

DEPARTMENT OF ADMINISTRATION  
OFFICE OF GROUP INSURANCE (OGI)

SEN COMMERCE & HR ~ JANUARY 18, 2024

## ENABLING STATUTES

### ■ I.C. 67-5760 – 67-5772

- Powers and duties
- Objectives and considerations
- Provide insurance to school districts
- Retiree medical eligibility and subsidy
- Perpetual appropriation
- Group Insurance Advisory Committee (GIAC)

- Website: <https://ogi.idaho.gov/group-insurance-advisory-committee/>

# OFFICE OF GROUP INSURANCE

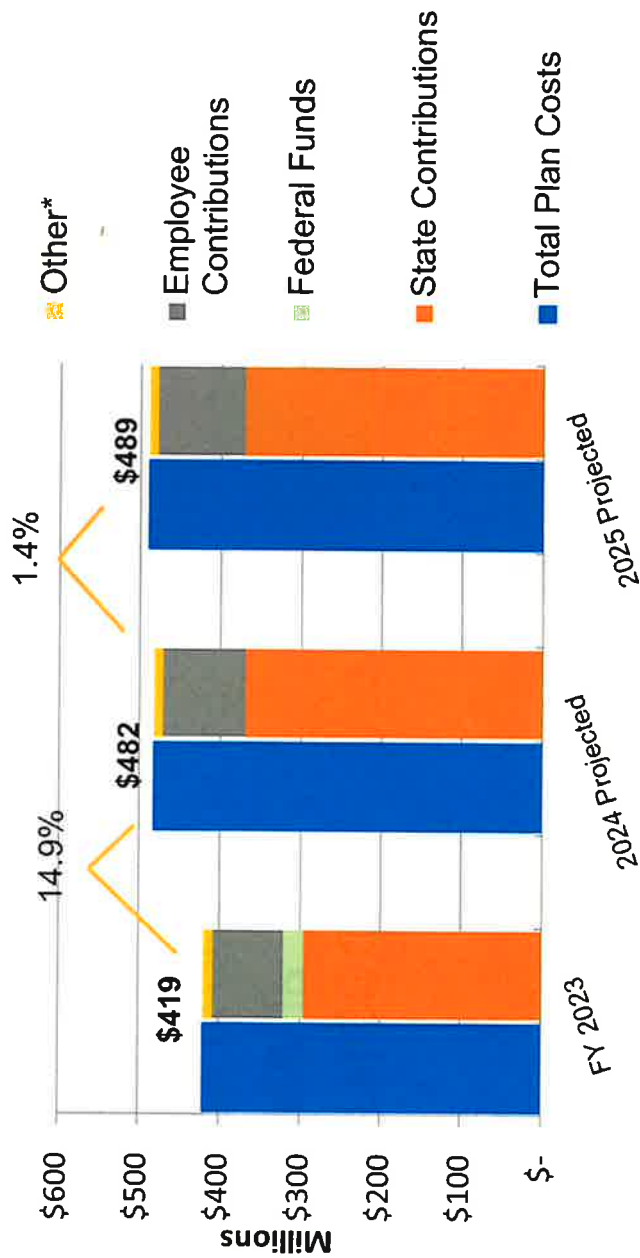
6 full-time employees

Administrator	Group Insurance Benefit Analyst	Group Insurance Specialist	2 Employee Benefits Specialists	Employee Benefits Technician	Two new FTE's requested
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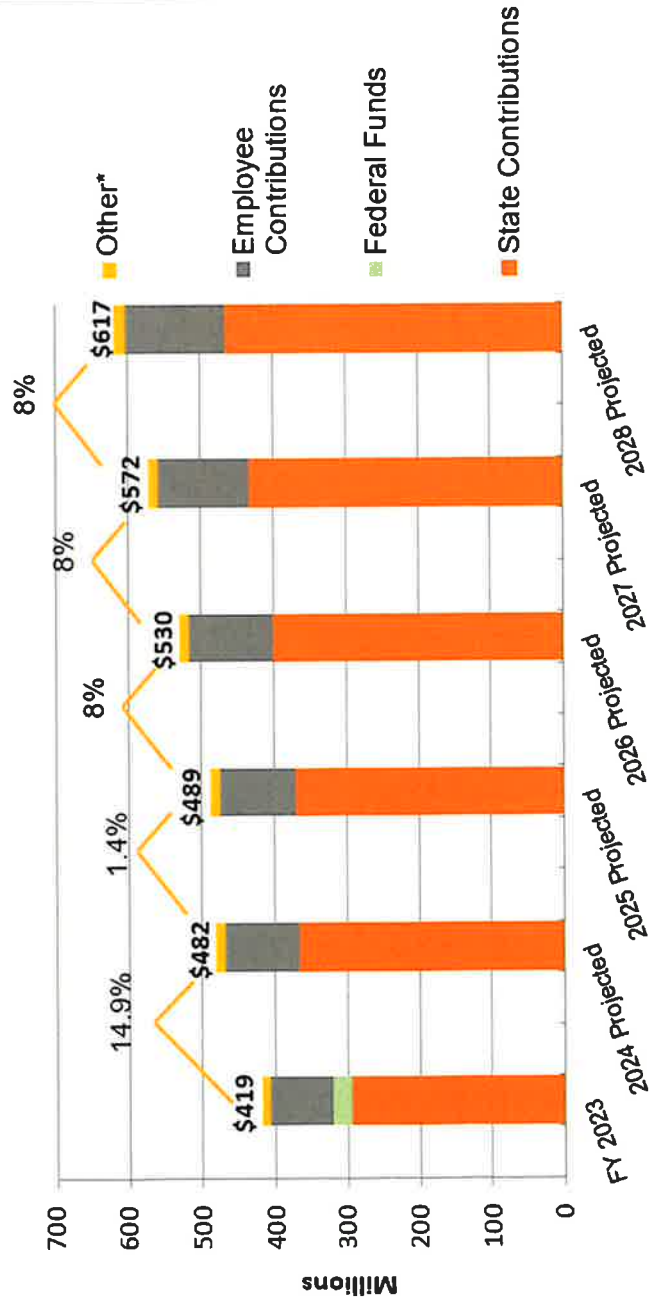


