

# Approval of Health Benefits Program Proposals for the 2023 Plan Year

## Pension & Health Benefits Committee Agenda Item 6a

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Health Plan Research and Administration Division

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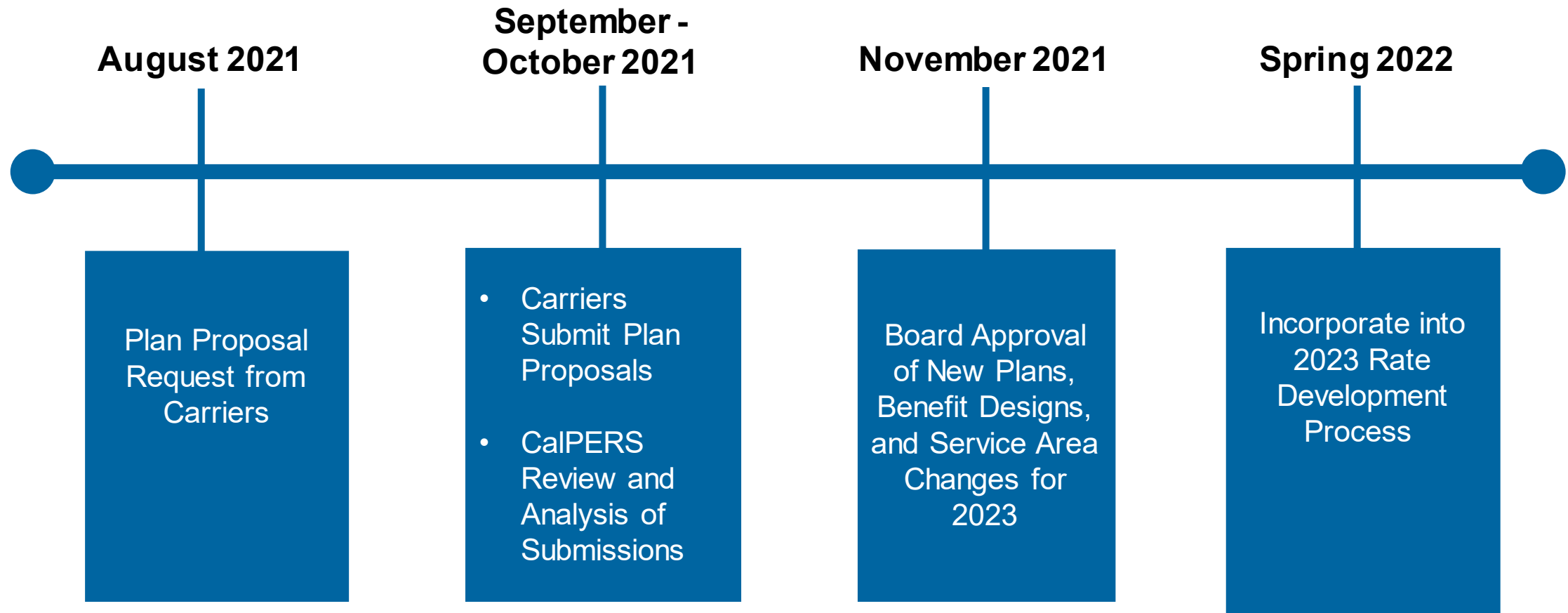
Health Policy & Benefits Branch

November 16, 2021

# Agenda

- Timeline
- Plan Proposals for 2023 by Carrier
- CalPERS Team Benefit Design Proposals
- Next Steps

# Plan Proposal Timeline



# Proposals Align with Strategic Goal



## Anthem Blue Cross – Medicare Preferred PPO Benefit Changes

Proposed 2023 Benefit Changes	Projected Premium Impact
<p><b>Copay Changes to Match Medicare</b></p> <ul style="list-style-type: none"><li>• Acupuncture from \$15 down to \$10</li><li>• Chiropractic from \$15 down to \$10</li></ul>	<p>Total: \$0.39 PSPM</p> <p>Percentage: 0.11%</p>

