



City of Lawrence

GIC Educational Information for **Active Employees**

April 2015

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Agenda

- Overview
- FY 16 Changes
- Group Insurance Commission (GIC) Plans
 - Health Maintenance Organization (HMO) Plans
 - Point of Service Plans (POS) Plans
 - Preferred Provider Organization (PPO) Plans
 - Indemnity Plans
- Calendar Year Deductibles
- Provider Tiering & Copays
- Selecting a GIC Plan



Overview

- GIC has announced significant plan changes for July 1, 2015
 - Everyone is urged to carefully review open enrollment materials for plan changes and information about moving plans
 - Brought on by structural deficit of \$190 million and unusually high claim experience
- Open Enrollment: April 8 – May 6

Plan Changes: A Summary

	Current	Effective July 1, 2015
Deductibles	\$250 individual \$500 two person \$750 per family	\$300 individual \$600 two person \$900 per family
Co-Pays		
Office/ PCP Visit	\$15 or \$20	\$20
Specialist Office Visit	\$20 Tier 1 \$35 Tier 2 \$45 Tier 3	\$30 Tier 1 \$60 Tier 2 \$90 Tier 3
In Patient Hospitalization	\$250 Tier 1 \$500 Tier 2 \$750 Tier 3	\$275 Tier 1 \$500 Tier 2 \$1,500 Tier 3
Out Patient Surgery	\$150 per occurrence (one per cal. qtr)	\$250 per occurrence (one per cal. qtr.)
Rx Copays Retail 30 Day	\$10/25/50 (by tier)	\$10/30/\$65
Rx Copays Mail Order 90 Day	\$20/50/110 (by tier)	\$25/75/165

Plan Changes: Deductible Change

- Deductibles will transition to a Fiscal calendar beginning in 2016
 - 1/1/2015 – 12/31/15 = Additional \$50 per person (up to three) for remainder of year
 - \$300/\$600/\$900
 - 1/1/2016 – 6/30/16 = First six months of year, each person (up to three) will have a \$150 deductible
 - 7/1/2016 – 6/30/17 = A new deductible cycle (\$300/\$600/\$900)
 - Carryover deductibles will NOT apply in 2016

GIC Premium Changes

- ❑ The Average rate increase is 5.5% for GIC plans
 - ❑ Harvard Pilgrim is 9.2% and Tufts is 7%
- ❑ Governor's Budget proposes that All state employees pay 25%. This means Lawrence!!
- ❑ Members need to consider copays/deductibles against higher premiums



GIC Plans

- The GIC offers 12 plans to Active Employees
 - UniCare (4 Plans)
 - Harvard Pilgrim Health Care (2 Plans)
 - Tufts Health Plan (2 Plans)
 - Fallon Community Health Plan (2 Plans)
 - Neighborhood Health Plan (1 Plan)
 - Health New England (1 Plan)

GIC Plans

- GIC Plans with the most Active employee subscribers
 - ❑ Tufts Navigator PPO
 - ❑ Harvard Pilgrim Independence PPO
 - ❑ UniCare Indemnity Plan Basic with CIC (Comprehensive)
 - ❑ 60% of Active employee subscribers in these 3 plans

- Enrollment restrictions
 - ❑ UniCare Indemnity Plan Basic has no restrictions, in or outside of the United States
 - ❑ Other plans are limited to Massachusetts and certain border states/counties; geographic area varies by plan
 - ❑ For detailed coverage areas, review the forthcoming *Benefit Decision Guide*!

