



State Health Benefit Plan



Presentation to: SHBP Advisory Council

Presented by: Jeffrey T. Rickman, Chief



Mission

The mission of the Department of Community Health is to provide access to affordable, quality health care to Georgians through effective planning, purchasing, and oversight.

We are dedicated to A Healthy Georgia.

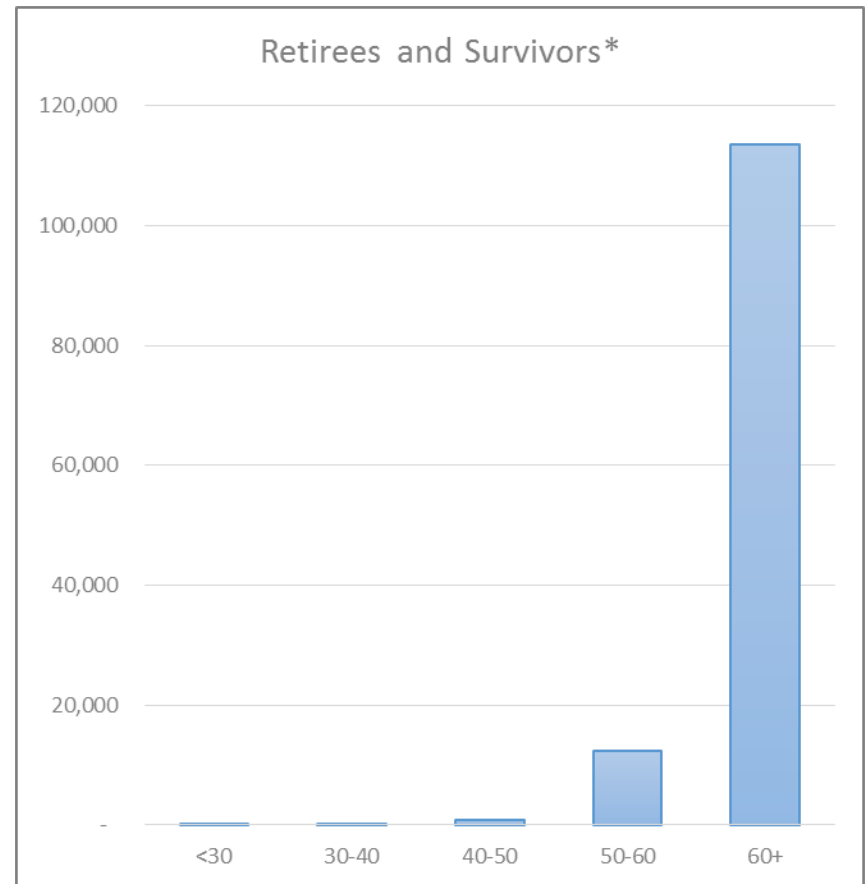
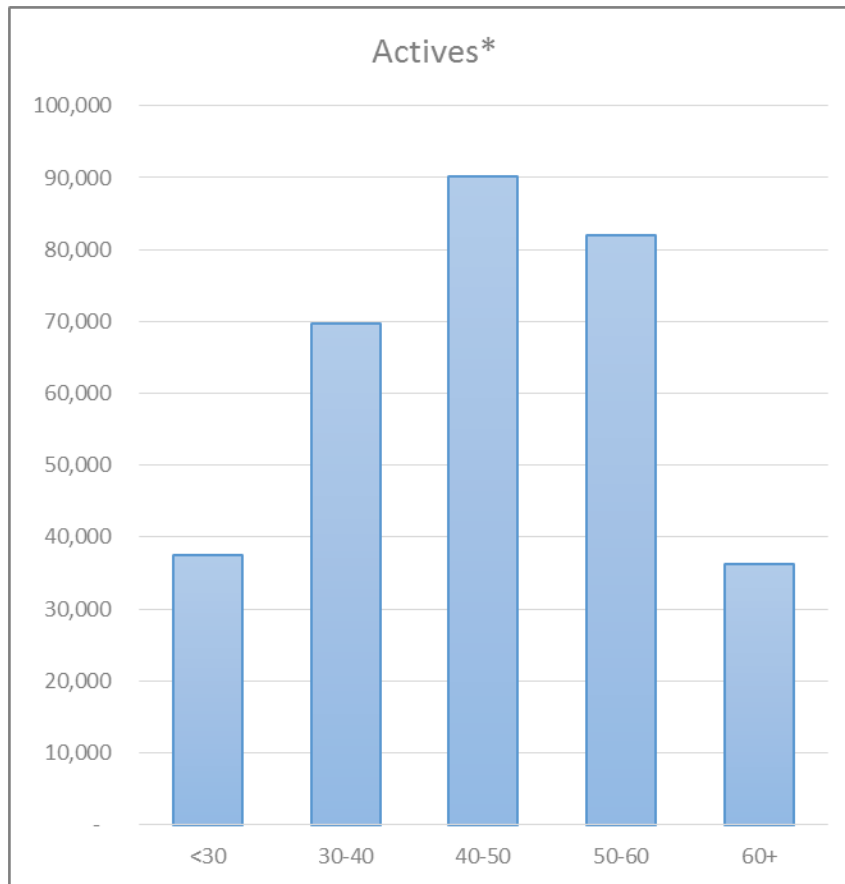
Agenda

