

THIRD PARTY AMINISTRATIVE SERVICES RFP 012-10: COST ANALYSIS

of Estimated Employees & Retirees = 400
 Per Employee Per Month = PEPM

FIXED COSTS	MERITAIN HEALTH INC.		HEALTHSCOPE BENEFITS		RECOMMENDED AMWINS (WEB-TPA)	
	PEPM	Annual Cost	PEPM	Annual Cost	PEPM	Annual Cost
Administrative Fee	\$14.75	\$70,800.00	\$13.00	\$62,400.00	\$15.00	\$72,000.00
Prescription Administrative Fee (1)	\$1.00	\$4,800.00	\$0.50	\$2,400.00	\$0.00	\$0.00
Utilization Management	\$1.95	\$9,360.00	\$3.50	\$16,800.00	\$1.65	\$7,920.00
UM Provider	Meritain Health Inc.		Hines		WebTPA	
COBRA	\$1.20	\$5,760.00	\$1.25	\$6,000.00	\$1.45	\$6,960.00
HIPAA	\$0.45	\$2,160.00	included in COBRA \$0.00		included in COBRA	
Dental Adminstrative Fee	\$1.70	\$8,160.00	\$2.50	\$12,000.00	\$1.70	\$8,160.00
Adm Fixed Costs Sub-Total		\$101,040.00		\$99,600.00		\$95,040.00
Network Access						
Dental Network Fee - PPO USA	\$1.00	\$4,800.00	\$1.00	\$4,800.00	\$1.00	\$4,800.00
Medical Network Fee - PHCS	\$5.10	\$24,480.00	\$4.65	\$22,320.00	\$5.00	\$24,000.00
Fixed Costs Sub-Total - Current Networks		\$130,320.00		\$126,720.00		\$123,840.00
ADDITIONAL FIXED COSTS	MERITAIN HEALTH INC.		HEALTHSCOPE BENEFITS		AMWINS (WEB-TPA)	
Run-In Administration Fee (2)	\$10/Claim	\$17,700.00	\$18/Claim	\$33,120.00	N/A	\$0.00
First Year Set Up Fee	\$1,750.00	\$1,750.00	Waived	\$0.00	N/A	\$0.00
Run-In Subtotal		\$19,450.00		\$33,120.00		\$0.00
Divided by Initial 2 Year Term		\$9,725.00		\$16,560.00		\$0.00
Large Case Management	\$125/hour		\$125/hour		\$115/hour	
Case Management Provider	Meritain Health Inc.		Hines		WebTPA	
Subrogation Services	25% of Savings		30% of Recoveries		30% of Savings	
Out of Network Discount	25% of Savings		30% Savings		Facility 35%	
Printing of Plan Document	All Prints at Cost		All Prints At Cost		Physician 1st 20% \$0, 35% Only New Prints At Cost	
FIXED COSTS TOTAL - Current Network (3)		\$140,045.00		\$143,280.00		\$123,840.00
Optional Network						
Dental Network Fee - Aetna		Not Proposed		Not Proposed	\$12.75	\$61,200.00
Medical Network Fee - Aetna		Not Proposed		Not Proposed	\$1.25	\$6,000.00
Fixed Costs Sub-Total - Aetna Network						\$162,240.00

(1) Meritain - possibly no charge if minimal set up required
 (2) 230 week x 8 weeks; Meritain - will not exceed 3 months admin fees
 (3) Run-In Cost allocated over intial 2 year contract term.