

Connecticut Academy of Family Physicians- Scientific Symposium

October 24, 2013

Ken Lalime, CEO

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Agenda

- The Affordable Care Act
- Introduction to HealthyCT & Patient-Centered Medical Home
- Our Network
- Our Products and Rate Development
- Establishing Ourselves in the Marketplace

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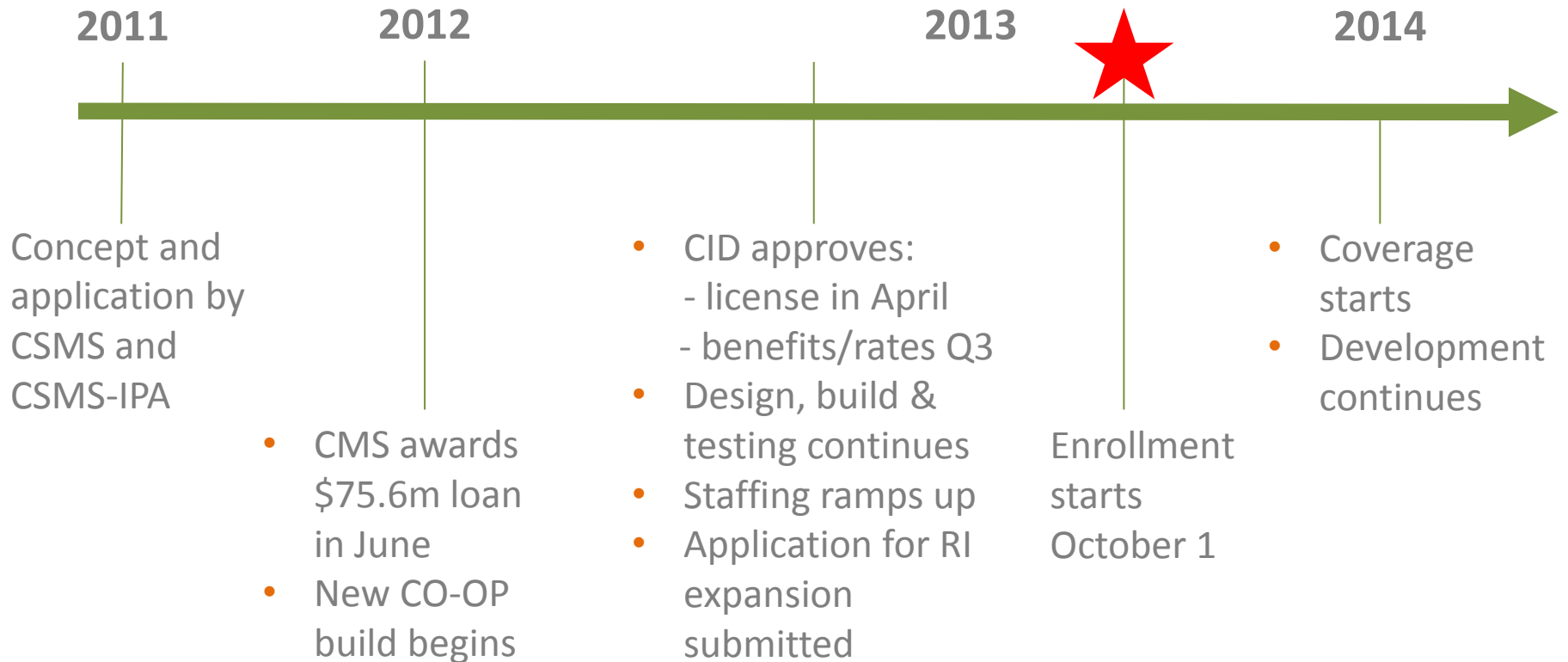
The Affordable Care Act (ACA)

Goals

- Remove barriers, increase access, reduce the number of uninsured
- Require citizens and legally documented residents to have health insurance
- Expand eligibility for federal (Medicaid) and state programs (Husky)
- Provide “essential health benefits” for all; integrated dental and vision coverage for children up to age 19
- Change rating methodology for individuals, families and small groups
- Require insurers to spend > 80% of premium dollars on medical care
- Develop health insurance “exchanges” – where individuals and small businesses can receive education and shop for insurance
- Fund non-profit health insurance CO-Ops (Consumer Operated & Oriented Plans)
- Increase competition amongst traditional and new insurers; reduce costs

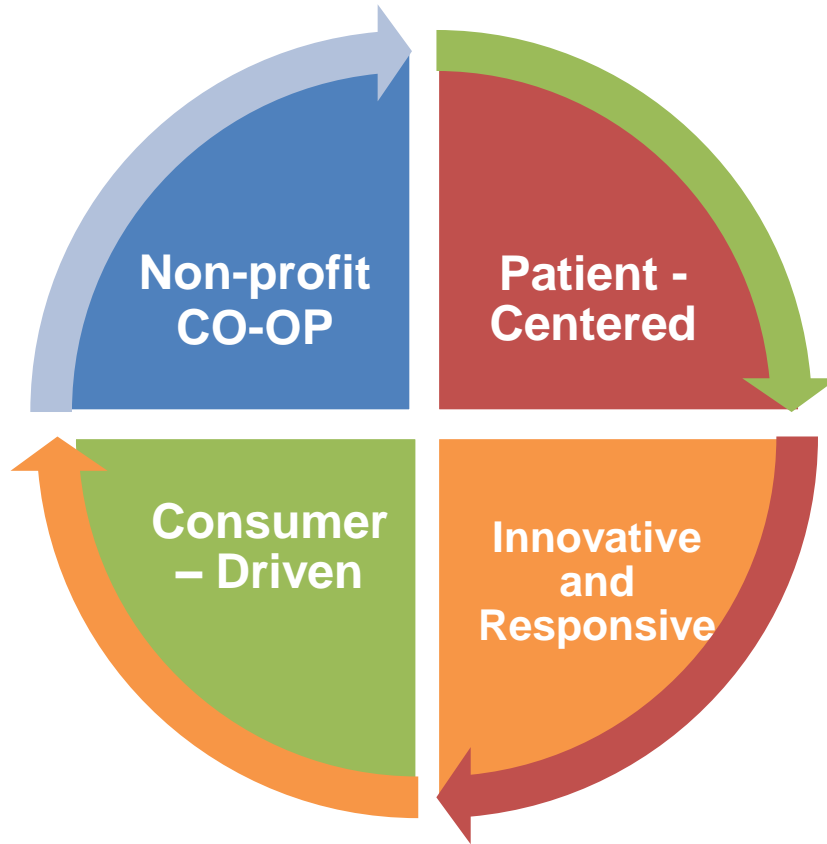
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HealthyCT Milestones