- Overview of SHBP
- Overview of Premiums
- Direction for 2018

Overview of SHBP

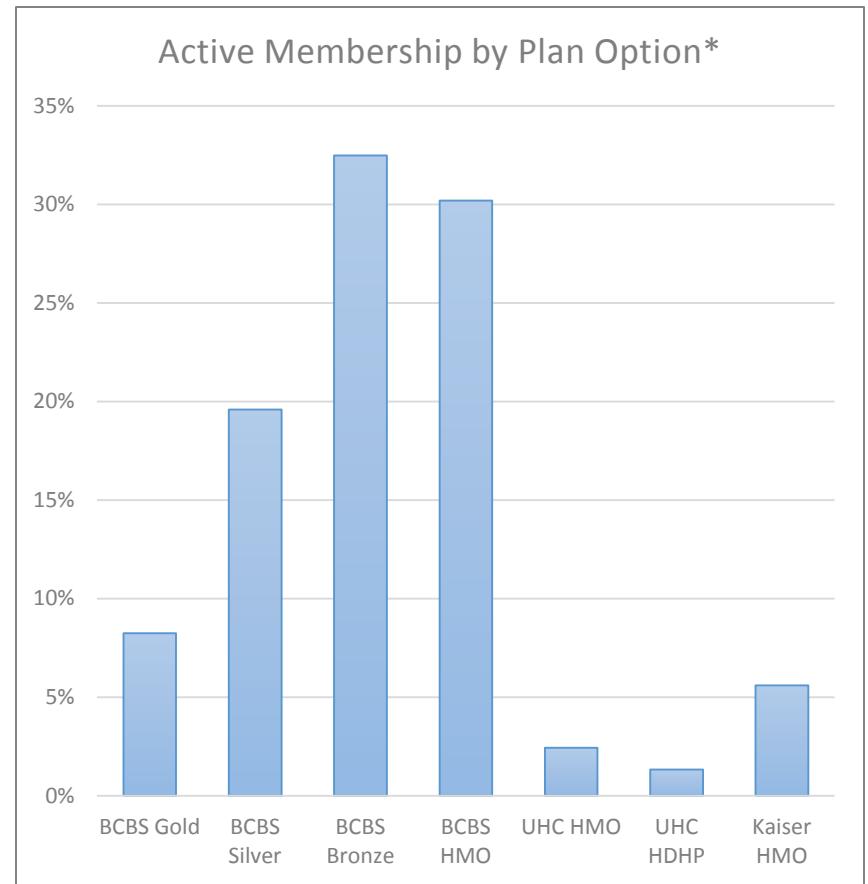
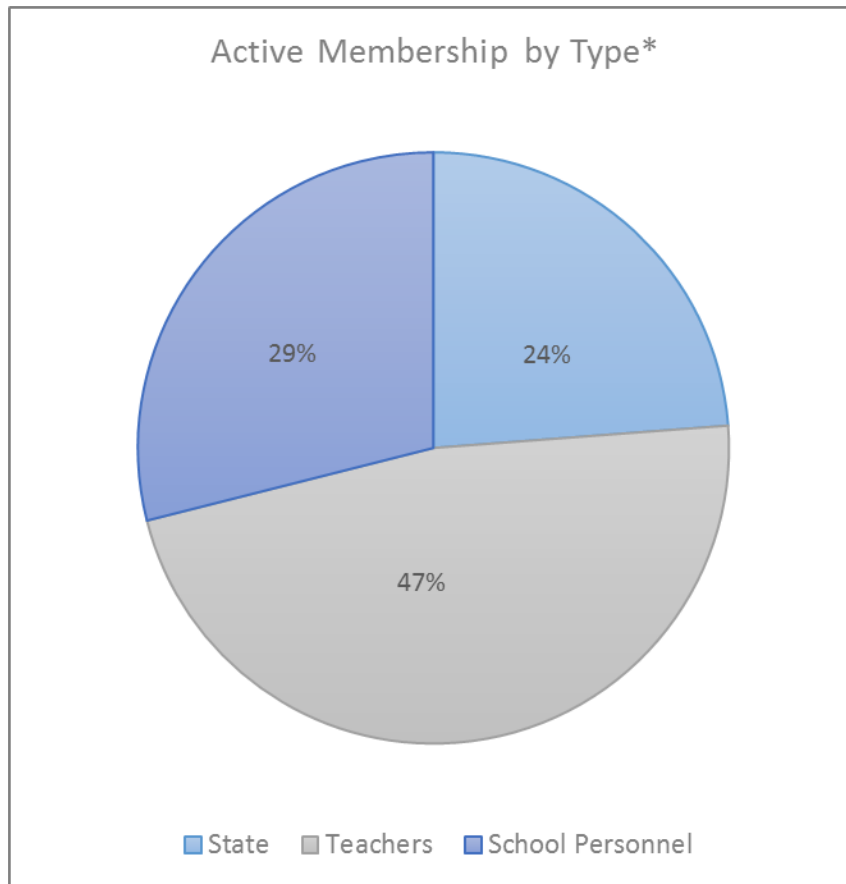
- The State Health Benefit Plan (SHBP) is composed of three plans: the State Employees Plan, the Teachers Plan and the Public Schools Employees Plan. SHBP covered 650,067 lives as of June 2017.
- SHBP is a non-federal, governmental health plan, which means it is not subject to ERISA. Selection of health insurance vendors by DCH is also exempt from the DOAS State Purchasing Act pursuant to O.C.G.A. §§ 50-5-57 and 58, 1987 Op. Att'y Gen. No. 87-32, and Chapter 1: Section 1.2.1.2 of the Georgia Procurement Manual, as amended. SHBP is, however, subject to the Affordable Care Act (ACA).
- SHBP pays benefits out of the premiums contributed from members and from monthly contributions from the employers that offer the SHBP (e.g., state agencies and public school systems).

