

PEBASM
SC Retirement Systems
and State Health Plan

South Carolina Public Employee Benefit Authority
Serving those who serve South Carolina

Meeting Agenda

**| Health Care Policy Committee | Finance, Administration, Audit and Compliance Committee
| Retirement Policy Committee | Board of Directors**

Wednesday, March 6, 2024 | 202 Arbor Lake Drive., Columbia, SC 29223 | 1st Floor Conference Room

Health Care Policy Committee | 9:30 a.m.

- I. Call to Order
- II. Approval of Meeting Minutes – December 6, 2023
- III. New Initiatives in the New Medical Claims Administration Contract
- IV. Hello Heart Program Review
- V. State Health Plan Benchmark Review
- VI. State Health Plan Amendment
- VII. Old Business/Director's Report
- VIII. Adjournment

Notice of public meeting

This notice is given to meet the requirements of the S.C. Freedom of Information Act and the Americans with Disabilities Act. Furthermore, this facility is accessible to individuals with disabilities, and special accommodations will be provided if requested in advance.

PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM
Health Care Policy Committee

Meeting Date: March 6, 2024

1. Subject: New Initiatives in the New Medical Claims Administration Contract

2. Summary: After a competitive re-solicitation in accord with the State Procurement Code, Blue Cross Blue Shield of South Carolina again won the business for State Health Plan medical claims administration. The new contract runs for seven years, beginning January 1, 2024 and ending December 31, 2030. PEBA included a few new items in this most-recent RFP. Carmen Wilson with BC's State account team will present and discuss implementation of these new initiatives intended to create a positive impact for the Plan and its membership.

3. What is Committee asked to do? Receive as information

4. Supporting Documents:

- (a) Attached: 2024 Third Party Administration of the State Health Plan Contract- New Contract Initiatives



South Carolina

2024 Third Party Administration of the State Health Plan Contract

New contract initiatives

March 06, 2024




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Contract Terms

Seven-year contract.

- January 1, 2024 - December 31, 2030

	State of South Carolina South Carolina Public Employee Benefit Authority Request For Proposal	Solicitation Number: FRBA672623 Date Issued: 11/01/2023 Procurement Officer: Georgia Gillens, CPPO, CPPB, NIGP-CPP Phone: 803.754.0010 Email Address: GGillens@peba.sc.gov
	DESCRIPTION: Third Party Administration for the South Carolina Public Employee Benefit Authority's Health Benefits Plan.	
SUBMIT OFFER BY (Opening Date/Time): 01/06/2024 11:00 AM <i>The Term "Offer" Means Your "Proposal". Your offer must be submitted in a sealed package. The Solicitation Number & Opening Date should appear on the package exterior. See the clause entitled "Submitting Your Offer or Modification."</i>		
SUBMIT YOUR SEALED OFFER TO EITHER OF THE FOLLOWING ADDRESSES:		
MAILING ADDRESS: South Carolina Public Employee Benefit Authority P.O. Box 11960 Columbia, S.C. 29211-1960 Attention: Georgia Gillens, CPPO, CPPB	PHYSICAL ADDRESS: South Carolina Public Employee Benefit Authority 202 Arbor Lake Drive Columbia, S.C. 29223 Attention: Georgia Gillens, CPPO, CPPB	
AWARD & AMENDMENTS	Award will be posted on 02/01/2024 . The award, this solicitation, any amendments, and any related notices will be posted at the following web address: https://procurement.sc.gov/waiver/contract.aspx?offer=solicitation/pubs	
You must submit a signed copy of this form with Your Offer. By submitting a proposal, You agree to be bound by the terms of the Solicitation. You agree to hold Your Offer open for a minimum of one hundred twenty (120) calendar days after the Opening Date. <i>(See the clause entitled "Holding Your Offer.")</i>		
NAME OF OFFEROR <small>(Full legal name of business submitting the offer)</small>	An award cannot be issued to, and the contract will be formed with, the entity identified as the Offeror. The entity named as the offeror must be a single and distinct legal entity. Do not use the name of a branch office or a division of a larger entity if the branch or division is not a separate legal entity, i.e., a separate corporation, partnership, sole proprietorship, etc.	
AUTHORIZED SIGNATURE <small>(Please print name of person signing above)</small>		
TITLE <small>(Business title of person signing above)</small>	STATE VENDOR NO. <small>(Required to obtain S.C. Vendor No. at www.procurement.sc.gov)</small>	
PRINTED NAME <small>(Printed name of person signing above)</small>	DATE SIGNED	STATE OF INCORPORATION <small>(If you are a corporation, identify the state of incorporation.)</small>
OFFEROR'S TYPE OF ENTITY: (Check one) <small>(See "Holding Your Offer" provision.)</small> <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Other <input type="checkbox"/> Corporate entity (not tax-exempt) <input type="checkbox"/> Corporation (tax-exempt) <input type="checkbox"/> Government entity (federal, state, or local)		
<small>COVER PAGE (REV. 2007)</small> 1		



Scope of Proposal from RFP

PEBA's objective is to develop in partnership....

PEBA's objective is to develop in partnership with the Contractor a quality Plan that focuses on controlling health care costs, improving health outcomes and quality of care, and meeting the health insurance needs of all members.

While PEBA bears ultimate decision-making responsibility for the design of the Plan, including benefits to be provided, eligibility for coverage, provider reimbursement levels for its direct contract networks and the funding method to be used, it is essential that the Contractor act as a partner with PEBA in managing and administering the Plan.



Members in need can't wait.



South Carolina

New Contract Initiative

- Provide members with a direct toll-free telephone line (877 505-7390) maintained by a live person, available during the hours of 8 a.m. to 5:30 p.m. in search of services related to behavioral health and population health programs to assist in finding the appropriate provider for such services.



GRETA

Age 63

Rock Hill, SC

Wife, mother, grandmother

- High school teacher of 35 years
- Looking forward to her upcoming retirement so she can travel more with her husband
- Discovered mass in jaw that is rapidly growing
- Has seen PCP, ENT and endocrinologist
- CT scan doesn't look good — additional tests scheduled
- Greta knows a cancer diagnosis is coming



- Begins to worry about the insurance process, her care overall, and the financial impact.
- She recently received a communication about population health management programs and **contacts the new toll-free number and is connected directly with a case manager.**

Outside factors impact if and how a member can utilize their benefits.



