

San Francisco Health Service System Health Service Board

Rates & Benefits

Review 2025 Medical/Rx Health Plans Rates Summary

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Overview—Health Plans 2025 Rate Summary

- This material summarizes San Francisco Health Service System (SFHSS) 2025 health plan rates for active employees, early retirees, and Medicare retirees.
- The active employee and early retiree rates (e.g., Non-Medicare rates) reflect:
 - Approved self-funded and flex-funded plan rates from the May 9, 2024, Health Service Board (HSB) meeting; and
 - Kaiser HMO rates to be presented during today’s HSB meeting for California and “multi-region” locations (Washington, Northwest¹, and Hawaii).
- The Medicare retiree rates reflect recommended 2025 renewal items in today’s HSB meeting, including:
 - Kaiser Permanente Senior Advantage (KPSA) in California and “multi-region” locations (Washington, Northwest¹, and Hawaii); and
 - UnitedHealthcare (UHC) Medicare Advantage Prescription Drug (MAPD) PPO plan offered nationally.

1. Kaiser Northwest region is Oregon and southwest Washington.

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Active Employee and Early Retiree Plans

Health Plan 2025 Rate Summary

Active Employee/Early Retiree Health Plans

- Below is a high-level summary of recommended total rate cost changes from 2024 to 2025 for the SFHSS active employee and early retiree health plans, including the Kaiser California HMO renewal to be presented today:

Non-Medicare Health Plan	Before Rate Stabilization Adjustment	After Rate Stabilization Adjustment ²
BSC Access+ / UHC Select EPO	4.5%	8.7%
BSC Trio / UHC Doctors EPO	6.7%	11.8%
Health Net CanopyCare	0.0%	-1.0%
Kaiser	5.4%	Does not apply (insured plan)
Non-Medicare PPO ¹	0.8%	1.3%

¹ Total rate increase for active employees with Non-Medicare PPO Choice Not Available pricing will follow the total rate increase for BSC Access+/UHC Select EPO plan.

² In 2025, the “After Rate Stabilization Adjustment” column also reflects one-time buy-downs in the BSC Access+/UHC Select EPO, BSC Trio/UHC Doctors EPO, and Non-Medicare PPO plans attributable to the Sutter Legal Settlement buy-downs approved for 2025 plan rating at the March 14, 2024, HSB meeting.

Health Plan 2025 Rate Summary

Active Employee/Early Retiree Health Plans

2025 Rate Action Commentary by Plan

- **BSC HMOs (which also include UHC EPOs available to Non-Medicare split family covered lives¹) (+8.7% BSC Access+ / +11.8% BSC Trio)** — underlying plan experience improved during 2023 relative to a high claim year in 2022—but reduced Sutter Legal Settlement buy-downs for 2025 rating versus 2024 rating, as well as increase in the rating stabilization deficit buy-ups, lead to higher-than-pure-experience rate increase actions into 2025 for both plans. BSC’s large claim pooling level is shifting from \$1 million per individual to \$1.25 million per individual into 2025, which lowers the large claim pooling fee for each plan.
- **Health Net Canopy Care HMO (-1.0%)** — A decrease in medical capitation rate (which covers most medical service costs in this plan) offset increases in fee-for-service medical claims and prescription drug costs, leading to no change in budgeted total cost. An increase in the rate stabilization buy-down amounts from 2024 rating to 2025 create the slight reduction in overall rates for 2025.

¹ *The UHC Select Network EPO is the “Access+” broad network plan equivalent for Non-Medicare split family covered lives where one or more family member is Medicare and enrolled in the UHC MAPD plan; the UHC Doctors EPO is the “Trio” narrow network plan equivalent for Non-Medicare split family covered lives where one or more family member is Medicare and enrolled in the UHC MAPD plan*

Health Plan 2025 Rate Summary

Active Employee/Early Retiree Health Plans (Continued)

2025 Rate Action Commentary by Plan

- **Non-Medicare PPO (+1.3%)** — Experience from 2022 to 2023 was favorable, largely due to enrollment growth by active employees. The reduction in Sutter Legal Settlement buy-down amounts from 2024 to 2025 rating is mostly offset by a change from prior deficit to current surplus in rate stabilization amount for the PPO plan (resulting in buy-down amounts for rate stabilization for 2025 rating).
- **Kaiser HMO (+5.4%)** — Experience from 2022 to 2023 increased 5% overall for active employees and early retirees (see April 2024 HSB presentation for Kaiser 2023 experience)—this was largely the basis of the Kaiser 2025 renewal rating action.

Non-Medicare Plans Membership Distribution

- Below is the current distribution of active employees and early retirees by plan (based on the SFHSS 2024 Demographics Report presented to the HSB in February 2024).
- Figures in parentheses: percentage distribution across plans by enrolled person type.

