

North Carolina State Health Plan

Board of Trustees Meeting

September 14, 2022



Dale R. Folwell, CPA
STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA



Open Enrollment Update

Board of Trustees Meeting

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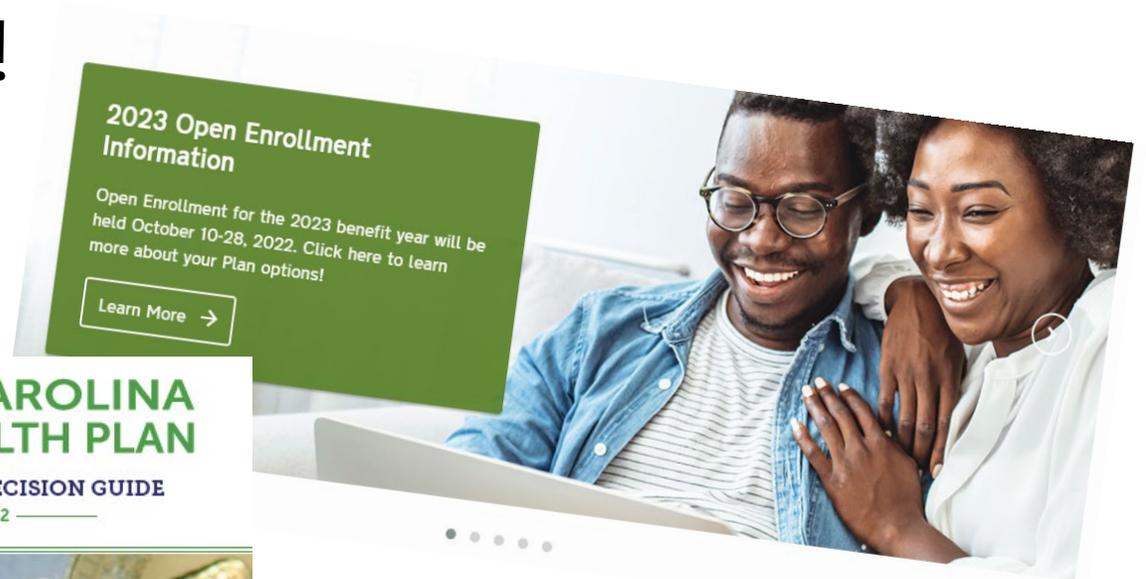


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Open Enrollment Coming Soon!

- ☑ HBR Trainings Complete
- ☑ Website LIVE
- ☑ Association Outreach Under Way
- ☑ Decision Guides Printing

Open Enrollment October 10-28, 2022



Active Members
2023 State Health Plan Benefit Information

Non-Medicare Members
2023 State Health Plan Benefit Information

Medicare-eligible Members
2023 State Health Plan Benefit Information

High Deductible Health Plan (HDHP)
2023 State Health Plan Benefit Information

Individual Members (COBRA/Directly Invoiced)
2023 State Health Plan Benefit Information



Medicare Outreach Meetings Starting Soon!

- Plan staff will be hitting the road soon for our first in-person, Open Enrollment Medicare Outreach meetings since 2019!
- 24 in-person events scheduled statewide!
- 10 Webinars and 2 Telephone Town Halls will also be offered.

Webinar Events

September 15	10AM
September 23	2PM
September 26	10AM
September 30	2PM
October 4	10AM
October 7	2PM
October 10	6PM
October 14	2PM
October 21	10AM
October 24	2PM

Telephone Town Hall Events

October 4	7PM
October 25	2PM




2023 Open Enrollment Medicare Outreach Events

2023 Open Enrollment is October 10-28, 2023. To attend an onsite event, webinar or Telephone Town Hall below, please RSVP by visiting the Plan's website at www.shpnc.org and clicking Outreach Events. If you do not have computer access, call 866-720-0114 Monday-Friday, 9 a.m.-5 p.m. for assistance.

