

# 2015 Individual Products

## Welcome to the Individual Products 2015 Webinar

We will begin at 9:00 a.m. Alaska Time  
Please put your phone on [mute](#)

Call-in number: 1-866-430-0399  
Conference code: 242 539 9812

# Opening Remarks

Kelly Jones Regional Sales Manager

Call-in number: 1-866-430-0399  
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# Today's Agenda

- Market Environment
- Metallic Plans, Rates, Network & Administrative Guidelines
- Dental Benefits
- Member Communications
- Medicare Supplement
- Web Tools
- Compensation
- Sales Materials & Contacts

# Market Environment - 2014

## Premera Blue Cross Blue Shield of Alaska Membership

- ~7,000 metallic members (73% in exchange)
- ~ 5,900 grandfathered and grandmothered members

## In 2014, between January and June

- 33 individual members = more than \$7 million in claims
- Average medical claims PMPM = \$723
- Average premium PMPM = \$540

\$3.7 million expected loss for 2014

# Market Environment -2015

In 2015:

- Need a 71.5% rate increase to break even
- Filed and received approval for 37.5% average increase
- \$5 million expected loss for 2015

Why?

Pool is not large enough to spread the costs of members with very significant medical needs.

# Market Environment - Future

Working with state government officials and other leaders to develop and implement a program to stabilize the market

Encouraging Alaska to implement a supplemental state reinsurance program

- re-establish market stability by spreading high medical costs across the entire insured market
- help mitigate need for large rate increased by carriers in the future

# Metallic - Medical Plans

# 10 Essential Health Benefits

1. Ambulatory Patient Services
2. Emergency Services
3. Hospitalization
4. Maternity & Newborn Care
5. Mental Health & Substance Use Disorder Services, including Behavioral Health Treatment
6. Prescription Drugs
7. Rehabilitative & Habilitative Services & Devices
8. Laboratory Services
9. Preventive/Wellness Services & Chronic Disease Management
10. Pediatric Services, including Vision Care and Dental



# Medical Plans – Out of Exchange

## Heritage Select Plans

- Preferred Gold 1000, 1500
- Preferred Silver 2000, 3000
- Preferred Bronze 5500, 6350

## Heritage Select HSA Plans

- Preferred Silver HSA 2500
- Preferred Bronze HSA 5250



# Medical Plans – Out of Exchange

## Heritage Plus Plans

- Preferred Gold 1000, 1500
- Preferred Silver 2000, 3000
- Preferred Bronze 5500, 6350

## Heritage Plus HSA Plans

- Preferred Silver HSA 2500
- Preferred Bronze HSA 5250



# Medical Plans – Inside the Exchange

## BCBS Select, Multi-State

- Preferred Gold 1000, 1500
- Preferred Silver 2000, 3000
- Preferred Bronze 5500, 6350

## BCBS Plus, Multi-State

- Preferred Gold 1000, 1500
- Preferred Silver 2000, 3000
- Preferred Bronze 5500, 6350

## BCBS Select HSA, Multi-State

- Preferred Silver HSA 2500
- Preferred Bronze HSA 5250

## BCBS Plus HSA, Multi-State

- Preferred Silver HSA 2500
- Preferred Bronze HSA 5250

## Cost Share Reduction Plans

## Alaska Native / American Indian Plans (AI/AN)

***Multi-State plans do not cover voluntary termination of pregnancy***

# 2015 Plan Changes

## Discontinuing the Vision Hardware Package

### Plus Plans

- Preferred Plus Gold 1500
- Preferred Plus Silver 3000
- Preferred plus Bronze 6350
- BCBS Plus Gold 1500, Multi-State
- BCBS Plus Silver 3000, Multi-State
- BCBS Plus Bronze 6350, Multi-State

### Select Plans

- Preferred Select Gold 1500
- Preferred Select Silver 3000
- Preferred Select Bronze 6350
- BCBS Select Gold 1500, Multi-State
- BCBS Select Silver 3000, Multi-State
- BCBS Select Bronze 6350, Multi-State

# 2015 Plan Changes

## Pediatric Dental

- Pediatric dental remains embedded in all plans in and out of exchange
- In 2015, for only the Gold plans, the deductible for preventive services (first tier), will be waived


# Medical Plans – Quick Benefit Review



We know Alaska  
Health plans for individuals and families | 1.1.2015

PREMERA   
BLUE CROSS BLUE SHIELD OF ALASKA

# Medical Travel Support



**How to use Medical Travel Support**  
Individual and Small Group

We are pleased to offer Medical Travel Support to our members who live in Alaska. It gives you more access to quality care for certain medical procedures in and outside Alaska. The pre-approved medical facilities chosen to be part of this benefit all provide quality care at more affordable prices. You also have access to a national network of quality medical facilities through the Blue Cross and Blue Shield Association's BlueCard® Program.

