

Center for Collaborative Solutions/ The CECHCR Project

April 9, 2019

Presenters:

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Today's Agenda

- ◆ Timeline Review
- ◆ Year to Date Work Completed
- ◆ Update on Vendor Responses
- ◆ Recap of Network Coverage and Plan Comparison
- ◆ Important Terms
- ◆ Criteria Overview
- ◆ Matrix Review
- ◆ Questions

Time Line Review

Action	Purpose	Date	Progress
Committee Meeting	Establishment of Commitment and Timeline	1/8/19	COMPLETED
Committee Meeting	Network Coverage Training	2/12/19	COMPLETED
CSEA 651	Information/Update Session with Constituents	2/27/19	COMPLETED
CSEA 262	Information/Update Session with Constituents	3/7/19	COMPLETED
CSEA 651	Update meeting with CSEA leadership	3/7/19	COMPLETED
Committee Meeting	Plan Comparison Training	3/12/19	COMPLETED
Committee Meeting	Overall Matrix	4/9/19	
*CalPERS Preliminary Rates Released	Comparative review of CalPERS vs. Third Party Administrators 2020 Rates	5/15/15	
Go/No-Go Decision	All Mt SAC parties to make a decision on if a transition to a new Third Party Administrator will occur	May	

Year to Date Work Completed

- ◆ Initial Review of Original RFPs
- ◆ Request for Census Information
- ◆ Bargaining Unit Information Sessions
- ◆ RFP Cover Letters Submitted to Vendors
- ◆ RFP Supplement Submitted to Vendors
- ◆ Additional Bargaining Unit Information Sessions
- ◆ Updated Matrix with Contending Vendors

Update on Vendor Responses

- ◆ Responses to RFP supplement follow ups:
 - SISC
 - CVT
 - VEBA

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Recap of Network Disruption & Quality of Healthcare

Network Disruption

Is my doctor in the plan?

Hospital Name	Anthem Plans (1)			Blue Shield (2)	HealthNet (3)		United (4)	Kaiser (5)
	PERS Choice, Select & CARE	Select HMO	Traditional HMO	Access + HMO	SmartCare HMO	Salud y Mas HMO	United Healthcare HMO	Kaiser
Number of Contacted Hospitals	76	75	76	78	45	17	15	6
Number of Contracted Physicians	37,181	10,460	9,844	11,812	7,306	4,481	3,038	8,851
Quality Index of Network (Grade Point Average)	2.6	2.6	2.6	2.7	2.4	2.2	2.4	3.7
Quality Index of Plan Carrier	63%	63%	63%	63%	65%	65%	64%	93%
Distribution of Current Mt Sac Enrollment (Active + Retirees)	36%	2%	0%	14%	1%	3%	2%	41%

79% already in Kaiser & Anthem Plans

Summarized Comparison

CalPERS

- ◆ 10 carrier options
- ◆ HMO and PPO options
- ◆ PBM*: BS Access+ utilizes CVS/Caremark, all other plans except Kaiser utilize Optum Rx

**PBM is a Pharmacy Benefit Managers, which is the entity that manages pharmacy benefits.*

SISC/CVT/VEBA

- ◆ SISC and CVT offer Anthem Blue Cross, Blue Shield and Kaiser carrier options
- ◆ *VEBA offers UnitedHealthcare and Cigna plan options only*
- ◆ **All **SISC** plans except Kaiser utilize **Navitus Rx PBM***
- ◆ **All **CVT** plans except Kaiser utilize **CVS/Caremark Rx PBM***
- ◆ *All **VEBA** plans utilize **Express Scripts Rx PBM***

*** HealthNet, United Healthcare and Sharp are unavailable through SISC and CVT so provider availability search will be necessary*

Quality Ratings Sites

◆ Hospital Ratings

- <https://www.hospitalsafetygrade.org>
- <http://calhospitalcompare.org>

◆ Medical Group Ratings

- <http://www.opa.ca.gov/Pages/ReportCard.aspx>

◆ Health Plan Ratings

- <http://www.opa.ca.gov/Pages/ReportCard.aspx>

Recap: Find a Provider Links

- ◆ Anthem Blue Cross

<https://www.anthem.com/ca/sisc/>

- ◆ Blue Shield of California

https://blueshieldca21-prod.modolabs.net/find_provider/

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Recap of Plan Comparison

Understanding Actuarial Value

◆ What is Actuarial Value (AV)?

