

Notes from Standard Plans Advisory Working Group Meeting
Feb. 14, 2018

Workgroup leadership

Kate Sullivan Hare, Vice-Chair

DC HBX staff

Mary Beth Senkewicz

Alexis Chappell

DISB staff

Howard Liebers

Actuarial consultants – Oliver Wyman

Ryan Mueller

Attendees

Dave Chandrasekaran: DC Health Link consumer

Cheryl Parcham: Families USA

Colin Reusch: Children's Dental Health Project

CareFirst: Robert Metz, Jennifer Storm, Colette Chichester

Kaiser: Pia Sterling, Renee Vis

Discussion of proposed benefit changes

- For the three standard plans that require changes to meet the 2019 AV calculator (gold, silver, and non-HSA bronze), the actuarial consultants from Oliver Wyman put together several potential benefit changes, along with the AV impact of each potential change ("Impact of Standard Plan Benefit Changes – 2019.pdf"). The actuaries stated that the group is not limited to these changes and that each plan will probably require more than one change to bring it in line with the *de minimis* AV range.
- Mary Beth summarized the *de minimis* ranges for gold, silver, and non-HSA bronze plans. She stated that when looking at the proposed benefit changes document, it's important to realize that multiple benefit changes made to the same plan may not necessarily equal the sum of each benefit change's AV impact as listed, and that the actuaries would need to re-run their analysis to be sure.

Discussion of changes to silver plan

- A carrier member stated that it would be the least disruptive for consumers to change the out-of-pocket (OOP) limit and deductibles versus changing copays, especially copays for services that are used more. The carrier member noted that for the silver standard plan, the proposed benefit changes document suggests moving the medical deductible from \$3,500 to \$4,000 (-0.0055 AV impact). The carrier member suggested moving the deductible to \$5,000 to get the silver plan within the *de minimis* range.
- Mary Beth stated that the group has tried to keep copays as low as possible, so she understands the philosophy behind not wanting to change those. She pointed out that a \$1500 increase in the deductible is quite a bit for consumers.

- Another member expressed concern about increasing copays for services that patients need to use on a frequent basis. A consumer may need to use mental health/substance use disorder (MH/SUD) services several times a week after an acute episode, or physical or occupational therapy (PT, OT) after a stroke. The member asked if plan data on service utilization was used in determining which benefits should have copays.
- Mary Beth stated that plan data wasn't taken into account with the proposed benefit changes before the group now. However, in general the group (including the carriers) has assumed that services like doctor's visits, specialist visits, prescription drugs, MH/SUD visits, and PT/OT are utilized more frequently, and those are the services the group has tried to pay attention to. Mary Beth asked the carriers to speak up if she misstated their understanding or if they have evidence to the contrary.
- Another carrier member wanted to return to the discussion of increasing the deductible. The carrier was on board with the philosophy of minimizing the disruption to consumers, but was concerned about copays increasing. The carrier member stated that going from a \$50 copay to a \$60 copay can add up for high utilization services, plus the AV impact of such an increase isn't that high.
- A member stated that the working group's goal for a silver standard plan was to have a strong plan, and the working group accepted the fact that it had a slightly higher AV. The member said that a \$5,000 deductible silver plan is antithetical to the initial goal and isn't very attractive to consumers. The member said adjusting the OOP maximum made more sense to him than increasing the deductible and PCP/specialist copays.
- A carrier member said it was open minded to looking at a more modest increase in the deductible and adjusting the OOP limit. He pointed out that the silver plan is tricky because all of the proposed changes have a fairly minor impact on AV.
- Mary Beth stated that over the years, the working group has tried to keep the cost-sharing for services that people are more likely to use as low as possible. A member clarified that these aren't just services that are frequently used, but they're also services that consumers would delay or avoid altogether if they become cost-prohibitive.
- Mary Beth stated that increasing the deductible by \$1,500 doesn't seem terribly popular with the working group, so she will have the actuaries play around with other changes for the next meeting, including increasing the OOP limit.
- Kate Sullivan Hare said she feels very strongly about keeping the deductible on the silver plan low. She said that some individuals may decide it's not worth having insurance if they have to pay so much money before they can access care.
- A carrier member pointed out that even if the working group leaves the deductible alone and adopts all of the other changes, the silver plan still may not be in the *de minimis* range. Mary Beth stated that the actuaries can rework the proposed benefit changes based on the working group's conversation.
- A member remarked that there seems to be a big impact with increasing the copay for X-rays. A carrier member stated that if the goal is to try to keep the costs down on services people use, then the medical coinsurance and OOP limit could be adjusted. The carrier member suggested trying to avoid raising cost-sharing for PCP and specialist visits, and suggested that maybe X rays and labs should also be kept the same, since consumers are frequently getting an X ray or lab while at the doctor's office. The carrier member said that if the working group makes three changes to the plan versus 10 changes, the consumer may feel like the plan has changed less. Another member stated that as someone who gets X-rays, he was open to aligning the X-ray copay with the specialist copay (an increase from \$70 to \$80).

- Mary Beth thanked the working group and stated that she'll direct the actuaries to rerun the potential benefit changes based on today's discussion. She said the working group is on track to have its recommendations to the HBX Board for its March 4th meeting.