

RetireeFirst

Empowering Your Clients: The Winning Approach to Group Retiree Healthcare Benefits

Webinar Co-Produced with:

ALM | BENEFITS PRO

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Welcome!

Meet the Presenters



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Agenda

1. The State of Group Medicare Today
2. Challenges Clients Face
 - a. Costs and Plan Design
 - b. Heavy Administrative Workloads
 - c. Enhancing and Preserving Benefits for Retirees
3. Pathways to Addressing Client Challenges
4. Q&A



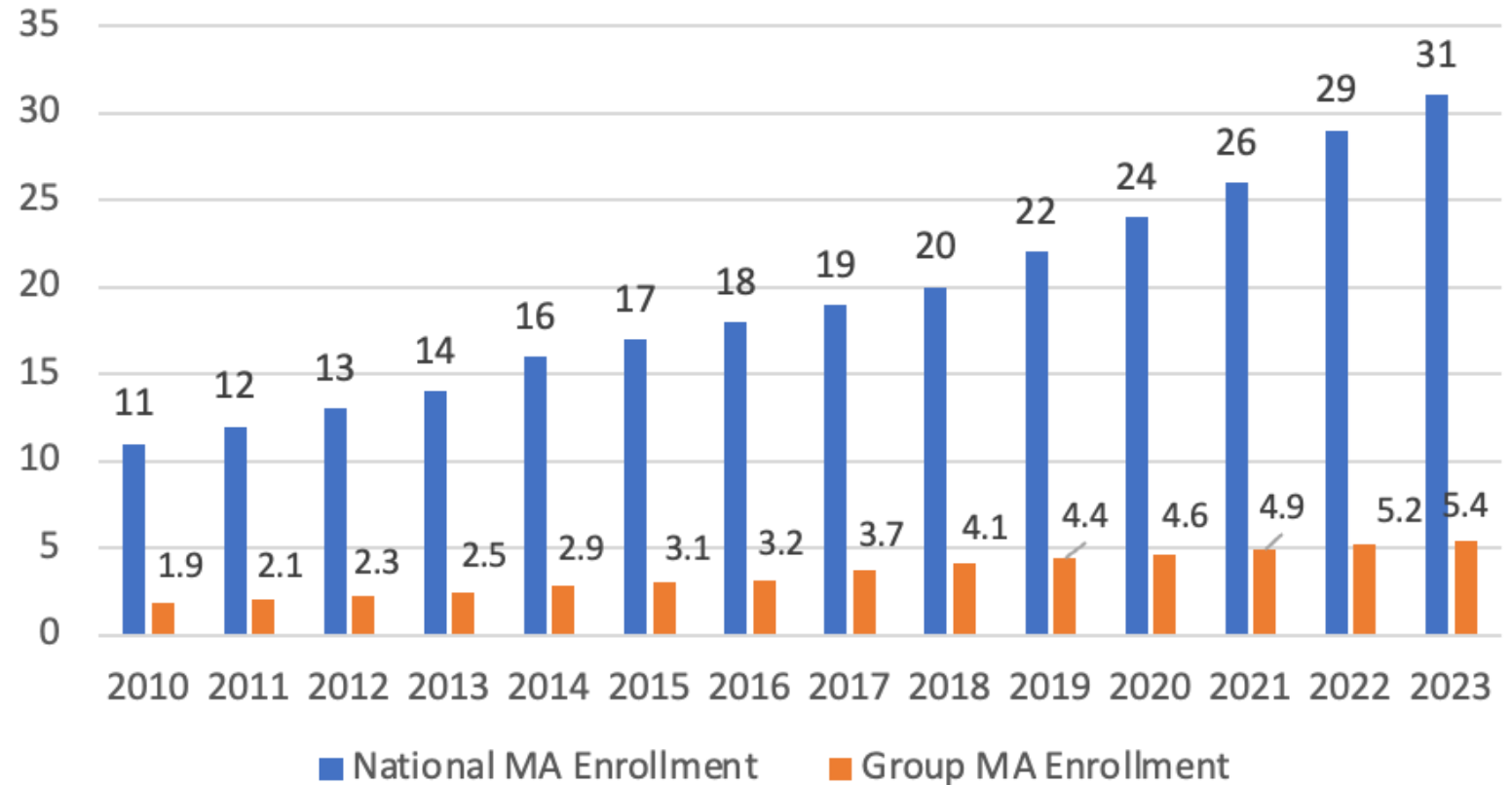
The State of Group Medicare Today

Here's a quick overview
of the landscape today.

