



KEHP Update
to the
Interim Joint
Committee on
State Government

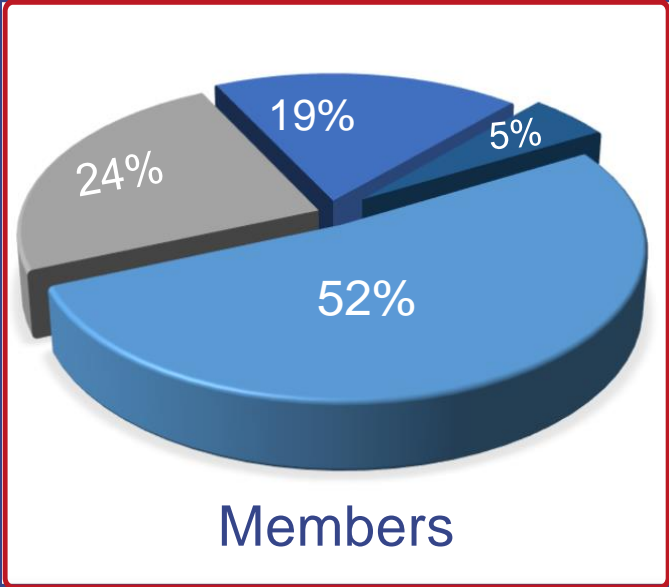
October 2019

Connecting People to Purpose

Kentucky Employees' Health Plan

Who are the members?

KEHP covers 6.6% of the entire state population



Members

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

Who We Serve



KENTUCKY EMPLOYEES' HEALTH PLAN

SELF INSURED

Self-insured
since 2006

PLAN SPEND

\$1.9 billion
annual plan
spend

EMPLOYEES & RETIREES

180,040 active
employees
and pre-65
retirees

LIVES COVERED

292,703 lives

Membership as of September 2019

KEHP 2020 Plan Year

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This Benefits Selection Guide was created in partnership with Anthem and the Personnel Cabinet. Benefits are subject to the terms, conditions, limitations, and exclusions as set forth in the Summary Plan Descriptions and Medical Benefit Booklets.



e = en-gage

Get engaged.
Learn how to stay healthy and lower your costs.

Try the **Benefits Analyzer!** It's available again this year, but with a twist! Now you can use the online portal to model different healthcare scenarios to help you choose the benefits that are right for you. Click [here](#) to use the tool.

Department of Employee Insurance

for 2020:

2020.
with assessment

KEHP 2020 Plan Year

Low premium
increases

\$250 Deductible
and out-of-pocket
maximum
increases

Increased
Healthcare FSA
to \$2,700

Capped Waiver
HRA carryover to
\$5,000

KEHP 2020 Plan Year



- New well-being vendor
- No changes to LivingWell Promise
 - Planholders must complete a health assessment **or** biometric screening between January 1 and July 1, 2020 to receive the \$480 annual premium incentive in 2021
- Continue engagement incentives