GIC Health Maintenance Organization (HMO) Plans

- Members must select a Primary Care Physician (PCP)
- Referrals are required to see Specialists
- No coverage for out-of-network providers
 - *Except for emergency care*
- Lower premium cost than other plan types
- “Limited” or “Select” network plans
 - Lowest premium costs
 - Limited physician and hospital access



GIC Health Maintenance Organization (HMO) Plans

- Limited Network HMO's
 - Fallon Direct Care HMO
 - Neighborhood Prime HMO
 - Harvard Pilgrim Primary Choice HMO
 - Tufts Spirit HMO
 - Health New England HMO

- Broad Network HMO
 - Fallon Select Care HMO

GIC Point-of-Service (POS) Plans

- Tufts Navigator and Harvard Independence will become a Point-of-Service (POS) plan July 1, 2015
- In-Network and Out-of-Network benefits
- Members must select a Primary Care Physician
- Referrals are required to see Specialists
- Non-Referred services will receive “Unauthorized or Non-Participating” benefit Level
 - Separate \$400/\$800 deductible and 20% Co-insurance
 - receive lesser coverage

Questions remain as to whether the “In-Network” is the same as the existing PPO



GIC Point-of-Service (POS) Plans

- Harvard Pilgrim Independence POS
- Tufts Navigator POS

If you are enrolled in the Harvard PPO or Tufts PPO, you will automatically be enrolled into the POS plan unless you select otherwise



GIC Preferred Provider Organization (PPO) Plans

- In-network and out-of-network benefits
- No requirement to select Primary Care Physician (PCP)
- No referrals required for specialists
- Can utilize any provider
 - In-network providers - lower out-of-pocket costs
 - Out-of-network providers - higher out-of-pocket costs
- Member must reside in network service area to enroll



GIC Preferred Provider Organization (PPO) Plans

- UniCare State Indemnity Plan/Plus ¹
- Unicare State Indemnity Plan Community Choice ²

- 1. All Massachusetts doctors and hospitals are “in-network” with UniCare Indemnity Plan /Plus but some out-of-state providers may be “out-of-network”*
- 2. Many in-state hospitals are “out-of-network” with Community Choice*



UNICARE Indemnity Basic Plan

- Members not required to select a Primary Care Physician (PCP)
- No referrals required for specialists
- Can utilize any provider
- Highest premium cost plan
- No geographical restrictions on enrollment
- Without CIC rider, deductibles and copays are higher and coverage is only 80% for some services

Calendar Year Deductibles

- Fixed amount a member pays before the plan pays benefits
- Deductible generally does **NOT** apply to:
 - Prescription drug benefits
 - Outpatient mental health/substance abuse benefits
 - Office visits (primary care physician, specialist, retail clinics, preventive care, maternity & well baby care, routine eye exam, occupational therapy, physical therapy, chiropractic care & speech therapy)
 - Medically necessary child & adult immunizations
 - Hearing aids
 - Mammograms
 - Pap smears
 - EKGs
 - Colonoscopies

Calendar Year Deductibles

- Deductible **DOES** apply to:
 - Emergency room visits
 - Inpatient hospitalization
 - Surgery
 - Laboratory and blood tests
 - X-rays and radiology (including high-tech imaging, such as MRI, CT, and PET scans)
 - Durable medical equipment

Calendar Year Deductibles

- Calendar Year Deductible Amounts

- ☐ \$300 individual
- ☐ \$600 two-person
- ☐ \$900 family

(no more than \$300 per person)

Deductible/Copay Example

First Visit to ER

Total ER Visit	\$1,000
You Pay Deductible	\$300
You Pay ER Copay	\$100

Your Total Cost	\$400
Plan Pays	\$600

Second Visit to ER

Total ER Visit	\$1,000
You Pay Deductible	N/A
You Pay ER Copay	\$100

Your Total Cost	\$100
Plan Pays	\$900

Tiered Provider Copays

- Providers are grouped into “tiers” based on cost, quality, and outcomes measures from third parties
- Different tiering for different health plans; a primary care doctor, specialist or hospital can be on one tier with one GIC health plan and on another tier with another GIC health plan
- Tier 1 Providers have lowest member cost & Tier 3 Providers have the highest member cost
- GIC Plans use tiering to set office visit copays (primary care and specialists) and inpatient admission copays
- Tiered hospital copay is in addition to the deductible, if not already satisfied by the member

