

Scenario Document – Team Meeting January 8, 2013

I have put together the scenarios to review on Tuesday night. The Silver Baseline is presented to ground the discussion. Its use of separate deductibles was questioned, and there were questions of what conforms to state law; e.g. the use of \$200 copay for imaging is not legal. The two additional scenarios incorporate integrated deductibles; the first utilizing copays without coinsurance and the second incorporates deductibles and coinsurance of 80%.

The directions for the AV Calculator are on the first worksheet of the file. This is the information straight from that worksheet about how the critical pieces work, i.e. deductibles and coinsurance. .

Options for Specific Benefit Types

Subject to Deductible and Copay, if separate

Depending on whether or not a service is "Subject to Deductible" and the value entered into the "Copay, if Separate" field, a variety of plan designs may be accommodated. If "Subject to Deductible" is checked, and no copay is entered, the cost of the service is covered by the enrollee and applied to the deductible at 100%. If "Subject to Deductible" is checked and a copay is entered, the enrollee pays both the copay and the remainder of the cost, with the latter going towards the deductible. If "Subject to Deductible" is not checked, and no copay or coinsurance is entered, the service is assumed to be covered at 100% by the plan in the deductible range. If "Subject to Deductible" is not checked and a copay is entered, the cost of the service is covered by the plan except for the copay amount, which is covered by the enrollee.

Subject to Coinsurance and Coinsurance, if Different

If a service is selected to be "Subject to Coinsurance" and no custom rate is entered, the general coinsurance rate will be applied. Otherwise, the custom rate will be used. If "Subject to Coinsurance" is not selected, then the copay rate will determine the cost of that service in the coinsurance range.

Unfortunately, the AV Calculator is set up in such a way that the macros reset "Subject to Deductible" and "Subject to Coinsurance" choices when files are recalled from memory. You can save a file that gives a specific result – with all the variables defined, but the macros reset when recalled from memory. So, before anyone can edit to work on their own, they must ensure the appropriate boxes are checked. To do that, I have incorporated screen shots with each scenario.

These plans are assumed to be the "in-network" benefits and indemnity coverage, not HMO. Indemnity gives more flexibility and is the prevailing product out in the market. The benefits are those which are included in the AV Calculator, as that is what we are required to follow. In addition, we will have to incorporate out-of-network benefits. Initial suggestions are to incorporate coinsurance for all the out-of-network, and at a lower percentage than any in-network.

Metal Tier	Silver Baseline(12/28/12 memo)			Silver Integrated Deductible			Silver Integrated Deductible and 80% Coinsurance		
	Copay/Ded/OOP Max	Subject To Deductible	Subject To Coinsurance	Copay/Ded/OOP Max	Subject To Deductible	Subject To Coinsurance	Copay/Ded/OOP Max	Subject To Deductible	Subject To Coinsurance
AV Calculation using HHS AV Calculator		71.10%			71.40%			70.70%	
Deductibles(s)									
Medical Benefit (if separate)	\$2,000								
Prescription Drug Benefit (if separate)	250								
Integrated(if applicable)	n/a			\$1,500			\$1,500		
Out-of-Pocket Maximum	\$6,250			\$6,250			\$6,250		
Medical Benefits									
Office Visits									
Preventative Care/Screening/Immunization	0			0					
Primary Care Visit to Treat an Injury or Illness	30			30				Yes	Yes
Specialist Visit	35	Yes		45	Yes			Yes	Yes
Mental Health Visits	30			30	Yes			Yes	Yes
Emergency Room Services	150			150	Yes			Yes	Yes
Inpatient Admission	500	Yes		500	Yes			Yes	Yes
<i>Apply Inpatient Copayment per Day</i>	Yes			Yes					
Outpatient Surgery	500	Yes		500	Yes			Yes	Yes
High Tech Imaging(CT/PET/MRIs)	200	Yes		75	Yes			Yes	Yes
Laboratory Services/X-rays	15	Yes		30	Yes			Yes	Yes
Rehabilitative Services(inc. PT, OT, ST)	35	Yes		35	Yes			Yes	Yes
Skilled Nursing Facility	500	Yes		500	Yes			Yes	Yes
<i>Apply SNF Copayment per Day</i>	Yes			Yes			Not		
Prescription Drug Benefit									
Tier 1 (i.e. Generics)	15	Yes		15	Yes			Yes	Yes
Tier 2 (i.e. Preferred Brand Drugs)	25	Yes		25	Yes			Yes	Yes
Tier 3 (i.e. Non-Preferred Brand Drugs)	40	Yes		40	Yes			Yes	Yes
Specialty Tier (i.e. Specialty High-Cost Drugs)	40	Yes		40	Yes			Yes	Yes

Baseline Silver – from the December 28, 2012 Memo.

This was plan with a separate deductible for Medical Benefits and Prescription Drugs, and had as a premise that people pay copays rather than deductible/coinsurance.