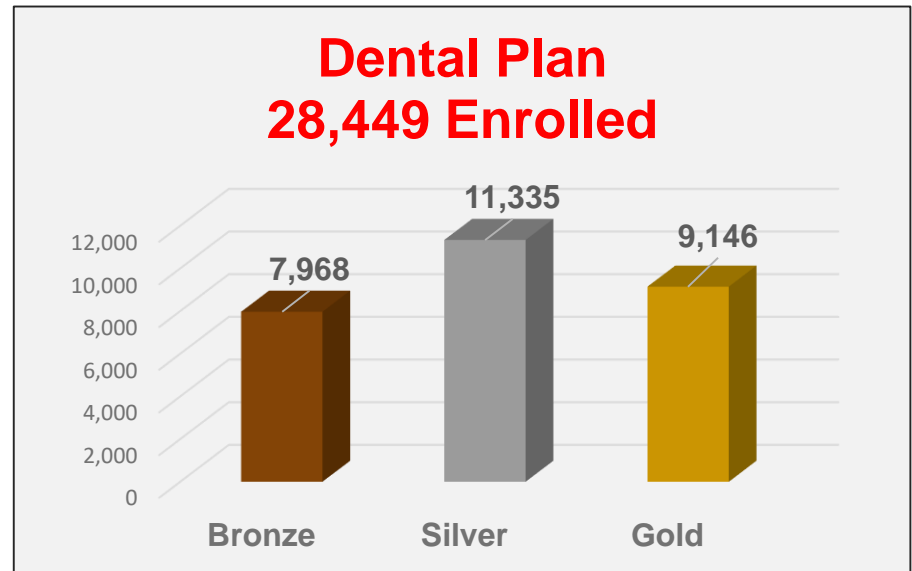
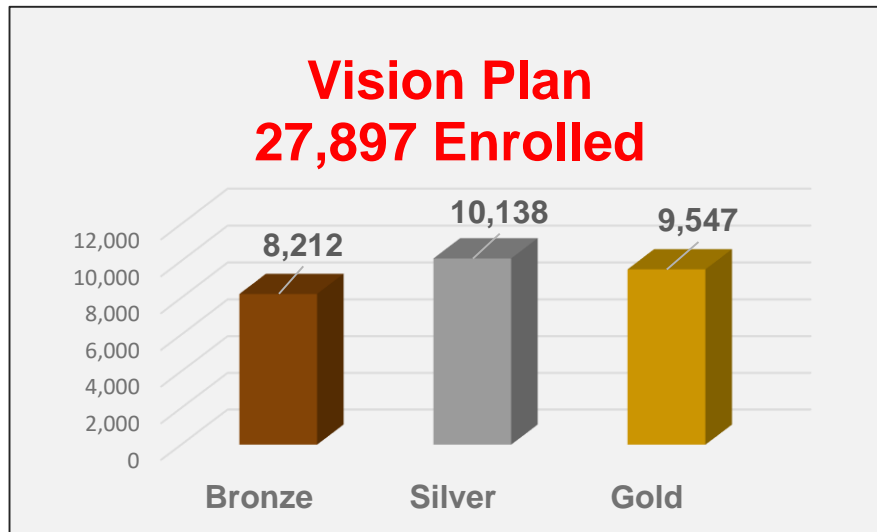


