

**A PERFORMANCE REVIEW OF THE
STATE AND SCHOOL EMPLOYEES'
LIFE AND HEALTH INSURANCE PLAN**

CALENDAR YEAR 2007



STACEY E. PICKERING
STATE AUDITOR

A Report from the Performance Audit Division

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STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
STACEY E. PICKERING
AUDITOR

June 27, 2008

Department of Finance and Administration, Office of Insurance
State and School Employees Health Insurance Management Board
Members of the Mississippi Legislature

Ladies and Gentlemen:

The Office of the State Auditor has completed *A Performance Review of the State and School Employees' Life and Health Insurance Plan*. I am pleased to present to you the results of this review in the report published herein. This review was initiated based on the request of the Department of Finance and Administration, Office of Insurance, on behalf of the State and School Employees Health Insurance Management Board (Board), pursuant to requirements of Section 25-15-11, Mississippi Code of 1972, Annotated.

Since the State and School Employees' Life and Health Insurance Plan (Plan) is an extremely important government program protecting the health of thousands of state and public school employees, the significance of this report cannot be overstated. Like December 2006's surplus of \$68.1 million, the Plan continues to operate at a surplus of \$149 million. This operating surplus can be credited to premium increases and benefit changes.

It is our hope the information included in this report will be beneficial to state and public school employees in understanding the condition of their life and health insurance plan and to state officials and policy-makers in the administration of this vital program.

Additional copies of this report may be downloaded from the State Auditor's Office web page (<http://www.osa.state.ms.us>).

Sincerely,

A handwritten signature in black ink, appearing to read "Stacey E. Pickering", is written over a faint horizontal line.

Stacey E. Pickering
State Auditor

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**Office of the State Auditor
Stacey E. Pickering**

***A Performance Review Of The State And School Employees' Life And Health
Insurance Plan: Calendar Year 2007***

Executive Summary

June 27, 2008

The Department of Finance and Administration, Office of Insurance (DFA-Insurance), on behalf of the State and School Employees Health Insurance Management Board (Board), requested the Office of the State Auditor (OSA) conduct a performance review of the State and School Employees' Life and Health Insurance Plan (Plan).

The OSA limited the scope of this performance review to summarization and analysis of the other studies conducted on the Plan, due to the number and scope of other financial and compliance audits of the Plan conducted annually.

Actuarial Report

The OSA's analysis of the CY 2007 Actuarial Report prepared by Wm. Lynn Townsend, FSA, MAAA (Actuarial Report) and the August 31, 2007 financial statements prepared by DFA-Insurance, indicated several important items:

1. The Plan's revenues exceeded expenses by \$80.6 million since December 31, 2006, and the Plan had a surplus of \$149 million at December 31, 2007. The improved financial condition occurred as the result of several factors including an improvement in drug benefits costs due to increased utilization of generic drugs and a lower than previously expected non-drug claims level.
2. Like CY 2006, the Plan's enrollment continued to increase for CY 2007. Excluding dependents, retired employee membership grew by 2.3% with active employee membership increasing by 1.7%.
3. A comparison of claims incurred to premiums received shows that health insurance premiums exceeded claims by \$108.8 million in CY 2007.
4. According to CY 2007 Actuarial Report, the State subsidizes the premium rates for non-Medicare retirees and active dependent premium classes. In CY 2007, the amount subsidized by the State was \$44.4 million. This amount is down for the \$48.4 reported in CY 2006.

FY 2007 Plan Financial Condition

For the fiscal year ended June 30, 2007, the Plan's receipts exceeded disbursements by \$83.5 million, an improvement of \$26.2 million from June 30, 2006.

For the year ended December 31, 2007, the Plan's assets exceeded its liabilities by \$80.9 million, \$10.9 million improvement over CY 2006.

In CY 2007 Actuarial Report Townsend stated, "*The Plan implemented a 5% rate increase effective July 1, 2007. Based on current estimates of claims liabilities, current cost increase estimates for non-drug trend and drug trend, and the other assumptions described in this Report, the Plan is expected to end FY08 with Plan Surplus of about \$183 million, an increase in FY08 of about \$66 million. The expected Plan gain in FY08 represents about 9.4% of expected health insurance premium in FY08.*"



House Bill 26 of 2005

House Bill 26, as enacted by the Legislature during 2005, included several provisions that affected the Plan beginning in CY06. Notably, some definitions were provided to describe the active employee enrollment and their coverage options.