Non-Medicare Health Plan	Active Employees	Early Retirees
BSC Access+ / UHC Select	8,992 (22%)	1,023 (19%)
BSC Trio / UHC Doctors	4,279 (11%)	629 (12%)
Kaiser	25,186 (62%)	2,555 (48%)
Health Net CanopyCare	685 (2%)	68 (1%)
Non-Medicare PPO Plan (including Choice Not Available)	1,345 (3%)	1,036 (20%)
Total—Non-Medicare Plans	40,487 (100%)	5,311 (100%)

Projected 2025 Non-Medicare Monthly Rates

Shown to the nearest dollar monthly (actual rates are to nearest cent) — light grey shading illustrates where same figures apply across multiple plans.

	Active Employees (93/93/83)			Active Employees (100/96/83)			Early Retirees (Full ER Contribution)		
	EE Only	EE+1 Dep	EE+2+ Deps	EE Only	EE+1 Dep	EE+2+ Deps	RET Only	RET+1 Dep	RET+2+ Deps
Total Plan Rates									
Non-Medicare PPO	\$1,479	\$2,868	\$4,053	\$1,479	\$2,868	\$4,053	\$1,991	\$2,887	\$3,603
Non-Medicare PPO (CNA)	\$1,164	\$2,324	\$3,287	\$1,164	\$2,324	\$3,287	\$1,991	\$2,887	\$3,603
BSC Access+ / UHC Select	\$1,164	\$2,324	\$3,287	\$1,164	\$2,324	\$3,287	\$2,689	\$3,895	\$4,857
BSC Trio / UHC Doctors	\$990	\$1,975	\$2,794	\$990	\$1,975	\$2,794	\$2,285	\$3,310	\$4,128
Health Net CanopyCare	\$791	\$1,579	\$2,232	\$791	\$1,579	\$2,232	\$1,825	\$2,643	\$3,297
Kaiser	\$881	\$1,759	\$2,487	\$881	\$1,759	\$2,487	\$1,771	\$2,648	\$3,377
Employer Contribution									
Non-Medicare PPO	\$1,082	\$2,161	\$2,728	\$1,479	\$2,231	\$2,728	\$1,692	\$2,141	\$2,141
Non-Medicare PPO (CNA)	\$1,082	\$2,161	\$2,728	\$1,164	\$2,231	\$2,728	\$1,850	\$2,298	\$2,298
BSC Access+ / UHC Select	\$1,082	\$2,161	\$2,728	\$1,164	\$2,231	\$2,728	\$2,548	\$3,151	\$3,151
BSC Trio / UHC Doctors	\$920	\$1,837	\$2,319	\$990	\$1,896	\$2,319	\$2,231	\$2,743	\$2,743
Health Net CanopyCare	\$736	\$1,468	\$1,853	\$791	\$1,516	\$1,853	\$1,825	\$2,234	\$2,234
Kaiser	\$820	\$1,636	\$2,064	\$881	\$1,688	\$2,064	\$1,771	\$2,210	\$2,210
Member Contribution									
Non-Medicare PPO	\$396	\$707	\$1,325	\$0	\$637	\$1,325	\$298	\$747	\$1,463
Non-Medicare PPO (CNA)	\$81	\$163	\$559	\$0	\$93	\$559	\$141	\$589	\$1,305
BSC Access+ / UHC Select	\$81	\$163	\$559	\$0	\$93	\$559	\$141	\$744	\$1,707
BSC Trio / UHC Doctors	\$69	\$138	\$475	\$0	\$79	\$475	\$54	\$566	\$1,384
Health Net CanopyCare	\$55	\$111	\$380	\$0	\$63	\$380	\$0	\$409	\$1,063
Kaiser	\$62	\$123	\$423	\$0	\$70	\$423	\$0	\$439	\$1,167

For Comparison — 2024 Non-Medicare Monthly Rates

Shown to the nearest dollar monthly (actual rates are to nearest cent) — light grey shading illustrates where same figures apply across multiple plans.

