



**State Employee Health Benefits**

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**Virginia Department of  
Human Resource Management**

**House Appropriations Committee**  
General Assembly Building, Richmond, Virginia  
May 20, 2013

## State Employee Health Plan

# Full-Time Employment Status

- Dates selected by the State Employee Health Plan to determine full-time employment status

State Employee Health Plan	
PERIOD	INITIAL DATES
Measurement Period (also called "Look Back" Period)	May 1, 2013 to April 30, 2014
Administrative Period (includes Open Enrollment)	May 1, 2014 to June 30, 2014
Stability Period (same as Health Plan Year)	July 1, 2014 to June 30, 2015

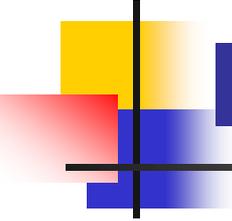
# State Employee Health Plan

## Eligibility Decision

- All wage employees capped at 29 hours on average per week over a year

Employment Status	Weekly Hours Worked Today	Hours Worked on July 1, 2014	Eligible for Health Plan	Eligible for Employer Contributions
Full-Time Salaried	32 or more	30 or more	Yes	Yes
Part-Time Salaried	20 to 31	20 to 29	Yes	No
Wage	1500 per year, with exceptions	Avg 29 hours, No exceptions	No	No

Does not apply to teaching hospitals



# IRS Guidance Needed

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- “Hours Paid” versus “Hours Worked”
- Adjunct Faculty
- Seasonal Employees
- Variable Hour Employees

July 1, 2013

# Employee Health Vendors

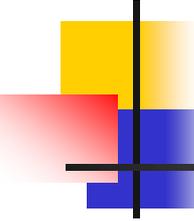
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- COVA Care (PPO)–Anthem (Delta Dental, Express Scripts, Mirixa)
- COVA HealthAware (CDHP) – Aetna (Mirixa)
- COVA HDHP – Anthem (Mirixa)
- Kaiser Permanente (HMO in NOVA)
- TRICARE Supplement (military retirees) – ASI
- MyActiveHealth (wellness engine) – Aetna (Active Health)
- Flexible Spending Account – Anthem (Conexis)

## New Wellness Engine

# MyActiveHealth

- Applies to both COVA Care and COVA HealthAware
- Includes a Health Assessment survey
  - **Premium reduction** of \$17/\$34 per month if complete Health Assessment between May 1 and May 24, 2013
  - **Continue premium reduction** if complete biometric screenings between August 1 and October 31, 2013
- Tracks activity with Web-based portal
  - Disease Management (e.g. Diabetes, COPD, Asthma, CHF)
  - Smoking
  - Weight Management
  - Nutrition
  - Maternity Management
  - Bariatric Surgery Pre-education
  - Physical Activity
- Allows employees to customize their portal



New Pilot October 1, 2013

# Medication Therapy Management

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- Applies to COVA Care, COVA HealthAware, and COVA HDHP
- 100% of cost paid by health plan with no cost to member
- 1 comprehensive annual visit with up to 3 follow-up visits
- MTM network – Mirixa
- Eligible members must have 3 disease states and 7 or more chronic medications
- Chronic conditions include:

Asthma	Heart Failure
COPD	High Blood Pressure
Depression	High Cholesterol
Diabetes	Osteoporosis

Changes July 1, 2013

# COVA Care

- Plan design changes

Item	Plan Design	Change	Savings	Status
1	<b>Emergency Room - co-pay</b>	Increase co-pay from \$125 to \$150	\$0.9 million	Adopted
2	<b>Mandatory Retail Maintenance Network – No co-pay change</b>	Mandatory Mail/Retail Maintenance Network with 90 day Retail co-pay equal to 2 times the 30 day retail	\$10.4 million	Rejected

- Only diagnostic and preventive dental covered in basic plan, with fillings, x-rays and extractions moved to the buy-up
- Sleep management pilot
  - Reviews sleep study requests
  - Covers home sleep studies
  - Requires equipment rental rather purchase for the first 90 days
  - Assists employees in therapy compliance