County	Date	Time	Location
Burke	9/22/2022	3-5 p.m.	Morganton Community House Cobb Room I and II 120 N. King Street Morganton, NC 28655
Cabarrus	9/20/2022	10 a.m.-12 p.m.	Embassy Suites Charlotte-Concord Golf Resort and Spa A & B Concord 5400 John Q. Hammons Drive NW Concord, NC 28027
Carteret/Onslow	10/18/2022	3-5 p.m.	Hilton Garden Inn Jacksonville Grand Ballroom 1016 Jacksonville Parkway Jacksonville, NC 28546
Craven	10/19/2022	10 a.m.-12 p.m.	Havelock Tourist & Event Center Main Hall Area B 201 Tourist Center Drive Havelock, NC 28532
Cumberland	10/12/2022	3-5 p.m.	Crown Complex Ballroom 1960 Coliseum Drive Fayetteville, NC 28306
Forsyth	9/28/2022	10 a.m.-12 p.m.	The Enterprise Conference and Banquet Center Davis Room A, B 1922 S. Martin Luther King Jr. Drive Winston-Salem, NC 27107
Gaston	9/21/2022	10 a.m.-12 p.m.	Gastonia Conference Center Grand Ballroom, 2nd floor 145 Dr. Martin Luther King Jr. Way Gastonia, NC 28052
Granville	10/11/2022	10 a.m.-12 p.m.	McGregor Hall PAC (Performing Arts Center) Theater 201 Breckenridge Street Henderson, NC 27536
Guilford	9/28/2022	3-5 p.m.	Greensboro-High Point Marriott Airport Salons D-H One Marriott Drive Greensboro, NC 27409

2023 STATE HEALTH PLAN OPEN ENROLLMENT

MEDICARE OUTREACH EVENT SCHEDULE

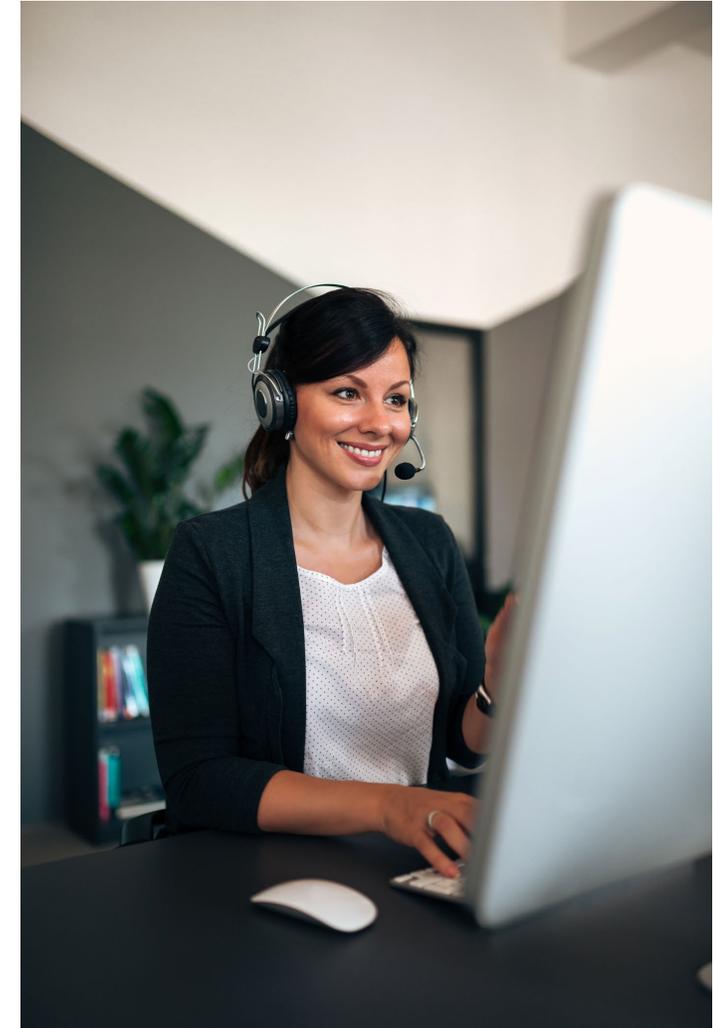
SEE INSIDE
FOR IN-PERSON
AND VIRTUAL EVENT
DATES + TIMES

“ I encourage you to attend one of our events so you can learn more about Open Enrollment. I'm pleased that over 80% of our retirees continue to enjoy the Humana Medicare Advantage (90/10) plans. These plans are different than what you see advertised on television. Our plans often offer better, more comprehensive coverage. In addition, for those eligible, the Base Plan is \$0 for members and just \$4 a month to add a dependent, all at no cost to taxpayers. ”

Dale R. Folwell, CPA • State Treasurer

Eligibility and Enrollment Support Center

- The Eligibility and Enrollment Support Center will have extended hours during Open Enrollment:
 - Monday-Friday, 8 a.m. - 10 p.m.
 - Saturdays, 8 a.m. - 5 p.m.
- Benefitfocus will continue to utilize their virtual hold feature, which members took advantage of last year, resulting in a better call experience.