 **Recommended for Approval**

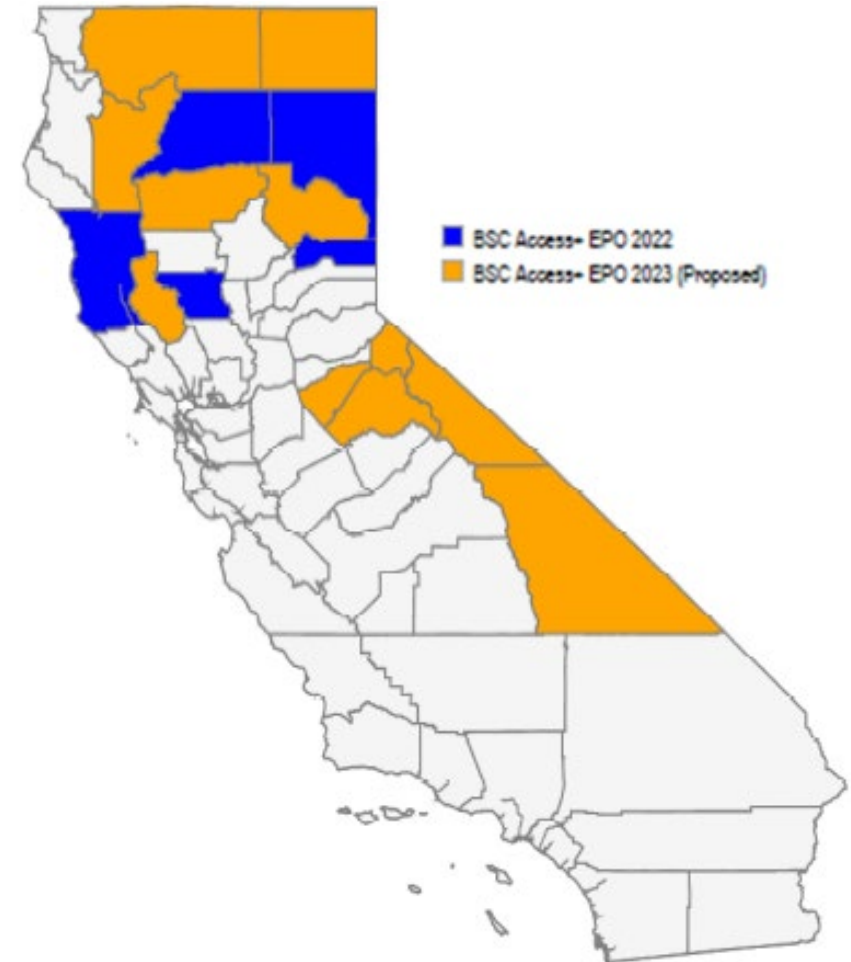
## Anthem Blue Cross – Medicare Preferred PPO Benefit Changes

Proposed 2023 Benefit Changes	Projected Premium Impact
<p><b>Embedded Vision Benefit Enhancement</b></p> <ul style="list-style-type: none"> <li>• \$100 eyewear allowance every 2 years</li> </ul>	<p>Total: \$1.24 PSPM</p> <p>Percentage: 0.34%</p>

 **Not Recommended for Approval**

## Blue Shield – Access+ EPO Service Area Expansion into 11 Counties

11 County Expansion for 2023	Projected Premium Impact
<ul style="list-style-type: none"> <li>Alpine, Calaveras, Inyo, Lake, Modoc, Mono, Plumas, Siskiyou, Tehama, Trinity, and Tuolumne</li> <li><b>Covered Counties in 2022:</b> Colusa, Lassen, Mendocino, Shasta, and Sierra</li> </ul>	<p><b>No Premium Impact</b></p>



