



State Employee Benefits Committee
FY16 Planning
April 27, 2015

Funding/Plan Design Combinations

GENERAL FUND PLAN DESIGN COMBINATION EXAMPLES

IF: Additional General Fund Contribution toward premium

THEN: Necessary Plan Design Change Values

Examples:

\$0 toward premiums

\$60 million plan design changes remain

\$7 million toward premiums

\$45 million plan design changes remain

\$14 million toward premiums

\$30 million plan design changes remain

\$21 million toward premiums

\$15 million plan design changes remain

\$28 million toward premiums

\$0 million plan design changes remain

(10% participating org charge would need to be adjusted accordingly).

Plan Design Change Options – Prescription Plan

		Current Benefit	New Benefit	Savings
□ Prescription Copay Changes	Option 1	30 day supply: Generic = \$8.50, Preferred = \$20, NonPreferred = \$45	30 day supply: Generic = \$10, Preferred = \$25, NonPreferred = \$50; 90 day supplies are twice 30 day supply cost	\$2.6M
	Option 2	30 day supply: Generic = \$8.50, Preferred = \$20, NonPreferred = \$45	30 day supply: Generic = \$10, Preferred = \$25, NonPreferred = \$50; 90 day supplies are two and one-half times 30 day supply cost	\$4.7M
	Option 3	30 day supply: Generic = \$8.50, Preferred = \$20, NonPreferred = \$45	30 day supply: Generic = \$8, Preferred = \$28, NonPreferred = \$50; 90 day supplies are twice 30 day supply cost	\$2.9M
□ Erectile Dysfunction Drugs	Option 1	6 pills per 30 days	4 pills per 30 days	\$0.9M
	Option 2	6 pills per 30 days	0 pills per 30 days	\$2.7M

Plan Design Change Options – Medical Plan Copays

			Current Benefit	New Benefit	Savings
<input type="checkbox"/>	Primary Care Physician Visit Copay		\$10 for HMO, \$15 for PPO	\$20 for HMO \$25 for PPO	\$4.8M
<input type="checkbox"/>	Specialist Visit Copay		\$20 for HMO, \$25 for PPO	\$30 for HMO \$35 for PPO	\$1.8M
<input type="checkbox"/>	Inpatient Room & Board Copay		\$100 per day, \$200 Max for HMO and PPO	\$150 per day, \$450 Max for HMO and PPO	\$2.7M
<input type="checkbox"/>	Emergency Room Copay		\$150 for HMO and PPO	\$200 for HMO and PPO	\$0.6M

Plan Design Change Options – Medical Plan Copays

			Current Benefit	New Benefit	Savings
<input type="checkbox"/>	Outpatient Surgery ¹		\$30 / \$75 for HMO, 100% covered for PPO	\$50 / \$100 for HMO and PPO	\$0.5M
<input type="checkbox"/>	Lab Tests Copay ²		\$5 / \$5	\$5 / \$30	\$1.0M
<input type="checkbox"/>	X-Rays Copay ²		\$15 / \$15	\$15 / \$75	\$4.2M
<input type="checkbox"/>	Advanced Imaging Copay ²		\$25 / \$15	\$25 / \$100	
1 Ambulatory Surgery/Outpatient Hospital 2 Freestanding Facility/Hospital Based					

Plan Design Change Options – Deductibles

			Current Benefit	New Benefit	Savings
<input type="checkbox"/>	Deductible	Deductible - Option 1 ³	No Deductible	\$100 employee/ \$200 family	\$8.4M
<input type="checkbox"/>		Deductible - Option 2 ³	No Deductible	\$100 employee/ \$250 family	\$9.3M
<input type="checkbox"/>		Deductible - Option 3 ³	No Deductible	\$200 employee/ \$400 family	\$16.2M
<input type="checkbox"/>		Deductible - Option 4 ³	No Deductible	\$300 employee/ \$600 family	\$23.7M
<input type="checkbox"/>		Deductible - Option 5 ³	No Deductible	\$400 employee/ \$800 family	\$31.9M
<input type="checkbox"/>		Deductible - Option 6 ³	No Deductible	\$500 employee/ \$1000 family	\$39.5M
3 No change in deductibles for CDH or First State Basic					

Discussion