**There are a few things you need to do to use this benefit:**

- 1 Call the customer service number on the back of your Premiera member card. Ask if the care you need is covered under Medical Travel Support.
- 2 Talk to your doctor to learn if traveling is safe for you.
- 3 If your doctor says it is safe for you to travel, call Premiera's customer service to get started.

We help to make your appointments, transfer medical records, and introduce you to our travel partners. They can help make your reservations for roundtrip airfares, ground transportation and hotel lodging. These travel expenses are covered for you and your travel companion(s).

- 4 You can also make your own travel plans. Just send us a completed Medical Travel Support Claim Form with your receipts and travel documents for those costs when you get home.

**About approved travel expenses and submitting a claim**

Approved travel expenses are partly covered for you and a travel companion(s). You will be reimbursed, according to your benefit cost share and deductible and IRS limits.\* Keep in mind that you will have to pay for travel up front and then submit a completed Medical Travel Support Claim Form for reimbursement. Medical Travel Support does not cover ambulance transportation.


**NOTE:** The Medical Travel Support Claim Form is to be used only for travel expenses approved through the Medical Travel Support program. Do not use this form for medical, vision and dental claims, for other travel claims, or for prescription reimbursement.

**Before and after your care**

When you travel for approved care, you will first have an appointment to meet with the doctor, followed by the surgery or procedure. After your procedure you should talk with your doctor to see when it is safe to travel home.

If you develop complications after your procedure, you will be allowed to return for follow-up treatment with the surgeon who performed the procedure, if a local surgeon and/or the surgeon who performed the procedure do not feel it is medically appropriate to provide the care locally. As always, talk to your doctor to learn if traveling is safe for you.

\* All travel costs are subject to IRS guidelines.

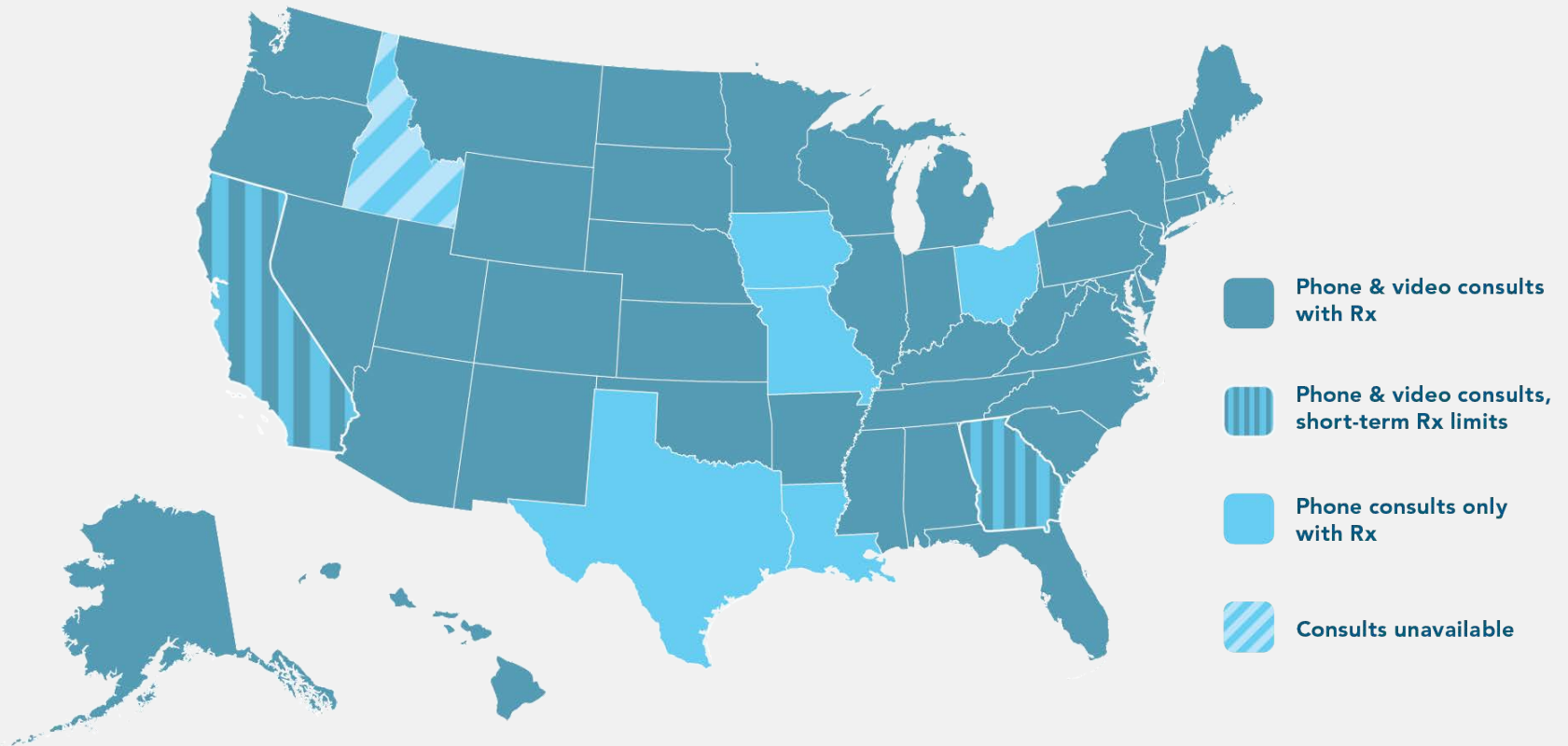
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# Virtual Care

