

Bloomfield Township

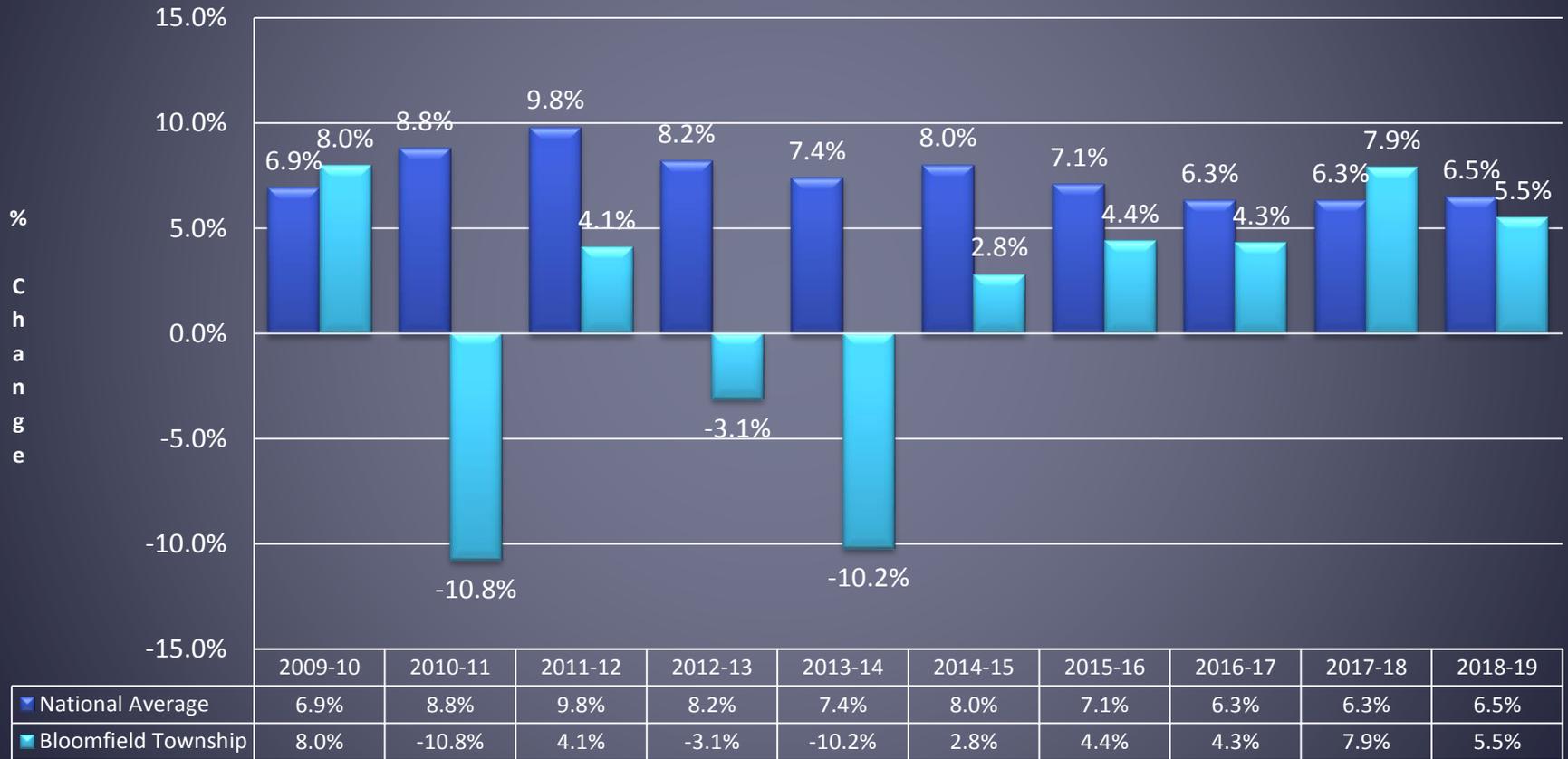
Health Insurance Analysis 2010-2019

July 10, 2019



Health Care Facts

Health Care Cost Increases National Avg vs Bloomfield Twp



Health Care Facts

- It took 3 years of research and negotiations with the unions
- In 2010, the Township moved all active employees from traditional PPO plans to the current Health Reimbursement Arrangement (HRA) plan
- Before the switch, health care premiums were just over \$8 million and we were facing a double-digit increase in the coming year
- The Township saved over \$1 million in the first year after moving to the HRA
- Since 2010, the national average for health insurance increases was 68.4% (cumulative)
- If the Township kept the PPO plan and the cost trended over the years based on the national average increases, the annual premium would be over \$15 million compared to the current HRA cost of \$9.5 million



Health Care Facts

- The state enacted PA 152 in late 2011, requiring municipal employees to pay for 20% of the health care costs unless the community opts out
- Today, if the Township did not opt out of PA 152, our net health insurance premiums would be \$12 million as the employees would pay 20% of the premium
- By enacting a better health insurance plan, Bloomfield Township's health insurance cost is \$9.5 million saving the Township over \$16 million since 2010
- The Township's move to the HRA has reduced costs to a much higher extent than staying with the PPO and mandating employees to pay 20% making it a win-win situation for the Township and employees



What Can You Do??

Educate yourself with the facts and frequently asked questions:

- Visit the Township website:
<https://www.bloomfieldtpw.org/Government/Funding-the-Structural-Deficit.aspx>
- Call the Township with your questions, or set up a meeting for a discussion
- Attend one of the Q&A Town Hall meetings on the following dates:

Senior Center, 4315 Andover Rd	Town Hall, 4200 Telegraph Rd
Thursday, May 16 th @ 1:30pm	Wednesday, May 29 th @ 3:00pm
Thursday, May 16 th @ 3:00pm	Thursday, June 27 th @ 7:00pm
Monday, June 17 th @ 9:30am	Wednesday, July 10 th @ 3:00pm
	Wednesday, July 31 st @ 7:00pm