

Vermont Health Connect Update

Medicaid & Exchange Advisory Board

Monday, March 23, 2015

Overview

- 2016 Standard Qualified Health Plan (QHP) Changes
- 1095-A Corrections Update
- Assister Summit
- Operations Update and Metrics

Vermont Health Connect 2016 Standard Qualified Health Plan (QHP) Changes

2016 Plan Design Changes: Objectives

- Maintain 2015 plan designs with minimal changes. Some proposed changes require Green Mountain Care Board (GMCB) approval
- Incorporate plan designs using 2016 Actuarial Value (AV) calculator
- Aim for lower end of required AV range to minimize anticipated premium impact, balanced with minimizing changes
- Minimize consumer cost impact from changes: balance necessary increases between deductibles and service cost-shares
- Avoid increases to primary care cost-share wherever possible
- Maintain incentives to utilize lower cost generic Rx

VHC 2016 QHPs: Additional Notes

- No changes were required to standard platinum and gold plans for 2016
- Silver and bronze plans do require changes in cost-share according to the 2016 AV calculator
- The following silver and bronze deductible and High Deductible Health Plans (HDHP) have been proposed to GMCB
- Approval completed March 19

State of Vermont 2016 Standard Plan Designs	Silver Deductible Plan Design Options	
Deductible/OOP Max	Silver 2015 Plan Design	Silver 2016 Proposed Design
Description of Alternative		Keep PCP/MH copay at 2015 level, increase Rx Deductible to offset
General Comments		Deductible does not apply to office visits and generic drugs
Pros of Alternative		Increasing Rx deductible and brand copay will further incent generic util; higher spe OV will also incent more PCP utilization
Cons of Alternative		Large MOOP increase for high cost members; drug getting a higher proportional increase in cost sharing than medical services for moderate to low cost members but drug benefit is currently richer than medical
Type of Plan	Deductible	Deductible
Medical Ded	\$1,900	\$2,000
Rx Ded	\$100	\$150
Integrated Ded	No	No
Medical OOPM	\$5,100	\$5,600
Rx OOPM	\$1,250	\$1,250
Integrated OOPM	No	No
Family Deductible / OOP	Stacked, 2x Individual	Stacked, 2x Individual
Medical Deductible waived for:	Prev, OV, UC, Amb	Prev, OV, UC, Amb
Drug Deductible waived for:	Generic scripts	Generic scripts
Service Category	Copay / Coinsurance	Copay / Coinsurance
Inpatient ¹	40%	40%
Outpatient ²	40%	40%
ER ³	\$250	\$250
Radiology (MRI, CT, PET)	40%	40%
Preventive	\$0	\$0
PCP Office Visit	\$25	\$25
MH/SA Office Visit	\$25	\$25
Specialist Office Visit ⁴	\$45	\$50
Urgent Care	\$60	\$60
Ambulance	\$100	\$100
Rx Generic	\$12	\$15
Rx Preferred Brand	\$50	\$60
Rx Non-Preferred Brand	50%	50%
Actuarial Value		
2015 Federal AVC, Unadjusted	71.5%	N/A
2015 Federal AVC, Adjusted if Necessary	71.5%	N/A
2016 Final Federal AVC, Unadjusted	73.1%	71.6%
2016 Final Federal AVC, Adjusted if Necessary	73.1%	71.6%

2016 Silver Deductible Plan Changes & CSRs

	Medical Deductible	Rx Deductible	Medical MOOP	Specialist Office Visit	Rx Generic	Rx Pref. Brand
Non-CSR	\$2,000 (+ \$100)	\$150 (+ \$50)	\$5,600 (+ \$500)	\$50 (+ \$5)	\$15 (+ \$3)	(\$60) (+ \$10)
73% AV (250–300)	\$2,000 (+ 100)	\$150 (+ \$50)	\$4,500 (+ \$500)	\$50 (+ \$5)	\$15 No Change	(\$60) (+ \$10)
77% AV (200-250)	\$1,600 (+ \$100)	\$150 (+ \$50)	\$3,400 (+ \$400)	\$40 No Change	\$12 No Change	(\$60) (+ \$10)
79% AV (Pending)	\$1,250	\$100	\$2,900	\$40	\$12	\$60
83% AV (Pending)	\$1,000	\$100	\$2,250	\$30	\$12	\$50
87% AV (150 -200)	\$600 No Change	\$100 No Change	\$1,250 No Change	\$30 No Change	\$10 No Change	\$50 No Change
94% AV (133–150)	\$100 No Change	\$0 No Change	\$500 No Change	\$15 No Change	\$5 No Change	\$20 No Change

