

## **MEMORANDUM**

**TO:** Health Care Commission  
Dr. DeAngela Burns-Wallace  
Steve Dechant  
Dr. Ximena Garcia  
Vicki Schmidt  
Heather Young

**FROM:** Mike Michael

**DATE:** August 16, 2019

**SUBJECT:** **Aetna Medicare Advantage Plan Rates**

Aetna Medicare Advantage PPO ESA plans provide Medicare Part A, Part B and Part D prescription drug benefits coverage all in one. The Aetna Medicare Advantage PPO Plans with an Extended Service Area (ESA) offers comprehensive coverage, all in one plan. The plans provide routine physicals to preventive care beyond Original Medicare and hospitalization is covered, the member has the flexibility to visit a doctor or hospital of their choice. If the provider does not participate in the Aetna Medicare network, but is willing to accept the PPO plan and is eligible to receive Medicare payment, the member can receive covered services at the same network cost sharing amount.

Direct bill members currently have the option of selecting the fully insured Aetna Medicare (Part C) options, Aetna Medicare Freedom, Aetna Medicare Liberty or the Aetna Medicare Elite. In Plan Year 2019 all three plan options have the choice of Aetna Standard Part D, Aetna Value or Aetna Premier prescription drug coverage. Beginning with Plan Year 2020 the only option will be the Standard Part D.

Current enrollment numbers:

Aetna Medicare Advantage PPO ESA Plans	Aetna Part D (Premier)	Aetna Part D (Value)	Aetna Part D (Standard)	Total Enrolled
Freedom Plan	47	11	589	647
Liberty Plan	4	4	41	49
Elite	17	5	44	66
				759

The Health Insurer Fee (HIF) will be returning for 2020 and does significantly impact the Medicare plans. The table provides the rates with and without the HIF, so you see the impact of the HIF. It represents 2.6% of total revenue, not just the Aetna premium amount.

The ACA established the HIF to help fund lower-income families and individuals who will receive federal subsidies toward the purchase of insurance.

Direct bill members pay the entire premium for their coverage.

Current Plan Year 2019 rates and Plan year 2020 rates:

<b>Aetna Medicare Advantage Plan Name</b>	<b>Plan Year 2019</b>	<b>Plan Year 2020 No HIF</b>	<b>Plan Year 2020 With HIF</b>
<b>Freedom</b> with Aetna Standard Part D	\$140.88	\$146.98	\$176.26
<b>Liberty</b> with Aetna Standard Part D	\$172.68	\$181.17	\$208.06
<b>Elite</b> with Aetna Standard Part D	\$202.66	\$215.16	\$243.43

Aetna Medicare has advised the health plan there are no changes in the plan designs for plan year 2020.

**Recommendation:**

Staff recommends approval of the Aetna Medicare Advantage Plan Freedom, Liberty and Elite rates with the Standard Part D for 2020.

## Plan Year 2019 Retiree/Direct Bill Health Plan Comparison Chart - Medicare Options

The benefits below are applicable for both Network and Non-Network Providers.	Aetna Medicare Plans Preferred Provider Organization (PPO ESA) with any Aetna Part D prescription drug		
	Freedom	Liberty	Elite
<b>Basic</b>			
<b>Provider Choice</b>	Freedom to use provider of choice, benefits based on plan description: coverage level based on provider network status		
<b>Co-insurance</b> (for all eligible expenses, unless otherwise noted)	\$0	\$0	
<b>Deductible</b>	\$0	\$0	\$150 (ER, US Ambulance & Preventive excluded)
<b>Network Annual Out-of-Pocket Maximum</b>	\$1,000	\$500	\$150
<b>Lifetime Benefit Maximum</b>	No Limit	No Limit	No Limit
<b>Network Providers Only Amounts Above Plan Allowance</b>	Provider to Write Off	Provider to Write Off	Provider to Write Off
<b>Members must enroll in a Part D program offered by the SEHP with Aetna Medicare products</b>			
<b>Aetna Standard Part D</b>	Aetna Part D See page 32	Aetna Part D See page 32	Aetna Part D See page 32
<b>Aetna Part D Value and Premier</b>	Aetna Medicare Freedom Part D See Page 33-34	Aetna Medicare Freedom Part D See Page 33-34	Aetna Medicare Freedom Part D See Page 33-34
<b>Covered Services</b>			
<b>Inpatient Hospital Services</b>	\$150 Co-pay per day up to 5 days	\$0	\$0
<b>Outpatient Surgery</b>	\$150 Co-pay	\$0	\$0
<b>Skilled Nursing Facility</b>	Day 1-20 - \$0 per day Days 21-100 - \$167.50 per day	Day 1 - 20 - \$0 per day Days 21-100 - \$75 per day	\$0

