



Benefit Wise Bulletin

February 15, 2017

Helping You Stay Informed

Health Maintenance Organization (HMO)

Options

Plan Year 2018

(July 1, 2017-June 30, 2018)

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In June 2016, the Public Employees' Benefits Program (PEBP)

Board approved a single statewide "Preferred" plan benefit design for the HMO Request for Proposal (RFP) released in July 2016. This plan design was developed and approved to address the disparity between Northern Nevada and Southern Nevada participants enrolled in those regional plans. The goal was to offer the same benefits across the state to ensure the total compensation package for employees and retirees became equal regardless of location.

In January, PEBP signed contracts with two regional HMO plans (Hometown Health in Northern Nevada and Health Plan of Nevada in Southern Nevada). The plan benefit designs associated with these contracts are detailed below. The PEBP Board ratified these contracts (see report here: <https://pebp.state.nv.us/wp-content/uploads/2017/01/6-1.pdf>) at the January 19, 2017 PEBP Board meeting and the Board of Examiners approved these contracts at the February 14, 2017 meeting.

For Plan Year 2018 (beginning July 1, 2017), PEBP participants across the state will have access to two plans (Standard HMO and Consumer Driven Health Plan - CDHP). Additionally, many participants in multiple (but not all) counties across the state will have access to three plans (Standard HMO, Alternate HMO, and CDHP). All options are summarized below.

Northern Nevada

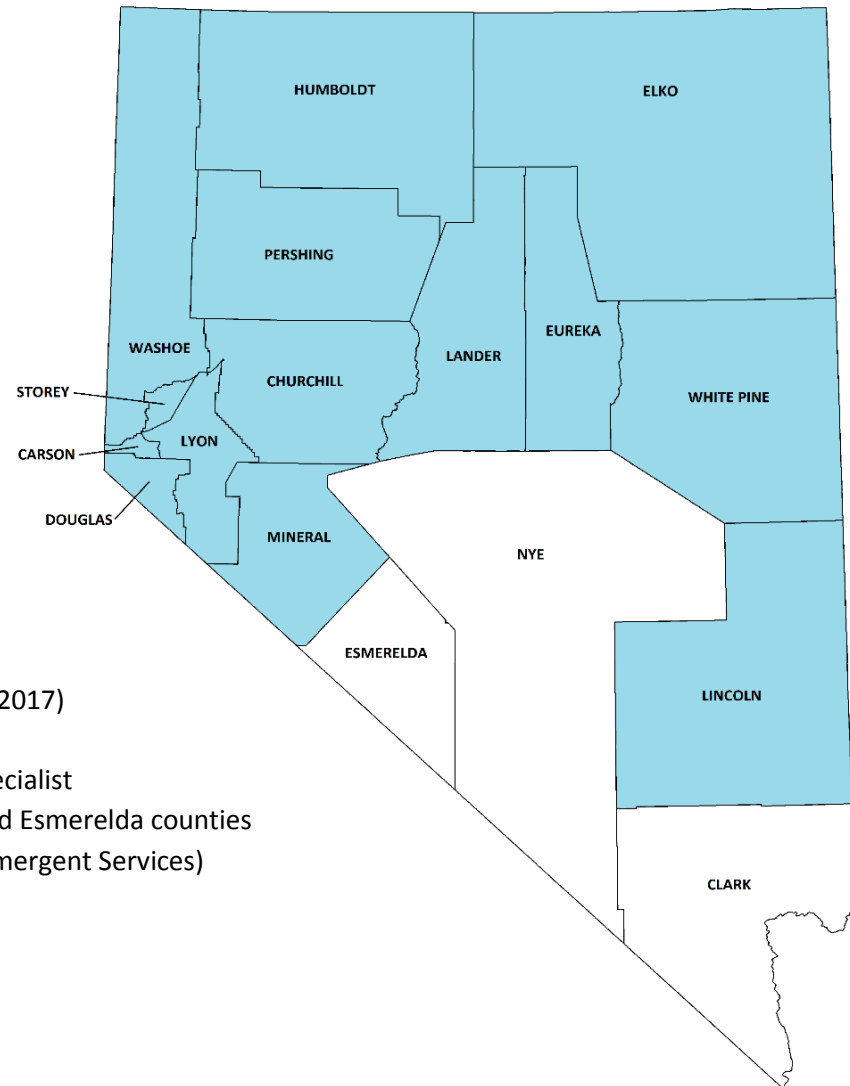
Standard HMO (Preferred Plan Benefit Design) - OPTION 1

