

# San Francisco Health Service System Health Service Board

## City Plan (UHC) Administrative Fees Presentation Plan Year 2018

February 9, 2017

# Introduction

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This presentation will outline the components of the administrative services only (ASO) fees used in the rate setting process for the City Plan. These components are:

- UnitedHealthcare (UHC) ASO Fees
- HSS' Communications and Healthcare Sustainability Expense

## Administrative Fees—UHC ASO

For 2018, UHC is proposing a 2.6% increase to the 2017 fee. The 2018 fee includes \$0.44 PMPM for a new Reproductive Resource Services benefit. In addition, UHC has offered a Weight loss program called Real Appeal at no additional cost. Both programs are described in the Appendix.

The **ASO fees** proposed by UHC are as follows:

Year	Actives	Early Retirees
2017	\$41.95	\$41.95
2018	\$43.04	\$43.04
<b>% Change</b>	<b>2.6%</b>	<b>2.6%</b>

Aon has also worked with UHC to reflect several savings initiatives including the Shared Savings, Value Based Pricing, and Facility Reasonable and Customary (R&C) programs.

## Administrative Fees—Total

In addition to the UHC ASO fee, the following fees have been built into the administrative portion of the rates:

### Additional Administration Fees

Year	HSS Admin	Shared Savings	Reasonable & Customary	Value Based Pricing
2017	\$3.00	\$1.90	\$1.16	1.48
2018	\$3.00	\$1.66	\$1.98	1.48
<b>% Change</b>	<b>0.0%</b>	<b>-12.6%</b>	<b>71.3%</b>	<b>0%</b>

Combined with the ASO fees, the **total administrative fees** are:

Year	Actives	Early Retirees
2017	\$49.49	\$49.49
2018	\$51.16	\$51.16
<b>% Change</b>	<b>3.4%</b>	<b>3.4%</b>

# Recommendations

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Aon recommends the Health Service Board accept the proposed administrative fees for 2018 that includes the Reproductive Resource Services benefit.