- Available to all individual metallic members
  - Phone or online consultation with licensed physician 24/7
  - Common conditions
  - Diagnose and prescribe
- Specialist or non-designated PCP copay
  - HSA plan – deductible, then coinsurance; fee schedule
- United States, except Idaho



# Virtual Care



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# Premium Assistance Credit

*Available only in the Exchange – 400% FPL or less*

**2015 Federal Poverty Levels for Alaska**

Family Unit Size	100% FPL	400% FPL
1	\$14,580	\$58,320
2	\$19,660	\$78,640
3	\$24,740	\$98,960
4	\$29,820	\$119,280
5	\$34,900	\$139,600
6	\$39,980	\$159,920
7	\$45,060	\$180,240
8	\$50,140	\$200,560

# Cost Share Reduction Plans

## *Available only through the Exchange*

- Must purchase a “Silver Plan” to access Cost Share Reduction Plans
- Reduces eligible participant’s out-of-pocket expenses by increasing the actuarial value of the plan they qualify for:

Federal Poverty Level	Maximum Actuarial Value
100 – 150% (CSR 3)	94%
150 – 200% (CSR 2)	87%
200 – 250% (CSR 1)	73%

- Qualified individuals and families can access both the Premium Assistance Credit and Cost-Share Reduction Plans

# Alaska Native/American Indian

## *Available only through the Exchange*

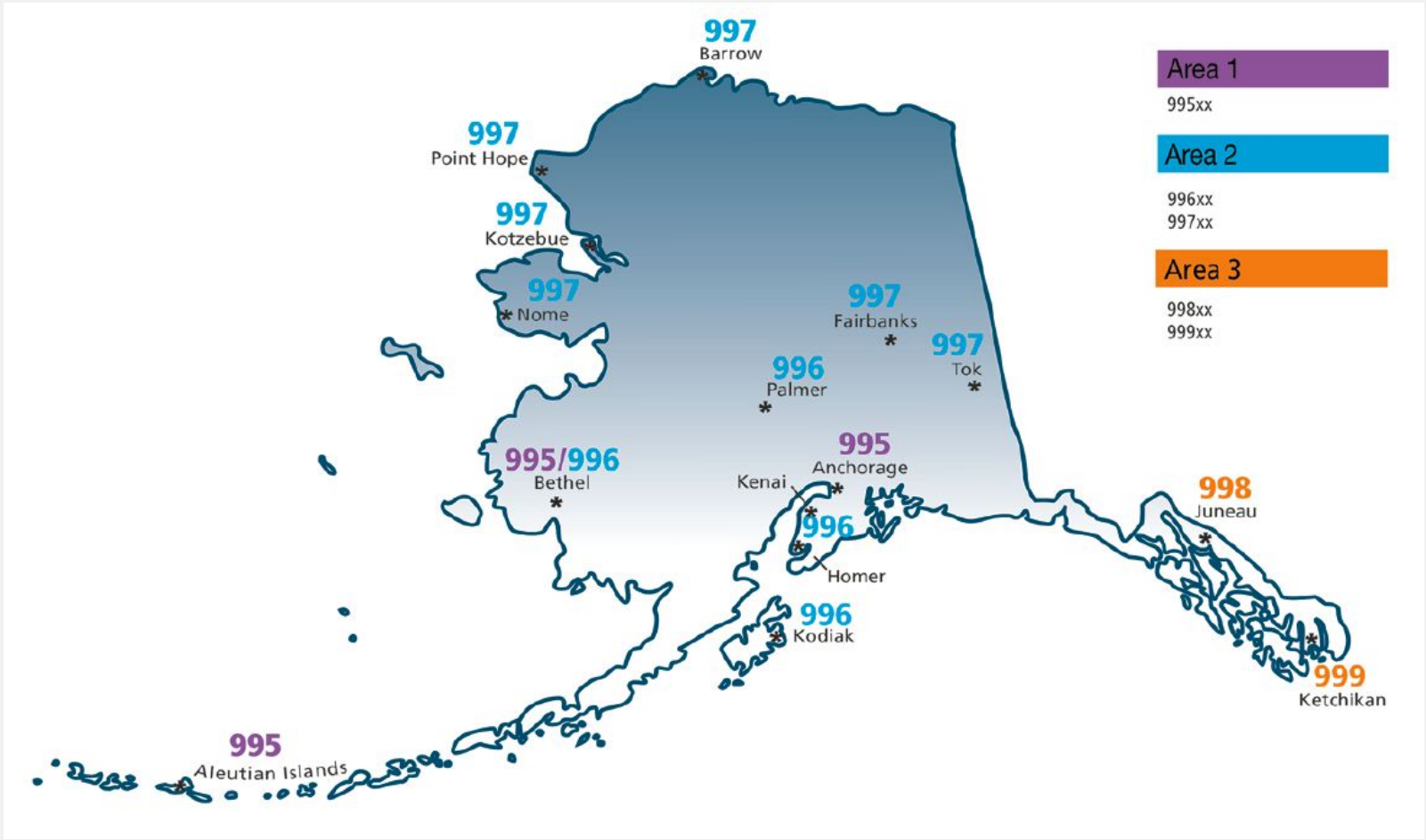
Alaska Natives and American Indians purchasing health care benefits through the Exchange have no copays or other cost-shares if their income is at or below 300% of the poverty level

