

FEH Health Insurance Consortium

Future Considerations



Introduction

Cost Factors

- Aging Population
- Legislation
- Technology / Specialty Drugs
- Benefits

Premiums

- Equity Management
- Plan Administration
- Medicare Options

Benefits

- Plan Design
 - Deductibles
 - Coinsurance
 - Copayments

Engagement

- Utilization Management
- Wellness

Cost Factors

“A Claim
is a Claim”

Aging Population

- Average School District Member Age 10 Years Older
- Low Patient Cost Share < 7%
- Medical Cost Inflation

Legislation

- Federal: Affordable Care Act (2010)
- State: Mandated Benefits
- Small Group Law (< 100 Employees)

Technology

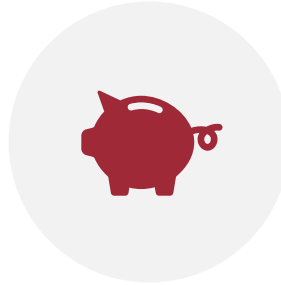
- Diagnostics
- Specialty Medication

Benefits

- Indemnity
- PPO/EPO/HMO
- High Deductible Health Plan

Premiums

Overview



EQUITY
MANAGEMENT



PLAN
ADMINISTRATION

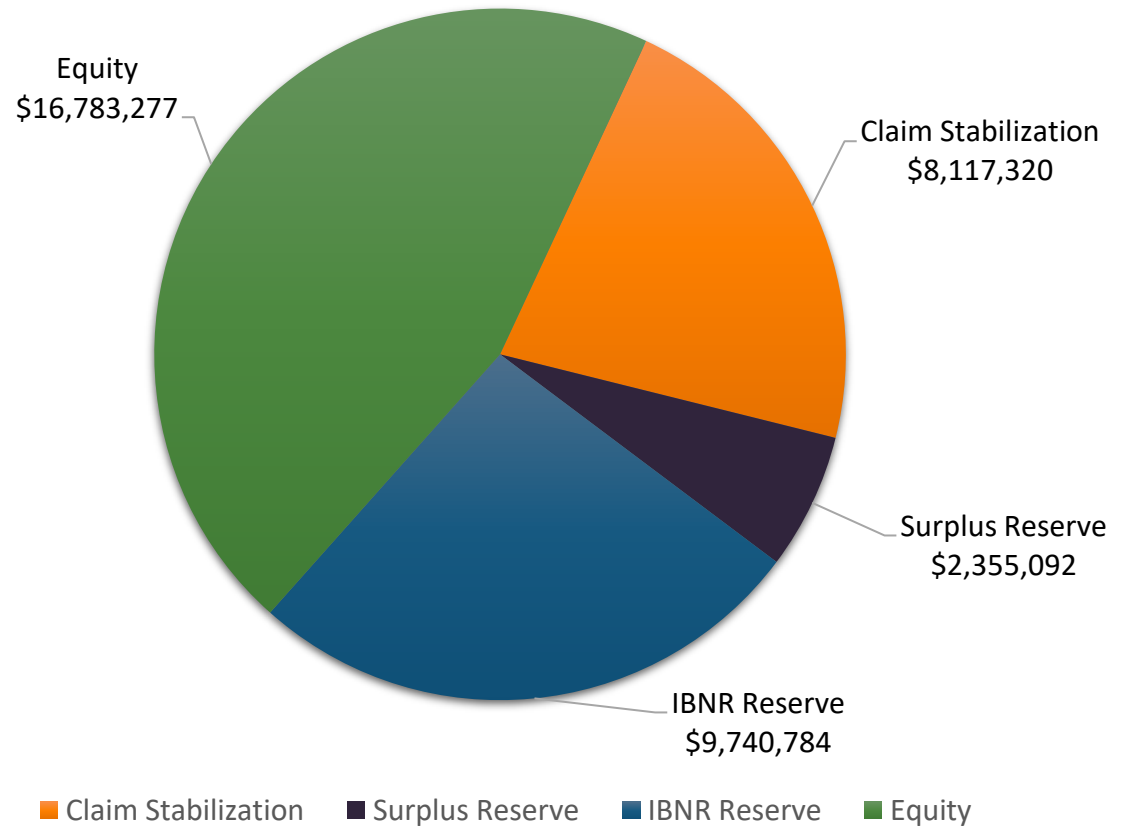


MEDICARE
OPTIONS

Premiums

Equity Management

2022/23 Fund Balance \$36,996,473



Premiums

Administration

- **Excellus BlueCross BlueShield**

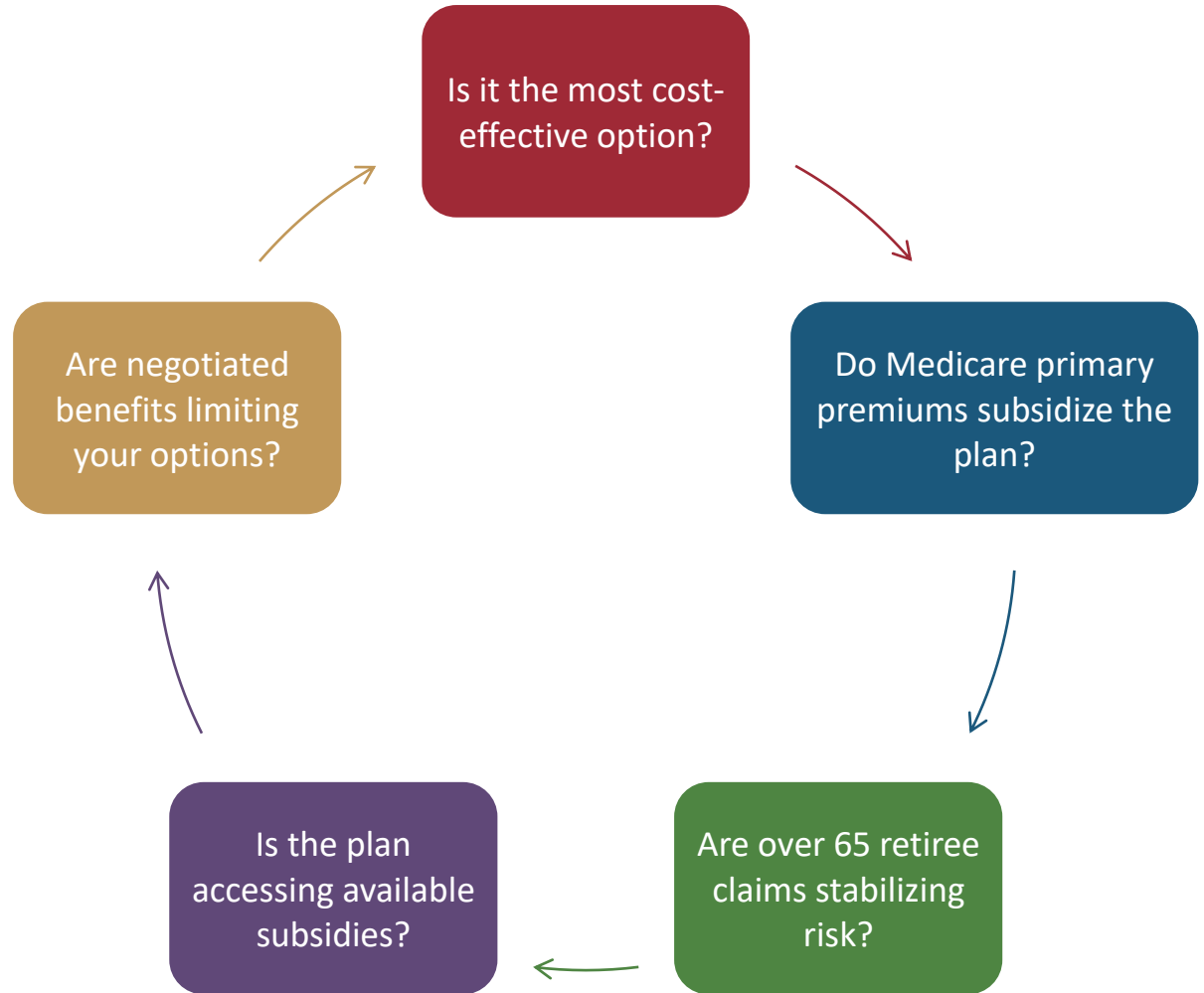
- Insurance Company/Third-Party Administrator (TPA)
 - Medical Claim Processing
 - Customer Service
 - Provider Network
 - Utilization Management

- **Express Scripts**

- Prescription Benefit Manager (PBM)
 - Prescription Claim Processing
 - Customer Service
 - Drug Formulary
 - Retail & Mail Order Pharmacy Network
 - Utilization Management

Premiums

Medicare Options



Premiums

Medicare Options

Medicare Supplement Plan	Medicare Advantage Plan
