

The State of Delaware

Highmark Non-Medicare Virtual Health Program – Enhancement Proposal

SEBC Health Policy & Planning Subcommittee Meeting

September 16, 2024

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Summary

Telemedicine for Highmark plan participants

- Currently, the State of Delaware utilizes the Well360 Virtual Health program for telemedicine for those members with a Highmark non-Medicare health plan, which includes acute/urgent care and behavioral health services
 - There is an administrative fee per-employee-per-month (PEPM) and a “per claim” charge when the service is utilized by a member
- Recently, as part of the annual contract review with Highmark, enhancements to this Well360 Virtual Health program were proposed to the SBO:
 - There is now the ability for the State to offer virtual primary care, women’s health, and/or dermatology utilizing the same cost methodology, meaning an administrative fee per-employee-per-month (PEPM) and a “per claim” charge when the service is utilized by a member
- The following slides provide additional information on these enhancements
- As a next step, the SBO is seeking a recommendation from the Subcommittees on the telemedicine enhancement options for Highmark members in the future, which will be shared with the SEBC at the October 28th meeting
 - At this time, adding dermatology would align Highmark’s telemedicine offering with Aetna’s, and the other services would differentiate Highmark from Aetna

Pricing for Well360 Virtual Health enhancements

- The enhancements now offer virtual health options in primary care, women’s health, and dermatology
- This includes:
 - Expanded access to care, with more options to schedule
 - Diagnosis, treatment, and prescription medications for a broad array of health issues
 - Faster access to care with lower wait times than some community providers

Visit type	Enhancement Option Pricing
	<i>Costs are “per Claim” and reflect gross cost (before member cost sharing) unless otherwise noted</i>
Administrative Fee	\$0.65 PEPM
Primary Care	\$75
Women’s Health	Lactation (Initial Visit ~50 minutes): \$115 Lactation (Follow-Up Visit ~25 minutes): \$69 Medical/Urgent Care: \$64 Therapy (Master’s Level): \$90 Therapy (Doctorate Level): \$115
Dermatology	\$95

Utilization statistics / expected costs

- Highmark has provided an estimate of net savings ranging from \$0.3M to \$0.6M annually if all three enhancements are implemented
 - Based on Highmark's actuarial analyses, matched group studies and historical client-specific experience
 - Assumed 3% to 5% of visits for these services migrate from in-person care to a virtual setting
 - Per Highmark, actual utilization and savings for the State may be different and depend on factors that may change from year to year
 - Savings are not guaranteed
- The impact of adding virtual health services is still being studied by various parties across the healthcare sector
 - Anecdotally, the addition of virtual health services can lead to higher utilization and cost
 - Savings estimates vary by numerous factors including the type of virtual service provided, utilization, member demographics, etc.
 - Based on Highmark's estimated utilization of virtual services at 3%-5% of total visits, adding all three enhanced services could add \$0.2M to \$0.3M to the State's annual net cost, prior to factoring in any potential savings
 - This cost estimate includes the net claims cost to the plan (after member cost sharing) and assumes the State is already paying the \$0.65 PEPM administrative fee for the current Well360 Virtual Health services

Next steps

- Subcommittee to make a recommendation on whether to expand the current Well360 Virtual Health offering to include any additional enhancements for Highmark members