

City of New York and MLC Proposed Plan Designs

Estimated Savings from GHI CBP Plan Design Changes and HIP HMO Value Based Network

CBP Plan Design Changes

Plan Changes	Current Copay	New Copay	FY'17 Savings
PCP Copay (including Mental Health)	\$15	\$15	\$0
ACP Generalist (PCP) Copay ¹	\$15	\$0	\$0
ACP Specialty Copay ²	\$20	\$0	\$0
Non-ACP Surgical Specialty Copay	\$20	\$30	\$26,000,000
All Other Specialists Copay	\$15	\$30	
ER Copay ³	\$50	\$150	\$36,000,000
Urgent Care Copay	\$15	\$50*	\$7,300,000
MRI/CT Copay	\$15	\$50	\$5,600,000
Physical Therapy	\$15	\$20	\$2,200,000
Diagnostic/Lab Copay ³	\$15	\$20	\$11,087,000
Preventive⁴:			
Preventive - Non-Rx	Varies	\$0	(\$10,200,000)
Preventive - Rx	Varies	\$0	(\$38,150,000)
Preventive (Subtotal)			(\$48,350,000)
Preventive Funded by Stabilization Fund			\$48,350,000
Total CBP Plan Design			\$88,187,000
Total CBP Plan Design for City-funded Agencies Only			\$84,748,000
Total HIP Savings from Value Based Network for City-funded Agencies⁵			\$64,400,000
Subtotal HIP and GHI CBP Plan Savings for City-funded Agencies			\$149,148,000
All Other Savings: City-funded Agencies			\$851,800,000
Total for City-funded Agencies			\$1,000,948,000

* Urgent Care copays are waived at the two ACP locations that are deemed urgent care centers.

¹ Based on the MLC's estimates and assumes savings are 77% Generalist and 23% Surgical Specialists, based on the current distribution of Emblem Generalists vs Surgical Specialists.

² Based on the MLC's estimates. City savings based on the MLC's estimated impact and adjusted for implied # of additional copays assumed to be collected.

³ Based on the MLC's estimates.

⁴ Estimated range of \$40M to \$50M for impact of total preventive services leads to \$10m estimate for Non-Rx preventive.

⁵ Based on estimates made by the Office of Management and Budget.

Notes for Milliman estimates:

Estimates are based on the GHI CBP plan for employees and pre-Medicare retirees covering 730,000 lives and reflect an ACA out-of-pocket maximum of \$6,850 for individual coverage and \$13,700 for family coverage

10% of physicians are assumed to be ACP physicians

FY2017 CBP estimates reflect the following trend assumptions:

Utilization trend:

2.00%

At the City's request, we have provided this DRAFT exhibit prior to completion of our work. All parts of this exhibit are subject to revision pending upcoming discussions with Emblem, Empire, and Segal.