Plan Design	
Provided by Private Insurance Carriers	Provided by Private Insurance Carriers
Coverage intended to "Fill in Coverage Gaps" (i.e. supplement) coverage provided by Medicare	Coverage is intended to "replace" Medicare Parts A and B
No Network Requirement - Can see any Provider that Accepts Medicare (many plans will coordinate with non-par providers too)	Includes all benefits and services covered under Part A and Part B. Some plans have buy-up options (hearing/wellness, etc.)
Flexible in plan design. Some plans have buy-up options (hearing/wellness ,etc.)	Many plans require use of a network provider (some are making plan enhancements to include all providers)
Funding	
Fully Insured or Self-Funded	Fully Insured
Rates may be experienced rated or other methodologies (some carriers have "trust" based rates)	Could be experienced rated on a large group
Carriers Coordinate with Medicare on a Fee For Service Basis	Carriers Receive a specified subsidy from CMS for each enrollee

Benefits

Overview

Deductibles

- **Cost Prior to Insurance Payment**
 - Consumer Driven Health Plans (CDHP)

Coinsurance

- **Percentage of Cost**
 - Provider Network
 - Prescription Tiers

Copayments

- **Per Visit/Prescription Cost**
 - Level of Medical Care
 - Prescription Tiers

Benefits

Change
Behavior

Utilization Management

- Medical Disease Management
- Pharmacy Clinical Management

Wellness

- Preventative Services
- Healthy Living
- Biometric Screenings

Engagement

Wellness