Bundle Payment Program

Board of Trustees Meeting

September 14, 2022

Joint Replacement Program Overview

- The Plan's joint replacement program is for eligible employees in need of knee, hip or shoulder replacement surgery performed by participating providers.
- The program simplifies the entire process – from pre-surgery consults and testing, to post-surgery follow-up and physical therapy, with one simple payment.
- If a member is deemed eligible for the program, they may be eligible for a single copay instead having their deductible and coinsurance applied to their surgery.
- This bundled payment includes the cost of the following medical charges:
 - Orthopedic surgeon visits
 - Hospital or surgical facility care
 - Anesthesia
 - Physical Therapy visits
 - Emergency Room visits related to your surgery



Joint Replacement Program Timeline & Providers

10.01.20

Pilot Program Launch

- Enhanced PPO Plan (80/20) – \$1,250 Deductible Not Applied
- Base PPO Plan (70/30) – \$1,500 Deductible Not Applied

7.01.21

Adjusted Participant Cost Share

- Enhanced PPO Plan (80/20) – Member pays a \$600 copay
- Base PPO Plan (70/30) – Member pays a \$900 copay

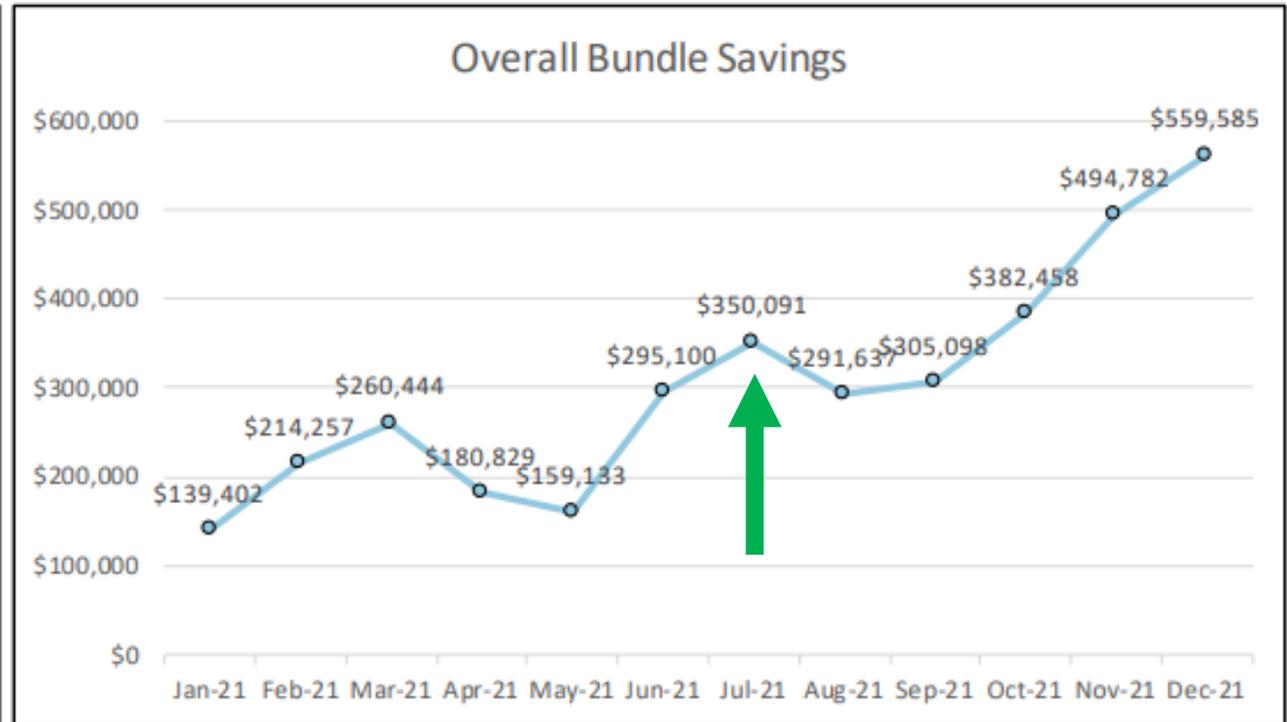
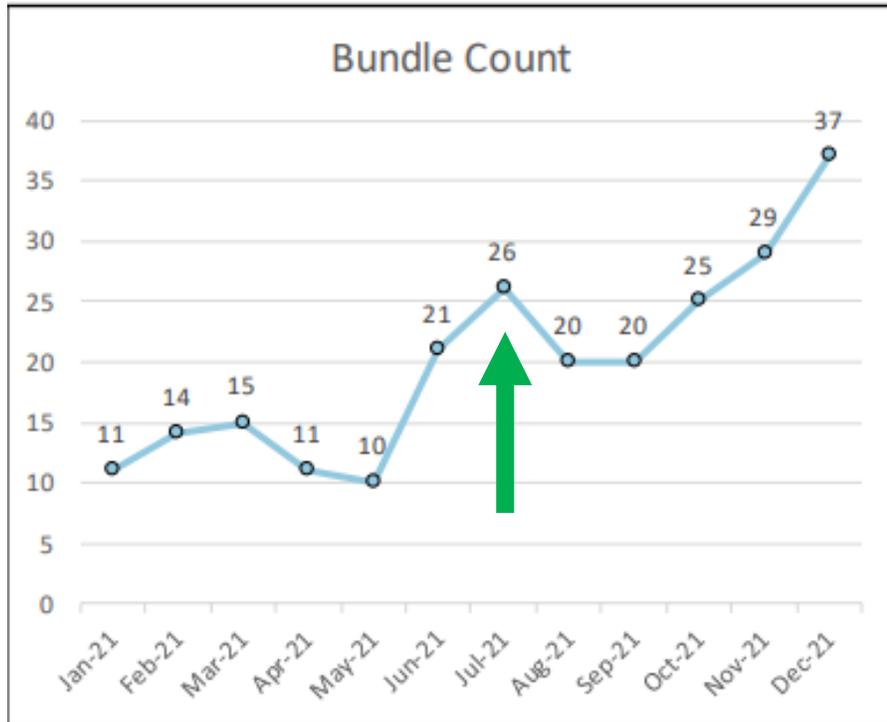
5.01.22

