

State Employee Health Plan Update
Provide by the Office of Employee Health and Wellness,
Within the Bureau of Human Resources,
Department of Administrative and Financial Services

1

**THE HEALTH COVERAGE, INSURANCE AND
FINANCIAL SERVICES COMMITTEE**

FEBRUARY 4TH, 2021

Employee Health , Wellness & Benefits Programs

2

- Medical Plans
 - SOM Active Employees and Retirees
 - Ancillary Employees and Retirees
- Dental Plan
- Vision Plan
- COBRA
- WellStarME (Comprehensive Wellness Program)
- Deferred Compensation Plan (Voluntary 457(b) Defined Contribution)
- Living Resources Program (Employee Assistance Program)
- Flex Spending Accounts
 - Health Care FSA
 - Dependent Care FSA
- Firefighter/Law Enforcement Retirement
- Teacher Retiree Health Insurance Subsidy
- Teacher Grant Program

Governing Statutes & Body

3

State Employee Health Commission(SEHC)

- Oversight of Medical and Dental Plans
- 12 labor members - 1 co-chair member
- 12 management members - 1 co-chair member
- Focus – Plan Design and Fiduciary Oversight

The Office of Employee Health & Wellness

- Analysis and Strategic Recommendation to SEHC
- Plan Administration

Statutory language

- SEHC: Title 5, Part 1, Chapter 13, Subchapter 2, §285-A
- Administration: Title 5, Part 1, Chapter 13, Subchapter 2, §286
- Health Plan: Title 5, Part 1, Chapter 13, Subchapter 2, §285

Availability of Health & Dental Plan

4

- State Employees
- “Ancillary Employers”
 - ✦ Maine Military Authority;
 - ✦ Judiciary;
 - ✦ Maine State Employees Association;
 - ✦ Council 74 of the American Federation of State, County and Municipal employees
 - ✦ Maine Turnpike Authority;
 - ✦ Maine Community College System;
 - ✦ Maine Maritime Academy;
 - ✦ Maine Public Employees Retirement System
 - ✦ Maine National Guard performing state active service pursuant to Title 37-B
 - ✦ Northern New England Passenger Rail Authority;
 - ✦ Maine Port Authority;
 - ✦ Child Development Services System under Title 20-A, section 7209.
 - ✦ Finance Authority of Maine;
 - ✦ Maine School of Science and Mathematics;
 - ✦ Lee Academy;
 - ✦ Small Enterprise Growth Board;
 - ✦ Maine School for Marine Science, Technology, Transportation and Engineering;
 - ✦ Other Small Boards and Commissions

Insurance Program Structure

5

Medical Plans

- Preferred Provider Plan (Self-Insured, Employer subsidized, Anthem)
 - State of Maine & Ancillary employees
 - State of Maine & Ancillary non-Medicare Retirees

- Medicare Advantage Plan (Fully Insured, Medicare Integrated, Employer Subsidized, Aetna)
 - State of Maine & Ancillary Medicare Retirees

Dental Plan

- Self-Insured (Retention Account, Employer Subsidized, Northeast Delta Dental)
 - State of Maine & Ancillary employees

Vision Plan (Fully-Insured, No Employer Subsidy)

- State of Maine & Ancillary employees

2019-2020 Policy Year Spend

6

- Pharmacy (Express Scripts) spent net of rebates
\$40,206,226.00
- Total net pharmacy & medical (Anthem) claims
\$194,715,086.00
- Total net Stop Loss (Sunlife) claims \$3,333,688.80
- Total net Vision (Anthem Blue View) claims
\$477,242.40
- Total net Medicare Advantage (Aetna) claims
\$26,273,382.92

Express Scripts Q3 Statistics

7

State of Maine			
Description	July - Sept 20	July - Sept 19	Change
Total Plan Cost Net PMPM	\$137.32	\$122.71	11.9%
Non-Specialty Plan Cost Net PMPM	\$63.20	\$56.59	11.7%
Specialty Plan Cost Net PMPM	\$74.11	\$66.11	12.1%
Generic Fill Rate	83.0%	84.0%	-1.0
90 Day Utilization	77.0%	74.7%	2.3
Retail - Maintenance 90 Utilization	70.1%	69.9%	0.2
Home Delivery Utilization	6.9%	4.8%	2.1

- **18 of top 25 prescribed medications are specialty**
- **Top 25 specialty drugs = 42% of total plan cost**

Anthem Demographics

8

- Females 52% Males 48%
- Average Member Age 39
- Average Employee Age 50
- Employee Consumes 66.9% of Total Plan Cost
- Employee PMPM \$568.40
- Spouse PMPM \$624.12
- Child PMPM \$211.26

Plan Comparison - Medical

9

Benefits	Anthem PPO		Aetna Medicare Advantage	
	In-Network	Out-of-Network	In-Network	Out-of-Network
Individual Annual Deductible	\$600	\$3,000	\$300	
Individual Annual Out-of-Pocket Maximum	\$2,000	\$5,000	\$3,400	
Preventive Care	Covered at 100%	Deductible, then plan pays 60%	Covered at 100%	Plan pays 80% No deductible
PCP Office Visit	No deductible applies, \$20 copay	Deductible, then plan pays 60%	Deductible, then \$5 copay	Deductible, then plan pays 80%
Specialist Office Visit	No deductible applies, \$40 copay	Deductible, then plan pays 60%	Deductible, then \$25 copay	Deductible, then plan pays 80%
Inpatient Hospital	Deductible, then plan pays 90%	Deductible, then plan pays 60%	Deductible, then plan pays 100%	Deductible, then plan pays 80%
Outpatient Surgery	Deductible, then plan pays 90%-95%	Deductible, then plan pays 60%	Deductible, then \$50 copay	Deductible, then plan pays 80%

