

**Alabama Association of School Boards
(AASBO)
PEEHIP Update**

February 12, 2018
Tuscaloosa, AL

Agenda

1. PEEHIP overview and funding strategy
2. New benefits for PEEHIP members
3. Open Enrollment and new employee procedures
4. UnitedHealthcare Group Medicare Advantage (PPO) Plan for PEEHIP retirees
5. Wellness Program review

PEEHIP Overview and Funding Strategy

PEEHIP Business Model:

- Self funded – PEEHIP pays all claims*
- Funding source ~ 2/3 by State legislature
- Funding source ~ 1/3 by member premiums and contributions
- Rolling 3 year projections and forecasting to [have sufficient funding for projected claims](#)

*excludes Viva HMO and new UnitedHealthcare Medicare Advantage plan

SNAPSHOT OF MEMBERSHIP

As of January 1, 2017	Active		Retired		Total		Total Contracts	Covered Persons
	Single	Family	Single	Family	Single	Family		
Hosp/Med	32,224	50,607	41,521	24,444	73,745	75,051	148,796	298,311
VIVA Health	974	938	241	117	1,215	1,055	2,270	4,798
Total	33,198	51,545	41,762	24,561	74,960	76,106	151,066	303,109

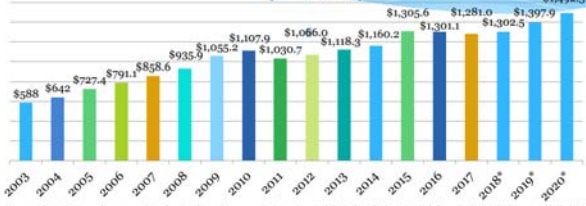
Average age actives: 35 per BCBSAL
 Average age retirees: 66 per BCBSAL

- 55.9% female
 - 38% <30
 - 6.1% 30-39
 - 48.2% 40+
- ~ \$1.3 billion healthcare claims per year

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Increasing Medical and Pharmaceutical Costs 2003 - 2020

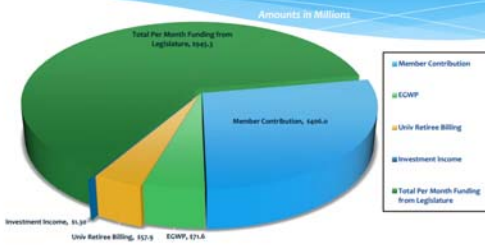
Total Medical & Pharmaceutical Costs
(in millions)



*Amounts for 2018, 2019 and 2020 are estimated per legal consulting per projections using actual claims through 9/30/2017. Includes costs of BCBS, Molina and United Healthcare. Annual Growth rate = 5-15% since 2005.

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PEEHIP Funding Sources—FY2017



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PEEHIP Overview and Funding Strategy

Overview:

- Over the past few years, PEEHIP has faced sharp increases in healthcare costs. Healthcare costs have risen to around \$1.3 Billion per year
 - More members
 - More claims
 - Higher cost drugs

Funding Strategy:

- The AL State Legislature increased PEEHIP's funding for FY2017
- Many programs are in place to reduce costs including the
 - Team Up for Health Wellness Program
 - Pharmacy utilization management programs
 - Coordination of Benefits (COB) program
 - Dependent Eligibility Verification Audit (DEVA)
 - UnitedHealthcare Medicare Advantage plan
- These programs were implemented to reduce the financial impact on PEEHIP members by reducing the overall PEEHIP funding gap

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PEEHIP Projection

PEEHIP is facing increased costs in the future due to several factors:

- Increased utilization of Affordable Care Act mandates
- Increasing numbers of retirees
- Increasing numbers of dependents
- Challenging claims trends with new drugs coming to market daily and increasing cost of generics, brands and specialty medications

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October 2018 Plan Year Premium Rates (No Changes)

