



TEXAS ASSOCIATION *of* COUNTIES  
HEALTH AND EMPLOYEE BENEFITS POOL

**2015 - 2016 Renewal Notice and Benefit Confirmation**

Group: 36896 - Brown County

Anniversary Date: 10/01/2015

Return to TAC by: 08/03/2015

Please initial and complete each section confirming your group's benefits and fill out the contribution schedule according to your group's funding levels. Fax to 1-512-481-8481 or email to Melissal@County.org.

For any plan or funding changes other than those listed below, please contact Melissa Lopez at 1-800-456-5974.

**MEDICAL**

Medical: Plan 700 \$25 Copay, \$500 Ded, 90%, \$2000 OOP Max

RX Plan: Option 5B \$10/30/50, \$100 Ded

Your % rate increase is: 6.41%

Your payroll deductions for medical benefits are:

Pre Tax

Tier	Current Rates	New Rates Effective 10/1/2015	New Amount Employer Pays	New Amount Employee Pays	New Amount Retiree Pays (if applicable)
Employee Only	\$679.98	\$723.56	\$ 723.56	\$ 0	\$
Employee + Child(ren)	\$1,707.98	\$1,817.46	\$ 1617.46	\$ 200.00	\$
Employee + Spouse	\$1,707.98	\$1,817.46	\$ 1617.46	\$ 200.00	\$
Employee + Family	\$1,707.98	\$1,817.46	\$ 1617.46	\$ 200.00	\$

ERW Initial to accept Medical Plan and New Rates.

July 20, 2015  
(Exhibit #3)

## COBRA ADMINISTRATION

Please indicate how your group manages COBRA administration:

County/Group processes COBRA on OASYS

\*County/Group is responsible for fulfilling COBRA notification process and requirements.

BCBS COBRA Department processes COBRA

\*BCBS COBRA Department administers via COBRA contract with the County/Group

\_\_\_\_\_ Initial to confirm COBRA Administration.

## PLAN INFORMATION

### Broker or Consultant Information

Please confirm your broker or consultant's name, if applicable: **Painter & Johnson Associates**

Agency Name: PAINTER AND JOHNSON FINANCIAL

Agency Address: 201 W. ADAMS  
Number and Street

BROWNWOOD TX 76801  
City State Zip

Broker Representative or Consultant's Name: C. BART JOHNSON

Contact Phone Number: 325-646-2959

Contact Email Address: bartj@painterandjohnson.com

ERW Initial to confirm Broker or Consultant information

- Please update broker or consultant's information.
- Broker commissions are included in rates listed on page 1.
- Retirees pay the same premium as active employees regardless of age for medical and dental.
- Rates based upon current benefits and enrollment. A substantial change in enrollment (10% over 30 days or 30% over 90 days) may result in a change in rates.
- Form must be received by **08/03/2015** in order to avoid additional administrative fees.
- Signature on the following page is required to confirm and accept your group's renewal.

# TAC HEBP Member Contact Designation Brown County

## CONTRACTING AUTHORITY

As specified in the Interlocal Participation Agreement, each Member Group hereby designates and appoints, as indicated in the space provided below, a Contracting Authority of department head rank or above and agrees that TAC HEBP shall NOT be required to contact or provide notices to ANY OTHER person. Further, any notice to, or agreement by, a Member Group's Contracting Authority, with respect to service or claims hereunder, shall be binding on the Member. Each Member Group reserves the right to change its Contracting Authority from time to time by giving written notice to TAC HEBP.

Please list changes and/or corrections below.

**Name/Title** Honorable Ann Krpoun, CIO/Treasurer

**Address** 200 South Broadway Street, Ste. 116  
Brownwood, TX 76801-3136

**Phone** 325-646-6033

**Fax** 325-646-6033

**Email** browncountytreasurer@hotmail.com

## BILLING CONTACT

Responsible for receiving all invoices relating to HEBP products and services.

Please list changes and/or corrections below.

**Name/Title** Honorable Ann Krpoun, CIO/Treasurer

**Address** 200 South Broadway Street, Ste. 116  
Brownwood, TX 76801-3136

**Phone** 325-646-6033

**Fax** 325-646-6033

**Email** browncountytreasurer@hotmail.com

**HIPAA Secured Fax**

## PRIMARY CONTACT

HEBP's main contact for daily matters pertaining to the health benefits.