STAYWELL



Optional Anthem Dental & Vision Benefits

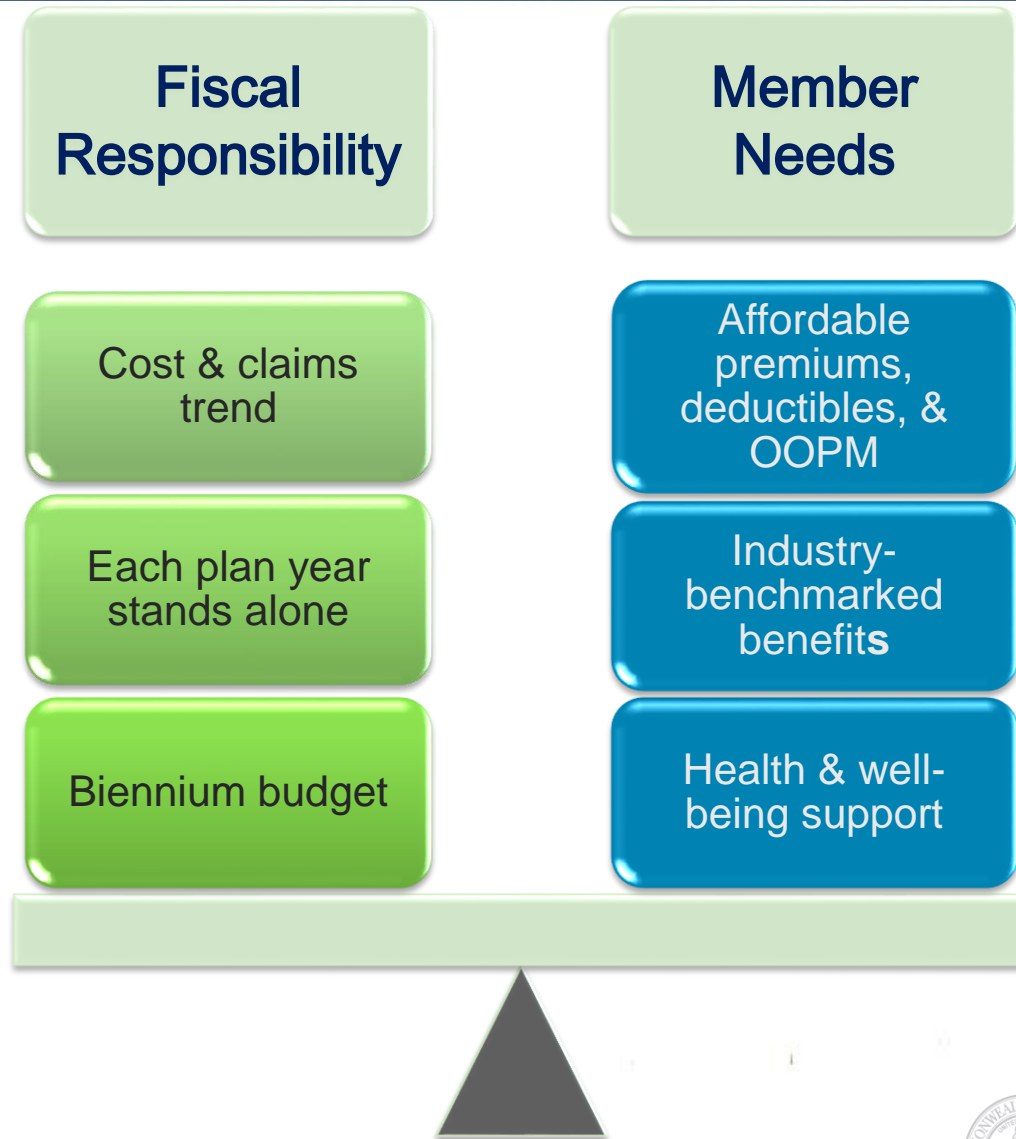
- Active employee benefit
- No cost to employers
- Pre-tax, payroll deducted premiums



