

Employee and Retiree Health and Welfare Benefits Program

2015 Plan Year

Open Enrollment Presentation
September 2014



Agenda

- Medical Plans
- Wellness Program
- Dental Plans
- SLEOLA
- Open Enrollment
- Subsidized health benefits for certain contractual employees

The Times They Are A-Changing...



- New medical and dental contracts begin January 1st
 - No more Point of Service (POS) Plans
 - No Aetna plans
 - Behavioral health now covered under medical plan
 - New Kaiser option
 - UCCI DHMO replaced by Delta Dental DHMO
 - SLEOLA plans - one carrier for all three plans

Domestic partner coverage ends Dec 31

Medical Plans

- Five medical plans
 - CareFirst EPO, CareFirst PPO
 - Kaiser
 - United Healthcare EPO, United Healthcare PPO
- Behavioral health added back in
 - All medical plans will use their own BH network
 - Possible disruption

Medical Plan Benefits

	PPO		EPO	IHM
	CareFirst and United Healthcare			Kaiser*
	In-Network (Nationwide)	Out of Network	In-Network Only (Nationwide)	In-Network Only (Balt./DC Regional)
Annual Deductible Ind/Fam	\$0/\$0	\$250/\$500	N/A	N/A
Coinsurance	90%	70%	100%	100%
Annual OOP Max Copay Ind/Fam	\$1,000/\$2,000	N/A	\$1,500/\$3,000	\$1,500/\$3,000
Coinsurance/Ded Ind/Fam	\$1,000/\$2,000	\$3,000/\$6,000	N/A	N/A
Lifetime Maximum	Unlimited			
Office Visit Copay PCP/Specialist	\$15/\$30		\$15/\$30	\$15/\$15

Medical Plans – Benefit Updates

- GID coverage added
- Acute inpatient rehab for stroke and brain injury added
- Mental Health Parity
 - Residential treatment centers covered
 - Services/Supplies provided as a result of failure or refusal to obtain treatment or follow prescribed treatment no longer excluded

State of the State's Population

Treatment non-compliance increases costs

- Increased usage of ER
- Increase in large claimants
- Increase in ESRD
- Majority of population not obtaining age appropriate screenings for breast cancer, colorectal cancer, etc.

Aging population

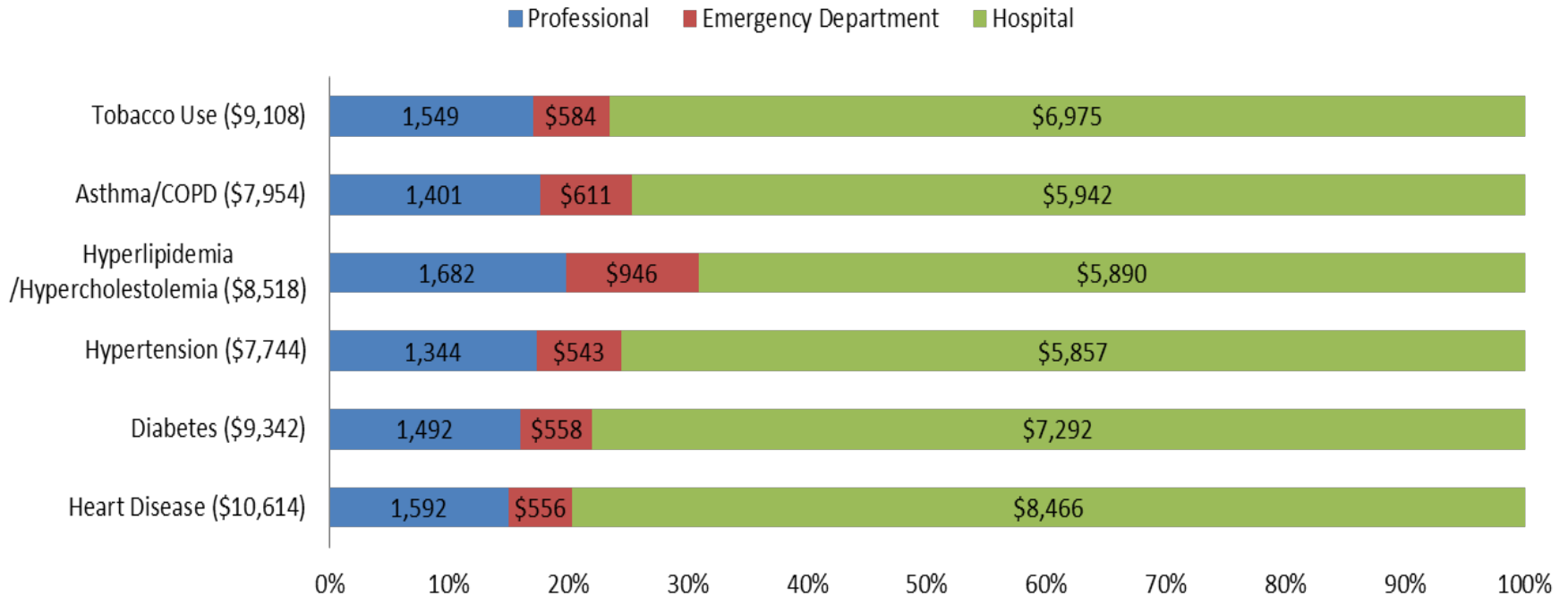
- Actives average age = 37.1
- <65 retirees average age = 48.8