Employees are divided into two groups:

- ⊙ “Horizon” which refers to an employee or retiree who was initially hired on or after January 1, 2006.
- ⊙ “Legacy” which refers to an employee or retiree who was initially hired prior to January 1, 2006.

The Plan has two coverage options that are available to all employees:

- ⊙ The “Base” coverage plan option, which is a High Deductible Health Plan, designed to meet the federal requirements for use with Health Savings Accounts.
- ⊙ The “Select” coverage plan option, which is a traditional health insurance plan that has a separate deductible applicable to prescription drug benefits.

According to the law, Horizon employees may choose either the Base or Select coverage options, but the State will only pay 100% of the premium for Base coverage for a Horizon employee. If a Horizon employee chooses the Select option, the Horizon employee must contribute the difference between the Select and Base option premiums. (The active employee monthly premium rate differential between the Select and the Base options was \$17 as of 07/01/06 and \$18 as of 07/01/07.)

Legacy employees may also choose either the Base or Select coverage options. The State will pay 100% of the premium for a Legacy employee, regardless of the option chosen by the employee.

*CY 2007 Benefit Changes and
Proposed Future Changes*

Several benefit changes were implemented for CY 2007. In addition, the Board approved new health insurance premium rates for FY 2007 for all Plan participants – active employees, dependents, retirees, and COBRA participants.

The Board has identified several problem areas with the current health benefit Plan and has developed proposed changes in its January 2005 Mississippi State and School Employees' Health Insurance Plan Strategic Plan.



Introduction

Purpose

The Department of Finance and Administration, Office of Insurance (DFA-Insurance) on behalf of the State and School Employees Health Insurance Management Board (Board), requested the Office of the State Auditor (OSA) to conduct a performance review of the State and School Employees' Life and Health Insurance Plan (Plan). The letter requesting this review is in compliance with Section 25-15-11, Mississippi Code of 1972, Annotated, which states, in part:

“Annually, the board [State and School Employees Health Insurance Management Board] shall request, and the Department of Audit shall conduct, a comprehensive audit of the State and School Employees Life and Health Insurance Plan.”

Scope

In addition to an annual review by the OSA as part of the State's Comprehensive Annual Financial Report, and this annual performance review, the Board also contracts for an Actuarial Report every six months, and an annual claims review of the third party medical claims administrator and pharmacy benefit manager, and periodically contracts for an audit of the medical management vendor.

Due to the number and scope of other financial and compliance audits of the Plan conducted annually, OSA limits the scope of this performance review to summarization and analysis of the other studies conducted on the Plan. The oversight provided by these required and elective audits should provide the Plan sufficient oversight.

Actuarial Report

Analysis

The Plan implemented a 5% rate increase effective July 1, 2007. Based on projections for FY 2009, the Plan would have to increase premium rates by 1.4% in FY 2009 in order for premiums and other revenue to meet the expected increase in claims and other expenses in FY09. Based on current benefit trend assumptions, rate increase assumptions are close to break-even rate increases and would result in level Plan surplus throughout the projection periods.

The Board contracted with Wm. Lynn Townsend, FSA, MAAA (Townsend) to prepare an actuarial report based on a review of the experience through December 31, 2007, of the Plan. The OSA's analysis of CY 2007 Actuarial Report prepared by Wm. Lynn Townsend, FSA, MAAA (Actuarial Report) and the August 31, 2007, financial statements prepared by DFA-Insurance, indicated several important items:

1. The Plan's revenues exceeded expenses by \$80.6 million in CY 2007, and the Plan had a surplus of \$149.0 million at December 31, 2007.
2. The Plan's enrollment for CY 2007 has increased. Excluding dependents, retired employee membership grew by 2.3% with active employee membership increasing by 1.7%.
3. A comparison of claims incurred to premiums received shows that health insurance premiums exceeded claims by \$108.8 million in CY 2007.
4. According to the CY 2007 Actuarial Report, the State subsidizes the premium rates for non-Medicare retirees and active dependent premium classes. In CY 2007, the amount subsidized by the State was \$44.4 million. This amount is down from the \$48.4 reported in CY 2006.



CY 2007 Actuarial Report Results

Plan's Current Funding Status

Townsend compared the Plan's current funding status with the funding status of prior periods. Table 1 shows the results of this comparison. Note that the amounts shown for the Plan's liabilities for prior years are based upon a retroactive review of the life and health insurance claims liabilities based on actual incurred claims. The Plan's liabilities also now include an offset based on an evaluation of drug rebates receivable as of the end of each year. As shown in Table 1, the Plan has improved with a surplus of \$149 million as of December 31, 2007.

