

State of Delaware Health Plan



Health Plan Q3 FY16 YTD Financial Summary

Key Findings

06/10/2016

 Segal Group

Key Findings – Q3 FY16 YTD



Overall

- Total Premium (paid by the State, Participating Groups, Employees, Retirees) was \$549.3 million, a 16.7% increase over the same quarters in Fiscal Year 2015
- Total Claims and Expenses were \$526.7 million for this period, a decrease of 0.7% over the same quarters in Fiscal Year 2015.
- During this nine-month period, there was an average of 67,848 actives and retirees covered under the plans, an increase of 1.6% from the prior year. There was an average of 122,470 members covered under the plans, an increase of 1.2% from the prior year.



Medical

- Medical claims were \$370.9 million, a - 0.2% increase over the prior period. Including administrative expenses, medical costs were \$390.1 million.
- On a per member basis, the average annualized medical spend was \$4,247, a decrease of 0.61% from the prior year.
- The Highmark PPO for Active employees had the most covered lives (46,115) and had an annualized \$4,903 per member cost, a decrease of 1.49% 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.



Prescription

- Prescription Drug claims were \$179.4 million. After accounting for administrative costs, less rebates and EGWP savings, total prescription drug costs were \$128.7 million
- Estimated Prescription Drug Rebates of \$29.9 million and EGWP Revenue of \$22.3 million offset a total of \$52.2 million, or 29.1% of prescription drug costs.
- On a per member basis, the average annualized prescription drug spend was \$1,401, a decrease of 17% 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.
- PPO Non-Medicare retirees had the highest annualized cost per member at \$2,672.

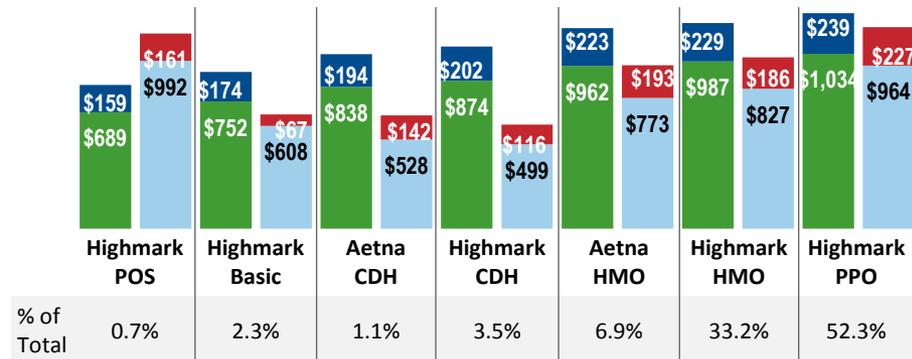
Q3 FY16 YTD

MEDICAL	Members	Cost	% Change
Highmark POS	522	\$6,047	6%
Highmark Basic	1,724	\$4,319	50%
Aetna CDH	860	\$3,242	28%
Highmark CDH	2,947	\$3,145	1%
Aetna HMO	6,959	\$4,495	2%
Blue Care HMO	33,718	\$4,403	0%
PPO	51,631	\$5,206	-3%
Special Medicfill'	24,109	2,030	4%

PRESCRIPTION DRUG	Members	Cost	% Change
Highmark POS	522	\$982	-41%
Highmark Basic	1,724	\$501	16%
Aetna CDH	860	\$850	22%
Highmark CDH	2,947	\$687	-22%
Aetna HMO	6,959	\$1,134	-1%
Blue Care HMO	33,718	\$1,010	-3%
PPO	51,631	\$1,319	0%
Special Medicfill'	24,109	\$2,383	-38%

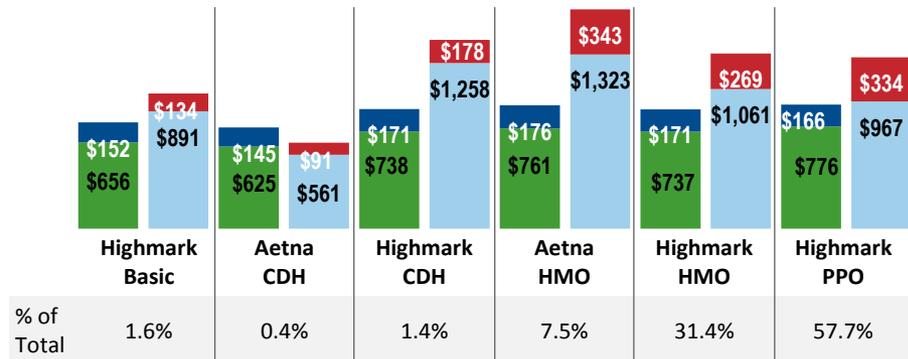
MEDICAL & PRESCRIPTION DRUG

Active Eligible Plan Costs per Contract per Month
July 1, 2015 – March 31, 2016



MEDICAL & PRESCRIPTION DRUG

Non-Medicare Eligible Plan Costs per Contract per Month
July 1, 2015 – March 31, 2016



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

CLAIMS DISTRIBUTION

	Q1,Q2 & Q3 FY16	Q1, Q2 & Q3 FY15	% Change
Active Medical	294,676,266	296,347,685	-1%
Pre-Medicare Medical	58,711,170	57,526,820	2%
Medicare Medical	36,712,896	33,807,738	9%
Active RX	67,982,370	69,698,830	-2%
Pre-Medicare RX	17,642,399	16,974,825	4%
Medicare RX	43,088,197	48,754,816	-12%
Total	518,813,298	523,110,713	-1%