Unhealthy Population

- Over \$250M spent in FY 12 to treat diabetes, heart disease, and hypertension
- 51,000 patients with hypertension in FY 12
- 41,000 patients with other cardiovascular diagnoses in FY12
- 33,000 patients with diabetes in FY 12

Chronic Diseases Per Person Annual Cost Breakdown

FY 2012 Per Member Cost Breakdown



Chronic Diseases Annual Costs

- State Program continues to pay higher amounts for costly members with chronic conditions – totals below include all medical/Rx costs associated with a member that has been identified as having a chronic condition.
 - \$722.6 million in FY 2012
 - \$683.7 million in FY 2011
 - \$660.5 million in FY 2010

Chronic Diseases Annual Costs

- Underlying factors driving cost increases:
 - Few members complete preventive screenings
 - Many members are not currently treatment compliant
 - Low out-of-pocket health
 - No incentive to change



Wellness Program - Goals

- Improve overall population health
- Flatten trend line without cost shifting to participants
 - Promote **employee/retiree** wellness and personal responsibility
 - Incentivize plans to focus on quality of care provided and patient outcomes
 - Enhance participant awareness of differences in cost/quality

Wellness Program Plan Features

Affordable Access to Care

- All lab and x-ray covered with no copay or coinsurance for all participants (in-network)
- Copays for primary care visits waived if health risk assessment completed and discussed with physician
- Continue waiving drug copays for generic drugs targeting certain chronic conditions

Wellness Program Plan Features

Education and Resources

- Weight management, nutrition education, tobacco cessation provided at no cost to participant
- Online resources allowing members to compare providers based on quality (outcomes) and efficiency
- Online tools for members for pricing basic services, tests and procedures
- Health fairs throughout calendar year

Wellness Requirements Phased-In 2015 – 2020

Who: Employees, Retirees and Covered Spouses

Year One (2015): What Do I Have to Do?

- **Two simple activities to complete by 9/30/15**
 - ✓ Designate a primary care provider (PCP)
 - ✓ Complete the health risk assessment AND review with PCP

Reward is no PCP copays for rest of year!

Wellness Requirements Phased-In 2015 – 2020

Year Two (2016): What Do I Have to Do?

Activities to complete by 9/30/16

- ✓ Complete health risk assessment AND review with PCP
- ✓ Complete age/gender recommended preventive screenings
- ✓ Participate in disease management program if appropriate

Reward: PCP copays waived, no premium surcharge

Penalty: \$50 premium surcharge added during 2016

Healthy Activity Requirements

Participants with a Chronic Condition & Eligible for the Disease Management Program

Year 2015: Health Activity Requirements – No Surcharge

- Employees and covered spouses required to designate a PCP
- Complete carrier health risk assessment; review with PCP. PCP sign-off confirming review

Year 2016: Healthy Activity Requirements – Surcharge Applies

- Actively participate in the disease management (D/M) program & follow disease management call-in & treatment guidelines of the care manager, or complete/graduate from the D/M program
- Complete carrier health risk assessment; review with PCP. PCP sign-off confirming review
- Complete all recommended age/gender specific biometric screenings & discuss the results with your PCP