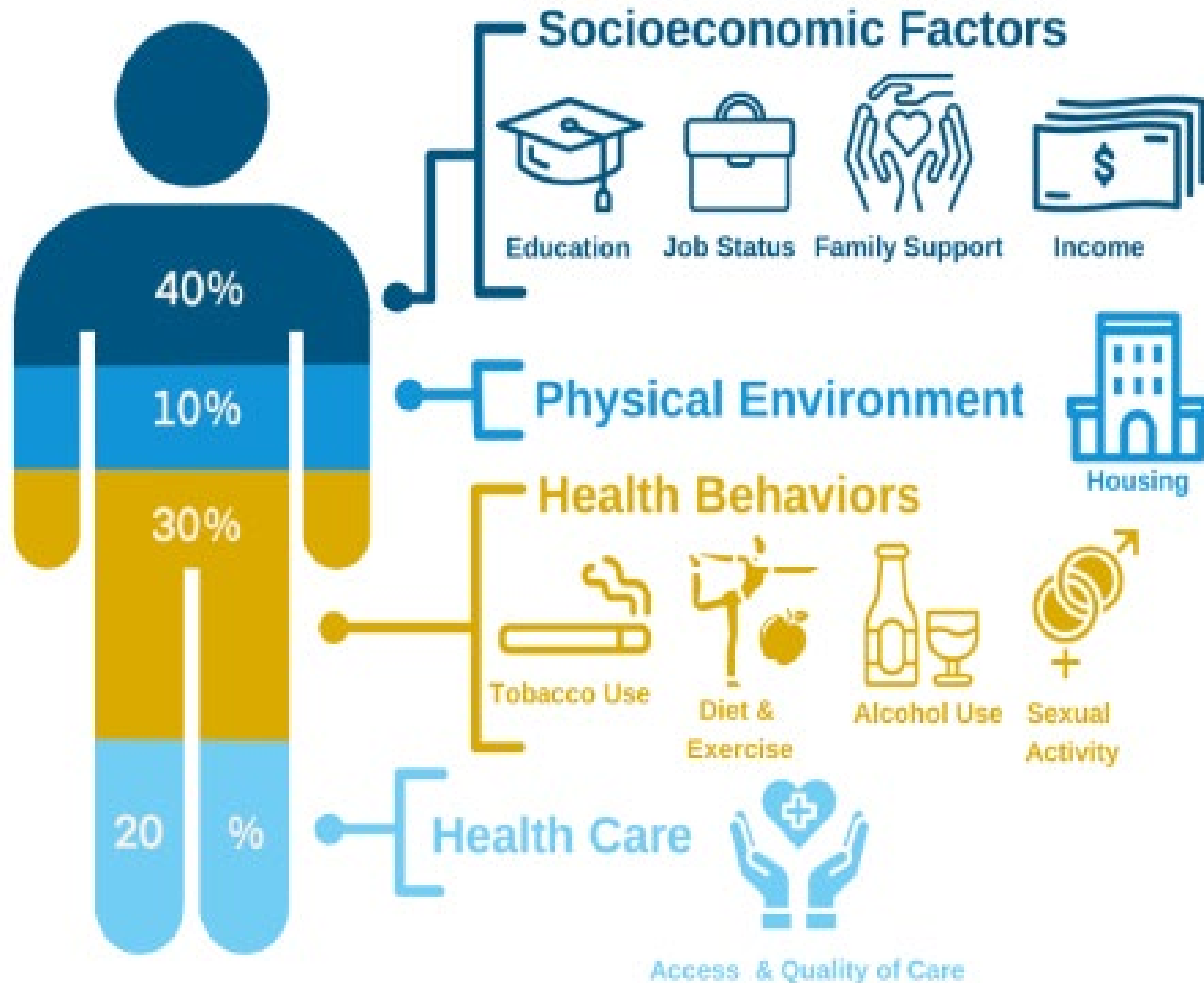
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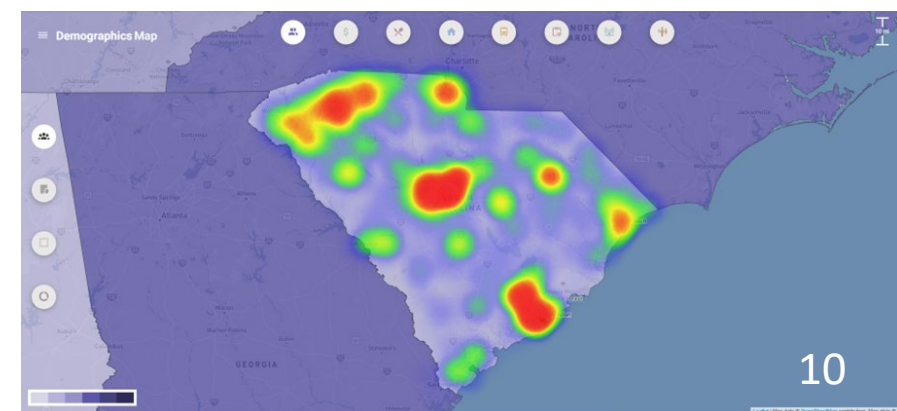
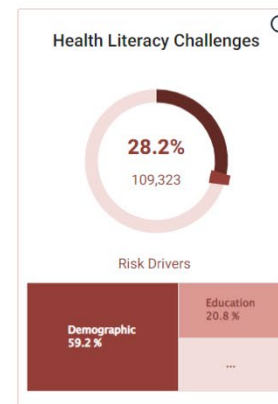
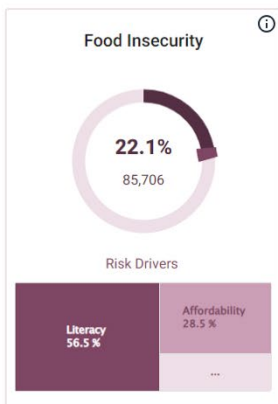
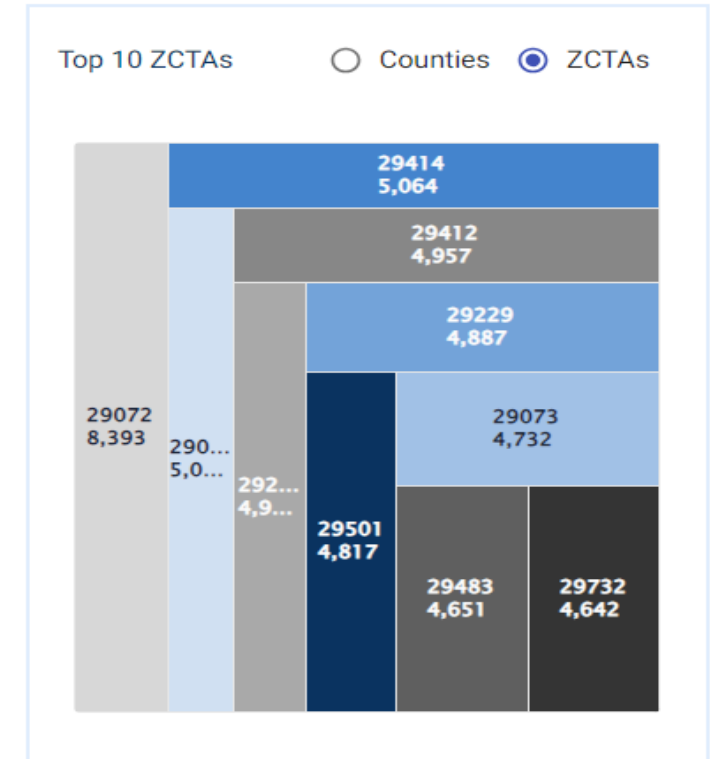
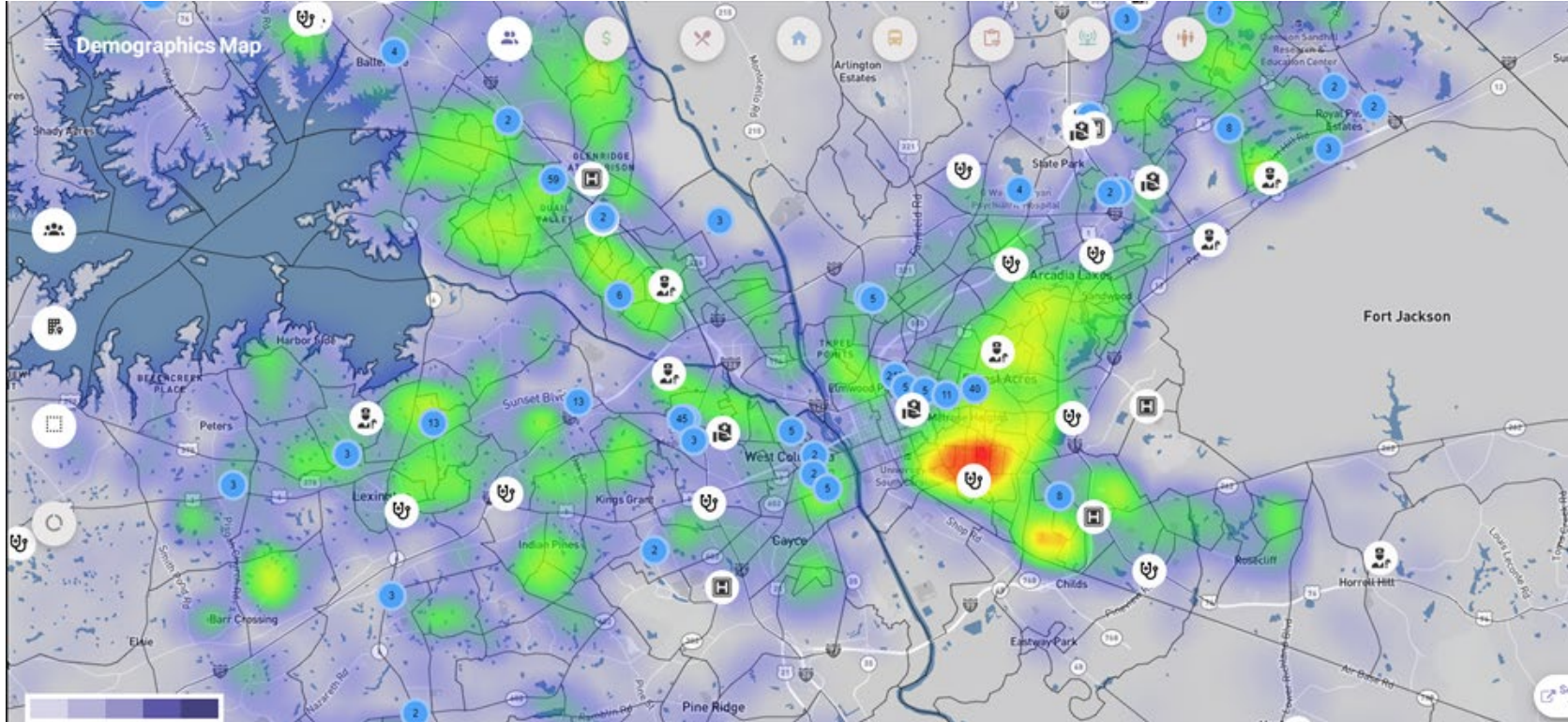
Social Determinants of Health

