



Group Health Insurance Plan Infertility Benefit Costs, Estimates & Proposed Recommendations

Health Policy & Planning Subcommittee

April 4, 2019



GHIP Infertility Data Analysis

SBO reviewed 5 years of medical infertility treatment and prescription data for approximately 480 Highmark Delaware and Aetna members approved for infertility services between January 1, 2014 and December 31, 2018.

5 Year Total Cost of GHIP Infertility Services – ALL MEMBERS	
State/Plan Paid	\$ 4.5mm
Member Out of Pocket	\$ 1.8mm
Total	\$ 6.3mm
Average Annual	\$ 1.3mm

*Approximately 50% of costs attributed to prescription costs

GHIP Infertility Data Analysis

SBO analyzed a 400 Highmark member subset

206 of these members or 52% had a successful pregnancy and childbirth. Data for these members was further analyzed and described in the slides that follow*

Age range of Members

52%

IUI/ AI	IVF	IUI & IVF
Ages 25-41	Ages 22-44	Ages 24-41

*Utilization patterns and costs for 400 member subset were overall similar

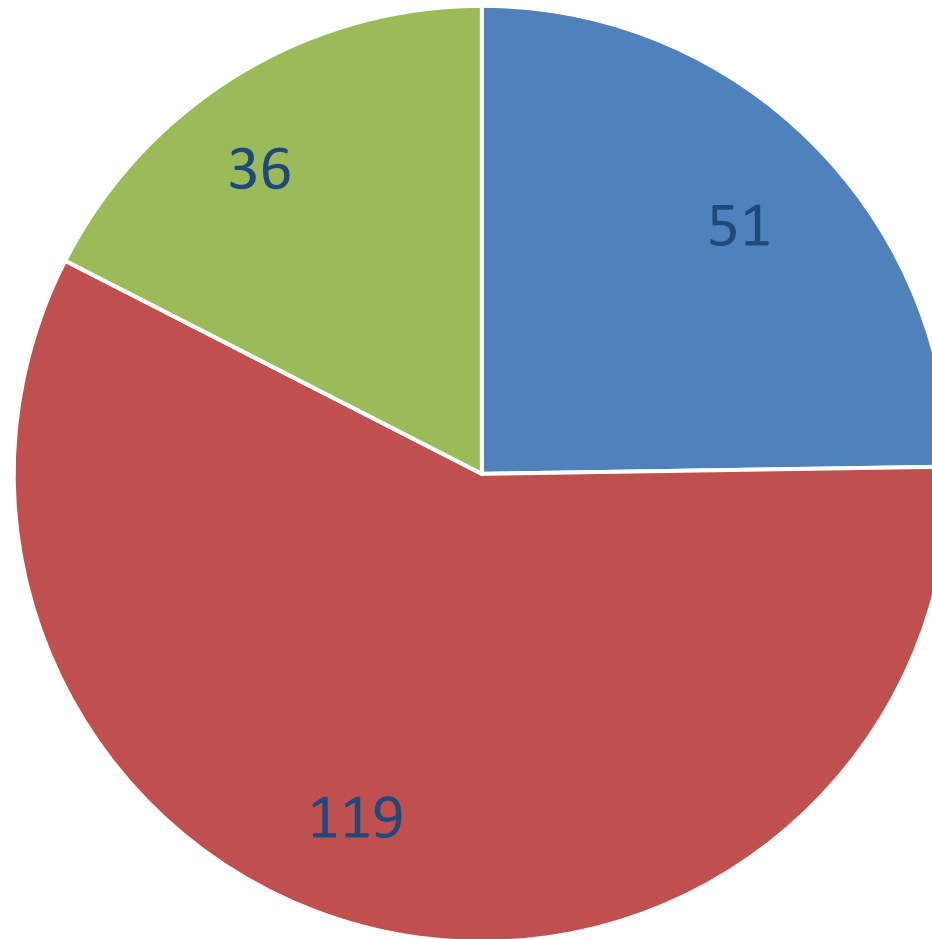
GHIP Infertility Data Analysis

Breakdown of 206 members with successful pregnancy/childbirth

IUI/ AI	IVF	IUI & IVF
51 Members	119 Members	36 Members
Ages 25-41	Ages 22-44	Ages 24-41
Number of cycles: 33% 1 cycle; 33% 2 cycles; 24% 3-4 cycles; 10% 6 or more cycles	Number of cycles: 39% 1 cycle; 29% 2 cycles; 19% 3 cycles; 13% 4 or more cycles	Number of cycles: 11% 2 cycles; 31% 3 cycles; 27% 4-5 cycles; 31% 6 or more cycles
Median cost for all services received and resulting in successful birth: \$5,600*	Median cost for all services received and resulting in successful birth: \$23,300*	Median cost for all services received and resulting in successful birth: \$30,000*

