

# 2022 Open Enrollment Results

Board of Trustees Meeting

Dec. 15, 2021

# Open Enrollment Recap

- Open Enrollment (OE) was held Oct. 11-29, 2021.
- If **Active Subscribers** did not take action during OE they were enrolled in the 70/30 PPO Plan for 2022. They also missed the opportunity to:
  - Elect the 80/20 PPO Plan
  - Drop coverage for themselves
  - Add or drop dependents
  - Reduce their premium by \$60 per month by completing the tobacco attestation
- All **Active/Non-Medicare** members were moved to the 70/30 PPO Plan and needed to take action to enroll in the 80/20 PPO Plan or to reduce their premium.
- **Non-Medicare Subscribers** in the Retirement System who did not take action during OE were enrolled in the 70/30 PPO Plan for 2022. While they were not impacted by the tobacco attestation as the plan will remain premium-free, they also missed opportunity to:
  - Elect the 80/20 PPO Plan
  - Add dependents
- As a reminder, **Medicare** members remained in their plan and only needed to make a change if they wanted to add dependents or change plans.

# 2022 Open Enrollment Results: Active Employees

- Active employees are the most impacted if they do not complete OE. Fortunately, 94% (290,009) of our Active employees completed Open Enrollment.
- Last year, 94% (334,913) subscribers took action during OE.

Entity	Total Employees that Took Action	Percentage of Employees that Took Action
State Agencies	60,363	94%
Charter Schools	5,124	94%
Community Colleges	13,730	96%
Local Governments	13,320	94%
Public Schools	147,098	93%
Universities	50,374	95%

# 2022 Open Enrollment Results

- Open Enrollment by all accounts was successful.
- **317,977** out of **334,585** subscribers that needed to update their tobacco attestation took action during OE, which means **95%** of the targeted subscribers took action!
  - **42,727** enrollments were completed telephonically (13% of total).
  - **337,973** enrollments were updated online (some members made updates on multiple occasions).

2021 OE vs 2022 OE Comparison		
	2021	2022
Online Enrollment	296,946	337,973
Telephonic Enrollment	44,657	42,727
Total Enrollments	341,603	380,700
Distinct Subscribers	334,913	317,977

# Communication Outreach Summary

- The Customer Experience & Communications Team engaged with members prior to and during OE using a variety of platforms.



- **693** HBRs attended OE Training in July.
- **1,969** Active/Non-Medicare members attended (12) webinars.
- **2,807** Medicare members attended (24) webinars hosted by Humana and the Plan.
- **2,200** members participated in the Telephone Town Hall hosted by Humana and the Plan which was targeted for Medicare members enrolled in the 70/30 PPO Plan.
- More than **997,000** pieces of mail were sent to members prior to OE.



# Communication Outreach Summary

- The Plan took a more targeted approach to mailed communications this year prior to OE and focused on Medicare members specifically including those enrolled in the 70/30 PPO Plan.



*"As State Treasurer, I'm honored to work on your behalf to lower health care costs for people that teach, protect and otherwise serve the state of North Carolina. In 2022, we will continue to fight to get rid of secret health care contracts to protect the State Health Plan's financial future and promote quality and affordable health care through our Clear Pricing Project.*

*I'm pleased that we have frozen premiums for the fourth year in a row! With your help, we will continue to fight for lower costs, transparency, higher quality and access to health care. I encourage you to review your options in this Decision Guide and take action."*

**Dale R. Folwell, CPA • State Treasurer**

## STATE HEALTH PLAN

### Get a Head Start on Open Enrollment!

**STATE HEALTH PLAN MEMBERS**  
who use tobacco have convenient options to earn their 2022 premium credit.  
Take action now to save money throughout 2022!  
See back for details.

**SAVE THE DATE:**  
State Health Plan Open Enrollment  
OCTOBER 11-29, 2021



*Attention*

**State Health Plan Medicare Members Enrolled in the 70/30 PPO Plan!**

*There is a BETTER plan at NO charge!*



*"As the keeper of the public purse, it's my job to ensure that you are educated on the savings opportunities available to you through our Medicare Advantage Plans. I strongly encourage you to consider the Humana Medicare Advantage Plans, which are EQUIVALENT TO A 90/10 plan, providing you a substantially better benefit. When Medicare members take advantage of these plans, it places the State Health Plan on a more financially sustainable path. Thank you for your service!"*

**Dale R. Folwell, CPA  
State Treasurer**

## 2022 STATE HEALTH PLAN OPEN ENROLLMENT

### MEDICARE OUTREACH Webinar Schedule





## 2022 OPEN ENROLLMENT

**SAVE THE DATE: OCTOBER 11-29, 2021**  
*The choices you make during Open Enrollment are for benefits effective January 1, 2022, through December 31, 2022.*

OPEN ENROLLMENT is an ideal time to review your current coverage and your State Health Plan options for the coming year.