New initiatives from RFP



- The Contractor shall use best-practice methods to implement a program to address Social Determinants of Health (SDOH).
- The SDOH program should have the capability to use predictive analytics and social determinants (nonmedical) data to identify beneficiaries whose health could be improved by addressing SDOH.
- SDOH should be addressed through a referral management process to a broad statewide network of service providers/helping agencies.
- The program should seek to create connections into health system Electronic Medical Records to act on SDOH screening and report on SDOH screening that occurs in the health systems.

Social Determinants of Health



- Case Manager, Kara, has access to Greta's SDoH information in addition to her claims.
- Kara will serve as a patient advocate throughout Greta's journey — helping coordinate care and making sure Greta feels informed through every step of her treatment plan.
- Greta is connected to area services that can assist with rides to and from her chemo treatments and access to healthy food as she heals.



Population Health Programs

Participation and outcomes initiatives from RFP

- Collaborate with PEBA to seek participation in population health programs of a nature in which the demographics of participants in these programs are reflective of the Plan's diversity. Develop strategies to promote and encourage these members to enroll and participate in population health management. Report on outcomes of strategies for engagement in population health management.
- Measure the effectiveness of the Contractor's population health management program and determine improvements to member health outcomes. The Contractor shall provide reporting on programming results and reports shall also be made available to PEBA with aggregate data on member health status, health behaviors, use of preventive health services, and self-reported health outcomes.

Chronic Condition Outcomes Dashboard



This dashboard is designed to share an executive overview of the Chronic Condition Program, as well as provide insight into specific medical and behavioral health conditions.

Each dashboard may be filtered by Line of Business, Employer Group, Coaching Status, and Risk for the appropriate metrics.

Data Sources:
BlueVue
Claims



Confidentiality Notice: The information contained in this dashboard is privileged and confidential and/or protected health information (PHI) and may be subject to protection under the law, including the Health Insurance Portability and Accountability Act of 1996, as amended (HIPAA). This dashboard is intended for the sole use of the individual or entity to whom has been granted access.

Medical Chronic Condition Dashboard Links

Program Overview	Condition Summary	Asthma	COPD	Diabetes
Heart Disease	Heart Failure	High Cholesterol	High Blood Pressure	

Low-value services can bring unnecessary cost and distractions.



Network Innovation

Low value services initiative from RFP

Collaborate with PEBA and PEBA's consultant(s) in developing strategies to address utilization of low value services as part of your PCMH care delivery model. Strategies should include establishing criteria to identify such services.



Low value testing -
Vitamin D screening

Appropriate treatment
for upper respiratory
infections



Low value testing –
PSA screening for men

Avoidance of antibiotics
for acute
bronchitis/bronchiolitis



Low-back pain imaging
within 28 days of
diagnosis

- Greta receives care at an oncology practice that is participating in our value-based programs and at a PCMH practice for her primary care.
- Because of this, she isn't subjected to unnecessary testing and procedures and can focus on her treatment plan and planning for retirement.

Member impact of new requirements



South Carolina



**We are proud to be your partner and
look forward to helping you continue to
service those who serve South Carolina**





Thank You

PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM
Health Care Policy Committee

Meeting Date: March 6, 2024

1. Subject: Hello Heart Program Review

2. Summary: Hello Heart was introduced to the State Health Plan membership a year ago as a means to address hypertension in our population. Hypertension is the most common of all chronic conditions, and has been popularly dubbed “The Silent Killer”. We have seen excellent participation from our membership in this new program. Brandon Mattie of Hello Heart will present findings and outcomes from year one of the Plan’s experience with this initiative.

3. What is Committee asked to do? Receive as information

4. Supporting Documents:

(a) Attached: 1. Hello Heart Program Review



State Health Plan: Hello Heart Program Review

Data from February 1, 2023 through January 31, 2024

Presented March 6, 2024



Why focus on heart health?



42% of U.S. adults have high blood pressure which, if left uncontrolled, can put them at risk for heart attack, stroke, or even death

+107,000 members diagnosed with hypertension

\$7,947 per member per year in medical costs for individuals diagnosed with hypertension

#3 cost driver for the State Health Plan

South Carolina is in the **stroke belt**, putting State Health Plan members at increased risk

Program Results Dashboard



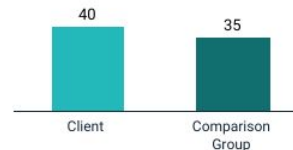
27,848
Total users

Engagement



40

average meaningful visits
during the reporting period

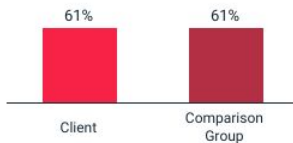


Heart Risk Reduced¹



61%

of users with high blood
pressure (BP) reduced their BP

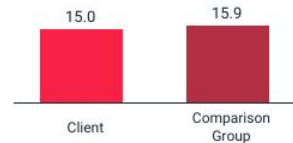


Systolic BP Reduction



15.0

average points reduction
for Stage 2 users

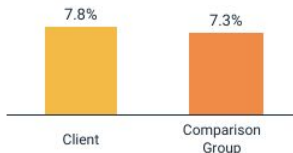


Critically High Reading Detected



7.8%

had a critically high reading
and reduced their BP

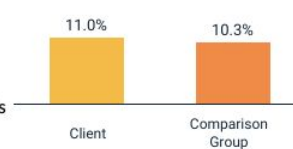


Irregular Heartbeat Detected



11.0%

had 5 or more irregular heartbeats
detected while taking a BP



¹ - Heart risk reduced: A reduction of blood pressure by one point systolic or more.

² - As with all tests, there is a potential for false positive and false negative results for irregular heartbeat. Users should reach out to their doctor about potential risks.

* All metrics for the Program Results Dashboard reflect results during the period with the exception of Heart Risk Reduced and Systolic BP reduction, which are since the Program start through the end of the reporting period.