Table 1: Comparison of Funding Status (In Millions)					
	December 2003	December 2004	December 2005	December 2006	December 2007
Plan Assets	\$37.8	\$40.6	\$70.5	\$151.7	\$238.9
Less Plan Liabilities	64.7	75.1	72.4	83.6	89.9
Surplus Funds (Unfunded Liabilities)	(26.9)	(34.6)	(1.9)	68.1	149.0
Annual Change in Funding Status	(\$4.9)	(\$7.6)	\$32.7	\$70.0	\$80.9

Source: CY 2007 Actuarial Report prepared by Wm. Lynn Townsend, FSA, MAAA

Health Plan Enrollment

As shown in Table 2, the average total Plan enrollment has increased from CY 2006 to CY 2007. A slight decrease occurred in dependents' enrollment for this same period.

Table 2: Health Plan Average Enrollment			
Participant	CY 2005	CY 2006	CY 2007
Employees and Retirees	138,462	138,140	140,503
Dependents	52,479	50,976	49,706
Members	190,941	189,117	190,209

Source: CY 2007 Actuarial Report prepared by Wm. Lynn Townsend, FSA, MAAA

Townsend reports: *"Historically, the growth in the early retiree population has been much greater than active employee growth. Coupled with loss ratios well in excess of 100%, higher retiree enrollment growth has caused increasing pressure on the active employee premium rate. However, early retiree enrollment growth has slowed. Over the last 2 years, the enrollment growth rate for early retirees has been reasonably comparable to the active employee growth rate."*



Table 3 shows the retired employees as a percentage of total employees for the last three calendar years.

Table 3: Retirees as a Percentage of Employees		
CY 2005	CY 2006	CY 2007
14.1%	14.3%	14.4%

Source: CY 2007 Actuarial Report prepared by Wm. Lynn Townsend, FSA, MAAA

Health Insurance Premiums Versus Claims

Incurred health insurance premiums are estimated to have exceeded claims by \$108.8 million in CY 2007. Table 4 compares premiums to claims incurred for the last five calendar years. The amounts shown for claims incurred for prior years are based on a retroactive review of health insurance claims liabilities based on actual incurred claims.

Table 4: Health Insurance Premiums Versus Claims Incurred (In Millions)					
	CY 2003	CY 2004	CY 2005	CY 2006	CY 2007
Premiums	\$446.9	\$511.5	\$584.5	\$624.9	\$678.9
Claims Incurred	\$433.2	\$495.9	\$522.8	\$522.0	\$570.1
Gain (Loss) Prior to Expenses	\$13.7	\$15.6	\$61.7	\$102.9	\$108.8
Loss Ratio (Claims/Premium)	96.9%	97.0%	89.4%	83.5%	84.0%

Source: CY 2007 Actuarial Report prepared by Wm. Lynn Townsend, FSA, MAAA

Townsend stated: “Based on current claim liability estimates, incurred claims (net of subrogation receipts, claim refunds, and pharmacy rebates) increased from \$522.0 million in CY 2006 to \$570.1 million in CY 2007, an increase of about 9.2%.”



Retiree & Dependent Rate Subsidies

Townsend stated: "Historically, premium rates for retirees - and for most active dependent premium classes - have been set below true actuarial cost. In effect, the State subsidizes those premium classes..."

The following table, Table 5, shows the CY 2007 Plan subsidy costs.

Table 5: State and School Employees' Life and Health Insurance Plan CY 2007 Plan Subsidy Costs				
	Premiums	Claims	Expenses less Other Income	Gain (Loss)
Active Dependents	\$93,580,199	\$108,464,192	\$5,897,201	(\$20,781,194)
COBRA Employees	3,669,519	8,600,736	231,244	(5,162,462)
Disabled Retirees - Plan Primary	1,494,032	8,518,132	94,150	(7,118,251)
Retirees - Plan Primary	53,512,837	65,483,550	3,080,812	(15,051,525)
Retirees - Medicare Primary	26,486,602	21,069,090	1,669,123	3,748,389
Subtotal - Subsidized Classes	\$178,743,188	\$212,135,700	\$10,972,530	(\$44,365,042)
Active Employees	\$500,161,109	\$357,975,163	\$17,255,792	\$124,930,154
Total	\$678,904,297	\$570,110,863	\$28,228,322	\$80,565,112

Source: CY 2007 Actuarial Report prepared by Wm. Lynn Townsend, PSA, MAAA

Plan Receipts Exceed Disbursements

According to Cash Flow statements provided by DFA-Insurance, the Plan's receipts currently exceed disbursements. In FY 2007, the Plan's receipts exceeded disbursements by \$83.5 million. The Plan's receipts rose from \$633.3 million in FY 2006 to \$694.3 million in FY 2007, an increase of 9.6%. The Plan's disbursements during this period increased (6.5%) from \$575.9 million in FY 2006 to \$610.8 million in FY 2007.

