

State of Delaware - Quarterly Financial Reporting

FY21 Q4 Cost Analysis

It is evident that the COVID-19 pandemic will have an impact on health care costs. We have used available information and reasonable estimation techniques to develop health care cost estimates for the GHIP that reflect the impact of COVID-19. However due to the high degree of uncertainty associated with this pandemic, results may vary from the estimates provided.

August 2021

State of Delaware

Health Plan Quarterly Financial Reporting

FY21 Q4 Plan Cost Analysis

Summary plan information

- FY21 YTD compared to FY20 YTD:

Summary (total)	FY21			FY20			% Change		
	Medical	Rx ⁴	Total ²	Medical	Rx ⁴	Total ²	Medical	Rx ⁴	Total ²
Gross claims ¹	\$639.0	\$313.4	\$952.4	\$560.5	\$302.7	\$863.2	▲ 14.0%	▲ 3.5%	▲ 10.3%
Total program cost (\$M) ²	\$689.1	\$200.3	\$892.6	\$608.6	\$193.5	\$807.7	▲ 13.2%	▲ 3.5%	▲ 10.5%
Premium contributions (\$M) ³	\$661.3	\$181.3	\$842.5	\$658.3	\$177.3	\$835.6	▲ 0.4%	▲ 2.3%	▲ 0.8%
Total cost PEPY	\$9,324	\$2,736	\$12,072	\$8,352	\$2,652	\$11,040	▲ 11.6%	▲ 3.2%	▲ 9.3%
Total cost PMPY	\$5,316	\$1,548	\$6,876	\$4,740	\$1,512	\$6,264	▲ 12.2%	▲ 2.4%	▲ 9.8%
Average employees	73,946			72,907			▲ 1.4%		
Average members	129,768			128,531			▲ 1.0%		
Loss ratio	106%			96%					
Net income (\$M)	(\$50.0)			\$30.5					

¹ Gross claims include paid medical and pharmacy claims as reported by Aetna, Highmark, and ESI; excludes capitation

² Total program cost includes gross claims, pharmacy rebate and EGWP payment offsets, ASO fees, and office operational expenses

³ Includes fees for participating non-State groups

- FY21 Actual compared to Original Budget (approved in August 2020):

Summary (total)	FY21 Actual			FY21 Budget			% Change		
	Medical	Rx ²	Total	Medical	Rx ²	Total	Medical	Rx ²	Total
Total program cost (\$M) ²	\$689.1	\$200.3	\$892.6	\$701.1	\$192.2	\$893.3	▼ 1.7%	▲ 4.2%	▼ 0.1%
Total cost PEPY	\$9,324	\$2,736	\$12,072	\$9,455	\$2,595	\$12,090	▼ 1.4%	▲ 5.4%	▼ 0.1%
Total cost PMPY	\$5,316	\$1,548	\$6,876	\$5,371	\$1,474	\$6,868	▼ 1.0%	▲ 5.0%	▲ 0.1%
Net income (\$M)	(\$50.0)			(\$47.5)					

¹ Total program cost includes office operational expenses (medical and Rx splits exclude these expenses) and excludes fees for participating non-State groups (these fees are included in premiums)

² FY21 YTD contains 19 ESI invoices; FY20 YTD (thru March) contained 20 ESI invoices

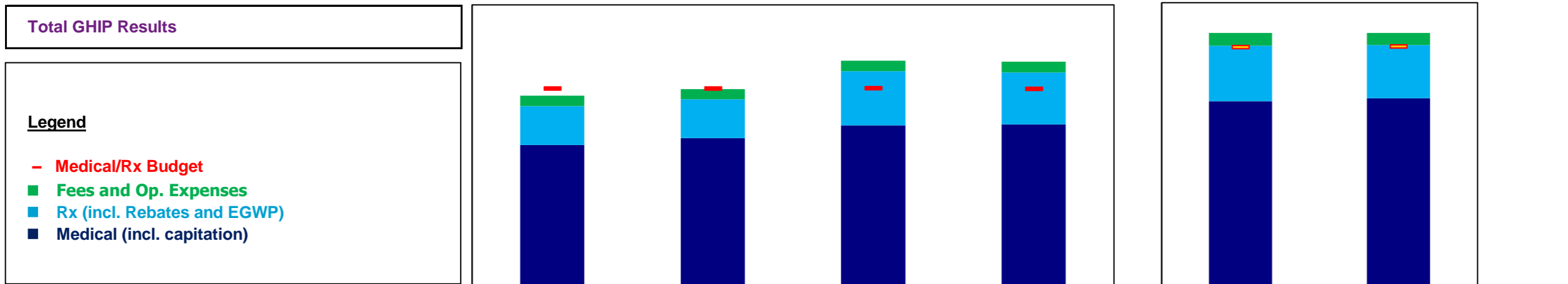
Plan performance dashboard - key observations for total GHIP population: July 2020 - June 2021 (compared to July 2019 - June 2020)

- The COVID-19 pandemic has had a significant impact on GHIP utilization and claims. Due to the timing of suppressed care, utilization of services is generally higher than in the prior period. The IBM Watson Health plan performance dashboards highlights the following program trends:
 - Increase in well care and preventive visits: 18.3% well child, 14.5% preventive adult
 - Increased screening rates for colon cancer, breast cancer, cervical cancer and cholesterol
 - 0.2% increase in inpatient admits with a 10.5% increase in LOS; 7.3% reduction in ER visits
 - Pharmacy claims have been consistent through the pandemic; 4.7% increase in cost and 2.2% increase in utilization of all prescriptions
 - Specialty medications now make up 48% of pharmacy spend, with a 16.8% increase in utilization

Additional notes

- Claims and expenses are reported on a paid basis
- FY21 budget rates were held flat from FY20
- Paid claims and enrollment data based on reports from Aetna, Highmark, and ESI; costs include operating expenses
- Expenses are broken down into two categories:
 - ASO Fees: includes fees for vendor administration, COBRA administration, ACA-related (PCORI), IBM Watson data analytics, EAP, and WTW consulting fees
 - Office Operational Expenses: includes expenses for items such as staff salaries, supplies, etc.
- Rx rebates and EGWP payments are shown based on the period to which offsets are attributable, rather than actual payment received in a given period
- No adjustments made to cost tracking for large claims as the State does not have stop loss insurance
- HRA dollars are assumed to be included in the reported claims
- Participating groups (such as University of DE) are included in the cost tracking, but are assumed to be 100% employee paid; as a result, reported net cost and cost share percentages may be skewed; participating group fees are included in premium contributions

State of Delaware
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FY21 Q4 Plan Cost Analysis



	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY21 YTD Actual	FY21 YTD WTW Budget ⁷	Difference vs. Budget
Total Program Cost	\$203,022,257	\$209,902,677	\$240,436,225	\$239,190,080	\$892,551,240	\$893,336,190	▼ 0.1%
- Paid Claims	191,917,801	199,148,696	229,250,042	227,732,012	848,048,552	849,872,276	▼ 0.2%
- Medical (includes capitation¹)	150,084,604	157,595,163	171,261,339	172,247,018	651,188,124	660,995,720	▼ 1.5%
- Rx (Including Rebates and EGWP)	41,833,198	41,553,533	57,988,703	55,484,994	196,860,428	188,876,556	▲ 4.2%
- Rx Paid Claims	69,940,930	71,301,982	87,810,453	84,331,894	313,385,259	314,210,231	▼ 0.3%
- EGWP ²	(9,765,506)	(10,993,317)	(8,296,384)	(10,173,114)	(39,228,321)	(46,564,608)	▼ 15.8%
- Direct Subsidy	(743,876)	(522,398)	(117,132)	(110,190)	(1,493,596)	(1,685,307)	▼ 11.4%
- CGDP	(5,717,670)	(7,150,814)	(4,211,723)	(6,073,222)	(23,153,429)	(23,666,606)	▼ 2.2%
- Catastrophic Reinsurance	(3,303,960)	(3,320,105)	(3,967,529)	(3,989,703)	(14,581,296)	(21,212,694)	▼ 31.3%
- Rx Rebates ³	(18,342,227)	(18,755,132)	(21,525,365)	(18,673,786)	(77,296,510)	(78,769,068)	▼ 1.9%
- ASO Fees	10,491,245	10,141,121	10,619,188	10,147,095	41,398,649	40,491,478	▲ 2.2%
- Operational Expenses	613,211	612,860	566,995	1,310,973	3,104,039	2,972,437	▲ 4.4%
Medical/Rx Premium Contributions⁴	\$210,602,447	\$210,679,889	\$210,855,243	\$210,395,190	\$842,532,769	\$ 845,805,198	▼ 0.4%
- Net Income	7,580,190	777,211	(29,580,983)	(28,794,889)	(50,018,471)	(47,530,992)	
- Total Cost as % of Budget	96%	100%	114%	114%	106%	106%	
Current Year Per Capita							
- Total per employee per year ⁵	11,004	11,364	12,984	12,912	12,072	12,090	▼ 0.1%
- Total % change over prior	-3.7%	3.0%	6.4%	33.3%	8.9%		
- Medical per employee per year	8,640	9,036	9,696	9,804	9,324	9,455	▼ 1.4%
- Medical % change over prior	-1.2%	3.3%	6.2%	44.6%	11.6%		
- Rx per employee per year	2,316	2,424	3,252	3,072	2,736	2,595	▲ 5.4%
- Rx % change over prior	-13.1%	6.3%	5.0%	6.7%	0.2%		
- Medical per member per year	4,920	5,148	5,532	5,604	5,316	5,371	▼ 1.0%
- Rx per member per year	1,308	1,368	1,836	1,740	1,548	1,474	▲ 5.0%
- Total per member per year ⁵	6,264	6,468	7,404	7,380	6,876	6,868	▲ 0.1%
Prior Year Results	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20		
- Total Program Cost	206,456,465	200,218,517	223,638,094	177,691,741	808,004,816	-	-
- Total Program Cost \$ Change	-3,434,208	9,684,161	16,798,132	61,498,339	84,546,424	-	-
- Total per employee per year ⁵	11,424	11,028	12,204	9,684	11,085	-	-
- Medical per employee per year	8,748	8,748	9,132	6,780	8,352	-	-
- Rx per employee per year	2,664	2,280	3,096	2,880	2,730	-	-
EE Contributions⁶	\$41,483,007	\$41,472,022	\$41,373,747	\$41,279,368	\$165,608,144		
- Net SoD	161,539,250	168,430,656	199,062,479	197,910,712	726,943,096	-	-
- SoD Subsidy %	80%	80%	83%	83%	81%	-	-
Headcount							
- Enrolled Ees	73,766	73,848	74,099	74,069	73,946	73,892	▲ 0.1%
- Enrolled Members	129,698	129,774	129,901	129,698	129,768	130,074	▼ 0.2%
- Member/EE Ratio	1.8	1.8	1.8	1.8	1.8	1.8	