Please list changes and/or corrections below.

**Name/Title** Honorable Ann Krpoun, CIO/Treasurer

**Address** 200 South Broadway Street, Ste. 116  
Brownwood, TX 76801-3136

**Phone** 325-646-6033

**Fax** 325-646-6033

**Email** browncountytreasurer@hotmail.com



Date: 7/20/15

Signature of County Judge or Contracting Authority

E. RAY WEST III COUNTY JUDGE

Please PRINT Name and Title

*The Texas Association of Counties would like to thank you for your membership in the only all county-owned and county directed Health and Employee Benefits Pool in Texas.*

**WAITING PERIOD**

Waiting period applies to all benefits.

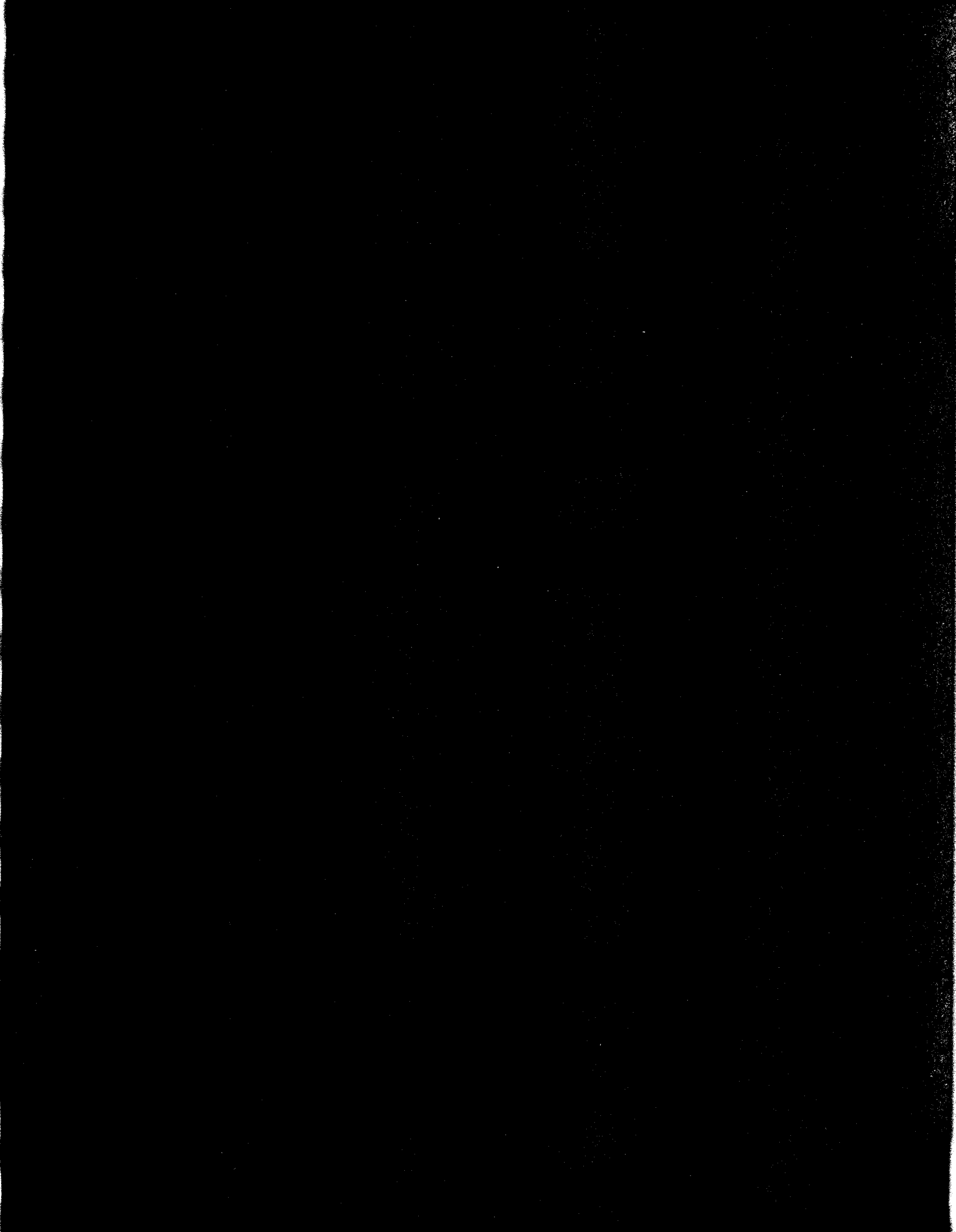
**Employees**

90 days - Day following waiting period

ERW Initial to confirm.