*Based upon actual medical and prescription plan/member costs

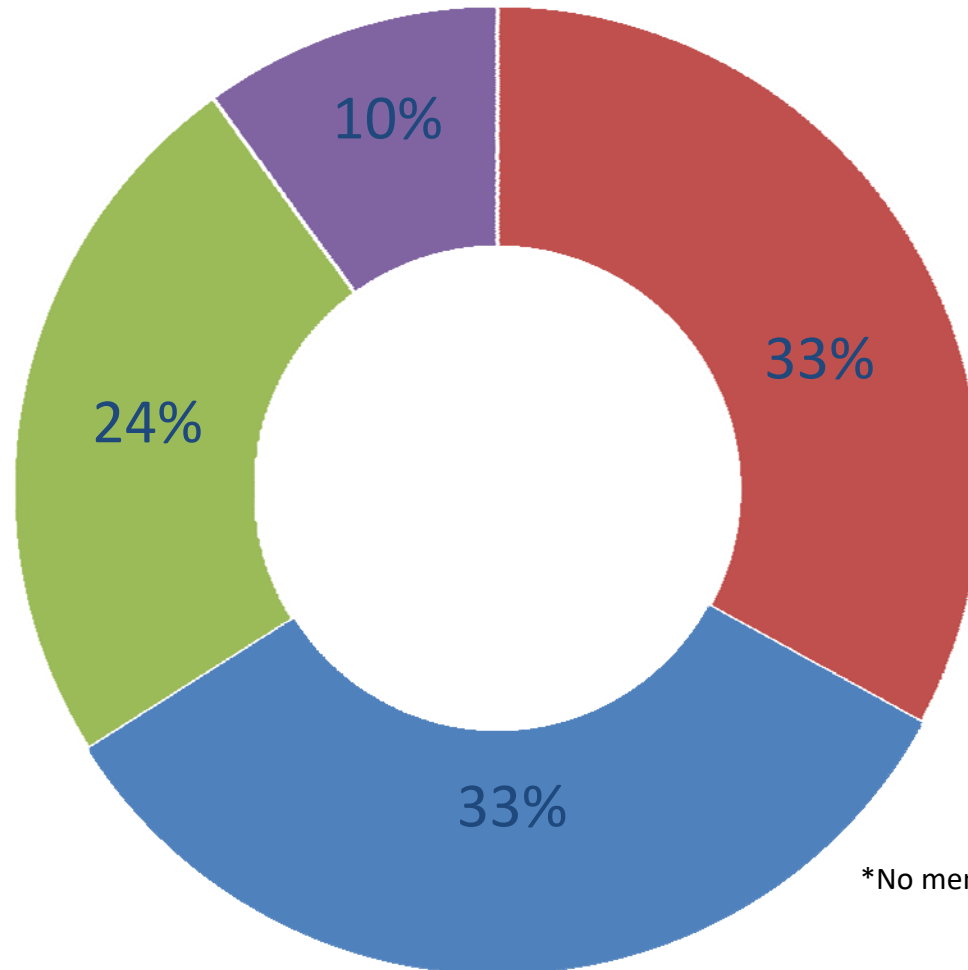
Members by Cycle Type



■ IUI/AI ■ IVF ■ IUI & IVF

IUI/ AI

