



Healthcare Update

July 14, 2025

Agenda



- Public Comment
- Financials (Rae-Ellen)
- Partnership (Bernie)
- High-level utilization (Josh)
- Communications (Betsy)
- Behavioral Health RFP (Lisa)
- MAPD RFP (Rae-Ellen)



Public Comment

Financials



FY 2024-2025 Anticipated Year End Health Account Balances	
Budget Review FY 2024-2025 Year End	
Active Employee Healthcare Appropriation	
Projected Appropriation Balance:	\$ 29,633,154.09
Active Employee Healthcare FAD Accounts	
Projected Active Health FAD	\$ 32,571,215.45
Projected Active Rx FAD	\$ -1,964,490.53
Combined FAD Balances:	\$ 30,606,724.92
Retired Employee Healthcare Appropriation	
Projected Appropriation Balance:	\$ 8,098,653.84
Retired Employee Healthcare OPEB FAD Accounts	
Projected Retiree Health	\$ 169,713,690.57
Projected Retiree Rx	\$ 32,955,873.80
Combined FAD Balances:	\$ 202,669,564.37

Partnership



Partnership 2.0

As of 7/1/25 we have 185 groups enrolled totaling approximately 29,000 employees and just over 67,000 members.

We scheduled 2 quarterly update meetings for existing groups in July, one is on 7/22 at 9 am and the other 7/23 at 2 pm. We will be going over financials as well as 2024 HEP compliance billing.

Partnership 1.0

As of 7/1/25 we still have 4 groups remaining totaling approximately 2,300 employees and 3,000 members.

Actives & Non-Medicare Retirees

All Plans

Claims Summary¹

	Total Cost (PMPM)	% of Total Cost	Current Trend
Medical	\$791.73	82%	▲ 8.3%
Inpatient Facility	\$158.62	16%	▲ 7.7%
Outpatient Facility	\$309.14	32%	▲ 8.1%
Professional Services	\$302.30	31%	▲ 9.5%
Ancillary	\$21.67	2%	▼ 1.3%
Pharmacy	\$178.86	18%	▲ 14.5%
Total Cost	\$970.59		▲ 9.4%