Medicare Advantage Growth

- More than half (51%) of eligible Medicare beneficiaries are enrolled in Medicare Advantage in 2023.
- One in five (about 5.4 million) Medicare Advantage enrollees are in a group plan offered to retirees by an employer or union.

Medicare Advantage Enrollment



88% Of Medicare Advantage Enrollees Are Happy With Their Health Insurance, New Study Shows

Beneficiaries Are Satisfied With Medicare Advantage Plans, Coverage

Beneficiary satisfaction with problem resolution was higher among those likely to renew their Medicare Advantage plan.

BMA Responds to eHealth Survey Showing Satisfaction from 9 in 10 Medicare Advantage Beneficiaries

95% OF BENEFICIARIES REPORT BEING SATISFIED WITH THEIR COVERAGE

<https://healthpayerintelligence.com/news/beneficiaries-are-satisfied-with-medicare-advantage-plans-coverage>

<https://www.forbes.com/sites/debgordon/2022/06/13/88-of-medicare-advantage-enrollees-are-happy-with-their-health-insurance-new-study-shows/?sh=36853c75ecfd>

<https://bettermedicarealliance.org/news/bma-responds-to-ehealth-survey-showing-satisfaction-from-9-in-10-medicare-advantage-beneficiaries/>

Better Medicare Alliance 2023 Report

Key Dynamics Impacting Medicare

Regulatory and Legislative Drivers

2024 CMS Final Rule

MA Rates

First decline since 2015 and average loss of \$150 per member per year to the payers.

Reduction in calculations related to indirect and direct medical education costs.

Risk Adjustment

Stricter criteria as to how to code a claim for payment. This could result in less money from CMS to manage sicker members.

STARs Ratings Changes

Technical changes and new metrics. This could impact STAR ratings and bonus payments to health plans.

2022 Inflation Reduction Act

Created to reduce out-of-pocket costs for Medicare beneficiaries.

2024 catastrophic coverage reduced to \$0 member copay.

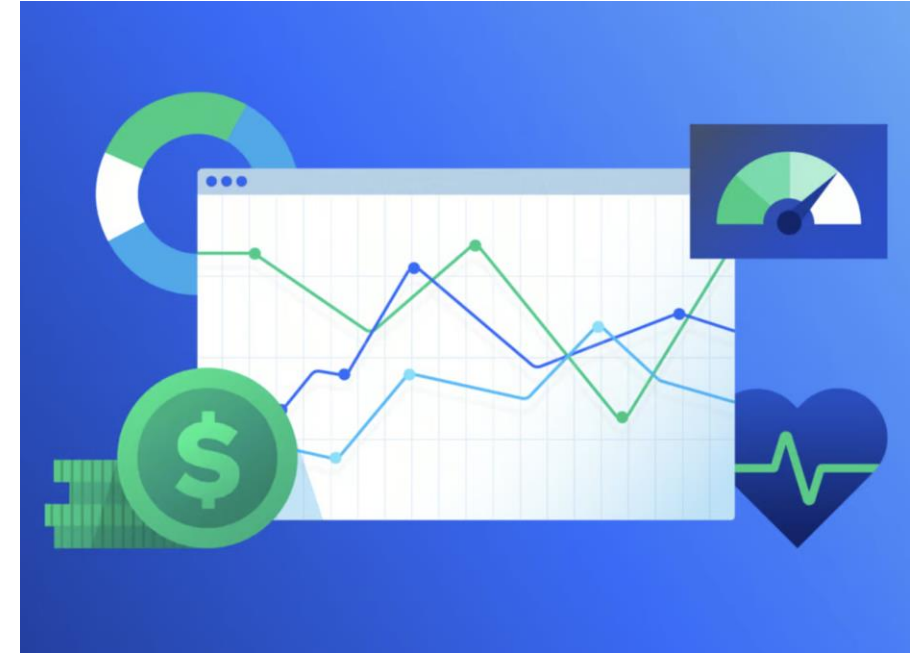
2025 OOP drug costs will be capped at \$2,000 per year

Health plans may need to contribute more to the year over year changes.

Price negotiation on certain high-cost drugs starting in 2026.