Enrollment and Engagement

New Users Enrolled



27,848 new users enrolled during the reporting period



90%
employees enrolled

10% spouses enrolled



136/84
average starting blood pressure

28% are starting with Stage 1

37% are starting with Stage 2



42%
self reported high cholesterol

29% have shared a cholesterol lab result



71%
of users are female born

29% of users are male born



54
average age across new users

71% are 50 years of age or older



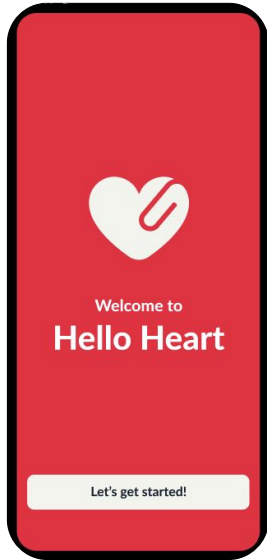
37%
of new users track medications

97% also set a medication reminder

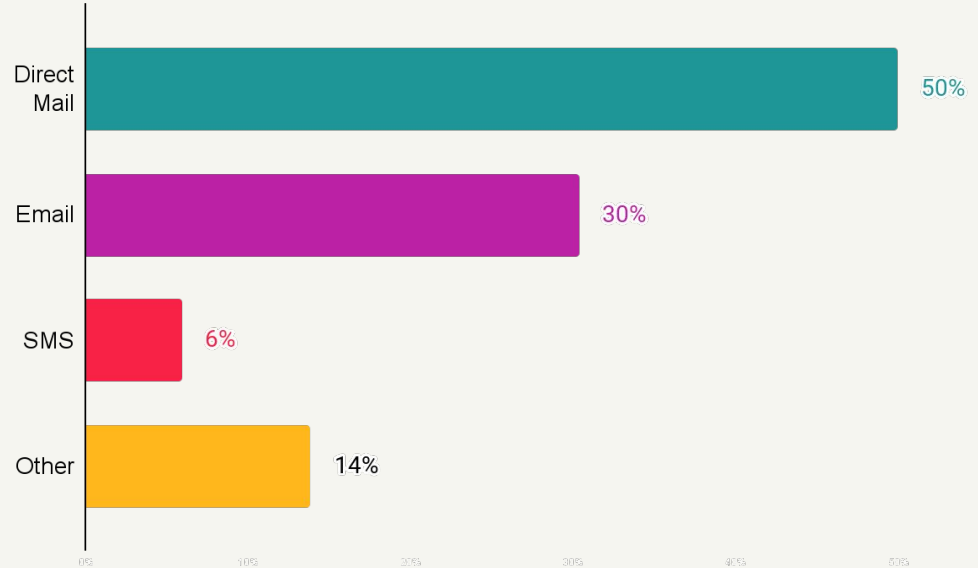
New Users by Enrollment Source



27,861 new users in the reporting period



Enrollment by Communication Method



Enrollment by Month

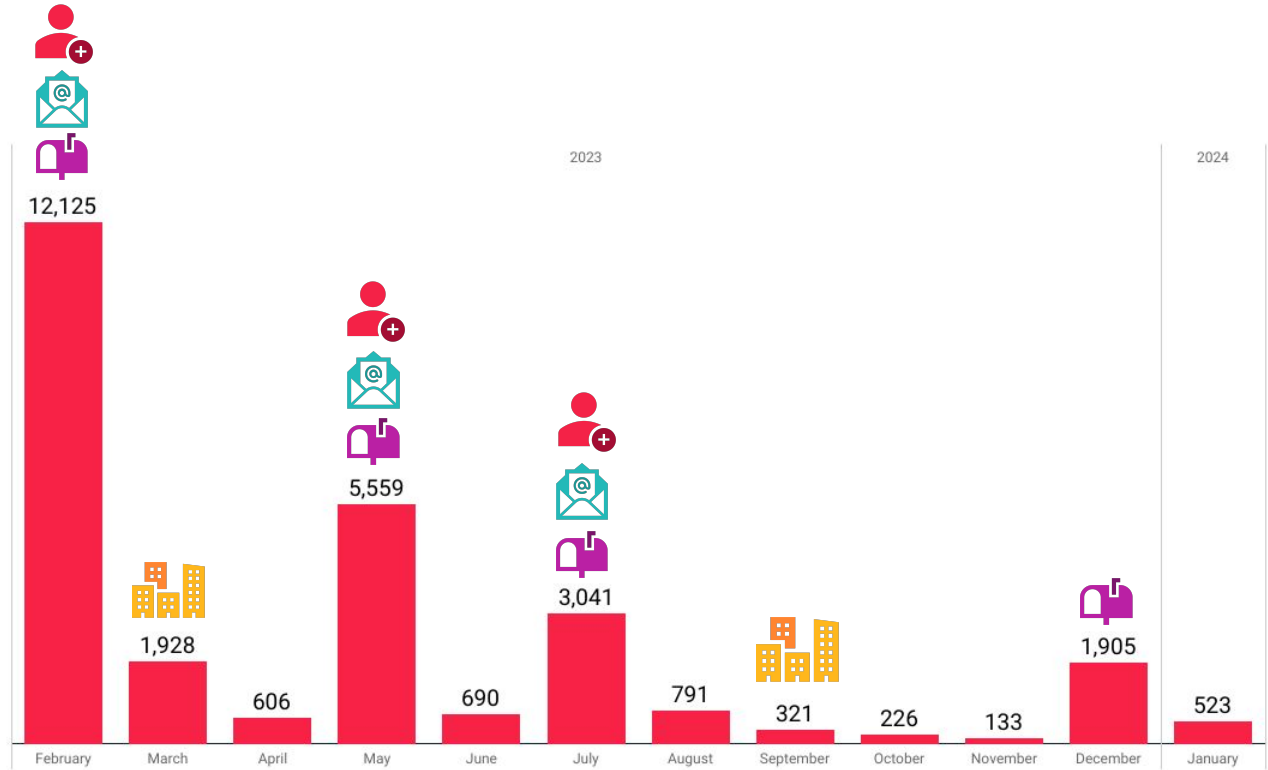


27,848 new users enrolled in the reporting period.



Recommendations

Employees engage well with mail & email.
Reincorporate email into outreach strategy.



Enrollment Key

Email



Mailers



Onsite



SMS



Engagement with Hello Heart



27,848 enrolled users engaged and had an average of **40 meaningful visits**

That's more than 3 visits per month.

The below represents the percentage of active users who engaged in each activity in the reporting period.

Blood Pressure Tracking



78%

Comparison: 75%

Digital Lifestyle Coaching



92%

Comparison: 89%

Cholesterol Tracking



29%

Comparison: 27%

Doctor's Report Usage



35%

Comparison: 31%

Medication Tracking



37%

Comparison: 33%

Activity Tracking



21%

Comparison: 19%



Clinical Outcomes

A peer-reviewed study*
shows that the
reduction of 10 mmHg
systolic has meaningful
medical advantages