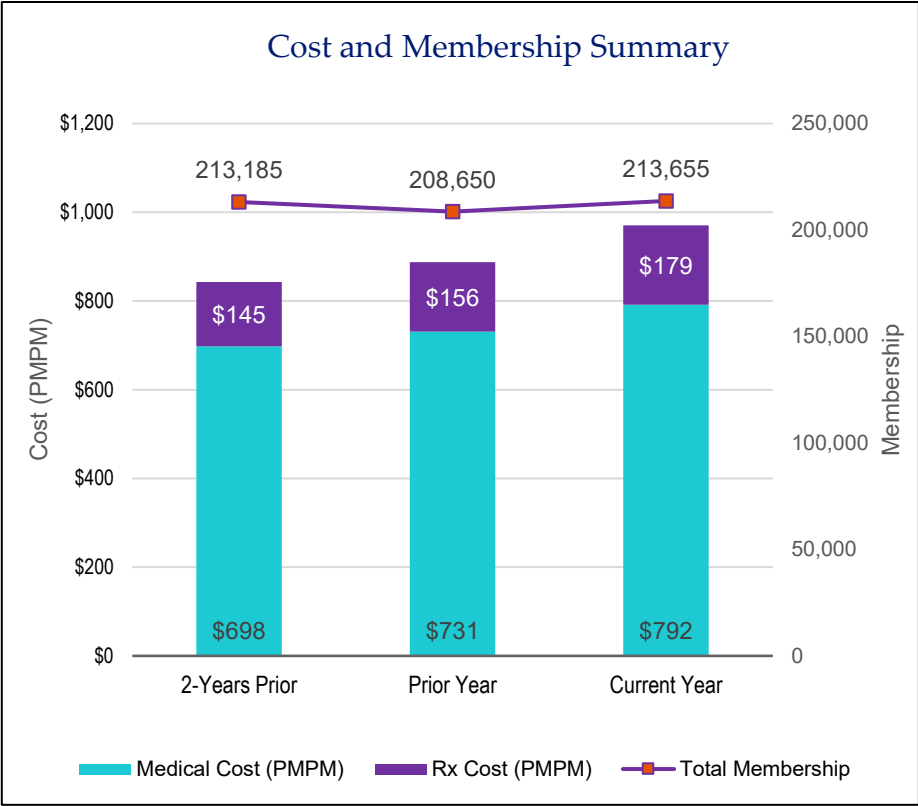
Drivers of Trend

Service Category	Current PMPM	Prior PMPM	Change
Pharmacy - Specialty	\$60.92	\$40.01	▲ \$20.91
Outpatient - Pharmacy	\$60.46	\$52.75	▲ \$7.71
Outpatient - Surgery	\$98.10	\$90.75	▲ \$7.35
Professional -E&M	\$57.33	\$50.30	▲ \$7.03
Prescription Drugs - Brand	\$93.01	\$87.57	▲ \$5.44

Observations

- PMPM medical costs have increased 8.3% Year-over-Year (“YoY”) and accounted for 82% of total spend.
- PMPM Rx costs have increased 14.5% YoY and accounted for 18% of total spend.
- The second table above illustrates the top 5 drivers of trend. Pharmacy - Specialty was the top driver of spend on a PMPM basis, increasing \$20.91 PMPM over last year.

Cost and Membership Summary



1 Reflects paid claims through May 2025. Claims for the current period have been completed using a factor of 0.95

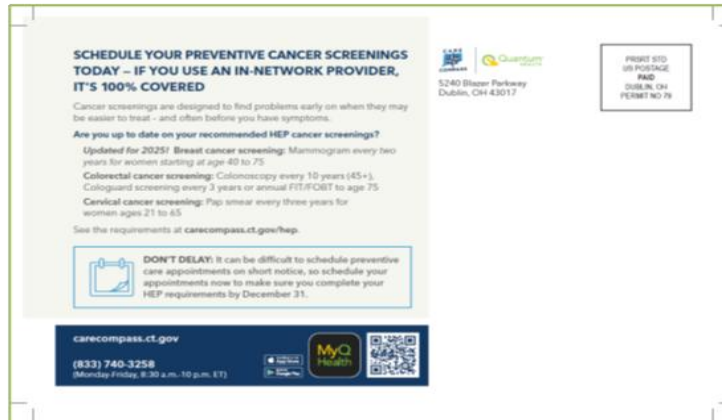
Monthly All-User Impact



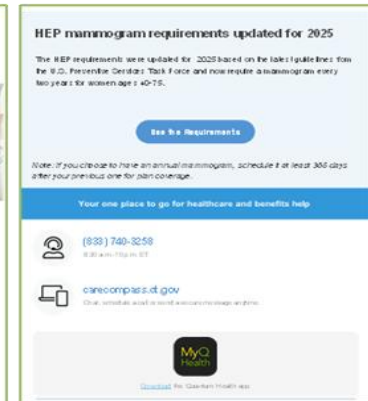
Email Topic	Sent*/Group	Subscribed Audience	Open Rate	Total Clicks	CTOR
Wellbeing /Chronic Condition Seminars	State –June 3	36,296	21%	2,659	6%
	State personal-June 4	71,569	52%	1,393	3%
	SPP - June 3	21,619	56%	390	3%
Providers of Distinction New POD providers/new incentive process)	State –June 25	37,233	27%	4,554	10%
	State personal –June 26	71,349	41%	1,296	7%
	SPP - June 26	21,587	59%	1,904	10%
New Plan Year Begins 2025-2026	State – July 1	37,155	25%	5,974	16%
	State Personal- July 1	71,405	56%	4,725	14%
	SPP- July 1	21,550	60%	2,620	14%



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Behavioral Health RFP



Lyra Health has been chosen

- Go-live date: **November 1**
- Implementation planning underway



About Lyra Health

- Mental health program offering evidence-based therapy, coaching, and self-care resources
- Network of high-quality providers with virtual and in-person care options in Connecticut
- Focus on fast access to care and measurable outcomes

Communications Strategy

- Co-developing rollout plan with Comptroller/ Executive Team
- Multi-channel approach to ensure awareness and engagement among members

Directly Aligned with the State's Goals

Lyra's Comprehensive Mental Health Solution



Superior Member Experience

95%

member satisfaction

Lower Medical Plan Costs

25%

less than health plan therapy
(per member in care)

