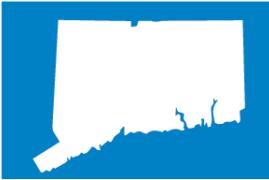


CONNECTICUT PARTNERSHIP PLAN



March 2024 Partnership Plan Update

Office of the State Comptroller

osc.ct.gov/ctpartner

Agenda

- HEP Reminder
- Regionalization adjustment 2025/2026
- 2024 Rate Renewal
- Financial Overview

Please remain on mute and ask any questions through the chat.

Thank you.

What's New: HEP Changes

- Members were emailed & mailed information on the upcoming 2024 HEP changes
- For the March bill, applied the 2024 changes to those with outstanding 2023 requirements
 - 100+ partnership employees were brought back into compliance status
 - End of the month, final 2023 non-compliance letters will be sent

What's New: HEP Chart

2024 PREVENTIVE SCREENINGS	Dependent Requirements	Employee and Spouse Requirements				
		6-26 years	18-29 years	30-39 years	40-49 years	50-64 years
Preventive Visit (Changing to every 2 years for all ages in 2025)			Every 3 years		Every 2 years	
Dental Cleaning	At least 1 per year		At least 1 per year			
Cholesterol Screening			Every 5 years (age 20+)			
Breast Cancer Screening (for women) (Changing to every 2 years for women age 40+ in 2025)			N/A	1 mammogram between ages 45-49	As recommended by your doctor	
Cervical Cancer Screening (for women)		Pap every 3 years (age 21+)	Pap only every 3 years or Pap/HPV combo every 5 years			N/A
Colorectal Cancer Screening		N/A	Colonoscopy every 10 years (45+), Cologuard screening every 3 years, or Annual FIT/FOBT to age 75			

Regionalization 2025-2026 Clarification

- During our last quarterly update, we announced that starting in 7/1/25 , we will be adjusting the regional rates
 - Please note, this is an adjustment to already regionalized rates to ensure our county rate spread is still accurate
 - Will be phased in along with the 7/1/25 and 7/1/26 renewal
 - Adjustment will happen every 5 years (contract mentions it can happen each year)
 - Can go up or down based on cost/experience factors

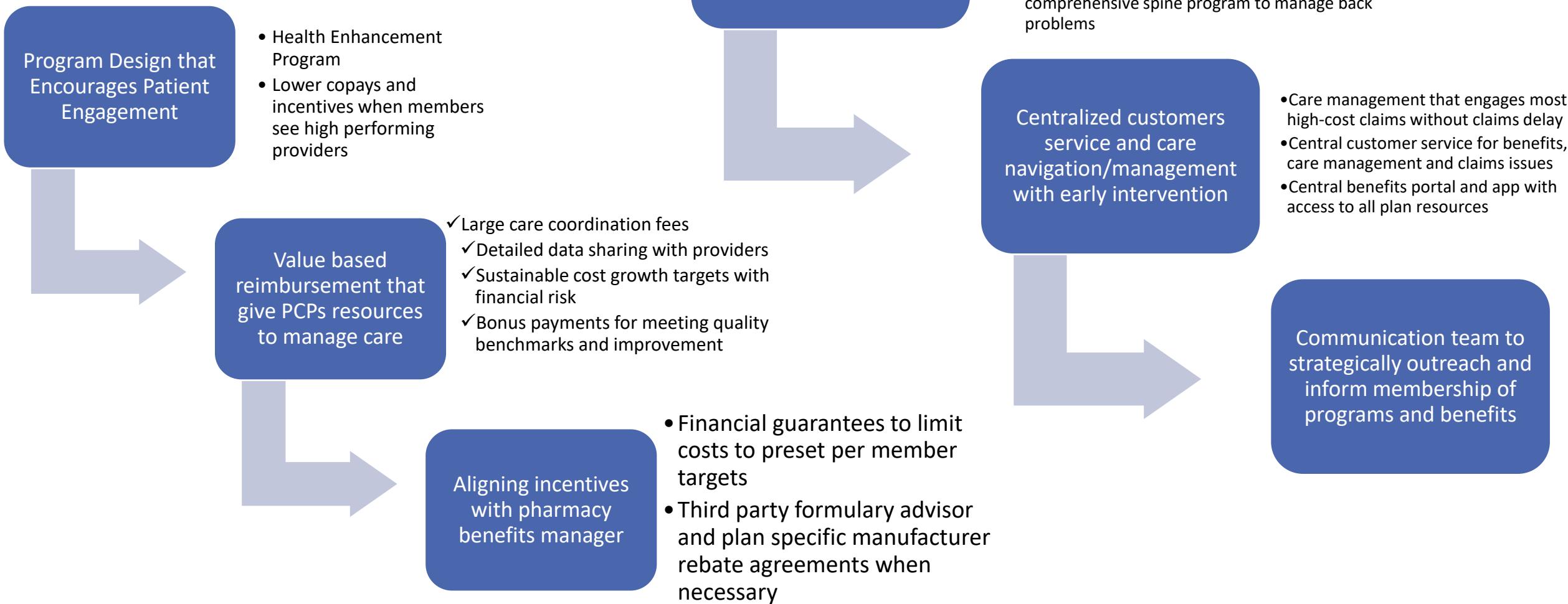
A bridge with a truss structure is illuminated from below, casting a warm glow and creating a reflection in the dark water below. The sky is dark, suggesting it's nighttime.