2017 Membership Overview



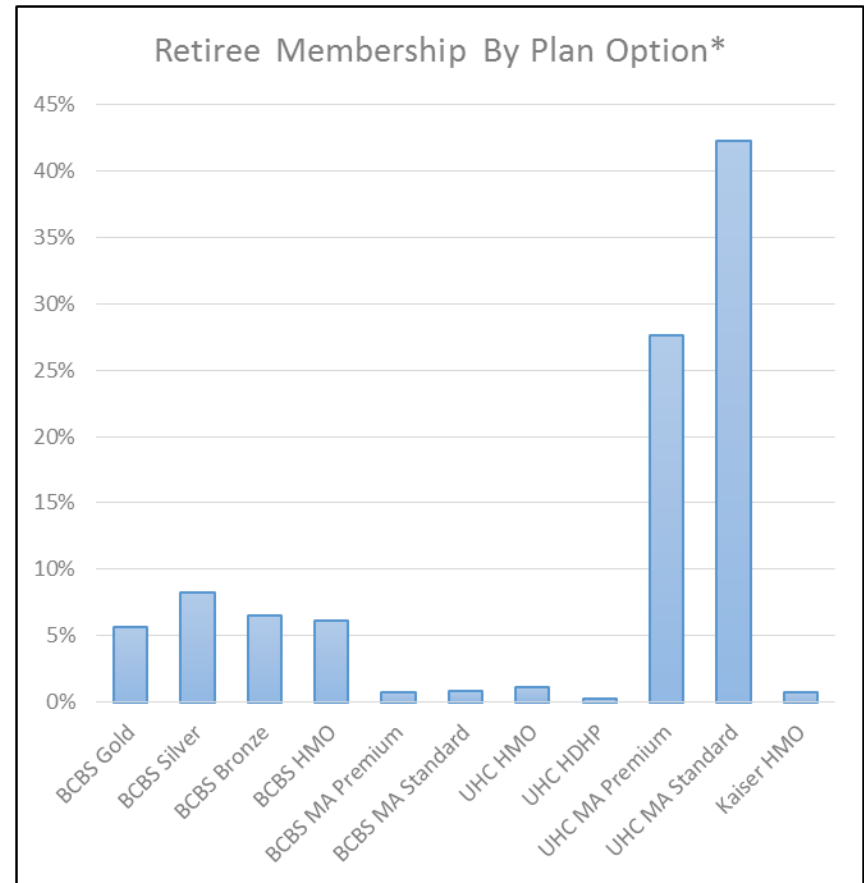
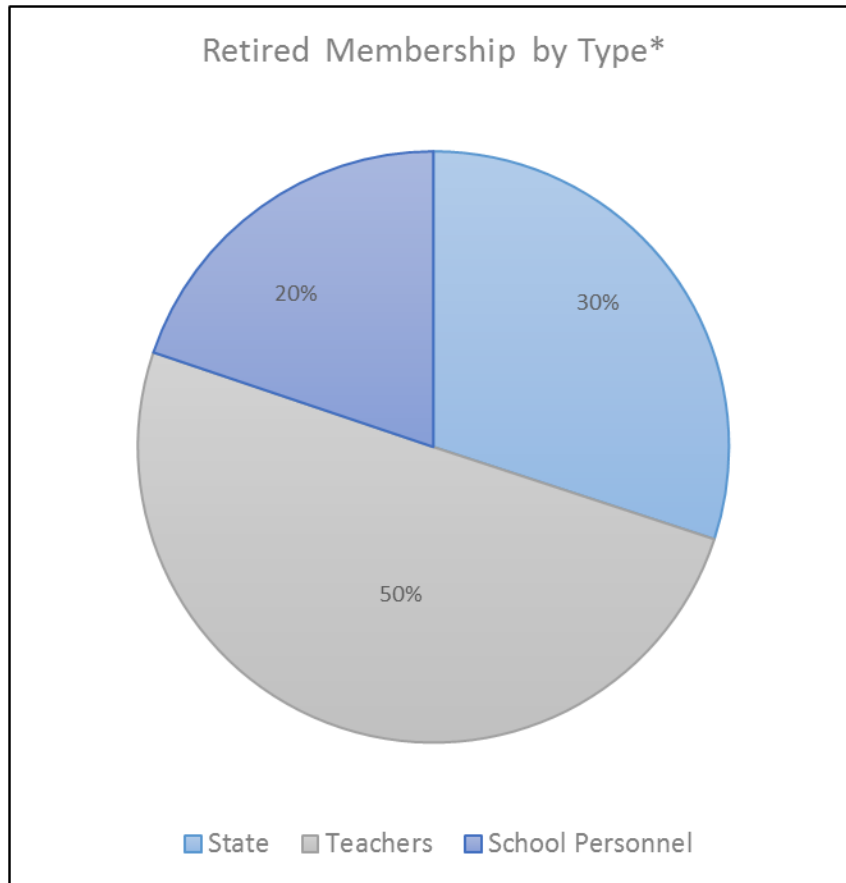
*Subscribers only

