

# Approval of 2024 Health Maintenance Organization and Preferred Provider Organization Premiums

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July 18, 2023

# Agenda

- Weighted Premium Averages
- PPO Options and Recommendation
- Approval of Transition to One Risk Pool
- Approval of HMO and PPO Premiums
- Next Steps



**Equitable,  
High-Quality,  
Affordable  
Health Care**

## 2024 Basic Plan Premiums

Basic Plan	2023 Premium	2024 Premium <u>One Risk Pool</u> <u>Two-Year Phase In</u>	Percent Change from 2023	2024 Premium <u>One Risk Pool</u> <u>Three-Year Phase In</u> <u>with PPO Benefit</u> <u>Design Changes</u>	Percent Change from 2023
Anthem Blue Cross Select HMO	\$903.85	\$930.95	3.00%	\$925.57	2.40%
Anthem Blue Cross Traditional HMO	\$1,116.65	\$1,204.99	7.91%	\$1,197.94	7.28%
Blue Shield Access+ HMO and EPO	\$842.61	\$897.63	6.53%	\$892.49	5.92%
Blue Shield Trio HMO	\$760.71	\$814.92	7.13%	\$810.24	6.51%
Health Net Salud y Más	\$631.89	\$660.56	4.54%	\$656.96	3.97%
Kaiser Permanente	\$852.68	\$969.82	13.74%	\$964.15	13.07%
Kaiser Permanente Out of State	\$1,155.43	\$1,312.45	13.59%	\$1,312.45	13.59%
Sharp Performance Plus	\$764.96	\$837.91	9.54%	\$833.24	8.93%
UnitedHealthcare SignatureValue Alliance	\$841.72	\$887.96	5.49%	\$882.98	4.90%
UnitedHealthcare SignatureValue Harmony	\$722.28	\$767.96	6.32%	\$763.70	5.73%
Western Health Advantage HMO	\$760.17	\$811.81	6.79%	\$807.23	6.19%
<b>Basic HMO Weighted Average Change</b>			<b>11.14%</b>		<b>10.50%</b>
PERS Gold	\$766.11	\$854.70	11.56%	\$859.31	12.17%
PERS Platinum	\$1,083.89	\$1,209.35	11.57%	\$1,215.87	12.18%
<b>Basic PPO Weighted Average Change</b>			<b>11.57%</b>		<b>12.17%</b>
<b>Total Basic Weighted Average Change</b>			<b>11.27%</b>		<b>10.95%</b>

## 2024 Medicare Plan Premiums

Medicare Plan	2023 Premium	2024 Premium	Percent Change from 2023
Anthem Medicare Preferred PPO	\$413.59	\$405.83	-1.88%
Blue Shield Medicare PPO	\$361.90	\$392.68	8.51%
Kaiser Permanente Senior Advantage	\$283.25	\$324.79	14.67%
Kaiser Permanente Senior Advantage Out of State	\$274.03	\$318.43	16.20%
Kaiser Permanente Senior Advantage Summit	\$336.29	\$386.55	14.95%
Kaiser Permanente Senior Advantage Summit Out of State	N/A	\$380.21	N/A
Sharp Direct Advantage HMO	\$249.79	\$256.53	2.70%
UnitedHealthcare Group Medicare Advantage PPO	\$299.68	\$341.72	14.03%
UnitedHealthcare Group Medicare Advantage Edge PPO	\$357.70	\$366.01	2.32%
Western Health Advantage MyCare Select HMO	\$331.11	\$268.62	-18.87%
<b>Medicare Advantage Weighted Average Change</b>			<b>13.17%</b>
PERS Gold	\$392.71	\$406.60	3.54%
PERS Platinum	\$420.02	\$448.15	6.70%
<b>Medicare Supplement Weighted Average Change</b>			<b>6.62%</b>
<b>Total Medicare Weighted Average Change</b>			<b>9.55%</b>

## Statewide 2023-24 Weighted Average Premium Change for Basic and Medicare Plans

Health Coverage Type	2024 Premium <u>One Risk Pool</u> <u>Two-Year Phase In</u> Percent Change from 2023	2024 Premium <u>One Risk Pool</u> <u>Three-Year Phase In with</u> <u>PPO Benefit Design</u> <u>Changes</u> Percent Change from 2023
Basic HMO	11.14%	10.50%
Basic PPO	11.57%	12.17%
<b>Total Basic</b>	<b>11.27%</b>	<b>10.95%</b>
Medicare Advantage	13.17%	13.17%
Medicare Supplement	6.62%	6.62%
<b>Total Medicare</b>	<b>9.55%</b>	<b>9.55%</b>
<b>Overall (Total)</b>	<b>11.05%</b>	<b>10.77%</b>

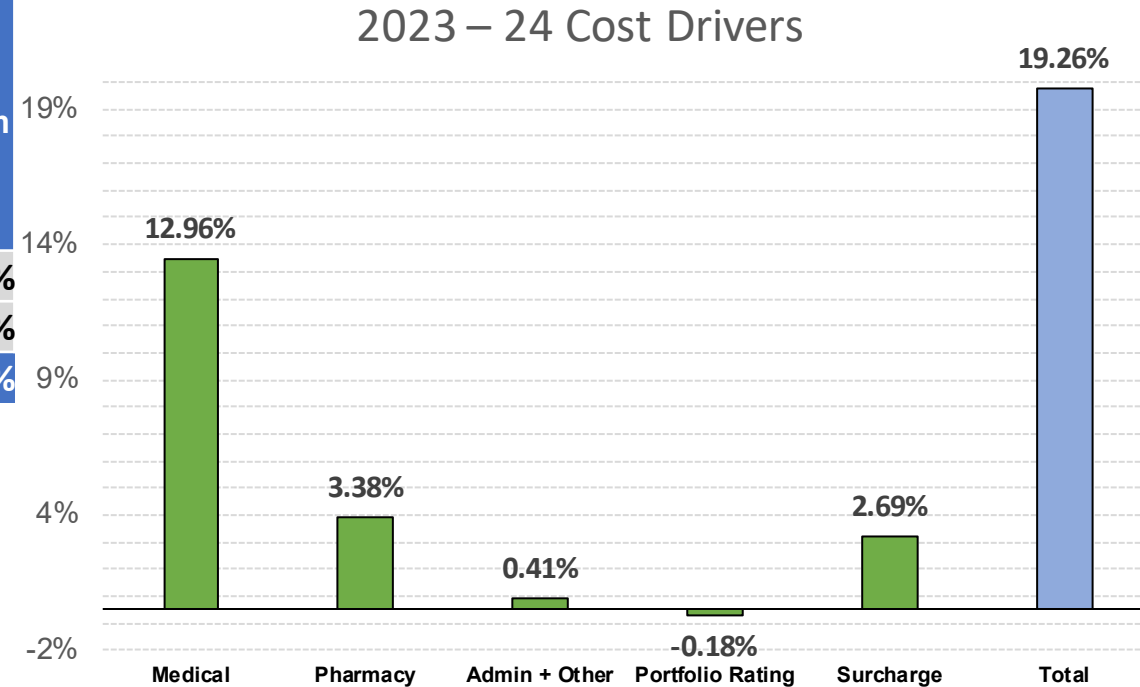
\*The overall weighted average premium percent change excludes Associations.



# PPO Options and Recommendation

## PERS Gold and Platinum (Basic) — Current Two Risk Pool Model

Plan	2023 Premium	2024 Premium	Change In Premium from 2023 (\$)	Change in Premium from 2023 (%)
PERS Gold	\$ 766.11	\$ 913.59	\$ 147.48	19.25%
PERS Platinum	\$ 1,083.89	\$ 1,292.70	\$ 208.81	19.26%
<b>Basic PPO-Overall</b>				<b>19.26%</b>



### 2023 Total Covered Lives

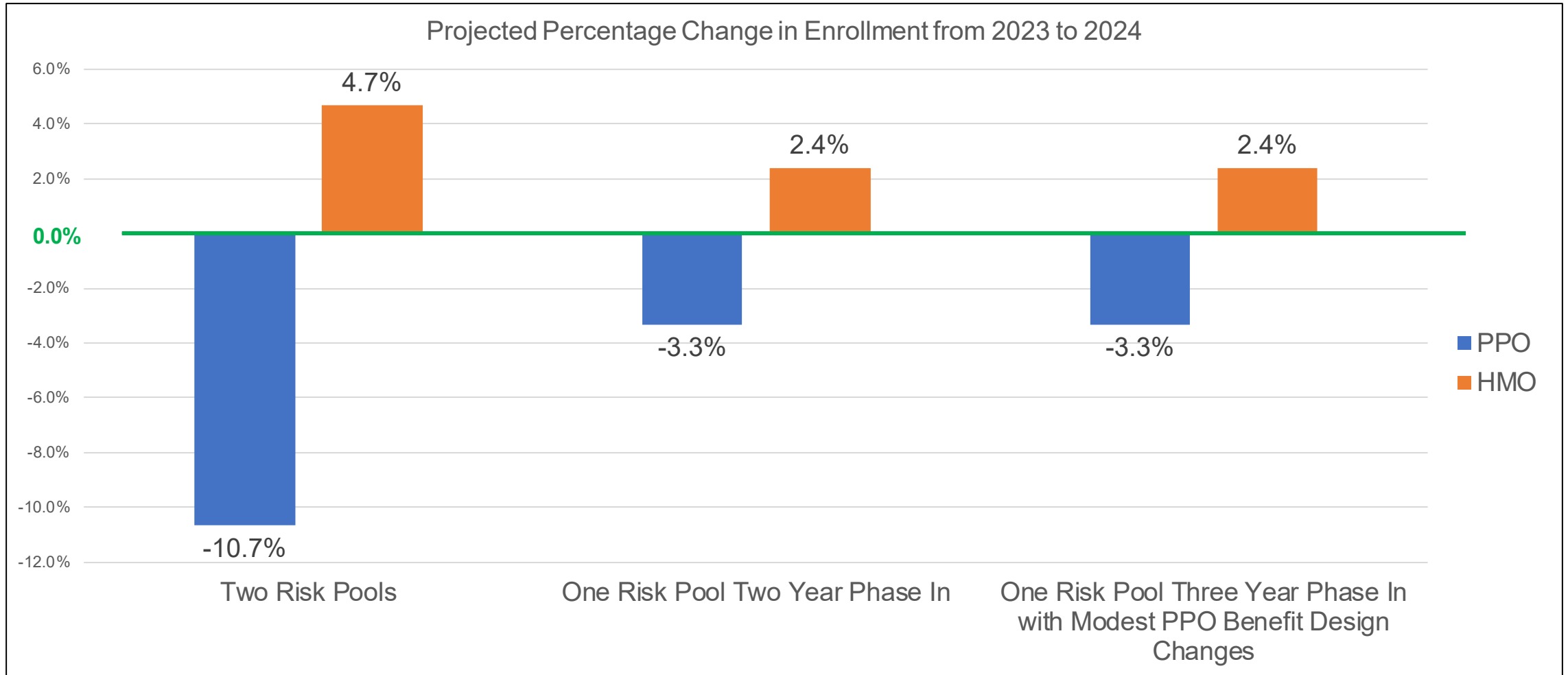
PERS Gold: 135,028  
 PERS Platinum: 129,168

