



**KEHP Update to the
Interim Joint
Committee on State
Government**

Connecting People to Purpose

Department Update

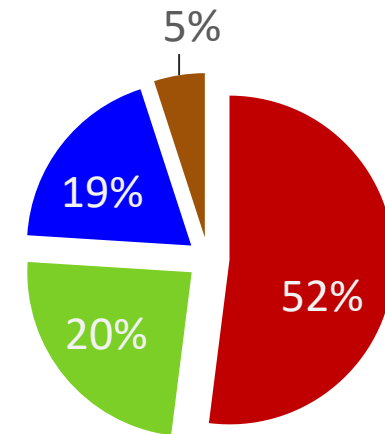
- Highlights for 2019 Plan Year
 - Health Insurance
 - Optional Dental and Vision Insurance
- Kentucky Employees' Health Plan
 - LivingWell initiatives
 - Free and low-cost member benefits
 - Dependent Eligibility Verification Audit

Kentucky Employees' Health Plan



Members

- School Boards (52%)
- Early Retirees (24%)
- State Agencies (19%)
- Quasi Groups (5%)



KEHP covers 6% of entire state population

KEHP 2019 Plan Year

Your 2019 Benefits Selection Guide

Your enrollment guide for benefits available through the Personnel Cabinet



Open Enrollment is Oct 8 – Oct 26

Health Insurance Enrollment is **MANDATORY** for all members.
Optional Dental and Vision Insurance is **VOLUNTARY**.

LivingWell Promise for 2019:

All plans include the Promise for 2019.

All planholders **must** take the Go365 Health Assessment or complete a biometric screening.

Read inside for public employee and retiree benefit options.

NEW: Optional Dental and Vision Insurance plans.

NEW: Value Benefit for COPD/Asthma to lower prescription costs! See page 17.

KEHP 2019 Plan Year

No premium
increases for
most members

New
COPD/Asthma
Value Benefit

All plans include
LivingWell
Promise

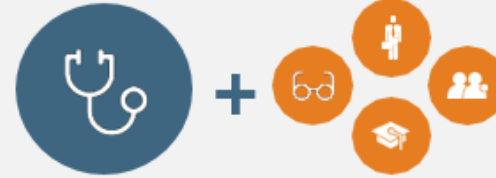
New
Free support to families
of children with Autism
or other challenges

New
Optional Dental &
Vision Coverage

Rethink Benefits – One of a Kind Assistance



Oriented to Patient Only
Critical Gaps in Plan



Patient Care + Critical Caregiver Supports
Work | School | Family | Therapist

Medical Plan	Medical Plan + Rethink
Severely limited supply of therapists. Long wait times (6-18 months on average)	Available pre-diagnosis (as medically recommended) as well as post-diagnosis online 24/7 with <i>no wait times</i>
Only eligible for Autism diagnoses — 1 in 68	Available for all developmental disabilities or 1 in 6 (Autism, ADD/ADHD, Down Syndrome, Learning Delays, etc.)
Age limitations for medical eligibility and not available for employees/dependents unenrolled in plan	Available for all employee dependents regardless of age and/or medical plan eligibility
Lack of caregiver training and supports	Provides scalable caregiver training and supports
Lack of supports for non-medical issues such as school system	Provides supports for non-medical issues such as school system

KEHP 2019 Plan Year

Benefits

- No changes to deductibles, co-insurance, or co-payments

Plans

- LivingWell CDHP and LivingWell PPO – no changes
- LivingWell Basic CDHP – formerly Standard CDHP
- LivingWell Limited High Deductible Plan – added for default plan

Formularies

- **Advanced Control Formulary** – same as 2018 for LivingWell CDHP & LivingWell PPO
- **Value Formulary** – for LivingWell Basic CDHP & LivingWell Limited High Deductible Plan

Optional Dental & Vision Benefits

- Employer sponsored optional coverage
 - No cost to employers
- Available to active public employees
- Payroll deducted premiums
- Fully-insured benefits administered by Anthem
 - Similar to Group Life Insurance optional coverage available to public employees administered by Nationwide

