

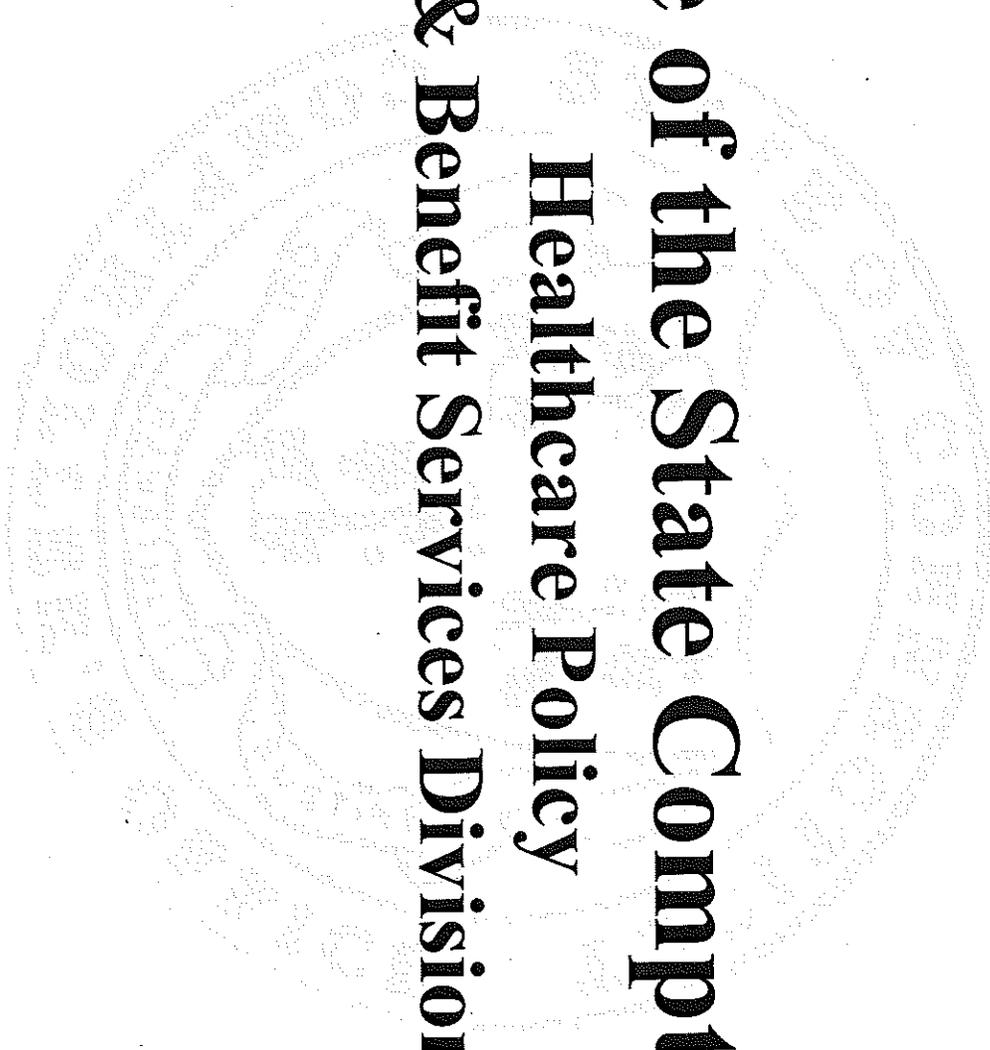


**Office of the State Comptroller**  
Healthcare Policy & Benefit Services Division

# **Office of the State Comptroller**

## **Healthcare Policy**

## **& Benefit Services Division**





# Agenda

- Comptroller's Authority
- Healthcare Cost Containment Committee
  - Plan Basics
  - Plan Economics
  - Health Reform
- Questions



# Comptroller's Authority

- Connecticut General Statute §5-259
  - Provides authority to arrange and procure group medical insurance for state employees, retirees, members of the General Assembly, probate court employees, non-state public employees, etc.
- SEBAC Agreements
  - Provide framework for plan design and eligibility



# **Healthcare Cost Containment Committee (HCCC)**

- Meets monthly
- Membership comprised of both labor and state management (DOI, OSC, OLR, OPM)
- Staffed by Comptroller's Office
  - Includes plan consultant Milliman
- Charged with overseeing plan design, cost, employee wellness, plan effectiveness, etc.