Healthcare Utilization Drivers

- Increased member utilization trends in part fueled by post COVID-19 increases in outpatient visits and elective procedures.
- The demographics of Medicare beneficiaries and Medicare eligible individuals is growing older - from 2020 to 2030, seniors aged 75+ will make up the largest proportion of all seniors.
- In general, healthcare costs have grown at a rate faster than inflation.



Fierce Healthcare article by Paige Minemyer, published on Jul 20, 2023 at 04:25pm.

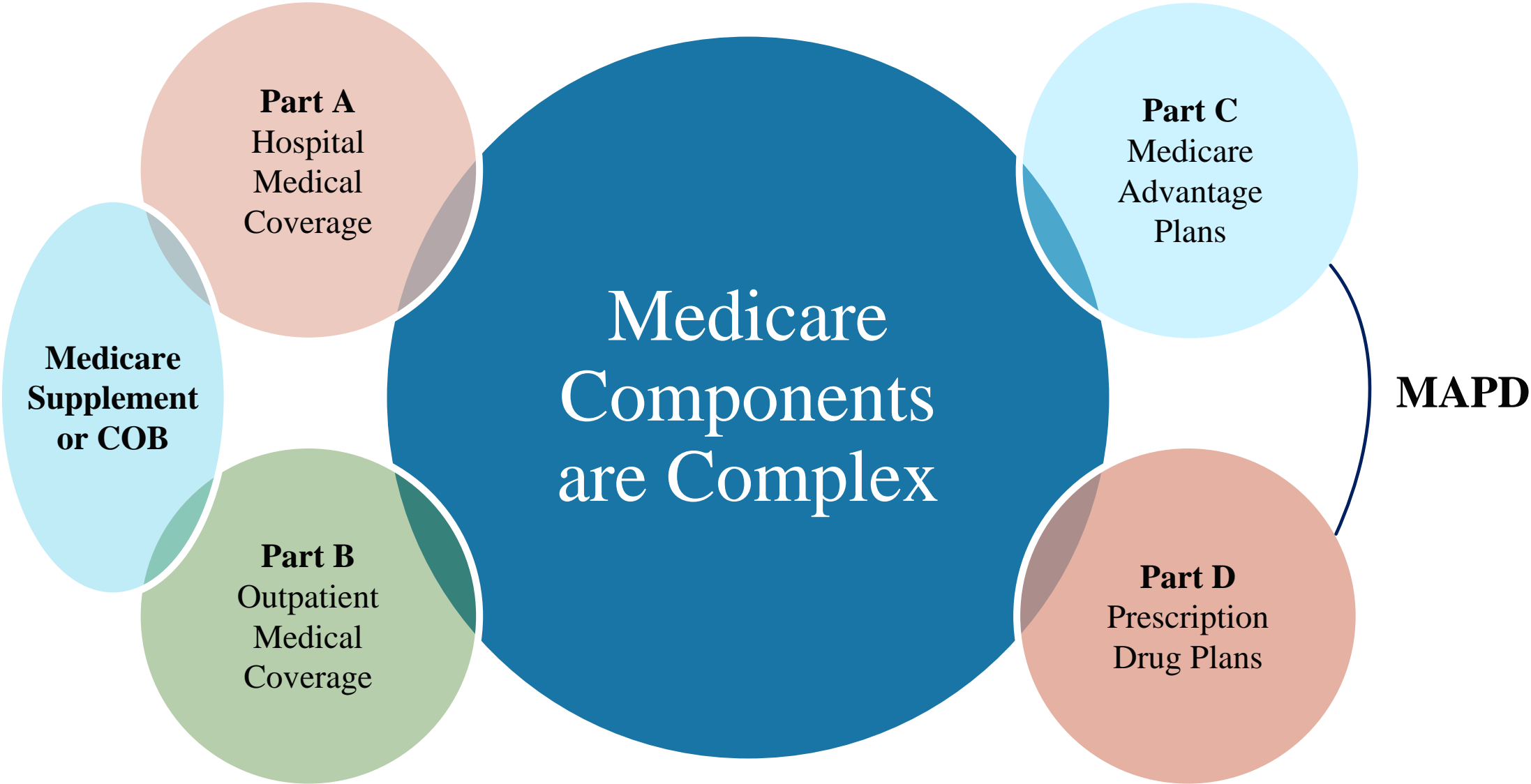
<https://www.healthsystemtracker.org/chart-collection/how-has-healthcare-utilization-changed-since-the-pandemic/> <https://finance.yahoo.com/news/best-commentary-medicare-advantage-utilization-134900230.html?guccounter=>

<https://www.healthcarefinancenews.com/news/humana-second-medicare-advantage-insurer-report-high-utilization>

How Are Carriers Reacting?