Decision Process



Great benefits still
offered

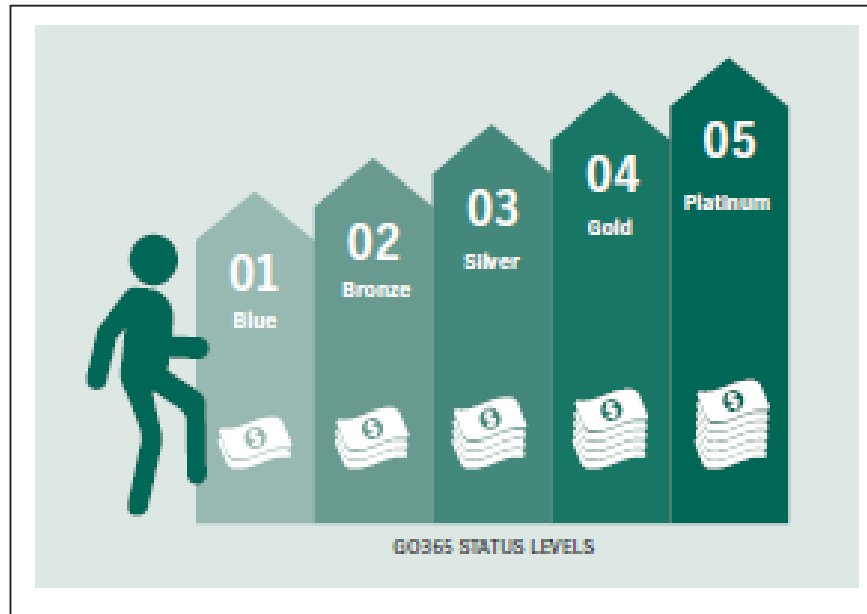
KEHP LivingWell Initiatives

- Go365 engagement – data shows benefits



KEHP LivingWell Initiatives

- Go365 engagement – data shows benefits
 - Members at Blue/Bronze cost nearly two times as much as members at Silver and above



KEHP LivingWell Initiatives

- State Wellness Director – **Changing the culture**
- Actions:
 - 49% growth in Statewide Wellness Champions
 - More than 16,000 participants in step challenges
 - 115 Breast Cancer survivors shared their stories
 - 30-Day Lifestyle Challenge
 - First ever Champions Only Challenge



KEHP LivingWell Initiatives

- Actions:
 - Increased face-to-face interactions
 - Promoted activity through social media channels