¹ Capitation payments apply to HMO plan only

² Direct subsidy and catastrophic reinsurance prospective payments reflect actual payments received during quarter; CGDP estimated based on payment attributable to quarter; projected EGWP PMPM amounts provided by ESI

³ Reflects estimated rebates attributable to FY21; prior quarters to be updated with actual FY21 rebates when received; estimated rebates based on WTW analysis of expected rebates under ESI contract effective July 2019

⁴ Premium contributions include fees for participating non-State groups

⁵ Total per employee per year (PEPY) and per member per year (PMPY) values include operational expenses; these expenses are excluded from medical and Rx PEPY/PMPY splits

⁶ Participating groups are assumed to be 100% EE funded, and Medicare retirees are assumed to be fully subsidized

⁷ WTW Budget based on final FY21 Budget approved by SEBC

It is evident that the COVID-19 pandemic will have an impact on health care costs. We have used available information and reasonable estimation techniques to develop health care cost estimates for the GHIP that reflect the impact of COVID-19. However due to the high degree of uncertainty associated with this pandemic, results may vary from the estimates provided.

State of Delaware
FY2021 Financial Analysis of Health/Rx Plans - Paid Basis
Year to Date July 1, 2020 - June 30, 2021

Vendor	Highmark						Aetna					Total
Plan	Basic Active	Basic Non Medicare Retirees	PPO Active	PPO Non Medicare Retirees	Medicare Primary Retirees	Total Highmark	Aetna HMO Active	Aetna HMO Non Medicare Retirees	Aetna CDH Active	Aetna CDH Non Medicare Retirees	Total Aetna	Total
Medical												
Paid Claims	\$23,239,593	\$2,436,678	\$343,079,205	\$63,712,768	\$55,386,465	\$487,854,709	\$96,511,243	\$26,101,641	\$24,386,203	\$4,130,807	\$151,129,894	\$638,984,604
Capitation	\$0	\$0	\$0	\$0	\$0	\$0	\$10,412,781	\$1,790,740	\$0	\$0	\$12,203,520	\$12,203,520
Administration	\$2,156,362	\$203,431	\$17,853,070	\$2,845,016	\$5,562,990	\$28,620,869	\$5,645,574	\$1,379,261	\$2,012,600	\$255,863	\$9,293,298	\$37,914,167
Total Medical Program Cost	\$25,395,955	\$2,640,109	\$360,932,276	\$66,557,784	\$60,949,455	\$516,475,578	\$112,569,598	\$29,271,642	\$26,398,803	\$4,386,670	\$172,626,713	\$689,102,291
Average Number of Employees	3,061	289	25,335	4,037	28,038	60,759	8,011	1,957	2,856	363	13,187	73,946
Program Cost/Employee/Yr.	\$8,297	\$9,138	\$14,247	\$16,488	\$2,174	\$8,500	\$14,051	\$14,958	\$9,244	\$12,084	\$13,091	\$9,324
Change from prior period (pepy)	15.7%	-26.1%	14.2%	2.6%	3.6%	10.6%	20.0%	0.6%	24.6%	45.0%	15.9%	11.6%
Average Number of Members	5,632	405	59,699	6,210	28,038	99,982	19,658	3,379	6,088	662	29,786	129,768
Program Cost/Member/Yr.	\$4,509	\$6,527	\$6,046	\$10,719	\$2,174	\$5,166	\$5,726	\$8,664	\$4,336	\$6,627	\$5,796	\$5,316
Change from prior period (pmpy)	17.2%	-26.6%	14.3%	2.6%	3.6%	10.9%	20.4%	3.1%	23.6%	34.9%	16.4%	12.3%
Express Scripts, Inc.												
Paid Claims	\$6,006,687	\$860,494	\$99,940,195	\$21,244,171	\$143,302,949	\$271,354,496	\$24,964,542	\$9,037,732	\$6,565,447	\$1,463,042	\$42,030,763	\$313,385,259
Administration	\$21,792	\$2,052	\$178,975	\$28,503	\$3,160,080	\$3,391,401	\$56,577	\$13,766	\$20,185	\$2,553	\$93,081	\$3,484,482
Estimated EGWP Savings	\$0	\$0	\$0	\$0	(\$39,228,321)	(\$39,228,321)	\$0	\$0	\$0	\$0	\$0	(\$39,228,321)
Estimated Rebates ¹	(\$1,587,073)	(\$227,358)	(\$26,405,960)	(\$5,613,084)	(\$32,357,768)	(\$66,191,242)	(\$6,596,072)	(\$2,387,928)	(\$1,734,707)	(\$386,561)	(\$11,105,268)	(\$77,296,510)
Total Rx Program Cost	\$4,441,406	\$635,188	\$73,713,211	\$15,659,589	\$74,876,940	\$169,326,335	\$18,425,048	\$6,663,570	\$4,850,925	\$1,079,033	\$31,018,576	\$200,344,911
Average Number of Employees	3,061	289	25,335	4,037	27,350	60,071	8,011	1,957	2,856	363	13,187	73,258
Program Cost/Employee/Yr.	\$1,452	\$2,196	\$2,904	\$3,876	\$2,736	\$2,820	\$2,304	\$3,408	\$1,704	\$2,976	\$2,352	\$2,736
Change from prior period (pepy)	10.0%	5.2%	6.1%	6.6%	-4.2%	1.3%	10.3%	3.6%	-2.1%	42.5%	6.5%	0.2%
Average Number of Members	5,632	405	59,699	6,210	27,350	99,295	19,658	3,379	6,088	662	29,786	129,080
Program Cost/Member/Yr.	\$792	\$1,572	\$1,236	\$2,520	\$2,736	\$1,704	\$936	\$1,968	\$792	\$1,632	\$1,044	\$1,548
Change from prior period (pmpy)	11.9%	4.8%	6.2%	6.6%	-4.2%	1.4%	9.9%	6.5%	-4.3%	32.0%	7.4%	2.4%
Total Medical and Rx												
Premium	\$36,776,466	\$3,110,920	\$405,459,818	\$53,135,862	\$154,786,952	\$653,270,017	\$120,606,560	\$25,017,090	\$38,930,406	\$4,708,696	\$189,262,752	\$842,532,769
Program Cost (prior to operational)	\$29,837,361	\$3,275,297	\$434,645,486	\$82,217,373	\$135,826,395	\$685,801,912	\$130,994,646	\$35,935,212	\$31,249,728	\$5,465,703	\$203,645,289	\$889,447,201
Operational Expenses	\$129,300	\$12,154	\$1,062,455	\$169,218	\$1,178,487	\$2,551,614	\$335,808	\$81,635	\$119,814	\$15,168	\$552,424	\$3,104,039
Total Program Cost	\$29,966,661	\$3,287,451	\$435,707,941	\$82,386,591	\$137,004,882	\$688,353,527	\$131,330,453	\$36,016,847	\$31,369,543	\$5,480,871	\$204,197,713	\$892,551,240
Net Income	\$6,809,804	(\$176,531)	(\$30,248,123)	(\$29,250,730)	\$17,782,070	(\$35,083,510)	(\$10,723,893)	(\$10,999,757)	\$7,560,863	(\$772,174)	(\$14,934,961)	(\$50,018,471)
Total Cost as % of Budget	81.5%	105.7%	107.5%	155.0%	88.5%	105.4%	108.9%	144.0%	80.6%	116.4%	107.9%	105.9%
Average Number of Employees	3,061	289	25,335	4,037	28,038	60,759	8,011	1,957	2,856	363	13,187	73,946
Program Cost/Employee/Yr.	\$9,792	\$11,376	\$17,196	\$20,412	\$4,884	\$11,328	\$16,392	\$18,408	\$10,980	\$15,096	\$15,480	\$12,072
Change from prior period (pepy)	14.8%	-21.6%	12.7%	3.4%	-1.0%	8.1%	18.5%	1.2%	19.3%	44.3%	14.3%	8.9%
Average Number of Members	5,632	405	59,699	6,210	28,038	99,982	19,658	3,379	6,088	662	29,786	129,768
Program Cost/Member/Yr.	\$5,316	\$8,124	\$7,296	\$13,272	\$4,884	\$6,888	\$6,684	\$10,656	\$5,148	\$8,280	\$6,852	\$6,876
Change from prior period (pmpy)	16.3%	-22.1%	12.8%	3.4%	-1.0%	8.5%	19.0%	3.7%	18.2%	34.2%	14.7%	9.8%
Prior Period Program Cost												
Per Employee Per Year (FY20)												
Medical	\$7,171	\$12,371	\$12,471	\$16,066	\$2,098	\$7,687	\$11,711	\$14,875	\$7,420	\$8,334	\$11,299	\$8,352
Rx	\$1,320	\$2,088	\$2,736	\$3,636	\$2,856	\$2,784	\$2,088	\$3,288	\$1,740	\$2,088	\$2,208	\$2,730
Total ²	\$8,532	\$14,508	\$15,252	\$19,740	\$4,932	\$10,476	\$13,836	\$18,192	\$9,204	\$10,464	\$13,548	\$11,085
Per Member Per Year (FY20)												
Medical	\$3,847	\$8,892	\$5,291	\$10,447	\$2,098	\$4,659	\$4,757	\$8,400	\$3,508	\$4,911	\$4,980	\$4,735
Rx	\$708	\$1,500	\$1,164	\$2,364	\$2,856	\$1,680	\$852	\$1,848	\$828	\$1,236	\$972	\$1,512
Total ²	\$4,572	\$10,428	\$6,468	\$12,840	\$4,932	\$6,348	\$5,616	\$10,272	\$4,356	\$6,168	\$5,976	\$6,264