State of Vermont 2016 Standard Plan Designs		Bronze Deductible Plan Design Options	
Deductible/OOP Max	Bronze 2015 Plan Design	Bronze 2016 Proposed Design	
Description of Alternative		Keep PCP/MH and Rx Generic copays at 2015 level, Increase Rx Deductible to offset	
General Comments		Deductibles apply to all services/scripts so the coin/copays are not a factor until the ded has been met	
Pros of Alternative		Increasing Rx deductible instead of generic copay will incent more generic use	
Cons of Alternative		Large Ded/MOOP increases impact high cost members; Drug getting a higher proportional increase in cost sharing than medical services for moderate cost members but drug benefit is currently richer than medical	
Type of Plan	Deductible	Deductible	
Medical Ded	\$3,500	\$4,000	
Rx Ded	\$300	\$500	
Integrated Ded	No	No	
Medical OOPM	\$6,350	\$6,850	
Rx OOPM	\$1,250	\$1,250	
Integrated OOPM	Rx -No, Medical - Yes	Rx -No, Medical - Yes	
Family Deductible / OOP	Stacked, 2x Individual	Stacked, 2x Individual	
Medical Deductible waived for:	Preventive	Preventive	
Drug Deductible waived for:	Applies to all scripts	Applies to all scripts	
Service Category	Copay / Coinsurance	Copay / Coinsurance	
Inpatient ¹	50%	50%	
Outpatient ²	50%	50%	
ER ³	50%	50%	
Radiology (MRI, CT, PET)	50%	50%	
Preventive	\$0	\$0	
PCP Office Visit	\$35	\$35	
MH/SA Office Visit	\$35	\$35	
Specialist Office Visit ⁴	\$80	\$85	
Urgent Care	\$100	\$100	
Ambulance	\$100	\$100	
Rx Generic	\$20	\$20	
Rx Preferred Brand	\$80	\$80	
Rx Non-Preferred Brand	60%	60%	
Actuarial Value			
2015 Federal AVC, Unadjusted	59.9%	N/A	
2015 Federal AVC, Adjusted if Necessary	61.5%	N/A	
2016 Final Federal AVC, Unadjusted	62.1%	60.4%	
2016 Final Federal AVC, Adjusted if Necessary	63.0%	61.4%	

State of Vermont 2016 Standard Plan Designs	Silver HDHP Design Options		
Deductible/OOP Max	Silver HDHP 2015 Plan Design	Silver HDHP 2016 Proposed Design Option 1	Silver HDHP 2016 Proposed Design Option 2
Description of Alternative		Option #1: Embedded MOOP	Option #2: Stacked MOOP
General Comments		Option if carriers can administer an embedded MOOP; 25% coin needed to limit MOOP increase for CSRs	Option if carriers can not administer an embedded MOOP - Silver CSRs will need to change, larger impact on AV compared to 2015, more difficult to understand than current; 25% coin needed to limit MOOP increase for CSRs
Pros of Alternative		Lower Deductible	Minimal changes compared to 2015
Cons of Alternative		Somewhat higher AV than 2015 which could result in an additional premium increase	Somewhat higher AV than 2015 which could result in an additional premium increase
Type of Plan	HSA Q/HDHP	HSA Q/HDHP	HSA Q/HDHP
Medical Ded	\$1,550	\$1,425	\$1,550
Dental Ded	\$1,300	\$1,300	\$1,300
Integrated Ded	Yes	Yes	Yes
Medical OOPM	\$5,750	\$5,750	\$5,750
Dental OOPM	\$1,300	\$1,300	\$1,300
Integrated OOPM	Rx -No, Medical - Yes	Rx -No, Medical - Yes	Rx -No, Medical - Yes
Family Deductible / OOP	Aggregate, 2x Individual	Aggregate with Combined Medical/Rx embedded \$6,850 Single MOOP; 2x Individual	Ded and Rx MOOP- Aggregate, Combined Medical/Rx MOOP - Stacked; 2x Individual
Medical Deductible waived for:	Preventive	Preventive	Preventive
Dental Deductible waived for:	Wellness scripts	Wellness scripts	Wellness scripts
Service Category	Copay / Coinsurance	Copay / Coinsurance	Copay / Coinsurance
Inpatient ¹	20%	25%	25%
Outpatient ²	20%	25%	25%
Emergency ³	20%	25%	25%
Immunology (MRI, CT, PET)	20%	25%	25%
Preventive	0%	0%	0%
GP Office Visit	10%	10%	10%
NP/SA Office Visit	10%	10%	10%
Specialist Office Visit ⁴	20%	25%	25%
Urgent Care	20%	25%	25%
Ambulance	20%	25%	25%
Generic	\$10	\$10	\$10
Preferred Brand	\$40	\$40	\$40
Non-Preferred Brand	50%	50%	50%
Actuarial Value			
2015 Federal AVC, Unadjusted	70.3%	N/A	N/A
2015 Federal AVC, Adjusted if Necessary	68.7%	N/A	N/A
2016 Final Federal AVC, Unadjusted	72.9%	72.5%	71.9%
2016 Final Federal AVC, Adjusted if Necessary	70.9%	70.1%	70.1%
Federal HDHP MOOP limits are not yet released for 2016. The 2015 single limit is \$6,450 and on average increases around \$100 a year.			