Blue Cross NC Participant Survey

- 70 members answered four questions.
- In addition, members provided personal feedback on their individual experiences.

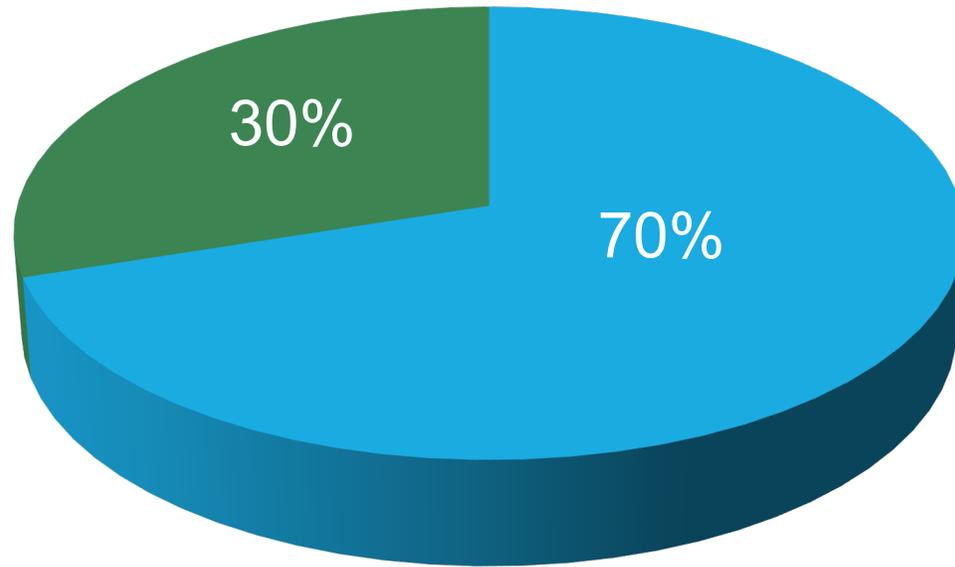
Participating Providers	Joint Replacement Procedures
Surgical Center of Greensboro	knee, hip and shoulder replacement
OrthoCarolina	knee and hip replacement
EmergeOrtho PA	knee and hip replacement
Surgical Center of Pinehurst	knee, hip and shoulder replacement
Raleigh Bone and Joint	knee replacement