**Elected Officials**

90 days - Day following waiting period



July 2, 2015



Hon. Ann Krpoun  
Brown County Officials & Employees Treasurer  
200 S Broadway St Ste 116  
Brownwood, TX 76801-3136

Dear Ms. Krpoun:

The Texas Association of Counties Health and Employee Benefits Pool (TAC HEBP) is pleased to enclose the group health renewal packet for your upcoming plan anniversary date. Here are some highlights of your 2016 Plan Year renewal:

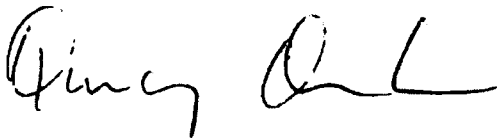
- **Pool Performance.** The Pool has stayed below the national average for health plan rate increases (trend) for the past twelve years and has done so again this year. Combined medical and prescription drug trend for the coming year is forecast to be 7.6%.
- **Your Renewal Rates.** Rates are set annually using a comprehensive process which determines the actuarial needs of the Pool for the coming year. We then evaluate each individual group based on a combination of the group's size, claims experience, age, and geographic area. For the upcoming 2015-2016 plan year, Brown County Officials & Employees's renewal rate changes are:
  - Health Plan: 6.41 %.
  - Dental Plan: Not Applicable
  - Life/AD&D, STD/LTD: Not Applicable.
- **Affordable Care Act (ACA) Fees.** The HEBP Board voted to pay ACA fees imposed on employers for the upcoming plan year on behalf of groups in the Pool, at a cost of over \$800K. This is the third consecutive year we have paid these fees, for a total cost of over \$3.8 million.
- **Benefit Year Alignment.** Groups with Grandfathered plans will have a shortened benefit year, starting 1/1/2016. This will align your Benefit Year with your Plan Year, beginning on October 1, 2016. For more information, please see the enclosed "Benefit Year Changes for TAC HEBP Grandfathered Pooled Groups" notice. **Note:** This change becomes effective for Non-Grandfathered plans at the start of the 2015-16 Plan Year.
- **Dental Plans.** Employees will be able to add or drop their dependents during this year's Open Enrollment period.

- **Open Enrollment Toolkit.** This will be sent via email and contains the forms and notices your group will need to process employee benefit renewals.
- **Surplus Distribution.** At the end of the 2014 Fiscal Year, TAC HEBP had a surplus of \$1,128,462 after all expenses and reserve requirements had been met. The Board of Directors elected to return this to our Pool groups. Brown County Officials & Employees will receive a surplus distribution check for \$18,189, which will be mailed out by the end of July. For a description of how the distribution is allocated to the groups, see the enclosed "2015 Surplus Distributions Frequently Asked Questions" notice.

If you have questions about your renewal, are interested in the impact of changes to your plan, or are considering changes to your personnel policies that will affect benefits (e.g.; adding/dropping retiree benefits, changing waiting period, etc.), please be sure to discuss this in advance with Kimberly Wilder, your Employee Benefits Consultant, so that we can coordinate the changes with your renewal. **Otherwise, please present the renewal to the Commissioners Court for approval, complete and sign the enclosed Renewal Notice and Benefit Confirmation forms, and return to TAC no later than August 3.**

TAC HEBP understands how valuable medical coverage is for your county employees and their families. We appreciate your partnership with the Pool, and want to continue helping your county or district offer this important benefit. Again, we thank you for your membership in the Pool and look forward to working with you for the upcoming plan year.

