

San Francisco Health Service System Health Service Board

Rates & Benefits

Health Plan 2022 Rate Summary—Active Employee/Early
Retiree Health Plans

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Health Plan 2022 Rate Summary—Active Employee/Early Retiree Health Plans

- This material summarizes what will be presented for Health Service Board (HSB) approval today—as well as an overview of member contribution comparisons among health plans offered to active employees and early retirees by the San Francisco Health Service System (SFHSS).
- This cycle’s rating efforts into the 2022 plan year have focused on understanding how plan costs in 2020 are impacting 2022 rating actions, especially in reflecting adjustments to claim experience stemming from pandemic-caused claim suppression in 2020.
- Below is a high-level summary of total rate cost increases that we will present today:

Non-Medicare Health Plan	Before Rate Stabilization Adjustment	After Rate Stabilization Adjustment
BSC Access+	1.5%	0.8%
BSC Trio	2.7%	2.0%
Health Net CanopyCare	Rated between Access+ and Trio	(n/a for 2022 – new plan)
Kaiser	4.96%	(does not apply – insured plan)
BSC PPO—Accolade (including Choice Not Available)	3.4%	2.7%

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2022 Proposed Rate Actions—Commentary by Plan

- **BSC HMOs (+0.8% Access+ / +2.0% Trio)**—After higher rate increases into 2021 (+4.4% overall), the 2022 increases are below cost trend expectations for both plans—aided by an increase in stabilization buy-down applied in 2022 rating versus 2021 and savings in administrative fees and Rx rebate sharing driven by the RFP process.
- **Health Net CanopyCare (new in 2022)**—rate development is based upon financial figures provided to SFHSS by Health Net CanopyCare during the recent Non-Medicare Plans Request for Proposal (RFP) process, with 2022 recommended rates for Health Net CanopyCare projected to be higher than BSC Trio rates, lower than BSC Access+ rates.
- **Kaiser (+4.96%)**—After a 5.8% rate increase for 2021, Kaiser’s rate increase is lower for 2022—reflecting a requested level of premium revenue by Kaiser for the 2022 plan year. In today’s Kaiser presentation, we will review Kaiser’s request for a rate increase into 2022 relative to lower levels of medical plan claim spend in 2020 versus 2019 caused by pandemic-influenced suppression.
- **BSC PPO—Accolade (+2.7%)**—The lower increase for 2022 versus 2021 (+9.0%) is based upon lower levels of claim cost after pandemic suppression adjustments from 2019 to 2020, as well as RFP-driven savings in projected claim costs and Rx rebate sharing as administration of the Non-Medicare PPO Plan moves from UnitedHealthcare in 2021 to Blue Shield of California in 2022. Also, stabilization moves from deficit to surplus into 2022.

Membership Distribution by Plan

- Below is the current distribution of active employees and early retirees by plan (based on the SFHSS 2021 Demographics Report presented to the HSB in March 2021).
 - Figures in parentheses: percentage distribution across plans by enrolled person type

Non-Medicare Health Plan	Active Employees	Early Retirees
BSC Access+	9,210 (22.5%)	1,176 (21.5%)
BSC Trio	5,119 (12.5%)	811 (14.9%)
Kaiser	25,501 (62.4%)	2,667 (48.8%)
UHC Non-Medicare PPO Plan (including Choice Not Available)	1,057 (2.6%)	809 (14.8%)
Total—Non-Medicare Plans	40,887 (100.0%)	5,463 (100.0%)

Projected Monthly Rates—2022 Plan Year

Shown to the nearest dollar monthly (actual rates are to nearest cent)—blue 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									
BSC PPO—Accolade	\$1,337	\$2,586	\$3,652	\$1,337	\$2,586	\$3,652	\$1,798	\$2,604	\$3,248
BSC PPO—Accolade (CNA)	\$931	\$1,860	\$2,631	\$931	\$1,860	\$2,631	\$1,798	\$2,604	\$3,248
BSC Access+	\$931	\$1,860	\$2,631	\$931	\$1,860	\$2,631	\$2,151	\$3,116	\$3,887
BSC Trio	\$817	\$1,631	\$2,306	\$817	\$1,631	\$2,306	\$1,885	\$2,732	\$3,407
Health Net CanopyCare	\$859	\$1,715	\$2,426	\$859	\$1,715	\$2,426	\$1,983	\$2,873	\$3,584
Kaiser CA	\$716	\$1,429	\$2,021	\$716	\$1,429	\$2,021	\$1,438	\$2,151	\$2,743
Employer Contribution									
BSC PPO—Accolade	\$866	\$1,730	\$2,183	\$1,337	\$1,786	\$2,183	\$1,508	\$1,911	\$1,911
BSC PPO—Accolade (CNA)	\$866	\$1,730	\$2,183	\$931	\$1,786	\$2,183	\$1,710	\$2,114	\$2,114
BSC Access+	\$866	\$1,730	\$2,183	\$931	\$1,786	\$2,183	\$2,064	\$2,547	\$2,547
BSC Trio	\$760	\$1,517	\$1,914	\$817	\$1,566	\$1,914	\$1,856	\$2,279	\$2,279
Health Net CanopyCare	\$799	\$1,595	\$2,013	\$859	\$1,646	\$2,013	\$1,932	\$2,377	\$2,377
Kaiser CA	\$666	\$1,329	\$1,677	\$716	\$1,372	\$1,677	\$1,438	\$1,794	\$1,794
Member Contribution									
BSC PPO—Accolade	\$471	\$857	\$1,468	\$0	\$801	\$1,468	\$290	\$693	\$1,337
BSC PPO—Accolade (CNA)	\$65	\$130	\$447	\$0	\$74	\$447	\$87	\$490	\$1,134
BSC Access+	\$65	\$130	\$447	\$0	\$74	\$447	\$87	\$570	\$1,340
BSC Trio	\$57	\$114	\$392	\$0	\$65	\$392	\$30	\$453	\$1,128
Health Net CanopyCare	\$60	\$120	\$412	\$0	\$69	\$412	\$51	\$496	\$1,206
Kaiser CA	\$50	\$100	\$344	\$0	\$57	\$344	\$0	\$356	\$948

NOTE: C.N.A. = Choice Not Available

Introducing New Plans—Health Net CanopyCare

- Ray Gallagher—Vice President, Large Group and Major Accounts, Health Net LLC

Introducing New Plans—Blue Shield of CA PPO—Accolade

- Paul Brown, Area Vice President, National Accounts | Premier, Blue Shield of California