Overall Bundle Count & Savings



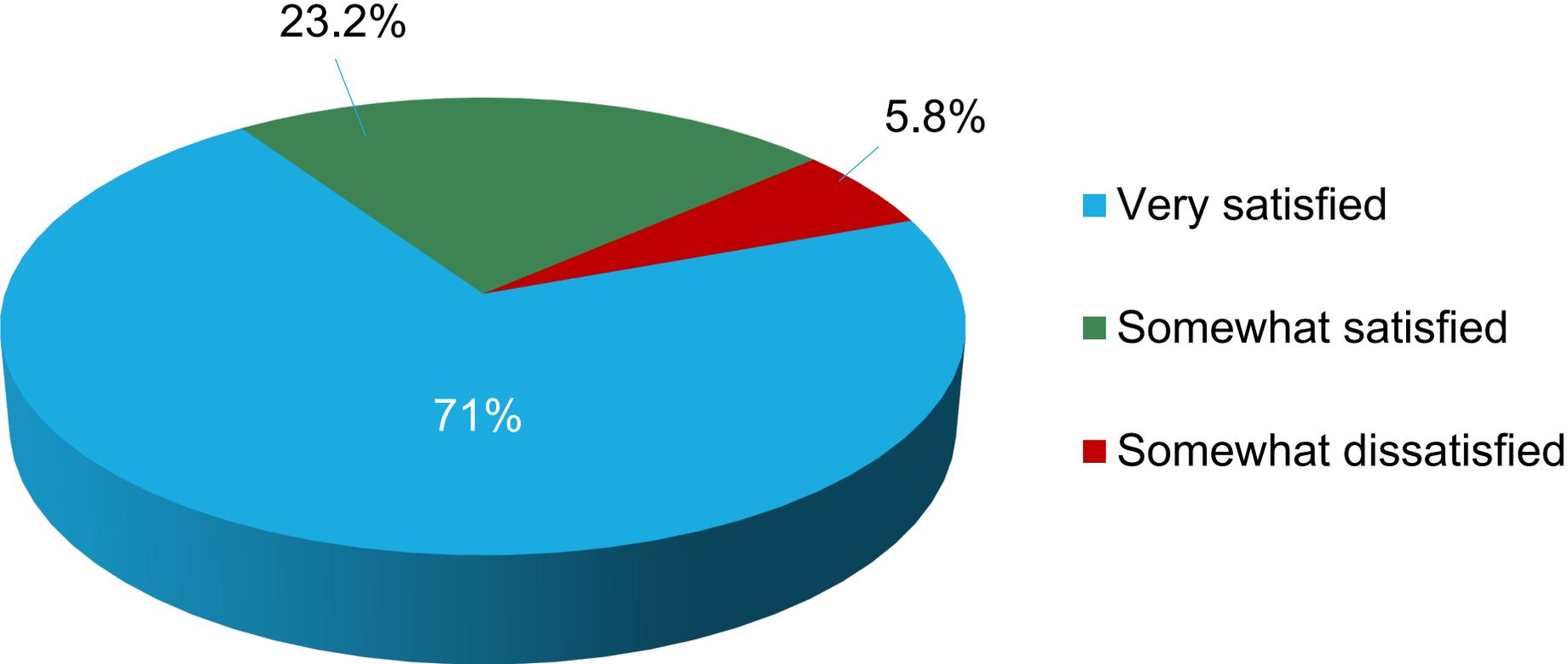
New Cost Share Incentive Started

Percentage Count by Joint Replacement Type

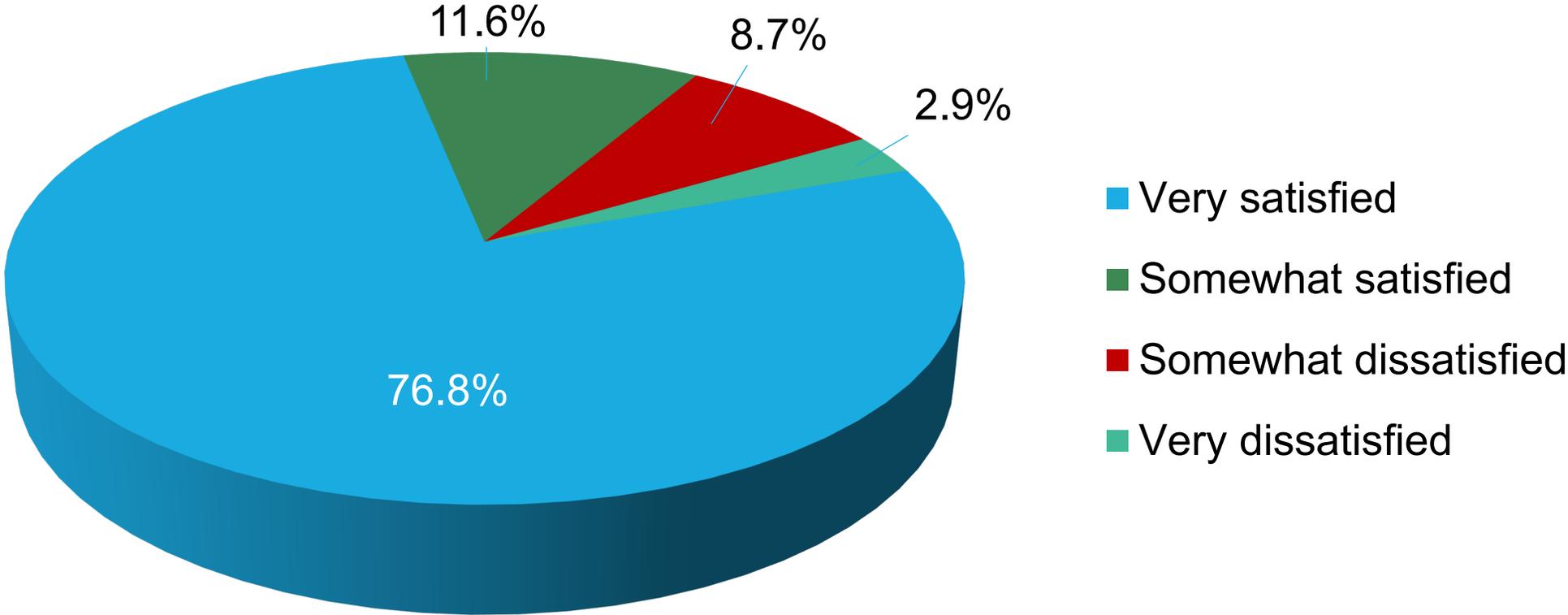


- Knee Replacement
- Hip Replacement

How Satisfied Are You with Plan as Health Benefits Provider?

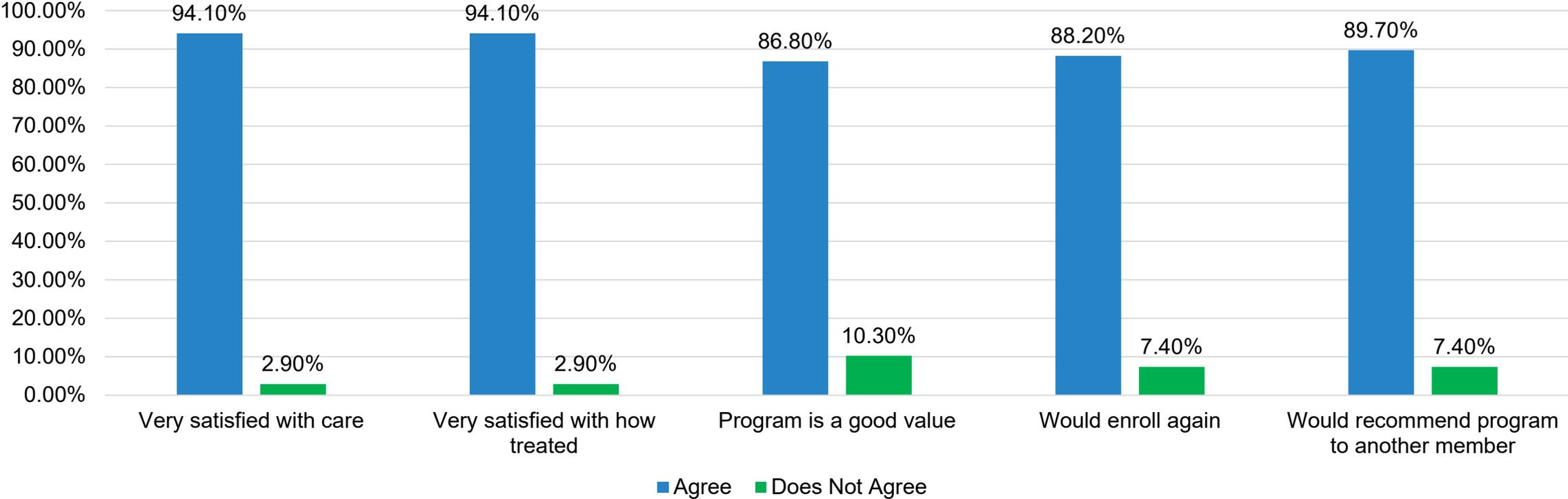


How Satisfied Are You with Replacement Program Experience?



Satisfaction Measurements

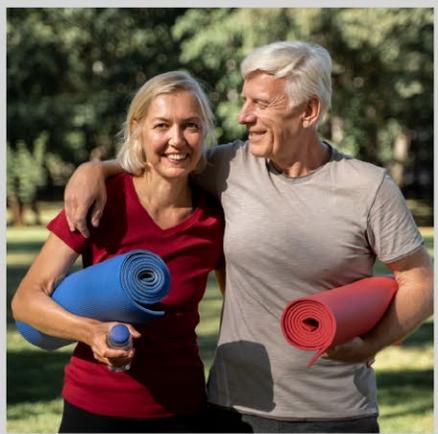
Level of Agreement with These Statements:



Member Testimonials

- “Wonderful program. It saved me so much money out of pocket and I had excellent care for both of my knee replacements.”
- “It was so much easier to have my total knee replacement through the bundle payment program than the typical process.”
- “Participating in the bundle program totally eliminated the financial anxiety that typically accompanies major surgery.”
- “An easy process and cost saving program! I much prefer this to multiple bills.”