More than 80% of the Plan's Medicare members are already enrolled in Humana Medicare Advantage Plans. Don't miss out on what so many are already enjoying.

*"Don't miss out on learning more about our Humana Medicare Advantage Plans! I encourage you to attend one of our webinars so you can make an educated decision on your 2022 benefits!"*

**Dale R. Folwell, CPA • State Treasurer**

For the 2022 benefit year, you will REMAIN on the plan in which you are currently enrolled. You will only need to take action during Open Enrollment if you want to be enrolled in a different plan option or if you need to make any changes regarding your dependents.

## Attention State Health Plan Medicare Members!

*"Great news! Your Humana Group Medicare Advantage Plan (90/10) has been negotiated at zero cost to you and a \$4 per month premium for your dependents on the Humana Group Medicare Advantage Base Plan (90/10).*

*As a State Health Plan Medicare-eligible member, you have a lot of information that comes your way throughout the year regarding Medicare and other benefits. From mailings and insurance broker calls to television commercials targeting seniors, you may feel overwhelmed.*

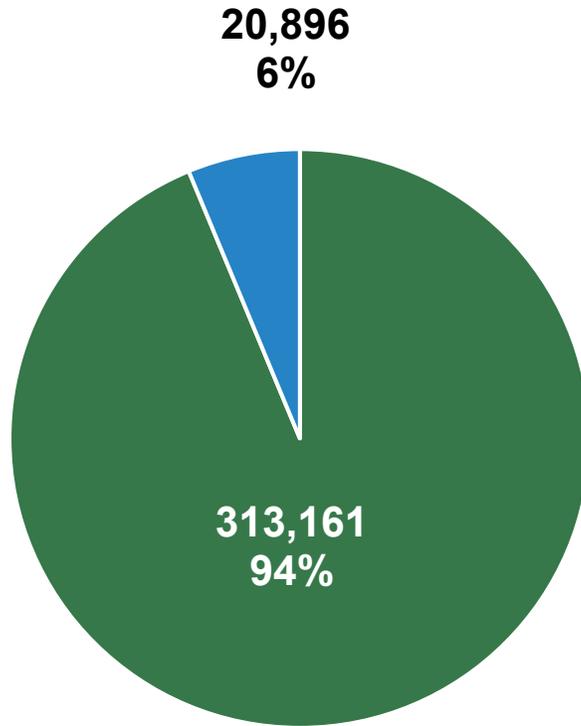
*Please review the enclosed tips to help you understand and navigate through all this information."*

