

May 11, 2016

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Institutions' Health Plan Changes 2016-17

Issue

Annually, the Board of Regents receives a summary report regarding USHE institutional health benefit plans for the upcoming fiscal year.

Background

The attached report provides Regents with several key metrics for an institution's health benefit plans including:

- Number of plans available
- Annual costs for employer and employee
- Cost increases (total, employer, employee)
- Major plan design changes

The health benefits package is a critical component of the overall compensation package provided to institutional employees, and is subject to significant conversation and review at each institution. Several institutions' insurance plans will be experiencing design changes as outlined in the attached information.

Commissioner's Recommendation

The update of Health Plan changes is an informational item only; no action is required.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/BLS/JBV
Attachments

Summary of USHE Medical Benefit Changes | FY 2017

Institution and Medical Provider	Number of Plans	Annual Medical Employer/ Employee Costs	Premium Split	Cost % Increase Total	Cost % Increase for Employer	Cost % Increase for Employee	Information (e.g., Plan Design Changes)
UU University Health Care and Regence, Blue Cross/ Blue Shield partnership (self-insured)	5	<u>Advantage Single</u> \$6,108/\$624 <u>Two-Party</u> \$10,689/\$1,092 <u>Family</u> \$16,126/\$1,647	90/10	7.1%	7.3%	4.0%	<ul style="list-style-type: none"> Increased incentive to use University of Utah providers with payer-provider partnership UUHC office co-pay \$5; coinsurance 0% In network providers (non-UUHC) coinsurance increase from 15% to 20% Opened worksite employee clinic May 2016 Decreased number of plan options from 7 to 5 by combining UUHP and ValueCare 90/10 split represents all plans combined
USU Blue Cross/Blue Shield (self-insured)	3	<u>Blue Plan Single</u> \$4,661/\$908 <u>Two-Party</u> \$10,521/\$2,043 <u>Family</u> \$15,183/\$2,951	90/10	5.0%	0.0%	5.0%	<ul style="list-style-type: none"> 90/10 split represents all plans combined
WSU PEHP (not self-insured)	3	<u>Traditional Advantage/Summit Single</u> \$5,518/\$613 <u>Two-Party</u> \$11,376/\$1,264 <u>Family</u> \$15,187/\$1,687	90/10	7.3%	7.3%	7.3%	<ul style="list-style-type: none"> As part of the Affordable Care Act (ACA), when services are provided by an in-network provider, individual members cannot spend more than \$6,550 in out-of-pocket expenses for individual Traditional plans. The individual member cap goes up to \$6,850 when the coverage is double or family on Traditional plans
		<u>Preferred Single</u> \$5,518/\$2,551 <u>Two-Party</u> \$11,376/\$5,260 <u>Family</u> \$15,187/\$7,021	68/32	7.3%	7.3%	7.3%	<ul style="list-style-type: none"> Chiropractic services will no longer be covered for out-of-network providers. This is in an effort to help manage costs and quality for chiropractic services
	2	<u>HDHP (STAR) Summit/Advantage Single</u> \$4,723/\$0 <u>Two-Party</u> \$9,788/\$0 <u>Family</u> \$13,599/\$0	100/0	8.5%	8.5%	0.0%	<ul style="list-style-type: none"> As part of the Affordable Care Act (ACA), when services are provided by an in-network provider, individual members cannot spend more than \$6,550 in out-of-pocket expenses for individual Traditional plans. The individual member cap goes up to \$6,850 when the coverage is double or family on Traditional plans Chiropractic services will no longer be covered for out-of-network providers. This is in an effort to help manage costs and quality for chiropractic services

Summary of USHE Medical Benefit Changes | FY 2017

Institution and Medical Provider	Number of Plans	Annual Medical Employer/ Employee Costs	Premium Split	Cost % Increase Total	Cost % Increase for Employer	Cost % Increase for Employee	Information (e.g., Plan Design Changes)
SUU Educators Mutual (self-insured)	1	High Deductible <u>Single</u> \$4,692/\$528 <u>Family</u> \$13,608/\$1,512	90/10	0.0%	0.0%	0.0%	<ul style="list-style-type: none"> No changes
	1	Traditional <u>Single</u> \$4,656/\$1,320 <u>Two-Party</u> \$10,488/\$3,000 <u>Family</u> \$15,060/\$4,320	78/22	0.0%	0.0%	0.0%	<ul style="list-style-type: none"> No changes Traditional plan has been frozen to existing employees 10/15/2013 – 6/30/2015
SNOW PEHP (not self-insured)	3	Traditional Advantage/Summit <u>Single</u> \$5,517/\$613 <u>Two-Party</u> \$11,376/\$1,264 <u>Family</u> \$15,187/\$1,687	90/10	7.3%	7.3%	7.3%	<ul style="list-style-type: none"> No changes
DSU PEHP (not self-insured)	2	Traditional Advantage/Summit <u>Single</u> \$5,517/\$613 <u>Two-Party</u> \$11,376/\$1,264 <u>Family</u> \$15,187/\$1,687	90/10	7.3%	7.3%	7.3%	<ul style="list-style-type: none"> Adding STAR plan July 1, 2016
	1	Star HDHP <u>Single</u> \$4,723/\$0 <u>Two-Party</u> \$9,788/\$0 <u>Family</u> \$13,599/\$0	100/0	8.6%	8.6%	0.0%	

Summary of USHE Medical Benefit Changes | FY 2017

Institution and Medical Provider	Number of Plans	Annual Medical Employer/ Employee Costs	Premium Split	Cost % Increase Total	Cost % Increase for Employer	Cost % Increase for Employee	Information (e.g., Plan Design Changes)
UVU UMR UHC (self-insured)	4	Traditional <u>Single</u> \$5,185/\$576 <u>Two-Party</u> \$11,978/\$1,331 <u>Family</u> \$17,300/\$1,922	90/10	1.6%	1.6%	1.6%	<ul style="list-style-type: none"> Discontinued Teledoc service Added Autism Spectrum Disorder coverage Added 3-D mammogram coverage
SLCC Blue Cross/Blue Shield (self-insured)	2	Traditional ValueCare <u>Single</u> \$6,070/\$660 <u>Two-Party</u> \$13,674/\$1,476 <u>Family</u> \$19,128/\$2,040	90/10	2.0%	2.0%	2.0%	<ul style="list-style-type: none"> No changes