## The Basic PPO Challenge – Sustainability

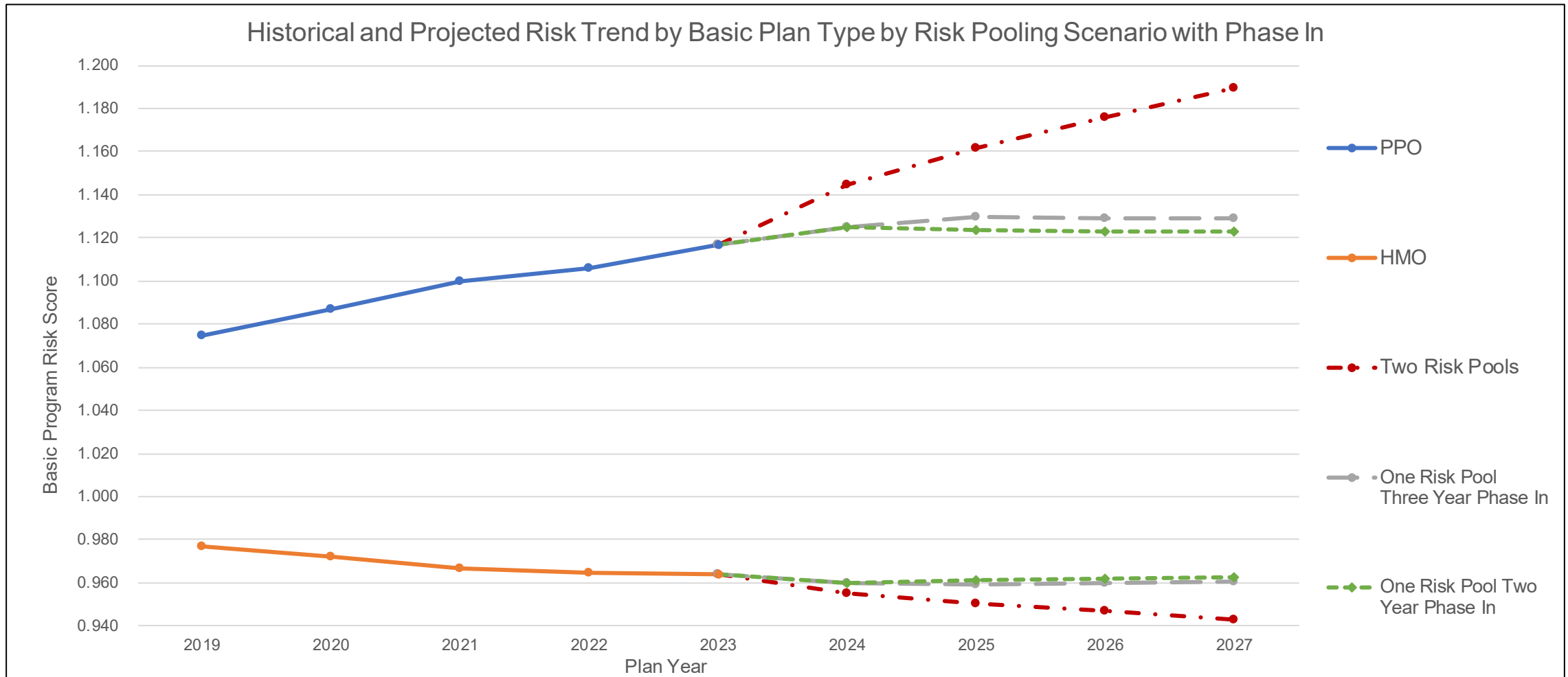




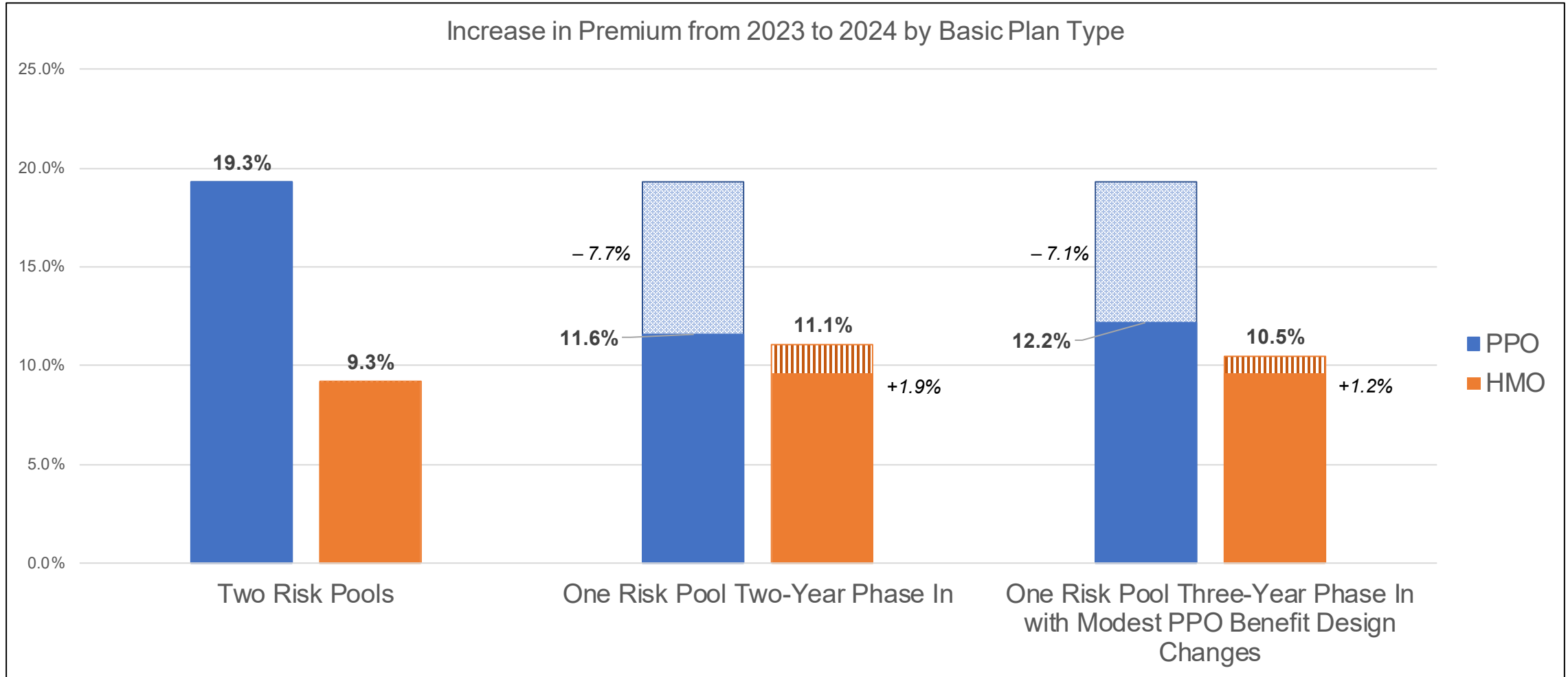
## Estimated Enrollment Impact by One Risk Pool Phase In Scenarios



# Estimated Risk by Scenario



# Premium Increases by One Risk Pool Phase In Scenarios



## Modest PPO Benefit Design Changes

		Current Benefits	Two-Year Phase In No Benefit Changes	Three-Year Phase In with Benefit Changes
Benefit Design Elements	<b>Platinum</b>			
	OON Deductible	\$500	\$500	\$2,000
	<b>Gold</b>			
	OON Deductible	\$1,000	\$1,000	\$2,500
<b>Impact to 2023-2024 Premium Increase</b>				
Benefit Design Impact		N/A	N/A	-1.2%
Network Adjustments		N/A	N/A	-0.6%
Risk Pooling Impact		N/A	-7.7%	-5.3%
<b>Total Impact</b>		<b>N/A</b>	<b>-7.7%</b>	<b>-7.1%</b>
<b>2023-2024 Premium Increase</b>		<b>19.3%</b>	<b>11.6%</b>	<b>12.2%</b>

# PPO Out-of-Network Impacts

<2% PPO members exceeded their OON deductible amounts in 2022

PPO members in urban areas use OON services more than members in rural areas

Top conditions for which members seek care in and out of network are similar

# Premium Impacts Summary

	One Risk Pool Two-Year Phase In	One Risk Pool Three-Year Phase In  Modest PPO Benefit Design Changes
Weighted Averages		
PPO	11.6%	12.2%
HMO	11.1%	10.5%
Impact to Premium from 2023		
PPO	-7.7%	-7.1%
HMO	1.9%	1.2%

### Risk Pool Recommendation



To support the sustainability of the Basic PPO while minimizing impact on 2024 HMO premiums, transition to one risk pool over a three-year phase in while adopting modest PPO benefit design changes.