Plan Comparison - Pharmacy

10

Medication Category	Express Scripts		Aetna Medicare Advantage	
	30-Day Retail	90-Day Retail or Mail Order	30-Day Retail	90-Day Retail or Mail Order
Generic	\$10 copay	\$15 copay	\$10 copay	\$10 copay
Preferred Brand	\$30 copay	\$45 copay	\$30 copay	\$30 copay
Non-Preferred Brand	\$45 copay	\$70 copay	\$45 copay	\$45 copay
Specialty	25% coinsurance up to \$150	25% coinsurance up to \$225	\$45 copay	\$45 copay
Annual Out-of-Pocket Limit	\$4,600		N/A	N/A

Current Premium Levels

11

Anthem PPO (Active EE & Non-MCR Retirees)

	Single	Employee + Sp/DP	Employee + Children	Family
Premium/Mo	\$941.98	\$1,970.20	\$1,549.64	\$2,344.28

Aetna Medicare Advantage (Medicare Retirees)

	Single
Premium/Mo	\$287.02

Major Contract Status

12

- *Active & Non-Medicare Retiree PPO Plan*
 - Current Vendor: Anthem
 - Contract Period : Contract runs through 6/30/21; extensions can be placed through 6/30/23.
- *Prescription Benefit Management*
 - Current Vendor: Express Scripts
 - Contract Period : Contract runs through 6/30/21;

An RFP was released in 2020 for **Maine State Employee Pharmacy Benefit Management Services**

- *Medicare Advantage Plan*
 - Current Vendor : Aetna
 - Current Period: Contract runs through 12/31/21; extensions can be placed through 12/31/23.
- *Stop-Loss Insurance*
 - Current Vendor: Sun Life Financial
 - Current Period: . Contract runs through 6/30/21; can be renewed in one-year periods through 6/30/23.
- *Dental Plan*
 - Current Vendor: Northeast Delta Dental
 - Contract runs through 6/30/21; extensions can be placed through 6/30/22.

Historical Approach

On The Journey For Appropriate Costs and Quality

13



Moving Towards Change

- Impact State Employee Health Plans
- Leverage States Purchasing Power on Maine Healthcare Market

Historical Strategy

Quality & Cost in Review

14

Provider Focus

- Hospitals
 - Accountable Care Organization / Contracts
 - Facility Tiering
 - Physician Practices Tiering

Data Analytics

- Wide Variances of Quality & Cost
 - Health systems
 - Providers
 - Procedures

Refined Focus

- Data Analytics
- Facilities
- Providers
- Procedures

Moving Members to High Quality & High Value Services

15

- Educate: Subscriber → to make informed decisions about their healthcare
- Plan Design Structure (i.e., 100% benefit /no member cost share)
 - Independent Lab & Imaging Services
 - Infusion services for outpatient infusion therapy (non-oncology)
- Carrum - Centers of Excellence
 - Joint Replacement (knee & hip)
 - Cardiac
 - Spine
 - Bariatric Surgery
- Disease Management
 - Livongo
 - Naturally Slim
 - Health and Wellness Navigation

Getting Members to High Quality & High Value Services

16

- Center of Excellence expansion (no out of pocket for the member)
Current locations
- National locations (Carrum)
- Northern Light Health (Carrum)

- Non-Emergency Care
 - Appropriate use of Tele-medicine option
 - Office visit
 - Member Co-Pay: \$20
 - Plan Cost: \$200+
 - Telehealth
 - Member Co-Pay: \$0
 - Plan Cost: \$49

- Infusion Therapy Services expansion (no out of pocket for the member)
Current locations
 - St. Joseph Hospital
 - St. Mary's Regional Medical Center
 - Northern Light Health
 - Mid Coast Hospital
 - Central Maine Medical Center

Other Initiatives

17

Pharmacy Benefit

- Market Review Analysis
- RFP Process Initiated-2020
 - Focus on pass through and more transparent options
 - Focus on formulary and specialties medications

Dental Plan

- Shift to Self-Insured Status- Completed 7/1/2020

Solution Focused Categories

18

Culture:

Status Quo vs. Member Engagement

Population:

Aging Population and Increased Health Risks

Administrative Process:

Manual vs. HR Management System

Administrative Rules

Wellness – Health Premium Credit

Other Considerations:

Salary Based Premium Structure

Wage Erosion From Medical Premium Inflation

FY 2020-2021 Priorities

19

- Strategic Evidence Based Wellness Initiatives
- Human Resource Management System- *Go Live Date TBD*
- Plan Design Strategy to Strive for Health Care Cost Containment
- Robust Employee Support and Education

Thank you

20

Questions?

Shonna Poulin Gutierrez

Executive Director

Office of Employee Health and Wellness

Office: 207-624-7367

Cell: 207-485- 6548

shonna.poulin-gutierrez@maine.gov