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What We're About



A New Direction

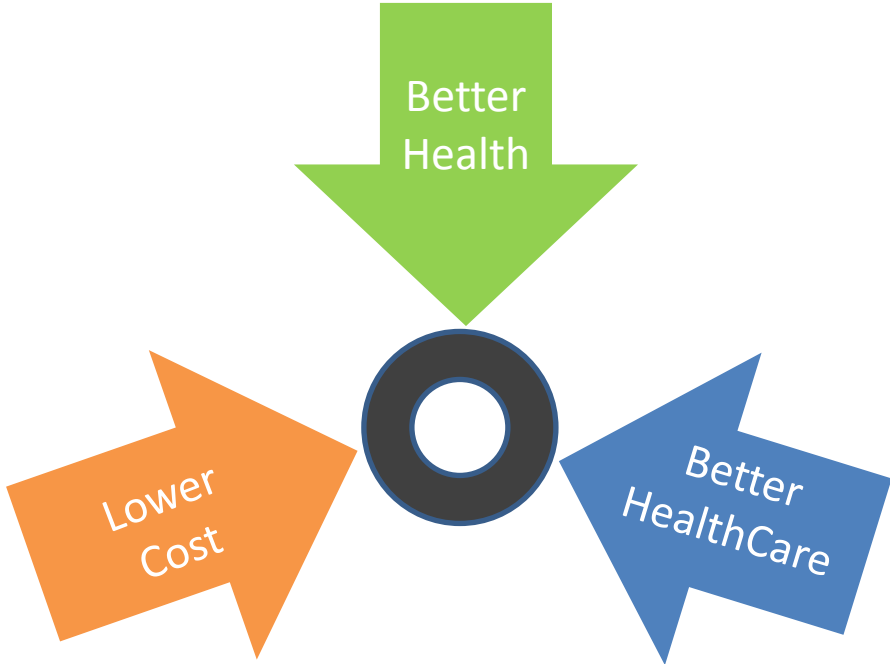
No Legacy Systems

Clinical Integration

Value-based Care Delivery

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Creating a Healthier Connecticut

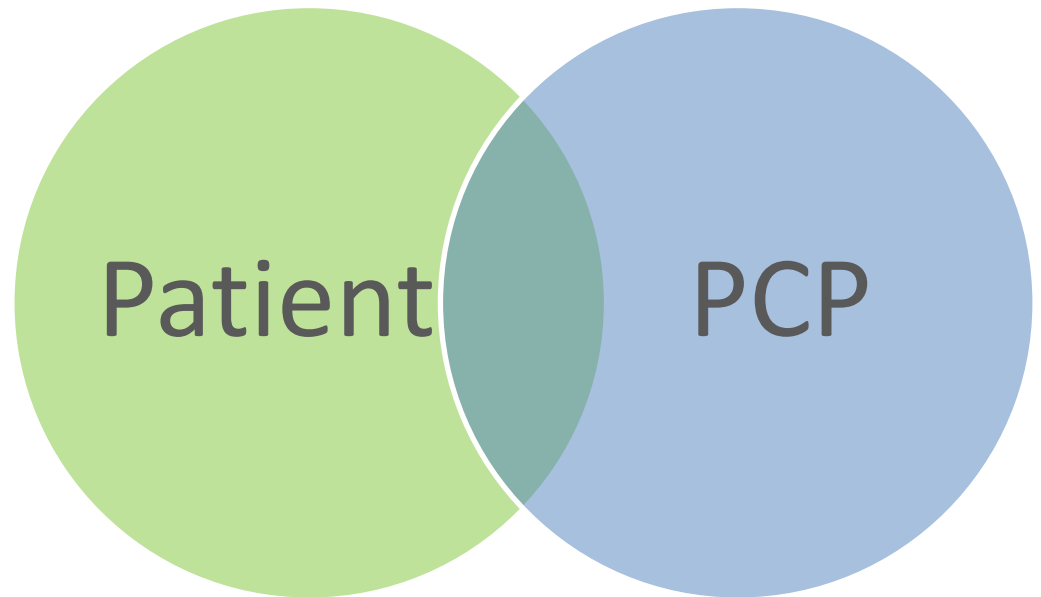


Institute for Health Improvement
Triple Aim

Triple Aim & Patient-Centered Medical Home

Improving health, outcomes and the bottom line through:

- Higher level of interaction, prevention and follow-up
- Proactive engagement
- Electronic medical record
- Data-driven decision making
- NCQA guidelines

