

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:

Aetna Medicare Advantage Plan Name	Plan Year 2019	Plan Year 2020 No HIF	Plan Year 2020 With HIF
Freedom with Aetna Standard Part D	\$140.88	\$146.98	\$176.26
Liberty with Aetna Standard Part D	\$172.68	\$181.17	\$208.06
Elite 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.