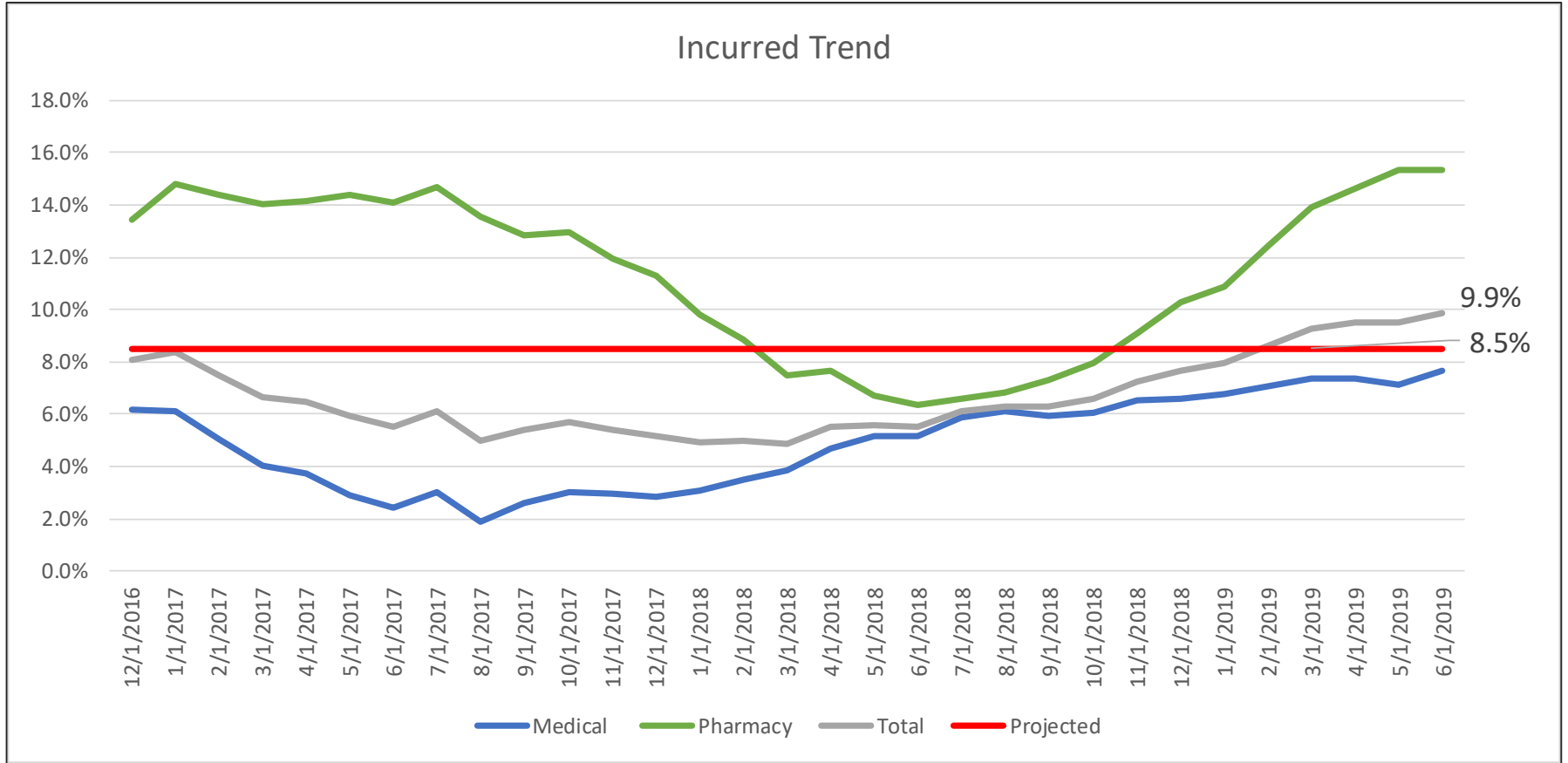
Dental enrolled by group

- School boards: 49%
- State agencies: 45%

Decision Process



Plan Claims Trend



Prepared by Aon September 2019

Plan Premium Benchmark

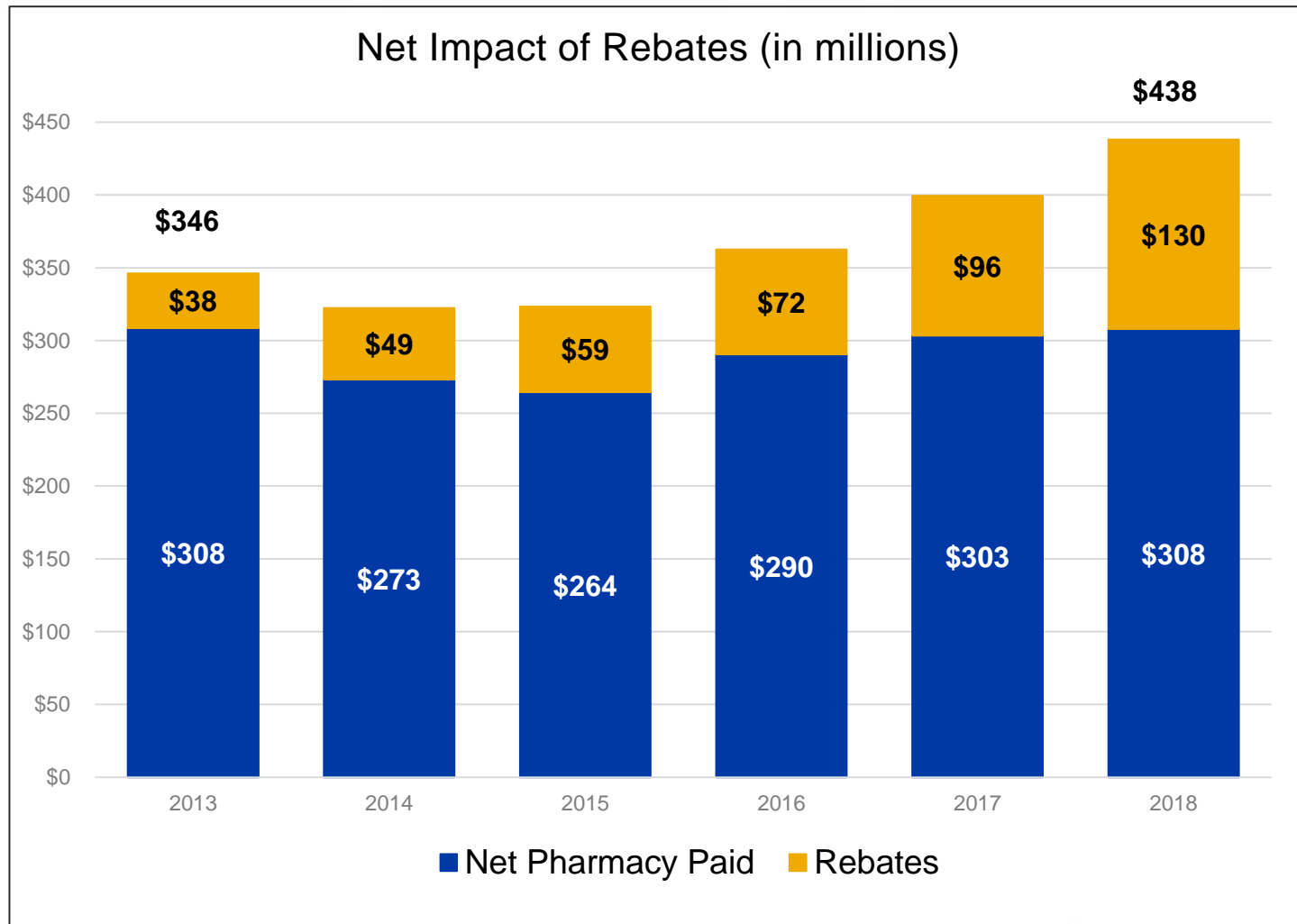
	Increases in Spending Per Enrollee			State and Local Government Employer Contributions Annual Growth Rate **
	KEHP Employee	KEHP Employer	Private Health Insurance Employer-Sponsored Insurance*	
2015	0%	2%	4.2%	7.5%
2016	0%	2%	5.3%	5.4%
2017	0% - 1%	0%	2.6%	1.9%
2018	3%	0.9%	4% ***	3.3% ***
2019	0%	0%	4% ***	4.2% ***
2020	3%	0%	4.9% ***	5.9% ***

*SOURCE: Centers for Medicare & Medicaid Services, Office of the Actuary, National Health Statistics Group, Table 17

**SOURCE: Centers for Medicare & Medicaid Services, Office of the Actuary, National Health Statistics Group, Table 16

*** Projected for 2018-2020

Impact of Pharmacy Rebates



Prepared by Aon September 2019

Cost Saving Measures

Plan Year Implemented	Benefit Design Changes	Savings
2020	Increased deductibles and out-of-pocket maximums	\$30M
2020	Increased employee premiums	\$8M
2020	Cancelled Anthem's Enhanced Personal Healthcare Model	\$6M
2020	Lowered cap for Waiver HRAs to \$5,000	\$2M
2020	CVS market check	\$24M
2019	Increased employee premiums for LivingWell CDHP Couple and Family levels	\$2M
2019	Implemented two-tier formulary: generic & brand for LivingWell Basic and Limited HD Plan	\$0.6M
2019	Lowered cap for Waiver HRAs to \$6,000	\$2M

KEHP Free and Low-Cost Member Benefits

Rethink

“I was struggling to help my son adjust to a new school environment. I felt like I was failing him as a parent. Rethink empowered me with a new approach to my son’s issues.”