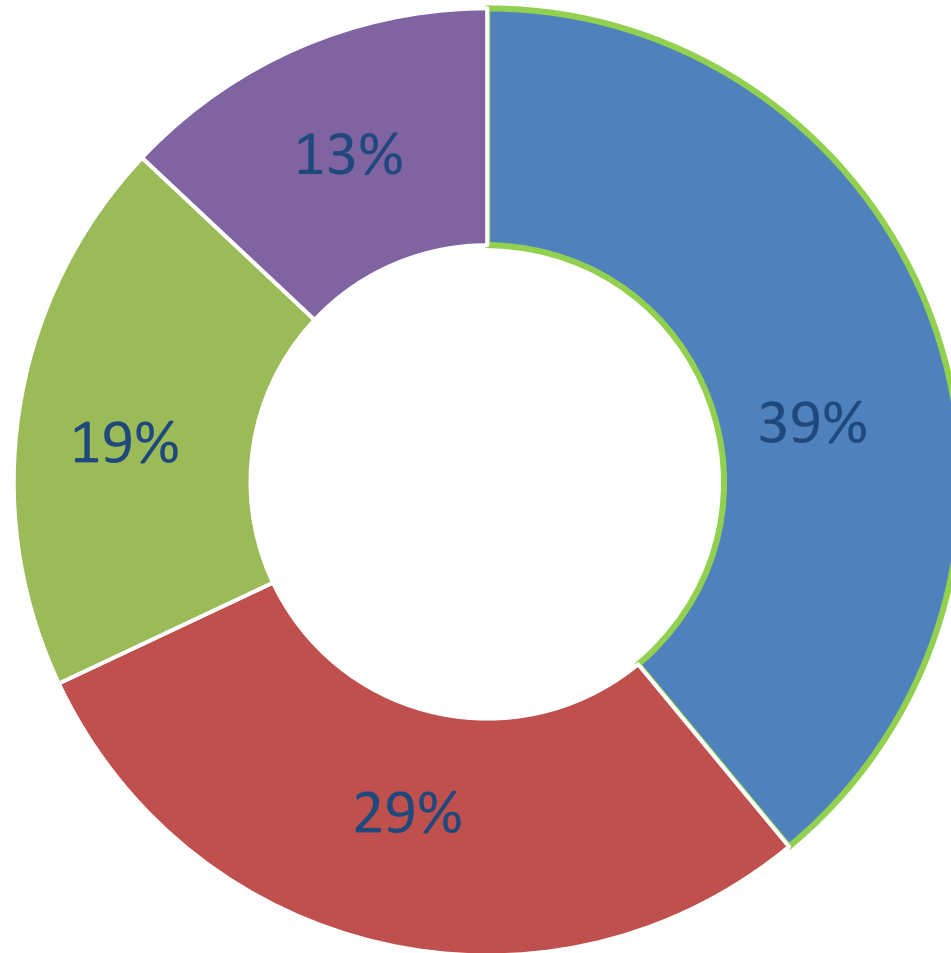
Number of Cycles



*No members with 5 cycles

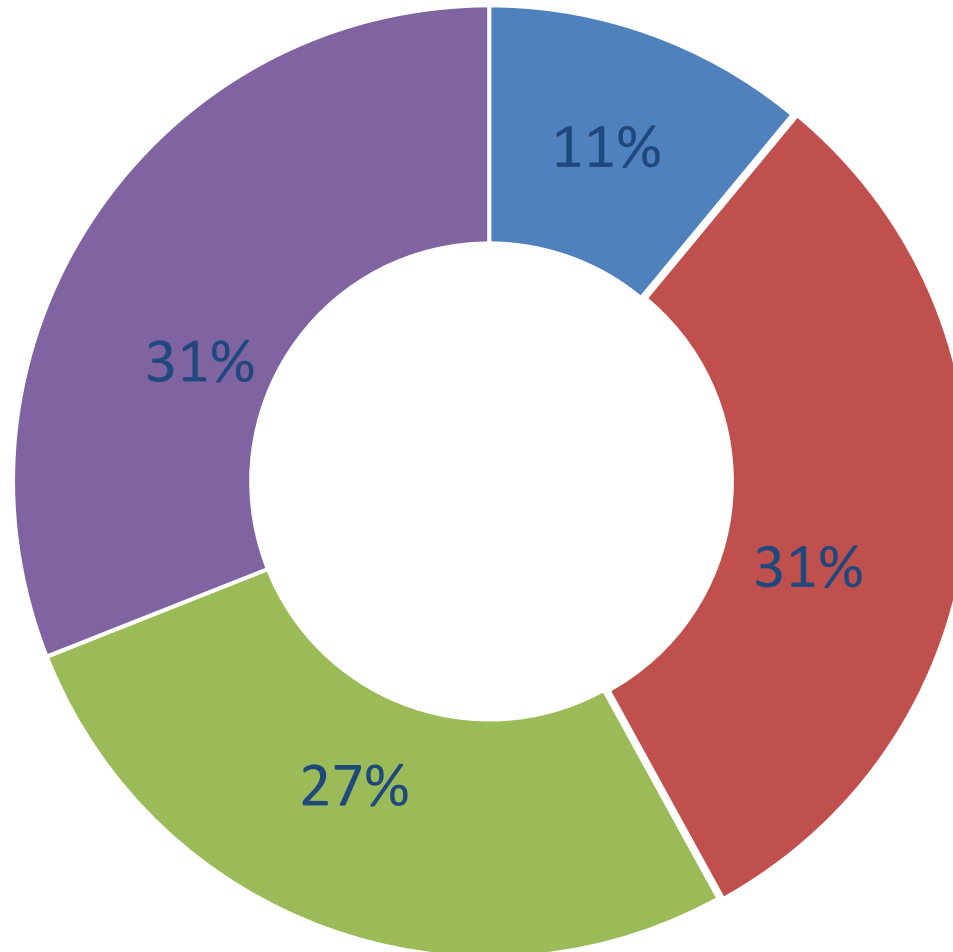
■ 1 Cycle ■ 2 Cycles ■ 3-4 Cycles ■ 6 or more