13%

Fewer
cardiovascular
deaths

27%

Reduction in
strokes

17%

Reduction in
coronary artery
disease



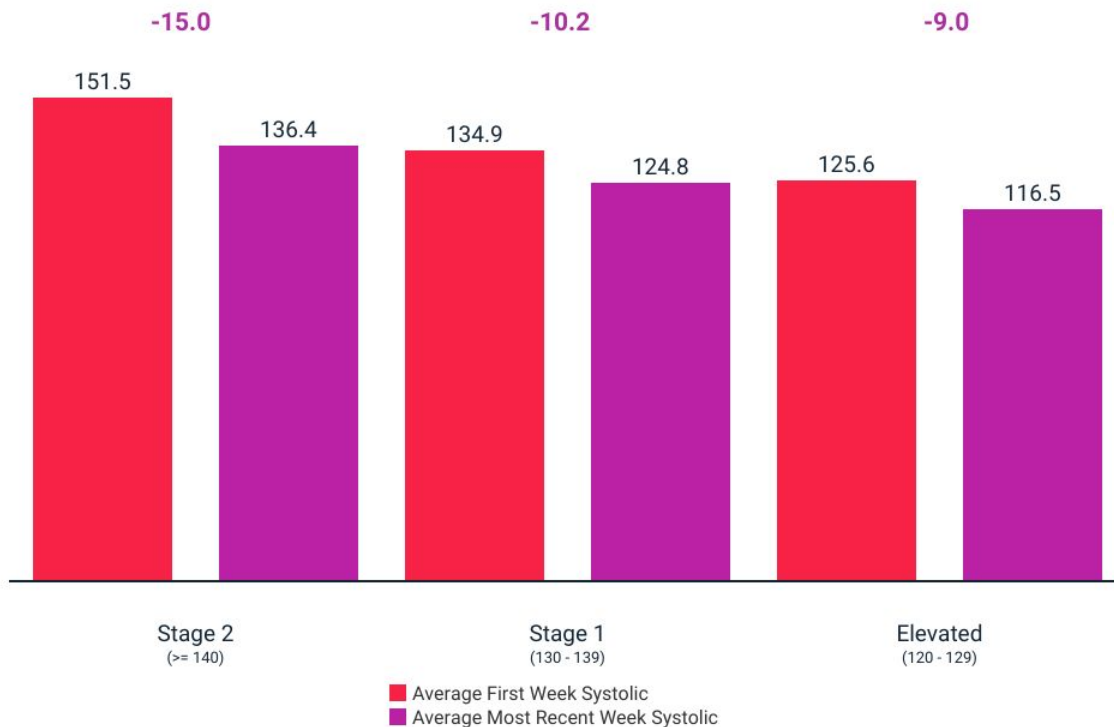
Users Systolic Reduction



The graph represents the average systolic BP reduction for users who had a BP reduction since the start of the program. Users are split into BP categories based on their average systolic BP readings in their first week of the program.



Both Stage 2 users and Stage 1 users had average systolic BP reductions that are clinically significant in terms of risk reduction.



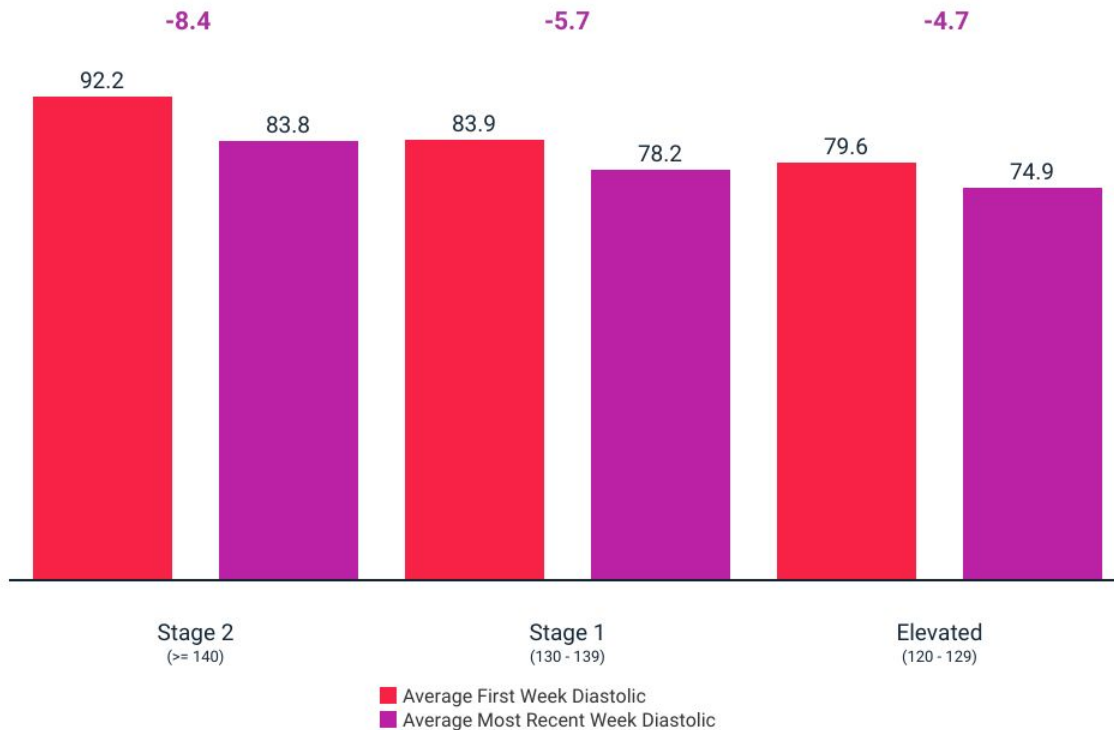
Users Diastolic Reduction



The graph represents the average diastolic BP reduction for users who had a BP reduction since the start of the program. Users are split into BP categories based on their average systolic BP readings in their first week of the program.



Both Stage 2 users and Stage 1 users also had average diastolic BP reductions that are clinically significant in terms of risk reduction.

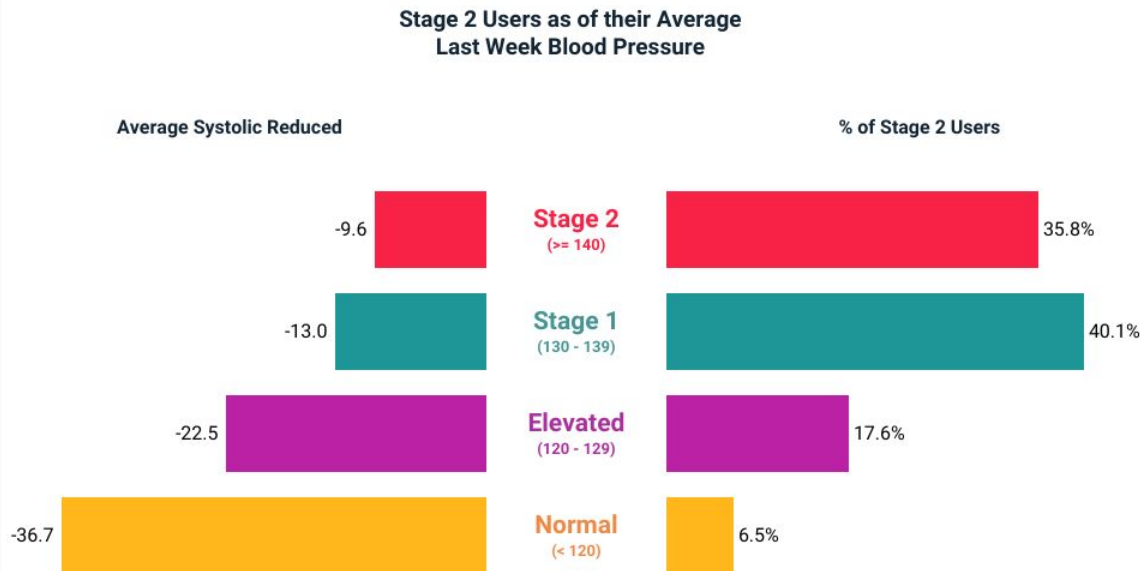


Stage 2 Users' Systolic Change



64% of users who started in Stage 2 are in a better blood pressure category.

- **35.8%** of users remain in stage 2 but are seeing a **9.6 mmHg** systolic reduction
- **40.1%** of users starting in Stage 2 are now in stage 1
- **17.6%** of users starting in Stage 2 now have Elevated BP
- **6.5%** of users who started in Stage 2 have a Normal BP





Risk Detection

Irregular Heartbeat Detection



An **irregular heartbeat** or "arrhythmia" refers to any change from the normal sequence of electrical impulses. When the heart doesn't beat properly, it can't pump blood effectively. When the heart doesn't pump blood effectively, the lungs, brain and all other organs can't work properly and may shut down or be damaged.



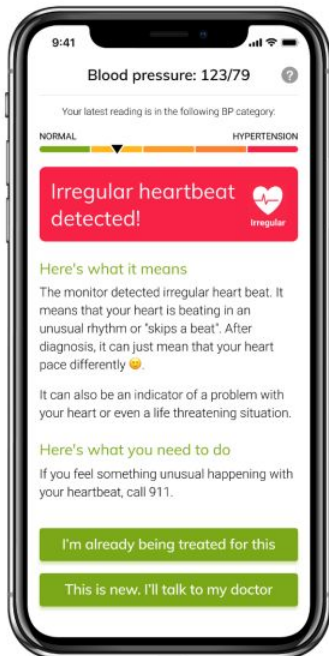
11%

of users had 5+ irregular heartbeat detections while taking a BP reading.