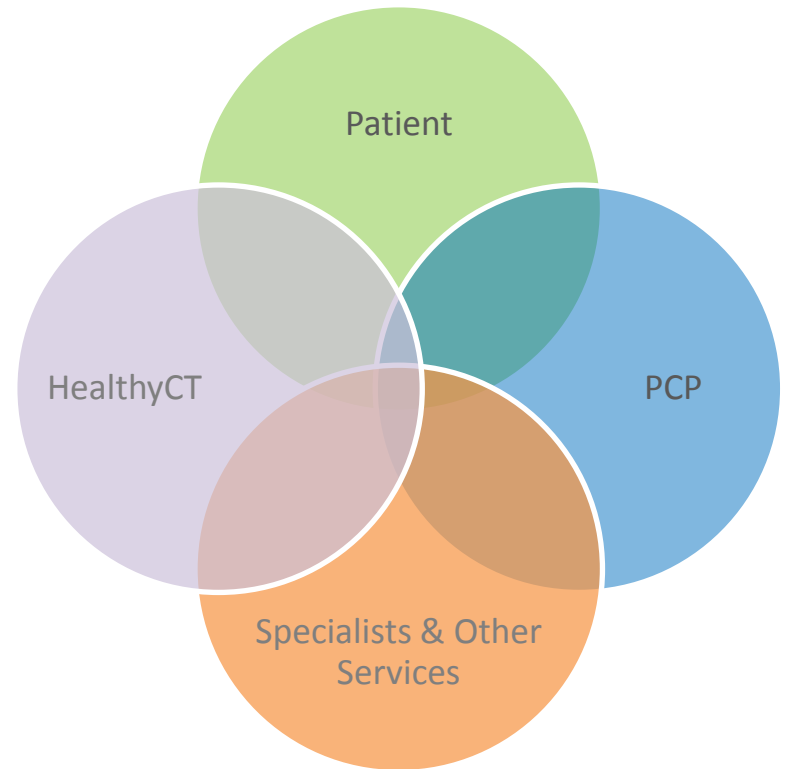


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HealthyCT and PCMH

Partnership and support

- Funded PCMH development and NCQA recognition of 70 practices, >400 clinicians
- Creating performance and outcomes measures
- Developing payment methodology to support PCMH sustainability
- Exploring funding for additional PCMH development



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PCMH-Related Performance Measures

The literature notes the following measures to gauge and drive PCMH success and sustainability:

- ✓ **Quality** - HEDIS, Diabetes, Asthma, Hypertension, CAD, Preventive Care, Screening
- ✓ **Utilization** - Inpatient Admissions, ED Visits, Urgent Care Visits, Diagnostic Imaging, Specialty Care, Inpatient LOS, Readmissions, ACS Admissions, Generic Prescribing
- ✓ **Cost savings** - Overall medical expense
- ✓ **Member/Patient satisfaction**
- ✓ **Appointment access**
- ✓ **NCQA recognition levels**

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PCMH Evolution: the Past

2008: Establishing Physician Practice Connections - PCMH

- Enhance access and continuity
- Identify and manage patient populations
- Plan and manage care
- Provide self-care support and community resources
- Track and coordinate care
- Measure and improve performance

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PCMH Evolution: the Present

2011: taking PCMH to the next level

- Robust patient centeredness
- Behavioral health integration
- Chronic and complex care management integration
- Patient surveys
- Increase patient, family and community involvement with quality improvement

Upgrade and renewal of recognition

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PCMH: the Future (Now!)

2013 and Beyond: “the advanced, enhanced, exceptional PCMH”

- Advanced access
 - Extended hours, weekends, same day
 - Non face-to-face care; e.g. telephonic and secure e-messaging
 - Direct access scheduling
- Electronic access to records
- Designated staff for chronic and complex care management
- Post hospitalization management and medication reconciliation
- Post emergency department follow up
- Behavioral health integration
- Robust patient/family surveys and engagement
- Evidence-based care; e.g. choosing wisely
- Focus on chronic conditions and point-of-care disease management

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PCMH Payment Challenges & Solutions

■ Challenges

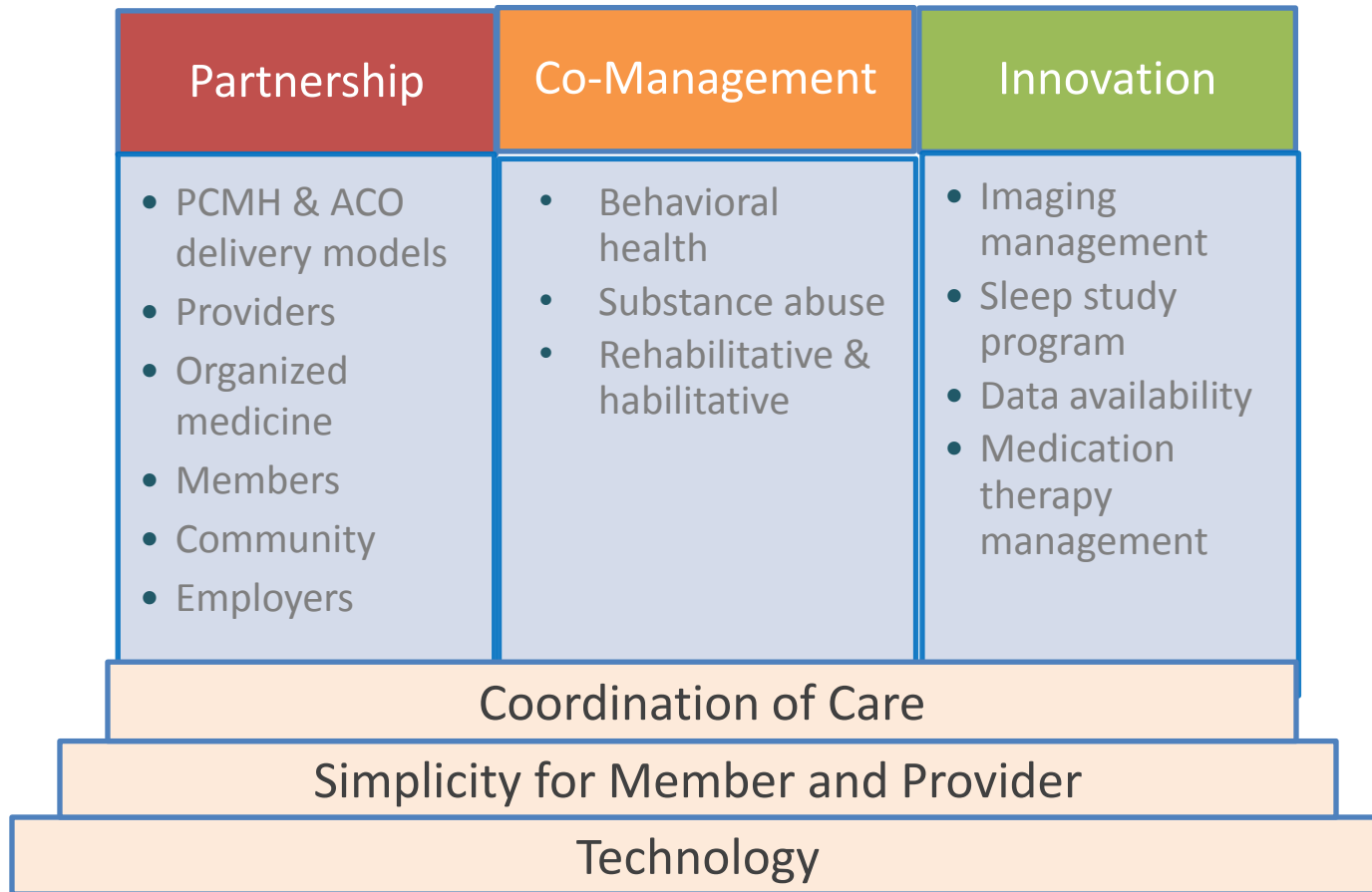
- PCP attribution
- Population risk management
- Member volume
- Claims in first year
- Payment model evolution
- Comprehensive, meaningful data and effective measurement