## Plan Year 2019 Retiree/Direct Bill Health Plan Comparison Chart - Medicare Options

<i>The benefits below are applicable for both Network and Non-Network Providers.</i>	<b>Aetna Medicare Plans Preferred Provider Organization (PPO ESA) with any Aetna Part D prescription drug</b>		
	<b>Freedom</b>	<b>Liberty</b>	<b>Elite</b>
<b>Covered Services Continued</b>			
<b>Specialist</b>	\$25	\$30	
<b>Physician Hospital Visits</b>	Included in the inpatient services Co-pay	Included in the inpatient services Co-pay	
<b>Office Visits</b>			
Primary Care Provider	\$10	\$15	\$0
Specialist	\$25	\$15	\$0
<b>Major Diagnostics Tests*</b>	\$0 - \$150	\$0 - \$200	\$0
<b>Durable Medical Equipment</b>	20% Co-insurance	20% Co-insurance	\$0
<b>Home Health Care</b>	\$0	\$0	\$0
<b>Hospice</b> <i>limited to six months</i>	Services covered under Regular Medicare	Services covered under Regular Medicare	Services covered under Regular Medicare
<b>X-Ray and Laboratory Services</b>	\$0	\$15	\$0
<b>Outpatient Physical Rehabilitation Services:</b> <i>(services limited to those medically necessary and appropriate: medical records must show continued improvement)</i>	\$0 Co-pay	\$15 Co-pay	\$0
<b>Mental Illness and Drug or Alcohol Treatment</b>	Same coverage as Medical	Same coverage as Medical	Same coverage as Medical
<b>Chiropractic</b>	\$20 Co-pay	\$15 Co-pay	\$0
<b>Urgent Care Center</b>	\$30 Co-pay, worldwide coverage	\$15 Co-pay, worldwide coverage	\$0
<b>Emergency Room Visits</b>	\$80 Co-pay (waived if admitted)	\$50 Co-pay (waived if admitted)	\$0

## Plan Year 2019 Retiree/Direct Bill Health Plan Comparison Chart - Medicare Options

*The benefits below are applicable for both Network and Non-Network Providers.*

### Aetna Plans Preferred Provider Organization (PPO ESA) with any Aetna Part D prescription drug

Freedom

Liberty

Elite

### Covered Services Continued

<b>Ambulance Services</b>	\$100	\$15	\$0
<b>Allergy Testing</b>	\$10 Co-pay for PCP; \$25 Co-pay for specialist	\$15	\$0
<b>Antigen Administration: desensitization/treatment; allergy shots</b>	\$10 Co-pay for PCP; \$25 Co-pay for specialist	\$15	\$0
<b>Preventive Care **</b>			
<b>Age Appropriate Routine Physical Exam</b>	\$0	\$0	\$0
<b>Covered Immunizations</b>	\$0	\$0	\$0
<b>Well-Woman Care:</b>	\$0 <b>Limitation:</b> one pap and pelvic exam every two years	\$0 <b>Limitation:</b> one pap and pelvic exam every two years	\$0
<b>Well-Man Care:</b>	\$0	\$0	\$0
<b>Routine Hearing Exam - Limit one per year</b>	\$0	\$0	\$0
<b>Hearing Aids - Limit allowance every 12 months</b>	\$500 allowance	\$500 Allowance	\$500 Allowance
<b>Routine Vision Exam - Limit one per year</b>	\$0	\$0	\$0
<b>Eye Glasses or Contacts</b>	Not covered	Not covered	Not covered
<b>Dental Preventive Exam - Excludes Restorative</b>	Not covered	Not covered	Not covered

\***Major Diagnostic Tests** include, but are not limited to: PET scans, CT scans, nuclear cardiology studies, magnetic resonance angiography and computerized topography angiography. Most major diagnostic tests require pre-approval by the Health Plan.

\*\* **Other Preventive Care** - please refer to the Benefit Summary located on our website at [www.kdheks.gov/hcf/sehp/Vendors/AetnaMedicare.htm](http://www.kdheks.gov/hcf/sehp/Vendors/AetnaMedicare.htm)

The comparison chart is NOT the governing document. For complete information including **Non-Network Provider coverage**, members need to refer to each Provider's Benefit Description located on our website at [www.kdheks.gov/hcf/sehp/Vendors/AetnaMedicare.htm](http://www.kdheks.gov/hcf/sehp/Vendors/AetnaMedicare.htm)