68%

of users who had at least one irregular heartbeat detection indicated that it was new.



74%

of users with an irregular heartbeat detection used the doctor's report.

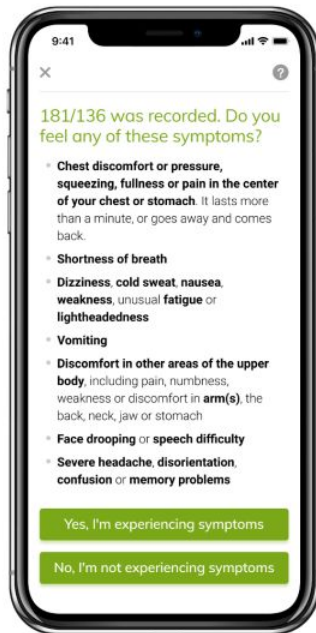
A history of their irregular heartbeat detections are available in the doctor's report so they can easily share a report of their irregular heartbeat trends.

Critically High Reading Detected

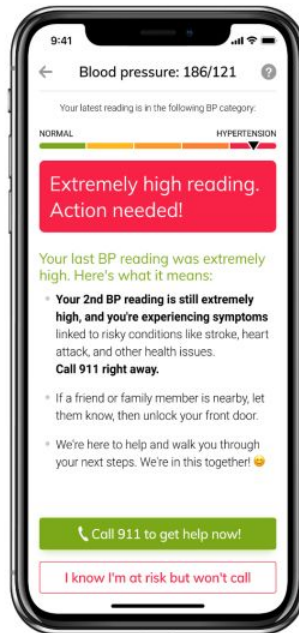


1711 users

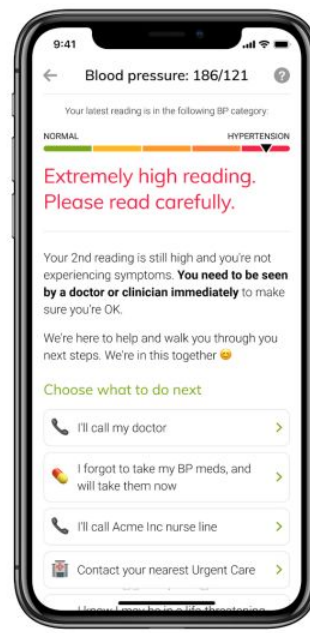
Had a critically high reading (180/120 mmHg+) and returned to a controlled range.



We ask if user is experiencing symptoms (customized for males/females).



If symptoms are present, lead the user to immediately call 911

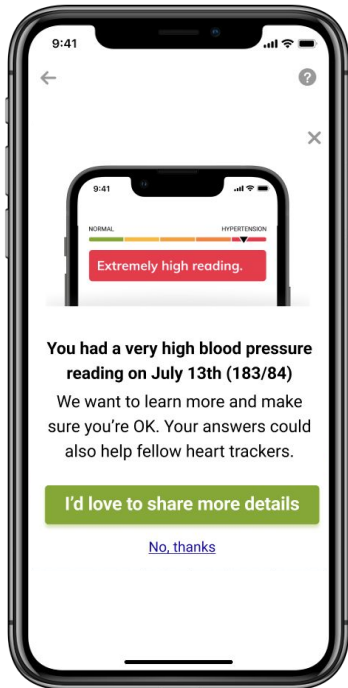


If no symptoms, we guide user to be seen by a doctor or to connect with right care.

Critically High Reading | PEBA Post Event Survey Results



207 Survey Responses from PEBA South Carolina Members



56%
Reported
Symptoms

Severe Headache	32%
Anxiety	31%
Chest Pain	23%
Weakness/Dizziness	19%
Shortness of Breath	15%



32%
Took
Medication

Relaxed	72%
Took Medication	33%
Went to Dr/ER/UC	15%
Called Doctor	4%
Called 911	4%



32%
Received Additional
Medical Care

Scheduled Appt w/Dr	52%
Bloodwork	39%
Dr Adjusted Meds	35%
Diagnostic Testing	35%
Admitted to Hospital	13%

From State Health Plan Users



Our user spotlight goes to...



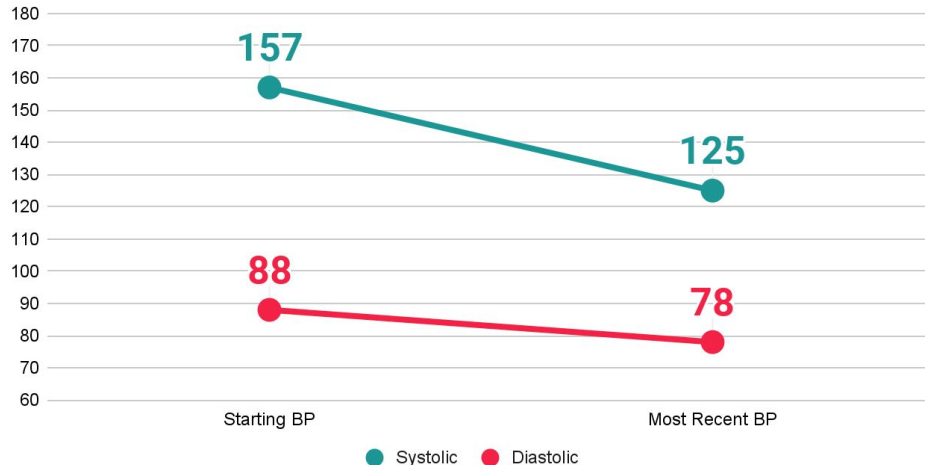
A 57-year-old female who enrolled in May 2023. She started the program in the **Stage 2 hypertension category** and has lowered her systolic blood pressure by **30 points**, putting her most recent reading in the **Elevated** category!

9 Months in program

62 Blood pressure readings taken

9 Medications tracked

32 Points systolic reduced



“

“Hello Heart helped me by reminding me to check my blood pressure daily, which showed me what my numbers were. **Because of this, I made a conscious effort to take my medications daily and share with my doctor so she could adjust the dosage of my medication. [...] I’m so glad I started using Hello Heart.**”

- PEBA SC
Hello Heart User



What are Your Users Saying?



“It helps me to easily check my blood pressure and keep up with it. It also gives me ideas of how to control it. **It helps to inspire me** to stay aware of the importance of keeping it in a healthy range.”

User since February 2023, Age 59



“Today, I did call 911 when first asked by Hello Heart. I knew something was wrong. **I am in the hospital, but doing much better. I had A-Fib with tachycardia.** Hope to be released tomorrow!”

User since April 2023, Age 63



“My first experience with Hello Heart help me monitor my blood pressure. **It save me from going to the hospital** when all I have to do is monitor the blood pressure. Again thank you for all the extra tips on how to monitor my blood pressure.”

User since February 2023, Age 53



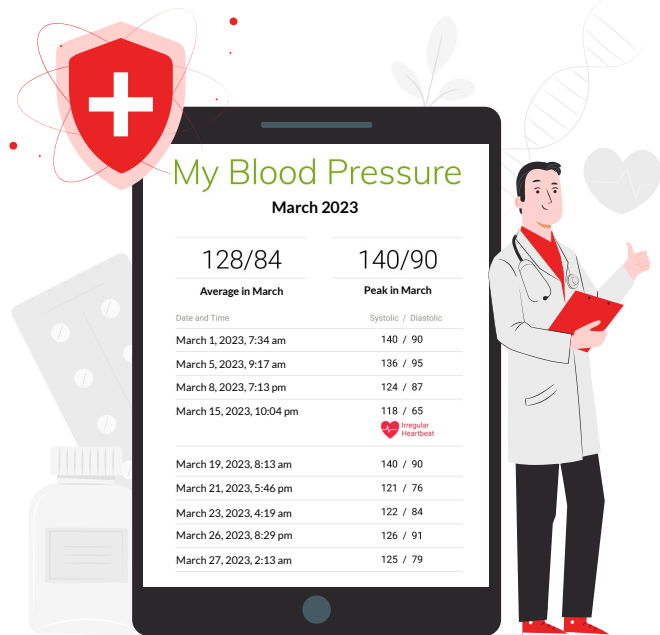
**Thank you for
your partnership!**





Appendix

Understanding Blood Pressure



Systolic Blood Pressure:

(the top number) – indicates how much pressure your blood is exerting against your artery walls when the heart beats.