- A measure of the degree of quality of the plan as it relates to costs to the member.

For example, a plan with a 70 percent actuarial value would be expected to pay, on average, 70 percent of a the member's expected medical expenses for essential health benefits. The individuals covered by the plan would be expected to pay, on average, the remaining 30 percent of the expected expenses in the form of deductibles, co-payments, and coinsurance.



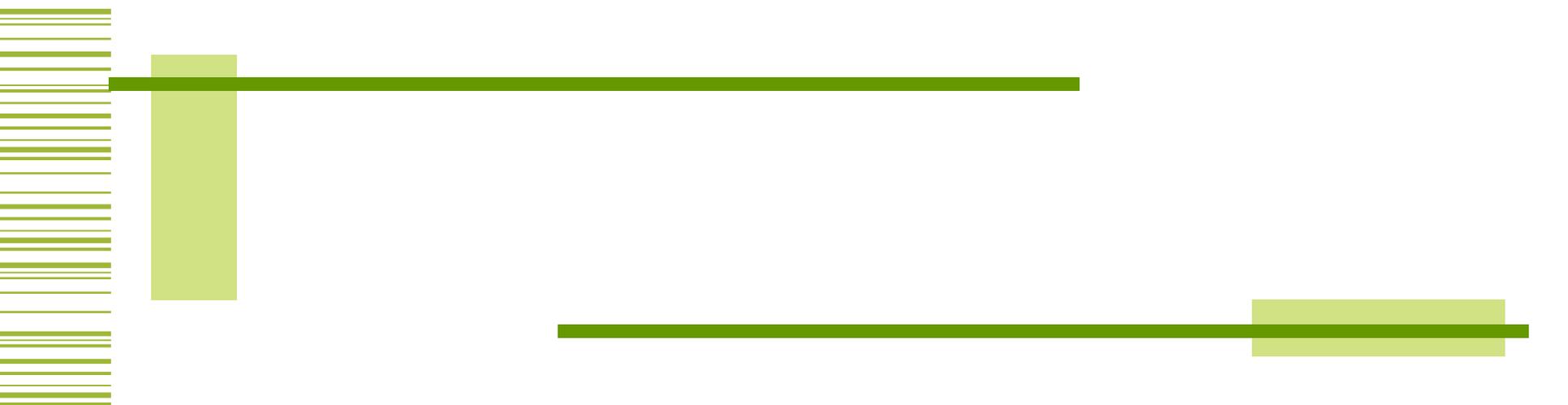
Plan Comparison: Actual Values

2019	CalPERS	SISC	SISC	SISC	SISC	SISC	SISC	SISC
	KAISER	Kaiser Trad HMO \$0	Kaiser Trad HMO \$10	Kaiser Trad HMO \$15	Kaiser Trad HMO \$20	Kaiser Trad HMO \$30	Kaiser Ded HMO \$500	Kaiser Ded HMO \$1,000
	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO
Actuarial Value	95.42%	99.06%	98.04%	97.19%	96.90%	93.17%	89.62%	82.21%

2019	CalPERS	SISC	SISC	SISC	SISC	SISC	SISC	SISC	SISC
	All Non-KP HMOs	Anthem Premier 10	Anthem Premier 20	Anthem Classic 20/40/250	Anthem Value 30/40/500 3-day	Shield \$10 \$0	Shield \$20 \$250	Shield \$30 20%	Shield \$40 40%
	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO
Actuarial Value	95.9%	94.88%	93.35%	92.97%	91.74%	94.88%	93.21%	92.56%	89.86%

***Blue Shield Access Plus is the only HMO with a self referral Option*

2019	CalPERS	CalPERS	CalPERS	SISC	SISC	SISC	SISC	SISC	SISC
	PERS Care (90% PPO Plan)	PERS Choice (80% PPO)	PERS Select - VBID* (80% PPO)	Anthem 100-A \$10	Anthem 90-A \$20	Anthem 80-C \$20	Shield 100 A \$10	Shield 90 A \$20	Shield 80 C \$20
	PPO	PPO	PPO	PPO	PPO	PPO	PPO	PPO	PPO
Actuarial Value	89.4%	86.1%	*83.64%	95.87%	94.17%	93.34%	95.87%	94.17%	93.34%

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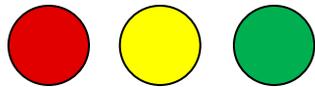
Review of the Criteria Matrix



Vendor Criteria Evaluation

Pool offers better plans at lower cost.

