

The State of Delaware

Highmark Non-Medicare Virtual Health Program – Enhancement Proposal

SEBC Health Policy & Planning Subcommittee Meeting

October 21, 2024

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Summary

Telemedicine for Highmark plan participants

- At the September 16th SEBC Health Policy & Planning Subcommittee Meeting, WTW provided an overview of the enhancements available to be added to the Well360 Virtual Health program offered by Highmark, which primarily focus on the ability to now offer:
 - Virtual primary care, women's health, and/or dermatology
- The below items were follow up questions to that discussion, which WTW has worked with Highmark to gather feedback for discussion today:
 - Implementation timing for these enhancements
 - Ability to negotiate the admin fee
 - Communications and associated costs
 - Additional research regarding the enhancements now offered through telemedicine (primary care, dermatology, women's health, etc.) being conducted virtually and their effectiveness
- As a next step, the SBO is seeking a recommendation from the Subcommittee on the proposed enhancement options for Highmark members, 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

Follow up from September discussion

Highmark has provided additional information for consideration as a result of September's discussion:

Follow up	Additional details
Implementation timing	<ul style="list-style-type: none">The timing was confirmed with Highmark to be 90 days
Communications and associated costs	<ul style="list-style-type: none">The overall message cannot be customizedWhat can be customized?<ul style="list-style-type: none">The plan of how they reach out to your membersThey can include the State's logoThe only cost would be for the postage for direct mail/postcards
Additional research	<ul style="list-style-type: none">Amwell does not have any 3rd party research that they have made directly available to Highmark demonstrating the effectiveness of telemedicine versus in-person care. However, there are multiple 3rd party studies available publicly that do speak to the clinical viability of virtual vs in-person care on matters such as diagnostic accuracy, quality of care, patient experience, and process outcomes.
Ability to negotiate the admin fee	<ul style="list-style-type: none">The admin fee is not negotiable and is market competitive

Next steps

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

Appendix

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