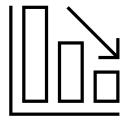
2024 Rate Renewal

2024 Rate Renewal

- Renewal rate letters were sent to groups last week and the SPP website was updated with the renewal rates
 - 2% Increase for Actives
 - 3% Average increase for non-Medicare retirees
- Dental renewal average 4% increase
- Vision renewal 0% change

Great Benefits, better member outcomes at a Sustainable Cost





Sustainable Costs

- FY 25 trend factors unique to the state plan
 - Medical
 - Primary care groups at financial risk to keep trend at or below 4%
 - First full year of early intervention initiatives with potential high cost claimants
 - Improved provider lookup that highlights providers of distinction and other high performing PCPs and specialists as well as relevant programs
 - Pharmacy
 - Guaranteed negative pharmacy trend - per Pharmacy Benefit Manager Contract
 - Strategic Formulary Adjustment based on Comparative Effectiveness – Additional savings opportunities from adjusting the formulary to prefer drugs with lower cost and higher clinical effectiveness – projecting additional tens of millions in savings in each of the next two years

Financial Overview

Actives & Non-Medicare Retirees

All Plans

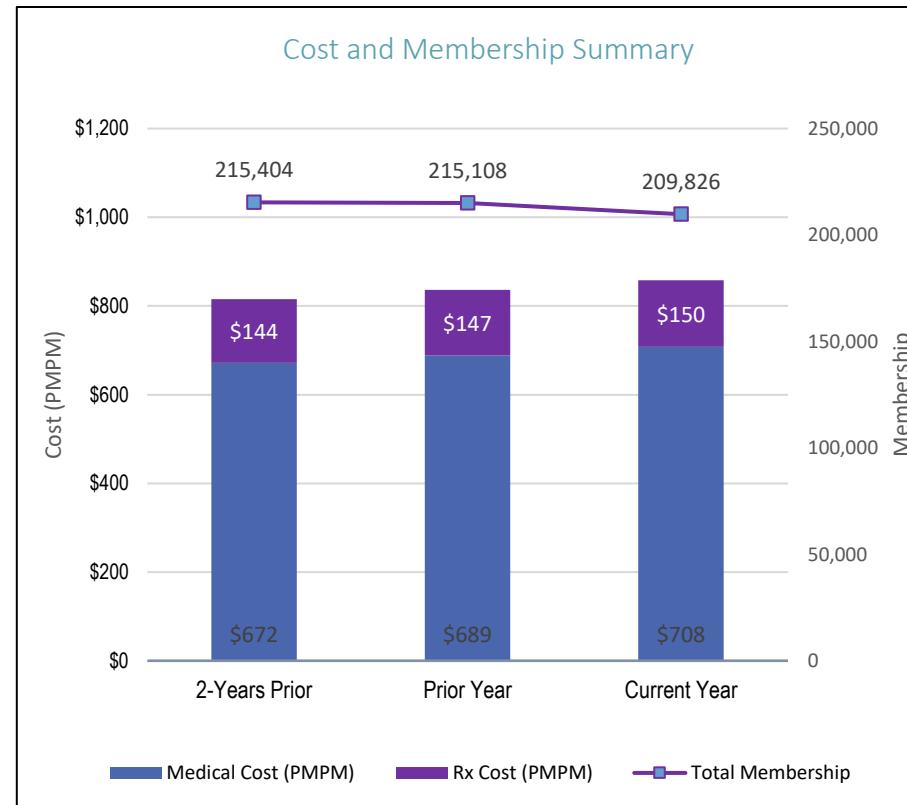
Claims Summary¹

	Total Cost (PMPM)	% of Total Cost	Current Trend
Medical	\$707.99	82%	▲ 2.8%
Inpatient Facility	\$130.65	15%	▼ 4.6%
Outpatient Facility	\$284.01	33%	▲ 5.0%
Professional Services	\$271.93	32%	▲ 4.4%
Ancillary	\$21.38	2%	▲ 2.2%
Pharmacy²	\$150.28	18%	▲ 2.0%
Total Cost	\$858.27		▲ 2.7%