Annual personnel and operating  
budget for FY2024 \$991,300

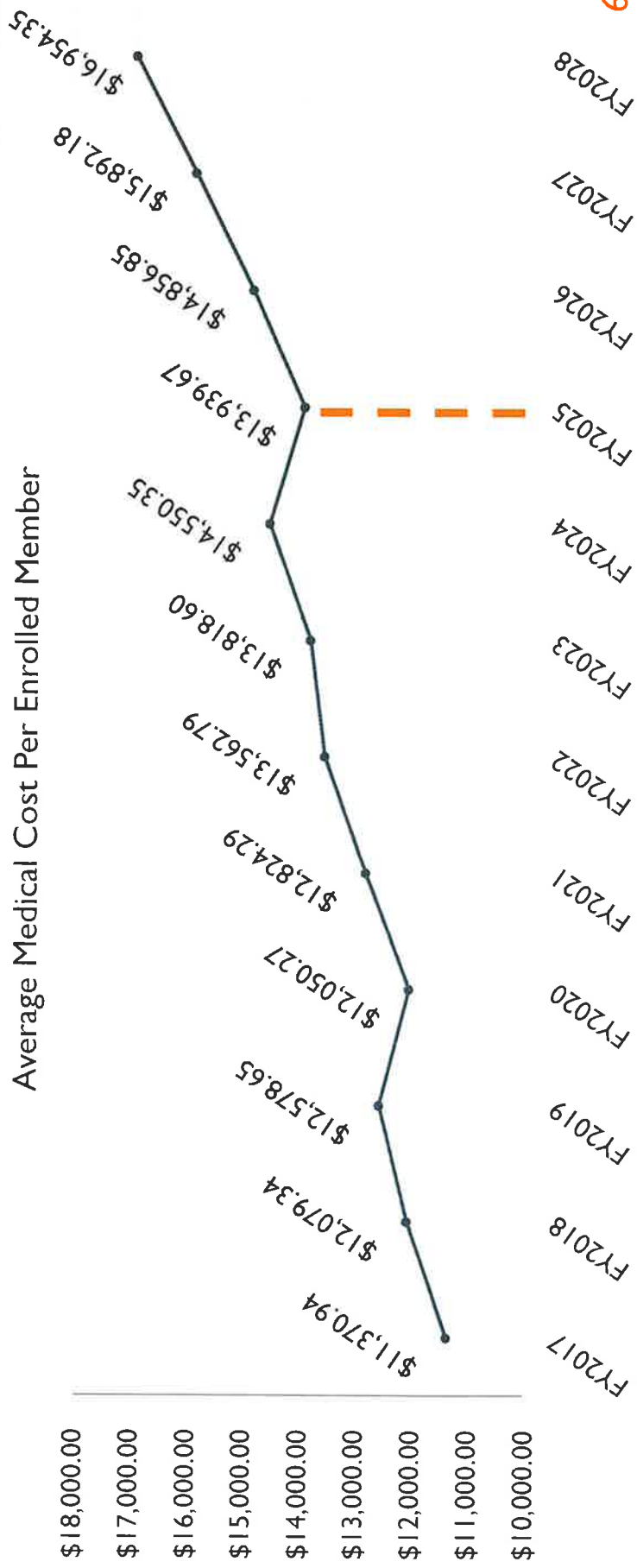
# PROJECTED FY25 COSTS WITH NEW CARRIER



# LOOKING INTO THE FUTURE



# AVERAGE COST PER ACTIVE EMPLOYEE ENROLLED IN MEDICAL



## HOW WE FUND THE PLAN & OGI

1. The Legislature appropriates funding for every benefit eligible FTE to be collected by OGI
2. The appropriation formula is:
  - + Dollars to pay medical and dental claims & administration costs; the statutory retiree premium subsidy; Health Savings Account (HSA) contributions; and the OGI operating budget.
  - Available dollars from appropriations for eligible employees who waive medical and/or dental coverage (Sweep)
  - Available dollars from reserves in excess of our 10% contingency requirement