Sincerely,



Quincy Quinlan, Director  
Health and Benefits Services Department  
Texas Association of Counties

Enclosures:

- Renewal Checklist
- Renewal Calendar
- Renewal Notice and Benefit Confirmation (RNBC)
- 2014-15 Plan Year Claims Reports
- Benefit and Plan Year alignment notice
- Surplus Distribution FAQs
- Health Care Reform Updates for 2015-16 Plan Year
- Grandfathered Status FAQs
- TAC HEBP Private Exchange Product Grid and FAQs



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\_\_\_\_\_ Initial to accept Medical Plan and New Rates.





### Large Claimant Summary

Claimants Over: \$10,000  
 Group Number: Brown County - 036896  
 Claims Paid: 5/1/2014 - 4/30/2015

Client Number	Status	Medical Claims	Px Claims	Total Paid Claimant
1307126G	Active	\$99,857.93	\$699.57	\$100,557.50
12139G	Active	\$92,573.23	\$1,692.81	\$94,266.04
1286872G	Active	\$67,529.54	\$5,961.55	\$73,491.09
1113909G	Active	\$66,691.87	\$3,737.36	\$70,429.23
1305915G	Active	\$68,966.99	\$508.09	\$69,475.08
1305913G	Active	\$64,905.93	\$1,650.58	\$66,556.51
1298747G	Active	\$62,142.20	\$1,287.04	\$63,429.24
1405426G	Active	\$45,909.36	\$283.87	\$46,193.23
1332688G	Active	\$16,810.60	\$26,826.57	\$43,637.17
1315691G	Active	\$38,589.82	\$1,717.46	\$40,307.28
21502G	Active	\$38,293.79	\$0.00	\$38,293.79
1426903G	Active	\$32,032.52	\$3,247.89	\$35,280.41
1311287G	Active	\$30,583.36	\$421.12	\$31,004.48
1286871G	Active	\$15,410.88	\$12,847.95	\$28,258.83
1116571G	Active	\$24,500.77	\$3,146.30	\$27,649.07
10534G	Active	\$1,140.75	\$25,432.01	\$26,572.76
1431206G	Active	\$23,992.21	\$1,153.21	\$25,145.42
1288926G	Active	\$22,190.44	\$0.00	\$22,190.44
1298534G	Active	\$19,891.07	\$1,580.93	\$21,472.00
1427561G	Active	\$17,282.39	\$3,389.14	\$20,671.53
1297956G	Active	\$19,879.79	\$561.07	\$20,440.86
11846G	Active	\$12,017.43	\$6,836.15	\$18,853.58
37107G	Active	\$15,456.18	\$2,412.49	\$17,868.67
1277420G	Active	\$16,563.74	\$820.47	\$17,384.21
1320358G	Active	\$16,270.69	\$1,110.27	\$17,380.96
1212295G	Active	\$15,517.17	\$560.73	\$16,077.90
1302814G	Active	\$2,941.96	\$12,982.21	\$15,924.17
1301245G	Active	\$11,543.63	\$3,204.92	\$14,748.55
1362111G	Active	\$6,422.04	\$8,272.58	\$14,694.62
1297135G	Active	\$7,333.62	\$7,311.16	\$14,644.78
1018165G	Active	\$9,056.92	\$5,408.17	\$14,505.09
1310637G	Active	\$9,237.53	\$5,011.65	\$14,249.18
1316196G	Active	\$9,208.47	\$4,341.76	\$13,550.23
1014435G	Active	\$12,339.12	\$776.22	\$13,115.34
1291806G	Active	\$12,425.46	\$318.03	\$12,743.49
1293393G	Active	\$7,036.95	\$5,661.97	\$12,698.92

**Large Claimant Summary**

Claimants Over: \$10,000

Group Number: Brown County - 036896

Claims Paid: 5/1/2014 - 4/30/2015

11230G	Active	\$12,277.56	\$63.34	\$12,340.90
1288358G	Active	\$9,654.50	\$2,193.34	\$11,847.84
1018358G	Active	\$11,498.90	\$0.00	\$11,498.90
1287431G	Active	\$10,722.74	\$702.81	\$11,425.55
52064G	Active	\$7,311.10	\$3,723.69	\$11,034.79
1379671G	Active	\$9,507.71	\$541.41	\$10,049.12
<b>Total for Large Claimants</b>		<b>\$1,093,658.76</b>	<b>\$168,399.89</b>	<b>\$1,262,058.65</b>