CalPERS	CVT	SISC	VEBA
?	?	?	?



Final vendor bids due 4/30/19
CalPERS rates expected 5/15/19



Vendor Criteria Evaluation

Pools demonstrate stable and competitive rate history

CalPERS	CVT	SISC	VEBA
			?



Vendor Criteria Evaluation

Pools provides premium rates irrespective of residence

CalPERS	CVT	SISC	VEBA
●	●	●	?



Vendor Criteria Evaluation

Pool offers tiered & composite premium rates

CalPERS	CVT	SISC	VEBA
			



Vendor Criteria Evaluation

Pool offers plan variety (*Kaiser, Other HMOs & PPOs*) vision, dental to actives & retirees

CalPERS	CVT	SISC	VEBA
			

****Note:** *There are some Medicare eligible supplement plans part of the CalPERS pool that have dental and/or vision components. These components are not dedicated dental and vision plans available for enrollment for active employees.*



Vendor Criteria Evaluation

Pool offers High Deductible Health Plan/HSA options

CalPERS	CVT	SISC	VEBA
			



Vendor Criteria Evaluation

Pool offers in-network international coverage

CalPERS	CVT	SISC	VEBA
●	●	●	?

***Note: CalPERS, SISC & CVT - PPO plan options include some limited benefit coverage in other countries which is subject to plan requirements and limitations. This should not be considered a plan with full benefit coverage outside of the US.*



Vendor Criteria Evaluation

Pool benefit options meet or exceed current CalPERS plan coverage

CalPERS	CVT	SISC	VEBA
			

***Note: VEBA offers UHC and Cigna plan options only. The UHC options available through VEBA meet or exceed current CalPERS UHC plan coverage.*



Vendor Criteria Evaluation

Pool offers lifetime medical benefits, equivalent or better than CalPERS

CalPERS	CVT	SISC	VEBA
			?

*Note: This is referencing the vendor's ability to offer medical **benefits** to retiree population **ONLY** and does not address any terms established by within the collective bargaining agreements.*



Vendor Criteria Evaluation

Pool includes adequate local provider networks to minimize disruption of member access to care

CalPERS	CVT	SISC	VEBA
			

Note the following:

- *CVT and SISC offer Kaiser, Anthem Blue Cross and Blue Shield Plan options.*
- *CVT and SISC require an election choice between either Kaiser and Anthem Blue Cross **OR** Kaiser and Blue Shield (refer to slide 7 for hospital/provider network as well as enrollment by bargaining unit previously provided).*



Vendor Criteria Evaluation

Plan provides wellness incentives

CalPERS	CVT	SISC	VEBA
			



Vendor Criteria Evaluation

Pool demonstrates experience with higher education

CalPERS	CVT	SISC	VEBA
			



Vendor Criteria Evaluation

Pool offers assistance in transitioning to new plans

CalPERS	CVT	SISC	VEBA
Not applicable	●	●	●



Vendor Criteria Evaluation

Grandfather Opt-Outs

CalPERS	CVT	SISC	VEBA
			?

***Note: CVT will allow Grandfathering of employee opt-out of up to 20 percent of eligible employees. Mt. SAC opt-outs already exceed 20%. SISC will grandfather currently waiving full-time active employees but does not apply to new employees going forward.*



Vendor Criteria Evaluation

Offer plans for employees less than 50% FTE

CalPERS	CVT	SISC	VEBA
●	●	●	?