**Dale R. Folwell, CPA  
State Treasurer**

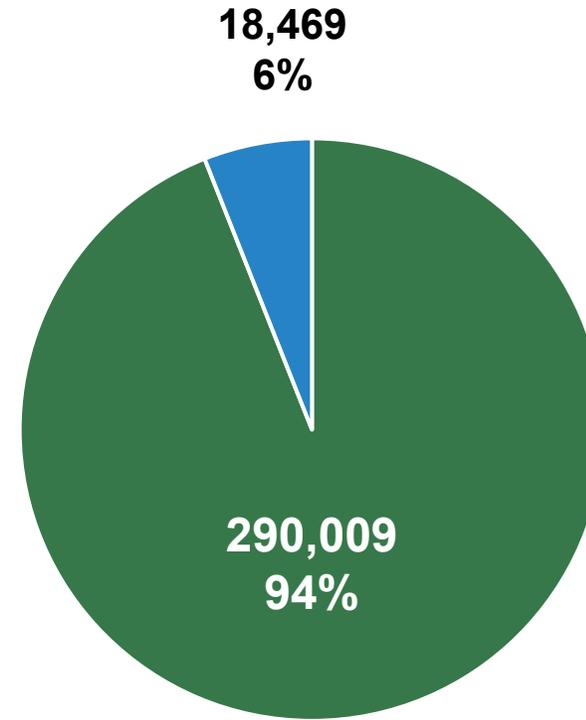


# Tobacco Attestation Completion Rate (Active Members)

## 2021 OE

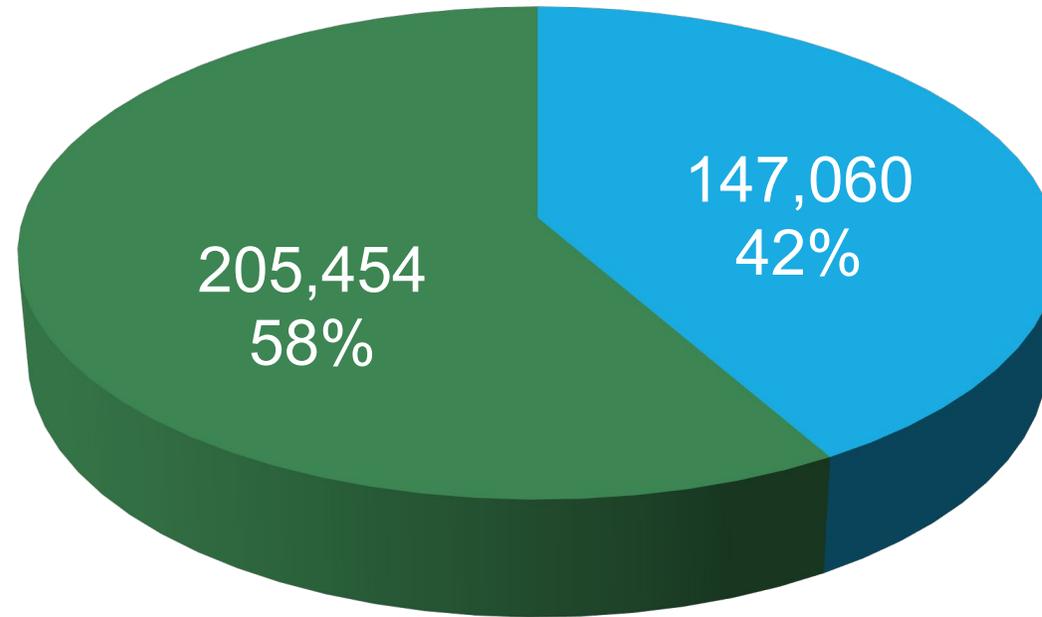


## 2022 OE



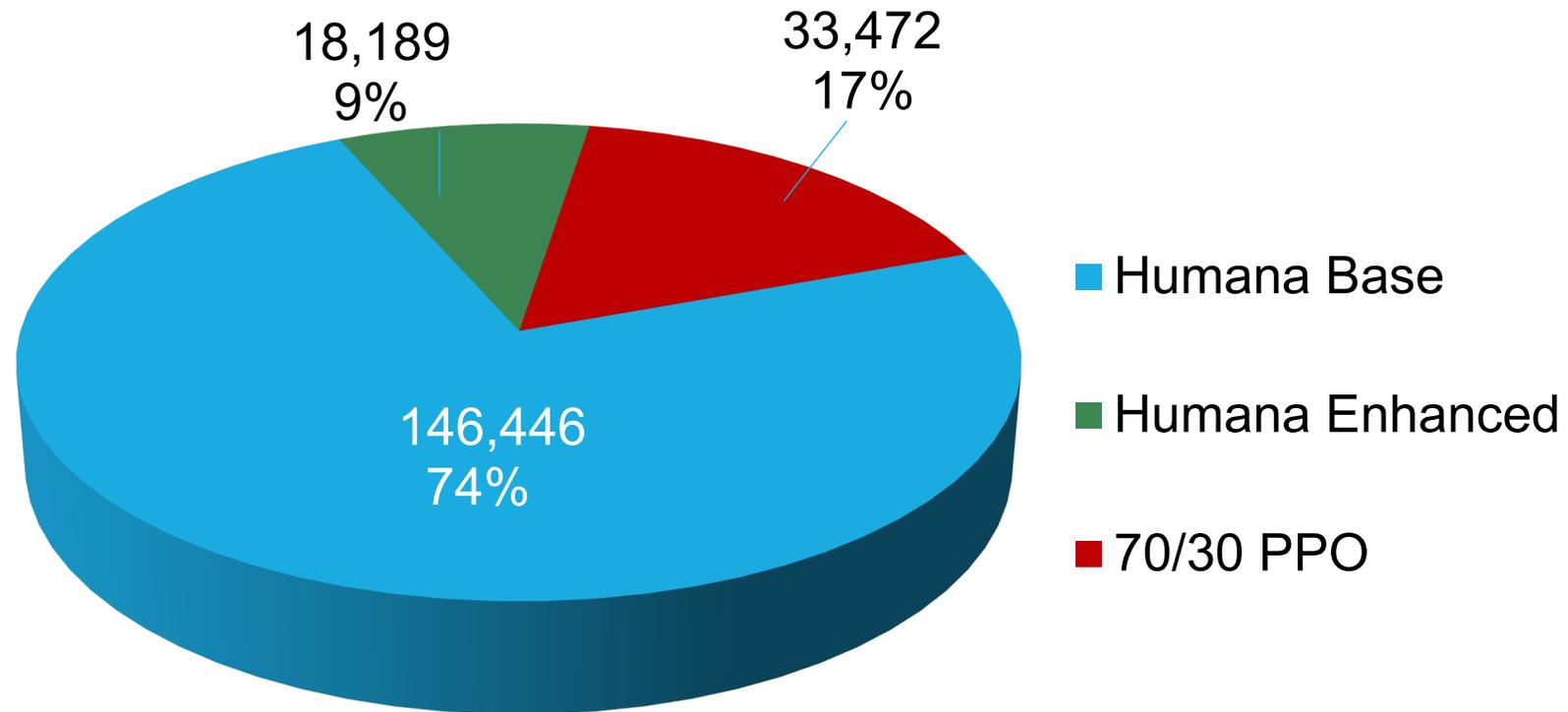
■ Complete ■ Not Complete

# Open Enrollment Results: Non-Medicare Plan Selections



- 70/30 PPO Plan
- 80/20 PPO Plan

# Open Enrollment Results: Medicare Primary Plan Selections



- 198,107 Medicare members.
- Counts are based on the last day of Open Enrollment.
- The final enrollment results will not be available until the end of the Medicare Advantage Open Enrollment Period, which will run from Jan. 1 – March 31, 2022.
  - Plan members enrolled in a Medicare Advantage Plan will be able to make one change during this period.
  - Plan members enrolled in the 70/30 PPO Plan will not be able to change plans.

# Eligibility and Enrollment Support Center

- The Plan's Eligibility and Enrollment Support Center offered extended call center hours throughout OE.