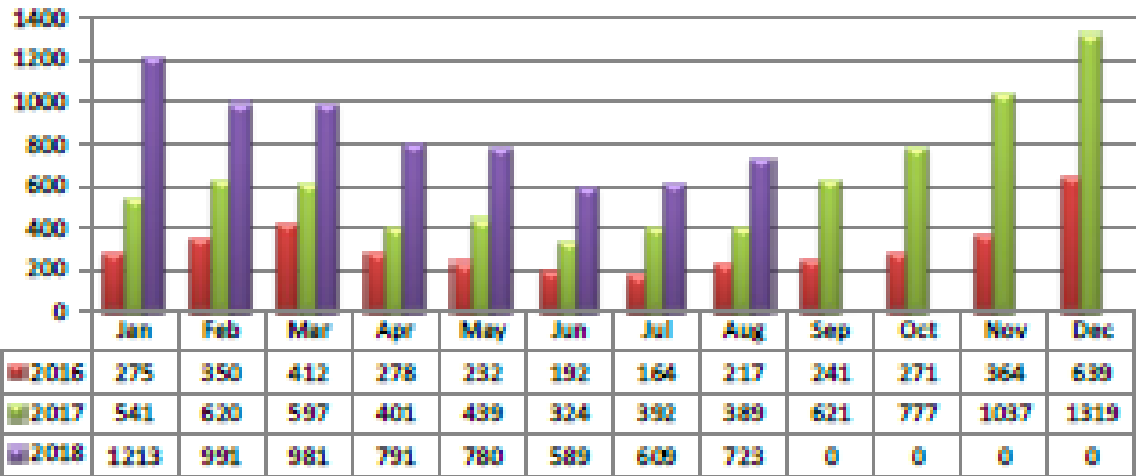


KEHP Free and Low-Cost Member Benefits

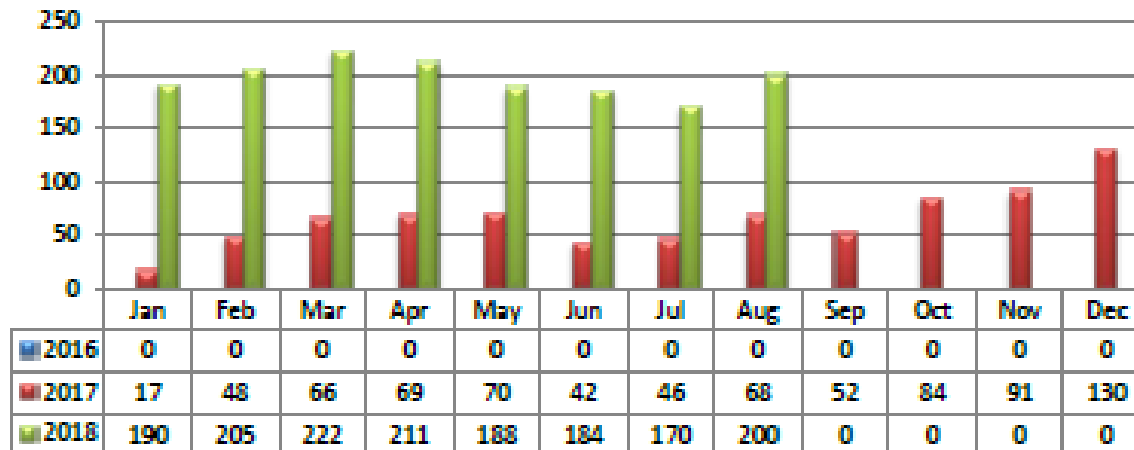
**LiveHealth
Online**

\$3.9M cost of
care savings

Medical Visits

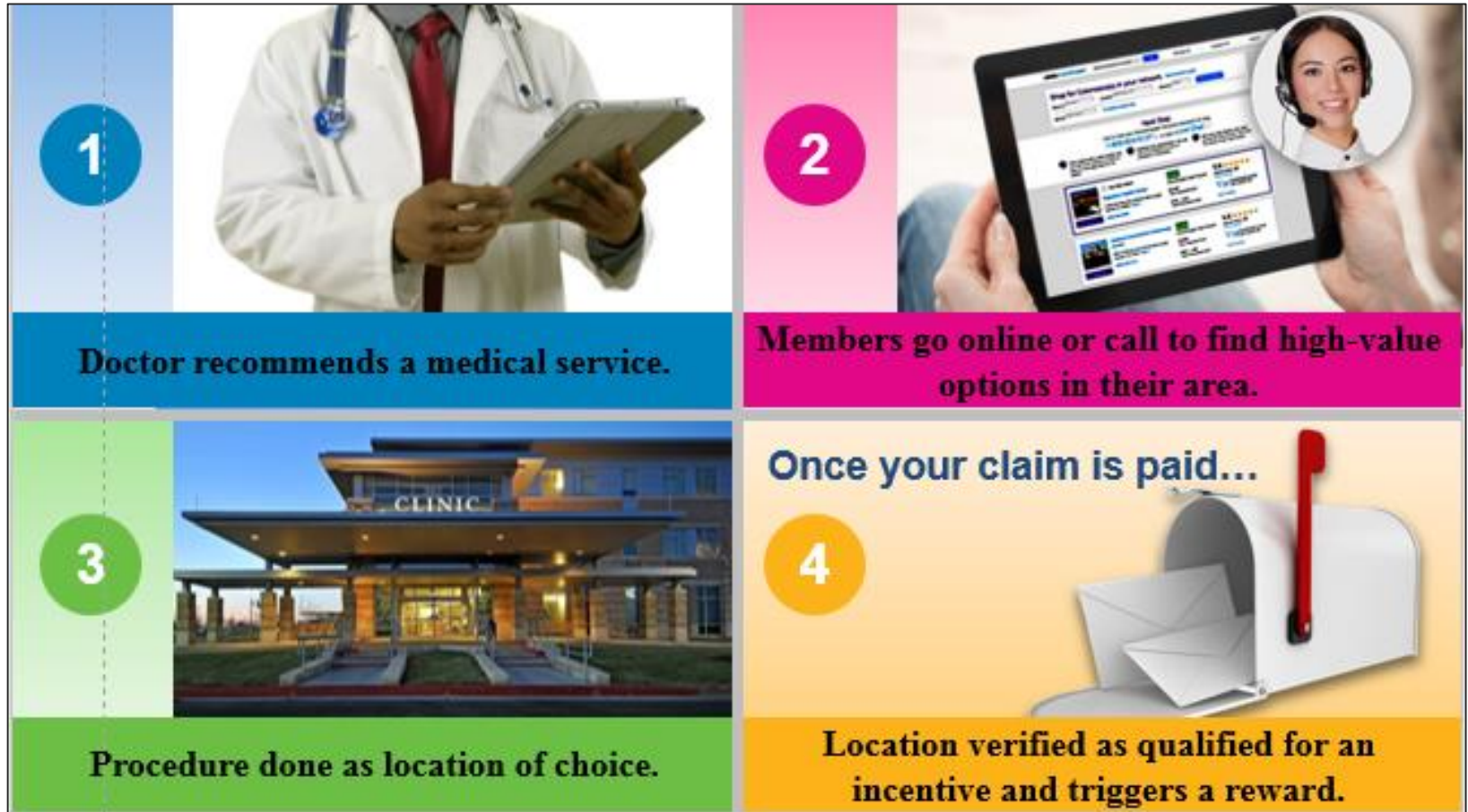


Behavioral Health Visits



KEHP Free and Low-Cost Member Benefits

Vitals SmartShopper



KEHP Free and Low-Cost Member Benefits

	Total Number of Incentives	Total Incentive Dollars	Gross Savings
2013*	697	\$55,655	\$456,125
2014	3,228	\$280,335	\$2,472,221
2015	4,361	\$440,265	\$2,742,909
2016	4,642	\$470,275	\$3,103,833
2017	4,686	\$456,015	\$3,003,688
2018**	2,241	\$216,915	\$1,449,400
	19,855	\$1,919,460	\$13,228,176

September 2018

* Partial year with state employees as pilot

** As of June 2018



Department of Employee Insurance

KEHP Free and Low-Cost Member Benefits

Diabetes Prevention Program Benefit

- Covered at 100% - average \$500 per person
- More than 1,000 lives touched since 2013
- Classroom and online settings
- Receive 350 Go365 incentive points
- KEHP results meeting goals of program
 - Weight loss, activity, and A1C

KEHP Free and Low-Cost Member Benefits

Diabetes Value Benefit

Diabetes Value Benefit	LivingWell Plans		Standard Plans	
	CDHP	PPO	PPO	CDHP
30-Day Supply			30%	
Tier 1 - Generic	0%	\$0	\$0	0%
Tier 2 - Preferred	10%	\$25	Min \$10-Max \$40	25%