**➤ Recommend for Approval**

## Blue Shield – Pharmacy Shared Patient Savings Program for Trio

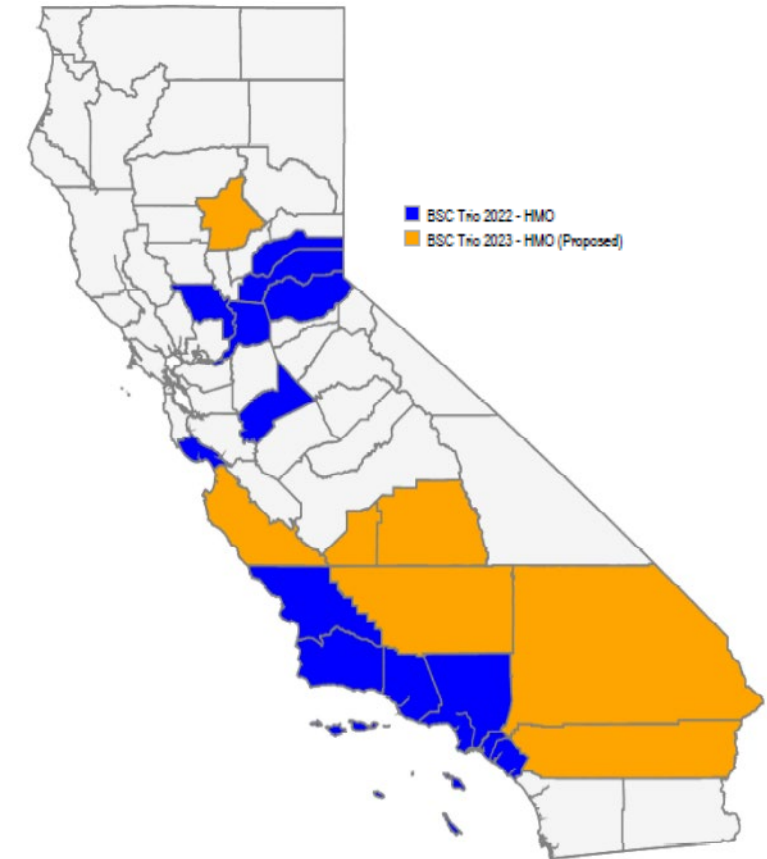
Program Description	Projected Premium Impact
<ul style="list-style-type: none"> <li>• Clinically equivalent, lower-cost drug alternative</li> <li>• One-time incentive per drug class</li> <li>• One month of plan savings on Visa gift card</li> </ul>	<p style="text-align: center;"><b>Nominal savings to CalPERS and member</b></p> <p style="text-align: center;"><b>No Premium Impact</b></p>

 **Recommend Approval**



## Blue Shield – Trio Service Area Expansion into Seven Counties

7 County Expansion for 2023	Projected Premium Impact
<ul style="list-style-type: none"> <li>Butte, Kern, Kings, Monterey, Riverside, San Bernardino, and Tulare</li> <li><b>Covered Counties in 2022:</b> El Dorado, Los Angeles, Nevada, Orange, Placer, Sacramento, San Luis Obispo, Santa Barbara, Santa Cruz, Stanislaus, Ventura, and Yolo</li> </ul>	<p>Total: \$3.41 PSPM Savings</p> <p>Percentage: 0.46% Savings</p>