Preferred	Non-Preferred	Non-Participating	Tribal Facilities
100% coverage*	40% member cost share	60% member cost share	100% coverage*

\* Referrals from Preferred or Tribal providers to any other providers are covered at 100%

# Metallic - Rates

# Geographic Rating Area



# Rates

- Rates
  - Area 1: 995xx (Anchorage)
  - Area 2: 996xx, 997xx
  - Area 3: 998xx, 999xx (SE Alaska)
- Rate determined by the zip code where the subscriber lives
- Single age bands
- Capped at first 3 dependents 20 years old & under
- Tobacco vs. Non-Tobacco

# Metallic - Network

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# Medical Network

- **AK Heritage Select Network – hospitals only**
- **AK Heritage Plus Network – hospitals & providers**
- **Washington Network: Heritage (large statewide)**
- **National and International Network: BlueCard**

# Network Types

- **Preferred**
  - in-network
- **Non-Preferred**
  - in-network, participating level (Alaska Regional Hospital)
- **Non-Participating**
  - out-of-network, non-contracted (Alaska Native Medical Center)

# Metallic - Administrative Guidelines

# Annual Enrollment Period

**November 15, 2014**

**to**

**February 15, 2015**

Applications accepted beginning November 15.

Online enrollment tool available  
beginning November 15.

# Applying For Coverage

## Outside the Exchange

### Applications

- Online
  - Online Enrollment Tool
  - Your personal link!
- Paper

### Effective Dates

- 1<sup>st</sup> and 15<sup>th</sup> of the month
- Apply up to last day before effective date

<b>Enroll by</b>	<b>Effective Date*</b>
Nov 15 to Dec 31	January 1
Jan 1 to Jan 14	January 15
Jan 15 – Jan 31	February 1
Feb 1 – Feb 14	February 15
Feb 15	March 1, March 15 April 1, April 15

\* Effective date can be up to 60 days of signature date; based on closest effective date on or before 60 days

