



State & School Employees' Life & Health Insurance Plan



Presented to the

**Mississippi Retired Public
Employees' Association**

July 11, 2016



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MISSISSIPPI



keys to living healthy

State and School Employees Health Insurance Management Board

- Authorized by law to promulgate rules and regulations governing the Plan
- Defines the scope and coverages provided by the Plan
- Selects vendors to provide administrative and operational support
- Develops and adopts strategic plans and budgets (including setting premium rates)
- Department of Finance and Administration, Office of Insurance provides administrative support

Health Insurance Coverage Options

- Select Coverage:

\$1,000 in-network deductible for individual

- Base Coverage:

\$1,800 deductible for individual

\$3,000 deductible for family

(Qualifies as a high deductible health plan under IRS rules for Health Savings Accounts)

State and School Employees' Life and Health Insurance Plan

- Active and retired employees (and dependents) of:
 - Agencies
 - School districts
 - Community/junior colleges
 - Public libraries
 - Universities
 - Mississippi House of Representatives and Senate members and staff
 - State Judges and District Attorneys
 - Statewide Elected Officials
- Self-insured
- No direct appropriation from the State

Health Insurance Enrollment as of June 30, 2016

187,698 Total Covered Lives

- 114,674 Active and COBRA employees plus 43,591 dependents
- 15,348 Medicare retirees plus 3,102 dependents
- 8,947 Non-Medicare retirees plus 2,036 dependents

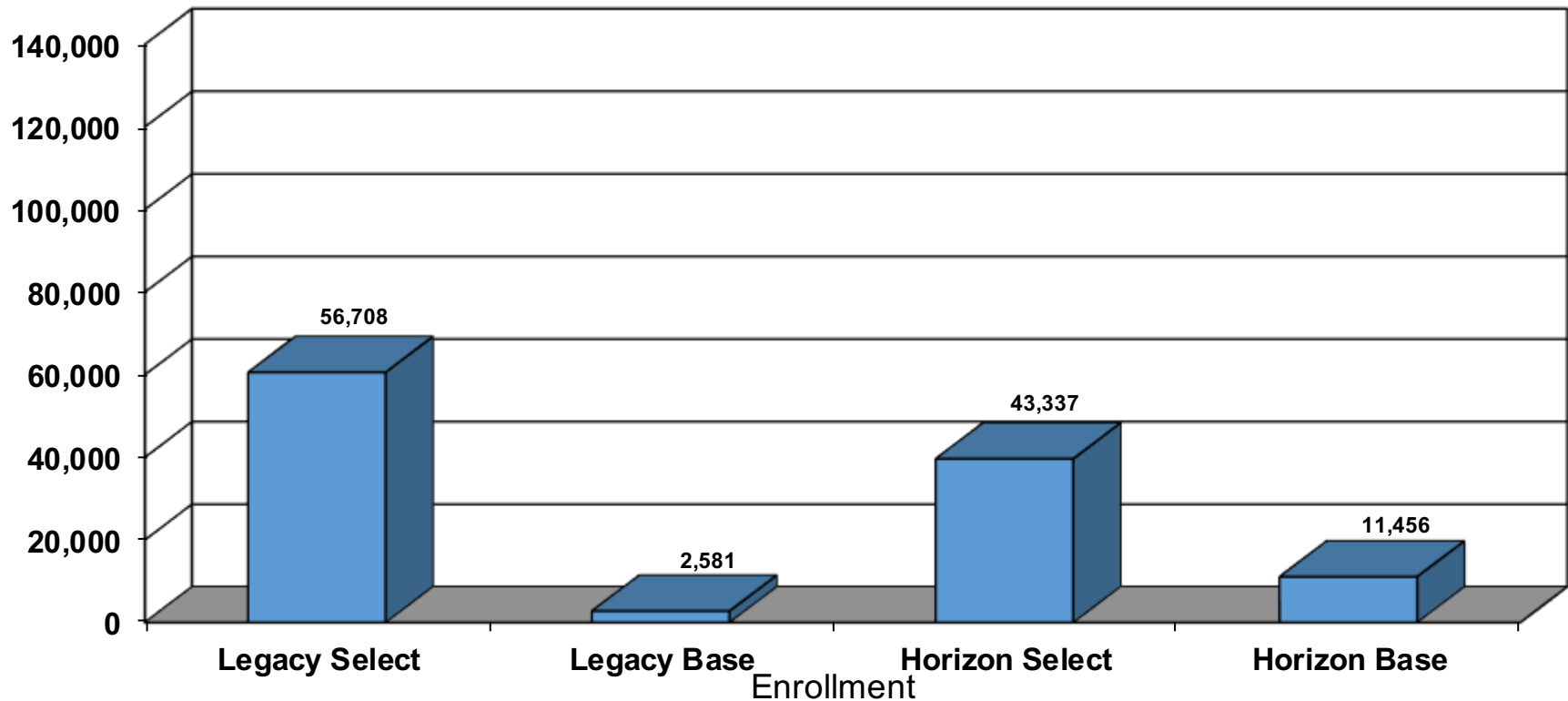
Note: The life insurance program has approximately 91,789 covered lives (78,643 active and 13,146 retirees) with over \$5.8 billion in coverage

