

State of Delaware Health Plan



Health Plan Q1 FY16 Financial Summary

Key Findings

12/11/2016

 Segal Consulting

Key Findings – Q1 FY16



Overall

- Total Premium (paid by the State, Participating Groups, Employees, Retirees) was \$176.2 million, a 13.0% increase over the same quarter in Fiscal Year 2015
- Total Claims and Expenses were \$181.2 million for this period, an increase of 1.8% over the same quarter in Fiscal Year 2015.
- During this three-month period, there was an average of 67,602 actives and retirees covered under the plans, an increase of 1.9% from the prior year. There was an average of 122,115 members covered under the plans, an increase of 1.6% from the prior year.



Medical

- Medical claims were \$126.6 million, a 3.9% increase over the prior period. Including administrative expenses, medical costs were \$132.7 million.
- On a per member basis, the average annualized medical spend was \$4,346, an increase of 2.3% from the prior year.
- The Highmark PPO for Active employees had the most covered lives (46,076) and had an annualized \$5,029 per member cost, a decrease of -0.9% from the prior year.
- Combining Actives and Pre-Medicare Retirees, three Highmark Plans (POS, Basic and CDH) and both Aetna Plans (CDH, HMO) had 10% or larger increases in average cost compared to the same quarter this year. This was offset by smaller increases in the 3 programs with the highest membership (Blue Care HMO, Highmark PPO and the Special Medicfill).



Prescription

- Prescription Drug claims were \$62.9 million. After accounting for administrative costs, less rebates and EGWP savings, total prescription drug costs were \$47.2 million
- Estimated Prescription Drug Rebates of \$7.1 million and EGWP Revenue of \$9.2 million offset a total of \$16.3 million, or 26.0% of prescription drug costs.
- On a per member basis, the average annualized prescription drug spend was \$1,850, an increase of 3.4% from the prior year. This lower than expected increase could be due to the program put in place for compound medicine, as well as drug inflation not as high as expected. However, this is only a 3 month period.
- Medicare retirees had the highest annualized cost per member at \$4,022.

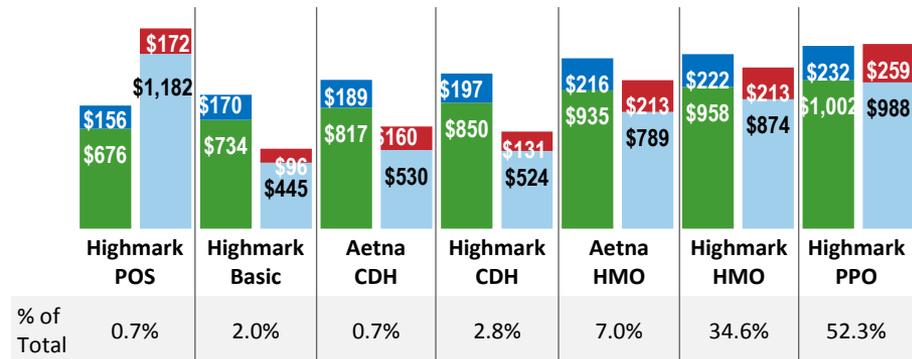
Q1 FY16

MEDICAL	Members	Cost	% Change
Highmark POS	526	\$7,117	10%
Highmark Basic	1,659	\$3,386	64%
Aetna CDH	827	\$3,262	37%
Highmark CDH	2,889	\$3,298	24%
Aetna HMO	6,922	\$4,485	16%
Blue Care HMO	33,688	\$4,657	2%
PPO	51,681	\$5,320	0%
Special Medicfill'	23,923	\$1,932	5%

PRESCRIPTION DRUG	Members	Cost	% Change
Highmark POS	526	\$1,034	-54%
Highmark Basic	1,659	\$694	80%
Aetna CDH	827	\$965	19%
Highmark CDH	2,889	\$798	-17%
Aetna HMO	6,922	\$1,229	-5%
Blue Care HMO	33,688	\$1,161	12%
PPO	51,681	\$1,496	11%
Special Medicfill'	23,923	\$4,022	-5%

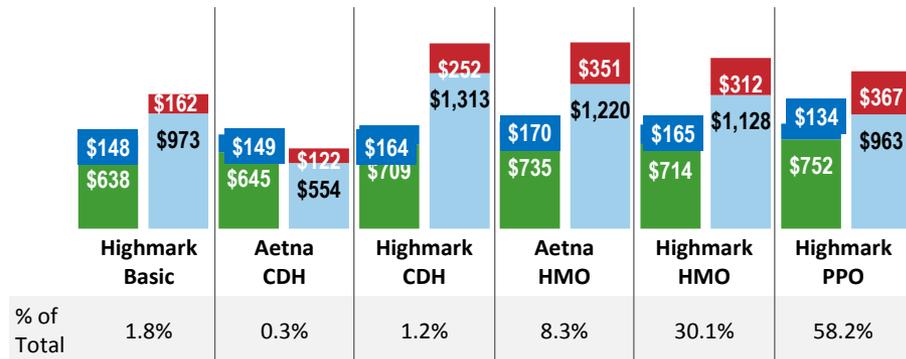
MEDICAL & PRESCRIPTION DRUG

Active Eligibles Plan Costs per Contract per Month
July 1, 2015 – September 30, 2015



MEDICAL & PRESCRIPTION DRUG

Non-Medicare Eligibles Plan Costs per Contract per Month
July 1, 2015 – September 30, 2015



■ Medical Premium
 ■ Rx Premium
 ■ Rx Claims PCPM
 ■ Med Claims PCPM

CLAIMS DISTRIBUTION

	Q1 FY16	Q1 FY15	% Change
Active Medical	101,092,169	98,884,481	2%
Pre-Medicare Medical	20,025,698	18,235,812	10%
Medicare Medical	11,555,880	10,597,488	9%
Active RX	25,819,424	23,959,704	8%
Pre-Medicare RX	6,620,773	5,582,727	19%
Medicare RX	14,802,623	17,011,078	-13%
Total	179,916,568	174,271,290	3%