SPWG Notes, Meeting 11, February 23, 2023

Attendance

Ku	Leighton	Chair
Kwarciany	Jodi	Vice Chair
Blake	Nikki	CareFirst
Blecher	Keith	United HealthCare
Boakye	Osei-Yaw	Kaiser Permanente
Bream	Cory	CareFirst
Chuang	Stephen	Kaiser Permanente
Davis	Janice	Living Capital
Dobrasevic	Stevan	CVS-Aetna
Feleke-Eshete	Lienna	Whitman-Walker Institute
Hathaway	Kris	AHIP
Hoffman	Sarah	Children's National Hospital
Le	Ky	Kaiser Permanente
Mangiaracino	Allison	Kaiser Permanente
Metz	Robert	CareFirst
Milton	Cherron	CVS-Aetna
Neimiller	Jason	CareFirst
Parcham	Cheryl	Families USA
Sucher	Gregory	CareFirst
Adomshick	Mary	Oliver Wyman
Scharl	Peter	Oliver Wyman
Kempf	Purvee	HBX
Libster	Jenny	HBX
O'Brien	Ellen	HBX

Discussion:
Leighton Ku: Good Afternoon. We are meeting for the second time on plan changes for PY 2024. People are still joining so we will wait a few minutes for everyone to join

Ellen O'Brien: I think we have everyone represented now. I think Dave was going to join, but we can get going

Leighton Ku: We are here to discuss some final changes to standard plans for PY 2024. We met a number of times last year about changes for cost sharing for MH pediatric benefits. Now we are looking at additional changes. Some are technical and some are policy changes in response to the draft AV calculator. We will need to make changes in at least 2 metal level in response to the AV calculator.
Last time we met we discussed two changes. We agreed on changes to the Bronze HSA plan. We had unanimous agreement on changing the MOOP to $7,200 (a $300 increase). This would bring us into compliance with the AV requirements. Again, as these are standard plans these plans are uniform except for formularies and networks. For gold plans, we did not have consensus yet, so we had OW think about some other options. Before we get to the policy discussion, we have some technical changes we want to discuss. So turning this back to Ellen.

Ellen: I just sent around a document before we started the call today. On the Bronze HSA plan this document reflects the changes we agreed to last week. We have some other technical corrections that are reflected in this draft. We had reflected the incorrect AV for Silver, so this corrects that. Also, with apologies to OW who shared this back in December, we needed to make changes to the Bronze plan to meet AV. For Bronze we need to raise the MOOP by $50 and for Silver we can actually bring the MOOP back down to $8,850. Any discussion on these changes?

Leighton: so it sounds like we have consensus on these changes, in particular the changes to lower the MOOP for Silver. In this case, if its ok with everyone, let's turn back to the main issue today. The proposed changes to Gold. Because gold was slightly outside the AV limits. We had 3 options we discussed last week to modify the MOOP and or cost sharing for OP surgical benefits. It sounds like people were not happy with those proposals, so we got some additional proposals that would also get this plan into compliance with AV.

Allison Mangiaracino at KP pointed out a quirk in the AV calculator that are included in these proposals. Can we turn this over to OW to discuss the new 3 options.

Peter Scharl: Yes, thank you. Option 1 would have a MOOP increased by $600. Option 2 has a $200 increase to MOOP and $25 increase to the OP surgical fee. Last time we went over options 1-6.
Based on feedback last week we created options 7-9. These all leave the MOOP at $5,800, but adjust fees for OP surgery, either provider or facility fees.

- Option 7 would reduce the MOOP by $100; Decrease the facility fee by $350 and increase the surgery fee by $50.
- Option 8 : decrease MOOP by $100; decrease facility fee by $225 and increase the surgery fee by $125.
- Option 9: decrease MOOP by $100; decreases facility fee by $150; increase surgery fee by $50.

With this plan design, there is limited impact to AV from the facility fee.

Leighton: there was concern last week about the fact that the total cost of outpatient surgery would cost more than one day of inpatient care. For these 3 options, the total cost for outpatient care would be lower Even through the surgery copay would go up, the facility fee would come down, thus lowering the total cost of the procedure. This should address the concerns raised last week and incentivize outpatient care by keeping these costs lower than inpatient care.

Cheryl Parcham: in option 7, someone would pay $325 for surgery, in option 8 and 9 people would pay $500?

Peter: even through there is no change to the AV calculator, these changes would still likely impact pricing – increasing premiums for option 8 and 9.

Cheryl: do you have an idea of the impact on premiums?

Peter: no. It would likely vary carrier by carrier based on their pricing models.

Leighton: again, the fact that something changes the AV calculator, does not mean we would see the same impact on pricing. Here we think that we would see higher pricing impacts for option 8 and 9.

Purvee: any of the plans here, can you speak to the potential pricing impacts here?

Keith Blecher: I would not expect a dramatic increase for 8 or 9, but might want to err on the side of caution

Allison Mangiaracino: when we ran them, we would select 9 for that reason. But we would still be comfortable with any of these options.

Leighton: another reason to be conservative, AV appears to have a quirk here for facility fees. In the event they correct that quirk, we would need to make dramatic changes to these costs. That is hypothetical of course. But the pricing issue is something to consider and may make these plans somewhat more expensive.

Jodi. Do we have a sense of the pricing impacts for other options?

Peter: pricing will change year to year based on utilization and cost of service

Leighton: and inflation. This last year, prices went up more than expected, so there have been losses by carriers and hospitals in the last year. We might see increases in costs no matter what.

Cheryl: when people go for outpatient services, do they have to pay just 1 provider fee or might they have to pay that for multiple providers?

Leighton: I think generally there is one surgeon, but could there be another provider as well?
If yes, that would argue for 9 as a little safe.

Purvee: Can carriers weigh in here? Do you know how this actually works? Would be just one fee or could that be multiplied for each provider assigning in the procedure.

Janice: I think it varies. I have one client where they had to pay separate fees for each provider and another client just had one fee for all providers.

Leighton: that could also depend on whether the providers are in network at the facility or now.
Again, for me this makes option 9 a little safer in the case that there is more than one provider involved this would keep cost a little lower.

Cheryl: I agree with that.
Leighton: any other insights?
I think that I am hearing people in favor of option 9, but people also liked option 7 as being a little lower. If it's ok with everyone, I would propose we go with option 9. Any objections to that. I don't want to end discussion, so leaving that open. Going once . .. going twice . .. sold!
Purvee and Ellen do we need to do a roll call?

Purvee: No. we are good with a voice vote.
Leighton: Last week we all agreed to increase MOOP for Bronze HSA to $7,200 and this week we agreed to option 9 for Gold, lowering the by MOOP by $100, lowering the facility fee by $150 and raising the provider fee by $50. We also have the two technical changes to silver and bronze.

Purvee: as you know, we are still working off the draft av calculator. We hope it will be finalized in March. These changes are conditioned on compliance with the final AV calculator. If they make changes, we would need to make technical changes to bring the plans into compliance. We don't expect to see changes, but we want to make this clear that we will take technical changes as necessary to get plans into compliance. We will bring

these changes to the HBX Executive Board as this group has agreed to, but if changes are needed we will make technical changes and let the group know what they are.

Leighton: I think that means we are done 30 min early.
Purvee: We appreciate all of your technical expertise in this work. Thank you