

Ryan Waller

From: Melissa McCoy
Sent: Wednesday, August 15, 2018 1:11 PM
To: Ryan Waller
Subject: Spousal Carveout Update

Ryan, I wanted to provide you with an update on the spousal carveout. Michelle, with Holmes Murphy, and I have been reviewing claim history for the previous benefits plan year, 7/1/17 – 6/30/18, to see how spousal claims affect our plan. In looking at the 7/1/17 – 6/30/18 plan year, spousal claims consist of 30% of the claim cost, with dependents (children) consisting of only 10% of the claim cost. This means 60% of our claim expenses are coming from our employees. Based on this information, Michelle explained that our spouses are good risk to our plan and should we remove them, we could lose that good risk and hurt the plan.

Michelle and I will be holding a benefits forum next Tuesday, 8/21, to share this information with employees. At that time, we'll also discuss next steps. Next steps include conducting an anonymous survey with the employees to find out how many spouses have access to other coverage. Once we receive that information, we can look deeper into how removing spouses could impact our plan.

Please let me know if you have any questions.

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