

Fringe Benefits Advisory Committee

April 18, 2025

Agenda

- FY25 Medical Claims Update
- Request for Proposal - 3rd Parties & Selection Criteria
- Medical Plan Financials, Networks, & Disruption
- Pharmacy Plan Financials & Disruption
- Medical & Pharmacy Overall Evaluation
- Other 2026 Considerations
- HDHP & HSA Discussion
- What's Next

FY25 Medical Claims Update - as of 02/28/25

FY25 Financial Update (through February 2025)

- Medical is running favorably compared to budget.
- Dental is running favorably compared to budget.

RFP - 3rd Party Providers & Selection Criteria

Medical Plan

- Aetna - Incumbent
- BCBS NC
- Cigna
- MedCost
- United Healthcare

Pharmacy Plan

- Aetna - Incumbent
- Prime Therapeutics
- Express Scripts
- Optum Rx
- Rightway Rx
- Preferred University Rx
Purchasing Coalition (PURPC)



Selection Criteria

- Financials (cost)
 - administrative fees
 - discounts
- Networks
- Member Disruption

Medical Plan: Cost, Networks, & Disruption

Cost (total claims & fixed costs)	Aetna	BCBS NC	Cigna	MedCost	United Healthcare
Rank	1	4	2	3	2

Medical Plan Provider Networks	Rank
Aetna Whole Health (Current)	1
BCBS NC - Blue Options PPO	5
Cigna - Open Access Plus	3
MedCost Ultra	4
United Healthcare	2

Disruption (providers, claims, and claimants disruption)	Aetna	BCBS Blue Options	BCBS HPN	Cigna	MedCost	United Healthcare
Rank	1	6	5	2	2	4

Pharmacy Plan: Cost and Disruption

Pharmacy Administrator (Medical Administrator) (total claims & fixed costs)	Aetna / CVS	Prime (BCBS)	Express Scripts (Cigna)	OptumRx (UHC)	Rightway Rx	Preferred University Rx Purchasing Coalition
Rank	1	6	2	3	4	5

Member Disruption (copay increases & rxs excluded from formulary)	Aetna / CVS	Prime Therapeutics	Express Scripts	OptumRx	Rightway Rx	Preferred University Rx Purchasing Coalition
Rank	1	3	5	4	6	2

Medical & Pharmacy Overall Evaluation

Criteria	Aetna	BCBS NC	Cigna	MedCost	United Healthcare
Medical Plan Financials - Admin & Claims	1	4	2	3	2
Medical Plan Network Discounts	1	5	3	4	2
Medical Plan Overall Disruption	1	5	2	2	4
Total Medical Rank	3 (1)	14 (5)	7 (2)	9 (4)	8 (3)
Pharmacy Plan Financials - Admin & Claims	1	5	2	4	3
Pharmacy Plan Member Disruption	1	2	4	3	5
Total Rank* if Rx is carved-out	2 (1)	7 (3)	6 (2)	7 (3)	8 (4)

**Total Rank includes medical plan financials, network disruption, and network performance.*

Finalist Recommendation:

1. Aetna, due to little disruption and best financial proposal

Other 2026 Considerations

- **Infertility Benefits** - Social Preservation
 - Allows members to freeze eggs if they want children later in life
 - Projected costs of \$30k - \$40k annually
- **Teladoc** - Dermatology
 - Member concerns with appointment times for Dermatology
 - Telephonic visits offered through Teladoc
 - No additional administrative fee
 - \$10 copay for member
 - \$85 charge per dermatology telehealth visit for the plan
 - This can be implemented at any time
- **Fiducius** - Student Debt Counseling Program (Since 2019 - WFU experience)
 - 130 employees engaged
 - 35 enrolled in the PSLF Program, resulted in \$1,050,000 debt forgiveness.
 - Employee Cost Per PSLF Application: \$1,200
 - Consider upgrading to Fiducius's Enterprise Model to eliminate employee cost.
 - Enterprise Annual Cost: \$35k

HDHP w/HSA Discussion

- What is WFU's intent with the HDHP?
 - Do we want to steer members into this plan, or
 - Do we want to offer a plan that members have been asking for?
- The outcome to this question will drive the plan design and impact.
 - If the goal is steerage:
 - Incentivize the plan by offering the lowest premiums.
 - **Warning:** Those who do not understand the upfront out-of-pocket costs may choose this plan and not be able to afford their prescriptions in January.
 - If the goal is offering a plan because it offers retirement savings:
 - Do not offer the lowest premiums; set premiums between the High and Low Plan premiums.
 - Minimizes the risk in enrolling in this plan for those who do not know the upfront out-of-pocket costs.
 - Those who want this plan, will pay a higher premium than the Low plan, but will still receive employer contributions into the HSA and benefit from the triple tax benefit.

What's Next

- Continue to monitor medical claims
- Evaluate Disease Management RFP Results
- Model and Evaluate HDHP w/HSA Options
 - Conduct RFP for FSA/HSA third-party administrator over the summer
- Meeting Schedule:
 - *Board of Trustees: April 24*
 - FBAC: May 27
 - FBAC: Summer (should we meet?)
 - FBAC: August - TBD