2016 Silver HDHP Cost-Share Changes: 73% CSR

	Medical Deductible	Medical MOOP	Inpatient, Outpatient, ER, Radiology, Specialist, Urgent Care, Ambulance	Rx Generic	Rx Pref. Brand
2015	\$1,400	\$3,400	20%	\$10	\$40
2016 Option 1	\$1,425 (+ \$25)	\$3,800 (+ \$400)	25% (+ 5%)	\$10 No Change	\$40 No Change
2016 Option 2	\$1,550 (+ \$150)	\$4,250 (+ \$850)	25% (+ 5%)	\$10 No Change	\$40 No Change

2016 Silver HDHP Cost-Share Changes: 77% CSR

	Medical Deductible	Medical MOOP	Inpatient, Outpatient, ER, Radiology, Specialist, Urgent Care, Ambulance	Rx Generic	Rx Pref. Brand
2015	\$1,300	\$2,500	20%	\$5	\$30
2016 Option 1	\$1,300 No Change	\$2,700 (+ \$200)	25% (+ 5%)	\$10 (+ \$5)	\$40 (+ \$10)
2016 Option 2	\$1,400 (+ \$100)	\$3,100 (+ \$600)	25% (+ 5%)	\$10 (+ \$5)	\$40 (+ \$10)

2016 Silver HDHP Cost-Share Changes: 79% CSR (Pending)

	Medical Deductible	Medical MOOP	Inpatient, Outpatient, ER, Radiology, Specialist, Urgent Care, Ambulance	Rx Generic	Rx Pref. Brand
2016 Option 1	\$1,300	\$2,400	20%	\$5	\$15
2016 Option 2	\$1,300	\$2,900	20%	\$5	\$15

2016 Silver HDHP Cost-Share Changes: 83% CSR (Pending)

	Medical Deductible	Medical MOOP	Inpatient, Outpatient, ER, Radiology, Specialist, Urgent Care, Ambulance	Rx Generic	Rx Pref. Brand
2016 Option 1	\$1,300	\$1,650	10%	\$5	\$10
2016 Option 2	\$1,300	\$2,000	10%	\$5	\$10

2016 Silver HDHP Cost-Share Changes: 87% CSR

	Medical Deductible	Medical MOOP	Inpatient, Outpatient, ER, Radiology, Specialist, Urgent Care, Ambulance	Rx Generic	Rx Pref. Brand
2015	\$1,000	\$1,000	0%	\$0	\$0
2016 Option 1	\$1,150 (+ \$150)	\$1,150 (+ \$150)	0% No Change	\$0 No Change	\$0 No Change
2016 Option 2	\$1,200 (+ \$200)	\$1,200 (+ \$200)	0% No Change	\$0 No Change	\$0 No Change

2016 Silver HDHP Cost-Share Changes: 94% CSR

	Medical Deductible	Medical MOOP	Inpatient, Outpatient, ER, Radiology, Specialist, Urgent Care, Ambulance	Rx Generic	Rx Pref. Brand
2015	\$450	\$450	0%	\$0	\$0
2016 Option 1	\$500 (+ \$50)	\$500 (+ \$50)	0% No Change	\$0 No Change	\$0 No Change
2016 Option 2	\$500 (+ \$50)	\$500 (+ \$50)	0% No Change	\$0 No Change	\$0 No Change

State of Vermont 2016 Standard Plan Designs	Bronze HDHP Plan Design Options		
Deductible/OOP Max	Bronze 2015 Plan Design	Bronze HDHP 2016 Proposed Design Option 1	Bronze HDHP 2016 Proposed Design Option 2
Description of Alternative		Option #1: Embedded MOOP	Option #2: Stacked MOOP
General Comments		Option if carriers can administer an embedded MOOP - less impact to plan designs than stacked MOOP	Option if carriers can not administer an embedded MOOP - larger impact on AV compared to 2015; more difficult to understand than current
Pros of Alternative		Complies with federal requirements	Complies with federal requirements
Cons of Alternative		High deductible but no alternative due to new federal regulation	Larger impact on deductible
Type of Plan	HSA Q/HDHP	HSA Q/HDHP	HSA Q/HDHP
Medical Ded	\$2,000	\$4,100	\$4,400
Rx Ded	\$1,300	\$1,300	\$1,300
Integrated Ded	Yes	Yes	Yes
Medical OOPM	\$6,250	\$6,500	\$6,500
Rx OOPM	\$1,300	\$1,300	\$1,300
Integrated OOPM	Rx -No, Medical - Yes	Rx -No, Medical - Yes	Rx -No, Medical - Yes
Family Deductible / OOP	Aggregate, 2x Individual	Aggregate with Combined Medical/Rx embedded \$6,850 Single MOOP; 2x Individual	Ded and Rx MOOP- Aggregate, Combined Medical/Rx MOOP - Stacked; 2x Individual
Medical Deductible waived for:	Preventive	Preventive	Preventive
Drug Deductible waived for:	Wellness scripts	Wellness scripts	Wellness scripts
Service Category	Copay / Coinsurance	Copay / Coinsurance	Copay / Coinsurance
Inpatient ¹	50%	50%	50%
Outpatient ²	50%	50%	50%
ER ³	50%	50%	50%
Radiology (MRI, CT, PET)	50%	50%	50%
Preventive	0%	0%	0%
PCP Office Visit	50%	50%	50%
MH/SA Office Visit	50%	50%	50%
Specialist Office Visit ⁴	50%	50%	50%
Urgent Care	50%	50%	50%
Ambulance	50%	50%	50%
Rx Generic	\$12	\$12	\$12
Rx Preferred Brand	40%	40%	40%
Rx Non-Preferred Brand	60%	60%	60%
Actuarial Value			
2015 Federal AVC, Unadjusted	63.6%	N/A	N/A
2015 Federal AVC, Adjusted if Necessary	60.9%	N/A	N/A
2016 Final Federal AVC, Unadjusted	65.5%	61.4%	61.4%
2016 Final Federal AVC, Adjusted if Necessary	63.5%	61.0%	61.0%
Federal HDHP MOOP limits are not yet released for 2016. The 2015 single limit is \$6,450 and on average increases around \$100 a year.			