Year 2017: Healthy Activity Requirements – Surcharge Applies

- Actively participate in the disease management (D/M) program & follow disease management call-in & treatment guidelines of the care manager, or complete/graduate from the D/M program
- Complete all recommended age/gender specific biometric screening & discuss with your PCP
- Complete carrier health risk assessment; review with PCP. PCP sign-off confirming review

Participants not Eligible for the Disease Management Program

Year 2015: Healthy Activity Requirements – No Surcharge

- Employees and covered spouses required to designate a PCP
- Complete carrier health risk assessment; review with PCP. PCP sign-off confirming review

Year 2016: Healthy Activity Requirements – Surcharge Applies

- Complete a Nutrition Education or Weight Management program sponsored by your health plan (i.e. online or class setting)
- Complete carrier health risk assessment; review with PCP. PCP sign-off confirming review
- Complete all recommended age/gender specific biometric screenings & discuss the results with your PCP

Year 2017: Healthy Activity Requirements – Surcharge Applies

- Complete all recommended age/gender specific biometric screenings and discuss results with your physician
- Complete carrier health risk assessment; review with PCP. PCP sign-off confirming review

Healthy Activity Requirements

Participants with a Chronic Condition & Eligible for the Disease Management Program

Year 2018: Healthy Activity Requirements – Surcharge Applies

- Actively participate in the disease management (D/M) program & follow disease management call-in & treatment guidelines of the care manager, or complete/graduate from the D/M program
- Complete all recommended age/gender specific biometric screening & complete a physical exam showing blood pressure, and cholesterol in the normal range, & discuss with your PCP. Document testing results in your health plan's online Personal Health Assessment (PHA)
- Complete a Nutrition Education, Weight Management, Smoking Cessation or Stress Management program sponsored by your health plan (i.e. online or class setting)

Year 2019: Healthy Activity Requirements – Surcharge Applies

- Actively participate in the disease management (D/M) program & follow disease management call-in & treatment guidelines of the care manager, or complete/graduate from the D/M program
- Complete all recommended age/gender specific biometric screening, maintain blood pressure and cholesterol in the normal ranges, & discuss with your PCP
- Complete a Nutrition Education, Weight Management, Smoking Cessation or Stress Management program sponsored by your health plan (i.e. online or class setting)

Participants not Eligible for the Disease Management Program

Year 2018: Healthy Activity Requirements – Surcharge Applies

- Complete carrier health risk assessment; review with PCP. PCP sign-off confirming review
- Complete all recommended age/gender specific biometric screening & complete a physical exam showing blood pressure, and cholesterol in the normal range, & discuss with your PCP
- Complete a Nutrition Education or Stress Management program sponsored by your health plan (i.e. online or class setting)

Year 2019: Healthy Activity Requirements – Surcharge Applies

- Complete carrier health risk assessment; review with PCP. PCP sign-off confirming review
- Complete all recommended age/gender specific biometric screening & complete a physical exam showing blood pressure, and cholesterol in the normal range, & discuss with your PCP
- Complete a Nutrition Education or Stress Management program sponsored by your health plan (i.e. online or class setting), whichever one not selected in previous year

Healthy Activity Requirements

Participants with a Chronic Condition & Eligible for the Disease Management Program

Year 2020: Healthy Activity Requirements – Surcharge Applies

- Actively participate in the disease management (D/M) program & follow disease management call-in & treatment guidelines of the care manager, or complete/graduate from the D/M program
- Complete all recommended age/gender specific biometric screening, maintain blood pressure and cholesterol in the normal ranges, & discuss with your PCP
- Complete the online Personal Health Assessment (PHA), including your current blood pressure, BMI, cholesterol levels and take a copy of the PHA to your physician & discuss results with your PCP

Participants not Eligible for the Disease Management Program

Year 2020: Healthy Activity Requirements – Surcharge Applies

- Complete carrier health risk assessment; review with PCP. PCP sign-off confirming review
- Complete all recommended age/gender specific biometric screening & complete a physical exam showing blood pressure, and cholesterol in the normal range, & discuss with your PCP

You have time to get your activities done!

2015: Complete your healthy activities between Jan 1 and Sep 30 to avoid surcharge in 2016.