¹ Reflects estimated rebates attributable to FY21, based on WTW analysis of expected rebates under new ESI contract and actual paid rebates through FY20 Q1

² Includes Medical, Rx, and Operational Expenses

State of Delaware

Health Plan Quarterly Financial Reporting

FY21 Q4 Reporting Reconciliation (WTW vs DHR Fund Equity Report)

FY21 YTD Reporting Reconciliation	WTW FY21 Q4 Financial Report	DHR Jun. 2021 Fund Equity Report
Total Program Cost	\$892,551,240	\$1,005,733,096
Paid Claims⁴	848,048,552	961,230,408
Medical Claims	651,188,124	644,717,453
Rx Claims ¹	196,860,428	316,512,955
Rx Paid Claims	313,385,259	316,512,955
EGWP	(39,228,321)	47,695,676
<i>Direct Subsidy</i>	(1,493,596)	1,519,141
<i>CGDP</i>	(23,153,429)	22,045,334
<i>Catastrophic Reinsurance⁵</i>	(14,581,296)	24,131,202
Rx Rebates	(77,296,510)	73,898,178
Total Rx Claim (Offsets)/Revenue ²	(116,524,831)	121,593,855
Total Fees	44,502,688	44,502,688
ASO Fees	41,398,649	41,398,649
Operational Expenses	3,104,039	3,104,039
Premium Contributions/Operating Revenues³	\$842,532,769	\$968,301,572
Net Income	(50,018,471)	(37,431,524)
Total Cost as % of Budget	106%	104%

¹WTW Rx claims shown net of EGWP revenue and Rx rebates; DHR Rx claims reflect gross claim dollars excluding additional revenue (EGWP and rebates)

²WTW reflects EGWP revenue and Rx rebates as offsets to Rx claims; DHR reflects these items as additions to operating revenues

³DHR premium contributions represent total operating revenues, including premium contributions, Rx revenues (EGWP and rebates), other revenues totaling \$1,224,396, and participating group fees totaling \$6,057,661; WTW premium contributions represent FY21 budget rates and headcounts (net of Rx revenues), including participating group fees

⁴DHR June Fund Equity report paid claims in FY21 reflect \$23.3m negative adjustment to reimburse COVID-19 related expenses

⁵DHR catastrophic reinsurance payment includes CY2019 true-up payment of \$9.5m received in January 2021

State of Delaware
Health Plan Quarterly Financial Reporting
Assumptions and Caveats

Claim basis and timing

- 1 All reporting provided on a paid basis within this document.
- 2 FY21 represents the time period July 1, 2020 through June 30, 2021 for all statuses; note Medicfill plan for Medicare eligible retirees runs on a calendar year basis. Therefore, FY21 financial results span two plan years for the Medicare eligible population.

Enrollment

- 3 Medical and Rx enrollment based on quarterly tiered enrollment data from Highmark and Aetna; Medicare enrollment provided separately for retirees enrolled in medical (Highmark) and Rx (ESI).

Benefit costs/fees

- 4 Medical quarterly paid claims from Highmark and Aetna; Rx quarterly paid claims from ESI; EGWP subsidies and Rx rebates (Active, non-Medicare eligible retiree, and Medicare eligible retiree) from DHR
- 5 Administration fees and operational expenses from DHR-provided March 2021 Fund Equity Report; total quarterly fees are assigned to each plan on a contract count basis.
 - a. ASO Fees: includes fees for vendor administration, COBRA administration, ACA-related (PCORI), IBM Watson data analytics, EAP and WTW consulting fees.
 - b. Operational Expenses: includes expenses for items such as staff salaries, supplies, etc.
- 6 Pharmacy drug rebates are shown based on the period to which rebates are attributable; prior quarters to be updated with actual FY21 rebates when received; estimated rebates based on WTW analysis of expected rebates under ESI contract effective July 2019 and actual rebates received through FY21 Q4; active/non-Medicare eligible retiree rebates assigned to each plan on a contract count basis; may differ from actual payments received during FY21 due to payment timing lag.
- 7 EGWP payments based on actual and expected payments attributable to the period July 1, 2020 through June 30, 2021; reflects actual direct subsidy, prospective reinsurance and coverage gap discount payments received through June 2021; remaining payments attributable to FY21 estimated based on projected amounts provided by ESI; may differ from actual payments received during FY21 due to payment timing lag.
- 8 Prior year costs calculated from WTW's FY20 Financial Reporting.

It is evident that the COVID-19 pandemic will have an impact on health care costs. We have used available information and reasonable estimation techniques to develop health care cost estimates for the GHIP that reflect the impact of COVID-19. However due to the high degree of uncertainty associated with this pandemic, results may vary from the estimates provided.

Budget/contributions

- 9 Active and non-Medicare eligible retiree budget rates and contributions reflect rates effective July 1, 2020. Medicare eligible retiree budget rates reflect rates effective January 1, 2020 for FY21 Q1 and Q2, and rates effective January 1, 2021 for FY21 Q3 and Q4. Budget rates include FY21 risk fees for Participating groups (excludes \$2.70 PEPM charge). FY21 budget rates were held flat from FY20.
- 10 Premiums and employee contributions are the product of monthly budget rate/contribution and quarterly average tiered contract counts provided by the medical vendors; assumes 1% enrollment growth during FY21.
- 11 Highmark quarterly reports do not provide enrollment data split by retirement date. All Medicare eligible retirees are assumed to have retired prior to July 1, 2012, and therefore do not contribute towards the cost of premiums. As a result of this conservative assumption, the healthcare program's net cost to the State may be overstated.
- 12 Participating groups are assumed to be 100% employee paid in order to estimate the healthcare program's net cost to the State; actual employee contributions vary and are difficult to capture since each group pays premiums at different times; participating group fees are included in premium contributions.
- 13 While COBRA enrollment and claims are reflected in the expenses, all medical/Rx participants are assumed to pay active contributions since COBRA participants make up less than 0.1% of the total population.
- 14 HRA funding for CDH plans are included in the paid claims reported in this document.

State of Delaware

Health Plan Quarterly Financial Reporting

Glossary of Important Health Care Terms

Terms directly tied to cost tracking

Terminology	Acronym	Definition
Administrative Services Only	ASO	When an organization funds its own employee benefit plan, such as a health insurance program, and it hires an outside firm to perform specific administrative services. Also referred to as “self-funded”. Currently, the GHIP has ASO contracts with Aetna, Highmark and Express Scripts.
Capitation	n/a	Fixed payment amount (per member) to a physician or group of physicians for a defined set of services for a defined set of members. Fixed or “capitated” payment per member provides physician with an incentive for meeting quality and cost efficiency outcomes, since the physician is responsible for any costs incurred above the capitated amount. May be risk adjusted based on the demographics of the member population or changes in the member population. Often used for <i>bundled payments</i> or other <i>value-based payments</i> .
Consumer Driven Health Plan	CDHP	Allows members to use health savings accounts (HSA), health reimbursement accounts (<i>HRA</i>), or other similar medical payment products to pay routine health care expenses directly. GHIP currently offers a CDHP with <i>HRA</i> .
Coverage Gap Discount Program	CGDP	One of the funding components of an <i>EGWP</i> . Manufacturers provide discounts on covered Part D brand prescription drugs to Medicare beneficiaries while in the coverage gap.
Employee	EE	A person employed for wages or salary.
Employer Group Waiver Plans	EGWP	A Center for Medicare Service (CMS) approved program for both employers and unions. An employer may contract directly with CMS or go through an approved TPA, such as ESI, to establish the plan. They are usually Self Funded, are integrated with Medicare Part D, and sometimes include a fully insured “wrapper” around the plan to cover non-Medicare Part D prescription drugs. GHIP currently contracts with ESI as the TPA and includes a “wrapper,” which is referred to as an enhanced benefit.
Fiscal Year	FY	A year as reckoned for taxing or accounting purposes. GHIP fiscal year runs from July 1st through June 30th.
Health Maintenance Organization	HMO	A form of health insurance combining a range of coverages in a group basis. A group of doctors and other medical professionals offer care through the HMO for a flat monthly rate. However, only visits to professionals within the HMO network are covered by the policy. All visits, prescriptions and other care must be cleared by the HMO in order to be covered. A primary physician within the HMO handles referrals.
Health Reimbursement Account	HRA	Employer-funded account that reimburses employees for out-of-pocket medical expenses. Employees can choose how to use their HRA funds to pay for medical expenses, but the employer can determine what expenses are reimbursable by the HRA (e.g., employers often designate prescription drug expenses as ineligible for reimbursement by an HRA). Funds are owned by the employer and are tax-deductible to the employee. GHIP only offers HRA to employees and non-Medicare eligible retirees who enroll in the CDH Gold plan.
High Cost Claimant	HCC	An insured who incurs claims over a catastrophic claim limit during the plan year. For purposes of cost tracking, this threshold is \$100K.
Per Employee Per Month	PEPM	A monthly cost basis measured on an employee/contract/subscriber level
Per Employee Per Year	PEPY	A yearly cost basis measured on an employee/contract/subscriber level
Per Member Per Month	PMPM	A monthly cost basis measured on a member level
Per Member Per Year	PMPY	A yearly cost basis measured on a member level
Patient-Centered Outcomes Research Trust Fund Fee	PCORI	The Patient-Centered Outcomes Research Trust Fund fee is a fee on plan sponsors of self-insured health plans that helps to fund the Patient-Centered Outcomes Research Institute (PCORI). The institute will assist, through research, patients, clinicians, purchasers and policy-makers, in making informed health decisions by advancing the quality and relevance of evidence-based medicine. The institute will compile and distribute comparative clinical effectiveness research findings. This fee is part of the Affordable Care Act legislation.