### 12 Month Report - Medical

Group Number: Brown County - 036896

Claims Paid Through: 4/30/2015

Month / Year	Total FEs	Total Members	Contribution	Paid Medical	Paid RX	Total Paid
Apr-2015	160	366	\$194,104.74	\$107,709.98	\$24,032.26	\$131,742.24
Mar-2015	161	367	\$192,396.76	\$171,574.44	\$20,570.26	\$192,144.70
Feb-2015	157	360	\$190,008.80	\$92,473.48	\$29,186.52	\$121,660.00
Jan-2015	157	360	\$186,940.86	\$109,230.43	\$15,189.57	\$124,420.00
Dec-2014	161	367	\$194,784.72	\$200,638.17	\$33,023.70	\$233,661.87
Nov-2014	167	380	\$199,908.66	\$96,510.79	\$25,960.02	\$122,470.81
Oct-2014	164	372	\$199,908.66	\$96,657.23	\$29,133.35	\$125,790.58
Sep-2014	162	355	\$176,042.48	\$83,977.13	\$31,026.38	\$115,003.51
Aug-2014	165	361	\$176,989.94	\$183,816.72	\$31,015.15	\$214,831.87
Jul-2014	164	363	\$177,310.68	\$141,740.49	\$29,102.00	\$170,842.49
Jun-2014	165	362	\$176,669.20	\$83,937.48	\$26,782.56	\$110,720.04
May-2014	162	357	\$172,267.40	\$111,025.25	\$24,984.82	\$136,010.07
Total for 12 months			\$2,237,332.90	\$1,479,291.59	\$320,006.59	\$1,799,298.18



# TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## Health Care Reform (ACA) Updates for 2015 – 2016 Plan Year

### *Large Employer Coverage Mandates*

Effective for plan years beginning on or after Jan. 1, 2015, employers with 100 or more full time equivalent employees must offer health coverage to at least 70% of employees who work an average of 30 hours per week or more. The coverage must meet minimum value (pay at least 60 percent of covered costs; all TAC plans comply with this requirement) and be considered affordable (employer cannot collect more than 9.5% of employee's income for self-only coverage).

For plan years beginning on or after January 1, 2016, this requirement will be extended to employers with at least 50 full time equivalent employees. Also, the threshold for offering coverage will be increased from 70% to 95% of eligible employees.

### *ACA Reporting*

New reporting requirements under the Affordable Care Act take effect this year. In January 2016, all employers with 100 or more full time equivalent employees must provide a form 1095C to every employee or ex-employee who worked full time for any month during calendar year 2015. (Full time for ACA purposes is 30 hours per week on average over the course of the employer's measurement period.) A copy of these forms must be provided to the IRS along with an informational transmittal form (1094C). The purpose of this reporting is to allow the IRS to determine whether the employer has satisfied the ACA Employer Mandate, and to determine whether employees and their dependents were eligible for subsidies when purchasing coverage through the Federal Exchange. TAC HEBP is providing a service to our groups at no charge which will enable them to produce the necessary forms. This service (ARTS – Affordable Care Act Reporting and Tracking Service) will also track lookback measurement periods and perform affordability testing when applicable.

Your employees and any covered retiree or COBRA participant will also receive a form 1095B from TAC HEBP. The purpose of this form is to provide proof of health coverage that satisfies the ACA Individual Mandate.

### *ACA Fees*

ACA fees for this plan year are as follows: The Patient-Centered Outcomes Research Institute (PCORI) fee is to help fund research relating to patient-centered outcomes and evaluating risks and benefits of medical treatments, services, etc. In 2015, the fee is \$2.08 per member per year.