Hometown Health Plan will offer the Standard HMO (Preferred Plan Benefit Design) to PEBP participants in Northern Nevada:

Standard HMO Plan Design
(Summary)

Benefit Category	PY 2018 Level (Begins 7/1/2017)
Primary Care Physician Visit Copay	\$25
Specialist Visit Copay	\$45
Emergency Room Visit Copay	\$300
Hospital In-Patient Services Copay	\$500/admit
<u>Retail Pharmacy</u>	
Preferred Generic	\$7
Preferred Brand	\$40
Non-Formulary	Greater of \$75 / 40%
Specialty	40%
Out-of-Pocket Limit	\$7,150 individual \$14,300 family
PCP Referral Requirement	No

Available Service Areas
(Highlighted in Light Blue)



Key Features:

- Similar design compared to today's HMO plan offering (Plan Year 2017)
- Copay model for many healthcare services
- Open Access model: No referral required to see an in-network specialist
- Offered by Hometown Health in all counties except Clark, Nye, and Esmerelda counties
- Limited out-of-state (out-of-network) services covered (Urgent/Emergent Services)

Northern Nevada

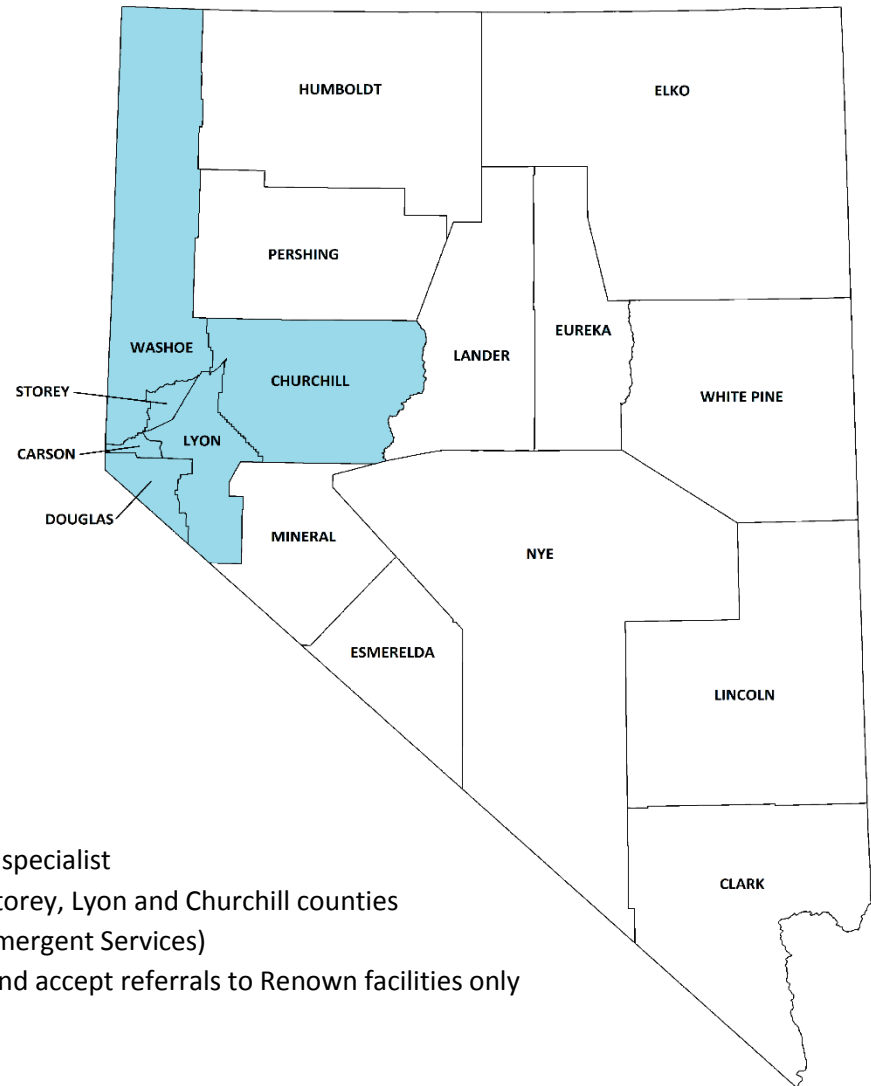
Alternate HMO Plan Benefit Design - OPTION 2