  - Monday-Friday, 8am-10pm
  - Saturday, 8am-5pm
- Benefitfocus also implemented a new virtual hold feature and members seem to enjoy that feature and took advantage of it during peak times.
  - Approximately, 26,000 members took advantage of this feature.
- Benefitfocus was better equipped to take calls this year with longer hold times only occurring during the first and last day of OE with an average hold time of 6 minutes.

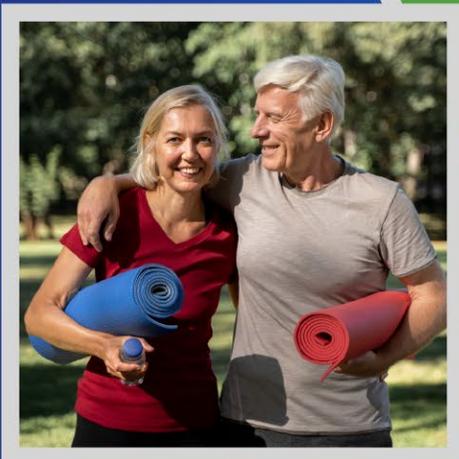
Open Enrollment Call Volume			
Week 1	Week 2	Week 3	Total
40,082	32,524	44,131	116,737

Last year the call center took 78,738 calls, with an average hold time of 29 minutes.

# 2022 Open Enrollment – Next Steps

- 2022 ID cards are on the way to members! All members on 70/30 and 80/30 PPO Plans will be issued new ID cards.
- 2022 premium invoices have already generated for employing units.
- OE exceptions are under way!