Financial Update

Board of Trustees Meeting

September 14, 2022

Financial Results: Actual vs. Budgeted Fiscal Year to Date June 2022

Fiscal Year 2022	Actual thru JUNE 2022	Authorized Budget (per Segal 8-05-21)	Variance Fav/(Unfav) Budget
Beginning Cash Balance	\$765.9m	\$986.0m	(\$220.2m)
Plan Revenue	\$3.974b	\$3.859b	\$115.2m
Net Claims Payments	\$3.773b	\$3.884b	\$110.5m
Medicare Advantage Premiums	\$13.5m	\$14.6m	\$1.0m
Net Administrative Expenses	\$146.0m	\$177.9m	\$31.9m
Total Plan Expenses	\$3.933b	\$4.076b	\$143.5m
Net Income/(Loss)	\$41.2m	(\$217.5m)	\$258.6m
Non-Operating Cash Transfer	\$172.0m	\$0	(\$172.0m)
Covid-19 Reimbursement	\$215.0m	\$215.0m	\$0m
Ending Cash Balance	\$850.1m	\$983.6m	(\$113.5m)
Target Stabilization Reserve (TSR)	\$349.6m	\$349.6m	\$0

Financial Results: Fiscal Year to Date June 2022 [FY21/FY22]

Fiscal Year 2022	Actual thru JUNE 2022	Actual thru JUNE 2021	Variance Fav/(Unfav)
Beginning Cash Balance	\$766.0m	\$1.032b	(\$266.5m)
Plan Revenue	\$3.974b	\$3.766b	\$207.9m
Net Claims Payments	\$3.773b	\$3.590b	(\$183.4m)
Medicare Advantage Premiums	\$13.5m	\$96.7m	\$83.2m
Net Administrative Expenses	\$146.0m	\$158.9m	\$13.0
Total Plan Expenses	\$3.933b	\$3.846b	(\$87.2m)
Net Income/(Loss)	\$41.2m	(\$79.5m)	\$120.7m
Non-Operating Cash Transfer	\$172.0m	\$187.0m	\$15.0m
COVID-19 Reimbursement	\$215.0m	\$0	\$215.0m
Ending Cash Balance	\$850.1m	\$765.9m	\$84.2
Target Stabilization Reserve (TSR)	\$349.6m	\$334.2m	\$15.3m

Financial Results: Actual vs. Budgeted Calendar Year to Date June 2022

Calendar Year 2022	Actual thru JUNE 2022	Authorized Budget (per Segal 05-2022)	Variance Fav/(Unfav) Budget
Beginning Cash Balance	\$590.7m	\$596.5m	(\$5.8m)
Plan Revenue	\$1.975b	\$1.998b	(\$23.6m)
Net Claims Payments	\$1.791b	\$1.938b	\$122.0m
Medicare Advantage Premiums	\$6.2m	\$7.3m	\$1.1m
Net Administrative Expenses	\$64.4m	\$63.6m	(\$783.3k)
Total Plan Expenses	\$1.861b	\$2.009b	\$147.1m
Net Income/(Loss)	\$113.3m	(\$10.2m)	\$123.5m
Non-Operating Cash Transfer	\$69.0m	\$0	(\$69.0m)
Covid-19 Reimbursement	\$215.0m	\$215.0m	\$0
Ending Cash Balance	\$850.1m	\$801.3m	\$48.8m
Target Stabilization Reserve (TSR)	\$359.9m	\$359.9m	\$0

Financial Results: Calendar Year to Date June 2022 [CY21/CY22]

Calendar Year 2022	Actual thru JUNE 2022	Actual thru JUNE 2021	Variance Fav/(Unfav)
Beginning Cash Balance	\$590.7m	\$1.064b	(\$473.2m)
Plan Revenue	\$1.974b	\$1.827b	\$147.6m
Net Claims Payments	\$1.791b	\$1.844b	\$52.8m
Medicare Advantage Premiums	\$ 6.2m	\$ 5.5m	(\$686k)
Net Administrative Expenses	\$ 64.3m	\$ 89.0m	\$24.7m
Total Plan Expenses	\$1.861b	\$1.938b	\$76.8m
Net Income/(Loss)	\$113.3m	(\$111.0m)	\$224.3m
Non-Operating Cash Transfer	\$69.0m	\$187.0m	\$118.0m
COVID-19 Reimbursement	\$215.0m	\$0	\$215.0m
Ending Cash Balance	\$850.1m	\$765.9m	\$84.2m
Target Stabilization Reserve (TSR)	\$359.9m	\$336.9m	\$22.9m

COVID-19 Costs Update

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COVID-19 Costs by Period (Testing, Treatment and Vaccinations)