New CDHP July 1, 2013

# COVA HealthAware

- Uses co-insurance rather than co-payments
- Provides for a Health Reimbursement Arrangement (HRA)
  - **Rewards** employees and spouses \$600 each on July 1, 2013
  - **Rewards** employees and spouses up to \$150 each for 3 “do-rights”
    1. Annual Exam
    2. Dental Exam
    3. Flu Shot
    4. Tracker utilization of 3 times per month per quarter
  - Unused HRA funds will **carry forward** to the next plan year
- Navigator tools to follow the money
  - Track HRA balance
  - Track deductible and out-of-pocket expenses
  - Check drug price
  - Estimate payment due

## Summary Benefits

# Plan Comparison

In-Network Benefits	COVA Care	COVA HealthAware	COVA HDHP
Premium Rewards	\$17/\$34	\$17/\$34	\$0
Deductible	\$225/\$450	\$1,500/\$3,000	\$1,750/\$3,500
Out-of-Pocket Maximum	\$1,500/\$3,000	\$3,000/\$6,000	\$5,000/\$10,000
OOP – Pharmacy included	No	Yes	Yes
OOP – Dental included	No	No	No
Health Reimbursement	No	\$600 each Employee/Spouse	No
“Do-Rights”	No	Up to \$150 each Employee/Spouse	No
Plan Design	Generally Co-payments	80%/20% Co-insurance	80%/20% Co-insurance
Wellness & Preventive	100%	100%	100%
Medication Therapy Mgt	100%	100%	100%
Annual Vision Exam	No	100%	No
Annual Hearing Exam	No	100%	No
Expanded Dental	Yes	Yes	Yes
Expanded Vision	Yes	Yes	No
Expanded Hearing	Yes	No	No

FY 2014

# Premium Rewards

MONTHLY PREMIUMS		Employee Only	Employee Plus One		Employee Plus Two Or More	
Health Care Plan	Reward Earner	Employee	Employee or Spouse	Employee and Spouse	Employee or Spouse	Employee and Spouse
COVA Care	Employee Premium	\$72	\$164	\$164	\$220	\$220
	<i>Rewards</i>	<u>-\$17</u>	<u>-\$17</u>	<u>-\$34</u>	<u>-\$17</u>	<u>-\$34</u>
	Employee Premium with Rewards	\$55	\$147	\$130	\$203	\$186
COVA HealthAware	Employee Premium	\$26	\$78	\$78	\$93	\$93
	<i>Rewards</i>	<u>-\$17</u>	<u>-\$17</u>	<u>-\$34</u>	<u>-\$17</u>	<u>-\$34</u>
	Employee Premium with Rewards	\$9	\$61	\$44	\$76	\$59

As of May 15, 2013

# Communications

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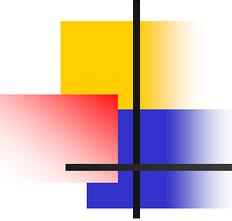
- *Spotlight* e-mailed and snail-mailed to employees
- *Health Benefits Update* April weekly email teasers
- Employee email from Secretary of Administration
- Benefits Administrator meetings
- Employee meetings (29 meetings with 5,214 employees)
- Webinars
- Twitter tweets
- YouTube videos
- Online resources (68,815 hits)
- ALEX, the online interactive decision tool (59,814 hits)
  - [www.alexforcova.com](http://www.alexforcova.com)

As of May 15, 2013

# Actuarial Study Update

- Need a 75% response rate to get an actuarial opinion on the fiscal impact on the state plan

RESPONDER	All Data Provided	All Data Expected	Only Claims Submitted	No Response	Declined	TOTAL
SCHOOLS	41%	27%	17%	11%	4%	100%
LOCAL GOVERNMENT	0%	16%	0%	83%	1%	100%



# Resources

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- Health Benefits Plan Decision Assistant
  - [www.alexforcova.com](http://www.alexforcova.com)
- Resources to help employees manage their health
  - [www.myactivehealth.com/COVA](http://www.myactivehealth.com/COVA)
- Annual Health Benefits Report
  - <http://www.dhrm.virginia.gov/hbenefits/ohbcommunications/reports/annualreport2012.pdf>
- Review of State Employee Health Insurance Fund
  - <http://www.apa.virginia.gov/reports/HealthInsuranceFundSR2011.pdf>
- Department of Human Resource Management
  - <http://www.dhrm.virginia.gov>