Diastolic Blood Pressure:

(the bottom number) – indicates how much pressure your blood is exerting against your artery walls while the heart is resting between beats.

Which number is more important?

More attention is given to systolic blood pressure (BP) as a major risk factor for cardiovascular disease. Systolic BP rises steadily with age due to the increasing stiffness of large arteries, long-term buildup of plaque and an increased incidence of cardiac and vascular disease.

Blood Pressure (BP) Guidelines



Blood Pressure Category	SYSTOLIC (mmHg)		DIASTOLIC (mmHg)	What Does it Mean?
Normal	< 120	and	< 80	Stick with heart-healthy habits like following a balanced diet and getting regular exercise.
Elevated	120 - 129	and	< 80	Likely to develop high blood pressure unless steps are taken to control the condition.
Stage 1 Hypertension	130 - 139	or	80 - 89	Doctors are likely to prescribe lifestyle changes and may consider BP medication based on risk cardiovascular disease.
Stage 2 Hypertension	≥ 140	or	≥ 90	Doctors are likely to prescribe a combination of BP medications and lifestyle changes.
Hypertensive Crisis	> 180	and/or	> 120	This stage of high BP requires medical attention.

Hello Heart | Definitions



Heart Risk Reduced: A reduction of blood pressure by one point systolic or more (over prior 3 months)

Irregular heartbeat (or “arrhythmia”): Refers to any change from the normal sequence of electrical impulses. When the heart does not beat properly, it can't pump blood effectively. When the heart doesn't pump blood effectively, the lungs, brain and all other organs can't work properly and may shut down or be damaged.

Hypertensive Crisis: A severe and sustained increase in blood pressure (>180/120 mmHg), which can lead to serious consequences, such as, heart attack, stroke, and aortic dissection.

Tracking Blood Pressure: Users who log blood pressure either through their Hello Heart monitor or through manual entry in the Hello Heart app.

Managing Comorbidities: Attributed to users who indicate they have high cholesterol or menopause via the Hello Heart app.

Hello Heart | Definitions Continued



Enrolled User: A user who has created a Hello Heart account and activated it by signing in to the Hello Heart mobile app.

New Users Enrolled: based on number of users enrolled in Hello Heart in the reporting period

Lifestyle Coaching: Users who read and like digital lifestyle coaching tips via the Hello Heart app.

Meaningful Visits: An educational interaction with the Hello Heart app.

PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM
Health Care Policy Committee

Meeting Date: March 6, 2024

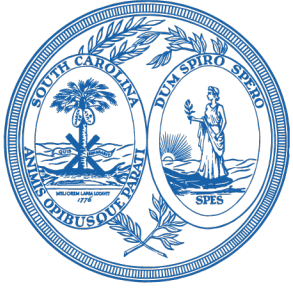
1. Subject: State Health Plan Benchmarks

2. Summary: Rob Tester will review the latest iteration of the State Health Plan's annual comparison with national and regional benchmarks.

3. What is Committee asked to do? Receive as information

4. Supporting Documents:

- (a) Attached: 1. SHP Benchmarks March 2024
- 2. SHP Benchmarks Appendix March 2024



PEBASM
SC Retirement Systems
and State Health Plan

Serving those who serve South Carolina

State Health Plan benchmarks

Health Care Policy Committee

March 6, 2024

State Health Plan enrollment as of March 2024

Participants		
Subscribers		303,133
Actives	206,089	
Retirees	93,945	
Others	3,099	
Spouses		89,708
Children		141,828
Total covered lives		534,669

Total employer groups: 834

Active subscribers	
State agencies	35,247
Higher education	26,783
School districts	87,014
Charter schools	3,698
Local subdivisions	38,994
MUSC hospitals	11,541
Other	2,811
Total employees	206,089

Retirees	
Medicare	77,446
Non-Medicare	16,499
Total retirees	93,945
Funded retirees	87,157

Numbers represent enrollment in the State Health Plan, the MUSC Health Plan and TRICARE Supplement Plan.

State Health Plan versus national trends

Target is to maintain net expenditure growth at least two points below benchmark.

	Benchmark	State Health Plan
2019	6.7%	2.5%
2020	5.6%	3.7%
2021	7.9%	7.3%
2022	6.2%	0.6%
2023	7.3%	8.0% ¹
5-year average (2019-2023)	6.7%	4.4%

¹Incurred in 12 months; paid in 13 months.

The benchmark is a blended number derived from annual health care cost trend surveys produced by national consulting firms including Aon, Buck, PriceWaterhouseCoopers, Segal and Willis Towers Watson, when available.

State Health Plan contribution rate increases versus CPI growth for medical care

Target is to control annual contribution increase to no more than CPI for medical care plus 3 percentage points. Two-year lag in CPI data used for measure because of timing of the State Health Plan rate setting process.

	State Health Plan total rate increase		Medical care CPI increase
2021	0.0%	2019	4.6%
2022	0.6%	2020	1.8%
2023	14.2%	2021	2.2%
2024	3.0%	2022	4.0%
2025	9.7%	2023	0.5%
5-year average (2021-2025)	5.5%	5-year average (2019-2023)	2.6%

2023 Average monthly total premiums¹

	Single	Family
State Health Plan	\$561	\$1,529
Large public and private sector employers ²	\$735	\$2,114
Public and private sector in South ³	\$703	\$2,014
Public employers	\$743	\$2,067
Private – manufacturing	\$737	\$2,210
Private – financial services	\$782	\$2,204

¹Average monthly total premiums in PPO (Preferred Provider Organization) plans

²Large public and private sector employers: ≥ 200 employees in public and private sectors

³Public and private sector employers in South includes Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia

Data from the Kaiser Family Foundation Employer Health Benefits 2023 Annual Survey

2023 Average annual deductible¹

	Amount
State Health Plan	\$515
Large public and private sector employers ²	\$1,023
All employers	\$1,281

¹Average annual deductible in PPO (Preferred Provider Organization) plans

²Large public and private sector employers: ≥ 200 employees in public and private sectors

Data from the *Kaiser Family Foundation Employer Health Benefits 2023 Annual Survey*

2022 Average annual gross plan cost per active employee¹

	Amount ²
State Health Plan	\$12,241
Public employers	\$15,244
Private – manufacturing	\$15,308
Private – financial services	\$16,514
All employers	\$15,142
Employers – 500+	\$15,096
Employers – 20k+	\$14,209
South ³	\$14,244

¹Average cost in PPO (Preferred Provider Organization) and POS (Point of Service) plans

²Average annual gross plan cost per employee (medical and pharmacy only for active employees and their dependents) = (Claims cost for employee and dependents + administrative costs + employee contributions)/number of active employees

³South includes Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia

Data from the 2022 Mercer National Survey of Employer-Sponsored Health Plans

2024 Composite monthly premiums¹

	Employer	Employee	Total
State Health Plan	\$707.62	\$159.36	\$866.98
South²	\$879.82	\$204.20	\$1,084.02
United States	\$1,062.99	\$188.70	\$1,251.69
State Health Plan percentage of regional average	80.4%	78.0%	80.0%
State Health Plan percentage of national average	66.6%	84.5%	69.3%

Survey uses most prevalent plan among state employee options for analysis.

