	\$649.17	\$649.17	\$0.00	\$359.21	\$359.21	\$359.21
"Actuarial Difference" ⁵	\$196.19	\$196.19	\$196.19	\$0.00	\$0.00	\$0.00	\$0.00
Prop. E Subsidy ⁶	\$0.00	\$420.49	\$420.49	\$0.00	\$177.42	\$177.42	\$177.42
Subtotal City Contributions	\$845.36	\$1,265.85	\$1,265.85	\$359.21	\$536.63	\$536.63	\$536.63
Non-Bargained Contribution Rate	\$0.00	\$420.48	\$1,118.47	\$0.00	\$177.41	\$531.51	\$1,017.66

Final Member Contribution 2018	\$0.00	\$420.48	\$1,118.47	\$0.00	\$177.41	\$531.51	\$1,017.66
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Final Member Contribution 2017 Kaiser CA	\$0.00	\$289.08	\$768.95	\$0.00	\$172.36	\$516.18	\$652.23
Difference	\$0.00	\$131.40	\$349.52	\$0.00	\$5.05	\$15.33	\$365.43

NOTE—Footnotes 1 – 6 defined on pages 11-13

Appendix

Kaiser Permanente Rate Card Footnotes

- 1) **Kaiser premium rates** include addition of the following coverage's:
 - ▶ Acupuncture and Chiropractic
 - ▶ These rates do not include the addition of fertility preservation benefits
 - ▶ Fees are included ie. PCORI, and Health Insurance Provider fee
- 2) **Best Doctors:** Second opinion vendor fee of \$1.40 PEPM

Appendix

Kaiser Permanente Rate Card Footnotes

- 3) **"10-County" City Contribution:** Per Charter Section A8.423, the employer contribution must equal the average of the employer contribution to health premiums of the 10 most populous counties in California, not including San Francisco
- 4) **"Single Retiree Offset":** Per Charter Section A8.428; for Retirees, equal to the 10-County Amount; for Medicare eligible retirees, equal to the Medicare Premium (because it is lower than 10-County Amount)
- 5) **Retiree "Actuarial Difference":** Per Charter Section A8.428, employer contributes the difference between a single active Employee and a single non-Medicare Retiree cost of premium. Calculated for non-Medicare retiree only

Appendix

Kaiser Permanente Rate Card Footnotes

- 6) Prop. E Subsidy passed in November 2000 Election:** Per Charter A8.428, employer subsidy for Retiree (R) and R+1 = 50% x [Total Rate Cost – 10 County – Actuarial Difference]