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= Appropriation

## LBB APPROPRIATION COMPONENTS

Employer-Paid Health Insurance per Eligible Employee				
	FY 2023 Appropriation	FY 2024 Appropriation	FY 2025 Contractual 10% Minimum	FY 2025 Governor Recommendation
Health Insurance (medical, dental)	\$15,220	\$15,310	\$14,157	\$14,157
Retiree Subsidy	\$97	\$65	\$49	\$49
State HSA Contribution	\$0	\$50	\$37	\$37
Administrative Costs	\$41	\$39	\$47	\$47
Proposed Use of "Sweep" Funding	(\$1,162)	(\$1,186)	(\$1,115)	(\$1,115)
Proposed Use of Reserve Funding	(\$1,696)	(\$524)	(\$1,699)	(\$180)
<b>Annual Appropriation</b>	<b>\$12,500</b>	<b>\$13,750</b>	<b>\$11,480</b>	<b>\$13,000</b>

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## REGENCE BLUESHIELD OF IDAHO (RBSI) INFORMATION

- Regence is a nonprofit mutual health insurer. It serves more than 296,000 people across the state. RBSI is one of only three “Idaho domiciled” health insurers according to the Idaho Secretary of State
- RBSI is headquartered in Lewiston, since 1946
- RBSI has a corporate office in Boise, and satellite offices in Pocatello and Coeur d’Alene
- RBSI employs over 600 people in Idaho
- RBSI is guided by 100% Idaho-based board of directors
- RBSI’s Idaho network includes 454 in-network facilities (including ALL of Idaho’s Acute Care and Critical Access hospitals) and more than 13,200 providers

❖ **Current Benefit/Vendor**

- Three plans offered → Stays the same
- Deductibles → Stays the same
- Copays → Stays the same
- Vision serviced by VSP → Stays the same
- Prenatal Health Program → Similar program available
- Employee Wellness Program → Similar program enhanced with incentives
- BPA as the EAP provider → ComPysch will now service the EAP
- MDLive as the telehealth provider → Doc on Demand will now service telehealth
- Livongo as the Diabetes Management program → Omada will now service the Diabetes Mgmt Program
- BCI Standard Formulary → Regence Standard Formulary (there will be differences)
- ChoiceDocs Limited Network (BCI Propriety program) → Offering does not exist at Regence

❖ **New Benefit/Vendor**

- Digital Musculoskeletal Program (Hinge)
- Behavioral Health Digital Network Extenders

\* Not a complete list of programs from either carrier

## WHAT DOES THIS MEAN OPERATIONALLY TO IMPLEMENT

- OGI works with:
  - 3 online enrollment platforms
    - Luma, Employee Navigator and Nampa School District
    - Any agency not using one of these platforms utilizes a paper applications; about half the population
  - 56 payroll systems
    - Luma is one of them
    - Governor has recommended \$80k line item for SCO programming for updates
- Open Enrollment is April 22 – May 10

## KEY IMPLEMENTATION MILESTONES

- Confirm plan design (end of January)
- Prepare SBC's and other documents for DOI approval (end of February)
- Start broadly communicating to employees (March)
- Update all online enrollment systems for Open Enrollment (early April)
- Update all payroll systems for the June payroll (end of May)
- Conduct disruption Rx and medical analysis (February, April, June)
- Evaluate existing Rx and medical Prior Auths (April, May, June)
- Other efforts that aid in the effectiveness of this implementation:
  - Regence began working on the implementation in Fall 2023 in anticipation of the contract
  - Many of the early elements of implementation were addressed through the ITN process



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## BENEFITS PACKAGE

- **Active employee medical, pharmacy & dental**
  - PPO, Traditional, HDHP plan options
  - Vision benefit
  - Prescription drug coverage
  - Employee assistance program (EAP)
  - Wondr weight management
  - Livongo diabetes management
  - Case Management & Care Management
  - Cost Advisor/Transparency Tools
  - 24/7 Nurse Advice Line
  - Identity theft protection
  - Telemedicine
- **Basic life insurance & disability**
  - Short and long-term disability
  - Employee term Life and dependent life
  - Accidental death and dismemberment
  - Voluntary term life (VTL)
- **Retiree medical & pharmacy**
  - Limited eligibility
- **Flexible spending accounts (FSA)**
  - Health care flexible spending accounts
  - Daycare flexible spending accounts
- **Health Savings Accounts (HSA)**

## CARES & ARPA FUNDING RECAP

- FY21, \$10 M to the Office of Group Insurance for direct reimbursement for COVID-19 costs for state employees and their dependents; claims incurred after March 1, 2020
- FY21, additional approx. \$3 M in additional CARES funding was reimbursed in June 2021
- FY23, \$25 M in funds for unreimbursed claims. As of 12/31, \$16.4 M have been accounted for and anticipated to be fully expended by June 30, 2023
- FY24, \$21 M Legislature funded ARPA funds
- FY25, Returning the \$21 M in ARPA funds from FY24