	Active Employees (93/93/83)			Active Employees (100/96/83)			Early Retirees (Full ER Contribution)		
	EE Only	EE+1 Dep	EE+2+ Deps	EE Only	EE+1 Dep	EE+2+ Deps	RET Only	RET+1 Dep	RET+2+ Deps
Total Plan Rates									
Non-Medicare PPO	\$1,459	\$2,832	\$4,002	\$1,459	\$2,832	\$4,002	\$1,965	\$2,851	\$3,558
Non-Medicare PPO (CNA)	\$1,070	\$2,138	\$3,024	\$1,070	\$2,138	\$3,024	\$1,965	\$2,851	\$3,558
BSC Access+ / UHC Select	\$1,070	\$2,138	\$3,024	\$1,070	\$2,138	\$3,024	\$2,473	\$3,583	\$4,469
BSC Trio / UHC Doctors	\$885	\$1,766	\$2,498	\$885	\$1,766	\$2,498	\$2,042	\$2,959	\$3,691
Health Net CanopyCare	\$799	\$1,594	\$2,254	\$799	\$1,594	\$2,254	\$1,842	\$2,670	\$3,330
Kaiser	\$836	\$1,668	\$2,359	\$836	\$1,668	\$2,359	\$1,680	\$2,512	\$3,203
Employer Contribution									
Non-Medicare PPO	\$995	\$1,988	\$2,510	\$1,459	\$2,052	\$2,510	\$1,638	\$2,081	\$2,081
Non-Medicare PPO (CNA)	\$995	\$1,988	\$2,510	\$1,070	\$2,052	\$2,510	\$1,833	\$2,276	\$2,276
BSC Access+ / UHC Select	\$995	\$1,988	\$2,510	\$1,070	\$2,052	\$2,510	\$2,341	\$2,896	\$2,896
BSC Trio / UHC Doctors	\$823	\$1,643	\$2,074	\$885	\$1,696	\$2,074	\$2,003	\$2,461	\$2,461
Health Net CanopyCare	\$743	\$1,482	\$1,871	\$799	\$1,530	\$1,871	\$1,842	\$2,256	\$2,256
Kaiser	\$777	\$1,552	\$1,958	\$836	\$1,602	\$1,958	\$1,665	\$2,081	\$2,081
Member Contribution									
Non-Medicare PPO	\$464	\$844	\$1,492	\$0	\$779	\$1,492	\$327	\$770	\$1,477
Non-Medicare PPO (CNA)	\$75	\$150	\$514	\$0	\$86	\$514	\$132	\$575	\$1,282
BSC Access+ / UHC Select	\$75	\$150	\$514	\$0	\$86	\$514	\$132	\$687	\$1,573
BSC Trio / UHC Doctors	\$62	\$124	\$425	\$0	\$71	\$425	\$39	\$498	\$1,230
Health Net CanopyCare	\$56	\$112	\$383	\$0	\$64	\$383	\$0	\$414	\$1,074
Kaiser	\$59	\$117	\$401	\$0	\$67	\$401	\$15	\$431	\$1,122

NOTE: CNA = Choice Not Available

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Medicare Retiree Plans

SFHSS Medicare Plans — Current Covered Lives

- The UHC MAPD PPO plan and KPSA California HMO plan are the predominant Medicare plans offered by SFHSS.

SFHSS Medicare Health Plan	Current Covered Medicare Lives (February 2024 SFHSS Demographics Report)
UHC MAPD (national)	17,553 (54.7%)
KPSA (California)	14,406 (44.9%)
Kaiser Multi-Region (WA/NW/HI)	144 (0.4%)
Total — All Lives in Medicare Plans	32,103 (100.0%)

- There are also 55 early retirees enrolled in Kaiser non-Medicare “multi-region” HMOs in Washington, Northwest and Hawaii.
- The remainder of this renewal overview document focuses on two plans for 2025 rates — KPSA offered in California, and UHC MAPD PPO offered nationally.
 - Information on Kaiser retiree “multi-region” HMO renewals will be presented in a separate renewal recommendation document later today.

Projected 2025 Medicare Plan Monthly Rates

- The table below shows projected 2025 total cost monthly rates for the two Medicare plans, as well as employer and member contributions for Medicare retirees receiving the full City Charter formula employer contributions¹.
- Retiree Only member contributions are \$0 for both plans since the total MA plan rates with all rate card elements included are less than the 2025 monthly 10-County Amount (\$882.05).

Monthly 2025 Rates	Medicare Retirees and Dependents (Full ER Contribution)		
	RET Only	RET+1 Dependent	RET+2+ Dependents
Total Plan Rates			
KPSA HMO (California)	\$358.90	\$713.82	\$1,067.64
UHC MAPD PPO (National)	\$571.66	\$1,139.34	\$1,706.29
Employer Contributions			
KPSA HMO (California)	\$329.98	\$656.98	\$982.88
UHC MAPD PPO (National)	\$571.66	\$855.50	\$855.50
Member Contributions			
KPSA HMO (California)	\$0	\$181.44	\$535.26
UHC MAPD PPO (National)	\$0	\$283.84	\$850.79

1. *Approximately 151 retirees receive less than the full City Contribution presently — hired on or after January 10, 2009. This compares to 136 retirees at this time last year.*