State of Delaware

Health Plan Quarterly Financial Reporting

Glossary of Important Health Care Terms

Terms directly tied to cost tracking

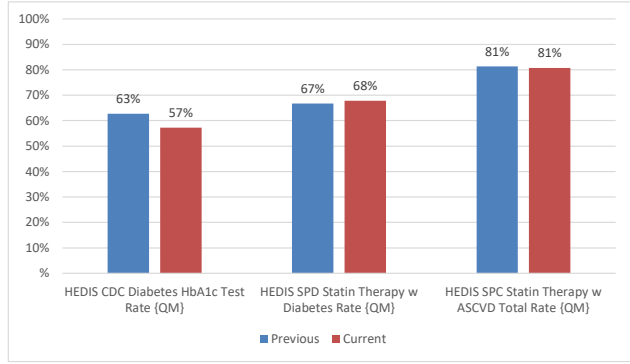
Terminology	Acronym	Definition
Point-of-Service	POS	A type of managed care plan that is a hybrid of HMO and PPO plans. Like an HMO, participants designate an in-network physician to be their primary care provider. But like a PPO, patients may go outside of the provider network for health care services. GHIP only offers this type of plan to Port of Wilmington employees.
Preferred Provider Organization	PPO	A health care organization composed of physicians, hospitals, or other providers which provides health care services at a reduced fee. A PPO is similar to an HMO, but care is paid for as it is received instead of in advance in the form of a scheduled fee. PPOs may also offer more flexibility by allowing for visits to out-of-network professionals at a greater expense to the policy holder. Visits within the network require only the payment of a small fee. There is often a deductible for out-of-network expenses and a higher co-payment.
Transitional Reinsurance Fee	TRF	Fee collected by the transitional reinsurance program to fund reinsurance payments to issuers of non-grandfathered reinsurance-eligible individual market plans, the administrative costs of operating the reinsurance program, and the General Fund of the U.S. Treasury for the 2014, 2015, and 2016 benefit years. This fee is part of the Affordable Care Act legislation, and ends after the 2016 benefit year.
Year to Date	YTD	A period, starting from the beginning of the current year (either the calendar year or fiscal year) and continuing up to the present day. For this financial reporting document, YTD refers to the time period of July 1, 2019 to June 30, 2020

Medical and Prescription Drug Dashboard - Total GHIP Population

Previous Period: Jul 2019 - Jun 2020 (Paid)

Current Period: Jul 2020 - Jun 2021 (Paid)

1. Quality Metrics



3. Well Care and Preventive Visits

	Previous	Current	Trend	Benchmark
Visits per 1000 Well Baby	5678.4	5662.7	-0.3%	5507.4
Visits per 1000 Well Child	801.6	948.7	18.3%	786.6
Visits per 1000 Prevent Adult	368.0	421.3	14.5%	379.1

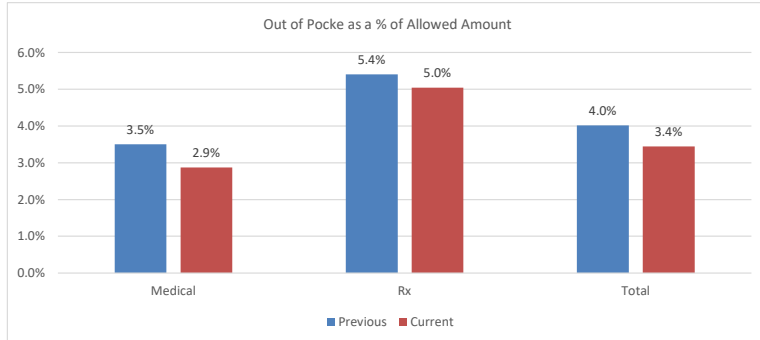
4. Medical Eligibility

	Previous	Current	Trend
Average Employees	72,876.8	73,936.3	1.5%
Average Members	127,927.2	129,272.6	1.1%
Family Size	1.8	1.7	-0.4%
Member Age	43.0	43.1	0.3%
Members % Male	44.8%	44.7%	-0.2%

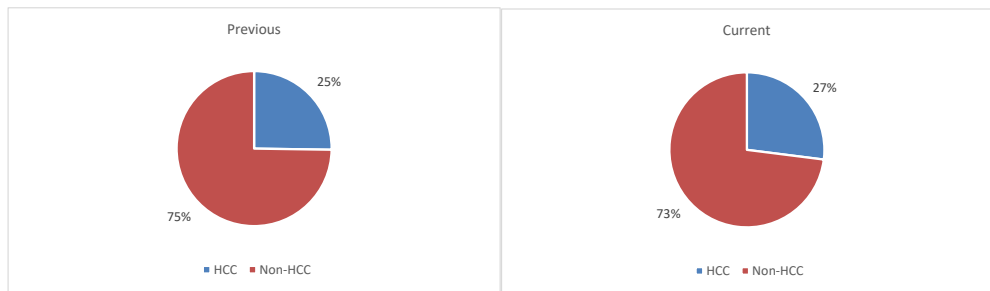
5. Risk Score

	Previous	Current
Member Risk Score	236.1	229.9

7. Cost Sharing



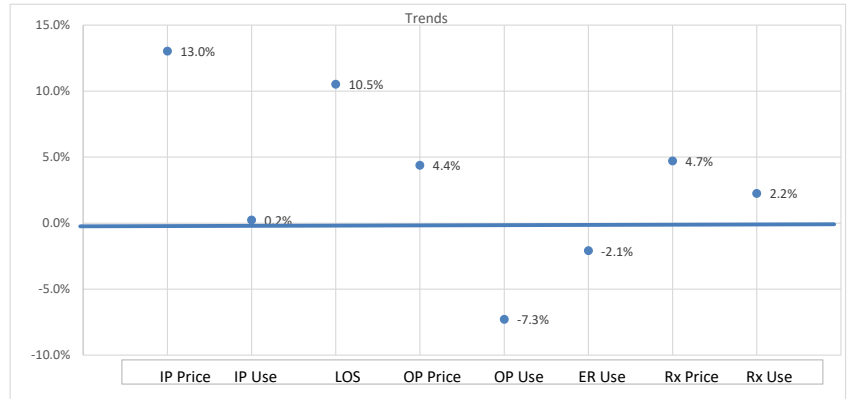
2. High Cost Claimants



	Previous	Current	Trend
Patients	1,109	1,302	17.4%
Patients per 1,000	8.5	8.1	-4.9%
Payments (in Millions)	\$216 M	\$259 M	20.0%
Payments per Patient	194,559	198,784	2.2%

6. Price and Use

		Previous	Current	Trend	Benchmark
Inpatient	Allowed per Admit	\$23,597	\$26,667	13.0%	\$30,187
	Admits per 1000	78.0	78.2	0.2%	54.0
	Days LOS	5.3	5.9	10.5%	4.4
Outpatient	Allowed per Service	\$129	\$135	4.4%	\$130
	ER Visits per 1000	317.6	294.5	-7.3%	229.1
Non-Specialty Rx	Allowed per Days Supply	\$2	\$2	-2.1%	n/a
	Days Supply PMPY	660	673	2.0%	n/a
Specialty Rx	Allowed per Days Supply	\$87	\$87	-0.5%	n/a
	Days Supply PMPY	12	14	16.8%	n/a
All RX	Allowed per Days Supply	\$4	\$4	4.7%	\$4
	Days Supply PMPY	672	687	2.2%	365

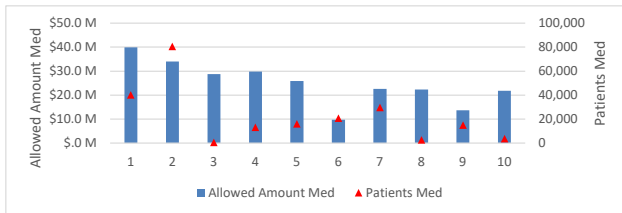


Medical and Prescription Drug Dashboard - Total GHIP Population

Previous Period: Jul 2019 - Jun 2020 (Paid)

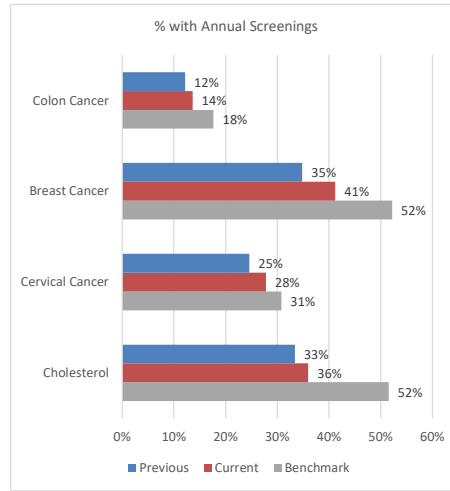
Current Period: Jul 2020 - Jun 2021 (Paid)