Table 6 below and on the following page shows the Plan's receipts and disbursements for fiscal years 2005, 2006, and 2007.

Table 6: State & School Employees' Life & Health Insurance Plan Cash Receipts and Disbursements	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007
Receipts			
Premiums Received			
Medical	\$561,749,370	\$601,392,541	\$658,830,718
Life	17,039,612	15,979,579	16,883,043
Refunds of Claim Overpayments	1,987,701	1,292,184	1,831,010
Subrogation Receipts	1,132,485	1,118,618	1,410,370
Late Fees Received	11,666	23,421	61,234



Table 6: State & School Employees' Life & Health Insurance Plan Cash Receipts and Disbursements	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007
Interest Received	983,527	2,836,252	7,958,663
Pharmacy Rebates	10,092,818	10,558,305	7,322,965
Pharmacy Settlement	448,753	135,872	46,472
Total Receipts	593,445,932	633,336,772	694,344,475
Disbursements			
Claims/Refunds			
Medical Claims	426,542,808	426,781,511	465,105,942
Pharmacy Claims	101,399,588	99,063,968	89,240,341
Life Insurance Claims	11,422,145	13,439,820	13,473,411
Premium Refunds	400,412	448,424	641,576
Patient Audit Incentive Program	1,533	176	0
Total Claims/Refunds	539,766,486	539,733,899	568,461,270
Administrative Expenses			
State Administrative Expenses	1,482,522	1,177,695	1,441,078
PricewaterhouseCoopers – Consultant	336,858	223,434	399,010
Wm. Lynn Townsend – Actuarial	120,620	98,871	116,978
Blue Cross Blue Shield (BCBS)	15,820,554	16,804,491	18,147,466
Cavanaugh MacDonald – Actuarial	0	0	42,934
Aetna	758,392	797,443	923,546
APS – Wellness Services	0	0	1,218,890
Medstat Data Base Service	403,283	404,108	413,055
Trustmark Bank Charges	27,485	31,550	27,997
Total Administrative Expenses	18,949,714	19,537,592	22,730,954
Cost Containment Fees			
Intracorp - Utilization Management	9,933,177	11,747,752	13,263,582
Total Cost Containment Fees	9,933,177	11,747,752	13,263,582
Network Fees			
Caremark PCS - Pharmacy Network	1,176,838	630,618	0
Catalyst Rx – Pharmacy Network	0	1,700,212	3,568,838
AHS - PPO Network	2,506,233	2,644,171	2,816,434
Total Network Fees	3,683,071	4,975,001	6,385,272
Total Disbursements	572,332,448	575,994,244	610,841,078
Net Increase (Decrease) To Plan Assets	\$21,113,484	\$57,342,528	\$83,503,399

Source: Financial statements prepared by Department of Finance and Administration, Office of Insurance



Conclusion

On December 31, 2007, the Plan's assets exceeded liabilities by \$149 million, an improvement over CY 2006. Townsend stated, "Historically, the Plan has generally operated with a funding deficit, i.e. with insufficient assets to cover the liabilities for claims and expenses already incurred but not yet reported and/or paid. Only recently has the Plan developed significant Plan surplus. It should be pointed out, however, that the Plan surplus, as defined in this Report, does not take into account the liabilities of the State, as an employer, associated with retiree health insurance. Although there are significant surplus funds that exist in the Plan, there are much higher liabilities for the State, as an employer, for future retiree benefits that have not been funded."

Excess Receipts over Disbursements

Cumulatively, for the period from fiscal year 2005 through fiscal year 2007, the Plan disbursed fewer funds than it received. In other words, Plan receipts exceeded disbursements. Receipts for this period exceeded disbursements by \$162 million. Table 7 shows the Plan's total receipts and disbursements for fiscal years 2005, 2006, and 2007.