# Applying For Coverage

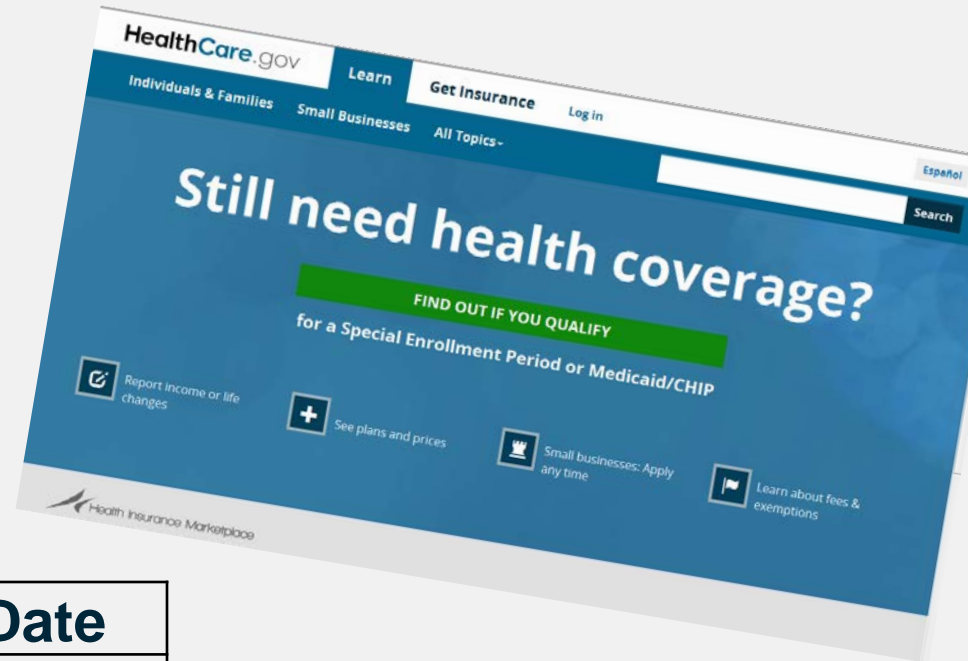
## *Inside the Exchange*

### Applications

- Online

### Effective Dates

- 1<sup>st</sup> of the month only
- Driven by enrollment date



<b>Enroll by</b>	<b>Effective Date</b>
Nov 15 to Dec 15	January 1st
Dec 16 to Jan 15	February 1st
Jan 16 to Feb 15	March 1st

# Eligibility Requirements

## Individuals eligible to apply for a plan

- A resident of and have a principal residence in the state of Alaska
- Not entitled to Medicare at the time of enrollment

## Eligible dependents

- A spouse or domestic partner
- Natural or legally adopted children under the age of 26

# Billing

## Payment Options

- Automatic withdrawal from bank
- Credit & Debit Card
  - One-Time
  - Recurring
- Monthly Bill - pay by check

## Payment grace periods

- Outside Exchange:
  - 30-day grace period
- Inside Exchange
  - Subsidized: 3-month grace period
  - Not subsidized: 30-day grace period





# Prior Authorization

## Change for Individual in 2015:

- Members will not be liable if they see a contracted provider who does not get the required prior authorization and the service is medically necessary.

## Remains the same for 2015:

- Members will be liable if:
  - Member sees a non-contracted provider who does not get the required prior authorization and the service is medically necessary
    - Member will be liable for 50% of the allowed amount up to a maximum of \$1,500 per occurrence
  - Member sees a non-contracted provider who does not get the required prior authorization and it is not medically necessary.
- Member will not be liable if:
  - Member receives a service from a contracted provider that is not medically necessary.

# Dental Benefits

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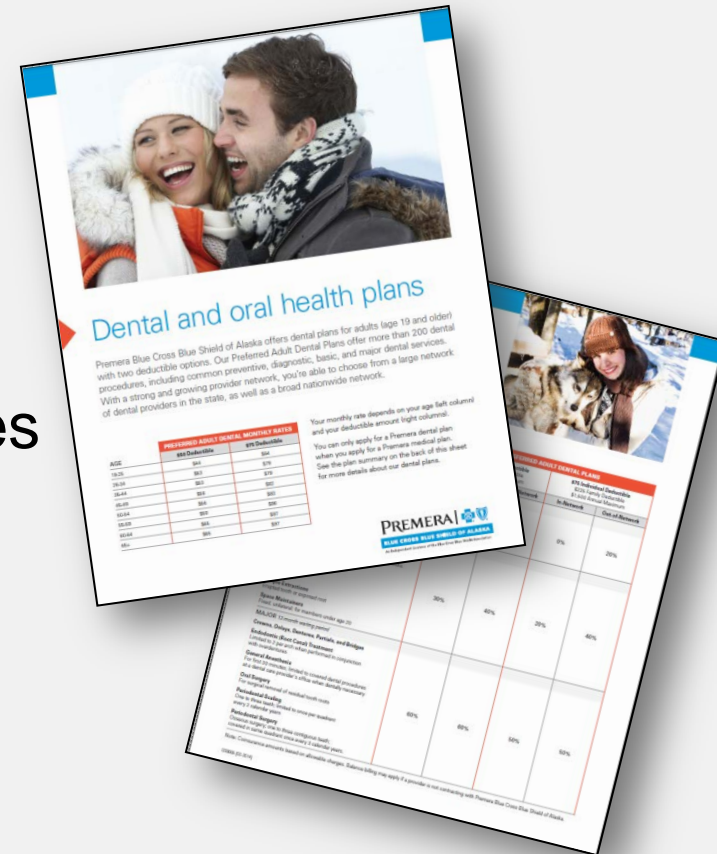
# Embedded Pediatric Dental

