MyIEBP Trusted Advisor “For All Things Healthcare”

2018-2019 Managing the Healthcare Risk

July 31, 2018
10:00 AM

August 7, 2018
10:00 AM

Improving the IEBP Membership Experience
Invest in the Tenured Political Subdivision Employees with TML MultiState IEBP,
Your Trusted Advisor for All Things Healthcare
Board of Trustees: 2017-2018 Plan Year

MISSION STATEMENT
To provide excellent service offering competitive health benefits and administrative services to eligible municipalities and other governmental entities in Texas and other states by utilizing innovative, viable, affordable alternatives while maintaining financial integrity

TRUSTEES AT LARGE
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TRUSTEE SUPPORT
- Direct the organization in the best interests of the members
- Protect the interests of the organization’s membership
- Respect the membership by listening, communicating and understanding their interest
- Reflect on the organization’s performance
- Select talented people to lead the organization
- Inspect the performance of the organization
Manage the Chronic Disease States with some of the highlighted PEBA Effective Employee Benefit Solutions.
MyIEBP Connect Membership Educational Series

• July 31, 2018: Self-Funded Employers "What makes-up the Cost of the Healthcare Risk" Underwriting, Stop Loss, Attachment Factor, Medical, Rx, Trends in Utilization Part I

• August 7, 2018: Self-Funded Employers "Managing the Healthcare Risk" Admin Cost, Stop Loss, Utilization, Commission Fees, Network Access, OON, Part II (TTC and Self-Funded Article)

• September 6, 2018: Actively at Work Requirements for Benefit Eligibility
The biggest mystery about their benefits, according to employees, 2017

- Exactly what's covered under the plan: 28%
- How much I'm responsible for, such as deductibles and copays: 22%
- What the exclusions are: 17%
- What all the insurance terms mean: 13%
- The doctors and hospitals that are in my plan: 9%
- Where to go for more information: 6%
- How to file insurance claims: 5%

Source: Aflac, September 2017.
Stages of Health Status

67% of claim costs are spent on chronic disease states.

- 67% Healthy
- 23% Acute, Chronic
- 10% of the coverage population incur 65% of the claim costs;
- 3% of the coverage population incur 46% of the claim costs;
- 1% of the coverage population incur 25% of the claim costs

Getting Healthy, Living with Illness
- Disease Management
- Health Coaching
- Incentives

Staying Healthy
- Health Information
- Health Assessments
- Wellness Programs
Improving the IEBP Membership Experience

• Benefit Plan Education
  – PreTax Benefit Utilization to Minimize Out of Pocket Expense
    • Section 125
    • Health Reimbursement Accounts
    • Retiree Reimbursement Accounts
    • Health Savings Accounts supporting Qualified Health Deductible Plans
  – Defined Contribution vs. Defined Benefit
  – Informatics Expansion
    • Predictive Risk
    • Risk Analysis
    • Employee Lifestyle Engagement
    • HEDIS Disease State Management
      – 21 Disease States
      – Current and Predictive Risk / Interface with Covered Individual, Provider and Payor
  – Calendar Year Biometric Screenings and Well Being Assessment
    • On-Site
    • Community Based Providers
Political Subdivisions and IEBP
Making Texas Healthier

- Local Site Health and Wellness Biometric Services "IEBP and Political Subdivisions Making Texas & Oklahoma Healthier"
- Employer Incentive for increased participation
- BioIQ and Hooper Holmes/Provant
- **US District Court**
  - A federal court recently ruled that effective January 1, 2019, employer-sponsored wellness programs must be truly voluntary - meaning employers may no longer offer employees incentives (or threaten penalties) for participation involving medical exams or inquiries. The case, AARP v. EEOC, could change workplace wellness as we know it.
  - The EEOC final rules, issued in May 2016, permit employers to offer a financial incentive of up to 30% of the cost of employee-only coverage to workers who participate in workplace wellness programs. The rules are intended to offer employers guidance on how to design their wellness programs to comply with the Americans with Disability Act (ADA) and the Genetic Information Nondiscrimination Act (GINA), which generally prohibit employers from collecting and using information about the health of workers and their families.
Political Subdivisions and IEBP
Making Texas Healthier

• US District Court

– HIPAA, as amended by the Affordable Care Act, allows health plans and insurers to offer incentives of up to 30% of the cost of coverage in exchange for an employee's participation in a health-contingent wellness program. Given possible prejudice to AARP members if the original rules stay in place, "and that the balance of the equities weighs in favor of vacatur in 2019, it would constitute manifest injustice to keep the Rules in place beyond 2018," the court said.

– Court ordered the EEOC to report its updated schedule for rulemaking by March 30 and to issue new proposed rules by August 31, 2018.
# Calendar Year MOOP Management

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<tr>
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<tbody>
<tr>
<td>Limitation on deductions with coverage under a qualified high deductible health plan (HDHP)</td>
<td>$3,500</td>
<td>$7,000</td>
<td>$3,450</td>
<td>$7,000</td>
<td>$3,400</td>
<td>$6,750</td>
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<tr>
<td>Annual deductible for coverage that is not less than</td>
<td>$1,350</td>
<td>$2,700</td>
<td>$1,350</td>
<td>$2,700</td>
<td>$1,300</td>
<td>$2,600</td>
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<tr>
<td>Qualified High Deductible/H.S.A. Health Plan MOOP amount/Annual out of pocket expenses (deductibles, copayments, and other amounts, but not premiums) for coverage</td>
<td>$6,750</td>
<td>$13,500</td>
<td>Do not exceed $6,650</td>
<td>Do not exceed $13,300</td>
<td>Do not exceed $6,550</td>
<td>Do not exceed $13,100</td>
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<tr>
<td>The PPO MOOP amount</td>
<td>$7,900</td>
<td>$15,800</td>
<td>$7,350</td>
<td>$14,700</td>
<td>$7,150</td>
<td>$14,300</td>
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* Plan Year 2018-2019 IEBP will use the Calendar Year 2018 Federal Government Maximum Out of Pocket Regulations.
Managing the Healthcare Risk

- Census
- Administrative Expenses
- Managed Care Efficiency Report
- Claim History
- Manual Rates
- Adjusted Manual Rate
- Claim in excess of $10,000
- Top 25 Providers
- Tier 1 Provider Utilization
- Top 25 Prescription Utilization
- Brand when more cost effective alternative
Managing the Healthcare Risk

- HEDIS Disease States
  - Current and Predictive Risk
- Gaps in Care Analysis
- Loss Ratio
- Cost Projection
- Benefit Plan Funding
- Corridor Benefit Plan Funding
- Reserves
- Predictive Risk
- Stop Loss Interface
- Health and Wellness Participation
  - Biometric Analysis
  - Body Mass Index
Year In Review

Annual Health Plan Analysis
Healthcare Redesign in Texas

• Stakeholder Alliance
  – TML Support
    • Monthly article in TTC
    • Weekly article in Exchange
    • Facebook and Twitter access for positive information
  – State Capital Involvement in Innovative Healthcare for Texans
Your Time is Appreciated

Have a Great Day!