8. Top Medical Conditions (by cost)

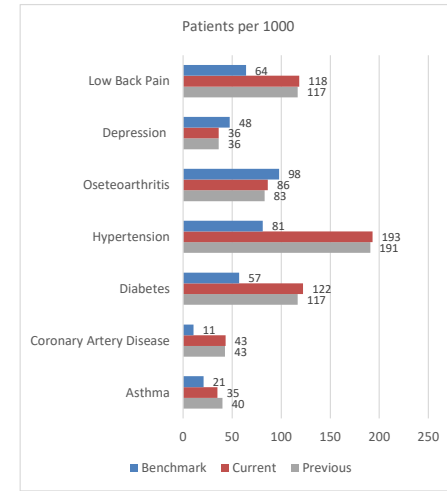


Condition	Allowed Amount Med	Patients Med	Med Allowed per Patient
1 Signs/Symptoms/Oth Cond, NE	\$43,759,735	41,285	\$1,060
2 Prevent/Admin Hlth Encounters	\$40,671,893	88,199	\$461
3 Chemotherapy Encounters	\$33,778,952	665	\$50,795
4 Osteoarthritis	\$32,811,025	13,408	\$2,447
5 Spinal/Back Disord, Low Back	\$29,341,442	16,243	\$1,806
6 Infections - Respiratory, NEC	\$27,807,108	14,786	\$1,881
7 Arthropathies/Joint Disord NEC	\$25,168,438	29,223	\$861
8 Pregnancy without Delivery	\$25,070,389	2,785	\$9,002
9 Infections, NEC	\$21,827,791	37,941	\$575
10 Renal Function Failure	\$21,027,105	4,008	\$5,246

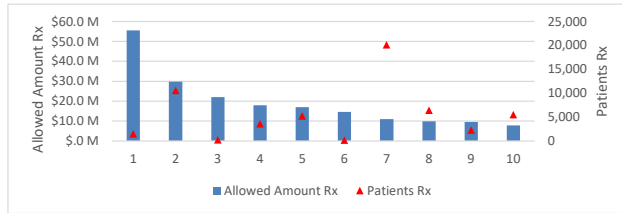
9. Screening Rates



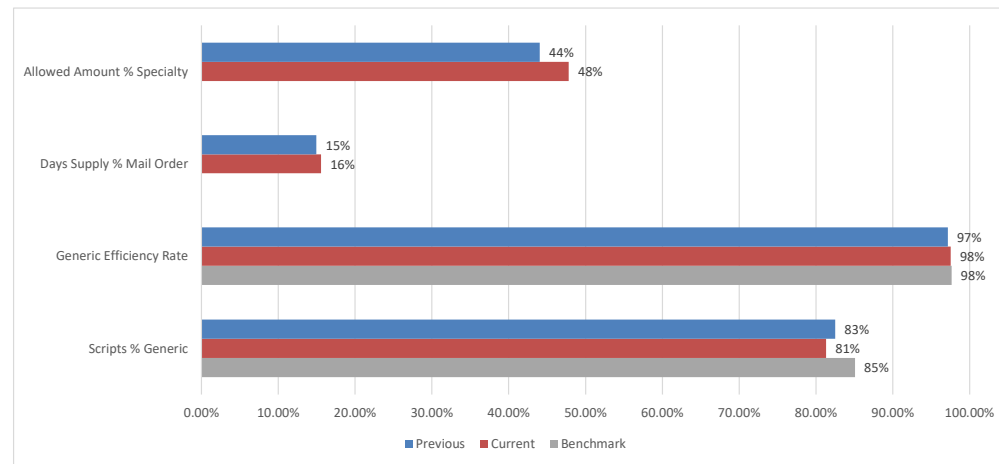
10. Chronic Condition Prevalence



11. Prescription Drug Metrics



Therapeutic Class	Allowed Amount Rx	Patients Rx	Rx Allowed per Patient
1 Immunosuppressants, NEC	\$55,559,139	1,461	\$38,028
2 Antidiabetic Agents, Misc	\$29,810,596	10,569	\$2,821
3 Molecular Targeted Therapy	\$21,968,750	228	\$96,354
4 Antidiabetic Agents, Insulins	\$17,980,410	3,593	\$5,004
5 Coag/Anticoag, Anticoagulants	\$16,915,861	5,212	\$3,246
6 Biological Response Modifiers	\$14,583,166	159	\$91,718
7 Adrenals & Comb, NEC	\$10,961,557	20,120	\$545
8 Misc Therapeutic Agents, NEC	\$9,941,611	6,437	\$1,544
9 Antidiabetic Ag, SGLT Inhibitr	\$9,610,724	2,239	\$4,292
10 Stimulant, Amphetamine Type	\$7,840,105	5,523	\$1,420

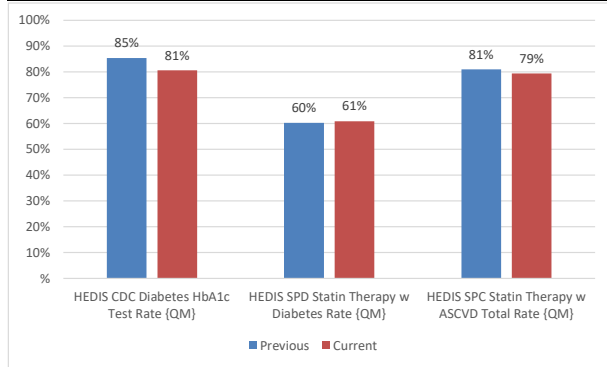


Medical and Prescription Drug Dashboard - Active Employees

Previous Period: Jul 2019 - Jun 2020 (Paid)

Current Period: Jul 2020 - Jun 2021 (Paid)

1. Quality Metrics



3. Well Care and Preventive Visits

	Previous	Current	Trend	Benchmark
Visits per 1000 Well Baby	5677.0	5667.0	-0.2%	5507.4
Visits per 1000 Well Child	801.4	950.5	18.6%	786.6
Visits per 1000 Prevent Adult	426.1	481.6	13.0%	341.2

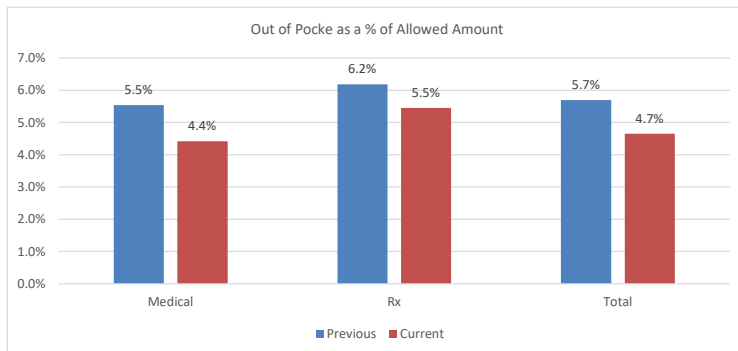
4. Medical Eligibility

	Previous	Current	Trend
Average Employees	38,636.8	39,100.4	1.2%
Average Members	89,490.9	90,267.0	0.9%
Family Size	2.3	2.3	-0.3%
Member Age	32.8	32.8	-0.1%
Members % Male	46.3%	46.2%	-0.2%

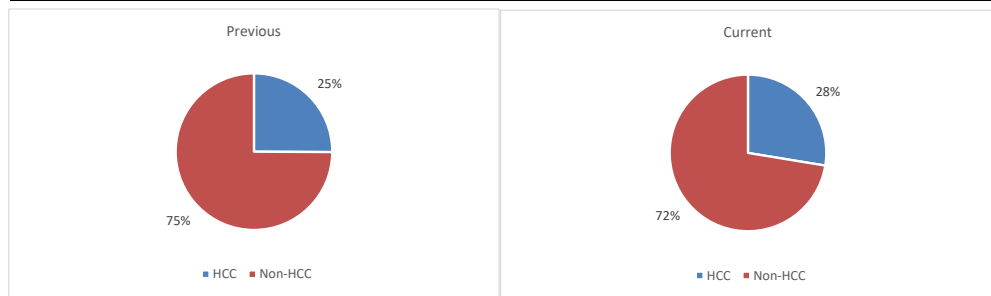
5. Risk Score

	Previous	Current
Member Risk Score	135.8	131.3

7. Cost Sharing



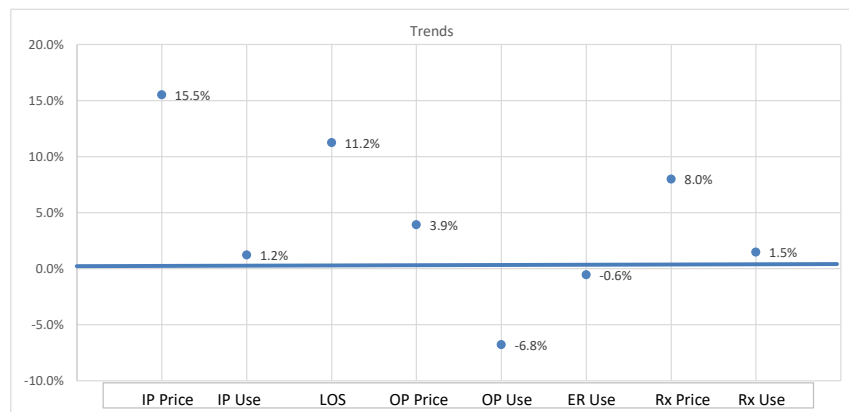
2. High Cost Claimants



	Previous	Current	Trend
Patients	727	908	24.9%
Patients per 1,000	7.9	8.1	2.2%
Payments (in Millions)	\$136 M	\$173 M	27.2%
Payments per Patient	186,618	190,066	1.8%