Tier 3 - Non-Preferred	10%	\$40	Min \$45-Max \$85	25%
90-Day Supply			30%	
Tier 1 - Generic	0%	\$0	\$0	0%

KEHP Free and Low-Cost Member Benefits

Results: Diabetes Value Benefit

Optimally Adherent Diabetic Member Summary

Year	Total Members*	Optimally Adherent Members	Percent Optimal Adherence	Newly Optimally Adherent Members	Estimated Medical Savings**
2015	17,139	10,597	62%	19	\$56,100
2016	17,885	11,810	66%	1,865	\$5,507,300
2017	18,569	12,508	67%	1,719	\$5,076,200

*Total Members only represents members who were eligible for at least 85% of the reporting period

** Estimated \$2,953 medical savings per optimal utilizer per were derived from CVS/caremark Enterprise Analytics Pharmacy Economical Model, 2014

KEHP Free and Low-Cost Member Benefits

Results: Diabetes Value Benefit



- Diabetes medication adherence rates
- Prescription costs



- Medical costs
- Non-diabetic scripts per patient
- Emergency room visits
- Doctor's office visits
- Acute admissions and length of stay

KEHP Dependent Eligibility Verification Audit

Medical Audit	Number of Dependents
Dependents to verify	121,139
Voluntary removals	1,272 Spouses: 305 Children: 967
Unverified	9,483 Spouses: 2,434 Children: 7,049
Approved Level 1 Appeals	4,281
Pending Level 1 Appeals	1,679
Total Removed from Plan (Estimated)	4,795



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