Vendor Criteria Evaluation

Provide plan utilization data

CalPERS	CVT	SISC	VEBA
			



Vendor Criteria Evaluation

Plans allow flexibility for CBA provisions*

CalPERS	CVT	SISC	VEBA
			

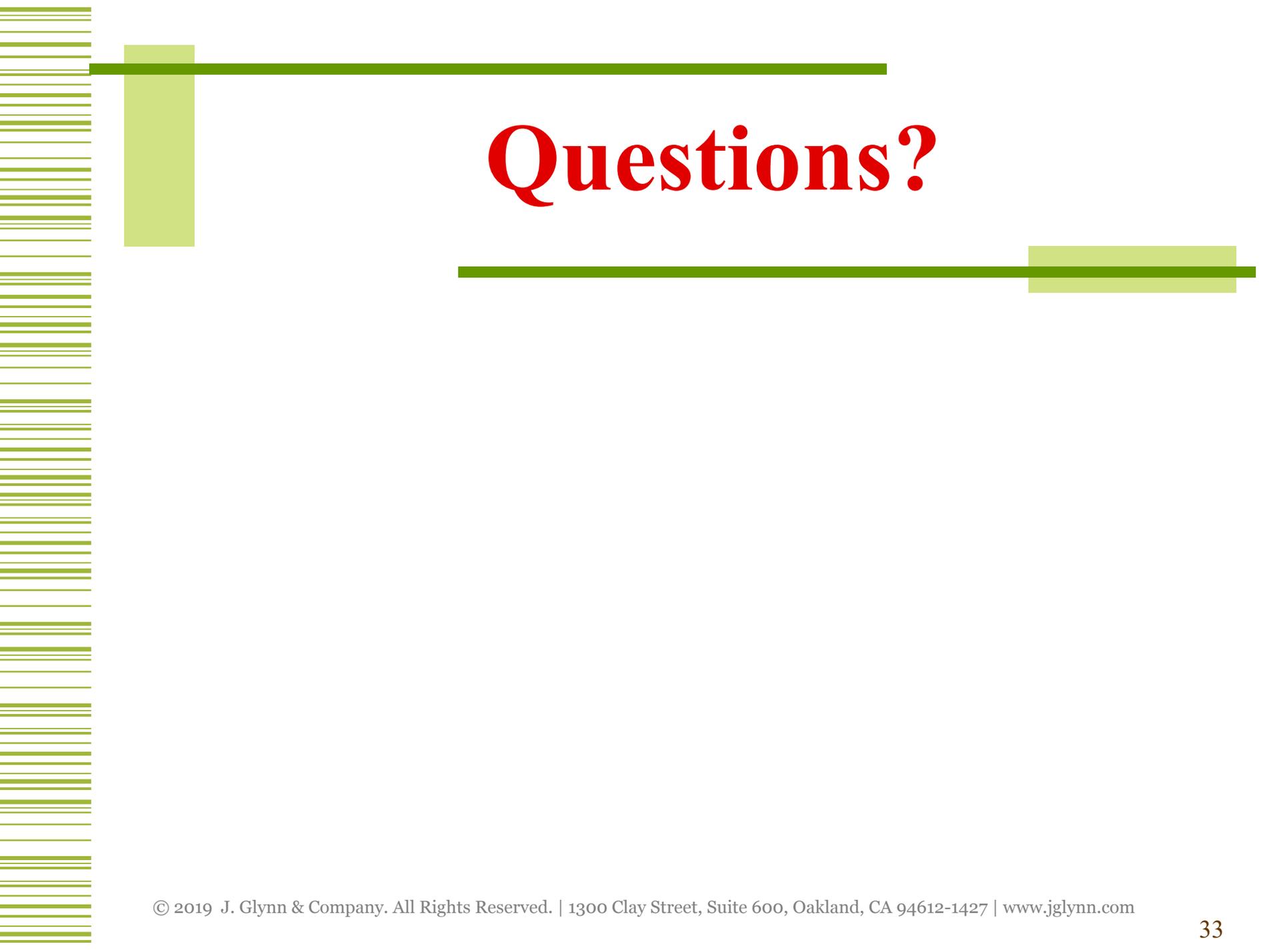
** Generally applies. Specific options may vary.*



Vendor Criteria Evaluation

Ability to provide friendly & simple plan administration.

CalPERS	CVT	SISC	VEBA
			

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Questions?

Thank You &
Stay Healthy!