Drivers of Trend

Service Category	Current PMPM	Prior PMPM	Change
Inpatient - Surgery	\$55.55	\$64.79	▼ \$9.24
Outpatient - Surgery	\$89.97	\$80.76	▲ \$9.21
Outpatient - Lab/Pathology	\$9.13	\$12.99	▼ \$3.86
Prescription Drugs - Brand	\$83.50	\$80.12	▲ \$3.39
Professional - Lab/Pathology	\$17.05	\$19.92	▼ \$2.87

Cost and Membership Summary



Observations

- PMPM medical costs have increased 2.8% Year-over-Year ("YoY") and accounted for 82% of total spend.
- PMPM Rx costs have increased 2.0% YoY and accounted for 18% of total spend.
- The second table above illustrates the top 5 drivers of trend. Inpatient - Surgery was the top driver of spend on a PMPM basis, decreasing \$9.24 PMPM over last year.

¹ Reflects paid claims through January 2024. Claims for the current period have been completed using a factor of 0.95

² Pharmacy costs reflect PrudentRx savings and other direct manufacturer savings.



Questions?

Please remain on mute and use the chat function.

The presentation will be posted to the Partnership Site: [The CT Partnership Plan 2.0](http://The%20CT%20Partnership%20Plan%202.0)

osc.ct.gov/ctpartner

Appendix

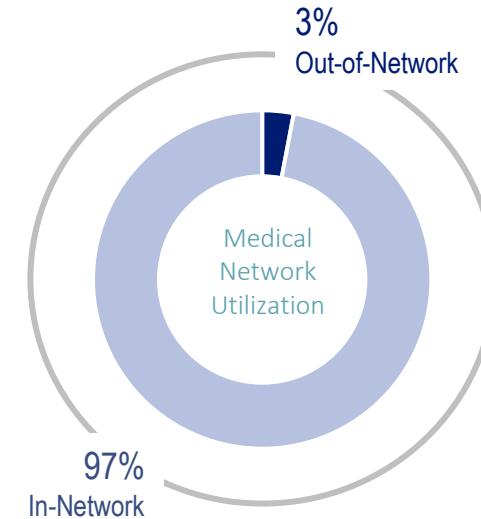
- State of CT & Partnership Utilization Dashboard
 - Key Utilization Metrics
 - Disease Prevalence
 - Care Gaps & Compliance Rates
 - High-Cost Claimants

Actives & Non-Medicare Retirees

All Plans

Key Utilization Metrics

Category (Utilization per 1,000)	Current Period	Prior Period	% Change
Office Visits	4,874	4,969	-1.9%
Preventive Services	4,544	4,627	-1.8%
Inpatient Admissions	70	66	5.3%
Average Cost Per Admission	\$22,448	\$24,785	-9.4%
Emergency Room (ER) Visits	203	197	3.4%
Average ER Visit Cost	\$2,825	\$2,856	-1.1%
Urgent Care (UC) Visits	386	438	-11.9%
Average UC Visit Cost	\$225	\$209	7.7%
Rx Scripts	11,622	11,425	1.7%
Average Cost ¹ per Script	\$155	\$155	0.3%



Observations

- Office visits per 1,000 decreased 1.9% YoY, while preventive services decreased 1.8% YoY.
- Inpatient admissions per 1,000 increased 5.3% YoY, and average cost per admission decreased 9.4% YoY.
- ER visits per 1,000 increased 3.4% YoY, the average cost per visit remained relatively stable YoY.
- Urgent care visits per 1,000 decreased 11.9% YoY, while the average cost per visit increased 7.7% YoY.
- Rx scripts per 1,000 increased 1.7% YoY, and unit cost trend remained relatively stable YoY.