1095-A Corrections Updates

1095-A Corrections Updates

- The first two batches of corrected 1095-A forms, plus about 180 new ones that were ready (2,034), were mailed on March 6.
- 366 notices were mailed on March 13.
- They continue to go out in weekly batches as needed on Fridays.

1095-A Corrections Updates

- New FAQs on 1095-As and tax filing have been distributed to tax professionals and to the public and posted on our website.
- An informal “Reconsideration Process” is available for customers who dispute their 1095-As.
- The Reconsideration Process is more efficient for customers because it specifically addresses 1095-A issues and is a paper review, rather than a formal hearing.

1095-A Corrections Updates

- VHC does not anticipate further delays on sending corrected 1095-As.
- Most 1095-A Corrections do not necessitate a CoC.
- Anticipated turn-around is 2-3 weeks for COCs, plus time for the corrected form to go out in the next batch.

1095-A Corrections Updates

- IRS has been suggesting two options for taxpayers who are awaiting corrected 1095-A forms and are concerned about filing late:
 - 1) File for an extension and pay estimated income tax due, OR
 - 2) File taxes now, then amend return with a corrected 1095-A.
- Important IRS announcement last Friday (March 20)
 - Taxpayers won't have to amend a return if corrected 1095-A comes after they file
 - If the corrected form would benefit them, taxpayers will still have the option to amend their return
 - More details to follow

Assister Program

Assister Summit

- To be held on April 6, 2015
- In Barre, Vermont
- Formal Announcement this week
- Bob Skowronski will join for a working lunch
- Please direct questions to
 - Brady Hoffman, Assister Program Director