User Inputs for Plan Parameters

- Use Integrated Medical and Drug Deductible?
- Apply Inpatient Copay per Day?
- Apply Skilled Nursing Facility Copay per Day?
- Use Separate OOP Maximum for Medical and Drug Spending?
- Indicate if Plan Meets CSR Standard?
- Desired Metal Tier: Silver

HSA/HRA Options	Narrow Network Options
HSA/HRA Employer Contribution? <input type="checkbox"/>	Blended Network/POS Plan? <input type="checkbox"/>
Annual Contribution Amount:	1st Tier Utilization: 2nd Tier Utilization:

	Tier 1 Plan Benefit Design		
	Medical	Drug	Combined
Deductible (\$)	\$2,000.00	\$250.00	
Coinsurance (% Insurer's Cost Share)	100.00%	100.00%	
OOP Maximum (\$)	\$6,250.00		
OOP Maximum if Separate (\$)			

	Tier 2 Plan Benefit Design		
	Medical	Drug	Combined
Deductible (\$)			
Coinsurance (% Insurer's Cost Share)			
OOP Maximum (\$)			
OOP Maximum if Separate (\$)			

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input type="checkbox"/>	<input type="checkbox"/>		\$150.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$500.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Well Baby, Preventive, and X-rays)	<input type="checkbox"/>	<input type="checkbox"/>		\$30.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$35.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$30.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$200.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$35.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$35.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$15.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$15.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$500.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	67%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$15.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$25.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$40.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty High-Cost Drugs	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$40.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Do Not Allow Copays to Exceed Service Unit Cost?	<input checked="" type="checkbox"/>
Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input checked="" type="checkbox"/>
# Days (1-10):	4
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input type="checkbox"/>
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Calculation Successful.

71.1%

Silver

AV: 71.4%Silver – Integrated Deductible with Copays

This is the first scenario requested by the AC team – it has an integrated deductible of \$1500, and uses copays. Some have been changed from the Baseline; Specialist visit from \$35 to \$45, High tech imaging to \$75 to conform with State law, Lab services/Xrays from \$15 to \$30.

Please note this from the AV calculator instructions;

“If ‘Subject to Deductible’ is checked and a copay is entered, the enrollee pays both the copay and the remainder of the cost, with the latter going towards the deductible.”

User Inputs for Plan Parameters

- Use Integrated Medical and Drug Deductible?
- Apply Inpatient Copay per Day?
- Apply Skilled Nursing Facility Copay per Day?
- Use Separate OOP Maximum for Medical and Drug Spending?
- Indicate if Plan Meets CSR Standard?
- Desired Metal Tier: Silver

HSA/HRA Options	Narrow Network Options
HSA/HRA Employer Contribution? <input type="checkbox"/>	Blended Network/POS Plan? <input type="checkbox"/>
Annual Contribution Amount:	1st Tier Utilization:
	2nd Tier Utilization:

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$1,500.00
Coinsurance (% Insurer's Cost Share)		100.00%
OOP Maximum (\$)	\$6,250.00	\$6,250.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		
Coinsurance (% Insurer's Cost Share)		
OOP Maximum (\$)		
OOP Maximum if Separate (\$)		

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input type="checkbox"/> All			<input type="checkbox"/> All	<input type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$150.00	<input type="checkbox"/>	<input type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$500.00	<input type="checkbox"/>	<input type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Well Baby, Preventive, and X-rays)	<input type="checkbox"/>	<input type="checkbox"/>		\$30.00	<input type="checkbox"/>	<input type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$45.00	<input type="checkbox"/>	<input type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$30.00	<input type="checkbox"/>	<input type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$75.00	<input type="checkbox"/>	<input type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$35.00	<input type="checkbox"/>	<input type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$35.00	<input type="checkbox"/>	<input type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$30.00	<input type="checkbox"/>	<input type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$30.00	<input type="checkbox"/>	<input type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$500.00	<input type="checkbox"/>	<input type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	67%		<input type="checkbox"/>	<input type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input type="checkbox"/> All			<input type="checkbox"/> All	<input type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$15.00	<input type="checkbox"/>	<input type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$25.00	<input type="checkbox"/>	<input type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$40.00	<input type="checkbox"/>	<input type="checkbox"/>		
Specialty High-Cost Drugs	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$40.00	<input type="checkbox"/>	<input type="checkbox"/>		

Options for Additional Benefit Design Limits:

Do Not Allow Copays to Exceed Service Unit Cost?	<input checked="" type="checkbox"/>
Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input checked="" type="checkbox"/>
# Days (1-10):	4
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input type="checkbox"/>
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Calculation Successful.

71.4%

Silver

AV: 70.7% Silver – Integrated Deductible and Coinsurance of 80%

This is the second scenario requested by the AC team – it has an integrated deductible of \$1,500 but has a coinsurance of 80%. There are no copays – all services are paid as a traditional comprehensive indemnity insurance.

User Inputs for Plan Parameters

- Use Integrated Medical and Drug Deductible?
- Apply Inpatient Copay per Day?
- Apply Skilled Nursing Facility Copay per Day?
- Use Separate OOP Maximum for Medical and Drug Spending?
- Indicate if Plan Meets CSR Standard?
- Desired Metal Tier: Silver

HSA/HRA Options	Narrow Network Options
HSA/HRA Employer Contribution? <input type="checkbox"/>	Blended Network/POS Plan? <input type="checkbox"/>
Annual Contribution Amount:	1st Tier Utilization:
	2nd Tier Utilization:

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
		Deductible (\$)
		Coinsurance (% , Insurer's Cost Share)
		OOP Maximum (\$)
		OOP Maximum if Separate (\$)

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Well Baby, Preventive, and X-rays)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	67%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty High-Cost Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Do Not Allow Copays to Exceed Service Unit Cost?	<input checked="" type="checkbox"/>
Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input type="checkbox"/>
# Days (1-10):	4
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input type="checkbox"/>
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output

Status/Error Messages:

Actuarial Value:

Metal Tier:

Calculation Successful.

70.7%

Silver