■ Solutions

- Focus on chronic and complex members
 - Develop payment model to manage these patients
- Support consumer awareness program
- Develop key decision support systems – data warehouse
- Share information and data

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Medical Management



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Medical Management Update

- Chief Medical Officer - Russell J. Munson, MD, FAAFP
- Medicalis online radiology authorization to expedite process
- Altruista case management system support
- QI & UM programs approved by HealthyCT Board of Directors
- Simple, paper/online health survey to ID outreach opportunities
- Development of a medical home sustainability program
- Behavioral health program integration
- NCQA interim survey process underway

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Network

- Statewide coverage – hospitals, doctors and other providers
- 5,000+ physicians contracted through CSMS IPA, hospital partnerships and independently
- 1,000+ ancillary providers and facilities
- Direct, statewide contracts with behavioral health professionals
- Partnership with federally qualified health centers and other community based providers

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Network *(continued)*

- **Non-Network Providers in or Outside of Connecticut**
 - MULTIPLAN wrap network available for discounted pricing

- **Provider Network Outside State of CT**
 - PHCS network available to receive in-network coverage

- **Pharmacy Benefits Manager**
 - Catamaran

- **Dental**
 - Delta Dental for Pediatric Dental benefit

- **Lab**
 - Preferred vendor – Quest, and hospital labs

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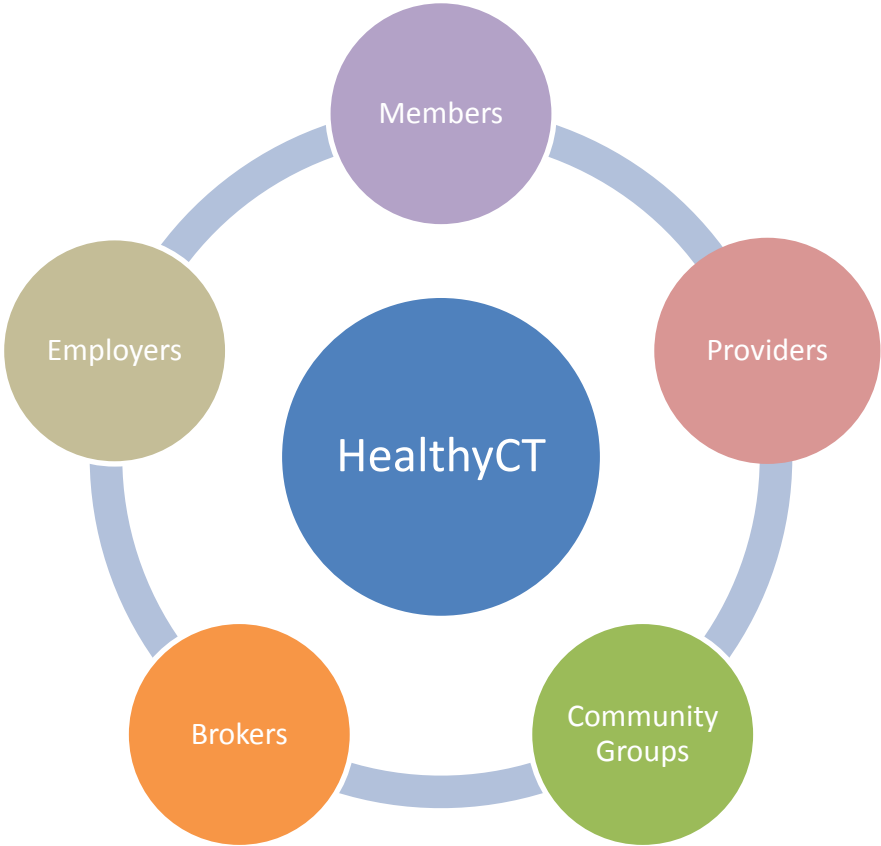
Target Market, Products & Rates



