

Follow Up Questions on the ASO Bid

We are responding to the questions from Commissioner Schmidt and Commissioner Sutton. Regarding the question on the increase required to meet the target reserve in 2030, we estimate that the increase would not really change if it were BCBSKS only as they currently have most of the enrollment and that amount is 8.6%. If we run the scenario with the savings estimate for Aetna only, we expect this would drop by approximately 4%, or close to 4.6%. This estimate is not a final estimate as we would need to change our model to incorporate more items and perhaps add some conservatism for a new carrier, but should provide a decent magnitude of expectation.

1. [Can the hospitals that are independent to each bid be listed? For example, can the list of hospitals that are exclusive to BCBSKS's network be identified and the same for Aetna?](#)

Segal pulled data directly from the detailed claims files, reflecting the SEHP's actual experience and utilization of providers and services during the 2025 plan year

- In the state of Kansas, there are 2 hospitals that are in the BCBSKS network but not in the Aetna Local First network: Rock Regional Hospital, LLC and Anew Health, LLC. These two hospitals represent 91 claims, 74 claimants, and \$185K.
- Outside of Kansas, there are 16 hospitals that are in the BCBS network but not in the Aetna Local First network. There is no hospital disruption in the state of Missouri. The 16 hospital disruptions in other states represent 37 claims, 27 claimants, and \$190K.
- Outside of Kansas, there are also 6 hospitals that are not currently in the BCBS network but would be in the Aetna Local First network, including Prime Healthcare Services – Kansas City, LLC.

2. [Are the provider discounts that are included in the materials guaranteed for the entirety three year contract?](#)

Both Aetna and BCBSKS offered discount guarantees for 3 years. Aetna's guaranteed discount remains flat throughout all 3 years. BCBSKS' BAFO guaranteed discount increases 0.2 percentage points per year. However, the amount at risk if they meet these guarantees is based on a percentage of admin fees which makes the guarantees small compared to the cost if they miss them. These calculations can be found on pages 18 and 19 in the HCC packet.

3. [How have the provider discounts for Aetna and BCBSKS varied over the past five years?](#)

Looking back over the most recent 3 procurement cycles – 2020, 2023, and 2026 – we are providing each carrier's baseline (actual) discount and repriced discount, based on detailed claims line data provided by each carrier in the last 3 procurements.

The tables, below, show the discount calculation for each of the procurement years. The detailed claims data received in each of the procurement years represents the SEHP's actual experience during the plan year just prior to the procurement year. Therefore, the 2020 "Baseline" discount reflects the actual discount achieved during the 2019 plan year. The Baseline discount calculation is based only on the SEHP's experience with that specific carrier, meaning Aetna's experience is much smaller than BCBSKS' experience because they have much smaller enrollment.

The "Repriced" discount is calculated after the carriers have repriced the SEHP's combined (Aetna and BCBSKS) total detailed claims data, and reflects the discount expected in the upcoming plan year. Therefore, the 2020 "Repriced" discount reflect the discount expected in 2021. The same methodology applies to each year in the tables below.

2020, 2023, and 2026 RFP Baseline and Repricing Results

Aetna Net Effective Discounts

	2020	2023	2026
Aetna CPOS II Baseline	62.0%	62.53%	63.9%
Aetna Repriced CPOS II Claims	55.5%	62.73%	64.9%
Aetna Repriced Local Best Claims	N/A	N/A	67.0%

BCBSKS Net Effective Discounts

	2020	2023	2026
BCBSKS Baseline	56.9%	60.7%	62.5%
BCBSKS Repriced Claims	56.9%	61.8%	61.0%

- Are OBGYN's included in either of the company's PCP listings? As noted, there still appears to be a wide disparity in the number of PCPs that contract with each provider. Is the provider listing an apples-to-apples comparison? If so, is it Segal's opinion that there are an adequate number of PCPs in Aetna's network?

In question 5.6.01 of the RFP, the SEHP defined the provider types to be included in PCP category: General Practice, Family Practice, Internal Medicine, Geriatrics and Physician Extenders (Physician Assistants and Advanced Practice Registered Nurses). OBGYN's are not included in the defined PCP provider types. Segal requested clarifications 2 times from BCBSKS and 4 times from Aetna prior to the HCC meeting, to ensure that Exhibit 8 reflects apples-to-apples data (we were waiting for the response from our 4th outreach, when we were asked about the provider detail during the 4/15 HCC meeting that we had not yet received and therefore were not able to update prior to

that meeting). However, there are still slight anomalies in the categorizations reflected in Exhibit 8. For example, one carrier may state that the specialist category includes Endocrinology, whereas the other carrier may provide a more detailed breakdown of Endocrinology-Diabetes & Metabolism and Endocrinology-Reproductive. This is not a problem exclusive to this state or procurement, but one we encounter often as we are dependent on carrier self-reported data.

Looking back at the 2023, the BCBSKS PCP count in the Exhibit 8 was around 8,700. In 2026, BCBSKS is now reporting 18,000+ PCPs. We find it unlikely that BCBSKS has actually added 10,000 PCPs since 2023. Rather than depending solely on the Exhibit 8 data provided by the carriers, Segal pulled data directly from the detailed claims files, reflecting the SEHP's actual experience and utilization of providers and services during the 2025 plan year.

- In the states of Kansas and Missouri, there are 238 PCPs that are in the BCBSKS network but not in the Aetna Local First network. These PCPs represent approximately 2,500 claims, 1,700 claimants, and \$740K. Many of these PCPs have 1 to 3 claims for the 2025 plan year. Viewing this list on a scaled basis:
 - 90% of dollars drops the number of disrupted PCPs to 80
 - 80% of dollars drops the number of disrupted PCPs to 45
 - 70% of dollars drops the number of disrupted PCPs to 24
 - The following 5 counties represent 75% of the disrupted PCPs:
 - Sedgwick County, KS: 70 PCPs
 - Johnson County, KS: 47 PCPs
 - Jackson County, MO: 35 PCPs
 - Wyandotte County, KS: 11 PCPs
 - Shawnee County, KS: 10 PCPs
- Outside of Kansas and Missouri, there are 184 PCPs that are in the BCBS network but not in the Aetna Local First network. These PCPs represent approximately 460 claims, 391 claimants, and \$65K.
- Positive disruption: In the states of Kansas and Missouri, there are 51 PCPs that are not currently in the BCBS network but would be in the Aetna Local First network.

Based on all data Segal has reviewed, we believe that Aetna does have an adequate number of PCPs.