Source: BCBSMS Enrollment Reports

Participant Types

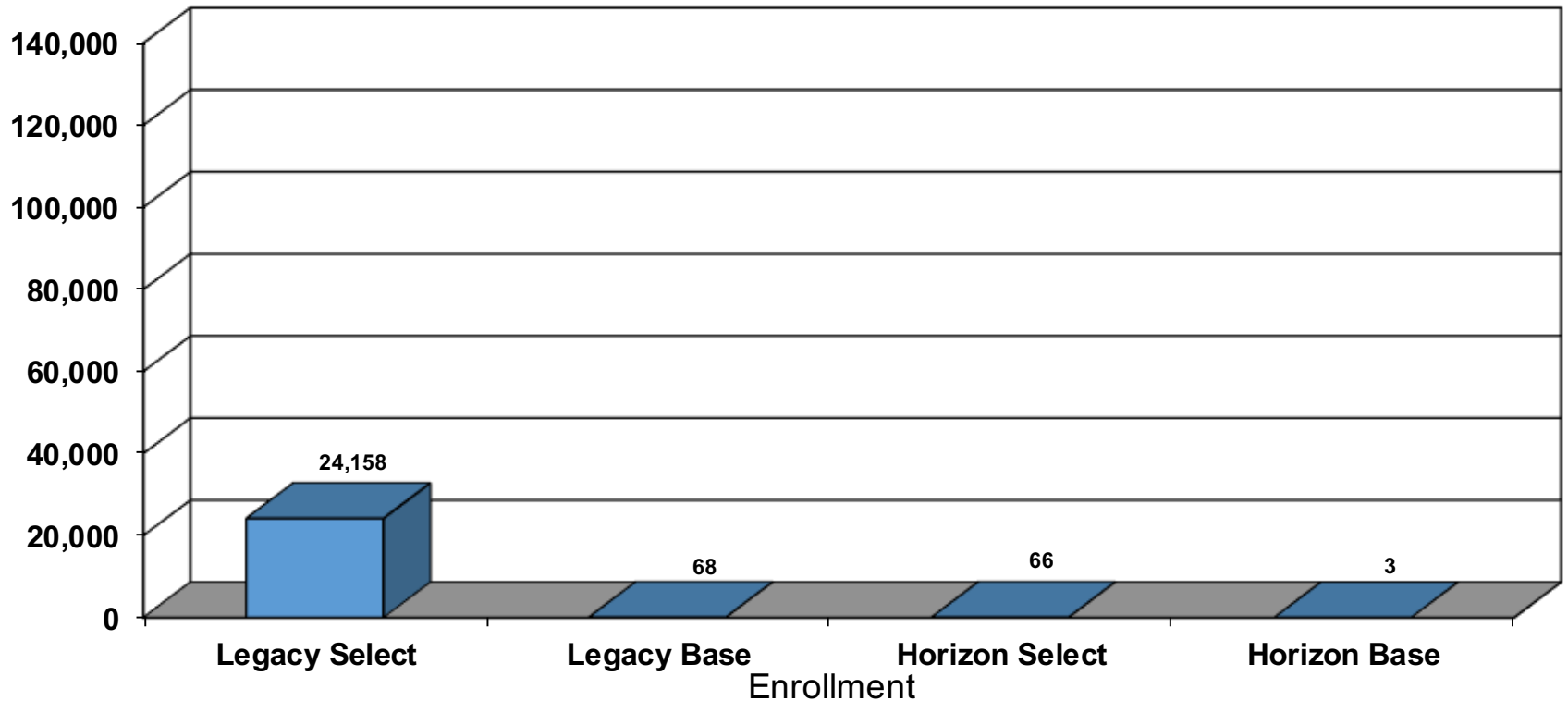
- **Legacy** - An active or retired employee who began full-time employment with the State prior to 1/1/06. This includes any current or subsequently hired employee who was ever employed by the State prior to 1/1/06.
- **Horizon** - An active or retired employee who began full-time employment with the State on or after 1/1/06, and has not previously been employed full-time by the State prior to 1/1/06.