2017 Membership Overview (continued)



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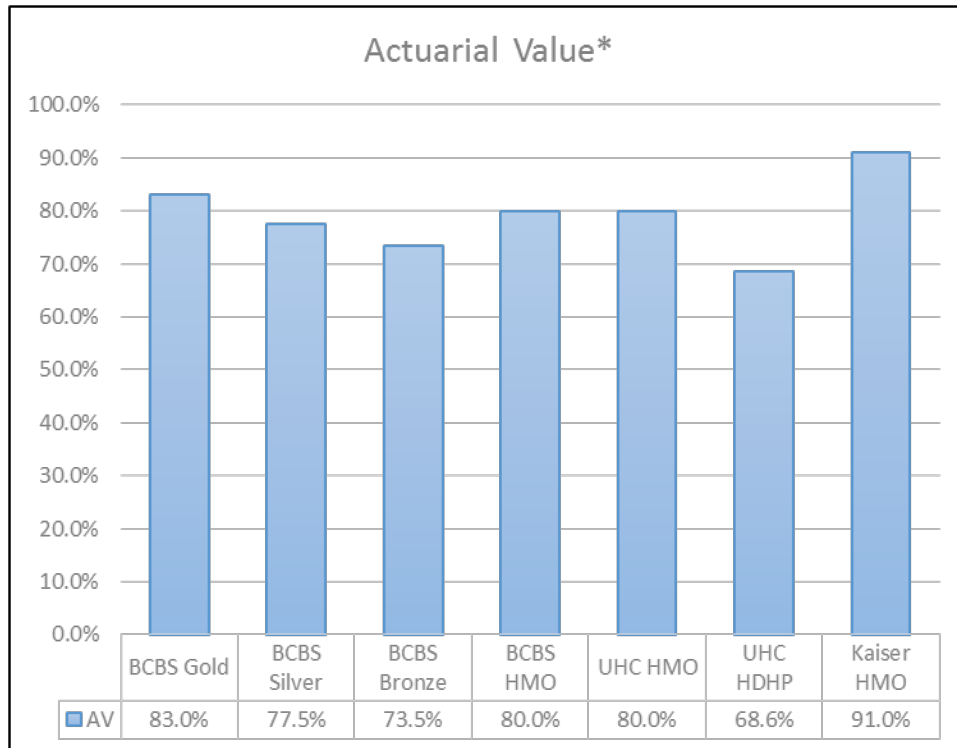
2017 Membership Overview (continued)



*Subscribers only

Overview of Plan Options

Commercial Plan Options and Values

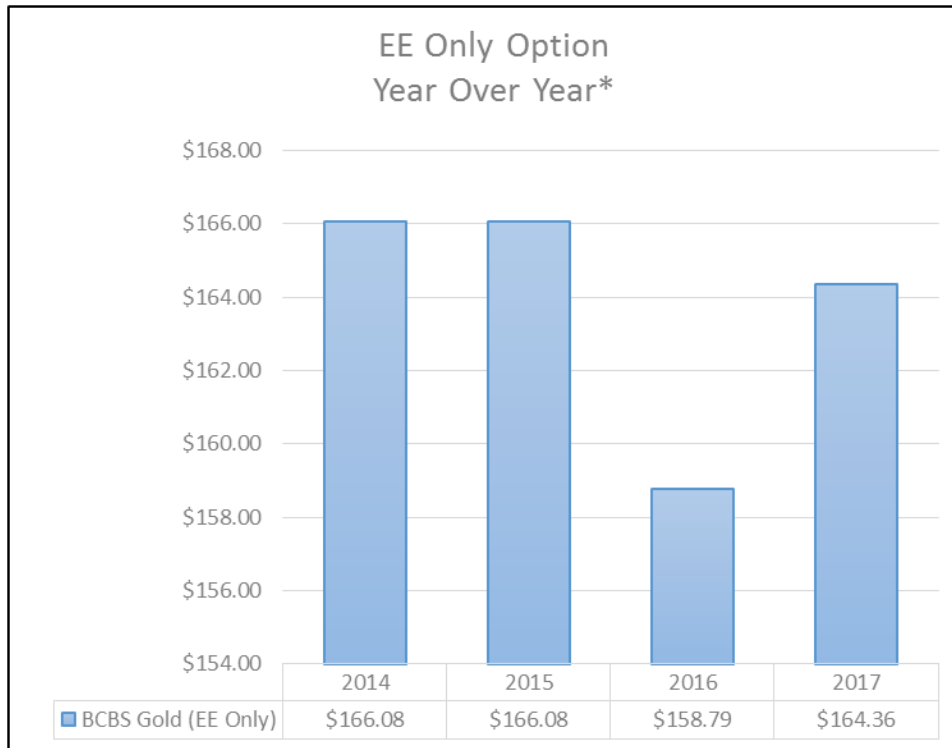


- In 2015, we expanded the number of options from three to seven.
- These options offer members a variety of benefit designs.
- The overall actuarial value of these plans range from 68.6% to 91%.