6. Price and Use

		Previous	Current	Trend	Benchmark
Inpatient	Allowed per Admit	\$26,853	\$31,015	15.5%	\$24,750
	Admits per 1000	53.0	53.6	1.2%	52.8
	Days LOS	4.6	5.1	11.2%	4.2
Outpatient	Allowed per Service	\$133	\$139	3.9%	\$130
	ER Visits per 1000	247.2	230.4	-6.8%	228.0
Non-Specialty Rx	Allowed per Days Supply	\$2	\$2	-0.6%	n/a
	Days Supply PMPY	387	391	1.2%	n/a
Specialty Rx	Allowed per Days Supply	\$83	\$86	3.5%	n/a
	Days Supply PMPY	9	10	15.8%	n/a
All RX	Allowed per Days Supply	\$4	\$4	8.0%	\$4
	Days Supply PMPY	395	401	1.5%	365

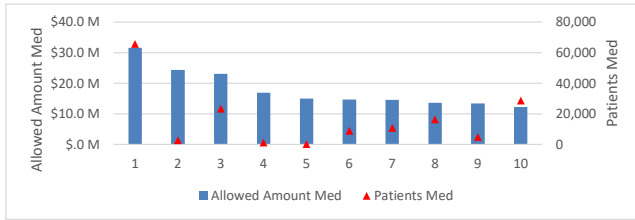


Medical and Prescription Drug Dashboard - Active Employees

Previous Period: Jul 2019 - Jun 2020 (Paid)

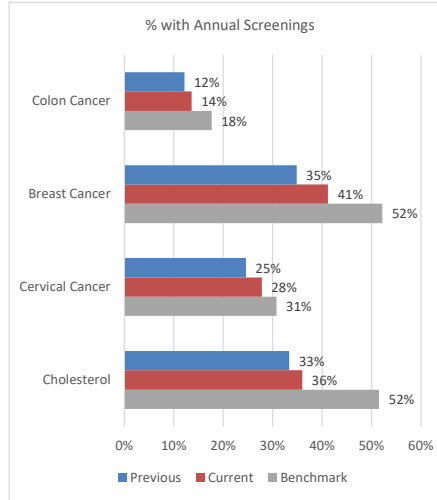
Current Period: Jul 2020 - Jun 2021 (Paid)

8. Top Medical Conditions (by cost)

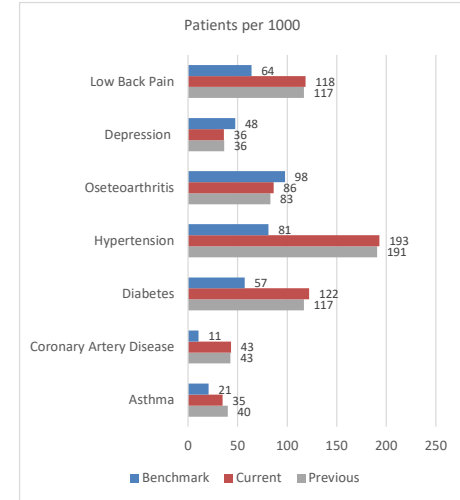


Condition	Allowed Amount Med	Patients Med	Med Allowed per Patient
1 Prevent/Admin Hlth Encounters	\$31,558,895	65,839	\$479
2 Pregnancy without Delivery	\$24,347,523	2,703	\$9,008
3 Signs/Symptoms/Oth Cond, NE	\$23,119,885	23,502	\$984
4 Newborns, w/wo Complication	\$16,889,148	1,357	\$12,446
5 Chemotherapy Encounters	\$14,979,323	222	\$67,474
6 Spinal/Back Disord, Low Back	\$14,636,378	8,996	\$1,627
7 Infections - Respiratory, NEC	\$14,609,902	10,797	\$1,353
8 Arthropathies/Joint Disord NEC	\$13,663,780	16,297	\$838
9 Osteoarthritis	\$13,376,641	4,970	\$2,691
10 Infections, NEC	\$12,248,532	28,671	\$427

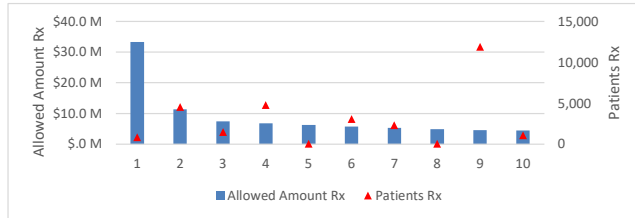
9. Screening Rates



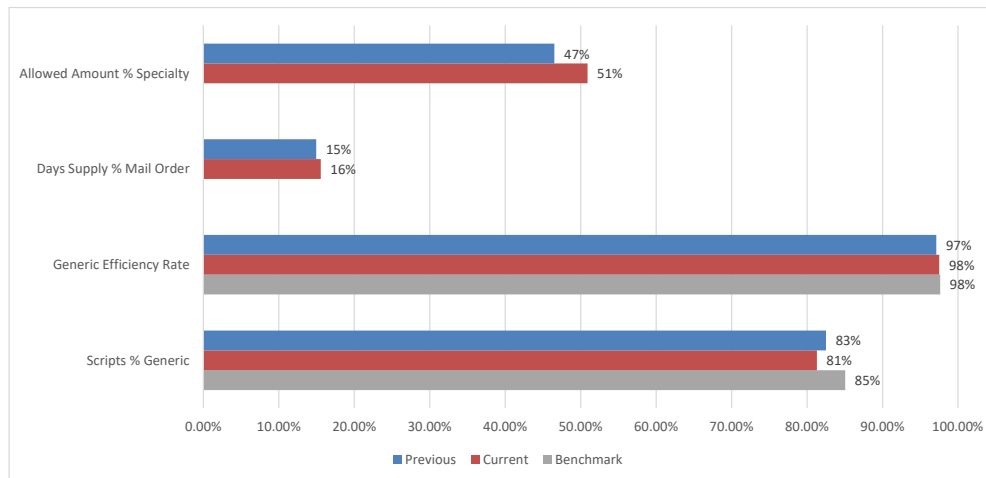
10. Chronic Condition Prevalence



11. Prescription Drug Metrics



Therapeutic Class	Allowed Amount Rx	Patients Rx	Rx Allowed per Patient
1 Immunosuppressants, NEC	\$33,281,021	837	\$39,762
2 Antidiabetic Agents, Misc	\$11,312,272	4,552	\$2,485
3 Antidiabetic Agents, Insulins	\$7,403,286	1,485	\$4,985
4 Stimulant, Amphetamine Type	\$6,833,167	4,769	\$1,433
5 Molecular Targeted Therapy	\$6,266,616	58	\$108,045
6 Antivirals, NEC	\$5,746,194	3,079	\$1,866
7 Misc Therapeutic Agents, NEC	\$5,320,442	2,313	\$2,300
8 Biological Response Modifiers	\$4,944,008	66	\$74,909
9 Adrenals & Comb, NEC	\$4,619,377	11,877	\$389
10 Antidiabetic Ag, SGLT Inhibitr	\$4,498,778	1,079	\$4,169

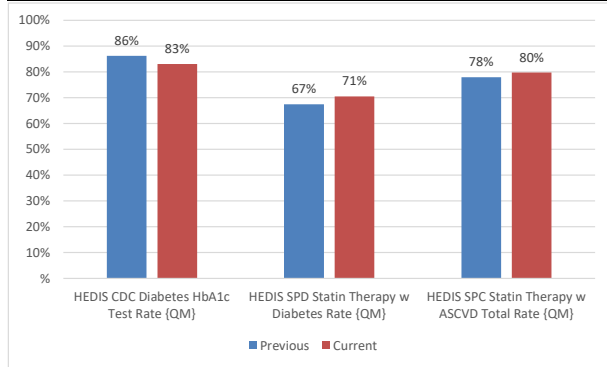


Medical and Prescription Drug Dashboard - Early Retirees

Previous Period: Jul 2019 - Jun 2020 (Paid)

Current Period: Jul 2020 - Jun 2021 (Paid)

1. Quality Metrics



3. Well Care and Preventive Visits

	Previous	Current	Trend	Benchmark
Visits per 1000 Well Baby	3483.9	4771.1	36.9%	5507.4
Visits per 1000 Well Child	788.8	803.2	1.8%	786.6
Visits per 1000 Prevent Adult	437.8	497.5	13.6%	485.5

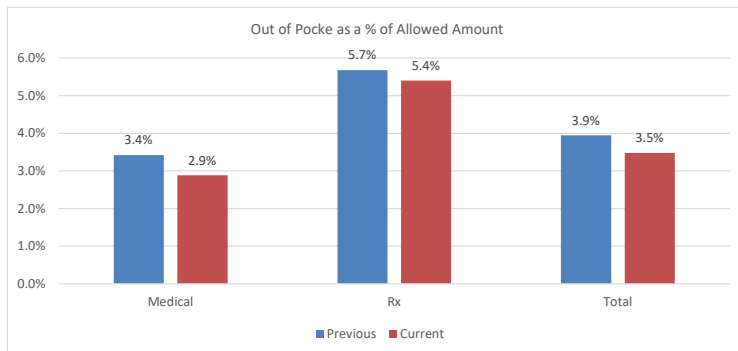
4. Medical Eligibility

	Previous	Current	Trend
Average Employees	6,148.1	6,100.4	-0.8%
Average Members	9,836.3	9,715.8	-1.2%
Family Size	1.6	1.6	-0.5%
Member Age	49.7	50.1	0.8%
Members % Male	41.3%	41.8%	1.0%