- More selective in new bids.
- Reticent to provide rate locks and multi-year guarantees.
- Rate conservatism in preparation for the unknowns in 2025.
- MA, MAPD and PDP premium increases, on average in the lower to mid-single digit range, is higher for 2024 than in the last several years.





Despite Challenges, It's Still a Competitive (MA/MAPD) Market

Clients are looking for guidance on:

- Transition support
- Regulatory changes
- Product positioning and strategy
- Inaccurate perceptions of Medicare





Challenges Clients Face

Challenges Clients Face

1. Costs and Plan Design
2. Heavy Administrative Workloads
3. Enhancing and Preserving Benefits for Retirees





Challenge #1: Costs and Plan Design

Properly Design the Plan

By identifying the right Medicare product and plan, you can help plan sponsors realize cost savings and enhanced benefits.

- Medicare Supplement
- Medicare Advantage (MA) and Medicare Advantage Prescription Drug (MAPD)
- Medicare Part D

Flexibility in Benefit and Network Design

Group MA/MAPD

- Match or enhance current benefits
- Open Network over closed network
- PPO over HMO

Plan Improvement Ideas

- Reduce/eliminate deductible and copays to lower out of pocket costs
- 90-day supply of meds at retail pharmacies
- Additional ancillary benefits
 - Vision coverage
 - Dental coverage
 - Hearing coverage
 - Routine Podiatry/Chiropractic/Acupuncture
 - Non-Part D Drug Coverage
 - Private duty nursing
 - Fitness benefit
 - Meal delivery post-discharge



Challenge #2: Heavy Administrative Workloads

Heavy Administrative Workloads

Your clients' retiree healthcare plans are overwhelming them.

They're busy:

- Enrolling
- Communicating
- Managing
- Answering
- Advocating
- Updating
- Enhancing
- And more





Challenge #3: Enhancing and Preserving Benefits for Retirees

Enhancing & Preserving Benefits

- Identify Medicare products and plans that are ideal for a plan sponsor's retirees within their budget, reducing costs and OPEB liabilities.
- Retirees receive rich benefits, feel confident in their coverage, and retirement.
- Finding a retiree health benefits management partner *rooted in advocacy* that's an extension of your team helps streamline and limit changes for the member, maintaining a stress-free experience.