## **HCCC (cont.)**

- Review and discuss monthly premium, claim and administrative data to ensure plan is operating as expected
- Discuss areas of concern and ideas for improving the health of state employees and retirees
- Work with doctors, hospitals, insurers
- Assists Comptroller during RFP/bidding process



# Plan Options

- Point of Service (POS)
  - In and out of network benefits
- Point of Enrollment (POE)
  - In network benefits only
- Point of Enrollment—Gatekeeper (POE-G)
  - In network benefits only
  - Care is coordinated by a Primary Care Physician.



## **Plan Options (cont.)**

- All plans offer national networks
- All plans cover the same services
- Provider networks may differ slightly between Anthem and Oxford/UnitedHealthcare
  - Be sure to verify with carrier whether your providers are in network



## **Plan Options (cont.)**

- **Dental Options:**
  - UnitedHealthcare Basic Dental Plan
  - UnitedHealthcare Enhanced Dental PPO Plan
  - CIGNA Dental DHMO Plan



# Plan Economics

- The State is Self-Insured
  - State is at risk for the full amount of claims
  - Carriers are paid a Per Member Per Month (PMPM) administrative fee for each employee and retiree.



## **Plan Economics (cont.)**

- **Payment Reform**
  - Behavioral Economics
  - Value based design
    - Pay doctors and hospitals for results instead of fee based service
  - Hospitals
    - Lower readmissions rates
  - Doctors
    - Advanced Primary Care Practices
      - Increase in patient wellness with better coordination and communication between providers



## **Plan Economics (cont.)**

- **Payment Reform (cont.)**
  - **Patients**
    - Maintenance of Chronic Conditions
    - Compliance with maintenance prescriptions
    - Preventive screenings
  - **Employer**
    - Analyze plan data to establish problem areas and implement programs to increase awareness and more effective treatments
    - Meaningful communication and effective wellness initiatives based on plan experience



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## **Plan Economics (cont.)**

- **Prescription Coverage**
  - 300,000 prescriptions filled per month



## **Plan Economics (cont.)**

- **Prescription Changes**
  - Self-insured in 2008
    - \$20 million in savings
  - SEBAC 2009
    - 7% increase in generic utilization
    - \$30 million in annual savings due to plan design changes
  - 2010 Legislature amended CGS §5-259 to permit the Comptroller to add other non-state public employers to our purchasing arrangement



## **Plan Economics (cont.)**

- Medicare D Reimbursement
  - State provides retiree prescription plan for Medicare eligible retirees
  - \$26 million of expected reimbursement for 2010 plan year



# Health Reform

- Early Retirement Reinsurance Program (ERRP)
  - Estimate \$30 million in reimbursements from the federal government
- Increased dependent age to 26
- Sustinet
  - Sustinet board recently released a plan the calls for more collaboration between OSC, DSS and other state agencies involved in healthcare



# Medical/Dental Plan Information

- For further information:
- Anthem: 800-922-2232
- Oxford/UnitedHealthcare: 800-385-9055
- CIGNA Dental: 800-244-6224
- UnitedHealthcare Dental: 800-896-4834
- Caremark PBM: 800-318-2572
- Medicare: [www.medicare.gov](http://www.medicare.gov)
- OSC - Retirement Health Ins. Unit: 860-702-3533
- OSC website: [www.osc.state.ct.us](http://www.osc.state.ct.us)
- Sustinet: [www.ct.gov/sustinet/](http://www.ct.gov/sustinet/)



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# Questions





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