

HEALTH AND WELFARE PLANS

FREQUENTLY ASKED QUESTIONS

This FAQ is intended to provide general information regarding how benefit decisions are made at CHPW and how we compare to other organizations.

How does CHPW make decisions about its employees' health and welfare benefit package?

Annually, CHPW benefits are determined by balancing the needs of our employees, affordability of coverage, and ability to attract and retain talent, and our overall administrative budget. We explore what other similar organizations may be offering to their employees regarding medical, dental, vision, and life and disability and voluntary benefit products. Our CFO, COO, VP of Human Resources and Alliant, our benefit broker, make recommendations to the CEO for a final decision.

How do we budget for benefits?

Our administrative budget requires approval by the CHPW Board, based upon recommendations from the CHPW Board Finance Committee, our CFO and CEO. That budget includes pay and benefits, as well as other operating expenses. The Board takes into consideration the administrative expense comparison of "like" organizations, projected revenue, and business needs.

What does it mean to be self-insured and why does CHPW self-insure our medical and dental plans?

A self-insured benefit plan means that the employer takes the risk of the total cost of claims to be paid. A fully insured model is when a third party insurance company takes the risk for claims. Each year, we explore whether continuing with a self-insured benefits model is more or less affordable than changing to a fully-insured model. CHPW has historically experienced higher than average employee healthcare utilization, and therefore, when we approach insurance companies for a fully insured option, those companies want significantly higher premiums to protect themselves against potential losses. In an attempt to keep our rates lower we self-insure.

How are our premiums set?

Our premiums are set based upon the utilization of healthcare services by our employees and their covered dependents. We look at our healthcare claims experience and year over year trends to forecast our costs for the coming year.

How do our medical and pharmacy premiums compare to other organizations?

Annually, we review our CHPW medical/Rx premiums and coverage compared to our relevant market. On average, our premiums are lower than our comparators as shown below. A critical benchmark for CHPW is companies of similar size because it reflects organizations that have similar numbers of employees who share in the risk of higher or lower healthcare utilization expenses.

How do our healthcare PPO Copayments and PPO/CDHP Coinsurance compare?

Our PPO and CDHP coverage cost-sharing are on par with the benchmarks. Specifically, average PPO cost shares for PCP and Specialty copayments are \$20/\$30, which is the same as CHPW. Co-insurance for our PPO inpatient and CDHP are also on par at 20% for employees once the deductibles have been satisfied.

Employee Monthly Contributions								
Plan	Tier	CHPW 2017	CHPW 2018	CHPW 2019	CHPW 2020	HealthCare (Industry)	West (Region)	<500 Employees (Size)
PPO	Employee Only	\$70	\$135	\$135	\$135	\$138	\$120	\$159
	Family	\$260	\$465	\$480	\$480	\$470	\$474	\$586
HDHP/CDHP	Employee Only	\$35	\$45	\$45	\$45	\$83	\$86	\$134
	Family	\$130	\$255	\$270	\$270	\$272	\$393	\$513

Employee Monthly Contributions								
Plan	Tier	CHPW 2021	CHPW 2022	CHPW 2023	CHPW 2024	HealthCare (Industry)	West (Region)	<500 Employees (Size)
PPO	Employee Only	\$135	\$135	Salary based	Salary based	\$138	\$120	\$159
	Family	\$480	\$480	Salary based	Salary based	\$470	\$474	\$586
HDHP/CDHP	Employee Only	\$45	\$45	Salary based	Salary based	\$83	\$86	\$134
	Family	\$270	\$270	Salary based	Salary based	\$272	\$393	\$513

How do our healthcare deductibles compare?

Our deductibles are lower than our most relevant benchmark, companies with less than 500 employees for both the PPO and CDHP plan.

Plan	Tier	CHPW 2017	CHPW 2018 - 2023	CHPW 2024	<500 Employees (Size)
PPO	Employee Only	\$1,000	\$1,250	\$1,250	\$1,500
	Family	\$2,000	\$2,500	\$2,500	\$3,000
HDHP/CDHP	Employee Only	\$1,500	\$1,500	\$1,600	\$2,800
	Family	\$3,000	\$3,000	\$3,200	\$5,200

Who can I contact if I have questions regarding my CHPW health and welfare benefits?

[Health and Welfare Benefits](#) – Please contact Alliant Benefits Advocate at Benefitsupport@alliant.com or 800.489.1390