Breaking Through the Noise: *Communications are Key*

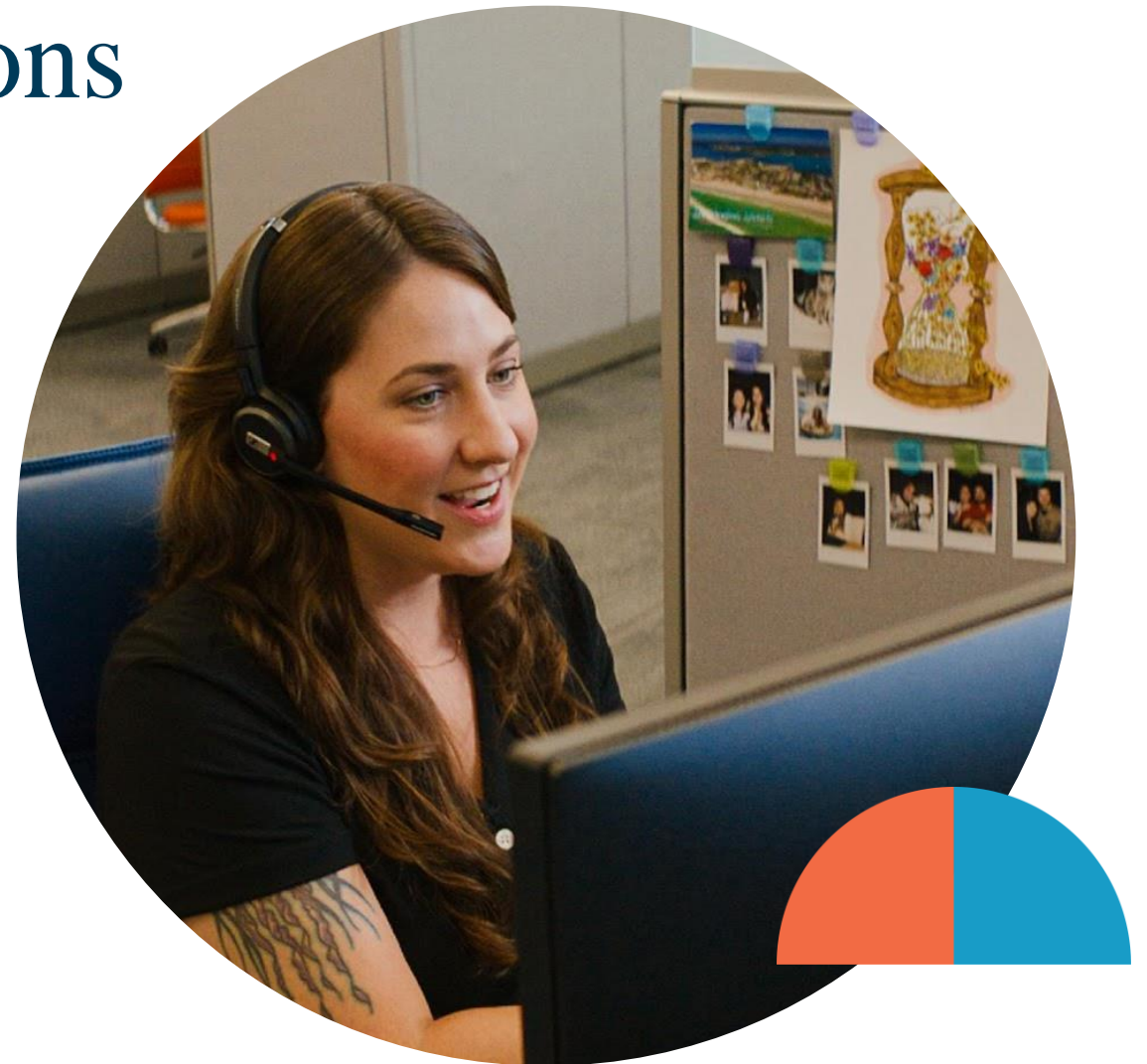
High-touch communications through various mediums:

- In-person meetings
 - Use printed handouts
- Educational webinars with one-click access on video conference platforms
- Videos
- Letters and documents
 - Call out plan improvements
 - Emphasize timeline of deliverables for retirees
 - Written for an eighth-grade reading level with 12 pt font
 - Do not use acronyms
- Simple web pages



Common Retiree Frustrations and Questions

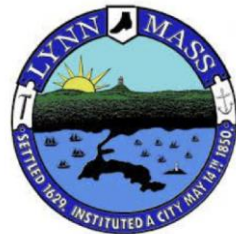
1. Does my plan cover this?
2. Do I owe this bill?
3. Is my drug covered?
4. I'm turning 65 soon, what do I do?
5. Is my doctor in network?
6. Can I go to this pharmacy?
7. Other



Successful Broker Case Study: Public Sector

Two mid-sized Massachusetts municipalities, the City of Lynn and City of Fall River, were facing a myriad of financial and administrative challenges.

- RetireeFirst partnered with an insurance broker to calculate a cost-benefit analysis to determine which group retirees should be moved over to a Medicare plan to save the most money, while also enhancing the overall benefit and care experience for their members
- Facilitating Medicare Migration requires a depth of expertise and resources, as the process is time-intensive and costly for municipalities.



Successful Medicare Migration Results



35 Members

Migrated to Medicare

Migrated 35 members to Medicare, thus enhancing the retirees benefits and strengthening the position of Medicare medical and prescription drug plans.



+380k Annual

Cost Savings

Contributed to cost savings of more than \$380,000 annually, significantly reducing the financial burden off the municipalities.



Dozens

of Hours Saved

Saved the municipalities dozens of hours by having RetireeFirst manage the migration process and all associated administrative tasks.



Pathways to Address Client Challenges

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Plan Sponsors

- Costs and plan design
- Heavy administrative workloads
- Enhancing and preserving benefits for retirees

You

- Client concerns
- Nuanced aspects of group retiree health benefits
- Effective support
- Tailored solutions

Medicare Expertise

- Market intelligence
- Carrier relationships
- Seamless transition support
- Ongoing retiree advocacy

RetireeFirst

Q&A

We would love to hear from you.

Website: RetireeFirst.com/webinars

Email: info@retireefirst.com

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with One of Our
Advisors:**