Hometown Health Plan will offer the PEBP Alternate Plan Benefit Design (Standard HMO) to PEBP participants in reduced areas of Northern Nevada:

Alternate HMO Plan Design (Summary)

Benefit Category	PY 2018 Level (Begins 7/1/2017)
Primary Care Physician Visit Copay	\$5
Specialist Visit Copay	\$25
Urgent Care Copay	\$25
Emergency Room Visit Copay	\$1,000
Hospital In-Patient Services Copay	\$1,000 per day not to exceed \$3,000
Outpatient Surgery Copay	\$1,000
Retail Pharmacy	
Preferred Generic	\$25
Preferred Brand	\$50
Non-Formulary	\$75
Specialty	40%
Out-of-Pocket Limit	\$7,150 individual \$14,300 family
PCP Referral Requirement	Yes

Available Service Areas (Highlighted in Light Blue)



Key Features:

- Different design to today's HMO plan offering (Plan Year 2017)
- Copay model for many healthcare services
- Closed Access model: Referrals are required to see an in-network specialist
- Offered by Hometown Health in only Washoe, Carson, Douglas, Storey, Lyon and Churchill counties
- Limited out-of-state (out-of-network) services covered (Urgent/Emergent Services)
- Current HMO participants **may** be required to choose new PCPs and accept referrals to Renown facilities only

Southern Nevada

Standard HMO (Preferred Plan Benefit Design) - OPTION 1

Health Plan of Nevada will offer the Standard HMO (Preferred Plan Benefit Design) to PEBP participants in Southern Nevada:

Standard Plan Design (Summary)

Benefit Category	PY 2018 Level (Begins 7/1/2017)
Primary Care Physician Visit Copay	\$25
Specialist Visit Copay	\$45
Emergency Room Visit Copay	\$300
Hospital In-Patient Services Copay	\$500/admit
<u>Retail Pharmacy</u>	
Preferred Generic	\$7
Preferred Brand	\$40
Non-Formulary	Greater of \$75 / 40%
Specialty	40%
Out-of-Pocket Limit	\$7,150 individual \$14,300 family
PCP Referral Requirement	No

Available Service Areas (Highlighted in Light Blue)



Key Features:

- Similar design to today’s HMO plan offering (Plan Year 2017)
- Copay model for many healthcare services
- Open Access model: No referral required to see an in-network specialist
- Offered by Health Plan of Nevada in Clark, Nye, and Esmerelda counties
- Limited out-of-state (out-of-network) services covered (Urgent/Emergent Services)

Southern Nevada

Alternate HMO Plan Benefit Design - OPTION 2

Health Plan of Nevada will offer the Alternate HMO Plan Benefit Design to PEBP participants in Southern Nevada:

Alternate HMO Plan Design
(Summary)

Benefit Category	PY 2018 Level (Begins 7/1/2017)
Primary Care Physician Visit Copay	\$5
Specialist Visit Copay	\$25
Urgent Care Copay	\$25
Emergency Room Visit Copay	\$1,000
Hospital In-Patient Services Copay	\$1,000 per day not to exceed \$3,000
Outpatient Surgery Copay	\$1,000
<u>Retail Pharmacy</u>	
Preferred Generic	\$25
Preferred Brand	\$50
Non-Formulary	\$75
Specialty	40%
Out-of-Pocket Limit	\$7,150 individual \$14,300 family
PCP Referral Requirement	Yes

Available Service Areas
(Highlighted in Light Blue)



Key Features:

- Different design to today's HMO plan offering (Plan Year 2017)
- Copay model for many healthcare services
- Closed Access model: Referrals are required to see an in-network specialist
- Offered by Health Plan of Nevada in Clark, Nye, and Esmeralda counties
- Limited out-of-state (out-of-network) services covered (Urgent/Emergent Services)

Anticipated HMO Rates (Subject to Change and Final Approval by the Board in March 2017)