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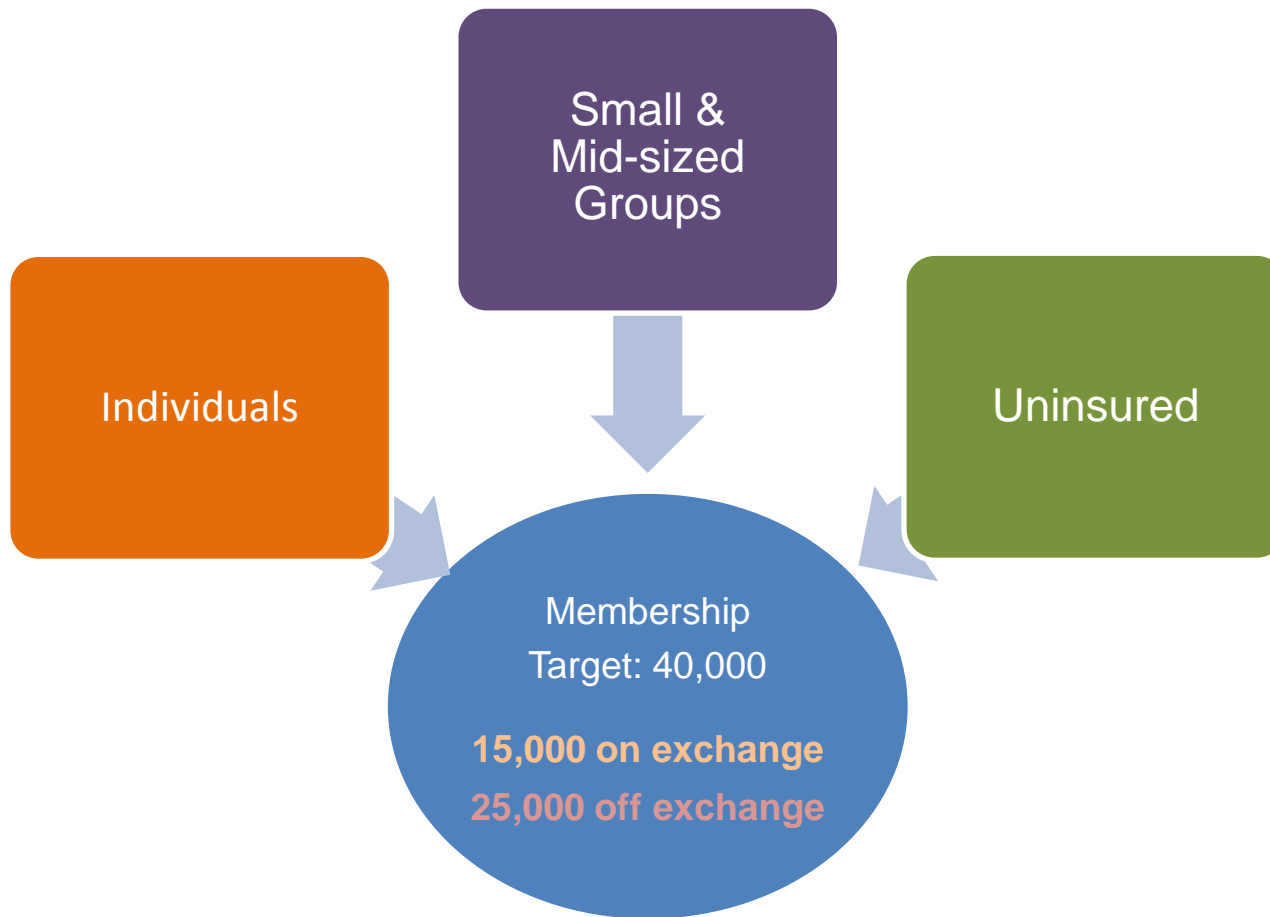
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Our Key Partners



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Our Target Market



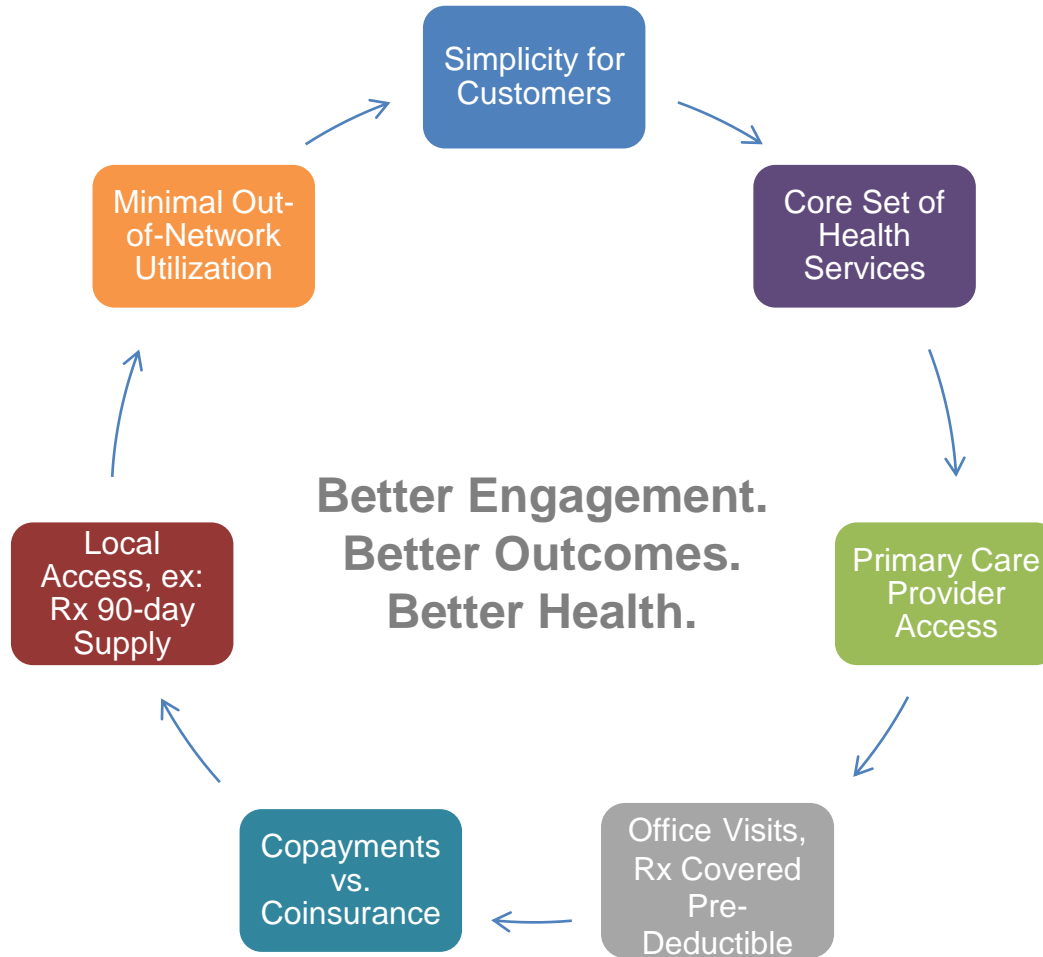
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CT Uninsured: 344,000

- 120,000 Medicaid eligible
- 176,000 subsidy eligible
- 48,000 direct buy opportunity
- 57% men
- 43% women
- 55% Caucasian
- 25% Hispanic
- 80% in (counties)
 - New Haven
 - Hartford
 - Fairfield