# Next Steps



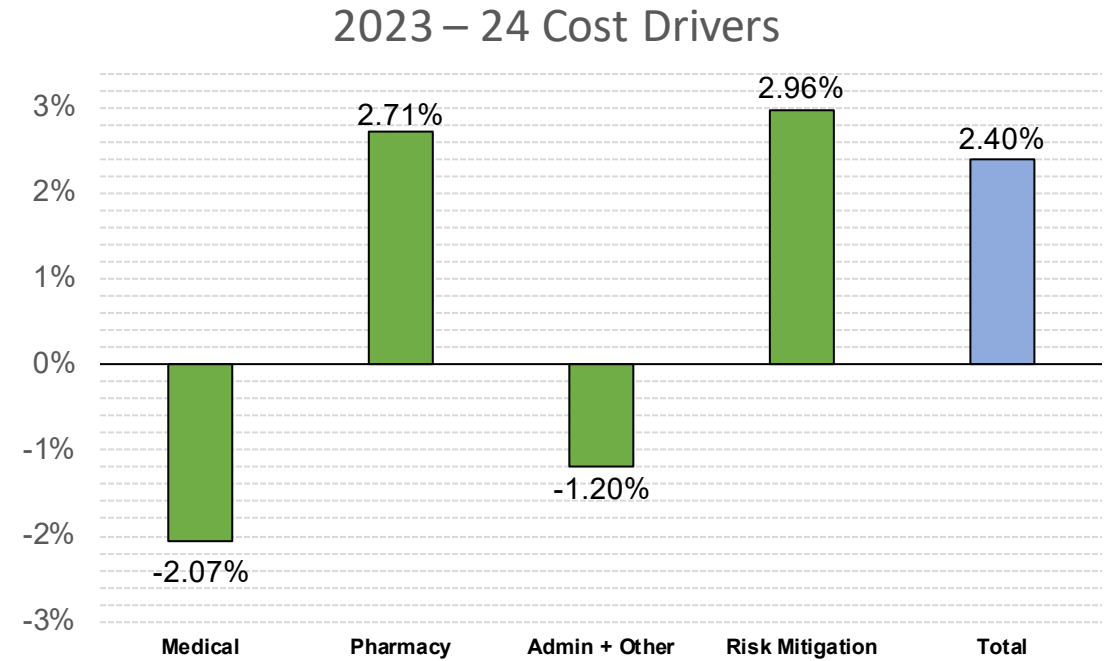




# Basic HMO and PPO Plans with Recommended One Risk Pool Three-Year Phase In and Modest PPO Benefit Design Changes

## Anthem Blue Cross Select HMO (Basic)

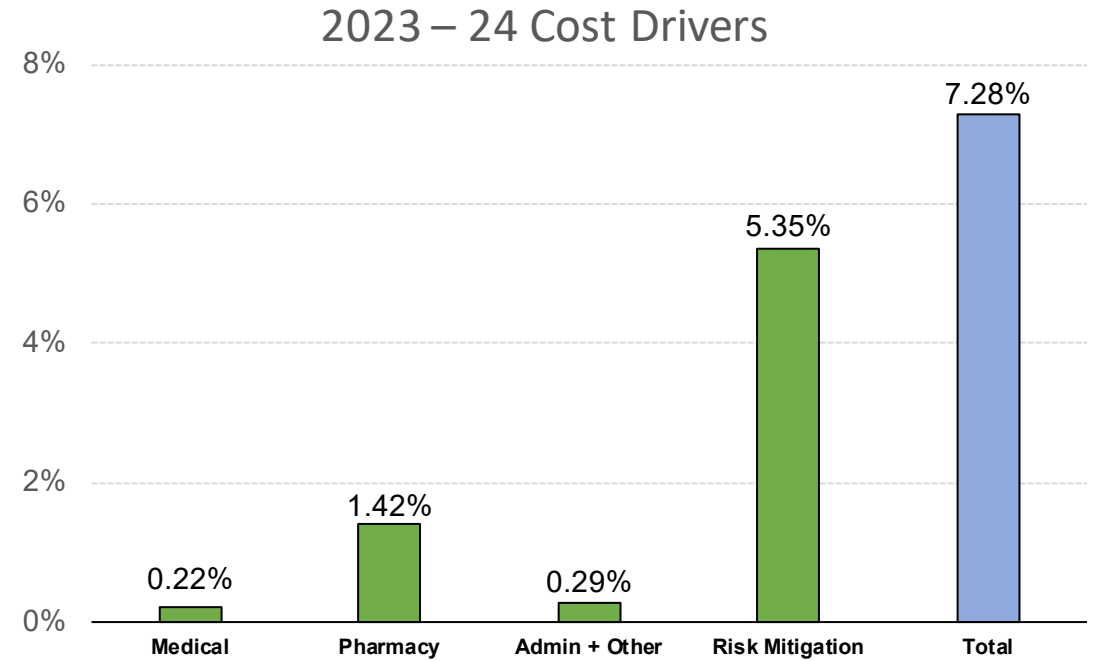
2023 Premium	2024 Premium Before Risk Mitigation	Adjusted Risk Score for 2024	Risk Mitigation Impact	2024 Premium	Percent Change from 2023
\$903.85	\$878.68	0.9638	\$46.89	\$925.57	2.40%



2023 Total Covered Lives: 38,479

## Anthem Blue Cross Traditional HMO (Basic)

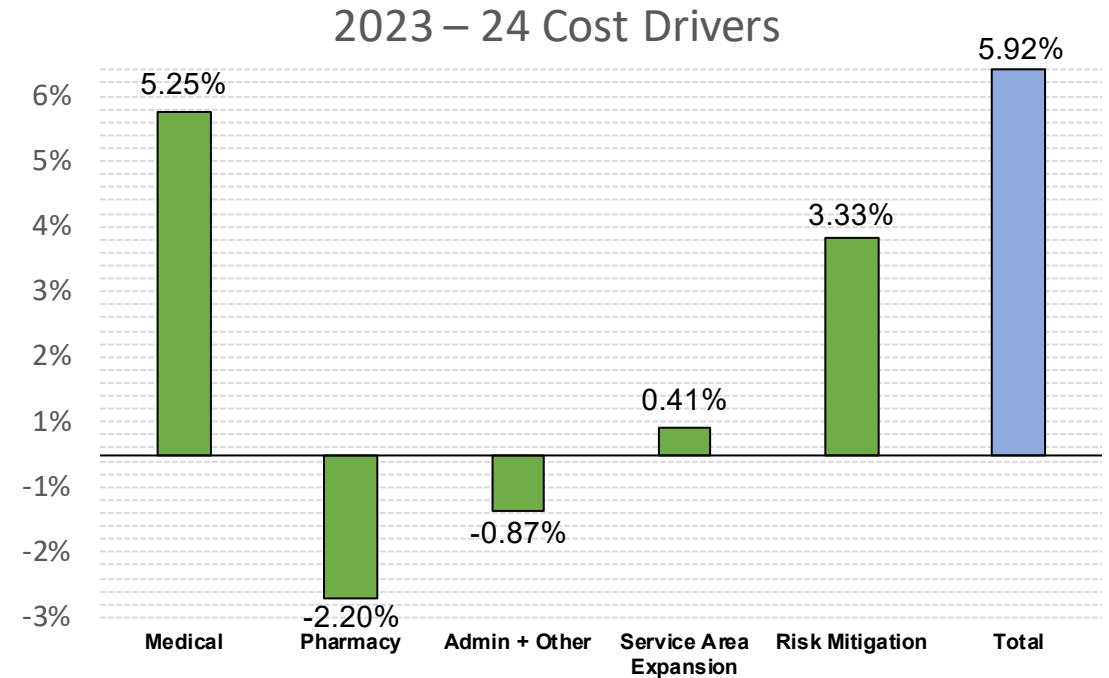
2023 Premium	2024 Premium Before Risk Mitigation	Adjusted Risk Score for 2024	Risk Mitigation Impact	2024 Premium	Percent Change from 2023
\$1,116.65	\$1,360.05	1.1612	(\$162.11)	\$1,197.94	7.28%



2023 Total Covered Lives: 10,980

## Blue Shield Access+ HMO and EPO (Basic)

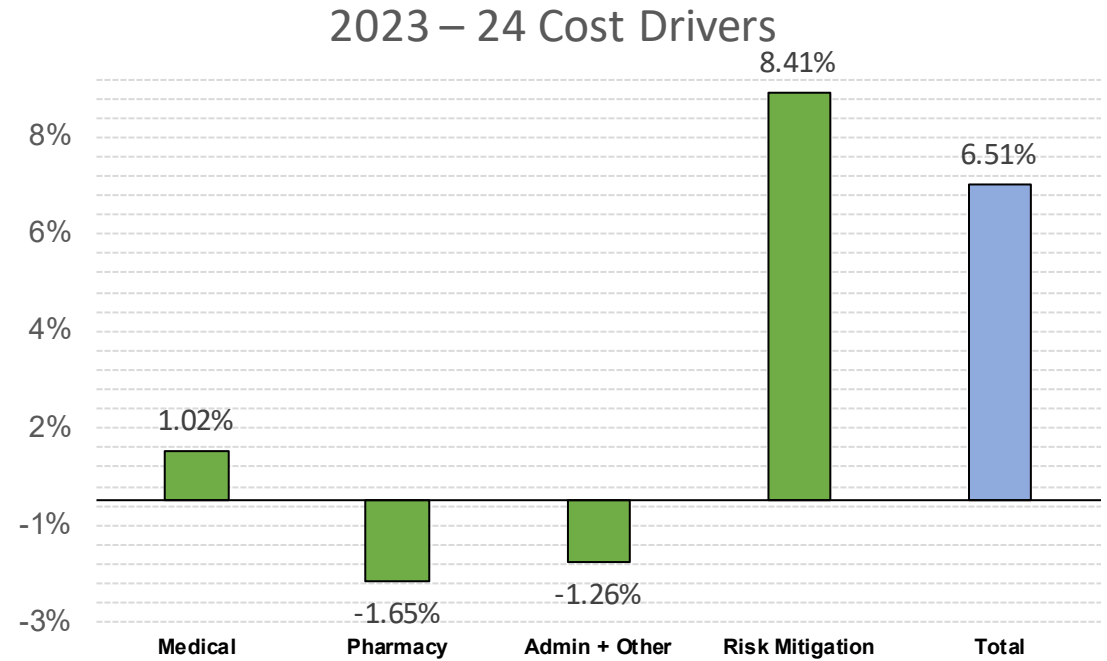
2023 Premium	2024 Premium Before Risk Mitigation	Adjusted Risk Score for 2024	Risk Mitigation Impact	2024 Premium	Percent Change from 2023
\$842.61	\$1,116.68	1.2898	(\$224.19)	\$892.49	5.92%



