

# **San Francisco Health Service System Health Service Board**

## **Rates & Benefits**

Health Plan 2025 Rate Summary — Active Employee/ Early Retiree  
Health Plans

May 9, 2024

# Health Plan 2025 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). Kaiser CA HMO will be presented at the June 13, 2024, HSB meeting.
- This cycle’s rating efforts into the 2025 plan year focused on understanding how plan costs in 2023 along with present-state health cost escalators are impacting 2025 rating actions.
- Below is a high-level summary of recommended total rate cost increases:

Non-Medicare Health Plan	Before Rate Stabilization Adjustment	After Rate Stabilization Adjustment <sup>2</sup>
BSC Access+/UHC Select EPO	4.5%	<b>8.7%</b>
BSC Trio/UHC Doctors EPO	6.7%	<b>11.8%</b>
Health Net CanopyCare	0.0%	<b>-1.0%</b>
Kaiser	TBD (June 13 HSB meeting)	Does not apply (insured plan)
Non-Medicare PPO <sup>1</sup>	0.8%	<b>1.3%</b>

<sup>1</sup> 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.

<sup>2</sup> 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 Proposed Rate Actions In Today's HSB Meeting — Commentary by Plan

- **BSC HMOs (which also include UHC EPOs available to Non-Medicare split family covered lives<sup>1</sup>) (+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.

<sup>1</sup> *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 Proposed Rate Actions In Today's HSB Meeting — 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).

# Membership Distribution by Plan

- 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%)
<b>Total—Non-Medicare Plans</b>	<b>40,487 (100%)</b>	<b>5,311 (100%)</b>

# Projected Monthly Rates — 2025 Plan Year

Shown to the nearest dollar monthly (actual rates are to nearest cent) — light grey shading illustrates where same figures apply across multiple plans. Kaiser rates will be presented at the June 13, 2024, HSB meeting.

	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
<b>Total Plan Rates</b>									
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	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
<b>Employer Contribution</b>									
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	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
<b>Member Contribution</b>									
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	TBD	TBD	TBD	\$0	TBD	TBD	TBD	TBD	TBD

**NOTE:** CNA = Choice Not Available

# For Comparison — 2024 Plan Year 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
<b>Total Plan Rates</b>									
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
<b>Employer Contribution</b>									
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
<b>Member Contribution</b>									
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