- Embedded in all plans
- **For 2015, the deductible will be waived for Gold plans (in/out of exchange)**
- Benefit applies to dependents under age 19; medical deductible applies
- Benefits paid the same in and out of network; no waiting periods, except orthodontia

<b>Class I Medical Deductible (<u>waived for Gold</u>), then 10%</b>	<b>Class II Medical Deductible, then 20%</b>	<b>Class III Medical Deductible, then 50%</b>	<b>Ortho Medical Deductible, then 50%</b>
<ul style="list-style-type: none"> <li>• Routine Exams – 2 PCY</li> <li>• Cleanings - 2 PCY</li> <li>• Fluoride Treatment – 2 every 12 months</li> <li>• Sealants – 1 every 3 CY</li> <li>• Complete series or panoramic – 1 every 5 CY</li> <li>• Bitewings – 1 PCY</li> </ul>	<ul style="list-style-type: none"> <li>• Fillings</li> <li>• Simple Extractions</li> <li>• Stainless Steel Crowns – every 60 months</li> <li>• Periodontal Maintenance – 4x per 12 months</li> <li>• Periodontal Sealing &amp; Root Planning – once every 24 months</li> <li>• Endodontic – once per tooth per lifetime</li> </ul>	<ul style="list-style-type: none"> <li>• Surgical Extractions</li> <li>• Crowns – every 60 months</li> <li>• Periodontal Surgery</li> <li>• General Anesthesia</li> <li>• Implants – once every 60 months</li> <li>• Complex oral surgery</li> </ul>	<ul style="list-style-type: none"> <li>• Cleft Palate or Cleft Lip only</li> <li>• Medically necessary with prior authorization</li> <li>• 24 month benefit waiting period</li> </ul>

# Preferred Adult Dental Product

- Two Options
  - \$50 Individual Deductible
  - \$75 Individual Deductible
- Preventive Services
  - No waiting periods, no deductibles
- Basic Services
  - No waiting periods
- Major Services
  - 12-month waiting period
  - Waived for Premera group members



# Preferred Adult Dental Product Designs

Sample Benefits (Detailed benefits / codes will be provided)	Deductible: \$50 Ind/\$150 Fam \$1,000 Annual Maximum		Deductible: \$75 Ind/\$225 Fam \$1,500 Annual Maximum	
	In-Network	Out-of-Network	In-Network	Out-of-Network
<b>Preventive Services (No deductible)</b>				
Exams - 2 per calendar year	10%	20%	0%	20%
Bitewing X-rays				
Fluoride (Under the age of 20)				
Cleanings – 2 per calendar year				
<b>Basic Services (Deductible applies)</b>				
One surface amalgam filing	30%	40%	20%	40%
One surface composite filing				
Space Maintainer – fixed unilateral				
<b>Major Services (Deductible applies) 12-Month Waiting Period</b>				
Root scaling and planing – Per quadrant	60%	60%	50%	50%
Root canal, anterior tooth				
Crown – Porcelain fused to high noble				

# Enrollment & Eligibility

## Eligibility

- Members age 19 and over
  - Common enrollment required; available only with medical

## New Sales

- Available with medical at point of sale
  - Can enroll online!

## Current Premera Medical Members

- Can add during special add-on periods
  - Next opportunities January 1, 2015 and July 1, 2015
  - Paper process
- Metallic, grandfathered or grandmothered members

## Cancellation policy

- 12 month waiting period plus next special add-on period

# Statewide Dental Rates

## Per Member

Age	\$50 Deductible	\$75 Deductible
19-25	\$44	\$64
26-34	\$53	\$79
35-44	\$53	\$79
45-49	\$56	\$82
50-54	\$56	\$83
55-59	\$58	\$86
60-64	\$65	\$97
65+	\$65	\$97

# Dental Network

Borough	Dental Offices	Unique Dentists
Aleutians West	2	2
Anchorage	200	152
Bethel	3	3
Bristol Bay	2	2
Dillingham	5	5
Fairbanks North Star	41	40
Juneau	8	8
Kenai Peninsula	22	21
Ketchikan Gateway	5	5
Kodiak Island	4	4
Matanuska Susitna	56	56
Sitka	2	2
Valdez Cordova	1	1
<b>Total</b>	<b>351</b>	<b>301</b>



