

2025 Changes to Consider

Phase 3: Rebalancing Premiums

At the August 2023 rate renewal meeting, the Board voted to continue the phased approach to rebalancing premiums gradually across all plans over the next several years. For 2024, the board voted for a overall/aggregate increase of 3%. Based on the Terry Group's recommendation, the board elected to adjust the out of pockets on certain plans to better reflect the intended benefit differences of MDA's current suite of plan designs. They also elected to balance the rates between areas 1 and 4 and areas 2 and 3.

Plan	2023 Benefit Value	2024 Benefit Value	2024 Area 1 & 4 Increase	2024 Area 2 & 3 Increase
Plan 0	81.7%	81.7%	1.39%	1.75%
Plan 1	82.2%	84.1%	0.32%	0.80%
Plan 2	80.3%	81.7%	1.42%	1.78%
Plan 3	77.8%	78.7%	2.03%	1.61%
Plan 4	76.0%	76.5%	2.34%	2.48%
Plan 5	75.9%	77.8%	2.43%	3.84%
Plan 6	72.9%	72.5%	2.58%	3.58%
Plan 8	74.2%	74.2%	3.18%	3.27%
Plan 10	70.7%	70.7%	5.30%	5.34%
Plan 11	74.6%	74.6%	3.73%	3.82%
Plan 12	72.9%	72.5%	5.60%	5.65%

C&B and the Terry Group recommend that the premium rebalancing efforts continue into future rating periods. Currently the leaner plan offerings (8,10,11,12) are still less expensive than expected compared to their benefit value. Raising premiums on those plans faster relative to the other plan offerings will result in a premium distribution more reflective of plan benefits.

Tiered Network Plan Design Options

Priority Health has a tiered network offering for southeast and western Michigan available to their small and large groups.

Providers are separated into two tiers: Tier 1 and Tier 2. If a member chooses care through a Tier 1 provider, they will benefit from lower coinsurance, copays, and deductibles. When a member picks a Tier 2 provider, employees will still have access to the Priority Health network. However, they will have a higher cost share.

Western Michigan Counties		Southeastern Michigan Counties	
• Allegan	• Mason	• Wayne	• Livingston
• Barry	• Mecosta	• Oakland	• Washtenaw
• Calhoun	• Montcalm	• Macomb	• St. Clair
• Ionia	• Muskegon		
• Kalamazoo	• Newaygo		
• Kent	• Osceola		
• Lake	• Ottawa		
• Oceana	• Van Buren		

Priority Health is estimating an 8.5% in claims savings that are incurred in tier 1 of the tiered network plan.

Weight Loss Drug Coverage

Obesity is a serious chronic disease, and the prevalence of obesity continues to increase in the United States. Obesity-related conditions include heart disease, stroke, type 2 diabetes and certain types of cancer. When behavioral changes such as diet and exercise alone are not enough, and invasive and costly weight-loss surgery is too extreme for the member, weight-loss medications are a treatment option that can help people achieve meaningful weight loss and take steps toward better health. Sustained weight loss can have important health benefits, such as lowering blood pressure, blood sugar and triglyceride levels.

MDA elected to cover 4 generic weight loss medications and 3 brand name medications beginning 1/1/2023. Since 1/1/2023, there have been 240 fills for a total plan paid amount of \$8,318.

Priority Health also offers an enhanced weight-loss prescription drug rider that includes two GLP-1 drugs that are FDA approved for weight loss: Wegovy and Saxenda. These are injectable medications. Both medications would fall under tier 3. There are no parameters or prior authorizations needed to get a prescription filled. If the provider writes the prescription, it will be covered. There is no lifetime or yearly maximum, although there are quantity limits of 1 box per 3 days or 3 boxes per 90 days. Priority Health's estimated claims cost impact is 3.86% of total plan paid claims cost.

Doula Coverage

Doulas provide emotional and physical support to mothers before, during and after pregnancy and childbirth. They are not considered medical professionals but assist and advocate for the birthing parent. A recent Cochrane Review, *Continuous Support for Women During Childbirth*, showed a very high number of positive birth outcomes when a doula was present. With their support, women were less likely to have pain-relief medications administered and less likely to have a cesarean birth. Women also reported having a more positive childbirth experience¹. Other studies have shown that having a doula as a member of the birth team decreases the overall cesarean rate by 50%, the length of labor by 25%, the use of oxytocin by 40%, and requests for an epidural by 60%.²

Coverage for doulas would be subject to normal member cost share determined by the plan that they elect. The cost of a doula can range from \$2,000 to \$5,000 per pregnancy.

1. Childbirth Connection

2. Hodnett ED. Gates S Hofmeyr GJ. Sakala C. Continuous Support for Women During Childbirth. Cochrane Database of Systematic Reviews. CD003766, (2003).

PriorityGPS

PriorityGPS is an integrated member benefits navigation solution that provides health care navigation and advocacy, benefits and coverage guidance, and condition management and prevention. Each member on the plan is assigned a risk score, which leads to the member being engaged in a more personalized way which results in a positive experience for the member – and improved outcomes. Priority Health is estimating a 4.7% reduction in claims costs for plans that put PriorityGPS in place.

Pricing TBD.