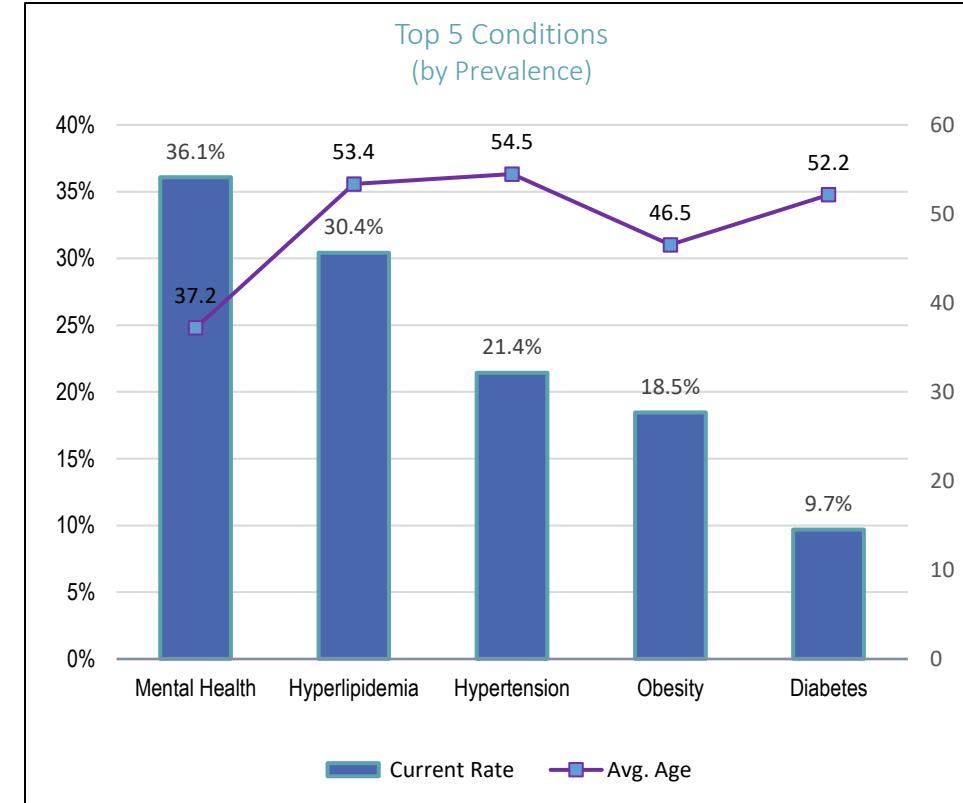
¹ Pharmacy costs reflect PrudentRx savings and other direct manufacturer savings.

Actives & Non-Medicare Retirees

All Plans

Disease Prevalence (sorted by prevalence)

Chronic Condition	Current Rate	Prior Rate
Mental Health	36.1%	35.3%
Hyperlipidemia	30.4%	29.1%
Hypertension	21.4%	20.9%
Obesity	18.5%	17.1%
Diabetes	9.7%	8.0%
Asthma	7.4%	6.9%
Substance Abuse	4.1%	4.2%
Coronary Artery Disease (CAD)	3.0%	2.8%
Breast Cancer	1.0%	0.9%
Chronic Obstructive Pulmonary Disease (COPD)	0.6%	0.6%
Prostate Cancer	0.5%	0.5%
Congestive Heart Failure (CHF)	0.4%	0.4%
Colorectal Cancer	0.2%	0.2%
Cervical Cancer	0.0%	0.0%



Observations

- Mental health remained the State's top disease condition with 36.1% of total members (prevalence) and has increased 0.8 percentage points (pp) YoY.
- Continuing increases in Hyperlipidemia, Obesity, and Diabetes

Actives & Non-Medicare Retirees

All Plans

Care Gaps and Compliance Rates

Chronic Condition	Clinical Quality Metrics	All Members			Gender Distribution	Compliance Rate by Gender	
		Population	Current Period	Change (pp)		F	M
Diabetes	At least 1 hemoglobin A1C test	20,222	82%	▼ 0.6	82%	56%	44%
	Screening for diabetic nephropathy	20,222	66%	▼ 2.8	62%	56%	44%
	Screening for diabetic retinopathy	20,222	55%	▼ 0.7	25%	56%	44%
Hypertension	On anti-hypertensives and serum potassium	28,372	65%	▲ 0.0	61%	42%	58%
Hyperlipidemia	Total cholesterol testing	63,438	80%	▲ 1.2	72%	48%	52%
COPD	Spirometry testing	1,306	38%	▲ 2.4	26%	54%	46%
CAD	Patients currently taking an ACE-Inhibitor or ARB Drug	6,248	40%	▼ 1.3	41%	34%	66%
	Patients currently taking a statin	6,248	81%	▲ 0.3	70%	34%	66%
Preventive Screening	Breast cancer	53,439	68%	▲ 2.3	56%	100%	68%
	Cervical cancer	86,864	52%	▲ 0.3	46%	100%	52%
	Colorectal cancer	69,462	56%	▲ 2.1	41%	54%	46%
	Prostate cancer	31,900	70%	▲ 1.9	38%	100%	70%