2023 Total Covered Lives: 94,876

## Blue Shield Trio HMO (Basic)

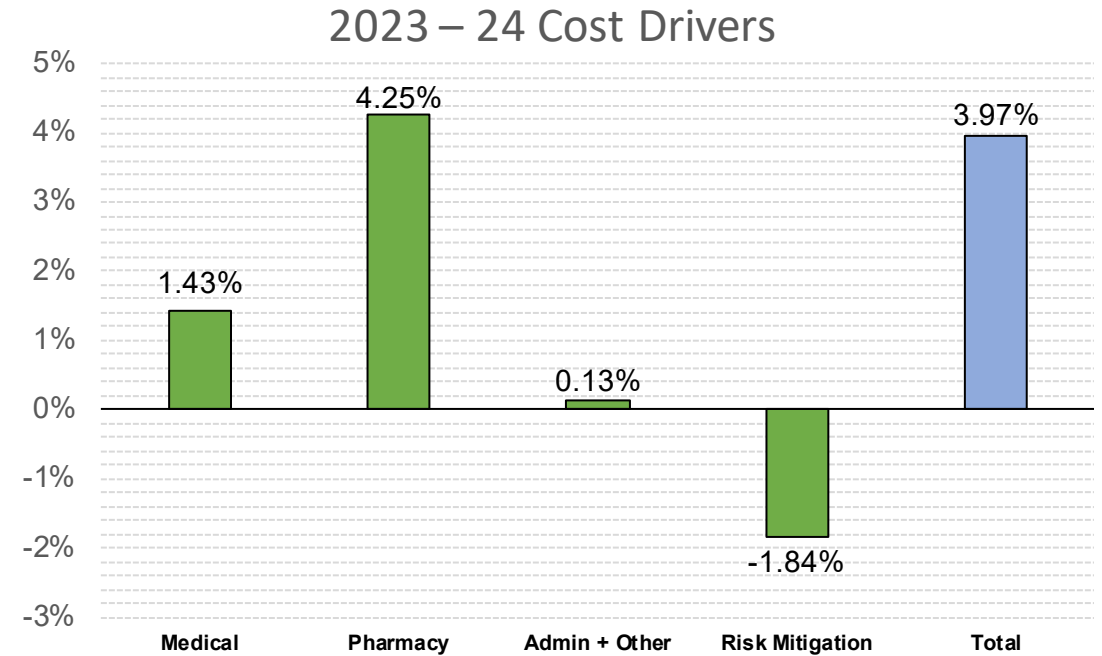
2023 Premium	2024 Premium Before Risk Mitigation	Adjusted Risk Score for 2024	Risk Mitigation Impact	2024 Premium	Percent Change from 2023
\$760.71	\$715.19	0.8916	\$95.05	\$810.24	6.51%



2023 Total Covered Lives: 30,179

## Health Net Salud y Mas (Basic)

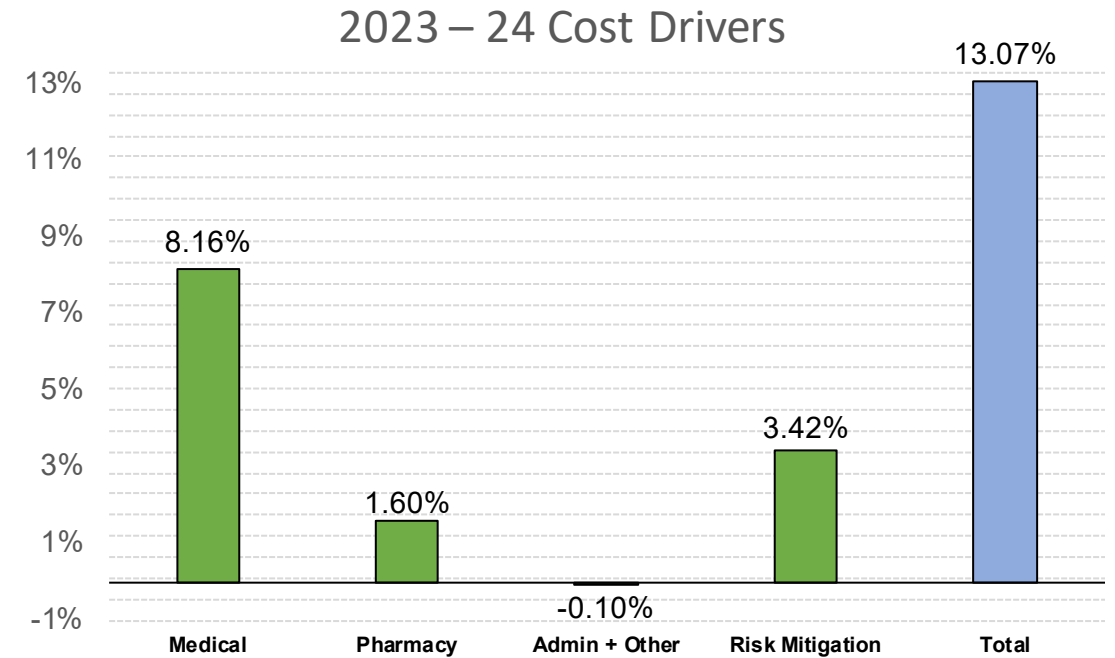
2023 Premium	2024 Premium Before Risk Mitigation	Adjusted Risk Score for 2024	Risk Mitigation Impact	2024 Premium	Percent Change from 2023
\$631.89	\$519.09	0.7805	\$137.87	\$656.96	3.97%



2023 Total Covered Lives: 11,920

## Kaiser Permanente (Basic)

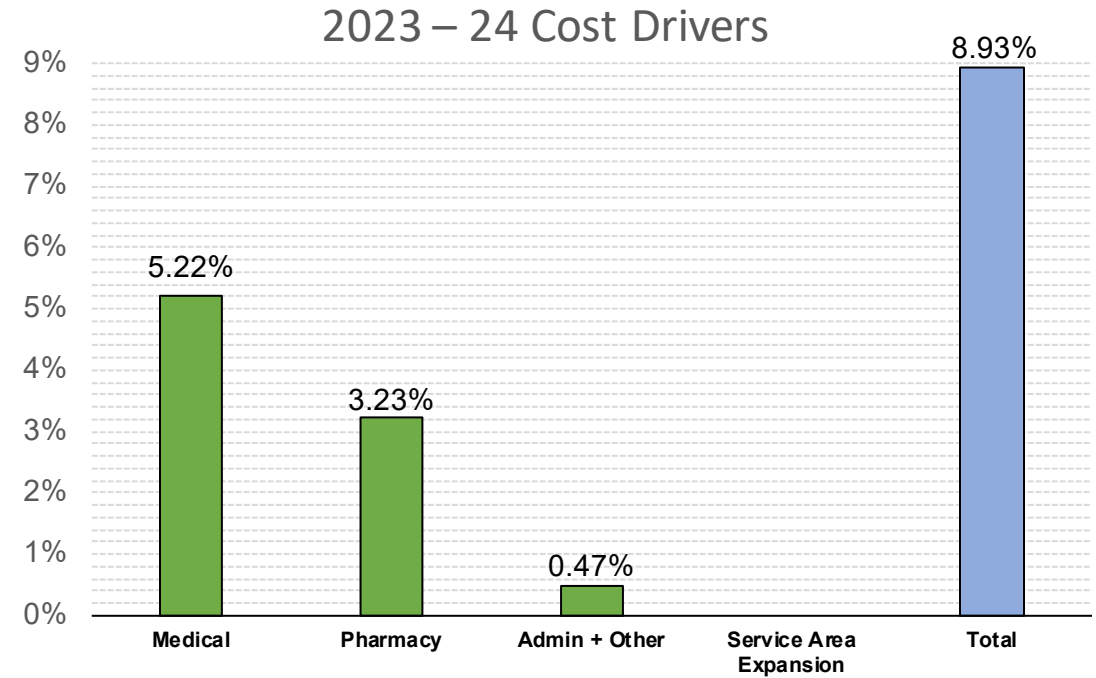
2023 Premium	2024 Premium Before Risk Mitigation	Adjusted Risk Score for 2024	Risk Mitigation Impact	2024 Premium	Percent Change from 2023
\$852.68	\$885.23	0.9312	\$78.92	\$964.15	13.07%



**2023 Total Covered Lives: 550,099**

## Sharp Performance Plus (Basic)

2023 Premium	2024 Premium Before Risk Mitigation	Adjusted Risk Score for 2024	Risk Mitigation Impact	2024 Premium	Percent Change from 2023
\$764.96	\$743.02	0.8985	\$90.22	\$833.24	8.93%