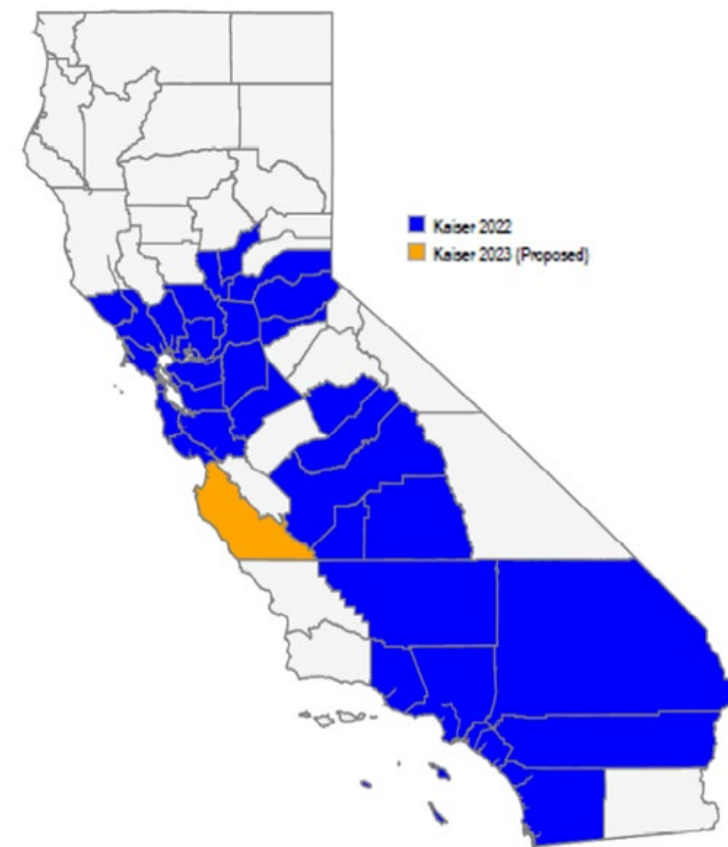


**Note:** 100% provider overlap with other carriers in Kern, Kings, Riverside, San Bernardino and Tulare

**➤ Recommend for Approval**

## Kaiser – Basic and Medicare Service Area Expansion into Monterey County

Monterey Expansion for 2023	Projected Premium Impact
<ul style="list-style-type: none"> <li>Combination of:                             <ul style="list-style-type: none"> <li>Contracted inpatient facilities</li> <li>Kaiser Medical Group providers</li> <li>Contracted community providers</li> </ul> </li> <li>Inpatient, mental health, primary and specialty care services</li> <li>Pending DMHC and CMS approval</li> </ul>	<p><b>Favorable Premium Impact in Monterey</b></p> <p><b>No impact statewide</b></p>



**➤ Recommend for Approval**

## Kaiser – Senior Advantage (SA) \$0 Copay Plan

Plan Description	Projected Premium Impact
<ul style="list-style-type: none"> <li>• New plan alongside current \$10 copay SA plan</li> <li>• Same network and coverage area as existing SA plan</li> <li>• \$0 office copays</li> <li>• Copays for ER visits, Rx benefits, acupuncture, and chiropractic remain at current levels</li> </ul>	<p>Projected Premium of \$342.09</p> <p>13.1% Increase over the current Kaiser SA plan</p>

 **Recommended for Approval**

## Kaiser – Senior Advantage (SA) \$0 Copay Plan, continued

Medicare Premium Comparison



## Kaiser – Senior Advantage \$70 Quarterly Over the Counter (OTC) Allowance

Benefit Description	Projected Premium Impact
<ul style="list-style-type: none"> <li>• Quarterly \$70 OTC allowance</li> <li>• OTC medications, mobility, first aid, home diagnostics, respiratory, incontinence, personal care, and vitamins/supplements</li> <li>• Designated online and mail-order catalog</li> <li>• No rollover to future quarters</li> <li>• Limitations/restrictions apply</li> </ul> <p>(Similar benefits across other plans)</p>	<p>Total: \$1.45 PSPM</p> <p>Percentage: 0.48%</p>

 **Recommended for Approval**

## Western Health Advantage – MyCare Select HMO Medicare Advantage Post-Discharge Meal Benefit

Benefit Description	Projected Premium Impact
<ul style="list-style-type: none"> <li>• Meal delivery following hospital stay</li> <li>• Up to 56 meals, four times per year</li> <li>• Range of meal options consistent with hospital’s nutritional recommendations</li> <li>• Delivery coordination prior to discharge</li> </ul>	<p>Total: \$1.37 PSPM</p> <p>Percentage: 0.44%</p>

