



Middlebury

2024 Benefits Update

September 22, 2023

Topics

- Market trends
- Medical premium history
- Our employer/employee cost share priorities
- Current cost projections for 2024
- Premium increases
- New this year
- Next steps



A Review of Current Market Trends

- October 2023 UVM Health Network Budget: 10.2%
- October 2024 Proposed UVM: **23.8%**, Central VT Med Ctr: **21.4%**, Copley Hospital: 10.8%
- From Vermont Public article August 8, 2023:

"Blue Cross Blue Shield's request for small groups jumped from a 14.5% increase to 17.5%, while the MVP Health Plan request rose from 12.5% to 15.4%."



Medical Rate and Employee Premium History

Plan Year	Rate Increase (cost)	Employee Premium Increase
2011	4.2%	0.0%
2012	7.0%	0.0%
2013	0.0%	0.0%
2014	4.2%	0.0%
2015	8.5%	0.0%
2016	7.5%	0.0%
2017	6.5%	9.5%

Plan Year	Rate Increase (cost)	Employee Premium Increase
2018	6.5%	17%
2019	2.1%	5.3%
2020	3.1%	3.1%
2021	1.5%	1.5%
2022	5.2%	0.0%
2023	4.4%	4.4% Midd PPO, -5% Silver (Panther), added Gold



Our Employer/Employee Cost Share Priorities

- Maintain 80% employer / 20% employee cost share
- Offer strong plan choice options to meet variable needs of employees
- Monitor impact on premium increase as % of total salary

Medical and Dental Cost Increase Projections

	2024 Claim Projection Rate Increase		
	Medical	Dental	Combined
Middlebury College	13.20%	-6.30%	12.10%

- Medical increase this year is high, but not out of line with broader trends
- Savings from dental is positive news and will be used to reduce the cost of medical



2024 Premium Increases

Medical	PPO (Platinum+)	Gold (new in 2023)	Silver (HDHP with HAS)
	7.0%	2.0%	2.0%
Dental	0%		
Vision	0%		

- Middlebury will absorb the additional costs to reduce the impact on employee medical premiums from 12.1% to 7% (Platinum+) and 2% (Gold and Silver)
- Dental and Vision will have no increase and Dental savings have been applied to help offset Medical increases



Annual Premium Increase at Different Salary Levels

Platinum 7% Increase	Employee Only	Two Person	Family	2 Employee Couple
\$40,000	\$88.00	\$279.59	\$389.72	\$123.18
\$70,000	\$146.62	\$338.90	\$474.44	\$205.28
\$120,000	\$244.39	\$488.80	\$684.30	\$342.14

Gold 2% Increase	Employee Only	Two Person	Family	2 Employee Couple
\$40,000	\$22.02	\$69.97	\$97.54	\$30.83
\$70,000	\$36.70	\$84.82	\$118.74	\$51.38
\$120,000	\$61.16	\$122.33	\$171.26	\$85.63

Silver 2% Increase	Employee Only	Two Person	Family	2 Employee Couple
\$40,000	\$19.28	\$38.64	\$54.00	\$26.96
\$70,000	\$33.74	\$67.62	\$94.50	\$47.18
\$120,000	\$57.84	\$115.92	\$162.00	\$80.88



New for 2024

Medical plan enhancements driven by employee feedback:

- Increase to the infertility treatment lifetime maximum by \$5,000 (our goal is to consider annual increases to this amount and increase it over time)
- Reclassify ultrasounds for dense breast tissue from diagnostic (subject to deductible and copay) to preventative (no cost to employees) to reduce barriers to cancer screening
- Add coverage for previously excluded eye-lid procedure when medically necessary to preserve vision

Vision:

- Adding Costco and Wal-Mart to the VSP Network to provide more options for employee discounts

Dental: Middlebury is moving to Delta Dental (more details to come during open enrollment this fall!)

- Expanded dental network, more In-Network dentists in VT and CA
- Larger discounts
- Lower cost
- More direct billing = less paperwork for employees
- The largest provider of dental benefits in the US
- Same plan design



Next Steps

- Open Enrollment website updates published mid October 2023
- Open Enrollment is live November 3 - November 17
- GMHEC Benefits team will provide multiple educational opportunities
 - Stayed tuned for more on Delta Dental!