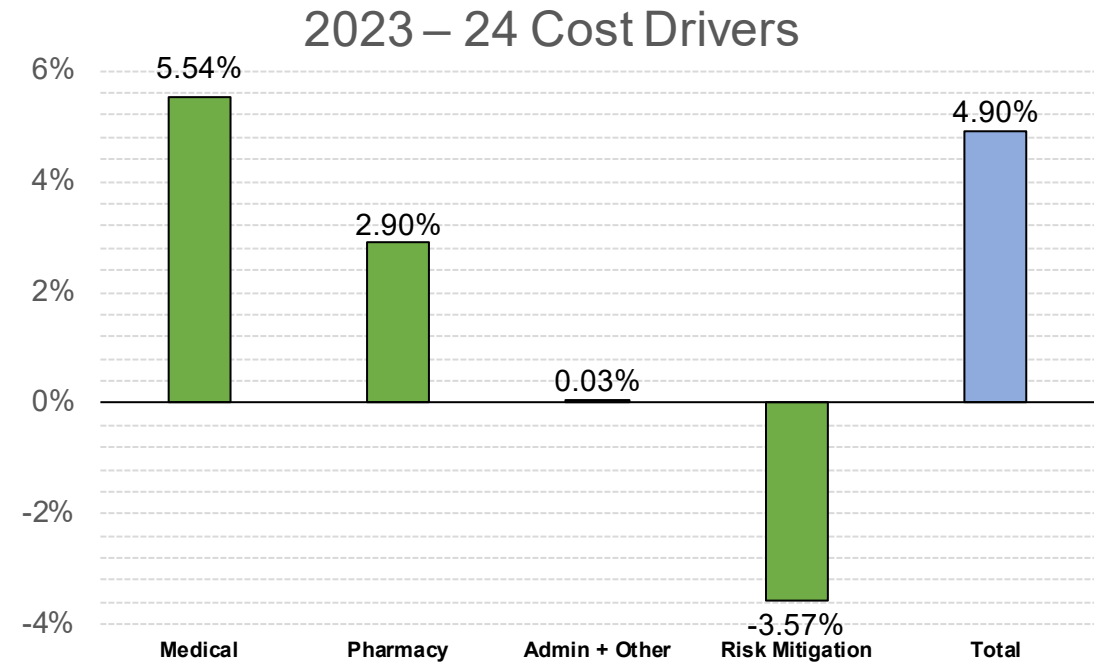


2023 Total Covered Lives: 14,502



## UnitedHealthcare SignatureValue Alliance (Basic)

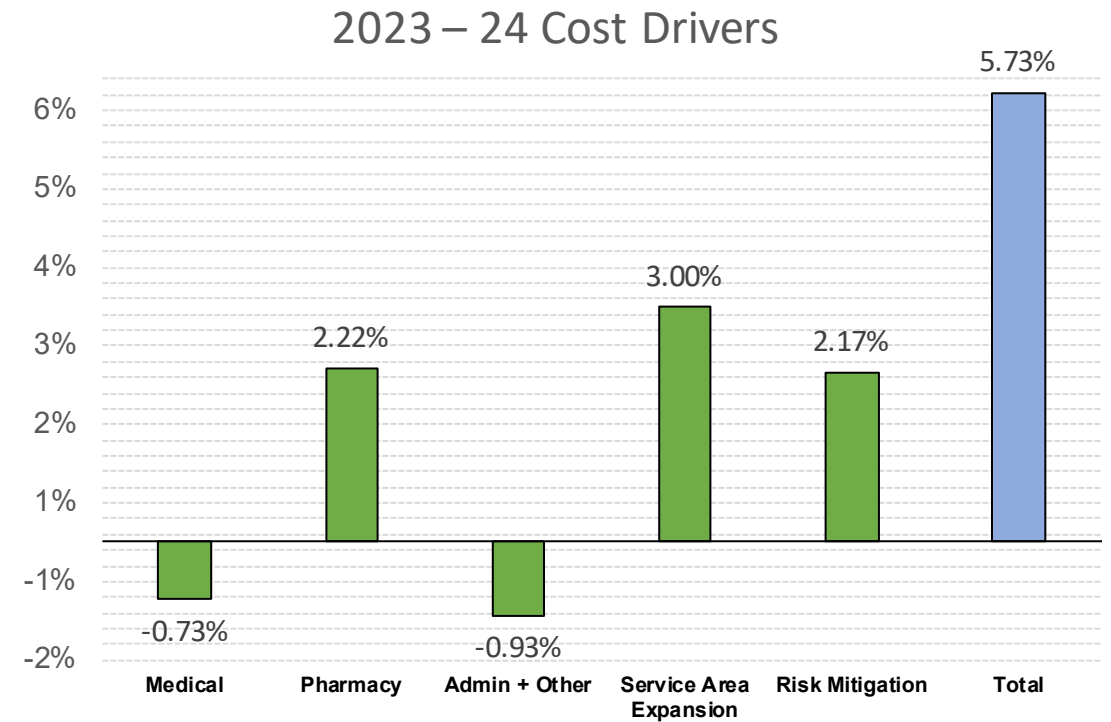
2023 Premium	2024 Premium Before Risk Mitigation	Adjusted Risk Score for 2024	Risk Mitigation Impact	2024 Premium	Percent Change from 2023
\$841.72	\$919.76	1.0648	(\$36.78)	\$882.98	4.90%



**2023 Total Covered Lives: 72,126**

## UnitedHealthcare SignatureValue Harmony (Basic)

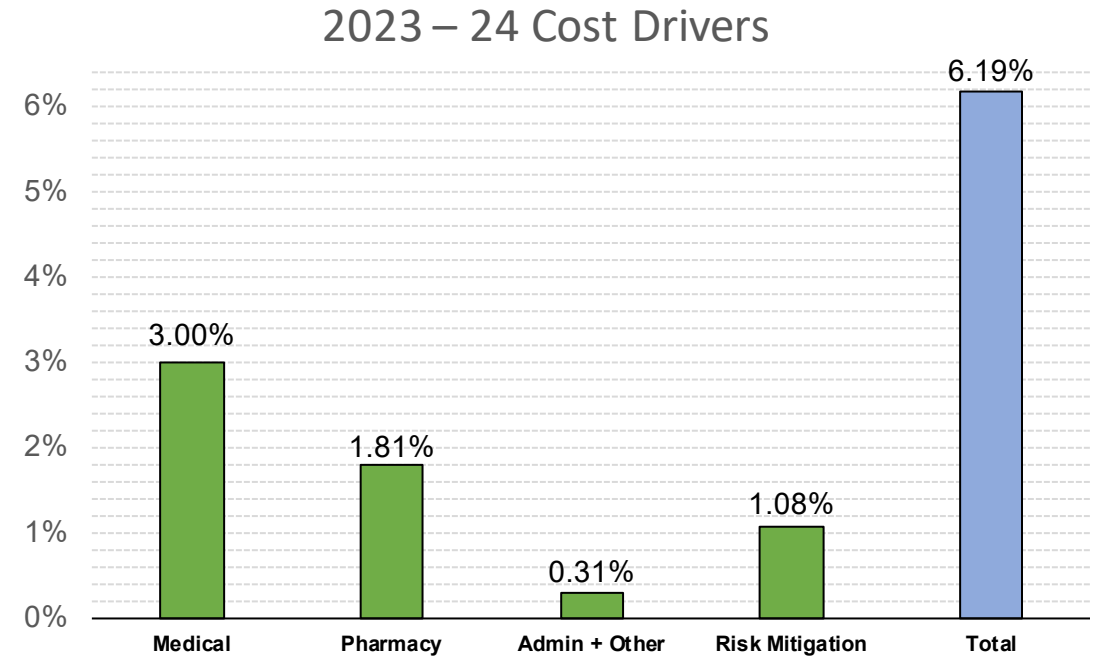
2023 Premium	2024 Premium Before Risk Mitigation	Adjusted Risk Score for 2024	Risk Mitigation Impact	2024 Premium	Percent Change from 2023
\$722.28	\$702.68	0.9295	\$61.02	\$763.70	5.73%



**2023 Total Covered Lives: 4,336**

## Western Health Advantage HMO (Basic)

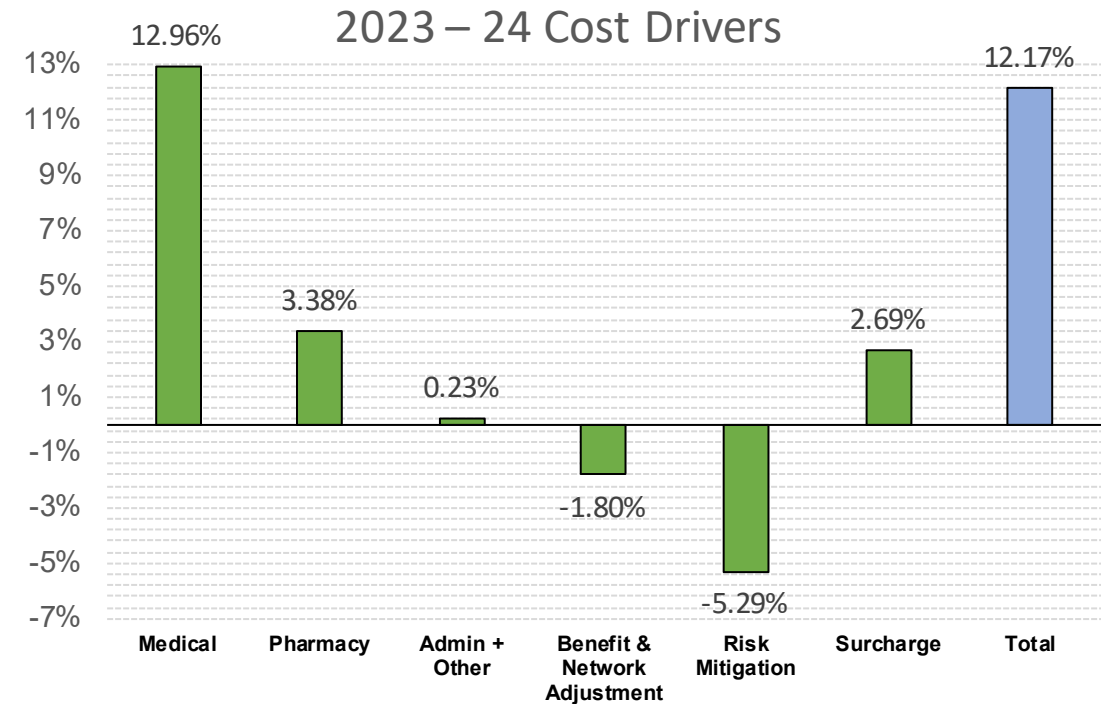
2023 Premium	2024 Premium Before Risk Mitigation	Adjusted Risk Score for 2024	Risk Mitigation Impact	2024 Premium	Percent Change from 2023
\$760.17	\$851.60	1.0790	(\$44.37)	\$807.23	6.19%