IVF Number of Cycles



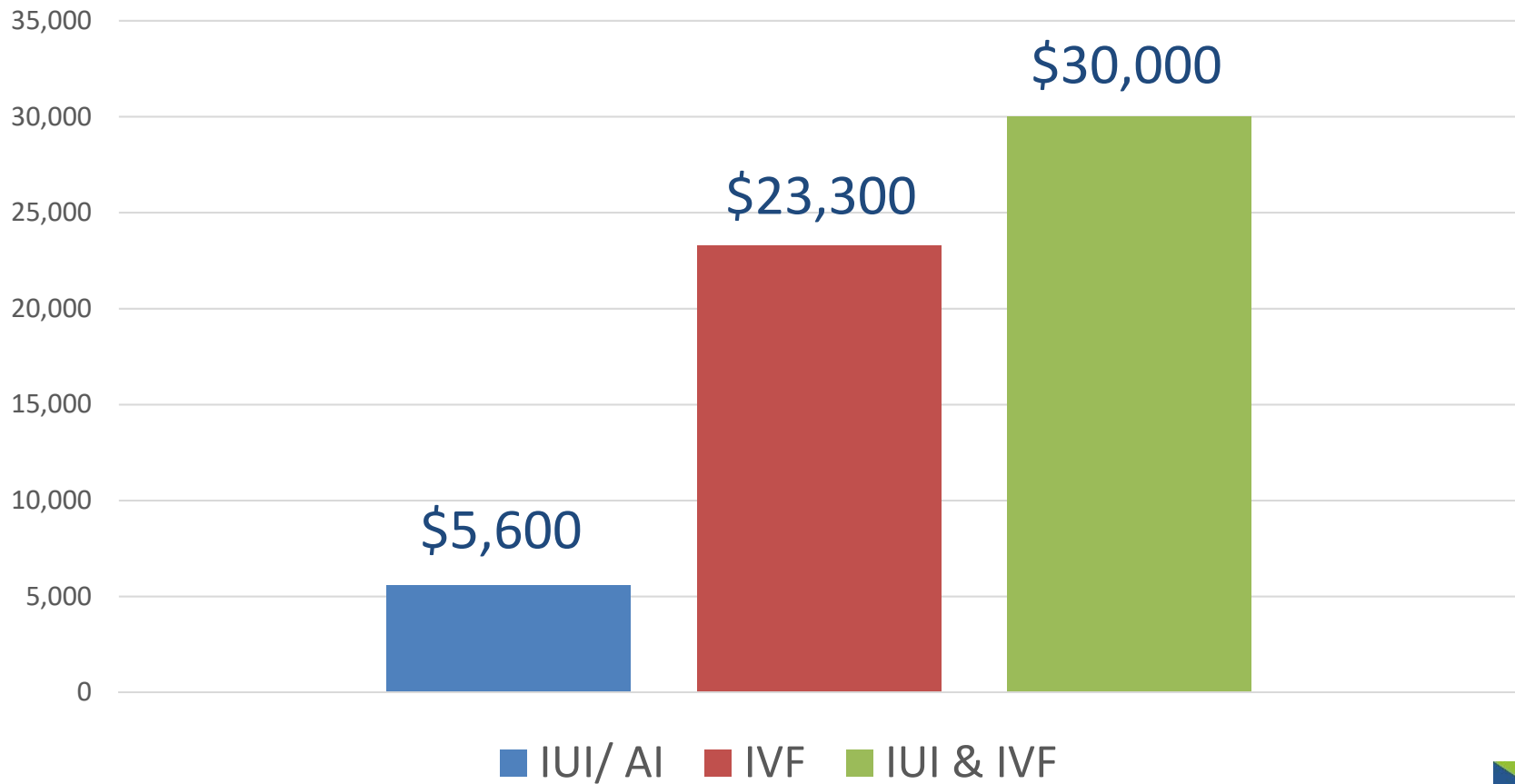
■ 1 Cycle ■ 2 Cycles ■ 3 Cycles ■ 4 or more