Source: Thomson Reuters

Our Product Design Objectives



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HealthyCT Product Offerings

- On-exchange plans sold through Access Health CT
 - 4 for small groups; one gold, one silver and two bronze
 - 8 for individuals; one gold, two bronze, four silver and one catastrophic
- Off-exchange plans: 3 additional plans; one gold and two silver plans for individuals and groups
- Same premiums on and off-exchange
- On-exchange purchases may be eligible for subsidies and tax credits

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Changes in Rating Method

New for 2014

- Guaranteed issue and renewal for all who apply; no preexisting condition barrier
- No medical underwriting
- Group size and industry type no longer rating factors
- Women and men pay the same premium
- On-exchange purchase may qualify for discounts (tax credits or premium breaks)
- Children covered to age 26 under parents' plan (adopted in 2013)
- Premium calculations based on three new factors

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Rate Development Process

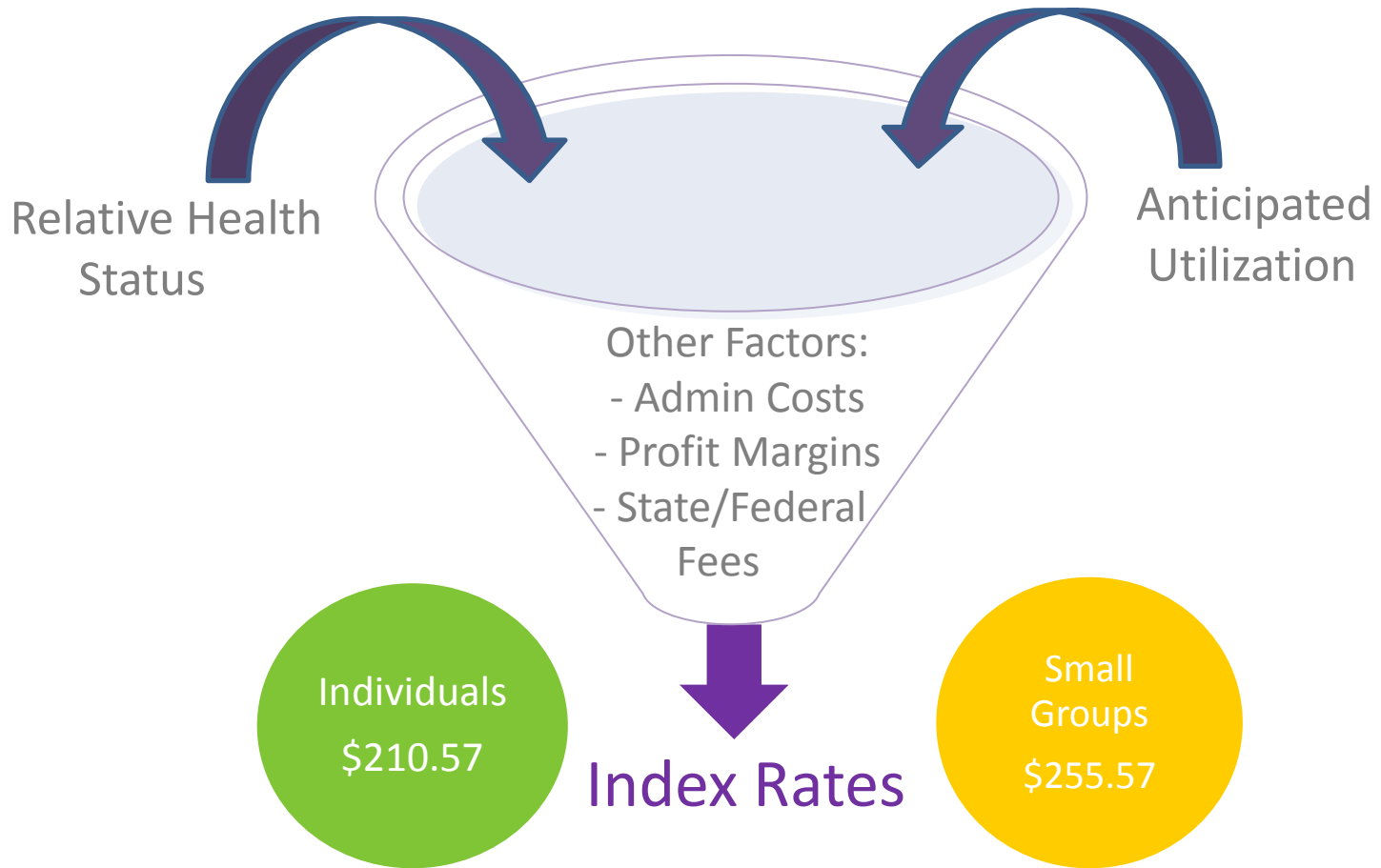
- Four step process for all carriers
 1. Index rate for each market segment (i.e., individual and small group)
 2. Benefit level adjustment (i.e., plan design)
 3. Geographic adjustment (i.e., location of the employer group or residence of the individual)
 4. Age of members



- Family rate equals the sum of each individual in the family (up to 3 children included)
- Group rate equals the sum of the premiums for all employees (including covered dependents)

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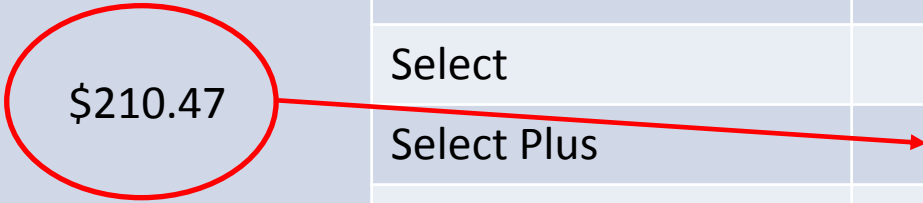
Step 1: The Index Rate



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Step 2: Benefit-level Adjustment

- Index rate X benefit level rating factor = the “Base Rate”