2023 Total Covered Lives: 15,967

## PERS Gold and Platinum (Basic)

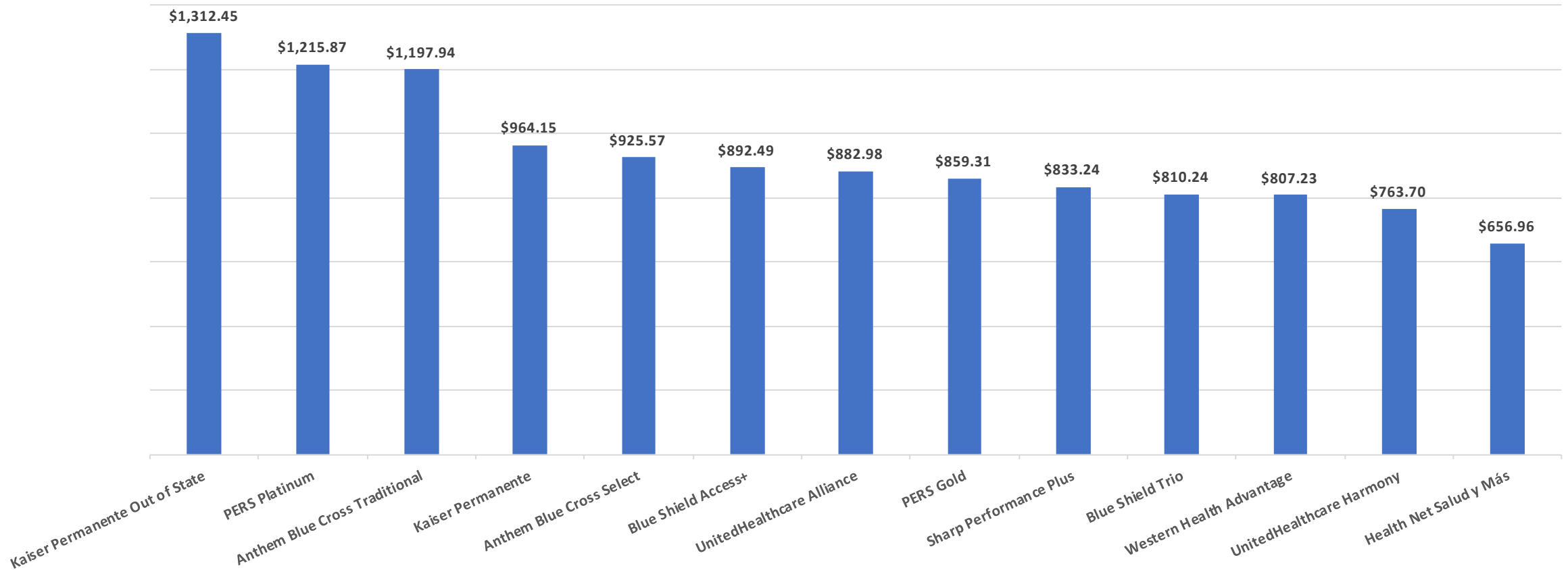
Plan	Adjusted Risk Score for 2024	Risk Mitigation Impact	2024 Premium	Percent Change from 2023
PERS Gold	0.7635	\$60.47	\$859.31	12.17%
PERS Platinum	1.3253	(\$144.81)	\$1,215.87	12.18%
Basic PPO-Overall				12.17%



### 2023 Total Covered Lives

**PERS Gold: 135,028**  
**PERS Platinum: 129,168**

### 2024 Portfolio Premium Levels - Basic HMO and PPO Plans

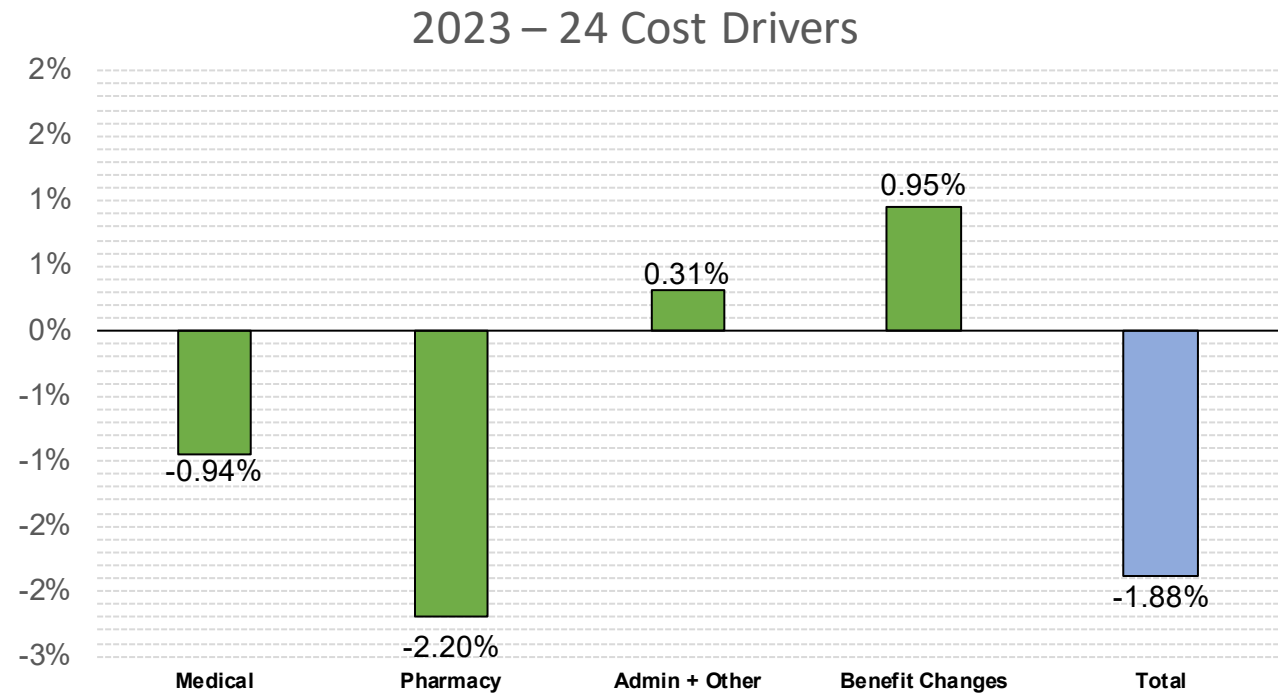




# Medicare Advantage and Medicare Supplement Plans

## Anthem Blue Cross Medicare Preferred PPO

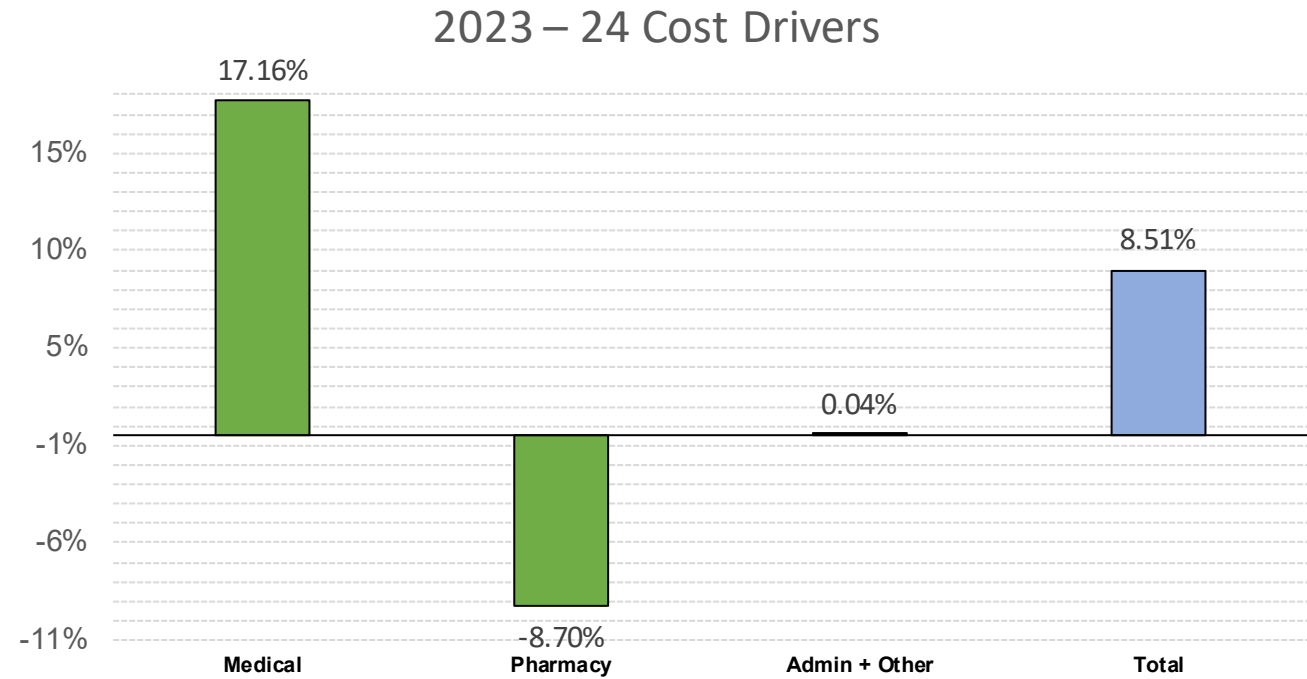
2023 Premium	Preliminary 2024 Premium	Change in Premium from 2023 (\$)	Change in Premium from 2023 (%)
\$413.59	\$405.83	(\$7.76)	-1.88%



2023 Total Covered Lives: 6,274

## Blue Shield Medicare PPO

2023 Premium	Preliminary 2024 Premium	Change in Premium from 2023 (\$)	Change in Premium from 2023 (%)
\$361.90	\$392.68	\$30.78	8.51%