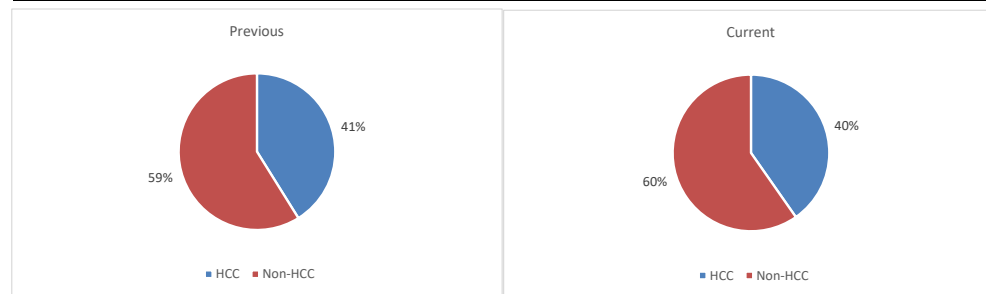
5. Risk Score

	Previous	Current
Member Risk Score	253.5	248.4

7. Cost Sharing



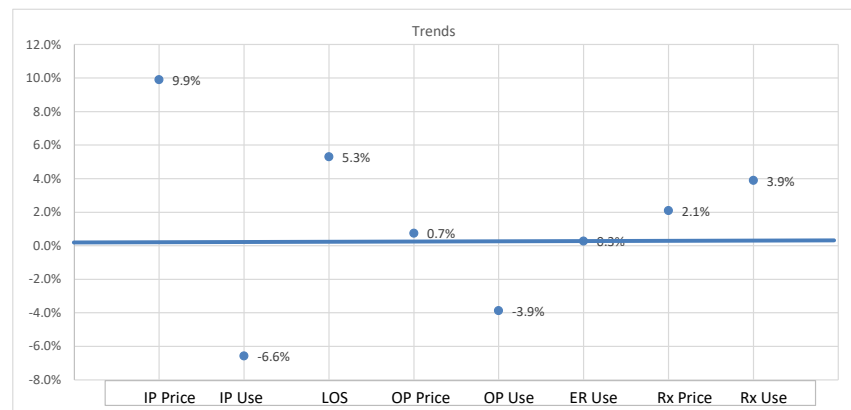
2. High Cost Claimants



	Previous	Current	Trend
Patients	271	265	-2.2%
Patients per 1,000	24.3	8.1	-66.6%
Payments (in Millions)	\$49 M	\$49 M	1.6%
Payments per Patient	179,436	186,506	3.9%

6. Price and Use

		Previous	Current	Trend	Benchmark
Inpatient	Allowed per Admit	\$41,126	\$45,194	9.9%	\$36,785
	Admits per 1000	76.3	71.3	-6.6%	61.9
	Days LOS	6.5	6.8	5.3%	5.2
Outpatient	Allowed per Service	\$158	\$160	0.7%	\$130
	ER Visits per 1000	333.7	320.7	-3.9%	238.4
Non-Specialty Rx	Allowed per Days Supply	\$2	\$2	0.3%	n/a
	Days Supply PMPY	781	809	3.6%	n/a
Specialty Rx	Allowed per Days Supply	\$87	\$80	-8.8%	n/a
	Days Supply PMPY	17	20	18.8%	n/a
All RX	Allowed per Days Supply	\$4	\$4	2.1%	\$4
	Days Supply PMPY	798	829	3.9%	365

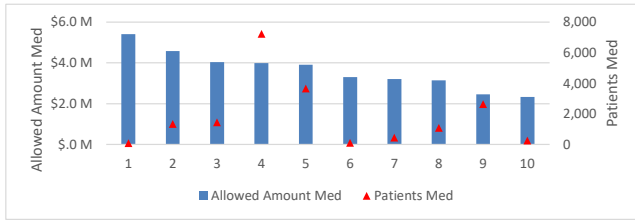


Medical and Prescription Drug Dashboard - Early Retirees

Previous Period: Jul 2019 - Jun 2020 (Paid)

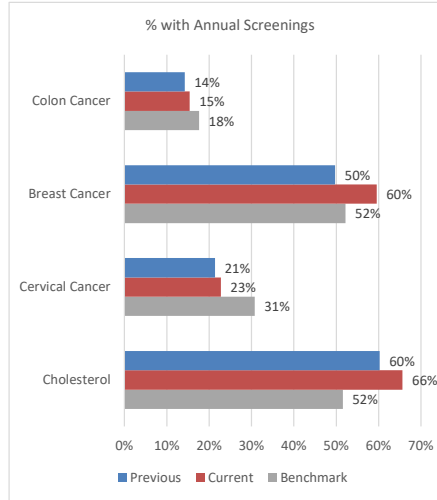
Current Period: Jul 2020 - Jun 2021 (Paid)

8. Top Medical Conditions (by cost)

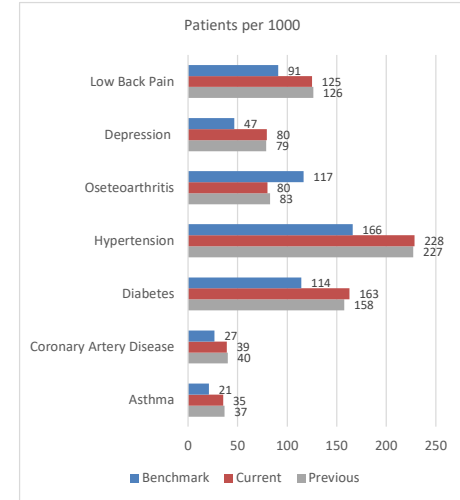


Condition	Allowed Amount Med	Patients Med	Med Allowed per Patient
1	\$5,415,945	75	\$72,213
2	\$4,577,822	1,350	\$3,391
3	\$4,038,561	1,449	\$2,787
4	\$3,986,968	7,228	\$552
5	\$3,915,263	3,663	\$1,069
6	\$3,304,046	98	\$33,715
7	\$3,205,686	454	\$7,061
8	\$3,143,346	1,094	\$2,873
9	\$2,455,036	2,639	\$930
10	\$2,325,953	265	\$8,777

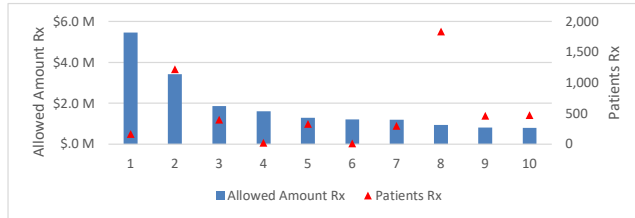
9. Screening Rates



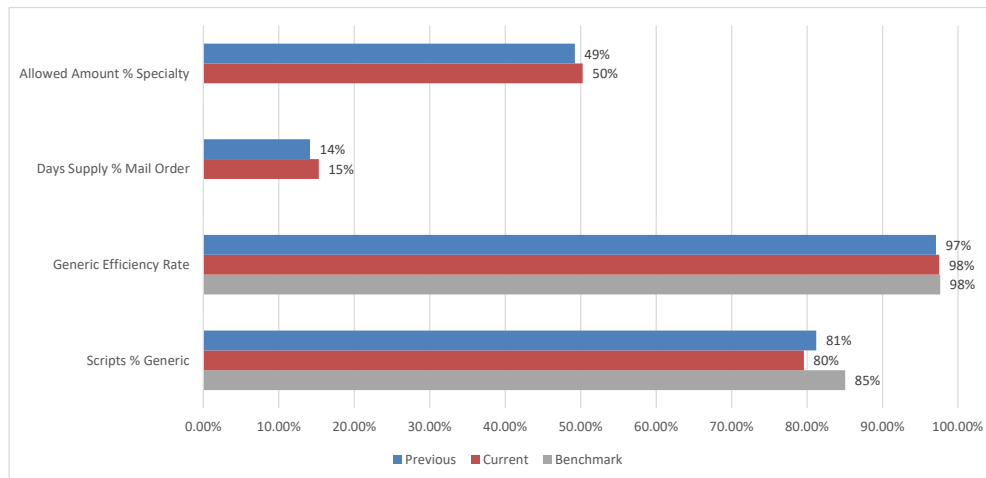
10. Chronic Condition Prevalence



11. Prescription Drug Metrics



Therapeutic Class	Allowed Amount Rx	Patients Rx	Rx Allowed per Patient
1	\$5,453,774	164	\$33,255
2	\$3,417,573	1,218	\$2,806
3	\$1,857,631	397	\$4,679
4	\$1,612,901	22	\$73,314
5	\$1,284,958	328	\$3,918
6	\$1,209,549	13	\$93,042
7	\$1,190,244	299	\$3,981
8	\$944,080	1,834	\$515
9	\$809,082	461	\$1,755
10	\$794,177	472	\$1,683

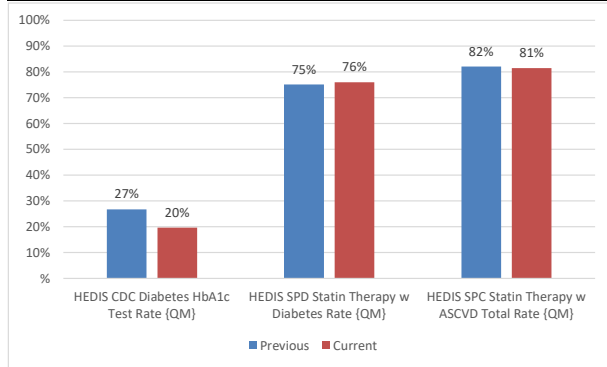


Medical and Prescription Drug Dashboard - Medicare Retirees

Previous Period: Jul 2019 - Jun 2020 (Paid)