Standard HMO – Participant Share (After Employer Contribution)				
State Employees				
Tier	Current PY17	PY18 Preferred Design	Increase from PY17	% Increase
Participant	\$168.09	\$179.85	\$11.76	7.00%
Participant + Spouse	\$469.75	\$507.88	\$38.13	8.12%
Participant + Child(ren)	\$308.24	\$336.08	\$27.84	9.03%
Participant + Family	\$609.91	\$664.11	\$54.20	8.89%
State Retirees (15 years of Service)				
Tier	Current PY17	PY18 Preferred Design	Increase from PY17	% Increase
Participant	\$380.52	\$407.80	\$27.28	7.17%
Participant + Spouse	\$890.48	\$962.32	\$71.84	8.07%
Participant + Child(ren)	\$617.46	\$671.89	\$54.43	8.82%
Participant + Family	\$1,127.41	\$1,226.42	\$99.01	8.78%
Non-State Retirees (15 years of Service)				
Tier	Current PY17	PY18 Preferred Design	Increase from PY17	% Increase
Participant	\$403.84	\$441.72	\$37.88	9.38%
Participant + Spouse	\$946.26	\$1,043.46	\$97.20	10.27%
Participant + Child(ren)	\$688.67	\$751.25	\$62.58	9.09%
Participant + Family	\$1,231.09	\$1,352.99	\$121.90	9.90%

Alternate HMO – Participant Share (After Employer Contribution)				
State Employees				
Tier	Current PY17	PY18 Alt. Design	Increase from PY17	% Increase
Participant	\$168.09	\$169.91	\$1.82	1.08%
Participant + Spouse	\$469.75	\$478.95	\$9.20	1.96%
Participant + Child(ren)	\$308.24	\$315.03	\$6.79	2.20%
Participant + Family	\$609.91	\$624.07	\$14.16	2.32%
State Retirees (15 years of Service)				
Tier	Current PY17	PY18 Alt. Design	Increase from PY17	% Increase
Participant	\$380.52	\$384.74	\$4.22	1.11%
Participant + Spouse	\$890.48	\$907.18	\$6.70	1.88%
Participant + Child(ren)	\$617.46	\$630.06	\$2.60	2.04%
Participant + Family	\$1,127.41	\$1,152.50	\$5.09	2.23%
Non-State Retirees (15 years of Service)				
Tier	Current PY17	PY18 Alt. Design	Increase from PY17	% Increase
Participant	\$403.84	\$412.55	\$8.71	2.16%
Participant + Spouse	\$946.26	\$973.69	\$7.43	2.90%
Participant + Child(ren)	\$688.67	\$697.81	\$9.14	1.33%
Participant + Family	\$1,231.09	\$1,258.95	\$27.86	2.26%

These rates include health plan premiums, dental plan costs, life insurance premiums, and a small amount for administrative overhead. These rates are subject to final calculation by PEBP and PEBP Board approval scheduled for March, 2017.

Choosing the Right Health Plan for You

PEBP recognizes healthcare is personal and different for everyone. Participants will have two to three options next plan year, depending on location, to select the plan that meets theirs and their family's needs.

Some key things to remember:

1. PEBP will not require participants to actively select their health plans this open enrollment starting May 1, 2017 – May 31, 2017. If you are happy with your plan and you accept the monthly premium rates, you will be automatically re-enrolled in your current plan selection with no action on your part.
2. The Standard HMO Plan (offered across the state) is similar to the current plan in concept, but changes to copays and prescription costs have been updated. New this year in Southern Nevada is the opportunity to bypass your Primary Care Physician (PCP) and schedule appointments with a specialist directly.
3. The Alternate HMO Plan is only offered in certain counties in Nevada, requires a PCP referral to specialists, is less costly per month in premiums than the Standard HMO, but has higher costs for emergency services, out-patient surgeries and prescription drugs. In Northern Nevada, the available amount of Primary Care Physicians (PCPs) is significantly reduced, and participants in Northern Nevada should expect to be referred to Renown managed specialists, hospital services, etc. if they choose this plan. In Southern Nevada, this plan more closely resembles the gatekeeper Health Plan of Nevada referral process utilized today requiring PCP referrals to their network specialists.

Conclusion

PEBP dedicates every day to providing high quality benefits at affordable prices. We recognize all plans offered will not be perfect or appropriate for everyone, however, we support a person's need to choose the best option that works for them and their family. This open enrollment beginning May 1, 2017 will be the opportunity for participants to review their healthcare needs, enroll in the appropriate health plan, and manage their care throughout the year. PEBP looks forward to providing all benefits at the highest quality to our membership and appreciates the opportunity to assist the people we serve.