Table 7: State and School Employees' Life and Health Insurance Plan				
Excess Receipts over Disbursements				
	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Total
Total Receipts	\$593,445,932	\$633,336,772	\$694,344,475	\$1,921,127,179
Total Disbursements	572,332,448	575,994,245	610,841,078	1,759,167,771
Excess Receipts Over (Under) Disbursements	\$21,113,484	\$57,342,527	\$83,503,397	\$161,959,408

Source: Financial statements prepared by DFA-Insurance.

Plan Receipts and Disbursements

The Plan's receipts increased from FY 2006 to FY 2007. Receipts rose from \$633.3 million in FY 2006 to \$694.3 million in FY 2007, an increase of 9.6%. The Plan's disbursements increased from FY 2006 to fiscal year 2007. Disbursements rose from \$576 million in FY 2006 to \$610.8 million in FY 2007, an increase of 6.0%.



Benefit Changes for CY 2007 and Proposed Future Changes

Large Annual Increases in the Plan's Health Insurance Premiums are Common

In the last 21 years, from CY 1987 through CY 2007, the Plan has increased health insurance premiums 16 times for an average annual increase of 8.3%. Increases in the Plan's premiums have been made each of the last ten fiscal years for an average annual increase of 9.2%.

On July 1, 2007, the monthly premium rate for active employees was increased from \$339 to \$356, an increase of 5%. The premium rates for dependents and retirees were also increased by 5% on July 1, 2007.

Prior Premium Increases

The Plan has increased health insurance premiums several times over the last few years to meet increased cost and utilization. See Table 8 for a listing of previous Plan premium percent increases.

Table 8: Summary of Plan Active Employee Rate Increases 1987 through 2007	
Year	Increase
1987	0%
1988	0%
1989	6%
1990	10%
1991	20%
1992	25%
1993	5%
1994	0%
1995	0%
1996	0%
1997	10%
1998	4.5%
1999	9%
2000	15%
2001	6%
2002	7%
2003	4%
2004	23%
2005	9%
2006	11%
2007	5%

Source: CY 2007 Actuarial Report prepared by Wm. Lynn Townsend, FSA, MAAA



Approved Premium Increases

Actuarial reports are used as a basis for establishing the health benefit premium rates. Projections in the actuarial report are made to indicate when the Plan will be fully funded. See Table 9 for a listing of FY 2007 approved premium increases.

Table 9: State and School Employees' Health Insurance Plan Comparison of Monthly Premium Rates by Class			
Premium Class	FY 2007 Rates	Approved FY 2008 Rates	Percent Increase (Decrease)
Active Employee	\$339	\$356	5.01%
Active Spouse	361	379	4.99%
Active Full Family	529	555	4.91%
Children Only	254	267	5.21%
Child Only	127	133	4.72%
Early Retiree	389	409	5.14%
Early Retiree Spouse	415	436	5.06%
Early Retiree Family	608	638	4.93%
Medicare Retiree/Spouse	152	160	5.26%

Source: DFA-Insurance

According to DFA-Insurance, rate increases are projected to occur each fiscal year in order to fully fund the Plan and to keep pace with increases in medical costs, along with inflation. However, the situation is re-evaluated twice a year by DFA-Insurance upon receipt of the actuarial report.

The Plan Subsidizes Some Participant Categories at the Expense of Other Categories

Charges for premiums to operate the Plan are made by participant category (active employee, active spouse, active full family, children only, child only, early retiree, early retiree spouse, early retiree family, and Medicare retiree/spouse). Increases in the Plan's premiums per participant are not necessarily based on costs within these categories. This results in the subsidization of certain categories with higher claims costs per participant by other categories with lower claims costs per participant.

Some subsidization of other premium classes is necessary by the active employee premium class because federal and state laws restrict increases to the COBRA and some early retirement premium classes. With this subsidization of retiree premiums, the State, in essence, is funding a retirement benefit through the Plan. House Bill 26 of 2005 2nd Extraordinary Session provided that for retired employees who are under the age for Medicare eligibility and who were initially employed on or after January 1, 2006, the Board may impose a premium surcharge in an amount the Board determines actuarially to cover the full cost of insurance.



Board Efforts to Reduce Costs Should be Continued

In its five-year strategic plan to address problems with the Mississippi's State and School Employees' Health Insurance Plan, the Board includes requiring provider contracts to be priced on a fixed fee basis and working with the Retirement System to design a funding mechanism for retiree health insurance. Finding ways such as these to reduce costs is the only real alternative to continuing the current trend by the State of Mississippi of increasing health benefit premiums.

