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**Meeting Location:
Tulare County Employees' Retirement
Association Board Chambers
136 N Akers St
Visalia, CA 93291
November 6, 2015 9:00 AM**

AGENDA DATE: November 6, 2015

ITEM NUMBER: 20

SUBJECT: Receive and File Report from Anthem Blue Cross
Regarding the HMO Claims and Disease Management
(I)

REQUEST(S): That the Board receive an update and review HMO
claims utilization and information regarding increased
claims costs.

DESCRIPTION:

Anthem Blue Cross has provided the attached SJVIA HMO Claims Dashboard report with claims information for the HMO plan provided for three consecutive measurement periods running from October – September of 2015, 2014 and 2013 respectively. The Dashboard illustrates that the Per Member Per Month (PMPM) claims costs for October 2014 through September 2015 has increased by 19.2%. In contrast, claims paid in the same timeframe in 2013 – 2014 decreased by -2.4%. The dashboard also shows an overall increase in the total claims incurred by high cost claimants with paid amounts in excess of \$50,000 as having increased 42.4% over the previous period, with the average claim per high cost employee increasing from \$132.80 PEPM to \$191.88 PEPM. There was a slight increase in the total number of high cost claimants on the HMO plan, with the current number being 0.8%, up from a previous percentage of 0.6% of total HMO members. The HMO claims utilization breakdown on the dashboard also shows an increase in professional services, acute facility admissions, and facility visits among other things. The current average subscriber age on any Anthem Blue Cross HMO plan is 35 years. By comparison, the average age for a subscriber on the SJVIA HMO plan is 44 years.

AGENDA: San Joaquin Valley Insurance Authority

DATE: November 6, 2015

The attached SJVIA Top 5 Episode Report shows the current claims expense as having increased 25.7% compared to the previous time period. The top five health condition categories for the SJVIA are: Digestive System, Musculoskeletal System, Injury & Poisoning, Circulatory System and Respiratory System. Comparisons are provided showing the current period costs for each condition compared to both the prior period and the commercial benchmark for each condition.

FISCAL IMPACT/FINANCING:

None

ADMINISTRATIVE SIGN-OFF:



Rhonda Sjostrom
SJVIA Manager



Paul Nerland
SJVIA Assistant Manager