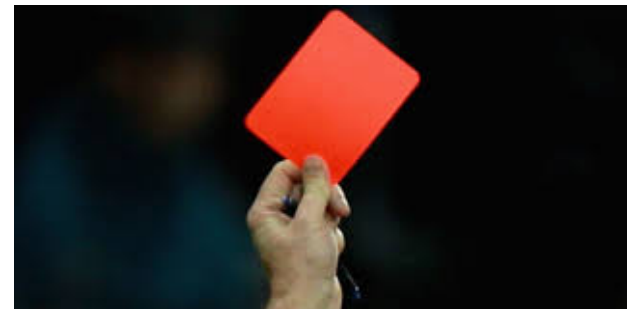
2016: Complete your healthy activities between Oct 1 **2015** and Sep 30 **2016**

After 2016: Oct 1 through Sep 30

Non-Compliance Surcharges

Participant penalties

- \$50 per year premium surcharge for healthy individuals who fail to complete healthy activity requirements
 - Begins in 2016, increases to \$75 in 2017
 - Applies individually to employee/retiree and spouse
- \$250 per year premium surcharge for individuals identified for disease management who fail/refuse to engage in treatment recommendations and healthy activity requirements
 - Begins in 2017; increases to \$375 in 2018
- Alternative activities available to individuals unable to complete required activities due to medical reasons
- Appeals process



Collaborative Effort

Carriers working with us to...

- Increase the percentage of eligible members who receive preventive care, including cancer screenings
- Increase treatment compliance by participants with diabetes, hypertension, and hyperlipidemia
- Increase number of participants with diabetes, hypertension, and hyperlipidemia with key numbers in the normal range (e.g. blood pressure, HbA1c, etc.)
- Reduce hospital readmission rates within 30 days of discharge
- Reduce emergency room visits by participants with asthma, COPD, and diabetes



Dental



Dental Plans

DPPO – UCCI

- Annual maximum increased to \$2,500 from \$1,500

DHMO – Delta Dental

- National network
- Enrollees in UCCI DHMO **MUST** select a new dental plan
- Must also select primary dental office (PDO)

SLEOLA – Bargaining Unit I

Separate RFP for Medical Plans

- Still have PPO, POS, and EPO
- Only one carrier: CareFirst
 - Separate contract from Program medical plans
 - No wellness
- Subgroup on enrollment forms

Carve-Out Prescription

- Still under Express Scripts
 - Sub-group to Program

Open Enrolment 2015



Open Enrollment

- October 15 – November 14
- NO IVR – paper only
- Many participants must make new elections
 - All POS participants (except SLEOLA)
 - All DHMO participants
 - All Aetna EPO participants
 - Everyone will get new cards
- Domestic partner coverage ends 12/31/14
- Rates held steady!

PPACA's Play or Pay Mandate – What Does That Mean to You?

Play or Pay and YOU

- Employees working at least 30 hours per week or 130 hours (on average) per month must be offered affordable coverage that meets the minimum value standard
- Governor O'Malley provided for 75% subsidy in FY15 budget
 - Medical and prescription only
 - Eligible to enroll in other plans on 100% pay basis
 - EBD will bill participants; post-tax payments

Play or Pay and YOU

Types of Employees Who May Be Newly Eligible for Subsidy

- Temporary
- Contractual
- Seasonal
- Variable hour
- Adjunct faculty
- Graduate assistants
- Resident Advisors

Play or Pay and YOU

- Generally speaking...eligibility looks like this
 - Full-time/Part-time permanent working more than 50%
 - Eligible to enroll in all Program benefits
 - Eligible for applicable subsidy for all Program benefits
 - < 20 hours – eligible to enroll, no subsidy
 - Part-time non-permanent
 - Variable hour >30 hours/week or average of 130/month – eligible to enroll, 75% subsidy
 - Variable hour <30 hours, eligible to enroll, no subsidy

Play or Pay – Measurement Periods

Standard Measurement Period

- 10/15/14 – 10/14/15
- Agencies counting hours for variable hour employees to determine subsidy eligibility for 2016

Administrative Period

- 10/15/15 – 12/31/15
- Those determined to be eligible during Measurement Period able to enroll during Open Enrollment for 1/1/16
- 1/1/16 – 12/31/16
- Remain eligible and covered as long as employed

Thank you!

Questions?

For more information:

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