Index Rate (individual mkt)	Plan Name	BLRF	Plan Base Rate
 \$210.47	Preferred	1.5262	\$321.22
	Preferred Pro	1.5535	\$326.97
	Max	1.4730	\$310.02
	Select	1.1571	\$243.53
	Select Plus	1.2690	\$267.09
	Basic Plus	1.0000	\$210.47
	Essential	1.1662	\$245.45
	Min	0.9375	\$197.32

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Step 3: Geographic Adjustment

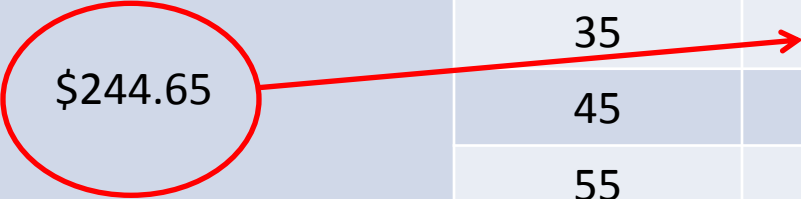
- Base rates adjusted for geographic cost & utilization differences

Healthy Partner Select Plus Base Rate	County	County Rating Factor	County-Adjusted Base Rate
\$267.09	Fairfield	1.101	\$294.07
	Hartford	0.916	\$244.65
	Litchfield	0.901	\$240.65
	Middlesex	0.993	\$265.22
	New Haven	1.000	\$267.09
	New London	1.071	\$286.05
	Tolland	0.886	\$236.64
	Windham	1.000	\$267.09

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Step 4: Age Adjustment

- Final adjustment for individual rate, based on the federal uniform age rating schedule adopted by Connecticut Insurance Department and all carriers

Healthy Partner Select Plus Base Rate for Hartford County	Age of Member	Age Factor	Monthly Premium
 \$244.65	12	0.635	\$155.35
	21	1.000	\$244.65
	25	1.004	\$245.63
	35	1.222	\$298.96
	45	1.444	\$353.27
	55	2.230	\$545.57
	60	2.714	\$663.98
	64+	3.000	\$733.95

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Family Rates

- Starts with the individual rates for each family member
- Family rate = the sum of each family member's individual rate, except:
For families with more than 3 children under 21, only 3 count towards the family rate.

Family Members	Age	Premium
Tom Brady	36	\$300.92
Giselle Brady	33	\$293.09
Jack Brady	7	\$155.35
Melissa Brady	5	\$155.35
Bobby Brady	2	\$155.35
Total Premium		\$1,060.06

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Group Rates

- Group rates = the sum of the employees covered under the plan
- Geographic factor is based on location of business

Employees	Premium
Tom Brady	\$1,060.06
Danny Amendola	\$935.26
Vince Wilfork	\$342.95
Shane Vereen	\$295.42
Rob Gronkowski	\$295.42
Total Group Premium	\$2,929.11

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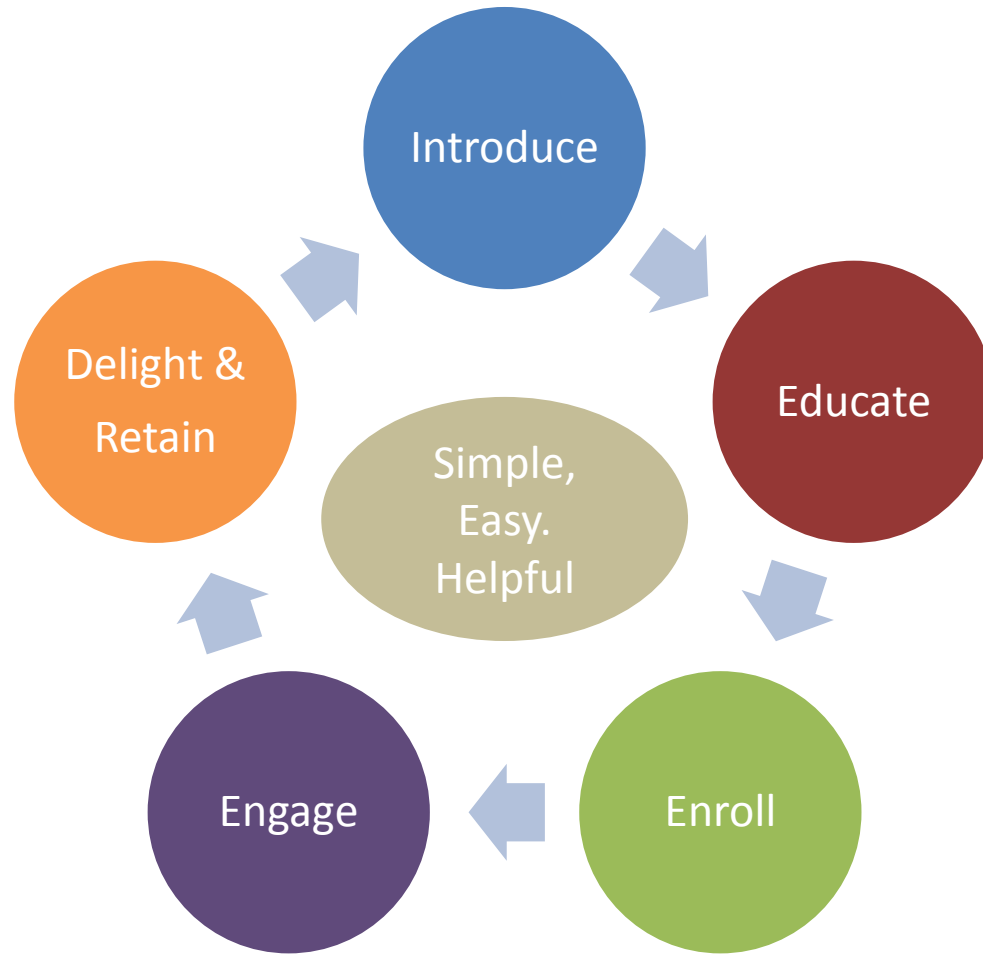
Outreach and Engagement