## New IRS Reporting Requirements

**IRS Code Section:  
6055**

**“B” Forms:**  
1094-B and 1095-B or  
1095-C Part III if large employer  
offers a self-insured health plan

**Filed By:**  
Plan Sponsor  
(TAC-HEBP or employer with self-insured plan)

**Provided to:**  
All insured employees  
**and IRS**

**IRS Code Section:  
6056**

**“C” Forms:**  
1094-C *and*  
1095-C Parts I and II

**Filed By:**  
Employer  
(if 50+ full-time employees, including FTEs)

**Provided to:**  
All employees who were full-time  
during any month in 2015  
**and IRS**

*Note: “A” Forms will be issued by the Public Exchange for anyone who purchased coverage there*



United Association of Health Care Professionals  
1000 North 17th Street, Suite 1000, Arlington, VA 22209  
703.528.1200

## Why This Reporting Is Required

The IRS will use section 6055/6056 reporting to:

**1 Determine whether individuals are subject to fines under the individual mandate**

Individuals must have Minimum Essential Coverage\* (MEC) for themselves and dependents or pay a penalty under the Individual Mandate, generally:

- Greater of 1% of income<sup>^</sup> or \$95/individual for 2014 (capped at \$285 per family)
- Greater of 2% of income<sup>^</sup> or \$325 for 2015 (capped at \$975 per family)
- Greater of 2.5% of income<sup>^</sup> or \$695 for 2016 (capped at \$2,085 per family)

*\* Minimum essential coverage (MEC) is defined to include most group health plans offered by an employer, or health coverage provided by the government. All TAC-HEBP plans provide MEC.*

*<sup>^</sup> Income above the tax return filing threshold*

**2 Determine whether individuals are eligible for federal subsidy**

(“Advance Premium Tax Credit”)

Premium assistance (“subsidy”) is available in the form of a tax credit for people with incomes above Medicaid eligibility and below 400 percent of poverty level who are not eligible for or offered certain other coverage.

- The amount of assistance is based on household size, income, and location. The premium payment is usually split between the insured individual and the federal government. The subsidy can be paid in advance to use monthly toward premiums, or taken as a tax credit when filing the annual income tax return.

**3 Determine whether employers are subject to penalties under the employer mandate**

Employers must offer MEC to 70% of full-time employees (30+ hours/week) and their dependents in 2015 or pay a penalty. Increases to 95% in 2016.

- Employers who fail to offer coverage to 70% of FTEs are subject to a fine of \$2,000/year for each full-time employee, excluding the first 80 employees (this exclusion drops to 30 employees in 2016).
- Employers who offer coverage, but have employees who receive a subsidy or tax credit because the coverage offered was not affordable or did not provide minimum value, are subject to an annual penalty of \$3,000/employee receiving a tax credit, capped at \$2,000 x the number of full-time employees.



# TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## Benefit Year changes for TAC HEBP Grandfathered Pooled Groups

We've made some changes in order to simplify your group's renewal and make understanding your group's benefits easier. In the 2015-16 plan year, we will begin the process of aligning your benefits period with your group's anniversary date. This change will not affect your Grandfathered status.

Benefits for all Grandfathered pooled groups will transition from a calendar year to your plan year/anniversary date. This change will make it less confusing to plan members and it will eliminate the need for a 4th quarter carryover or deductible credit.

To simplify compliance with this new benefit, the Texas Association of Counties Health and Employee Benefits Pool (TAC HEBP) Board has approved the following changes:

- The calendar year deductible and coinsurance maximums for 2015 will be accumulated on a shortened year through the group's anniversary date.  
**Example:** For a group with an Oct. 1 anniversary date, deductibles and out-of-pocket accumulations will accrue from January 1, 2016 through September 30, 2016. The 4<sup>th</sup> quarter carryover from 2015 will still apply.
- To offset the shortened year, TAC HEBP is going to prorate the deductible and coinsurance maximum.  
**Example:** A group with an Oct.1 anniversary date, a \$1,000 Deductible and a \$3,000 Coinsurance Maximum will be prorated to a \$750 Deductible and \$2,250 Coinsurance Maximum.
- On the group's anniversary date in 2016, deductibles and coinsurance maximums will be accumulated on a plan year basis.  
**Example:** For a group with an Oct. 1 anniversary date, deductibles and coinsurance maximums will accumulate from October 1, through September 30 of the following year.
- The deductible carryover will no longer apply after the 2015-16 plan year (there will be no carryover from 2016 to 2017).
- You will receive a new Summary of Benefits Coverage (SBC) notice reflecting the prorated benefits for the shortened calendar year in 2016.

If you have any questions, please contact your TAC HEBP Employee Benefits Consultant at (800) 456-5974.

***NOTE: Please see reverse side if your plan is NON-Grandfathered***