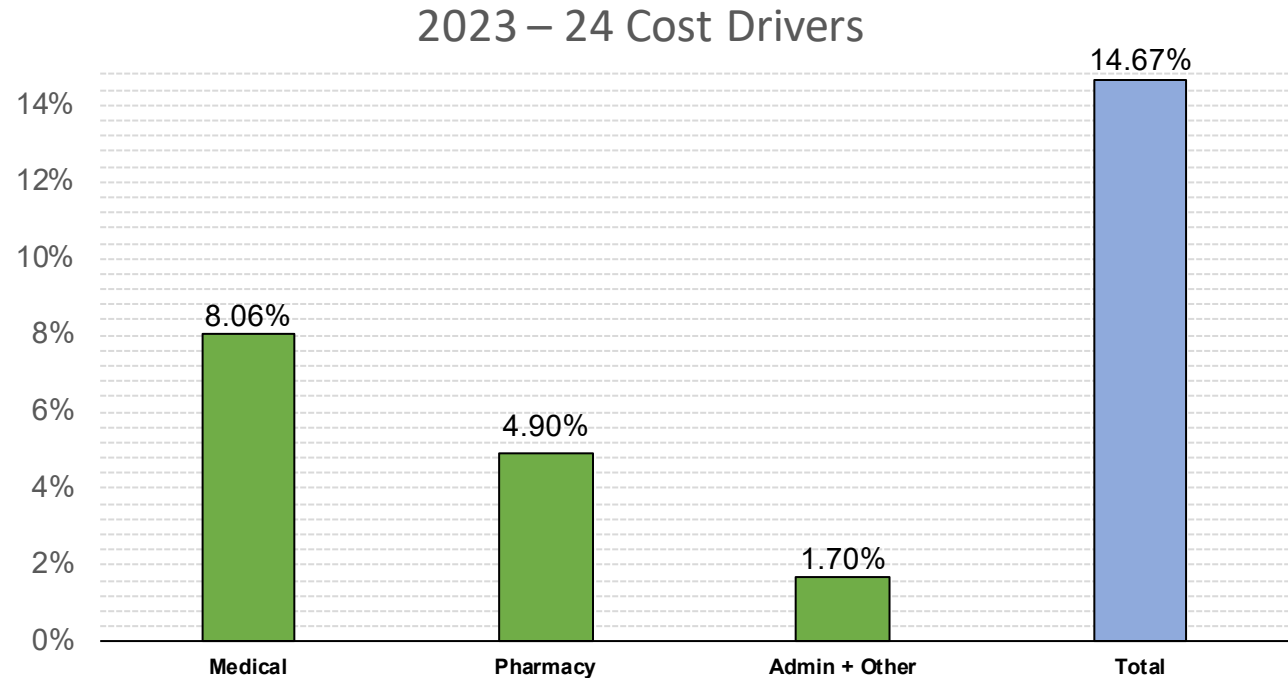


2023 Total Covered Lives: 3,251



## Kaiser Permanente Senior Advantage (Medicare)

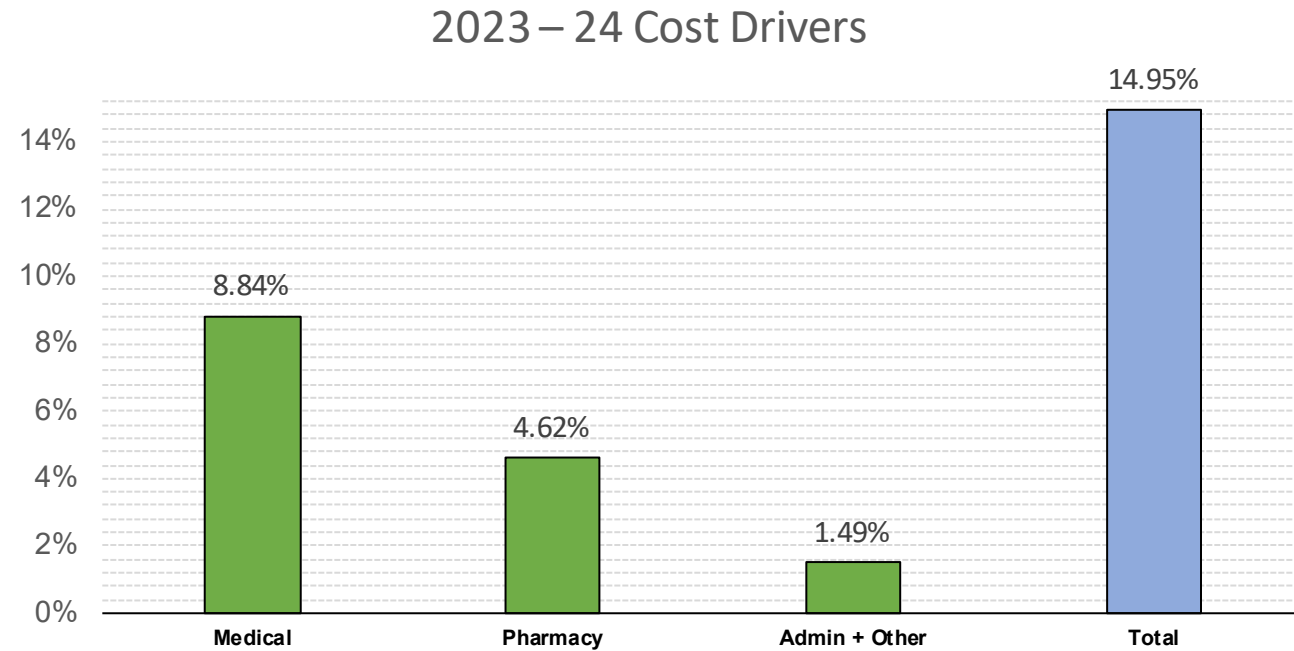
2023 Premium	Preliminary 2024 Premium	Change in Premium from 2023 (\$)	Change in Premium from 2023 (%)
\$283.25	\$324.79	\$41.54	14.67%



2023 Total Covered Lives: 108,541

## Kaiser Permanente Senior Advantage Summit (Medicare)

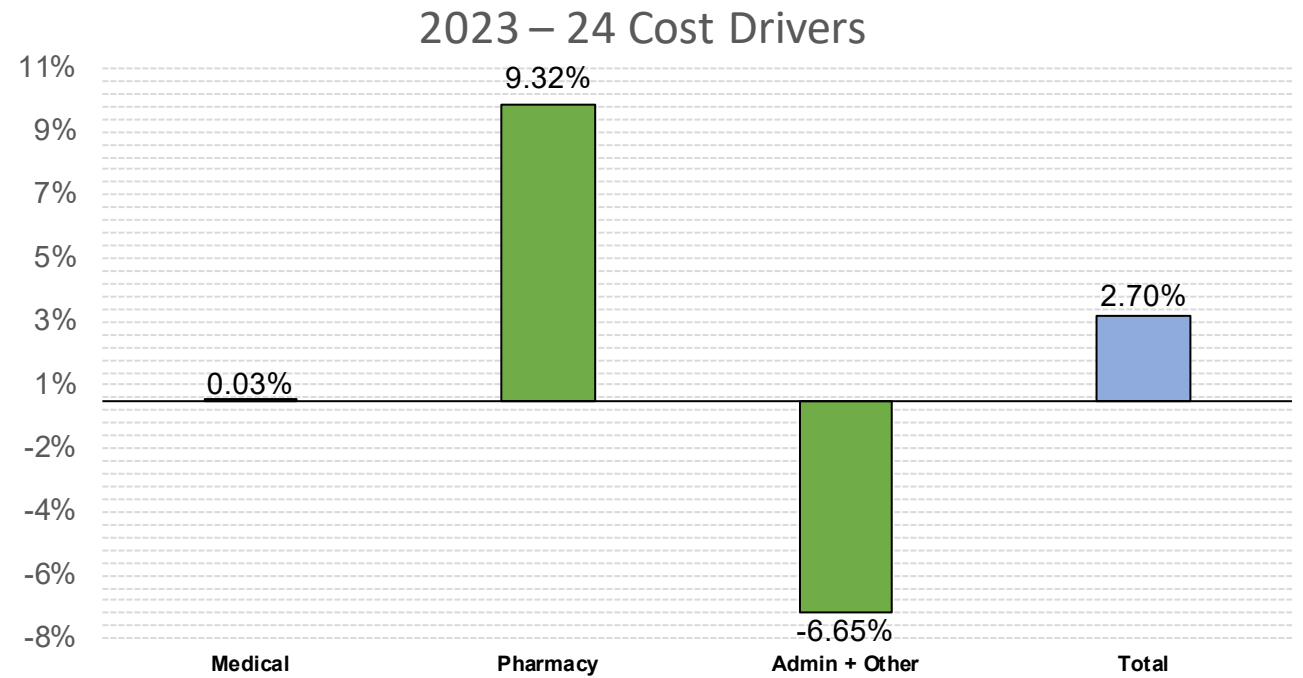
2023 Premium	Preliminary 2024 Premium	Change in Premium from 2023 (\$)	Change in Premium from 2023 (%)
\$336.29	\$386.55	\$50.26	14.95%



2023 Total Covered Lives: 5,749

## Sharp Direct Advantage HMO (Medicare)

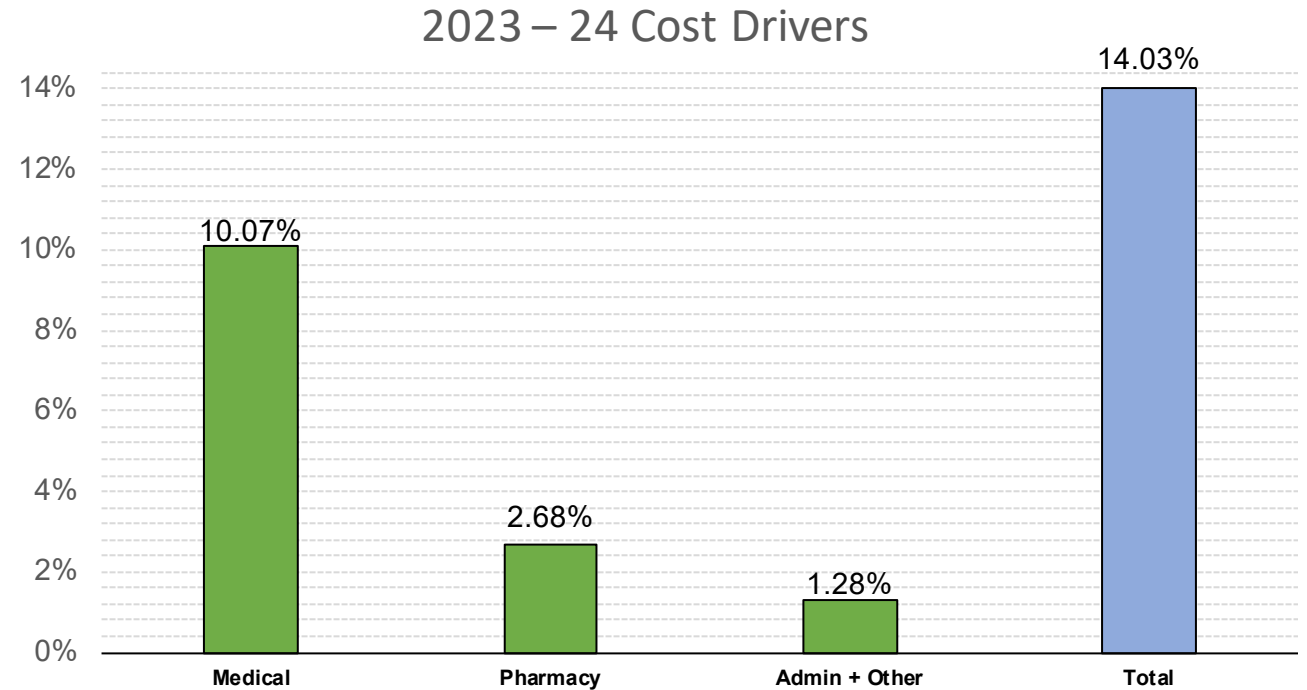
2023 Premium	Preliminary 2024 Premium	Change in Premium from 2023 (\$)	Change in Premium from 2023 (%)
\$249.79	\$256.53	\$6.74	2.70%