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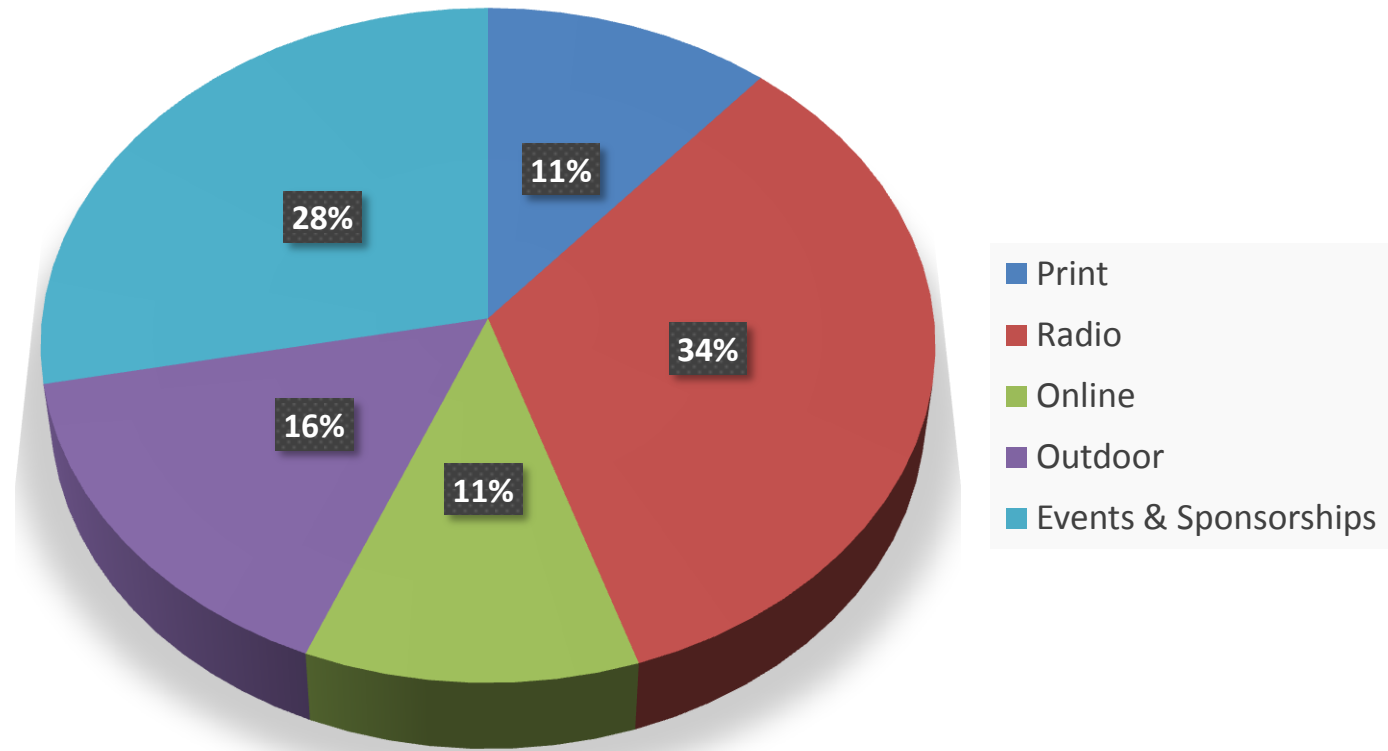
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Outreach and Engagement Strategy



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Multimedia Approach



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Brand recognition & engagement

Print



We started with what was **most important.**

You. Your family. Your doctor. It's just that simple.

It's time for your health insurance checkup. Choose the nonprofit plan created by doctors and owned by its members. It doesn't get healthier than that!

Enrollment starts October 1 for individuals, families, and small businesses. Contact us or call your local insurance broker.



Togetherness.
It's a powerful thing.

Let's build a healthy community together.

We're a new, nonprofit health insurance company that's changing the way health care is delivered in Connecticut. Want a better way to access quality, affordable care? Join us!

Enrollment starts October 1 for individuals, families, and small businesses. Contact us or call your local insurance broker.

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YOUR HEALTH — YOUR PLAN. **HCT.**
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Being different.
It's a good thing.

We think so. Then again, we're a new, nonprofit health insurance company in Connecticut.

Finally, a new song in the insurance playlist. We're a nonprofit health plan focused on and run by our members. Rock on!

Enrollment starts October 1 for individuals, families, and small businesses. Contact us or call your local insurance broker.

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Brand Exposure: Buses & Billboards



Hartford Area Bus Wraps

I-84, I-95 and Rte. 8 Billboards



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Coming to Your Community

- A sampling of events and sponsorships
 - *Connecticut Women's Forum*
 - 2013 Agent Broker Benefair
 - *Better Health – Everyone's Responsibility*
 - CSMS, Primary Care & Specialty Practice Meetings
 - UCONN Football Sponsorships
 - *Stuff-a-Bus* Food Drive
 - *Go Red for Women* Luncheon
- Co-marketing with hospital and physician partners
- Chamber of Commerce and other organization partnerships and sponsorships
- Physician organizations and education events

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Connecting Anytime, Anywhere

HealthyCT website expansion & improvements by October 1

- www.healthyct.org – public site
 - Broker application, expanded content and features: September
 - Expanded content across portal: September
 - Online provider directory launch: October 1
 - Additional broker features for client management: September
 - Quoting and enrollment tool: October 1

- www.healthyct.org – secure service portal
 - Supports members, physicians and providers, brokers and employers
 - Content development, testing and “go live” before January 1, 2014

- Social media – Facebook, Twitter

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Other Noteworthy Progress



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Other Noteworthy Progress

- Enabled quoting and enrollment via Access Health CT
- Rhode Island Expansion Application submitted; pending decision
- **Internal Controls**
 - Policies, procedures and internal structures and training in place
 - CMS milestone tracking / accountability report complete;
 - Connecticut Insurance Department onsite visit in August
- **Staffing / Infrastructure**
 - Key staff hired, bringing team to 40+
 - Office space doubled in August to accommodate growth

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To join our network,
apply for insurance or
get more information:

1-855-HLTHYCT or
www.healthyct.org

Ken Lalime
CEO
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Questions?