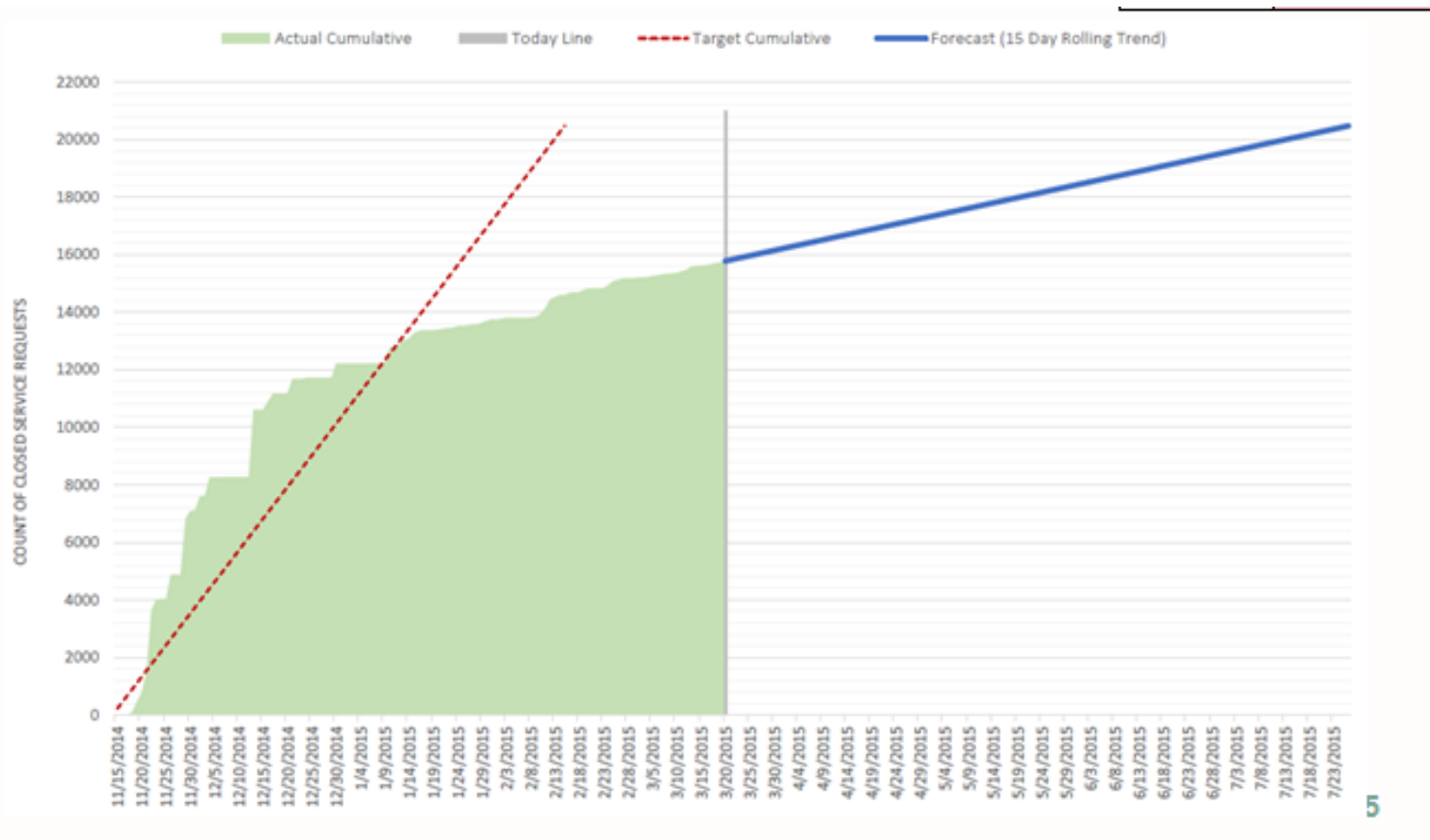
Operations Update and Metrics

Key Milestones

Key Milestones Announced by the Governor Friday:

- End of May – COC Functionality
- October – Customer service staff will process changes that are reported by the 15th day of a month in time for next invoice
- October – Renewal Functionality

Open Enrollment Progress Tracking



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Renewals

Active 2015 Renewals						
Renewal Cases by Type	Open			Processed in VHC System, Awaiting Integration (Lion's Den)		
	as of 3/17	as of 2/17	Change	as of 3/17	as of 2/17	Change
No-Change Renewals	74	1,312	-1,238	N/A	N/A	N/A
Eligibility/Plan Change Renewals	2,890	4,683	-1,793	2,545	1,634	+911
Other - Age-offs and Program Change	106	339	-233	917	1,039	-122
Total Renewal Cases	3,070	6,334	-3,264	3,462	2,673	+789

Change of Circumstance

Active 2015 Change of Circumstance						
Change of Circumstance	Open			Processed in VHC System, Awaiting Integration (Lion's Den)		
	as of 3/17	as of 2/17	Change	as of 3/17	as of 2/17	Change
Change of Circumstance (COC) Cases	6,647	6,515	+132	1,257	458	+799

Lion's Den

- With end of open enrollment, we've added new capacity to process change requests.
 - Maximus began working CoCs in February.
 - By training all staff on COCs, HAEU is effectively expanding COC-processing team from 16 to 60+.
 - Has paid off in processing, but integration in Lion's Den has remained a challenge