Partnership Excellence

98%

renewal rate with customers

Proven Outcomes

9/10

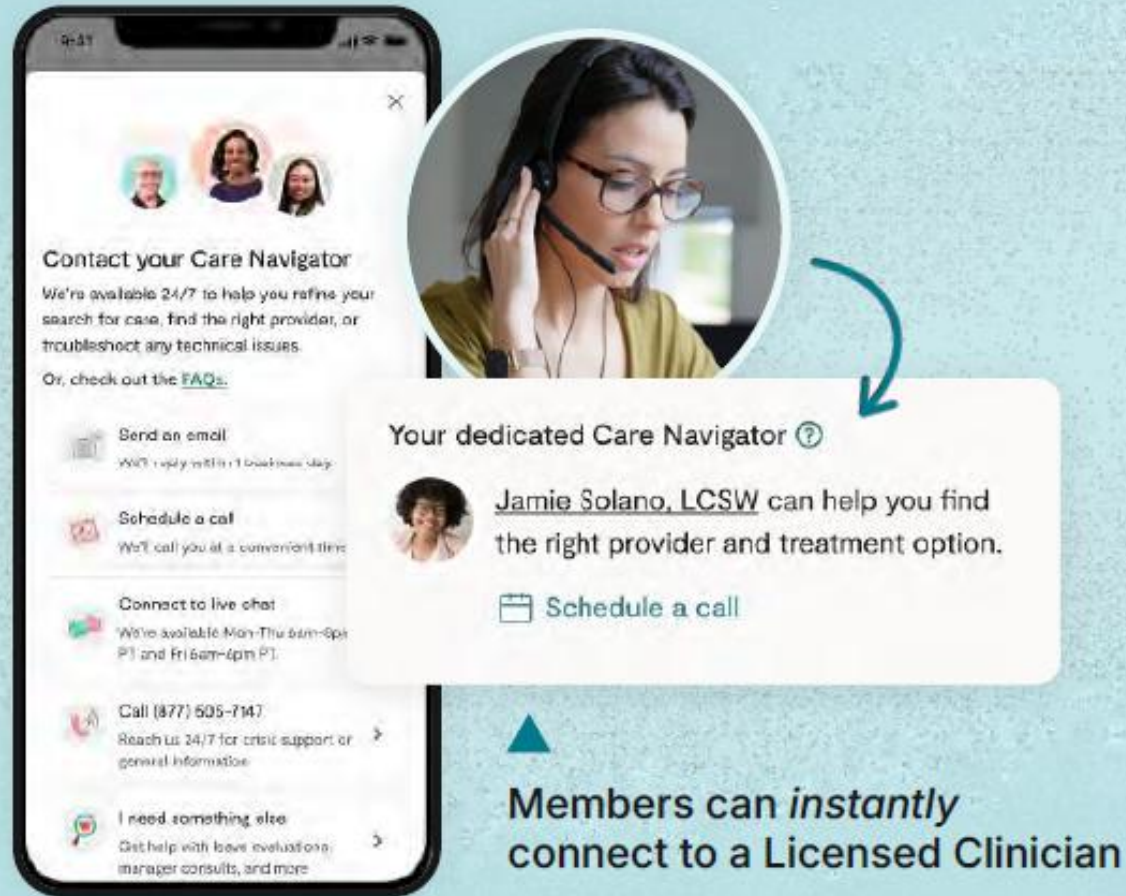
Lyra members clinically improve

Faster Access

1 Day

to first appointment

Lyra provides 24/7 access to high-touch concierge care navigator



- Dedicated number answered by live Lyra resource
- Crisis support available 24/7 with **in-house** Lyra clinicians
- Care navigators support members throughout their journey
- Warm transfer to other State benefits
- Unlimited manager consultations
- Resource coordination for SDOH and Neurodiversity
- Specialized navigation for complex needs

Retiree Health – Medicare RFP



Bids Were Received From:

- Aetna, Humana, OptumRx, and UnitedHealthcare



Aetna has been chosen

- Re-implementation is underway

Highlights

- Lowest Cost/Highest CMS Rating
- Medical and Prescription services will be unbundled resulting in a savings of nearly \$316M over 3 years as compared to fully insured MAPD fully integrated product
- Savings of \$42.9M over last best offer prior to RFP year 1 and \$30.2M year 2
- Performance Guarantees Added/Updated:
 - Audit 200 denied prior authorizations quarterly and will identify opportunities with us for improvement
 - If Medical Loss Ratio is less than 92.5% Aetna will refund the State 100% of the difference
- By continuing services with our incumbent, implementation is limited to re-contracting



Questions and Comments



Adjourn