

# State of Delaware Health Plan FY 2015 Financial Summary Key Findings

## Overall

1. Total Premium (paid by the State, Participating Groups, Employees, Retirees) was \$628.5 million, a 2.0% increase over Fiscal Year 2014
2. Total Claims and Expenses were \$708.1 million for this period, an increase of 8.9% over Fiscal Year 2014.
3. For Fiscal Year 2015, the plan realized a net loss of \$79.6 million or 12.7% of premium.
4. During this twelve-month period, there was an average of 66,948 actives and retirees covered under the plans, an increase of 2.0% from the prior year. There was an average of 121,226 members covered under the plans, an increase of 1.7% from the prior year.

# State of Delaware Health Plan FY 2015 Financial Summary Key Findings

## Medical

1. Medical claims were \$498.6 million, a 7.4% increase over the prior period. Including administrative expenses, medical costs were \$522.2 million.
2. On a per member basis, the average medical spend was \$4,307, an increase of 5.5% from the prior year.
3. The Highmark PPO for Active employees had the most covered lives (45,875) and had a \$4,996 per member cost, an increase of 5.8% from the prior year.
4. The Basic Non-Medicare Plan for Retirees, the Highmark CDH Plans for Actives and for Retirees, the POS Plan and the Aetna CDH Plan for Retirees all experienced increases in cost per member of over 10%.
5. The Highmark PPO for Retirees had the highest cost per member at \$8,583.

# State of Delaware Health Plan FY 2015 Financial Summary Key Findings

## Medical

	<u>Members</u>	<u>Cost</u>	
		<u>PMPY</u>	<u>% Change</u>
Highmark POS	538	\$6,181	116.8%
Basic Actives	1,431	\$2,519	-12.2%
Aetna CDH Actives	688	\$2,440	1.9%
Highmark CDH Actives	2,578	\$3,400	21.0%
Aetna HMO Actives	6,264	\$3,963	4.3%
Blue Care HMO Actives	30,861	\$4,095	8.2%
PPO Actives	45,875	\$4,996	5.8%
Basic NM Retirees	142	\$6,988	12.1%
Aetna CDH NM Retirees	36	\$4,273	240.0%
Highmark CDH NM Retirees	145	\$6,818	14.7%
Aetna HMO NM Retirees	839	\$5,645	-19.4%
Blue Care HMO NM Retirees	3,054	\$7,931	2.9%
PPO NM Retirees	5,487	\$8,583	6.6%
Special Medicfill	23,288	\$1,982	2.2%

# State of Delaware Health Plan FY 2015 Financial Summary Key Findings

## Prescription Drug

1. Prescription Drug claims were \$224.4 million. After accounting for administrative costs, less rebates and EGWP savings, total prescription drug costs were \$176.3 million
2. Estimated Prescription Drug Rebates of \$28.1 million and EGWP Revenue of \$21.9 million offset a total of \$50.0 million, or 22.3% of prescription drug costs.
3. On a per member basis, the average prescription drug spend was \$1,455, an increase of 11.4% from the prior year. Reasons for this increase include increased number and usage of specialty drugs, increased usage of compound drugs and overall drug inflation.
4. Medicare retirees had the highest cost per member at \$2,679.