Exceptions Breakdown					
Year	Approved	Denied	TOTAL Exceptions	Enrollments Expected	Exceptions as % of Enrollment
2021	152	324	476	356,815	0.1%
2022	46	128	174	334,585	0.1%



# Financial Update

Board of Trustees Meeting

Dec. 15, 2021

# Financial Results: Actual vs. Budgeted Fiscal Year to Date October 2021

<b>Fiscal Year 2022</b>	<b>Actual thru OCT 2021</b>	<b>Authorized Budget (per Segal 8-05-21)</b>	<b>Variance Fav/(Unfav) Budget</b>
<b>Beginning Cash Balance</b>	<b>\$766.0m</b>	<b>\$986.1m</b>	<b>(\$220.2m)</b>
<b>Plan Revenue</b>	<b>\$1.238b</b>	<b>\$1.236b</b>	<b>\$ 2.2m</b>
Net Claims Payments	\$1.328b	\$1.304b	(\$23.1m)
Medicare Advantage Premiums	\$4.87m	\$4.83m	(\$34k)
Net Administrative Expenses	\$55.8m	\$65.6m	\$9.8m
<b>Total Plan Expenses</b>	<b>\$1.388b</b>	<b>\$1.375b</b>	<b>(\$13.3m)</b>
<b>Net Income/(Loss)</b>	<b>(\$150.4m)</b>	<b>(\$139.3m)</b>	<b>(\$11.1m)</b>
<b>Non-Operating Cash Transfer</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Ending Cash Balance</b>	<b>\$615.5m</b>	<b>\$846.8m</b>	<b>(\$231.3m)</b>

# Financial Results: Fiscal Year to Date October 2021 [FY21/FY22]

<b>Fiscal Year 2022</b>	<b>Actual thru OCT 2021</b>	<b>Actual thru OCT 2020</b>	<b>Variance Fav/(Unfav)</b>
<b>Beginning Cash Balance</b>	<b>\$766.0m</b>	<b>\$1.032b</b>	<b>(\$266.5m)</b>
<b>Plan Revenue</b>	<b>\$1.238b</b>	<b>\$1.279b</b>	<b>(\$41.2m)</b>
Net Claims Payments	\$1.328b	\$1.150b	(\$177.3m)
Medicare Advantage Premiums	\$4.9m	\$71.5m	\$66.6m
Net Administrative Expenses	\$55.8m	\$54.5m	(\$1.4m)
<b>Total Plan Expenses</b>	<b>\$1.388b</b>	<b>\$1.276b</b>	<b>(\$112.1m)</b>
<b>Net Income/(Loss)</b>	<b>(\$150.4m)</b>	<b>\$2.9m</b>	<b>(\$153.3m)</b>
<b>Non-Operating Cash Transfer</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Ending Cash Balance</b>	<b>\$615.5m</b>	<b>\$1.035b</b>	<b>(\$419.8m)</b>

# Financial Results: Actual vs. Budgeted Calendar Year to Date October 2021

Calendar Year 2021	Actual thru OCT 2021	Authorized Budget (per Segal 11-20-20)	Variance Fav/(Unfav) Budget
<b>Beginning Cash Balance</b>	<b>\$1.064b</b>	<b>\$1.008b</b>	<b>\$56.0m</b>
<b>Plan Revenue</b>	<b>\$3.065b</b>	<b>\$3.101b</b>	<b>(\$35.6m)</b>
Net Claims Payments	\$3.171b	\$3.103b	(\$68.0m)
Medicare Advantage Premiums	\$ 10.4m	\$ 15.6m	\$5.2m
Net Administrative Expenses	\$ 144.9m	\$ 162.1m	\$17.2m
<b>Total Plan Expenses</b>	<b>\$3.326b</b>	<b>\$3.281b</b>	<b>(\$45.6m)</b>
<b>Net Income/(Loss)</b>	<b>(\$261.4m)</b>	<b>(\$180.1m)</b>	<b>(\$81.2m)</b>
<b>Non-Operating Cash Transfer</b>	<b>\$187.0m</b>	<b>\$0</b>	<b>(\$187.0m)</b>
<b>Ending Cash Balance</b>	<b>\$615.5m</b>	<b>\$827.8m</b>	<b>(\$212.3m)</b>