Active Employee Enrollment by Coverage Type as of June 30, 2016



Source: BCBSMS Enrollment Reports

Retired Employee Enrollment by Coverage Type as of June 30, 2016



Source: BCBSMS Enrollment Reports

Premium Contributions

- State pays full cost for active employees enrolled in Base Coverage
- Employees may choose Select Coverage and pay applicable premium (Legacy \$20, Horizon \$38)
- Employee pays full premium for dependents
- Retirees pay full premium for themselves and dependents

Monthly Premium Rates – Effective 1/1/2016

	LEGACY RETIREES		HORIZON RETIREES	
	BASE	SELECT	BASE	SELECT
RETIRED EMPLOYEE - NON-MEDICARE ELIGIBLE				
Retiree	\$409	\$432	\$597	\$620
Retiree + Spouse (Non-Medicare)	\$856	\$941	\$1,232	\$1,317
Retiree + Spouse & Child(ren) (Non-Medicare)	\$1,091	\$1,176	\$1,387	\$1,472
Retiree + Child	\$525	\$587	\$690	\$775
Retiree + Children	\$706	\$744	\$847	\$932
Retiree + Spouse (Medicare)	N/A	\$612	N/A	\$800
Retiree + Spouse & Child(ren) (One or more Medicare)	N/A	\$767	N/A	\$955
RETIRED EMPLOYEE - MEDICARE ELIGIBLE	BASE	SELECT	BASE	SELECT
Retiree	N/A	\$180	N/A	\$180
Retiree + Spouse (Non-Medicare)	N/A	\$689	N/A	\$877
Retiree + Spouse & Child(ren) (Non-Medicare)	N/A	\$924	N/A	\$1,032
Retiree + Child	N/A	\$335	N/A	\$335
Retiree + Children	N/A	\$492	N/A	\$492
Retiree + Spouse (Medicare)	N/A	\$360	N/A	\$360
Retiree + Spouse & Child(ren) (One or more Medicare)	N/A	\$515	N/A	\$515
RETIRED NON-MEDICARE MARRIED TO ACTIVE	BASE	SELECT	BASE	SELECT
Retiree	\$409	\$432	\$409	\$443
Retiree + Child	\$510	\$587	\$510	\$598
Retiree + Children	\$667	\$744	\$667	\$755

Plan Revenue, Expenses, & Reserves – CY 2015

(in millions)

Health premiums collected	\$718.1
Health claims incurred	(679.9)
Life premiums collected	16.7
Life claims incurred	(14.7)
Interest	2.6
ACA Imposed Fees	(7.7)
Administrative and cost containment expenses paid	<u>(33.2)</u>
Net gain (loss)	\$1.8

Plan Assets @ 6/30/16	\$382
Less: Estimated liabilities (does not include OPEB*)	<u>(110.8)</u>
Reserves @ 6/30/16	\$272.1

*OPEB Liability at 6/30/15 = \$732.1M
 Source: CY 2015 Actuarial Report

Vendors

- Blue Cross & Blue Shield of Mississippi – *third party medical claims administrator*
- Prime Therapeutics – *pharmacy benefit manager*
- ActiveHealth Management, Inc. – *health management vendor (medical, disease, and wellness promotion)*
- Advanced Health Systems – *direct contracting vendor (medical provider network)*
- Minnesota Life Insurance Company – *life insurer*

Motivating Mississippi Keys to Living Healthy

Objectives:

- Identify and encourage positive health practices to improve the overall health and wellness of Plan participants
- Reduce health care costs to the Plan and participants by providing appropriate behavioral modification and preventive services

Components:

- Annual wellness benefit for participants age 18 and older who use AHS State Network providers
- Partner with the Mississippi Tobacco Quit Line and ACT Center
- List of covered services available at knowyourbenefits.dfa.ms.gov

What's new?

- **Benefit Changes for 2016**
- **Benefit Changes for 2017**
- **ACA Compliance**
- **Maintain solvent, stable, responsive benefit plan**
- **Questions?**

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