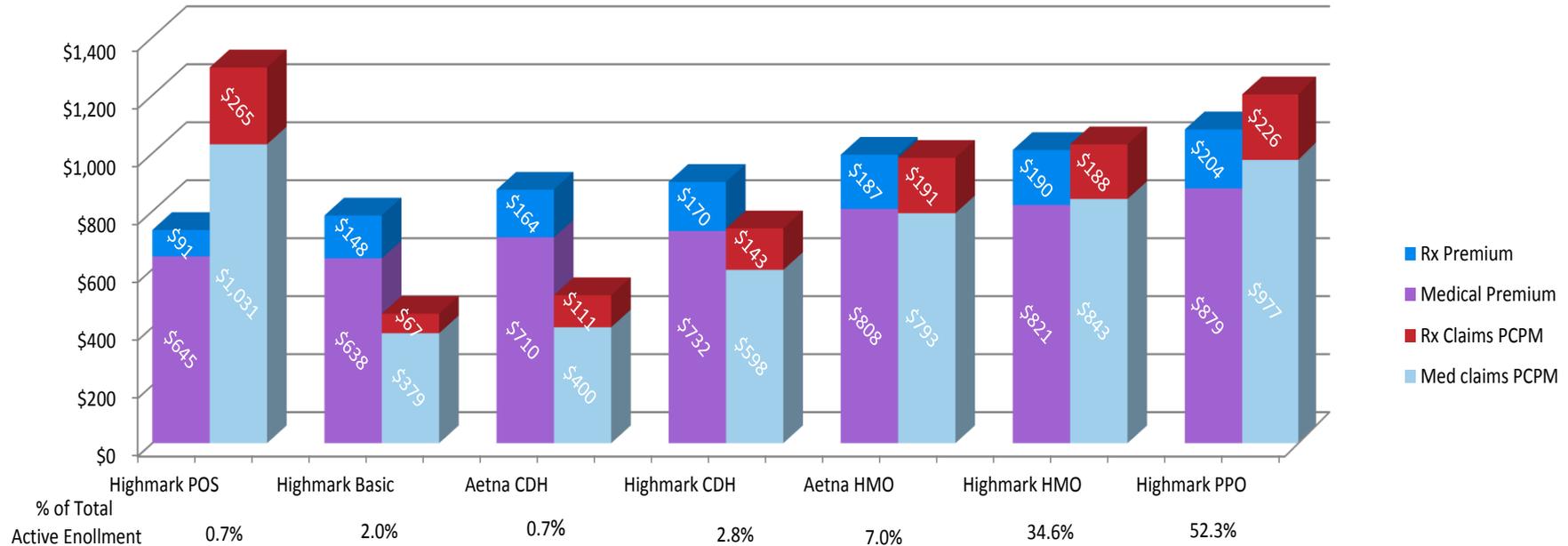
# State of Delaware Health Plan FY 2015 Financial Summary Key Findings

## Prescription Drug

	Members	Cost	
		<u>PMPY</u>	% Change
Highmark POS	538	\$1,592	52.4%
Basic Actives	1,431	\$447	32.4%
Aetna CDH Actives	688	\$676	-11.6%
Highmark CDH Actives	2,578	\$814	16.3%
Aetna HMO Actives	6,264	\$954	8.2%
Blue Care HMO Actives	30,861	\$916	7.5%
PPO Actives	45,875	\$1,157	1.5%
Basic NM Retirees	142	\$712	-8.6%
Aetna CDH NM Retirees	36	\$871	69.7%
Highmark CDH NM Retirees	145	\$1,931	-17.8%
Aetna HMO NM Retirees	839	\$2,350	13.9%
Blue Care HMO NM Retirees	3,054	\$2,057	12.9%
PPO NM Retirees	5,487	\$2,537	8.3%
Medicare EGWP	23,288	\$2,679	22.9%

