

State of Delaware Health Plan



Health Plan Q2 FY16 YTD Financial Summary

Key Findings

02/19/2016

 Segal Consulting

Key Findings – Q2 FY16 YTD



Overall

- Total Premium (paid by the State, Participating Groups, Employees, Retirees) was \$359.9 million, a 15.1% increase over the same quarters in Fiscal Year 2015. This does not include funds paid by the State for additional State share for the first two months and the additional 10% load on participating groups for the first two months. Those two items generated another \$9.6 million.
- Total Claims and Expenses were \$339.8 million for this period, a decrease of -4.6% over the same quarters in Fiscal Year 2015.
- During this six-month period, there was an average of 67,659 actives and retirees covered under the plans, an increase of 1.7% from the prior year. There was an average of 122,197 members covered under the plans, an increase of 1.4% from the prior year.



Medical

- Medical claims were \$237.3 million, a -4.0% decrease over the prior period. Including administrative expenses, medical costs were \$250.0 million.
- On a per member basis, the average annualized medical spend was \$4,093, a decrease of -4.7% from the prior year.
- The Highmark PPO for Active employees had the most covered lives (46,031) and had an annualized \$4,770 per member cost, a decrease of -6.6% from the prior year.
- Combining Actives and Pre-Medicare Retirees, Highmark Basic and both Aetna Plans (CDH, HMO) had 10% or larger increases in average cost compared to the same two quarters last year.



Prescription

- Prescription Drug claims were \$114.7 million. After accounting for administrative costs, less rebates and EGWP savings, total prescription drug costs were \$87.4 million
- Estimated Prescription Drug Rebates of \$19.6 million and EGWP Revenue of \$9.2 million offset a total of \$28.8 million, or 25.1% of prescription drug costs.
- On a per member basis, the average annualized prescription drug spend was \$1,430, a decrease of -13.8% from the prior year. This decrease could be due to the program put in place for compound medicine, as well as drug inflation lower than expected. However, this is only a 6 month period.
- Medicare retirees had the highest annualized cost per member at \$2,704.

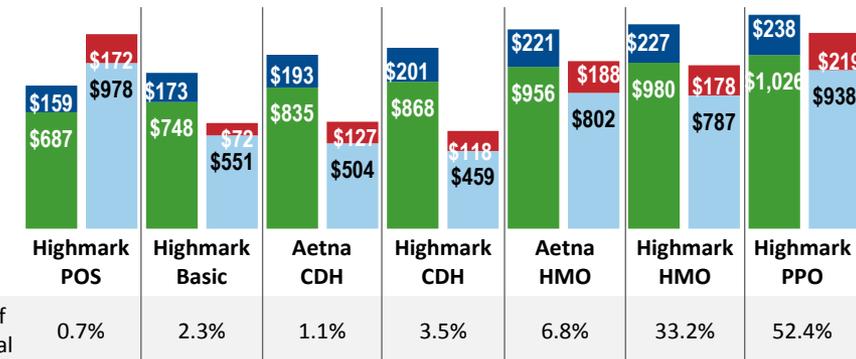
Q2 FY16 YTD

MEDICAL	Members	Cost	% Change
Highmark POS	523	\$5,923	3%
Highmark Basic	1,680	\$4,010	36%
Aetna CDH	848	\$3,076	33%
Highmark CDH	2,909	\$2,868	-6%
Aetna HMO	6,951	\$4,610	16%
Blue Care HMO	33,687	\$4,189	-5%
PPO	51,587	\$5,075	-7%
Special Medicfill'	24,012	\$1,848	-3%

PRESCRIPTION DRUG	Members	Cost	% Change
Highmark POS	523	\$1,040	-37%
Highmark Basic	1,680	\$536	40%
Aetna CDH	848	\$762	11%
Highmark CDH	2,909	\$704	-18%
Aetna HMO	6,951	\$1083	-2%
Blue Care HMO	33,687	\$967	0%
PPO	51,587	\$1,271	2%
Special Medicfill'	24,012	\$2,704	-32%

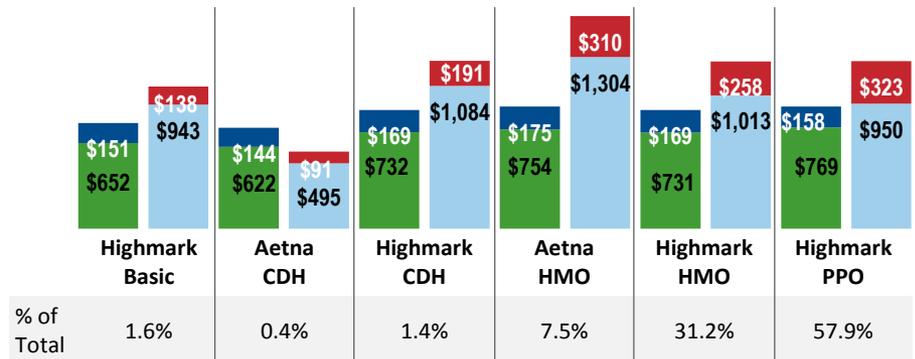
MEDICAL & PRESCRIPTION DRUG

Active Eligible Plan Costs per Contract per Month
July 1, 2015 – December 31, 2015



MEDICAL & PRESCRIPTION DRUG

Non-Medicare Eligible Plan Costs per Contract per Month
July 1, 2015 – December 31, 2015



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

CLAIMS DISTRIBUTION

	Q1 & Q2 FY16	Q1 & Q2 FY15	% Change
Active Medical	189,646,453	198,612,736	-5%
Pre-Medicare Medical	38,234,557	38,283,594	0%
Medicare Medical	22,183,471	21,991,601	1%
Active RX	43,530,430	43,823,293	-1%
Pre-Medicare RX	11,370,289	10,603,830	7%
Medicare RX	32,458,232	38,329,012	-15%
Total	337,423,432	351,644,065	-4%