Strategic Plan

In FY 2007, the Board updated its five-year strategic plan. The updated plan recognizes changing trends in the health care industry, alternative health care delivery systems, any foreseeable problems with the present system of delivering and administering health care benefits in Mississippi, and develops options and recommendations for changes in the Plan.

In its 2005 Mississippi State and School Employees' Health Insurance Strategic Plan, the Board has identified several problem areas with the current health benefit Plan and has developed proposed changes in it.

"In light of the trends in the health care delivery system and in employee benefit plans, and based on an examination of cost and utilization data, survey results, and comments from Plan participants and others, several target areas have been noted in the State and School Employees' Plan:

- *Excessive growth in costs*
- *A growing retiree population*
- *High employee out-of-pocket costs*
- *Poor understanding of the benefits and operation of the Plan by participants*
- *Limited coverage of preventive/routine care*
- *Rapidly growing utilization of outpatient services*
- *A complicated and error-prone premium billing and payment system*
- *Complex regulations under the Health Insurance Portability and Accountability Act*
- *Potential changes in GASB reporting requirements*

Strategic actions to be taken to address some of these problem areas are similar to actions being taken by most large employer and state employee health benefit plans. These strategic actions include the following:

- *Improving benefits for preventive services*
- *Improving communications to employees*
- *Increasing the number of providers with contracts reflecting prospective fixed-cost pricing*
- *Working with the Retirement System to implement a pre-funded retiree health insurance plan*
- *Developing the capacity to electronically enroll participants and transfer premium billing information and payments*

These strategic directions reflect a commitment to maintaining an important employee benefit that will allow the State to attract and retain employees while ensuring that the benefit is affordable for both the State and the Plan participants."



Plan Changes

The Board implemented several Plan changes for the CY 2007. The following sections detail those changes.

- ⊙ Prescription drug co-payment amounts were adjusted as follows:

	<u>January 1, 2006</u>	<u>January 1, 2007</u>
Generic	\$ 12	\$ 13
Preferred Brand	\$ 30	\$ 33
Non-Preferred Brand	\$ 50	\$ 55

- ⊙ The following services were added as a standard/regular comprehensive medical benefit with specific medical requirements as determined by Intracorp:

Skilled nursing facility (SNF) and Long-Term Acute Care (LTAC)

These services were added as a standard covered benefit up to 30 days of care requiring pre-certification by Intracorp. After 30 days, extra-contractual coverage through case management will continue to be available, providing medical necessity is met and approved by DFA.

Hospice Care

Hospice services were included as a standard covered benefit subject to the physician's opinion that the individual has 6 months or less to live, and a medical necessity review by Intracorp. Hospice services exceeding 6 months will require submission for extra-contractual approval by DFA.

Wound vacuum assisted closure services

These services were added as a standard Durable Medical Equipment benefit subject to pre-certification of medical necessity by Intracorp.

Benefits for these services are subject to the in and out-of-network deductibles and 80/60% coinsurance in both the Select and Base coverages.

- ⊙ EGDs and Colonoscopies were removed from the list of outpatient services requiring pre-certification through Intracorp.
- ⊙ Wellness and Health promotion services. The Board contracted with APS Healthcare to provide wellness and health promotion services.
- ⊙ Participants received an additional \$50 of first dollar wellness/preventive benefit coverage if they complete a Health Risk Assessment (HRA), administered by APs Healthcare.
- ⊙ Benefits of High Option for Children were added as regular contract benefits under Select and Base coverage without an additional charge to participants. All benefits for well-child care are subject to the individual calendar year deductible for Select Coverage and the family calendar year deductible for Base Coverage. Benefits, excluding immunizations, are paid at 100% for well-newborn nursery care and wellness/preventive health services. Immunizations per the Mississippi State Department of Health schedule will be paid at 80%. The list of covered services can be found at the Plan's website. Benefits are only provided when a participating provider renders services.
- ⊙ The Base Coverage deductible for individual coverage was increased to \$1,100 and the family coverage deductible was increased to \$2,200.

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For more information about this issue, contact

The Office of the State Auditor
Post Office Box 956
Jackson, MS 39205-0956
Phone: 601-576-2800 in the Jackson area or
1-800-321-1275 Statewide
Fax: 601-576-2687
Website: <http://www.osa.state.ms.us>

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