



# GIC Listening Sessions

## Fiscal Year 2020 Benefit Recommendations

 *Group Insurance Commission*

 *@MassGIC*

## **I. Welcome**

## **I. Summary of FY 20 Benefit Recommendations – GIC Executive Director Dr. Roberta Herman**

## **II. Public Comments / Q & A**

# The GIC: Overview

**425,000** total members

**76,000** Medicare subscribers

The GIC is the single largest purchaser of health insurance in the Commonwealth!

**17 Member  
Commission**

*Appointed by the Governor*

*(including representatives from Labor, Retirees, business community and academia)*

**FY2019 Budget:  
\$2.1 billion**

**670 State, Regional and Quasi-Public Agencies**

*(including Housing/Redevelopment Authorities, MWRA, MassPort, MBTA, etc.)*

**Municipalities:**  
37  
**Reg. School  
Districts and Ed.  
Collaboratives:**  
12

# Executive Summary: Reflection

FY2019

Using GIC's purchasing power to obtain better pricing

- **Aggregate rate increase: 0%**
- **Pharmacy benefits:** carved out for active and Medicare plans
- **Behavioral health benefits:** integrated with medical
- **Benefit Harmonization:** OOP maximums aligned across plans
- **Steerage:** Limited network deductibles reduced (*from \$500 to \$400*)
- **Provider Tiering** Tier 3 specialist copay reduced (*from \$90 to \$75*)
- **Pool 2 eliminated:** all plans available for all members
- **Employee Assistance Program (EAP)** introduced

Targeted Out of Pocket cost reductions

# Executive Summary: Looking to Tomorrow and Beyond

## FY2020

- **Aggregate projected increase:** 3.3%
- **Medicare:** no benefit changes
- **Non-Medicare:** All carriers, products, yearly deductibles remain the same
- **Benefit Harmonization:** Catalogue “below the line” benefit inconsistencies
- **Steerage:** Introduce differential co-pay to steer members to lower cost settings for ambulatory surgery
- **Provider Tiering:** Move from individual to group for Specialists
- Socialization of above focus areas with key stakeholders

## FY2021 & Beyond\*

- **Centers of Excellence:** Use GIC’s buying power to concentrate volume with high value providers
- **Benefit Harmonization:** Re-visit opportunities to correct benefit inconsistencies
- **Steerage:** Consider additional opportunities, to steer (e.g. high tech imaging)
- **Provider Tiering:** Align tier assignments within groups for primary MD’s, facilities, specialists
- Continued socialization

*\*Priorities and projects still under development*

# Current State: Member & Budget Impacts for Ambulatory Surgery

- Goal is to give members a portion of savings when they utilize freestanding facilities
- Health carriers expect 5% - 15% steerage to freestanding facilities
- Health carriers have many contracted ambulatory surgical centers in Massachusetts: HPHC- 63; Tufts- 55; AllWays- 44; UniCare- 33; Fallon- 52; HNE- 2

Category	Current State	Recommendation	Member impact
Ambulatory surgery site of service for eye and GI procedures	<ul style="list-style-type: none"> <li>■ <b>All products except Unicare:</b> \$250 copay then deductible for all outpatient surgeries regardless of place of service</li> <li>■ <b>UniCare</b> \$0 copay after deductible freestanding ASC facilities. Fees range from \$110-250 for hospital based ambulatory surgery</li> </ul>	<ul style="list-style-type: none"> <li>■ <u>Maintain \$250 co-pay</u> for hospital-based outpatient</li> <li>■ Offer lower \$150 co-pay for freestanding facilities</li> <li>■ UniCare design would retain \$0 copay for freestanding facilities</li> </ul>	<ul style="list-style-type: none"> <li>■ Members can pay less if they utilize a freestanding facility</li> <li>■ Members who continue to choose hospital-based facilities will not see an increase in copay</li> <li>■ It is estimated that approximately 10,000 – 20,000 of these procedures are done each year</li> </ul>

# Provider Tiering Roadmap

**Group Tiering for Specialists implemented in FY20 paving the road to align PCPs and Hospitals in FY21 and beyond**

	Broad	Limited	Regional	National Indemnity
Product Names	UniCare Plus, Tufts Navigator, Fallon Select, HPHC Independence	UniCare Community Choice, Tufts Spirit, Fallon Direct, HPHC Primary Choice	HNE HMO, AllWays Health Partners Complete	UniCare Basic
FY19	PCP: \$10-40 Specialist: \$30-75 Inpatient: \$275-1,500	PCP: \$15-20 Specialist: \$30-75 Inpatient: \$275-500	PCP: \$20 Specialist: \$30-75 Inpatient: \$275	PCP: \$15-20 Specialist: \$30-75 Inpatient: \$275
FY20	No Change	No Change	PCP: No Change Specialist: \$30-60 Inpatient: No Change	PCP: No Change Specialist: \$30-60 Inpatient: No Change
Potential FY21 & Beyond	<i>PCP: \$10-40 Specialist: \$30-75 Inpatient: \$250-1,500</i>	<i>PCP: \$10-20 Specialist: No Change Inpatient: \$250-500</i>	<i>PCP: \$10-20 Specialist: No Change Inpatient: \$250-500</i>	<i>PCP: \$10-20 Specialist: \$30-60 Inpatient: \$250-500</i>

**Green** text represents potential member cost share decrease. **Italics** indicates for future consideration and is illustrative only.

# THE END

**THANK YOU FOR YOUR ATTENTION!**

*Additional comments may be emailed to [GIC.Info@mass.gov](mailto:GIC.Info@mass.gov)*

## **Friendly Reminder**

Please refrain from sharing personal health information or claim disputes when providing feedback

The GIC Public Information Unit or your health carrier will help with individual health insurance matters. Call (617) 727-2310 for assistance.