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2020 Plan Designs and Benefits

Board of Trustees Meeting

June 5, 2019

A Division of the Department of State Treasurer

Approved 2020 Plan Designs for 80/20 & 70/30 PPO Plans

| Plan Design Features | 80/20 Plan | 70/30 Plan |
|---------------------------------|------------------------------------|---|
| Deductible* | \$1,250 Individual \$3,750 Family | \$1,500 Individual \$4,500 Family |
| Medical/Rx Out-of-Pocket* (OOP) | \$4,890 Individual \$14,670 Family | \$5,900 Individual \$16,300 Family |
| Preventive | \$0 | \$0 |
| PCP | \$25/\$10 | \$45/\$30 |
| Specialist Copay | \$80 | \$94 |
| Mid Tier Copays | \$52 | \$72 |
| Hospital & ER Copays | \$300 + Ded/Coins | \$337 Ded/Coins |
| Rx- Tier1 | \$5 | \$16 |
| Rx -Tier 2 | \$30 | \$47 |
| Rx -Tier 3 | Ded/coinsurance | Ded/Coinsurance |
| Rx – Tier 4 | \$100 | \$200 |
| Rx – Tier 5 | \$250 | \$350 |
| Rx – Tier 6 | Ded/Coinsurance | Ded/Coinsurance |

We need to lower the family out-of-pocket from **\$17,700** in order to be in compliance with ACA requirements.

*Out-of-network deductible and OOP are 2X in-network values.

2020 Tobacco Cessation Program

- The Plan rolled out a new process for tobacco users who wanted to earn the tobacco premium credit during 2019 Open Enrollment (OE). The new process was successful and the Plan will roll out additional improvements for 2020.

| 2019 Open Enrollment | 2020 Open Enrollment |
|---|--|
| <p>Step 1: Member completes tobacco attestation during OE indicating a willingness to complete a tobacco cessation session at MinuteClinic by 1/31/2019.</p> | <p>Step 1: Member completes tobacco attestation during OE indicating a willingness to complete a tobacco cessation session with MinuteClinic by 12/31/2019.</p> |
| <p>Step 2: Plan mails member a voucher to be redeemed at the MinuteClinic.</p> | <p>Step 2: Member visits a MinuteClinic to complete the tobacco cessation.</p> |
| <p>Step 3: Member takes voucher to the MinuteClinic to complete tobacco cessation session.</p> | <p>Step 3: Using claims reports provided by Blue Cross NC, the Plan validates member completed their visit.</p> |
| <p>Step 4: Using reports provided by CVS, the Plan validates member completed their visit in the appropriate time frame.</p> | |

2020 Tobacco Cessation Program

- **By eliminating the need for a member to use a voucher, we are not only taking a step out of the process, but we will save money too!**
 - We spent approximately \$200,000 during Open Enrollment for MinuteClinic vouchers.
 - The cost would be approximately \$118,368 for the same number of MinuteClinic visits if we simply reimburse MinuteClinic using the contracted rate – in other words, just paying it as a regular medical claim.
- **To make this work, we need a benefit change on the 70/30 Plan.**
 - **ACA Preventive** – The Board has already approved adding ACA preventive benefits to the 70/30 Plan effective 1/1/2020, so any in-network claim for tobacco cessation coverage will pay at 100% effective 1/1/2020.
 - **2020 Open Enrollment** – In order for any members currently enrolled in the 70/30 Plan to have a free tobacco cessation session from 10-1-2019 through 12-31-19, we need to change the in-network tobacco cessation benefit to be 100% effective 10-1-2019.
- ***As illustrated above, this will save the Plan money and streamline the process.***

2019 & 2020 Benefit Changes – **Requires Board Vote**

- Changes for the 70/30 Plan:
 - October 1, 2019 – Change tobacco cessation benefit to be covered at 100%.
 - January 1, 2020 – Change the family out-of-pocket to \$16,300 to meet ACA requirements.