Tiered Provider Copays Vary by Plan

Primary Care Office Visit Copays

Tier 1 \$15 or \$20

Tier 2 \$25 or \$30

Tier 3 \$30 or \$35

Specialty Care Office Visit Copays

Tier 1 \$30

Tier 2 \$60

Tier 3 \$90

Hospital Copays

Tier 1 \$275 to \$300

Tier 2 \$500 to \$700

Tier 3 \$750 to \$1,500

Prescription Drug Tiering

- Drug formularies vary by plan
- Pharmacy tiering
 - Tier 1 – Generic and low cost brand drugs
 - Tier 2 – Brand name and high cost generic drugs
 - Tier 3 – Brand name non-preferred drugs
- Copayments
 - Retail 30-day supply
 - Tier 1 - \$10
 - Tier 2 - \$30
 - Tier 3 - \$65
 - Mail Order 90-day supply
 - Tier 1 - \$25
 - Tier 2 - \$75
 - Tier 3 - \$165

Plan Design Example

Plan Feature	HPHC Independence POS
	<i>In-Network</i>
PCP Office Visit	\$20 copay
Specialist Office Visit	\$30 Tier 1 \$60 Tier 2 \$90 Tier 3
Calendar Year Deductible	\$300 Ind/\$700 2-Person/\$900 Family
Emergency Room	\$100
Inpatient Hospital Care	Tier 1 \$275 per admission Tier 2 \$500 per admission Tier 3 \$1,500 per admission <i>Maximum of 1 inpatient copay per calendar quarter</i>
Outpatient Surgery	\$250 per occurrence <i>Maximum of 4 per calendar year</i>
Prescription Drugs	
<i>Retail</i> <i>Mail-Order</i> <i>(90-day supply)</i>	\$10/\$30/\$65 \$25/\$75/\$165

HPHC Independence POS Hospital Tiering

Facility	Tier 1 - \$275 1 per quarter	Tier 2 - \$500 1 per quarter	Tier 3 - \$1500 1 per quarter
Holy Family	X		
Anna Jacques	X		
Mass. Eye and Ear	X		
Lawrence General		X	
Lowell General		X	
Lahey Clinic		X	
Children's Hospital			X
Mass General Hospital			X
Brigham & Women's Hospital			X

HPHC Primary Choice HMO

Hospital Tiering

Facility	Tier 1 - \$275 1 per quarter	Tier 2 - \$500 1 per quarter
Holy Family	X	
Anna Jacques	X	
Mass Eye and Ear	X	
Lawrence General		X
Lowell General		X
Lahey Clinic		X
Children's Hospital		X
Mass General Hospital		Not a Covered Hospital
Brigham & Women's Hospital		Not a Covered Hospital



GIC Health Fair: Closest to you

April 17th

Friday

11:00 AM – 4:00 PM

Middlesex Comm. College
Bedford



Tips for Selecting a GIC Plan

- Carefully review the GIC Benefit Decision Guide
- Discuss the GIC plans with family, friends and your physician(s)



Tips for Selecting a GIC Plan

- Contact the carriers on the telephone or using the Internet. Ask the carriers about:
 - The physicians who treat you
 - The hospitals where you get care
 - The prescription drugs that you take
 - Any durable medical equipment or device that you regularly use
- Attend a GIC Health Fair

Tips for Selecting a GIC Plan

Contact Information:

Group Insurance Commission:	www.mass.gov/gic	(617) 727-2310
Harvard Pilgrim Health Plan:	www.harvardpilgrim.org/gic	(800) 542-1499
Tufts Health Plan:	www.tuftshealthplan.com/gic	(888) 333-0880
Fallon Community Health Plan:	www.fchp.org	(866) 344-4442
UniCare:	www.unicarestateplan.com	(800) 442-9300
Caremark Pharmacy	www.caremark.com/gic	(877) 876-7214
Health New England:	www.hne.com	(800) 842-4464



What can we do?

- Contact your legislator!!!
 - Oppose the 5% premium shift
 - Talk about the impact of higher copays / deductibles
- Unions need to consider forming a coalition to discuss the future in the GIC
- Q & A