*Actuarial Value represents approximately how much the Plan pays of the member's healthcare expenses.

Overview of SHBP Rates

Commercial Premiums

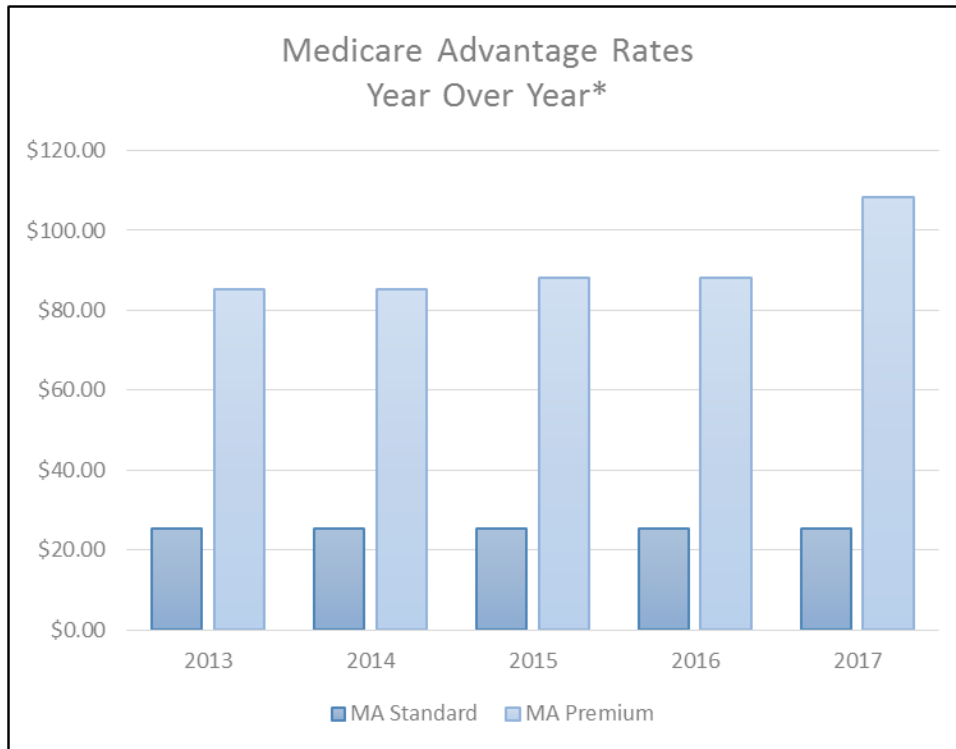


- Overall, healthcare costs (both medical and pharmacy) have risen.
- Through careful fiscal management, however, the Plan has tried to keep benefits competitive while also keeping premiums consistent.

*Changes vary based on plan type/tier.

Overview of SHBP Rates (continued)

Medicare Advantage Premiums



- We have managed to keep MA Rates relatively flat year over year.
- Last year we added additional choices, and kept the lowest-cost standard rate option flat.
- We increased the lowest-cost premium rate option \$20 to move subsidy levels closer between standard and premium.

*Costs differ based on vendor/option.

Direction for 2018

Plan Designs and Options

- The TPA vendors will remain the same:
 - UHC: HMO, HDHP, MA
 - BCBS: HMO, HRA, MA
 - KP: Regional HMO
- The Plan designs will remain the same:
 - No changes to copays, co-insurance, deductibles.

Direction for 2018 (continued)

PBM and Wellness

- SHBP will be contracting with a new pharmacy benefit manager (PBM), CVSHealth, beginning January 1, 2018.
 - CVSHealth will be providing these services for members covered under the statewide HRA, HMO, and HDHP plan options.
- Sharecare purchased Healthways
 - Sharecare uses a RealAge Test and Green Day tracking across different platforms (mobile, internet).
 - We are working with Sharecare to finalize the wellness incentive structures for 2018.

Direction for 2018 (continued)

Member Premiums

- Commercial premiums will see an aggregate increase of approximately 3.7%* (Note: the actual increases will differ depending upon option and tier).
- MA Options will remain the same as last year:
 - UHC Standard/Premium Options
 - BCBS Standard/Premium Options
- MA Premiums:
 - The lowest cost standard option will remain the same.
 - The lowest cost premium option will see an increase.

Thank you