 **Recommended for Approval**

Health Plan Proposals for 2023	New Health Plan	Benefit Design	Service Area	Recommendation
1. Anthem Blue Cross Medicare Preferred PPO Benefit Changes (Acupuncture/Chiropractic Copays)		✓		Approve
2. Anthem Blue Cross Medicare Preferred PPO Benefit Changes (Eyewear Allowance)		✓		Disapprove
3. Blue Shield Access+ EPO Expansion (11 Counties)			✓	Approve
4. Blue Shield Trio Pharmacy Shared Patient Savings Program		✓		Approve
5. Blue Shield Trio Expansion (7 Counties)			✓	Approve
6. Kaiser Basic and Medicare Expansion (Monterey County)			✓	Approve
7. Kaiser Senior Advantage \$0 Copay Plan	✓			Approve
8. Kaiser Senior Advantage Quarterly \$70 OTC Allowance		✓		Approve
9. Western Health Advantage MyCare Select HMO Medicare Advantage Post-Discharge Meal Benefit		✓		Approve

## CalPERS Team Proposal: Reproductive Health Equity Language Change

Benefit Description	Projected Impact
<p><b>Current Benefit:</b></p> <ul style="list-style-type: none"> <li>• Reproductive health benefits are gender-specific</li> </ul> <p><b>New Benefit Language:</b></p> <ul style="list-style-type: none"> <li>• Provides all persons' access to reproductive health benefits</li> </ul>	<p><b>Projected Impact:</b></p> <ul style="list-style-type: none"> <li>• Provide equitable care</li> <li>• Provide clarity of benefits</li> <li>• Provide access to care</li> </ul> <p><b>Premium Impact:</b></p> <ul style="list-style-type: none"> <li>• No premium impact</li> </ul>

 **Recommended for Approval**



## CalPERS Team Proposal: Fertility Care Language Change

Benefit Description	Projected Impact
<p><b>Current Benefit:</b></p> <ul style="list-style-type: none"> <li>• Infertility definition excludes members who pursue parenthood outside of a heterosexual cisgender partnership</li> </ul> <p><b>New Benefit Language:</b></p> <ul style="list-style-type: none"> <li>• Provides access to infertility diagnosis and treatment regardless of sexual orientation, gender identity, or relationship status</li> </ul>	<p><b>Projected Impact:</b></p> <ul style="list-style-type: none"> <li>• Adoption of the new infertility definition will create a more equitable benefit structure for all members</li> </ul> <p><b>Premium Impact:</b></p> <ul style="list-style-type: none"> <li>• No Impact</li> </ul>

 **Recommended for Approval**

## CalPERS Team Proposal: Hearing Aids

Benefit Description	Projected Impact
<p><b>Current Benefit:</b></p> <ul style="list-style-type: none"> <li>• PERS Platinum: Maximum of \$2,000 every 36 months</li> <li>• All Other Plans: Maximum of \$1,000 every 36 months</li> </ul> <p><b>New Benefit Language:</b></p> <ul style="list-style-type: none"> <li>• Plan maximums stay the same</li> <li>• New benefit: members under the age of 26 are covered 100% every 36 months</li> </ul>	<p>Minimal premium impact</p>

 **Recommended for Approval**

## CalPERS Team Proposal: Match PPO Members with Primary Care Providers

Benefit Description	Projected Impact
<p><b>Current Benefit:</b></p> <ul style="list-style-type: none"> <li>• PPO members are not matched with a PCP</li> </ul> <p><b>New Benefit:</b></p> <ul style="list-style-type: none"> <li>• PPO members matched with a PCP</li> </ul>	<p><b>Projected Impact:</b></p> <ul style="list-style-type: none"> <li>• Increase access to care</li> <li>• Improved care continuity</li> <li>• Increased preventive care</li> </ul> <p><b>Premium Impact</b></p> <ul style="list-style-type: none"> <li>• No Impact</li> </ul>

 **Recommended for Approval**

CalPERS Team Proposals for 2023	Benefit Design	Recommendation
1. Reproductive Health Equity Language Change	✓	Approve
2. Fertility Care and Treatment Benefit Language Change	✓	Approve
3. Hearing Aids	✓	Approve
4. Primary Care Provider for PPO members	✓	Approve

# Next Steps