Member Class	FY2016 Rates (Effective October 2015)	FY2017 Rates (Effective October 2016)
Active single	\$ 15	\$ 30
Active family	\$ 177	\$ 207
Active family with spouse	\$ 202	\$ 307
Retired single non-Medicare	\$ 151	\$ 166
Retired family all non-Medicare	\$ 391	\$ 421
Retired family all non-Medicare with spouse	\$ 416	\$ 521
Retired family non-Medicare with Medicare dependent	\$ 250	\$ 280
Retired family non-Medicare with Medicare spouse	\$ 260	\$ 310
Retired single Medicare	\$ 10	\$ 25
Retired family Medicare with non-Medicare dependent	\$ 250	\$ 280
Retired family Medicare with non-Medicare spouse	\$ 275	\$ 380
Retired family all Medicare	\$ 109	\$ 139
Retired family with spouse all Medicare	\$ 119	\$ 169
Active and non-Medicare spousal surcharge	\$ 25	\$ 100
Retired Medicare spousal surcharge	\$ 10	\$ 30

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October 2018 Plan Year Premium Rates

Cancer, Indemnity, and Vision	Single or Family	\$38 per plan
Dental	Single	\$38
Dental	Family	\$50

Tobacco Premium

Member	\$ 50
Spouse	\$ 50

Wellness Premium

Member	\$ 50
Spouse	\$ 50

No changes in these premiums

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Premium Assistance Program

Premium Assistance Program Success from Enhancements

Open Enrollment Activity Year over Year

Category	Jul - Sep 2016	Jul - Sep 2017	Difference
Total Approved	3,877	4,727	850
% Approved	58%	59%	1%
% Denied	2%	1%	-1%
Total Applied	6,633	7,970	1,337
% Incomplete	40%	39%	-1%
% Approved at 50%	19%	20%	1%
% Approved at 40%	16%	15%	-1%
% Approved at 30%	11%	11%	0%
% Approved at 20%	7%	8%	1%
% Approved at 10%	4%	4%	0%

- In almost every category above including total applied, total approved, denied, and incomplete, the numbers for PAA applications improved this year compared to prior year.
- For FY2017, PEEHIP provided \$5.1 million in premium assistance. So far for FY2018, PEEHIP is providing \$5.9 million. This will continue to grow as members apply throughout the plan year and discounts are prospectively awarded.

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New! Pack Health Pilot Programs

Pack Health Offers Health Coaching on Your Schedule.

Watch the video to learn more.

SIGN UP

Sign up to get:

- 1500 members invited
- 3 areas of focus:
 - Prediabetes
 - Musculoskeletal Pain
 - Weight Management

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New! - Teladoc

SET UP YOUR ACCOUNT IN **3 EASY STEPS**


1



Contact Teladoc 24/7/365

Access to Teladoc's nationwide network of board-certified doctors is available to you by phone, video or mobile app.


2



Talk with a physician

A doctor will review your medical history and contact you in minutes.

3




Resolve the issue

A doctor will diagnose and prescribe medication, if medically necessary, to the pharmacy of your choice.

Talk to a doctor. Anytime. Anywhere.

 1-855-477-4549

 Teladoc.com/Alabama


 Teladoc.com/mobile

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What can PEEHIP members do to help control costs?

- New and expensive prescription medications contribute to rising claim costs.
 - Ask your doctor and pharmacist about the medications you are taking to see if any lower cost alternatives such as generics are available.
- Invest in your health!
 - See the January and February PEEHIP Advisors for more information.

New Member Online Services (MOS)



<https://mso.rsa-al.gov>

- View/Change contact information
- View/Change tobacco status
- Open Enrollment and QLE coverage elections
- *New!* - document upload
- Re-registration required (since June 2017)

Other Enrollment Periods

Open Enrollment: July 1 – September 10 (72 days)

Online enrollment deadline: September 10

Paper enrollment deadline: August 31

Flex enrollment deadline: September 30

All Open Enrollment changes/enrollments become effective: October 1

Qualifying Life Events (QLE's)

Enrollment must be submitted to PEEHIP within 45 days of a QLE

Examples of a QLE:

Birth of a child

Adoption/Legal custody of a child

Marriage/divorce (of subscriber)

Medicaid/Medicare entitlement

Spouse/dependent loss of coverage (eligibility)

NEW - Spouse's OE different from PEEHIP's OE

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Effective Dates of Coverage

- Date of hire
- First of the month following date of hire

OR

- October 1 (if hired during Open Enrollment)

Family coverage can begin 60 days from the date of hire but **MUST** be requested within 30 days of the date of hire.