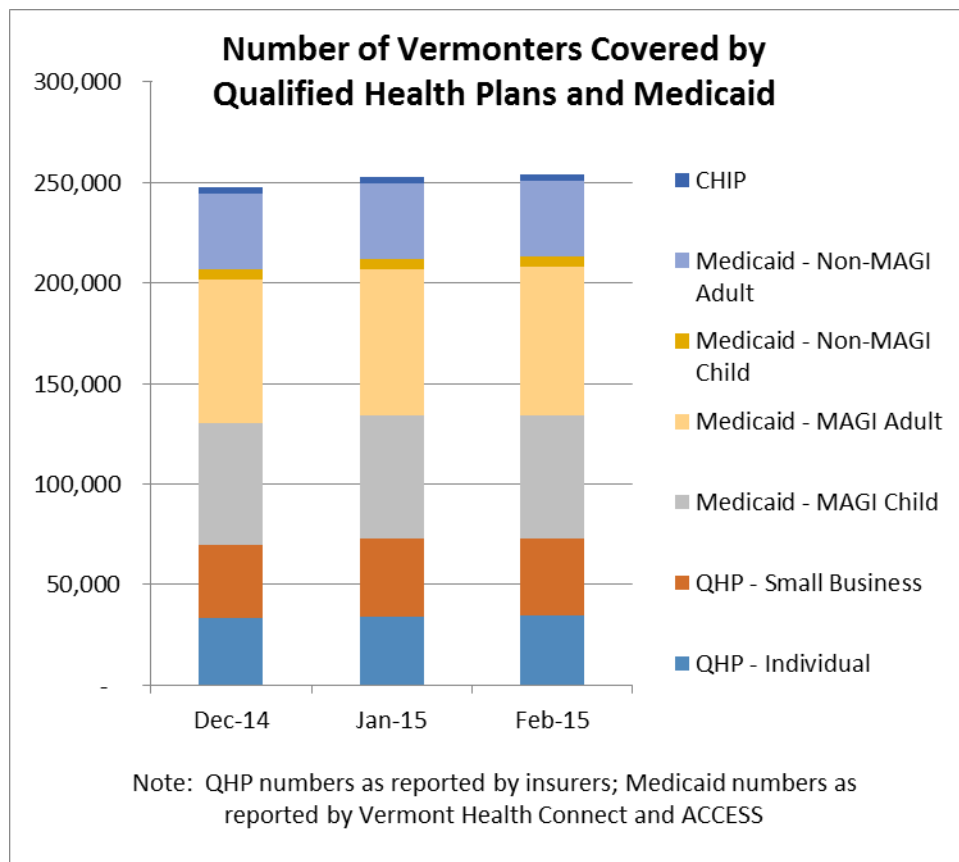
Lion's Den

- New resources added to double the capacity of Lion's Den.
- Lion's Den's move to Essex is being accelerated.

Special Enrollment Periods

- In addition to “typical” qualifying events, there are Special Enrollment Periods this spring for:
 - Vermonters who learn about the new federal fee when they file their taxes.
 - Customers whose eligibility changed in 2015, who received their eligibility determination after open enrollment ended, and now wish to change their plan.

Coverage

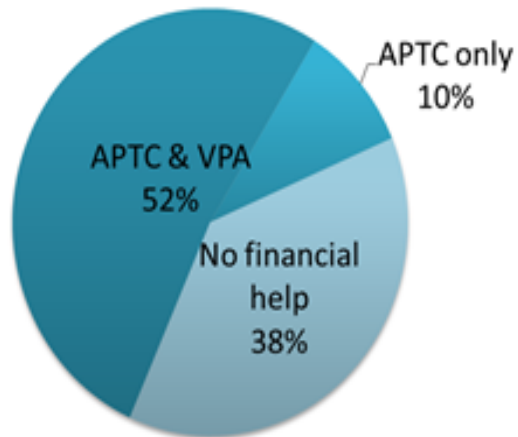


Number of Vermonters Covered by Insurance Type			
	Dec-14	Jan-15	Feb-15
QHP - Individual	33,027	34,038	34,693
QHP - Small Business	36,488	38,543	38,312
Medicaid - MAGI Child	61,013	61,193	61,142
Medicaid - MAGI Adult	70,980	72,749	74,071
Medicaid - Non-MAGI Child	5,083	5,064	5,026
Medicaid - Non-MAGI Adult	37,527	37,616	37,610
CHIP	3,216	3,240	3,223
ALL QHP	69,515	72,581	73,005
ALL MEDICAID & CHIP	177,819	179,862	181,072

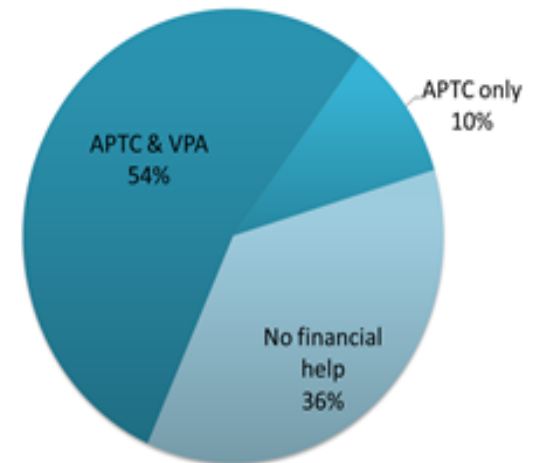
Financial Help

Customers in Private Health Plans (QHP) Receiving Financial Help to Make Health Coverage More Affordable

