



Minnesota  
Public  
Employees  
Insurance  
Program

September 14, 2017

Ms. Michelle Mahowald  
City of Northfield  
801 Washington  
Northfield, MN 55057

RE: January 1, 2018 Renewal for City of Northfield

Dear Ms. Mahowald:

Thank you for your participation in the Public Employees Insurance Program (PEIP) Pool. We hope that the program has fulfilled your insurance needs.

We are very pleased to inform you that the pool is continuing to perform very well! For January 1, 2018, the pool renewal will be a combined average increase of .2%, a figure considerably less than the current health care trend. Your renewal rates will vary slightly depending on your premium tier shown on the attached Exhibit B.

Significant growth of the program over the last few years has provided us with the opportunity to develop premiums and renewal rates based on the claims experience of the entire PEIP membership population, allowing all groups to benefit from the success of the program. The pool has grown to over 175 groups, and more than 25,000 members with an average annual renewal of 2.3% over the last 9 years, as shown below.

#### History of PEIP Pool Renewals

July Group Average	January Group Average	<b><i>By combining all PEIP groups into one pool, the risk is spread over a large group of members (25,000) , providing more stability of rates.</i></b>
July, 2010 = +8.0%		
July, 2011 = -6.6%		
July, 2012 = -3.3%	January, 2013 = +5.0%	
July, 2013 = +6.0%	January, 2014 = +.5%	
July, 2014 = +1.9%	January, 2015 = +2.4%	
July, 2015 = +2.0%	January, 2016 = +5.5%	
July, 2016 = +5.9%	January, 2017 = +3.5%	
July, 2017 = +1.3%	January, 2018 = +.2%	
<b>Combined Pool Average = 2.3%</b> *History includes all ACA taxes		

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For 2018, there are no significant plan changes on any of the three plan options. Please review the attached summary sheets for the updated benefits available in 2018 and distribute to employees as appropriate. Also, the Summaries of Benefits and Coverage (SBC's), as required by the Affordable Care Act, can be accessed online at [www.innovomn.com/plan\\_information.html](http://www.innovomn.com/plan_information.html).

During the next two months, your insurance eligible employees will have the opportunity to change health plans and carrier networks. Plan designs, clinic listings, and enrollment forms are attached and can also be found on PEIP's website at [www.innovomn.com/plan\\_information.html](http://www.innovomn.com/plan_information.html).

The 2018 clinic directory will be available around October 15, 2017. Please schedule your open enrollment at that time. All open enrollments must be completed by November 17, 2017.

Employees and dependents who wish to change health plans or networks, need to complete an enrollment form for the change, and include the primary care clinic number for each member. Participants who are not making any changes, or wish to change only their primary care clinic, do not need to complete a form. Primary care clinics can be changed at any time by calling the customer service number on their ID card.

As the sponsor of the group insurance, you may change PEIP product options (e.g. life and dental coverages) and eligibility requirements at this time. Eligibility criteria include number of hours worked per week to be eligible, new employee waiting periods before coverage becomes effective, etc. Any changes made to your current eligibility policy must be made in writing.

**Please start your group's open enrollment early so ID cards will be delivered by 1/1/2018. All completed enrollment forms and any changes to your group's eligibility requirements must be submitted to Innovo Benefits Administration, PEIP's administrator, by November 17, 2017.**

Forms can be sent via Fax, secure eMail or mailed to Innovo Benefits Administration

Secure Fax: 952-746-3108

Email: [lorrie@innovomn.com](mailto:lorrie@innovomn.com) or [jean@innovomn.com](mailto:jean@innovomn.com)

Mail: Innovo Benefits Administration

Attn: PEIP

7805 Telegraph Road, Suite 110

Bloomington, MN 55438

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Please forward the renewal rate information to your COBRA, Minnesota continuation, disabled, and early retiree participants (if any). If PEIP manages your COBRA, Innovo will send out the information to these participants.

We are available for in-person, phone, or Skype meetings if you would like to discuss your 2018 renewal. To schedule a meeting, or if you have questions, please call 952-746-3101 or 1-800-829-5601 or email [shawn@innovomn.com](mailto:shawn@innovomn.com). We look forward to another year of serving you.

Sincerely,



Shawn Byrne  
Manager

CC: MMB

Enc: benefit charts, enrollment forms, renewal rates



**EXHIBIT B**  
**City of Northfield**  
**1/1/2018 Renewal Rates**  
**Advantage Plans**

	Current Rates	Renewal Rates
Advantage High Option		
Single	\$ 851.80	\$ 858.94
Family	\$2,274.50	\$2,293.58
Advantage Value Option		
Single	\$ 771.32	\$ 771.32
Family	\$2,059.70	\$2,059.70
Advantage HSA Option		
Single	\$ 586.84	\$ 586.84
Family	\$1,567.10	\$1,567.10
<b><u>Basic Life/AD&amp;D Insurance</u></b>		
Basic Life/AD&D:	\$ .19/1,000	\$ .19/1,000
Dependent Life:	\$1.18	\$1.18
Supplemental Life/AD&D:	<b><u>Age</u></b>	
(Per Thousand)	<35	.11
	35-39	.13
	40-44	.17
	45-49	.26
	50-54	.44
	55-59	.71
	60-64	.79
	65-69	1.49
<b><u>Dental Coverage – Rates</u></b>		
Preventive Dental:	Monthly Rate If Employer Pays <u>90% or More of Cost</u>	Monthly Rate If Employer Pays <u>50-89% of Cost</u>
Employee:	\$11.30	\$12.29
Family:	\$34.27	\$38.02
Comprehensive Dental:	Monthly Rate If Employer Pays <u>90% or More of Cost</u>	Monthly Rate If Employer Pays <u>50-89% of Cost</u>
Employee:	\$38.70	\$ 42.81
Family:	\$92.24	\$101.15