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PEEHIP 3-1 Rule

- For every 3 months worked, accrue 1 additional month of coverage
- Applies to September – September for employees who work at least ½ working days of the month (use the 16th).
- Works the same for 9, 10, 11, and 12 month employees
- Applies when employment status changes (FMLA/LOA/term)
- If hired back before extra months are exhausted:
 - Coverage stays the same
 - Not treated as a new employee
- See "Employer Contribution" p 20 in the PEEHIP Member Handbook

<http://www.rsa-al.gov/index.php/members/peehip/benefits-policies/>

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Employer Portal

- The Employer Portal is the employer's notification to PEEHIP of an employee's employment status or eligibility for coverage.
- **Entering a hire date or a termination date in a timely manner is critically important to ensure the member's coverage, invoices, and retirement are all processed accurately.**
- Names, SSN's, DOB, addresses must be accurate.
 - Name should match Social Security card
 - Please do not leave gender as blank
- The portal uses the 16th of the month in determining if an employer contribution is due for that month.

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UnitedHealthcare Medicare Advantage

Effective January 1, 2017, the UnitedHealthcare Group Medicare Advantage (PPO) plan is for Medicare-eligible members covered on a retiree contract

- With a **Medicare Advantage Plan** (Part C) plan, you get all of your **Part A** (Hospital Insurance) and **Part B** (Medical Insurance) coverage, and **Part D** (prescription drug coverage), in one convenient plan, **plus extra benefits.**
- **IMPORTANT: You must be enrolled in Part A and Part B to have coverage with PEEHIP through this plan.**
 - Sign up 2-3 months prior to retiring if 65.

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UnitedHealthcare Medicare Advantage

Advantages of MAPDP offered by **UnitedHealthcare:**

- House calls
- Health risk assessments
- Preventive care reminders
- **Screening exams for \$50 gift cards**
- Nurseline
- Diabetes Outreach
- Disease and Care Management
- Birthday emails
- **Silver Sneakers**

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Wellness Program Review

- ▶ Who is Required to Participate?
 - **Required if enrolled in PEEHIP BCBS hospital/medical plan (group #14000) and:**
 - Active members and their covered spouses
 - Non-Medicare-eligible retirees
 - Covered non-Medicare-eligible spouses of retirees
 - COBRA, Leave of Absence, Surviving Spouses
 - **NOT required to participate:**
 - Medicare-eligible retirees
 - Medicare-eligible spouses on retired contracts
 - Children
 - Members who are only enrolled in VIVA, Optional Plans, Supplemental Medical – (Must be enrolled in group #14000 hospital/medical plan to be required to participate)

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Wellness Program Review

1. **Complete a Wellness Screening**
 - One screening available every year **restarting every August 1**. For screenings obtained at your doctor, only 1 is covered per **calendar year**.
2. **Participate in Wellness Coaching/Disease Management**
 - Yearly **restart date is October 1** and minimum requirement is 1 phone call or 100 heartbeat units
 - Some PEEHIP members will be identified as candidates for a higher level of care than regular Disease Management. These members will be required to complete at least 4 telephonic Health Coaching calls before August 31, 2017 in order to earn the wellness premium waiver.
 - ActiveHealth nurses and coaches will contact candidates throughout the year or can be reached at **855.294.6580** from 8:00am – 8:00pm, Monday-Friday; 8:00am – 1:00pm, Saturdays
 - **Newly enrolled members and spouses** with coverage effective 6/2 – 8/31 have until August 31st of the following year to complete requirements.

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Wellness Program Review

- ▶ Onsite Team (from L to R)
 - Lisa Hoffman, Onsite Coach
 - Tilusha Adams, Wellness Director
 - Lindsey Lee, Onsite Coach



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Questions?

PEEHIP Contact Information:

- Phone: 877-517-0020
- Fax: 877-517-0021
- Email: peehipinfo@rsa-al.gov
- Website: www.rsa-al.gov

- [Check the PEEHIP Advisor for ongoing important information!](#)

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