2015

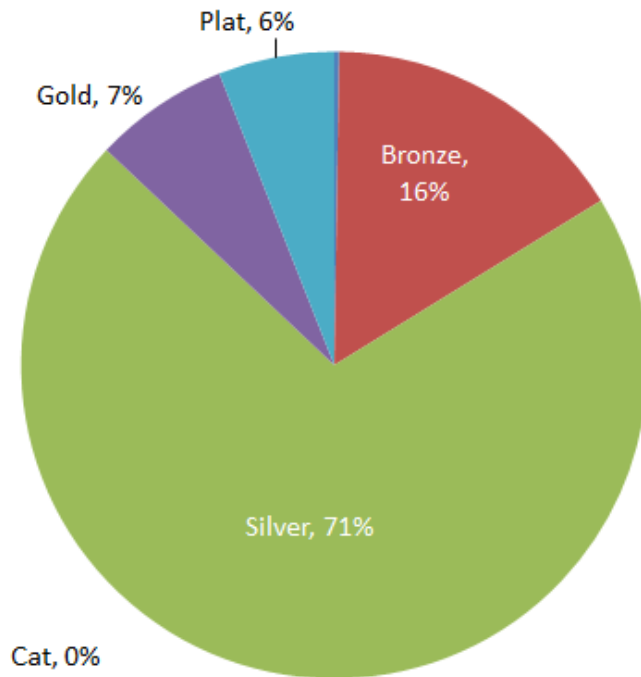


2014

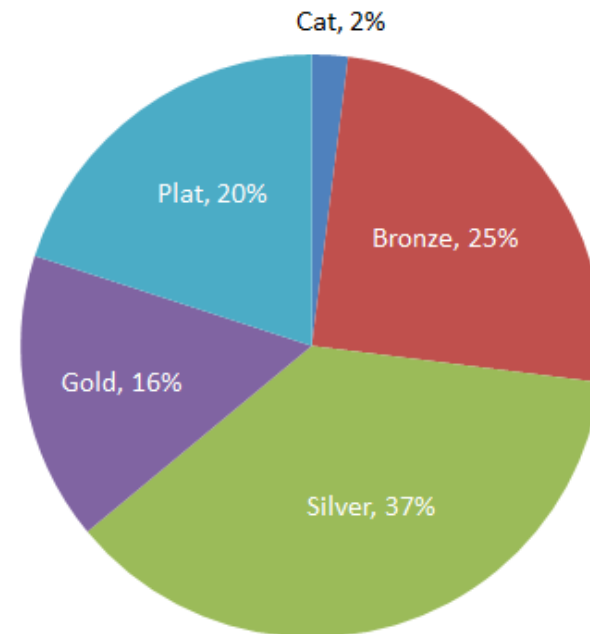


Plan Selection

2015 Metal Level Confirmed
CSR-Eligible Individuals



2015 Metal Level Confirmed
CSR-Ineligible Individuals

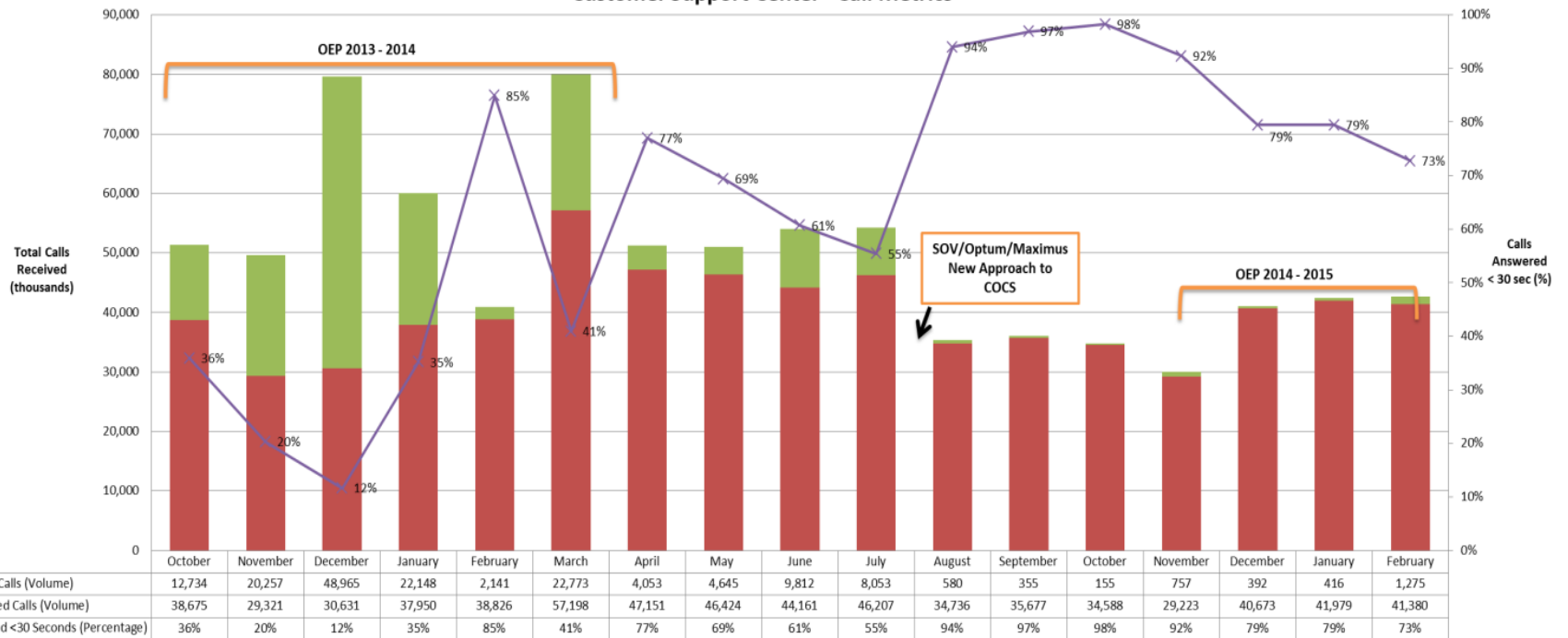


Customer Support Center

Metric	Feb. 2015	Month Before (Jan. 2015)	Two Months Before (Dec. 2014)	12 Months Before (Feb. 2014)
Total Inbound Calls	42,655	42,395	41,157	40,967
Answered Calls	41,380	41,979	40,765	38,826