Current Period: Jul 2020 - Jun 2021 (Paid)

1. Quality Metrics



3. Well Care and Preventive Visits

	Previous	Current	Trend	Benchmark
Visits per 1000 Prevent Adult	213.0	261.9	22.9%	461.9

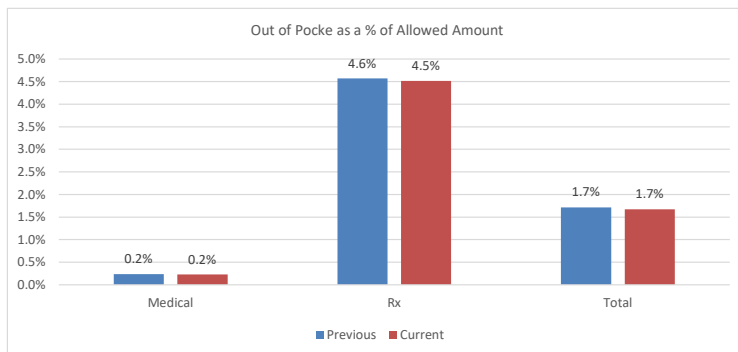
4. Medical Eligibility

	Previous	Current	Trend
Average Employees	25,593.8	26,190.9	2.3%
Average Members	25,876.4	26,487.0	2.4%
Family Size	1.0	1.0	0.0%
Member Age	73.0	73.1	0.2%
Members % Male	41.6%	41.4%	-0.5%

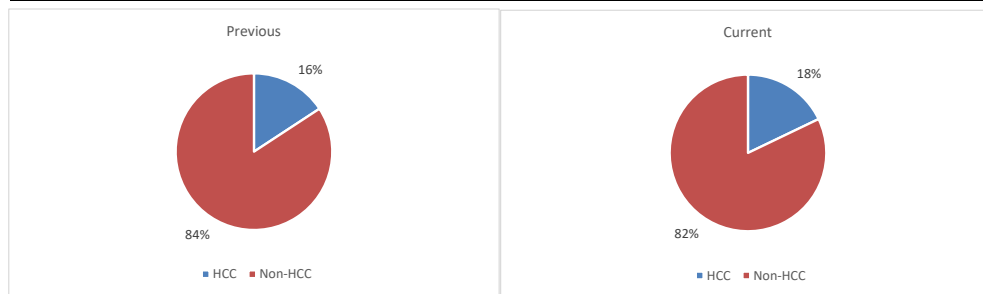
5. Risk Score

	Previous	Current
Member Risk Score	555.1	534.3

7. Cost Sharing



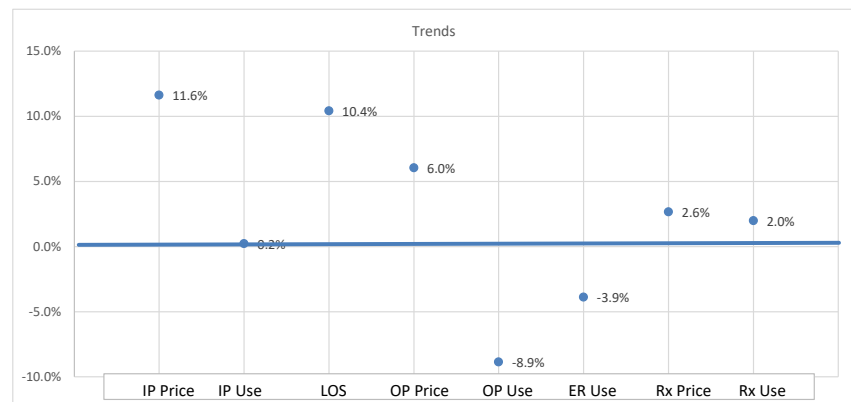
2. High Cost Claimants



	Previous	Current	Trend
Patients	190	230	21.1%
Patients per 1,000	7.0	8.1	15.3%
Payments (in Millions)	\$28 M	\$34 M	21.9%
Payments per Patient	146,652	147,727	0.7%

6. Price and Use

		Previous	Current	Trend	Benchmark
Inpatient	Allowed per Admit	\$17,293	\$19,299	11.6%	\$35,289
	Admits per 1000	153.7	154.0	0.2%	55.1
	Days LOS	5.9	6.5	10.4%	4.6
Outpatient	Allowed per Service	\$115	\$122	6.0%	\$130
	ER Visits per 1000	514.1	468.5	-8.9%	229.2
Non-Specialty Rx	Allowed per Days Supply	\$2	\$2	-3.9%	n/a
	Days Supply PMPY	1,506	1,532	1.7%	n/a
Specialty Rx	Allowed per Days Supply	\$93	\$91	-1.9%	n/a
	Days Supply PMPY	23	27	16.8%	n/a
All RX	Allowed per Days Supply	\$3	\$4	2.6%	\$4
	Days Supply PMPY	1,529	1,559	2.0%	365

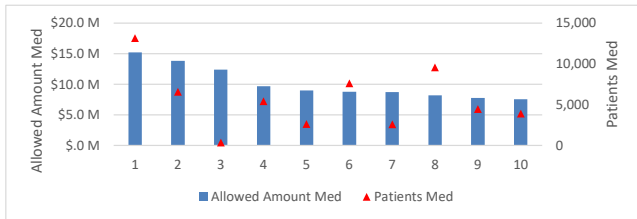


Medical and Prescription Drug Dashboard - Medicare Retirees

Previous Period: Jul 2019 - Jun 2020 (Paid)

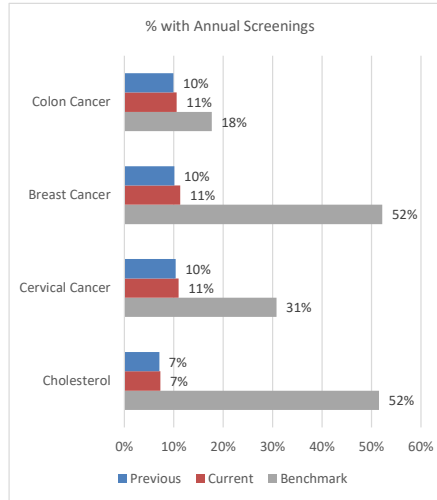
Current Period: Jul 2020 - Jun 2021 (Paid)

8. Top Medical Conditions (by cost)

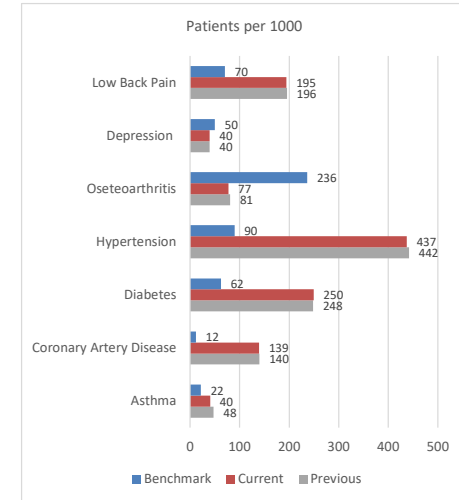


Condition	Allowed Amount Med	Patients Med	Med Allowed per Patient
1 Signs/Symptoms/Oth Cond, NE	\$15,213,310	13,151	\$1,157
2 Osteoarthritis	\$13,817,413	6,603	\$2,093
3 Chemotherapy Encounters	\$12,388,560	364	\$34,035
4 Spinal/Back Disord, Low Back	\$9,682,443	5,440	\$1,780
5 Renal Function Failure	\$8,972,191	2,651	\$3,384
6 Eye Disorders, Degenerative	\$8,772,652	7,628	\$1,150
7 Infections - Respiratory, NEC	\$8,720,582	2,596	\$3,359
8 Arthropathies/Joint Disord NEC	\$8,171,629	9,563	\$855
9 Cardiac Arrhythmias	\$7,745,720	4,451	\$1,740
10 Coronary Artery Disease	\$7,538,548	3,894	\$1,936

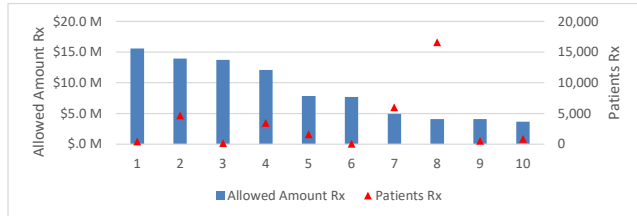
9. Screening Rates



10. Chronic Condition Prevalence



11. Prescription Drug Metrics



Therapeutic Class	Allowed Amount Rx	Patients Rx	Rx Allowed per Patient
1 Immunosuppressants, NEC	\$15,596,100	456	\$34,202
2 Antidiabetic Agents, Misc	\$13,960,571	4,654	\$3,000
3 Molecular Targeted Therapy	\$13,718,144	150	\$91,454
4 Coag/Anticoag, Anticoagulants	\$12,115,495	3,480	\$3,481
5 Antidiabetic Agents, Insulins	\$7,871,365	1,607	\$4,898
6 Biological Response Modifiers	\$7,687,143	72	\$106,766
7 Adrenals & Comb, NEC	\$4,923,666	5,981	\$823
8 Antihyperlipidemic Drugs, NEC	\$4,085,801	16,614	\$246
9 Hormone-Modifying Therapy	\$4,082,175	534	\$7,645
10 Antidiabetic Ag, SGLT Inhibitr	\$3,680,563	856	\$4,300