Observations

- All preventive screening compliance rates are critically important. Early detection of chronic conditions gives the patient a higher probability of a positive outcome. Expensive treatments in the future can be avoided if these conditions are caught/managed early.
- Noticeable increases in all preventive screening rates.
- While some of compliance rates are down YoY, the State's compliance rates remain favorable in all categories when compared to the SHAPE BoB.
- The Plan should continue to frequently communicate the value and importance of preventive screenings.

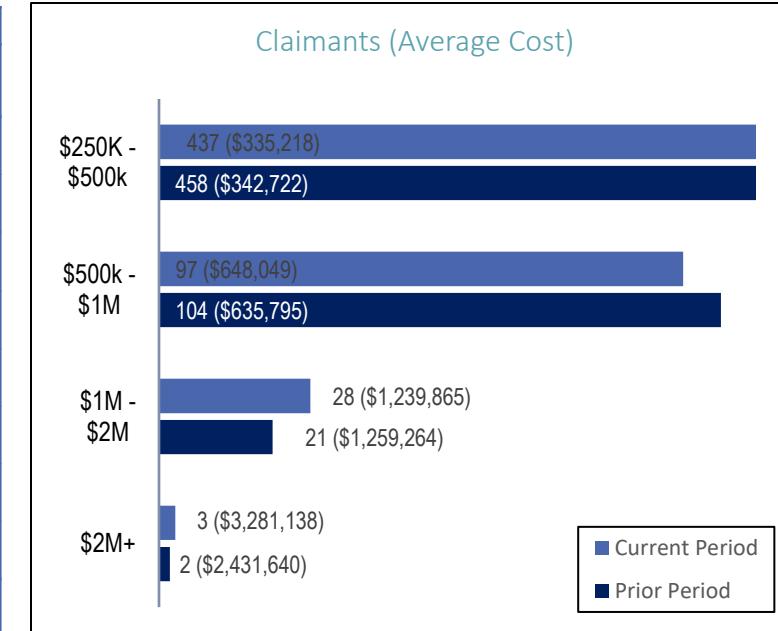
¹ SHAPE Book-of-Business reflects compliance rates for calendar year 2022. Compliance statistics have not been adjusted for risk or severity

Actives & Non-Medicare Retirees

All Plans

High-Cost Claimants (Medical & Rx \$250k+)

Category (sorted by Members)	Current Period		Prior Period	
	Claimants	Cost per Claimant	Claimants	Cost per Claimant
Episodic w/ Underlying Health Conditions ¹	162	\$465,848	178	\$437,910
Non-Screenable Cancer	119	\$518,232	136	\$454,621
Chronic	114	\$410,683	100	\$484,014
Screenable Cancer	66	\$409,865	82	\$393,194
Rx Dominant	66	\$412,813	66	\$381,830
Mental Health	18	\$378,611	14	\$348,712
Episodic w/o Underlying Health Conditions ¹	16	\$461,181	7	\$434,991
Substance Use Disorder	4	\$366,321	2	\$424,880
Total High-Cost Claimants	565	\$449,399	585	\$434,867



Observations

- 565 claimants exceeded the \$250k in combined medical and Rx spend during the current period. Compared to 585 in the prior period.
- Episodic w/ Underlying Health Conditions was the top category with about 29% of high-cost claimants falling into this category. Non-Screenable Cancer was the second highest category.
- Rx dominant, which reflects claimants exceeding the threshold mainly due to prescription drug costs rather than medical costs, ranked third.

¹ Underlying conditions reflect members with the following conditions: Mental Health, Hyperlipidemia, Hypertension, Obesity, Diabetes, Asthma, Substance Abuse, Coronary Artery Disease (CAD), Chronic Obstructive Pulmonary Disease (COPD), and Congestive Heart Failure (CHF).