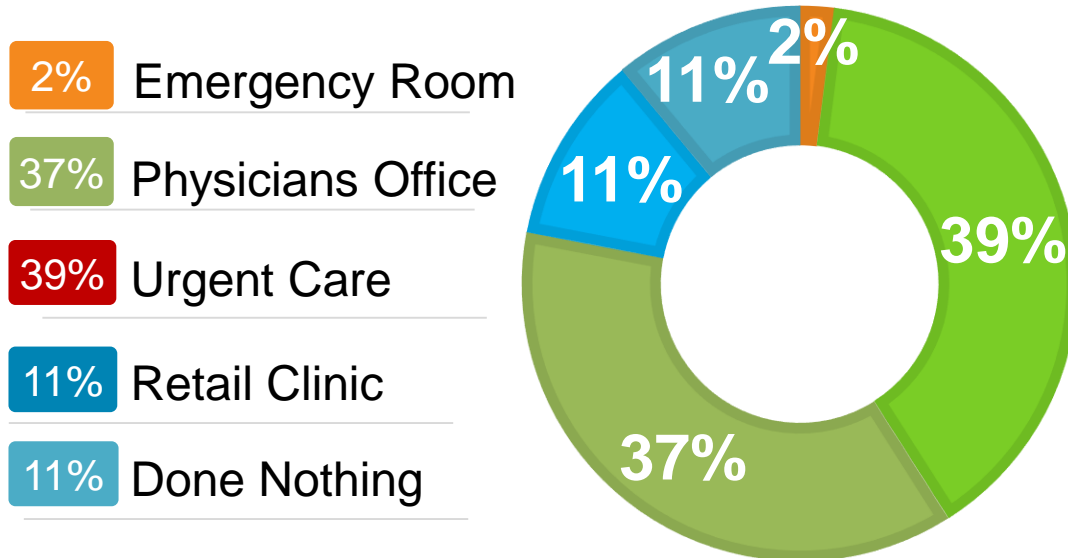
- Offers 24/7 phone or video chat with behavior expert
- Helps parents collaborate with school and other caregivers

KEHP Free and Low-Cost Member Benefits

Live Health Online - Medical

Measurable Cost Savings

- Patients reported they would have used the following, if not for LiveHealth Online:



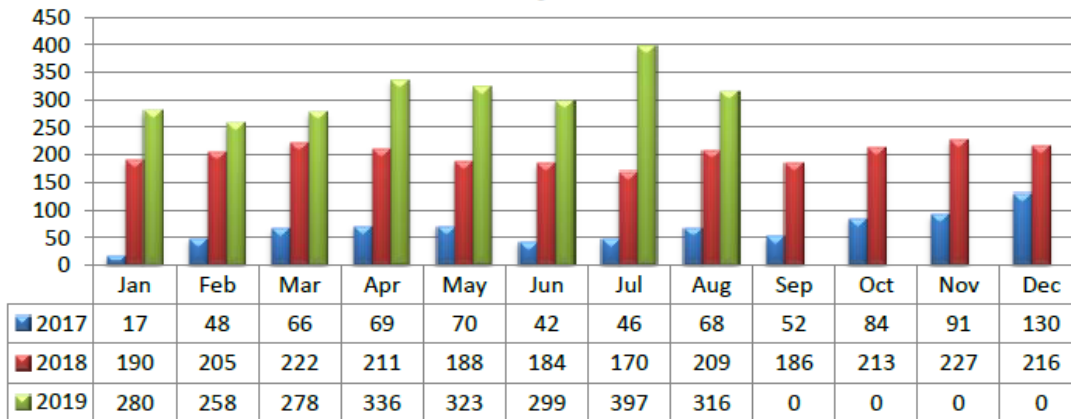
\$6.6M
Total cost of care savings

31,142
Total visits

KEHP Free and Low-Cost Member Benefits

Live Health Online – Behavioral Health

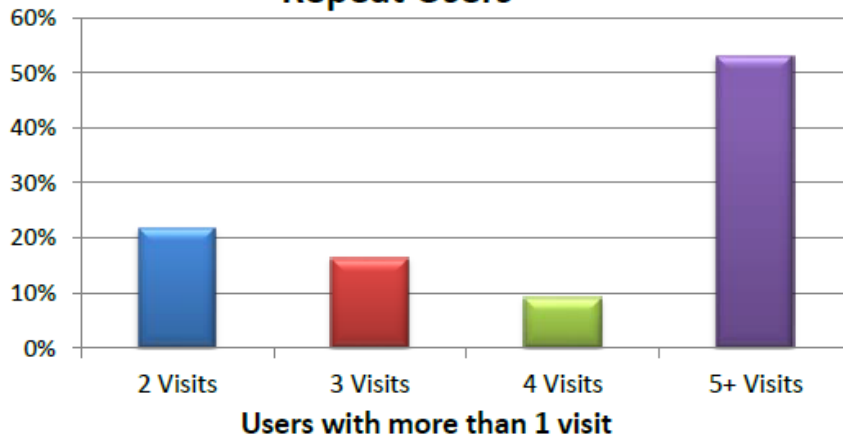
Visits by Month



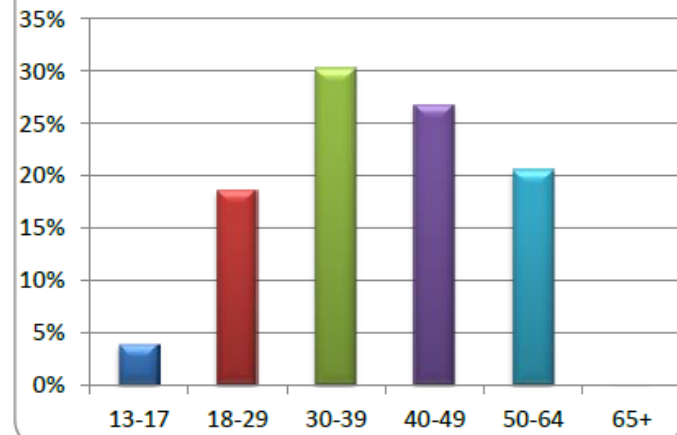
Overcomes issues around cost, stigma, and access