	CY 2020	CY 2021	CY 2022	Total COVID-19 Related Claims Paid Through 8/31/22
PCR Test	\$37,683,534	\$73,227,718	\$40,610,626	\$151,521,878
Antibody Test	\$691,010	\$699,024	\$219,678	\$1,609,712
Screening	\$13,054,964	\$18,487,617	\$10,679,602	\$42,222,183
Vaccines	\$10,965	\$7,976,949	\$1,447,077	\$9,434,991
Treatment	\$50,882,114	\$99,571,769	\$43,054,747	\$193,508,630
PBM	N/A	\$13,344,888	\$5,332,388	\$18,677,276
Total	\$102,322,587	\$213,307,965	\$101,344,118	\$416,974,670



Health Care Data Model (HCDCM) Update

Board of Trustees Meeting
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HCDM Status Updates

- Successfully transitioned the HCDM from being externally hosted through GDAC at SAS, to now fully stood up in the DST/ITD environment
 - Moved from flat file environment to relational database
 - Allows for greater functionality
 - Improved customer service
- More than 2 billion records
- Utilized for internal and external reporting
- Vendors using this data
- Now part of daily business

Value of the HCDM

1. Transparency: provides direct insight into the Plan's data
2. Accuracy: improved tracking of data elements across vendor data
3. Independence: the Plan is not beholden to vendors to provide analysis

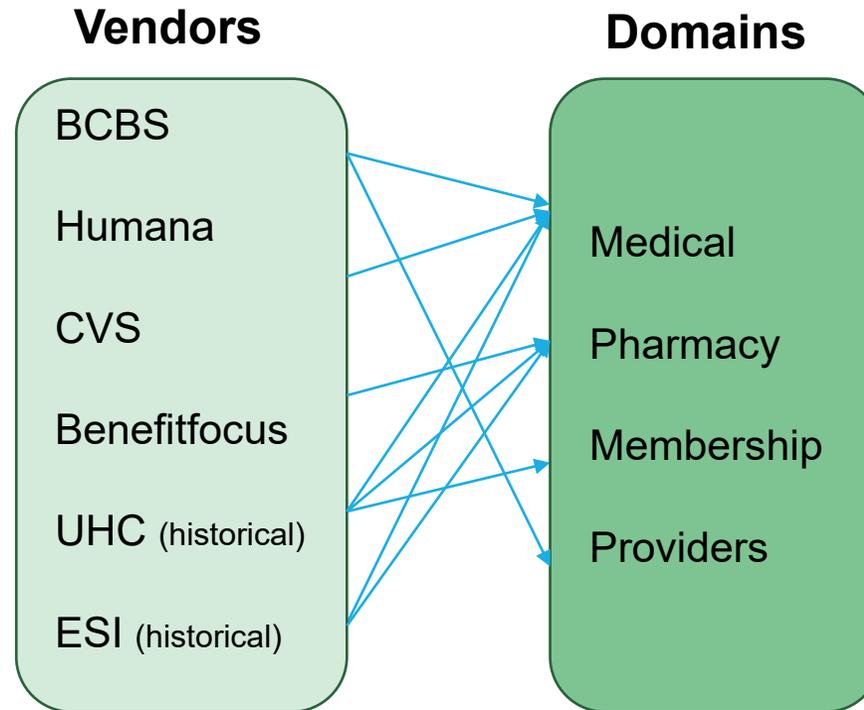
Allows for: data-driven decision making, replying to requests from various sources, improved analysis capabilities, greater flexibility, etc.

SHP Data Warehouse

Key Benefits

- Assembles vendor data into business domains regardless of vendor
- Provides a single member identifier enabling easier searches
- Standardizes data collection, transformation, and loading to ensure high-quality data

- Old Warehouse**
- Organized by vendor file (difficult to query across vendors)
 - Each vendor file has own member identifier (difficult to query across vendors)
 - Multiple files for each vendor, by date (error prone, data missed)



- New Warehouse**
- Organized by SHP needs (consolidated across vendors)
 - 1 unique member identifier across all vendors (easier to query across vendors)
 - Easier to add new vendors or data types

Examples of HCDCM Projects and Activities

- Wilmington Health Pilot
- All-County Membership Analysis
- Regional Membership Reports
- Mercer Membership Survey
- Opioid Analysis
- CPP Analysis
- Hearing aids spend analysis
- Paxlovid utilization/costs
- Shingles vaccine costs
- Medicare members by county analysis
- Insulin analysis
- UNC Sheps Data Sharing
- HIEA Data Sharing
- OAH Case data requests
- Segal Reports:
 - Population Health Reports
 - TPA RFP data
- Various provider/facility analyses
- Public records requests
- Routine membership reports
- CVS Drug Tier Check (Audit)
- PBM Implementation activities
- Multiple BRDs/ADMs etc.
- Dashboards
- Information Governance Committee activities
- Vendor file updates & testing
- Automating recurring internal & external reports
- Phase II planning activities