# Member Communications

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# Current Member Communications

## *Grandfathered Members*

- No renewal communication – renewal is May 1, 2015
- Communication about special add-on period for adult dental

## *Grandmothered Members*

- Filed with DOI to hold rates for January 1, 2015
- Rate change on May 1, 2015
- Member communication – early November
  - Extending renewal to May 1, 2015
  - Special add-on period for adult dental

# Current Member Communications

## *Metallic Members*

- Members on the VH package plans
  - Notice of discontinuation October 1
  - Mapped to same plan without VH package
  - Includes renewal and rate change information
- All metallic members
  - Renewal notice early November
  - Gold members: address change to pediatric dental

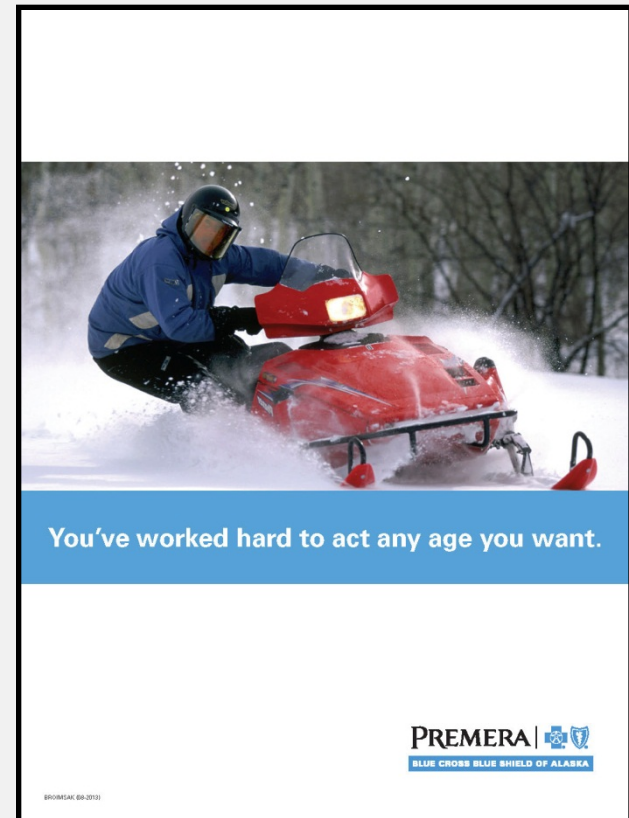
# Medicare Supplement

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# Medicare Supplement Plans

- Plan A
- Plan F
- Plan F, High Deductible
- Plan N

Competitive rates for the  
most popular  
Medicare Supplement Plans



# Member Communications

## *Medicare Supplement Members*

- 7.1% rate increase for January 1, 2015
- Annual adjustment notice in November
  - Rate change
  - Cost share updates

# 2015 Medicare Supplement Materials

- Current kits updated with a new rate flyer
- Website updated with 2015 rates and flyer
- New brochure with updated cost shares and rates will be available on 11/24