2023 Total Covered Lives: 342

## UnitedHealthcare Group Medicare Advantage PPO

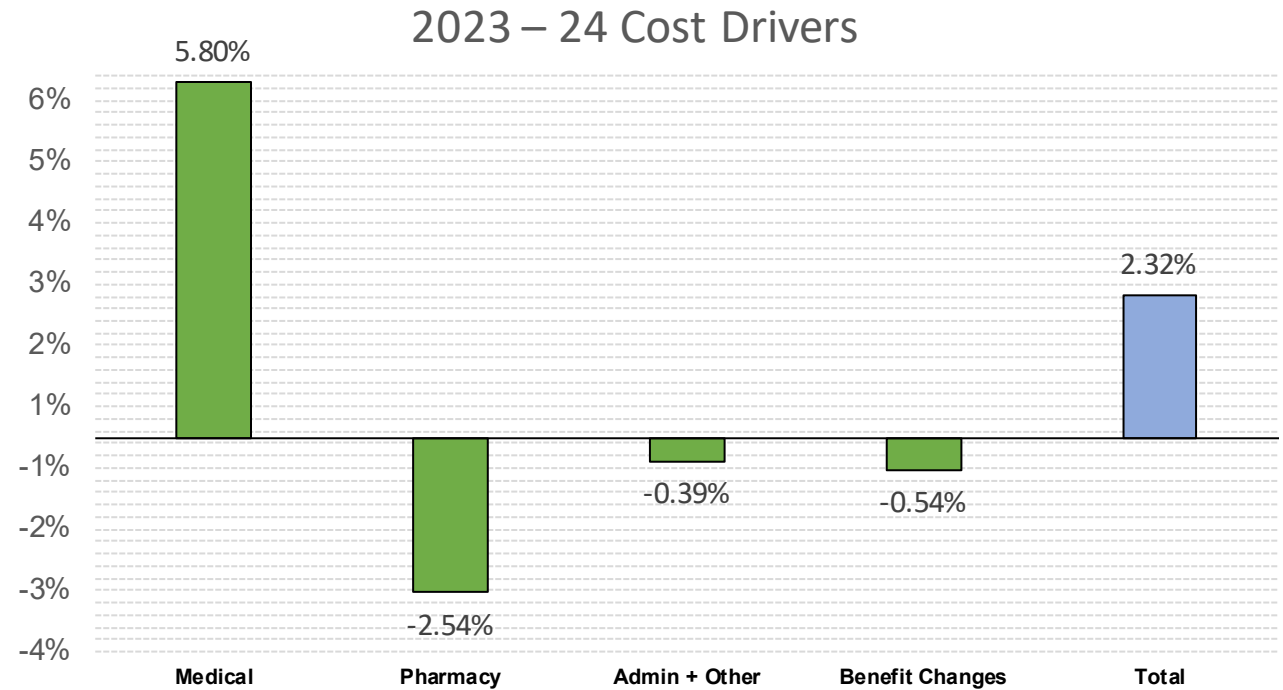
2023 Premium	Preliminary 2024 Premium	Change in Premium from 2023 (\$)	Change in Premium Over 2023 (%)
\$299.68	\$341.72	\$42.04	14.03%



2023 Total Covered Lives: 44,047

## UnitedHealthcare Group Medicare Advantage Edge PPO

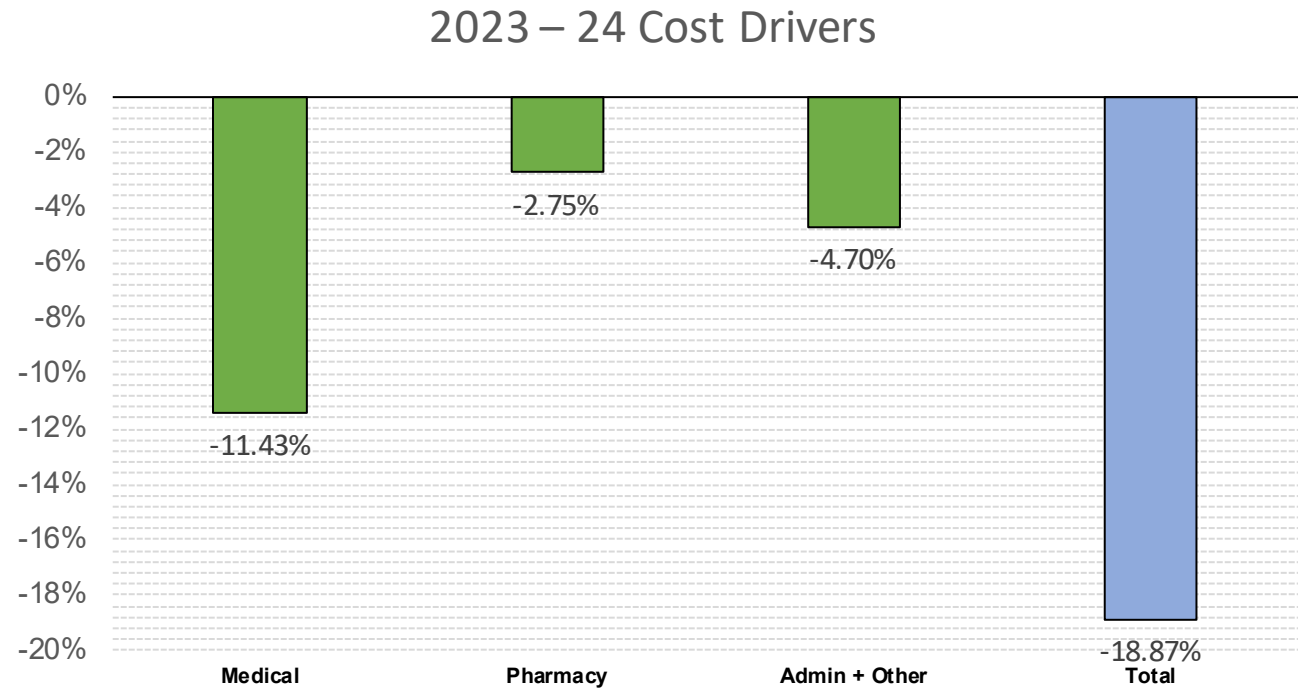
2023 Premium	Preliminary 2024 Premium	Change in Premium from 2023 (\$)	Change in Premium from 2023 (%)
\$357.70	\$366.01	\$8.31	2.32%



2023 Total Covered Lives: 3,715

## Western Health Advantage MyCare Select HMO (Medicare)

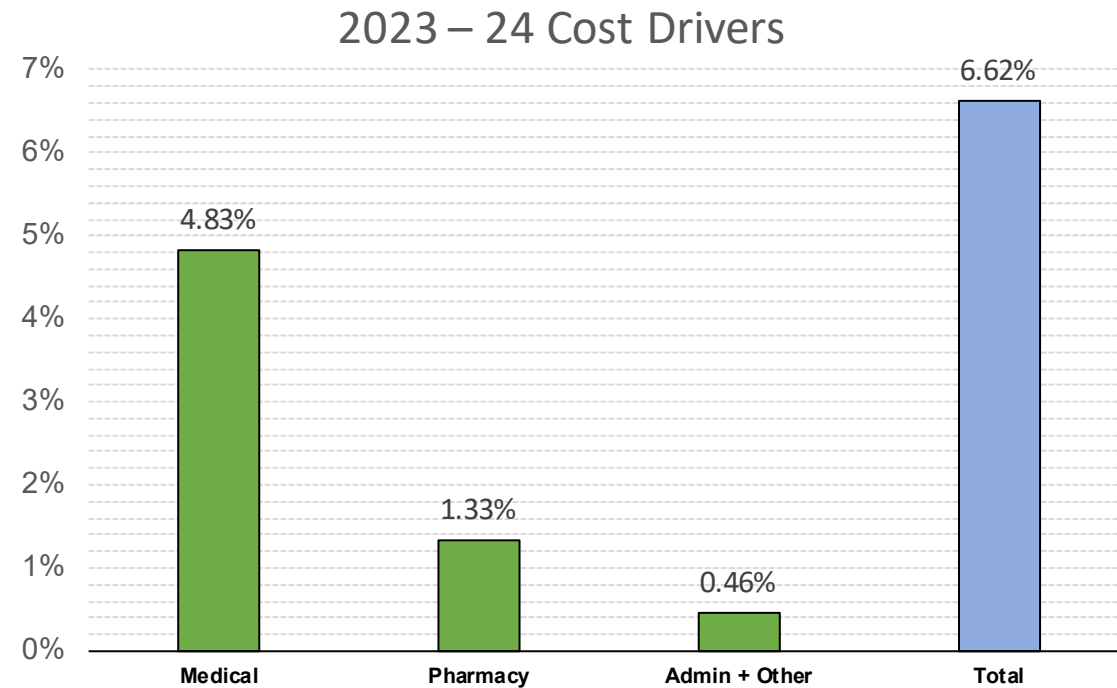
2023 Premium	Preliminary 2024 Premium	Change in Premium from 2023 (\$)	Change in Premium from 2023 (%)
\$331.11	\$268.62	(\$62.49)	-18.87%



**2023 Total Covered Lives: 298**

## PERS Gold and Platinum Medicare Supplement Plans

Plan	2023 Premium	Preliminary 2024 Premium	Change in Premium from 2023 (\$)	Change in Premium from 2023 (%)
PERS Gold	\$392.71	\$406.60	\$13.89	3.54%
PERS Platinum	\$420.02	\$448.15	\$28.13	6.70%
Medicare Supplement-Overall				6.62%



### 2023 Total Covered Lives

**PERS Gold Medicare Supplement: 4,071**  
**PERS Platinum Medicare Supplement: 148,586**

## 2024 Portfolio Premium Levels - Medicare Advantage and Medicare Supplement Plans