Abandon Rate	3.0%	0.9%	0.9%	5.2%
Calls answered in < 30 seconds	73%	84%	87%	85%

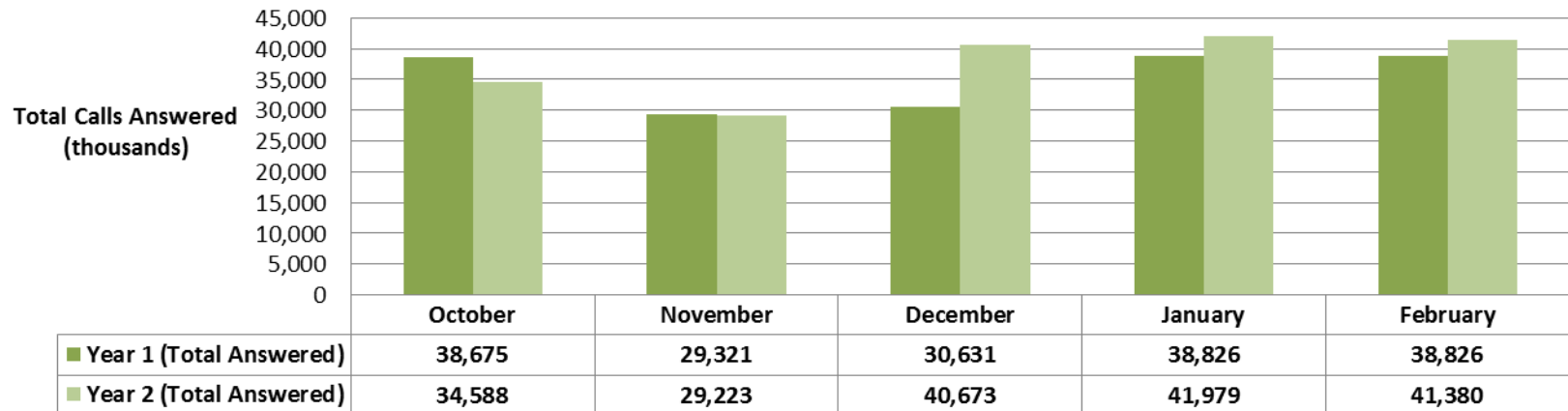
Customer Support Center

Customer Support Center - Call Metrics

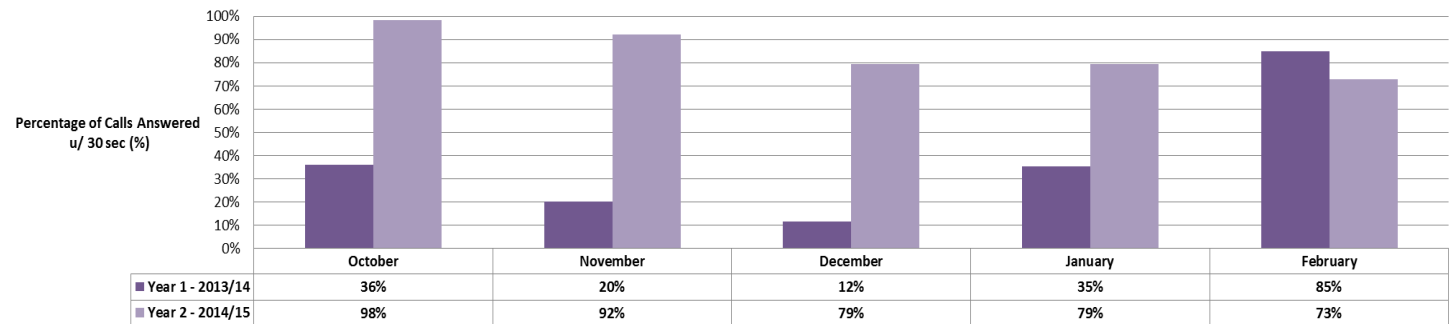


Customer Support Center

Customer Support Center - Total Calls Answered Year 1 vs. Year 2



Customer Support Center - Calls Answered <30 seconds



Contact Us

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