5,691
Total visits

Avg Visits per user: 9.3
Repeat Users

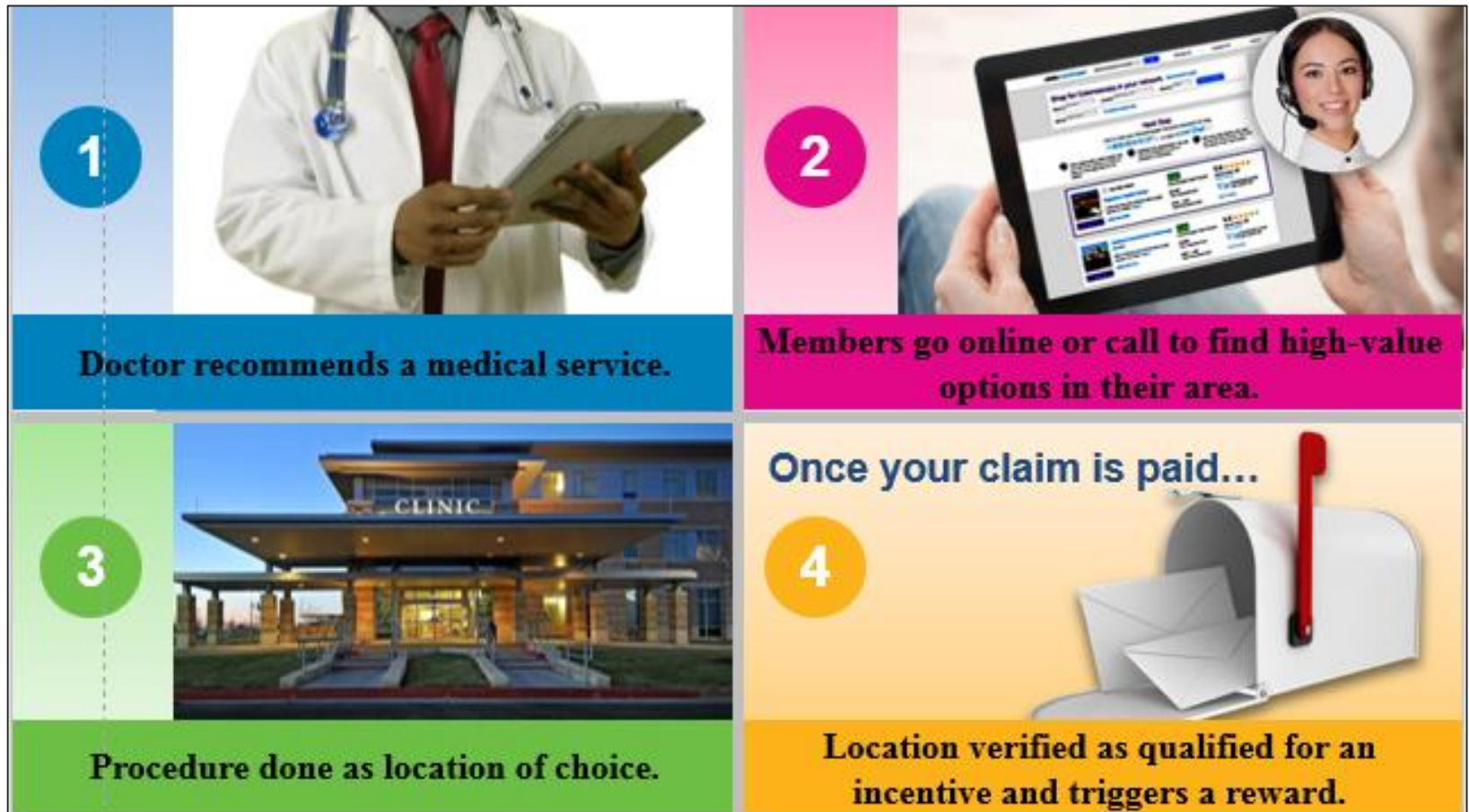


Utilization by Age



KEHP Free and Low-Cost Member Benefits

Vitals SmartShopper



KEHP Free and Low-Cost Member Benefits

Vitals SmartShopper

\$11.8M

Total claims savings

13.22%

Activation Rate

\$2M

Incentives sent to members



44.68%

Activated Shopping Rate

\$551

Average claim savings per incentive

88.70%

Shop Conversion Rate (PTD)

KEHP Free and Low-Cost Member Benefits

Diabetes Prevention Program

- New administrator
- Building on past successes
- Since September 1:
 - 5,400 people have taken the quiz for pre-diabetes and qualified as “at risk”;
 - 4,030 members have enrolled; and
 - 96% chose a digital provider



KEHP Free and Low-Cost Member Benefits

Value Benefits for Diabetes, COPD, & Asthma

Prescriptions	Supplies
Bypasses deductibles	Test strips
\$0 Tier 1 Generic drugs	Infusion pumps
Reduced co-insurance and co-pays for Tier 2 and Tier 3 drugs	Blood pressure and cardiac monitoring devices
	Durable medical equipment



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