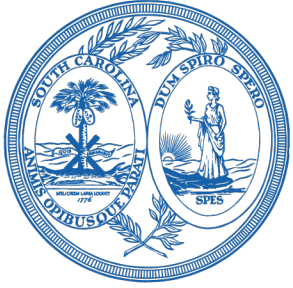
¹Composite monthly premiums: Weighted average of all PEBA health subscribers enrolled in each coverage level

²South includes Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia

Data from the *PEBA 50-State Survey of State Employee Health Plans*

Disclaimer

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PEBASM
SC Retirement Systems
and State Health Plan

Serving those who serve South Carolina

Appendix: State Health Plan benchmarks

Health Care Policy Committee

March 6, 2024

2023 Average monthly contribution by employees

	Single	Family
State Health Plan	\$98	\$307
Large public and private sector employers ¹	\$129	\$535
Public and private sector in South ²	\$127	\$649

¹Large public and private sector employers: ≥ 200 employees in public and private sectors

²Public and private sector employers in South includes Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia

Data from the Kaiser Family Foundation Employer Health Benefits 2023 Annual Survey

2023 Average percentage of contribution by employer

	EE contribution	Total premium	ER contribution
State Health Plan			
Single	\$98	\$561	82.6%
Family	\$307	\$1,529	80.0%
Large public and private sector employers¹			
Single	\$129	\$735	82.4%
Family	\$535	\$2,077	74.2%
Public and private sector employers in South²			
Single	\$127	\$668	81.0%
Family	\$649	\$1,909	66.0%

¹Large public and private sector employers: ≥ 200 employees in public and private sectors

²Public and private sector employers in South includes Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia

Data from the Kaiser Family Foundation Employer Health Benefits 2023 Annual Survey

2023 Average Rx copayment

	Amount
State Health Plan	\$13/\$46/\$70
Public and private sectors ¹	\$11/\$36/\$77

¹Public and private sectors includes small and large firms with Health Maintenance Organizations, Preferred Provider Organizations

Data from the Kaiser Family Foundation Employer Health Benefits 2023 Annual Survey

2022 Median individual in-network deductible amount¹

	Amount
State Health Plan	\$490
Public employers	\$600
Private – manufacturing	\$750
Private – financial services	\$750
All employers ²	\$1200
Employers – 500+	\$750
Employers – 20k+	\$750
Public and private sector employers in South ³	\$750

¹Median deductible amount in PPO (Preferred Provider Organization) and POS (Point of Service) plans

²Public and private employers in South includes Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia

Data from the 2022 *Mercer National Survey of Employer-Sponsored Health Plans*

2022 Median individual in-network coinsurance maximum amount¹

	Amount
State Health Plan	\$2,800
Public employers	\$2,750
Private – manufacturing	\$3,000
Private – financial services	\$3,250
All employers	\$4,500
Employers – 500+	\$3,250
Employers – 20k+	\$3,500
Public and private sector employers in South ²	\$3,500

¹Median coinsurance maximum amount in PPO (Preferred Provider Organization) and POS (Point of Service) plans

²Public and private employers in South includes Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia

Data from the 2022 *Mercer National Survey of Employer-Sponsored Health Plans*

2022 Median prescription drug retail 3-tier copayment amounts

	Amount
State Health Plan	\$9/\$42/\$70
Public employers	\$10/\$30/\$55
Private – manufacturing	\$10/\$30/\$50
Private – financial services	\$10/\$35/\$60
All employers	\$10/\$35/\$60
Employers – 500+	\$10/\$30/\$60
Employers – 20k+	\$10/\$35/\$60
Public and private sector employers in South¹	\$10/\$35/\$60

¹Public and private employers in South includes Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia

Data from the 2022 Mercer National Survey of Employer-Sponsored Health Plans

2024 State Health Plan member benefits, contributions compared to other State Health Plans in the Southeast

	Lower	Higher	Same
Deductible	6	7	
Coinsurance max	8	3	2
Generic copay	5	8	
Brand copay	3	10	
Employer contribution	9	4	
Employee contribution	9	4	
Total contribution	11	2	

Data from the PEBA 50-State Survey of State Employee Health Plans

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**PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM
HEALTH CARE POLICY COMMITTEE**

Meeting Date: March 6, 2024

1. Subject: Amendment to the definition of “Employee” for the State Insurance Benefits Program

2. Summary: Since its inception in the early 1970s, the State Health Plan has provided that an employee of a participating employer must be employed in a “full-time” position—i.e., working at least 30 hours per week—in order to participate in the insurance benefits offered to the state’s public employees. Based upon that requirement, as a general rule, members of governing boards of participating employers are not eligible to participate in the state insurance benefits program because they are not “full-time” employees working over 30 hours per week. However, when legislation was adopted to allow counties and municipalities to participate in the insurance benefits program in 1988 and 1994, respectively, the Budget and Control Board determined that the legislation allowed members of their legislative bodies—i.e., county and municipal councils—to participate in the insurance program, regardless of their hours worked, if they would otherwise be eligible to participate as employees in the state’s insurance and retirement plans.

Over the years, some counties and municipalities have expressed to PEBA the financial difficulties they face in providing state insurance benefits to the members of their governing bodies. Others have expressed that the availability of the state insurance benefits program is a valuable benefit to their councilmembers. In recognition of the unique financial situations faced by local governments throughout the State, and their varied needs in attracting and retaining both qualified employees and elected officials, PEBA staff recommends that the definition of “Employee” for the purposes of eligibility to participate in the state insurance benefits program be amended to allow councils of participating counties and municipalities to exercise a one-time, irrevocable option to exclude their councilmembers from the definition of “Employee.”

To ensure proper application and to protect against adverse selection, this option must be exercised on the required PEBA form and must be made at the time a county or municipality elects to participate in the state insurance benefits program, with the exception that currently participating counties and municipalities may exercise this option no later than July 1, 2024.

3. What is the Committee asked to do? Recommend that the PEBA Board amend the definition of “Employee” for the purposes of eligibility to participate in state insurance benefits program, effective immediately, to allow the councils of participating counties and municipalities to exercise a one-time, irrevocable option to exclude their councilmembers from the definition of “Employee.”

4. Supporting Documents:

Amended Plan Definitions

State Health Plan and State Dental Plan Amended Definitions

State Health Plan:

2.33 Employee

A person employed by an Employer on a Full-Time basis, and who receives compensation from a department, agency, board, commission, or institution of the State, including clerical and administrative Employees of the General Assembly and judges in the State courts. Retirees who return to work with an Employer are considered Employees for purposes of eligibility under the Plan.

For purposes of this Plan, the term shall include other Employees that the General Assembly has made eligible for coverage by law, including Employees of a public school district, county, municipality, or other Employer that has qualified for and is participating in coverage under the Plan. The members of the South Carolina General Assembly and elected members of the councils of participating counties or municipalities, whose council members are eligible to participate in the South Carolina Retirement Systems, and Part-Time Teachers are also Employees for purposes of the Plan. Councils of participating counties and municipalities may exercise a one-time, irrevocable option to exclude their councilmembers from the definition of Employee by timely filing such election in a manner approved by PEBA.

State Dental Plan:

2.21 Employee

A person employed by an Employer on a Full-Time basis, and who receives compensation from a department, agency, board, commission or institution of the State, including clerical and administrative Employees of the General Assembly, and judges in the State courts. Retirees who return to work with an Employer are considered Employees for purposes of eligibility under the Plan.

If an Employer elects to obtain other dental insurance coverage for its persons employed on a nonpermanent Full-Time basis, such persons do not constitute Employees under this Paragraph. For purposes of this Plan, the term shall include other Employees that the General Assembly has made eligible for coverage by law, including Employees of a public school district, county, municipality, or other Employer that has qualified for, and is participating in, coverage under the Plan. The members of the South Carolina General Assembly and elected members of the councils of participating counties or municipalities, whose council members participate in the South Carolina Retirement Systems, and Part-Time Teachers, are also Employees for purposes of the Plan. Councils of participating counties and municipalities may exercise a one-time, irrevocable option to exclude their councilmembers from the definition of Employee by timely filing such election in a manner approved by PEBA.