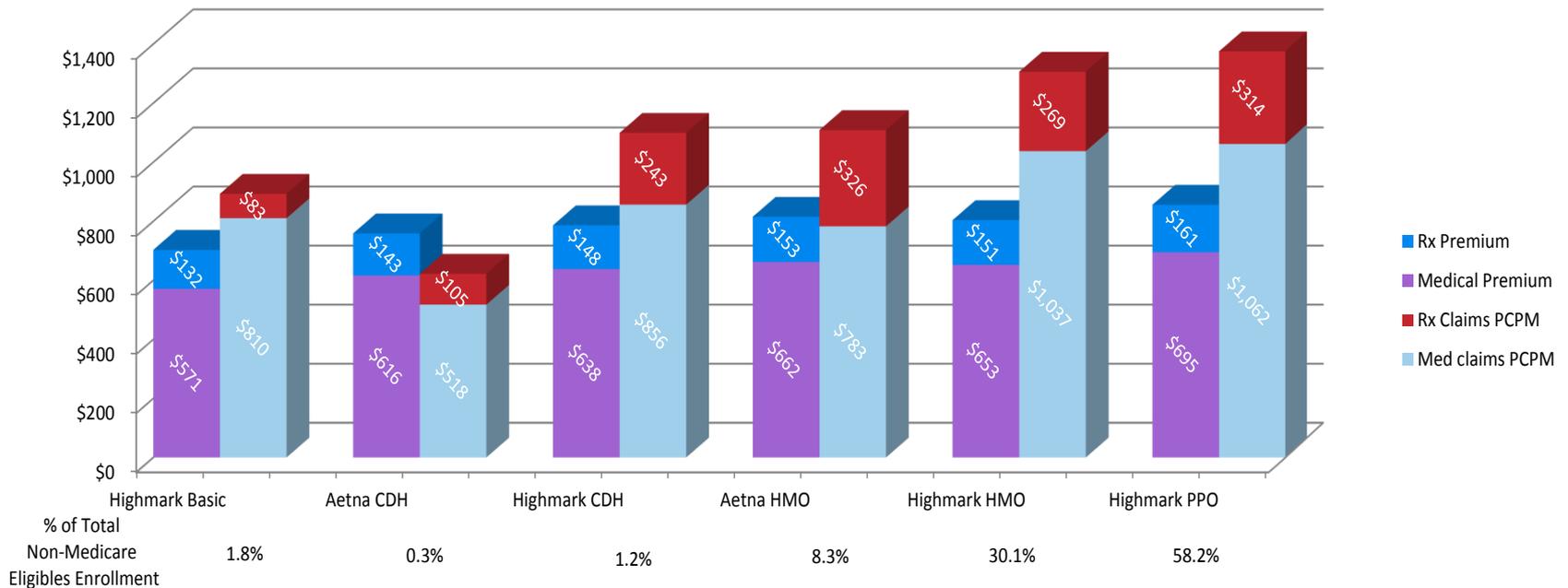
# State of Delaware Health Plan FY 2015 Financial Summary Key Findings

*Active Eligibles Plan Costs per Contract per Month  
July 1, 2014 - June 30, 2015*



# State of Delaware Health Plan FY 2015 Financial Summary Key Findings

*Non-Medicare Eligibles Plan Costs per Contract per Month  
July 1, 2014 - June 30, 2015*



# State of Delaware Health Plan FY 2015 Financial Summary Key Findings

	2015	2014	Change
Active Medical Cost	\$ 397,801,171	\$ 367,716,457	8.2%
Pre-Medicare Medical Cost	\$ 78,190,650	\$ 75,833,408	3.1%
Medicare Medical Cost	\$ 46,178,511	\$ 43,235,866	6.8%
Total Medial Cost	\$ 522,170,332	\$ 486,785,731	7.3%
Active RX Cost	\$ 91,360,883	\$ 86,426,266	5.7%
Pre-Medicare RX Cost	\$ 22,583,276	\$ 20,711,144	9.0%
Medicare RX Cost	\$ 62,394,418	\$ 48,603,215	28.4%
Total RX Cost	\$ 176,338,577	\$ 155,740,624	13.2%
Total Active Cost	\$ 489,162,054	\$ 454,142,723	7.7%
Total Pre-Medicare Cost	\$ 100,773,926	\$ 96,544,552	4.4%
Total Medicare Cost	\$ 108,572,929	\$ 91,839,081	18.2%
Total Cost	\$ 698,508,909	\$ 642,526,356	8.7%
Percent Medical of Total	74.8%	75.8%	
Percent RX of Total	25.2%	24.2%	

# State of Delaware Health Plan FY 2015 Financial Summary Key Findings

## Annual Surplus/Deficit

	<b>2015</b>	
	<b><u>Initial Projection</u></b>	<b><u>Final Result</u></b>
Actives	\$ 17,307,240	\$ (32,801,302)
Non-Medicare Retirees	(30,603,769)	(38,045,438)
Medicare Retirees	<u>2,174,117</u>	<u>(8,780,698)</u>
Total	\$ (11,122,412)	\$ (79,627,438)