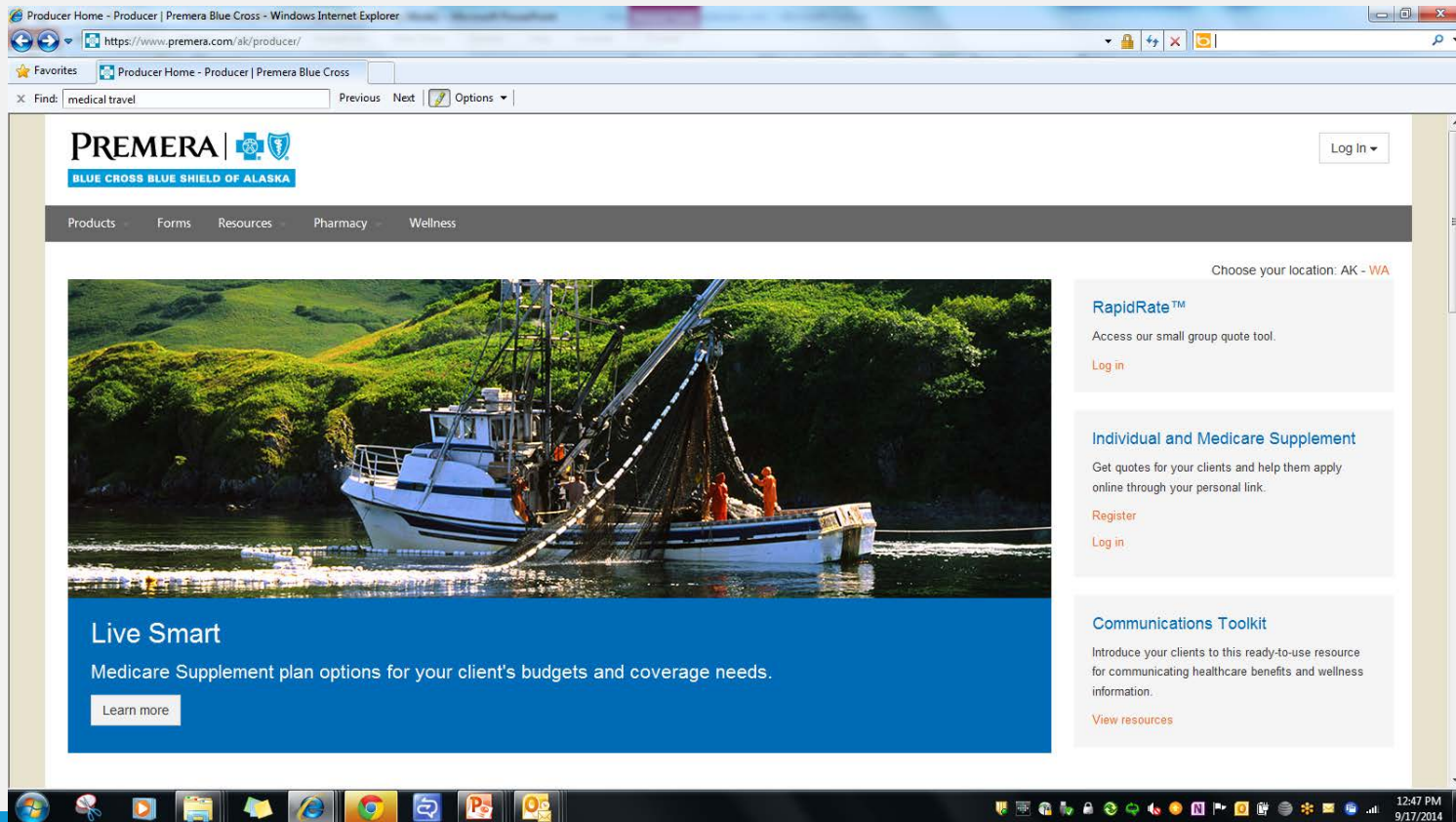
# Web Resources

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# Website

2015 Metallic Plan information available on the website TODAY!  
2015 Medicare Supplement information on the website TODAY!



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# Certification and Compensation

# Federally Facilitated Marketplace Certification

- To sell individual in the exchange, you must have an FFM certification
  - Recertification is required each year!
- For Premera to pay you commission for FFM sales, CMS requires you provide us with:
  - Curriculum completion certificate
  - Copy of your agent license
  - Email to [producerrelations@premera.com](mailto:producerrelations@premera.com) by October 15.

# Sample certificate



# Commissions

- Medical: \$25 per member per month
  - Maximum of 3 dependents under age 19
- Adult Dental: \$3 per member per month
- Applies to metallic, grandfathered and grandmothered members

# Sales Materials & Contacts

# Ordering Supplies

## **Sales Kits available:**

November 1, 2014

## **Process to order 2015 supplies:**

Supply order form posted on website

Go ahead and order – we'll hold until kits are ready!

Find supply form at:

[www.premera.com/ak/producer/forms](http://www.premera.com/ak/producer/forms)

Email supply form to:

[producer.support@premera.com](mailto:producer.support@premera.com)

# Individual Sales & Service Team

Sales Leadership	Sales and Account Management	Producer Support
<p><b>John Mychalishyn</b>            Director of Sales            425-918-4780  <a href="mailto:john.mychalishyn@premera.com">john.mychalishyn@premera.com</a></p>	<p><b>Kelly Jones</b>            Regional Sales Manager            Work: 425-918-5851            Cell: 206-214-8774  <a href="mailto:kelly.jones@premera.com">kelly.jones@premera.com</a></p> <hr/> <p><b>Nancy Valdez</b>            Sales Executive            907-677-2406  <a href="mailto:nancy.valdez@premera.com">nancy.valdez@premera.com</a></p>	<p><b>Katie Dalton</b>            Team Lead, Producer Support            425-918-6270  <a href="mailto:Katie.dalton@premera.com">Katie.dalton@premera.com</a></p> <hr/> <p><b>Producer Support Team</b></p> <p>Laura Binder            Justin Cusber            Lucy French            Nicole Goodspeed</p> <p>877-205-9725, option 1, then 1            Fax: 425-918-3378</p> <p><a href="mailto:producer.support@premera.com">producer.support@premera.com</a></p>



# Questions?