Part D Plan Design Compare	Envision		Aetna
	Premier	Value	Standard
<b>Basic Plan Provisions:</b>			
Deductible		\$100	\$0
Initial Coverage Limit Coverage: (OOP \$ 4,020)	Yes	Yes	Yes
<b>Plan Benefit: 30 Day Supply</b>	<b>Retail/Mail</b>	<b>Retail/Mail</b>	<b>Retail only except Specialty is both retail and Mail</b>
Tier 1 Preferred Generic	25% to Max \$30/ 25% to Max \$30	\$12/\$12	\$2
Tier 2 Generic	25% to Max \$30/ 25% to Max \$30	\$16/\$16	\$6
Tier 3 Preferred Brand Name	25% to Max \$100/25% to Max \$100	\$42/\$42	\$47
Tier 4 Non Preferred Generic & Brand Name	50% to Max \$150/50% to Max \$150	\$86/\$86	\$100
Tier 5 Specialty - Limited to 30 day supply	25%/25%	25%/25%	33%
<b>Plan Benefit: 60 Day Supply</b>	<b>Retail/Mail</b>	<b>Retail/Mail</b>	<b>Retail only</b>
Tier 1 Preferred Generic	25% Max \$45/25% Max \$45	\$24/\$24	\$4
Tier 2 Generic	25% Max \$45/25% Max \$45	\$32/\$32	\$12
Tier 3 Preferred Brand Name	25% Max \$150/25% Max \$150	\$84/\$84	\$94
Tier 4 Non Preferred Generic & Brand Name	50% Max \$225/50% Max \$225	\$172/\$172	\$200
<b>Plan Benefit: 90 Day Supply</b>	<b>Retail/Mail</b>	<b>Retail/Mail</b>	<b>Retail/Mail</b>
Tier 1 Preferred Generic	25% to Max \$45/25% to Max \$45	\$24/\$24	\$0/\$0
Tier 2 Generic	25% to Max \$45/25% to Max \$45	\$32/\$32	\$18/\$18
Tier 3 Preferred Brand Name	25% to Max \$150/25% to Max \$150	\$84/\$84	\$141/\$141
Tier 4 Non Preferred Generic & Brand Name	50% to Max \$225/50% to Max \$225	\$172/\$172	\$300/\$300
<b>Gap Coverage (\$4,020 to \$6,350)</b>			
<b>Plan Benefit: 30 Day Supply</b>	<b>Retail/Mail</b>	<b>Retail/Mail</b>	<b>Retail</b>
Tier 1 Preferred Generic	25% to Max \$30/ 25% to Max \$30	\$12/\$12	\$2
Tier 2 Generic	25% to Max \$30/ 25% to Max \$30	\$16/\$16	\$6
Tier 3 Preferred Brand Name	25% to Max \$100/25% to Max \$100	25%/25%	25%
Tier 4 Non Preferred Generic & Brand Name	50% to Max \$150/50% to Max \$150	25%/25%	25%
Tier 5 Specialty - Limited to 30 day supply	25%/25%	25%/25%	33%
<b>Plan Benefit: 60 Day Supply</b>	<b>Retail/Mail</b>	<b>Retail/Mail</b>	<b>Retail/Mail</b>
Tier 1 Preferred Generic	25% Max \$45/25% Max \$45	\$24/\$24	\$4
Tier 2 Generic	25% Max \$45/25% Max \$45	\$32/\$32	\$12
Tier 3 Preferred Brand Name	25% Max \$150/25% Max \$150	25%/25%	25%
Tier 4 Non Preferred Generic & Brand Name	50% Max \$225/50% Max \$225	25%/25%	25%
<b>Plan Benefit: 90 Day Supply</b>	<b>Retail/Mail</b>	<b>Retail/Mail</b>	<b>Retail/Mail</b>
Tier 1 Preferred Generic	25% to Max \$45/25% to Max \$45	\$24/\$24	\$0/\$0
Tier 2 Generic	25% to Max \$45/25% to Max \$45	\$32/\$32	\$18/\$18
Tier 3 Preferred Brand Name	25% to Max \$150/25% to Max \$150	25%/25%	25%
Tier 4 Non Preferred Generic & Brand Name	50% to Max \$225/50% to Max \$225	25%/25%	25%
<b>2020 Catastrophic Coverage Limit \$6,350</b>			
Catastrophic Coverage:	Generics: greater of 5% Coinsurance \$3.60	Generics: greater of 5% Coinsurance \$3.60	Generics: greater of 5% Coinsurance \$3.60
	Brand: greater of 5% Coinsurance \$8.95	Brand: greater of 5% Coinsurance \$8.95	Brand: greater of 5% Coinsurance \$8.95

## Advantage Plans

5 Year History

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Freedom Plan with Standard Drug	\$188.00	\$156.00	\$156.00	\$184.00	\$140.88
Liberty Plan with Standard Drug		\$140.00	\$140.00	\$169.00	\$172.68
Elite with Standard Drug					\$202.66