# Financial Results: Calendar Year to Date October 2021 [CY20/CY21]

Calendar Year 2021	Actual thru OCT 2021	Actual thru OCT 2020	Variance Fav/(Unfav)
<b>Beginning Cash Balance</b>	<b>\$1.064b</b>	<b>\$1.403b</b>	<b>(\$339.3m)</b>
<b>Plan Revenue</b>	<b>\$3.065b</b>	<b>\$3.164b</b>	<b>(\$99.0m)</b>
Net Claims Payments	\$3.171b	\$2.729b	(\$441.7m)
Medicare Advantage Premiums	\$ 10.4m	\$ 200.2m	\$189.8m
Net Administrative Expenses	\$ 144.9m	\$ 127.1m	(\$17.8m)
<b>Total Plan Expenses</b>	<b>\$3.326b</b>	<b>\$3.057b</b>	<b>(\$269.7m)</b>
<b>Net Income/(Loss)</b>	<b>(\$261.4m)</b>	<b>\$107.3m</b>	<b>(\$368.7m)</b>
<b>Non-Operating Cash Transfer</b>	<b>\$187m</b>	<b>\$475.2m</b>	<b>\$288.2m</b>
<b>Ending Cash Balance</b>	<b>\$615.5b</b>	<b>\$1.035b</b>	<b>(\$419.8m)</b>

# Employer Contribution Rates Demonstration

## Fiscal Year 2021-22

PAY PERIOD	COVERAGE PERIOD	Actives		Difference
		Projected	Actual	
Jun 21	Jul 21	521.96	521.96	
Jul 21	Aug 21	521.96	521.96	
Aug 21	Sep 21	521.96	521.96	
Sep 21	Oct 21	521.96	521.96	
Oct 21	Nov 21	521.96	521.96	
Nov 21	Dec 21	521.96	521.96	
Dec 21	Jan 22	647.86	532.36	-115.50
Jan 22	Feb 22	647.86	763.36	115.50
Feb 22	Mar 22	647.86	647.86	
Mar 22	Apr 22	647.86	647.86	
Apr 22	May 22	647.86	647.86	
May 22	Jun 22	647.86	647.86	

FY 2022 Total \$ 7,018.92 \$ 7,018.92

SL 2021-180 Limit: \$ 7,019.00

Retro Payment TO SHP  
in January: \$115.50

## Fiscal Year 2022-23

PAY PERIOD	COVERAGE PERIOD	Actives	
		Projected	Actual
Jun 22	Jul 22	647.86	647.86
Jul 22	Aug 22	647.86	647.86
Aug 22	Sep 22	647.86	647.86
Sep 22	Oct 22	647.86	647.86
Oct 22	Nov 22	647.86	647.86
Nov 22	Dec 22	647.86	647.86
Dec 22	Jan 23	584.96	584.96
Jan 23	Feb 23	584.96	584.96
Feb 23	Mar 23	584.96	584.96
Mar 23	Apr 23	584.96	584.96
Apr 23	May 23	584.96	584.96
May 23	Jun 23	584.96	584.96

FY 2023 Total \$ 7,396.92 \$ 7,396.92

SL 2021-180 Limit: \$ 7,397.00

- Already in Place
- Approved in August, too late to change with new budget
- Calculated in order to meet the SL 2021-180 Limit

# Financial Forecast CY (in millions)

	ACTUAL						PROJECTED				
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Total Plan Revenue	\$ 3,209.3	\$ 3,354.70	\$ 3,606.30	\$ 3,740.10	\$ 3,824.00	\$ 3,697.50	\$ 4,046.80	\$ 4,082.50	\$ 4,357.40	\$ 4,415.60	
Total Plan Expense	<u>3,262.1</u>	<u>3,307.3</u>	<u>3,498.6</u>	<u>3,501.2</u>	<u>3,641.5</u>	<u>3,997.8</u>	<u>4,159.4</u>	<u>4,408.0</u>	<u>4,738.6</u>	<u>5,003.0</u>	
<b>Plan Income / (Loss)</b>	<b>\$ (52.8)</b>	<b>\$ 47.4</b>	<b>\$ 107.7</b>	<b>\$ 238.9</b>	<b>\$ 182.5</b>	<b>\$ (300.3)</b>	<b>\$ (112.6)</b>	<b>\$ (325.5)</b>	<b>\$ (381.2)</b>	<b>\$ (587.4)</b>	
Non-Operating Cash Transactions:											
Transfer to RHBF					\$ (475.2)	\$ (187.0)					
Covid-19 Reimbursement							\$ 215.0				
2020 MA Gainshare						\$ 103.0					
<b>Ending Cash Balance</b>	<b>\$ 962.5</b>	<b>\$ 1,009.9</b>	<b>\$ 1,117.6</b>	<b>\$ 1,356.5</b>	<b>\$ 1,063.8</b>	<b>\$ 679.5</b>	<b>\$ 781.9</b>	<b>\$ 456.4</b>	<b>\$ 75.2</b>	<b>\$ (512.2)</b>	

# Financial Forecast CY