IUI & IVF Number of Cycles



■ 2 Cycles ■ 3 Cycles ■ 4-5 Cycles ■ 6 or more

Per Member Total Cost by Cycle Type



*Based upon actual medical and prescription plan/member costs

Average Cost Per Cycle

Medical Plan Costs Per Cycle

IUI/AI	Fresh IVF Cycle w/ Transfer	Fresh IVF Cycle with no Transfer	Frozen Embryo Transfer Including Egg Freeze Cycle
\$1,800	\$10,000	\$6,000	\$7,300

Above costs DO NOT capture prescription costs, embryo biopsy/genetic testing

Reflects only the costs paid by the plan not any member co-insurance or out-of-pocket

Were derived from grouping the applicable CPT codes for each cycle and applying the average plan payment for each code from data available in the IBM Watson database

Immediate Considerations/ Recommendations for FY20

- ❑ Increase current \$10,000 medical only infertility benefit to \$30,000 and remove 25% co-insurance – adopt standard in and out-of-network benefits
- ❑ Partial Adoption of SB 139:
 - Fertility care services including IVF for members who suffer from a disease or condition resulting in medically necessary treatment causing iatrogenic infertility
 - Cryopreservation and thawing of eggs, sperm and embryos (not currently covered – estimated cost per member per year - \$2,000)
 - Six completed egg retrievals per lifetime with unlimited embryo transfers using single embryos transfer (SET) when recommended and medically appropriate
 - Limit ovulation induction (OI) or intrauterine insemination (IUI) to no more than 3 before IVF
 - When IVF is medically necessary, no cycles of OI or IUI required
 - Increase IVF transfer maximum age from current 44 to 49
- ❑ Embryo biopsy and testing – assesses embryo quality to increase success of a viable transfer (not currently covered or included in SB 139– estimated cost \$6,000 per cycle)
- ❑ Estimated additional annual FY20 cost: \$2.5M

Considerations/ Recommendations during FY20

- ❑ Monitor and analyze infertility benefit utilization including number of cycles and costs during FY20 plan year compared to historical utilization
- ❑ Through competitive bid process, evaluate and award contract to a third party infertility benefit administrator and negotiate a bundled per cycle benefit
- ❑ Explore opportunities to carve out or recontract infertility prescription coverage
- ❑ Consider further expansion of infertility benefits for FY21+
 - Increase or remove defined dollar amount
 - Modify benefit from lifetime defined dollar limit to defined number of cycles

Next Steps

- ❑ May 2, 2019 - Health Policy & Planning Subcommittee finalizes recommendation for review with the SEBC on May 6
- ❑ May 6, 2019 – SEBC reviews recommendations from Subcommittee, evaluates estimated fiscal impacts on the Group Health fund and discusses approach to obtain funding

Appendix

FY20 Infertility Benefit Estimated Costs

Current Annual Medical & Prescription Infertility Costs \$1.3M

Current benefit: \$10,000 medical/\$15,000 prescription

Approximately 50% of costs attributed to prescription

Current annual prescription only infertility costs \$650,000 A

Increase \$10,000 lifetime medical benefit to \$30,000 \$1.95M B

Addition of estimated cryopreservation costs: \$227,000 C

Estimated 35% increase in utilization of benefits

Estimated FY20 total medical & prescription infertility costs: \$3.8M $(A+B+C)*1.35$

Less current annual infertility costs: \$1.3M

Estimated Additional FY20 Costs: \$2.5M